

RASHTRIYA ISPAT NIGAM LIMITED
VISAKHAPATNAM STEEL PLANT
(A Govt. of India Enterprise)
Marketing Department
C-Block, 1st floor, Main Administration Building
Visakhapatnam –530 031.
Web: www.vizagsteel.com
Email:urs.csm@vizagsteel.com bharati@vizagsteel.com
Phone: 0891-2421104/2424125

OPEN E-TENDER NOTICE NO: VSP/MKTG/CONTRACTS/INSP18-19/02 DT: 16/01/2019

NOTICE INVITING E-TENDER FOR QUALITY AND PRE-SHIPMENT INSPECTION OF STEEL PRODUCTS INCLUDING VALUE ADDED FLATS (OTHER THAN TMT REBARS & STRUCTURALS) FOR DOMESTIC DESPATCHES

- 1.0 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. RINL/VSP has plans to sell about 52 lakh tonnes of steel per annum in domestic market. Shipment of Steel from Plant at Visakhapatnam is done by different modes of Transport-Road, Rail & Coastal movement.
- 2.0 RINL/VSP invites online TWO BID e-tender from experienced/established agencies for carrying out Quality and Pre-shipment inspection of its Steel products including value added Flats (other than Rebar & Structural) for Domestic despatches as detailed below:

Description of Work	Quality and pre-shipment inspection of Steel products including value added flats (other than Rebars & Structural) for Domestic despatches.
Tender type	Open e-tender (in electronic format only) under TWO BID system.
Availability of Tender document	RINL's SRM portal: https://srm.vizagsteel.com RINL's official website www.vizagsteel.com
EMD	Rs.7,50,000 /- (refer clause 8.0 of ITT)
Minimum tonnage handled per year	1,00,000 MT per annum for at least 3 years out of the preceding seven years.
Annual turnover (Rs. Crs)	50 lakhs per annum for the last three financial years
Mode of Submission of e-bid	The tenderer should get themselves register with RINL/VSP (URL: https://srm.vizagsteel.com) and get a User ID and password to Log-In and submit both Part-A (Technical RFX) and Part-B (Price RFX) online .
Last date and time of e- bid submission	Upto 11.00 Hrs (IST) on 06/02/2019
Tender opening date (TOD)	a) Part-A (Technical RFX) Offers with valid EMD shall be opened at 11.00 AM on next day of the last day of submission of e-tender. b) Part-B on later date under intimation to all the eligible tenderers.
Validity of Bid	3 months from the last date of submission of tender or 2 months from the date of reverse e-auction, whichever is later.
Contract period	One year from the date of LOA.
Security Deposit on award of contract	Rs. 41,00,000 /-
Contact person for any queries	AGM / DGM (Mktg Contracts) +Phone:0891-2421104/ 2424125

3.0 Pre-qualifications for participation in the tender :

1. **Worldwide presence** for carrying out Quality and Pre-shipment inspection of iron and steel and non-ferrous metal products preferably in USA, Europe, South East Asia and Middle East or acceptance as mandatory inspection agency in any other country in addition to the presence in India.
2. **Experience** in Quality & Pre-shipment inspection of iron and steel and non-ferrous metal products (semis & finished) for 1,00,000 MT per annum for at least three years out of the preceding seven years.
3. **Annual turnover** of 50 lakhs per annum for the last three financial years. As a proof, the tenderers are required to submit Profit & Loss Account and Balance Sheets for the immediate preceding 3 (three) years i.e 2015-16, 2016-17 & 2017-18. In case the accounts are not finalized for, 2017-18, provisional accounts duly certified by a Chartered Accountant are required to be submitted.
4. **Provident Fund (PF) Registration** at Provident Fund Organisation, Government of India.
5. Registration under **Employees' State Insurance Act, 1948** or **Employees' Compensation Act, 1923**.
6. The tenderer shall upload the following scanned documents along the technical bid online. Tenderer should be in a position to produce original documents in support of the same before opening of the online price bid, on demand. Failure to produce the original documents in support of the documents uploaded earlier would result in disqualification.
 - a. Partnership Deed / Article of Association / Memorandum of Association/Bye – laws etc. as applicable.
 - b. Experience certificate from employer stating proof of satisfactory execution and completion of the contract[s] besides duly certifying nature, period of contract, and value of work handled.
 - c. Profit & Loss Account and Balance Sheet for the immediate preceding three years i.e. 2015-16, 2016-17 & 2017-18. In case the accounts are not finalized for 2017-18, provisional accounts duly certified by a Chartered Accountant are required.
 - d. Income Tax return for preceding three years duly acknowledged by Income Tax Department, Govt. of India.
 - e. PF Registration Certificate. Also a certificate from the Regional PF authorities confirming that the PF account is under operation and with details of the deposits credited to their RPF account during the last one year.
 - f. Certificate as per Employees' State Insurance Act, 1948 / Employees' Compensation Act, 1923.
 - g. In case (e) & (f) above is not available, tenderer shall submit a letter of undertaking to submit the same before commencement of contract.
 - h. Copy of GST registration certificate.
 - i. Tender document duly signed and stamped on all pages as a proof of acceptance that they form part of the contract.

4.0 Availability of Tender Documents:

Interested Bidders may please visit the following for downloading

- a) RINL's SRM portal: <https://srm.vizagsteel.com> to view the RFX No 2400000250 and to download the bidding documents from publisher folder of the RFX and submit the bid.
- b) RINL's official website www.vizagsteel.com for downloading tender document consisting of Notice Inviting Tender, Instructions to tenderer, scope of work, terms & conditions of the contract, Price bid (schedule of Rates -I & II) & Annexures with free of cost.

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.

5.0 E-RFX submission procedure - 2 PART:

- 5.1 RINL is employing SAP SRM 7.0 for Electronic Tendering System. E-RFx Response to be submitted electronically through System only. No physical paper/print needs to be submitted. Bidders need to have User ID and Password to participate in SRM E-Tenders. All enlisted vendors of RINL would be provided User ID and password for participating in RINL E-Tenders. If a Bidder who wish to participate is not presently enlisted with RINL or not having User ID Password can obtain the same through Registration of Suppliers (RoS) system by providing requisite details well before the RFX Submission deadline. Bidders to go through the User Manual of RoS system available in SRM Portal for detailed steps for obtaining User ID & Password.
- 5.2 In 2-Part E-RFx, Technical RFX Response is uploaded to PQC/Tech RFX cFolder and Price RFX is quoted in Biding Engine.
- 5.3 E-Tendering User Manual available in SRM Portal contains the procedure participating in RINL E-Tenders.
- 5.4 Bidders to ensure the following before submitting the 2-Part E-RFx Response :
 - a) All Mandatory questions are answered and Requisite documents are uploaded into PQC c Folder including the EMD Submission proof.
 - b) All Techno-Commercial documents required as per tender document are uploaded into "Tech RFX" cFolder.
 - c) Prices and Taxes (Conditions) are quoted in the bidding engine.
- 5.5 Then upon ensuring confirmation of RFX response is complete and contains no errors, RFX Response to be submitted.
- 5.6 Bidders to ensure that E-RFx Response submission is done before "Submission deadline date & Time" indicated in the NIT Key information at 2 above.
- 5.7 RFX can be "withdrawn" and modified as long as "Submission deadline date & Time" is not over. RFX Response cannot be modified once Submission deadline time passed.

6.0 E-RFX opening procedure - 2 PART:

- 6.1 E-RFX responses are opened in the system electronically.
- 6.2 System allows opening of RFX responses only after the specified date and Time as indicated at para 2.0 key information above. Authorized Tender opening officers through the process of "Simultaneous Log-on" shall open the RFX Responses in System.
- 6.3 For 2-Part E-RFX first "PQC" & "Tech RFX" cFolders are opened in the system through Simultaneous Log-on Process. Then Price RFX responses will be opened on a specified Date & Time through Simultaneous Log-on process for Techno-Commercially Accepted Responses on intimation to Bidders.
- 7.0 **Validity of offer:** The offer is to be kept valid for a period of 3 months from the last date of submission of tender or 2 months from the date of reverse e-auction, whichever is later.
- 8.0 **Earnest Money Deposit (EMD):** Tenderer should submit EMD of Rs. 7,50,000/- as detailed at 8.0 of ITT.
- 9.0 **Contract Period :** One year from the date of issue of Letter of Acceptance or as specified in the LOA, whichever is later.
- 10.0 RINL/VSP reserves the right to accept or reject any or all tenders either in part or in full without assigning any reasons thereof and without any liability to RINL/VSP.
- 11.0 Tenders not satisfying the pre-qualifications criteria and without requisite EMD shall be summarily rejected.
- 12.0 Negotiation- RINL/VSP reserves the right to negotiate with the L-1 tenderer after opening of the tenders. Non-compliance by the party to such a request for negotiation shall render their tender liable for rejection.

Dy. General Manager(Mktg)-Contracts

INSTRUCTIONS TO THE TENDERER

- 1.0 The tenderer should note the following instructions before quoting the tender. These instructions along with conditions referred in Notice Inviting Tender (NIT) and the Terms and Conditions of the contract, scope of work enclosed with the tender schedule shall form the basis of the contract.
- 2.0 Tenderers should quote their tender based on the Terms & Conditions and scope of work provided in the Tender Schedule only. No other terms & conditions stipulated by the tenderer along with the quotation would be accepted by RINL/VSP and RINL/VSP may reject the said conditional offer / offers summarily.
- 3.0 Claims and objections due to ignorance of conditions of site / sites will not be considered after submission of the tender.
- 4.0 Tenderer shall quote the rate (Rs/MT) of BOQ items mentioned at Schedule of Rates-I of Price bid in Rupees and paise only.
- 5.0 **EVALUATION OF THE TENDER/L-1 RATES:**
 - (i) The Indicative quantity of BOQ item (1A) is mentioned at Schedule of Rates-I of Price bid for which tenderer shall quote their Rate per MT online through VSPs SRM Portal: <https://srm.vizagsteel.com> along with technical offer.
 - (ii) The Fixed rate shall be given by VSP in respect of those items at Schedule of Rates-II of Price bid. By submission of the tender it is implied that the tenderer has accepted the fixed rates declared by VSP for the items and are shown at Schedule of Rates-II of price bid.
 - (iii) Based on the above, the system shall arrive at the total quoted value, which shall include the value of BOQ item mentioned at Schedule of Rates-I and the same shall be considered for the purpose of evaluation.
 - (iv) RINL/VSP conducts reverse e-auction for finalizing the tender, in all the cases except RST (Resultant single tender). In such case, all the technically qualified tenderers may participate in the reverse e auction. Details of online bidding procedure and User manual etc shall be communicated to all the techno commercially qualified bidders at an appropriate time.
 - (v) During the reverse e-auction process, the bidders shall bid their total contract value per annum on online basis with minimum bid decrement value as decided by the Company.
 - (vi) After the reverse e-auction is conducted, the Price RFXs (Part-B) of all the technically qualified tenderers received along with the Techno Commercial offers, irrespective of whether they have participated in the Reverse E auction or not, shall be opened within a reasonable period.
 - (vii) A composite comparative statement shall be made considering Reverse e-auction data and Price RFX data of all the technically qualified bidders, based on which the final L-1 contract value will be arrived.
 - (viii) Relative ranking will be given based on the total value of work calculated based on the unit rates quoted by respective tenderers against each item mentioned in the schedule of rates -I and the quantity indicated in the Schedule for the same and the contract awarded to the L-1

tenderer. The total of Schedule of Rates-II value to be added to Schedule of Rate-I value to arrive the total contract value for evaluation.

- (ix) Finalization of BOQ item rates shall be as follows:
- (a) In case the L-1 contract value is lower in Reverse E auction, then the corresponding Price RFX individual BOQ item rates {excluding for the items where the rates are fixed by the Company at tendering Stage mentioned at Schedule of Rates-II of Price Bid } would be proportionately reduced to equal to the quoted value in the reverse e- auction bid and considered for award of contract, along with the items mentioned at Schedule of Rates-II of Price Bid with the rates fixed by the Company. In cases where the factor of proportionate reduction is more than two decimal places, the factor would be limited to two decimal places by rounding off to the next higher decimal.
 - (b) In case the L-1 contract value is lower in Price RFX, the individual BOQ item rates (mentioned at Schedule of Rates-I of Price Bid) quoted in the Price RFX and the items where the rates are declared by the Company at Tendering Stage (mentioned at Schedule of Rates-II of Price Bid) shall be considered for award of contract to the tenderer.
- (x) However, in case reverse e-auction is not conducted, RINL will open the price RFX submitted by the bidder and processes the tender as per the prevailing tendering procedures of RINL.
- (xi) The tenderers may note that in case of reverse e auction
- (a) The quoted contract value shall be valid for a period of 2 months from the date of reverse E auction.
 - (b) The base date shall be the last date for submission of price bid/Revised price bid (in case of rates settled through negotiations, the base date shall be the date of confirmation of such rates by the tenderer unless otherwise agreed).
- (xii) Purchase preference will be given to PSUs wherever applicable as per DPE Guidelines / or any other Government guidelines in force.
- 6.0 No guarantee can be given as to the definite volume of tonnage that may be entrusted to the successful tenderer throughout the period of the contract. However an indicative pattern of quantity estimated is given in the schedule of rates, which the tenderers shall be deemed to have read and understood. The estimated quantities given are purely indicative and projected only to enable the Tenderer in arriving at the value of the tender and the approximate facility required to be provided by him. Variation in quantity without any limit shall not entitle the successful tenderer for any revision of rates. The successful tenderer agency will have no claim against RINL/VSP, in case any of his facilities or labour remain idle or for any other expenses incurred by him due to the flow of work not being continuous or for stoppage of work.
- 7.0 The tenderer should quote rate (Rs/MT) for the quantities mentioned at Schedule of Rates –I of Price bid online through VSPs SRM Portal: <https://srm.vizagsteel.com> along with technical offer. The tenderer is advised to take into account all factors connected with operations under the contract while quoting the rates. While quoting the rates, the tenderer shall include all taxes, duties, charges and any other statutory levies by GOVERNAMENT OF INDIA, GOVERNAMENT OF ANDHRAPRADESH etc., excluding Goods and Service Tax (GST). Any changes in the taxes,

duties, levies (both upwards or downwards, including imposition of new taxes, duties, levies or withdrawal of existing taxes, duties, levies) during the tenure of the contract would be paid or recovered by RINL based on the documentary proof as required. (refer clause 9.2 of Terms and conditions).

8.0 **EARNEST MONEY DEPOSIT (EMD):**

8.1 Tenders/bids shall be accompanied by EMD in the form of RTGS/NEFT/DD/Pay Order/Banker's Cheque for Rs 7,50,000/- (Rupees One lakh Seventy five thousand) on the last date and time of submission of tender.

a) The tenderer shall submit EMD in the form of RTGS/NEFT to RINL Account as detailed below:

BANK ACCOUNT NO:	915020053600067
BANK NAME	AXIS BANK
IFSC CODE	UTIB0000075

b) EMD can also be submitted in the form of account payee Demand Draft / Pay Order/Banker's Cheque drawn in favour of Rashtriya Ispat Nigam Limited, Visakhapatnam Steel Plant on any Scheduled Commercial Bank (not co-operative banks) payable at Visakhapatnam. No other mode of payment will be accepted.

8.2 Tenders not accompanied with EMD shall not be considered as valid. EMD of successful tenderer will be converted into part security deposit, which shall be released only after satisfactory completion of work. Instruments of Co-operative Banks will not be accepted.

8.3 Government Undertakings / Enterprises are exempted from submission of Earnest Money Deposit. The submission of EMD by MSMEs is governed by Govt. notification. Proof of registration for relevant services with concerned authority i.e. presently NSIC as MSMEs is to be submitted.

8.4 No interest shall be paid on the Earnest Money deposited. If the tenderer after submitting his tender, revokes his offer or modifies the terms and conditions thereof in a manner not acceptable to RINL/VSP, EMD shall be liable to be forfeited.

9.0 **SECURITY DEPOSIT:**

9.1 The Security Deposit for the subject work is Rs.41,00,000/-(Rupees Forty one lakhs only) . Upon acceptance of the Tender, the successful tenderer shall, within seven days from the date of Letter of Acceptance, deposit the above SD amount with RINL/VSP by way of Account Payee Demand Draft/Pay Order/Banker's cheque drawn in favour of Rashtriya Ispat Nigam Limited, Visakhapatnam payable at Visakhapatnam or by way of BG (in the prescribed form available at **Annexure-C**) from any scheduled commercial bank (excluding co-operative banks).

9.2 Upon submission of Security Deposit as above the EMD submitted along with the tender shall be returned. Alternatively the tenderer has the option to adjust the EMD amount submitted along with the tender against Security Deposit and the balance SD may be deposited by way of DD/PO/BC/BG. The successful tenderer will be allowed to execute the contract and commence work only after submission of Security Deposit in the prescribed/accepted form. In case of failure to deposit the SD amount within Seven days from the date of issue of LOA including any extensions granted by RINL/VSP at its sole discretion will make the Earnest Money deposited by the tenderer, liable to forfeiture and the acceptance of his tender shall be considered as withdrawn.

The Security Deposit shall be for the due and faithful performance of the contract and shall remain

binding not withstanding such variations, alterations or extensions of time as may be made, given, conceded or agreed to between the successful tenderer and RINL/VSP under these Terms and conditions of contract or otherwise.

- 9.3 The Security Deposit furnished by the successful tenderer will be subject to the terms and conditions of the contract finally concluded between the parties and RINL/VSP will not be liable for payment of any interest on the Security Deposit or any depreciation thereof.
- 9.4 The Security Deposit is liable to be forfeited or appropriated towards any loss that may be sustained by RINL/VSP as a result of any act or omission on the part of the successful tenderer.
- 9.5 The Security Deposit will be returned on due and satisfactory performance of the work and on completion of all obligations by the successful tenderer under the contract terms and the submission of a "NO DEMAND CERTIFICATE" from the Manager. Before release of the Security Deposit, the successful tenderer shall submit (1) a certificate to the effect that he has no claim(s) against RINL/VSP under the contract (2) clearance from the Contract Labour Cell of RINL/VSP and CISF authorities in the plant and other formalities that RINL/VSP may prescribe from time to time. However, if any of the Bills submitted by the successful tenderer for works done / obligations discharged as per the contract remains pending at the time of furnishing the above certificate, the certificate may be furnished in the following manner.
- "I/We hereby certify that there are no claims against Rashtriya Ispat Nigam Limited under the contract (No. for the work) except to the claim preferred by me/us as for the bills mentioned hereinafter".
- 9.6 In the event of any breach of any of the terms and conditions of the contract, RINL/VSP shall have (without prejudice to other rights and remedies) the rights (i) To terminate the contract (ii.) to suspend further allocation of work to the successful tenderer and (iii) to forfeit the Security Deposit furnished by the successful tenderer or to appropriate the Security Deposit or any part thereof in or towards the satisfaction of any sum due for any damages, losses, charges, expenses or costs that may be suffered or incurred by RINL/VSP due to successful tenderer's negligence or unsatisfactory performance of any service under the contract. The decision of the Manager in respect of such damages, losses, charges, costs or expenses shall be final and binding on the successful tenderer.
- 9.7 In the event of the Security Deposit being insufficient or if the Security Deposit has been wholly forfeited the balance of the total sum recoverable as the case may be, shall be deducted from any sum then or thereafter become due to the successful tenderer under this or any other contract with RINL/VSP. Should the sum also be not sufficient to cover the full amount recoverable, successful tenderer shall pay to RINL/VSP on demand the remaining balance due.
- 9.8 Whenever the Security Deposit falls short of the specified amount the successful tenderer shall make good this deficit so that the total amount of Security Deposit shall not at any time be less than such specified amount.
- 10.0 The validity of offer is to be kept valid for a period of 3 months from the last date of submission of tender or 2 months from the date of reverse e-auction, whichever is later.
- 11.0 RINL/VSP would provide as per its convenience sample re-checking facility in RINL/VSP's laboratory, office space inside the plant, electricity and water at free of cost. The gate passes for the workers/employees of the successful tenderer would be provided by RINL/VSP at nominal charges.

12.0 --

13.0 **INTEGRITY PACT:**

- 13.1 The Company requires that bidders/suppliers/contractors under this contract, observe the highest standard of ethics during the execution of this contract. In pursuance of this policy, the Company defines, for purpose of these provisions, the terms set forth below as follows. "Corrupt practice" means the offering, giving, receiving or soliciting of anything of value to influence the action of a Public official in contract execution and "fraudulent practice" means a misrepresentation of facts in order to influence the execution of a contract to the detriment of the Employer, and includes collusive practice among Bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the Company of the benefits of free and open competition. The Company will reject a proposal for award of work if it determines that the bidder recommended for award had engaged in corrupt or fraudulent practices in competing for the tender in question. The Company will declare a bidder ineligible, either indefinitely or for a stated period of time, to be awarded contract/ contracts if it any time determines that the bidder has engaged in corrupt, or fraudulent practices in competing for, or in executing, the contract.
- 13.2 The tenderer is required to unconditionally accept the Integrity pact enclosed at **Annexure-E** of ITT and shall submit the same duly signed along with his offer. The offer of the tenderers received without duly signed integrity pact format, shall not be considered.

**SCOPE OF WORK FOR INDEPENDENT INSPECTION AGENCY
FOR QUALITY AND PRE-SHIPMENT INSPECTION
OF STEEL PRODUCTS INCLUDING VALUE ADDED FLATS (OTHER THAN TMT REBARS &
STRUCTURALS) FOR DOMESTIC DESPACHES**

1.0 QUALITY INSPECTION AT PLANT:

- 1.1 To check the input Bloom/ Billet heat numbers during charging to ensure feeding of correct grade material in the furnace.
- 1.2 Inspection and tracking of material during rolling of finished products in the Mills.

2.0 PRE-SHIPMENT INSPECTIONS AT PLANT SITE:

- 2.1 Checking of tags details, counting of number of bundles/coils/pieces in higher section of Rounds (45mm above), Blooms & Billets and submission of tallying report product wise of each campaign along with relevant heat no's to respective loading In-charges for generation of Test Certificate and also Engineer In-charge for record.
- 2.2 Inspection of loading of materials into the trailers/trucks/wagons from shipping yard & specified yard within Plant premises.
- 2.3 Material with Short edges / physical visible defects such as cracks/seems are to be kept aside and not to be cleared for loading.
- 2.4 Inspection of marking/painting of color codes as per assigned grade.
- 2.5 Inserting " Accepted Sticker or Tag after clearing the material.

In case if the materials to be inspected from the available stacks, the agency has to undertake off – line inspection regarding the suitability of the material for despatch as per the specifications. Once the agency satisfies the suitability of the material for despatch, the agency has to perform other activities mentioned at Sl. No. 2 .1 to 2.5 above. The payment for this item will be paid as Per BOQ item No: 2(A) -Steel.

3.0 DEPLOYMENT OF MANPOWER

- 3.1 The agency's personnel should be available on time for inspection at plant, round the clock in 3 shifts and at the designated places at plant at Visakhapatnam as and when required, so that there is no delay in production or loading/unloading or movement of materials at any stage. In case of non-availability of the agency's personnel at the plant/port is observed by RINL/VSP, a fine upto Rs.1000/- in each case shall be collected from the bill of the agency. The decision of Visakhapatnam Steel Plant in this regard is final and binding on the inspection agency. No claims what so ever will be entertained in this regard.
- 3.2 The agency personnel shall at all times be under the direct control and supervision of the agency.

TERMS AND CONDITIONS OF THE CONTRACT**1.0 DEFINITIONS**

The following terms or expressions, as used in "Terms and Conditions of the Contract" "Scope of work" "Instructions to tenderers" "Notice Inviting Tender (NIT)" and "Tender Schedules" shall have the meaning hereunder except where the context otherwise requires.

- 1.1 "EMPLOYER/RINL/VSP" shall mean Rashtriya Ispat Nigam Limited, Visakhapatnam Steel Plant. Incorporated under the Companies Act. 1956, with their registered office at Administrative Building, Visakhapatnam - 530 031 and having their Visakhapatnam Steel Plant at Visakhapatnam and shall include RINL/VSP's representatives, their successors and assigns.
- 1.2 "Plant" or "VSP" shall mean the Plant the project or scheme in respect of the Employer's Visakhapatnam Steel Plant.
- 1.3 "Site" shall mean the place or places envisaged by the Employer at which the services are to be performed under the contract.
- 1.4 "Tenderer" shall mean the person, firm or corporation submitting a tender against the NIT and shall include his/ its/ their heirs, executors, administrators, legal representatives, successors and assigns.
- 1.5 "Contractor/Agency" shall mean the tenderer whose tender has been accepted and shall include his/ its/ their heirs, Executors, Administrators, legal representatives, successors and assigns approved by RINL/VSP.
- 1.6 "Approved" shall mean approved in writing including subsequent written confirmation of previous verbal approval and "Approval" shall mean approval in writing including as aforesaid.
- 1.7 "The Contract" shall mean the NIT, ITT, Scope of work, Terms and conditions of contract, Rates and amounts accepted against the items of the Schedule of rates together with all correspondence entered into between the Tenderer and RINL/VSP prior to the issue of the Letter of Acceptance awarding the work, the Contract Agreement/Work Order and any other documents specifically indicated therein.
- 1.8 "NIT" shall mean and/or include enquiry for the performance of service or services in connection with the activities of "carrying out quality and pre-shipment inspection of Steel products including value added Flats (other than Rebar & Structural) of RINL/VSP for Domestic despatches".
- 1.9 "Manager" means In charge of Planning & Logistics Section, Marketing department. He will be the Manager who will be coordinating the operations under the contract including due certifications wherever required.
- 1.10 "Weight" shall mean the calculation of a load. It is to be stated in Metric Tons (1 Metric Ton = 1000 Kgs.) and/or in Kgs. (1 Kg = 1000 Grams). One ton shall mean Metric Ton.
- 1.11 "Time" shall be reckoned by months, days and hours, the period of a month being equivalent to the calendar month according to the Gregorian Calendar.
- 1.12 "Supervision" shall mean the successive control and directions given by the Employer or VSP or his Representative in relation to contract work.
- 1.13 "The Inspector/Inspection officer" shall mean any person of the Contractor nominated by or on behalf of the RINL/VSP to inspect materials or work under the contract or his duly authorized agent.

- 1.14 "In Writing" or "Written" shall mean and include writing, typing, printing and lithography and any other mode of representing or reproducing words in a visible form.
- 1.15 "Notice in Writing" or "Written Notice" shall mean notice in written typed or printed Characters delivered personally or otherwise proved to have been sent by registered post to the last known private or business house or registered office of the addressee and shall be deemed to have been received when in the ordinary course of post it might have been delivered.
- 1.16 "Letter of Acceptance" shall mean intimation by a letter to Tenderer that the tender has been accepted in accordance with the provisions contained in the letter.
- 1.17 Words importing persons shall include firms, Corporations, associations or body of individual incorporated or not. Words importing masculine or singular number shall also include the feminine gender number and vice versa where the contract so requires.

2.0 LANGUAGE:

- 2.1 The contract agreement and all correspondence between RINL/VSP and the successful tenderer shall be in English language.

3.0 HEADING AND NOTES:

- 3.1 The headings and notes in these Terms & Conditions are solely for the purpose of facilitating reference and shall not be deemed to be part thereof or be taken into consideration in the interpretation or construction thereof of the contract.

4.0 VALIDITY:

- 4.1 The contract shall be valid for a period of one year from the date of issue of LOA or as specified in the LOA, whichever is later.

5.0 PAYMENTS:

- 5.1 Bills will be paid on monthly basis. Income tax, GST or any other taxes or duties which RINL/VSP may be required by law to deduct, shall be deducted at source and the same shall be paid to the appropriate Tax Authorities and RINL/VSP shall provide the agency with required tax deduction certificate.

For the services rendered/work executed by the agency in the previous month, bill shall be submitted by 7th of the next month. Subject to correctness of the bill w.r.t., contract and all the required documents are enclosed, payment shall be made after one calendar month thereafter i.e., on 7th of the subsequent month or next working day (in case if the 7th day of subsequent month falls on a non working day of RINL/VSP). In case the successful tenderer submits previous month's bill after 7th of next month, the payment shall be made on 30th day of submission of the bill or next working day. In case bills are incorrect, incomplete etc., the same would be returned by Marketing/Finance department of RINL/VSP within 10 days to the agency. Revised bill with all required documents and necessary corrections to be re-submitted and the payment will be released on 30th day or next working day (in case if the 30th day falls on non working day of RINL/VSP) after the date of resubmission of the bill.

- 5.2 Bills are to be submitted, in the prescribed format as designed by the employer with all supporting documents and Certificates / Certifications. The basis of payment shall be as per **Annexure-A**.

5.3 ----

- 5.4 Deductions from Contract Sum: RINL/VSP shall be entitled to recover all costs, charges, damages, or expenses which RINL/VSP has paid for which under the contract the agency is liable, by appropriating in part or whole from any sum that may be due or which at any time thereafter may become due to the agency under this or any other contract with RINL/VSP.
- 5.5 The Payments shall be made by Electronic Fund Transfer to the Bank account of the Successful tenderer. The Successful tenderer shall be required to furnish necessary details for payment by Electronic Fund Transfer in the format prescribed at **Annexure-B**.
- 5.6. In case of revision in RINL/VSP approved wage rate, consequent to the revision in the minimum wages (either in Basic Wage or Living Allowances) as notified by the Regional Labour Commissioner (Central), Visakhapatnam, Escalation amount to the contract shall be payable as per the following formula:

$$V = L * W * (X - X_0) / X_0$$

WHERE:

V= Escalation Payable

L= Labour Content as Percentage of the Work is **60% (Sixty Percent)** Only.

W=Gross value of work done on the basis of Contract Rates for the period for which variation is applicable

X=Revised weighted average of RINL/VSP approved wage rates of Unskilled Worker, Semiskilled Worker and Skilled Worker based on the minimum wages as notified by the Regional Labour Commissioner (Central), Hyderabad, for the period under consideration for the contract on the basis of actual man days present by different categories of contract labour during the billing period.

X₀=Weighted average of existing RINL/VSP approved wage rates of Unskilled Worker, Semi skilled Worker and Skilled Worker considered as on base date which is indicated in the Quote Sheet – Form “SCHEDULE of Rates – I & SCHEDULE of Rates- II” / BOQ of the Tender document on the basis of actual man days present by different categories of contract labour during the billing period.

Computation of X and X₀:

$$X = (a * USR + b * SSR + c * SKR) / (a + b + c)$$

$$X_0 = (a * USR_0 + b * SSR_0 + c * SKR_0) / (a + b + c)$$

Where

a= man days present by USW during the billing period

b= man days present by SSW during the billing period

c= man days present by SKW during the billing period

USR= Revised RINL/VSP approved wage rate for USW at the time of billing

SSR= Revised RINL/VSP approved wage rate for SSW at the time of billing

SKR= Revised RINL/VSP approved wage rate for SKW at the time of billing

USR₀= RINL/VSP approved wage rate for USW as on base date

(Form SCHEDULE – I & SCHEDULE II)/BOQ of the Tender Document.

SSR₀= RINL/VSP approved wage rate for SSW as on base date

(Form SCHEDULE – I & SCHEDULE II)/BOQ of the Tender Document.

SKR₀= RINL/VSP approved wage rate for SKW as on base date

(Form SCHEDULE – I & SCHEDULE II)/BOQ of the contract

Note:

- (i) The tenderer is deemed to have quoted after considering the RINL/VSP approved wage rates for estimation purpose prevailing on the base date. The latest available RINL/VSP approved wage rates applicable for the period 01.04.2018 to 30.09.2018 are given below for better understanding:

	For USW in Rs.	For SSW in Rs.	For SKW in Rs.
VSP approved Rate/day for Est. purpose	776.30	874.65	1016.90

However these rates may change depending on the base date. Tenderers may approach the company for the latest approved rates in this regard.

- (ii) Tender (technical bid) opening date shall be considered as the base date.
- (iii) Where re-bids are obtained and/or rates are revised during negotiation, the base date for escalation referred above shall be the date of opening /submission of revised quotation/negotiation and not the date of opening of the tender as referred in para (ii) above.

6.0 CONTRACT LABOUR (REGULATIONS AND ABOLITION) ACT, 1970:

- 6.1 The agency shall obtain necessary Licence contemplated under section 12 of the Contract Labour (Regulation & Abolition) Act, 1970 from the Licensing officer appointed by the appropriate Government under the Contract Labour (Regulations & Abolition) Act, 1970 and the rules framed there under (including amendments thereof) (presently the agency shall obtain Licence under Contract labour (Regulation and Abolition) Central Rules, 1971) within the time limit allowed by the appropriate Government before start of the work.

7.0 LABOUR RULES:

In respect of all contract labour directly or indirectly employed in the works, the Agency shall comply with all legislations and rules of State and / or Central Government or other local authority as the case may be including those governing the protection of health, sanitary arrangements, wages, welfare and safety applicable for Labour employed. The Contract Labour (Regulation and Abolition) Act 1970 and rules framed there under by the appropriate Government, The Minimum Wages Act, 1948, Payment of Wages Act, 1936, Employees' Provident Funds and Miscellaneous Provisions Act, 1952, Employees' State Insurance Act, 1948 / Employees' Compensation Act 1923, Bonus Act, 1965, Payment of Gratuity Act, 1972, Factories Act, 1948, Industrial Disputes Act, 1947, Child Labour (Prohibition and Regulation) Act, 1986 and Maternity Benefit Act, 1961 and Andhra Pradesh Labour Welfare Fund Act, 1987 and other statutes and amendments thereof and other statutory obligations with regards to fair wages, welfare amenities and safety measures, maintenance of registers etc. will be deemed to be the part of the contract.

- 7.1 The contractor shall have to maintain the following registers as prescribed under CL(R & A) Act, 1970, Contract Labour (Regulation and Abolition) Central Rules, 1971 and Inter State Migrant Workers (Regulation of Employment and Conditions of Service) Central Rules, 1980. In addition to the forms and registers specified in the above said labour acts the contractor has to maintain the registers in line with the Gazette Notification no: 126 dt: 21.02.2017 under the name "Ease of compliance to maintain Registers Under various Labour Laws Rules, 2017", Forms and Reports in line with Gazette Notification no: 235 dt: 28.03.2017 under the name "Rationalisation of Forms and Reports under Certain Labour Laws Rules, 2017 issued by Ministry of Labour and

Employment, Government of India.” Also and show such registers/forms to the concerned officer in charge of the Employer or his nominee as and when called for.

- a) Muster Roll in Form D
- b) Register of Wages in Form B
- c) Register of deductions for damage or loss in Form C
- d) Register of Over Time in Form B
- e) Register of Fines in Form C
- f) Register of Advances in Form C
- g) Wage slip in Form XIX.
- h) Register of workmen in Form A
- i) Employment Card in XIV.
- j) Service Certificate.

7.2 The contractor has to file the Annual returns through online using Shram Suvidha portal as per Direction of Ministry of Labour and Employment and the copy of the same is to be submitted to the representative of the employer.

7.3 **PAYMENT OF MINIMUM WAGES AND ALLOWANCES:**

- i. Wages paid to the workmen by the Agency shall not be less than the rates notified by the appropriate Government (presently Regional Labour Commissioner(Central), Visakhapatnam, Ministry of Labour, Government of India) published in the Gazette / as communicated by them to RINL/VSP's from time to time with regard to the minimum wages applicable to the respective category of workmen. The living wages for contract labour are notified/revised twice in a year ie.. 1st April and 1st October.
- ii. The contractor shall have to pay Ad-hoc amount @ of Rs.11.54 ps. per working day per contract worker on actual attendance subject to a maximum of Rs. 300/- (Rupees three hundred only) per month.
- iii. The contractor shall have to pay welfare allowance (earlier known as SMA, ASMA) towards fuel charges, food, milk, tiffin, coconut water, washing allowance etc. @ Rs.80.76 ps. per day of actual attendance of each worker deployed in the contract not exceeding Rs.2100/- (Rs. two thousand one hundred only) per month in addition to the wages as indicated in the minimum wages clause referred above. The contractor will submit his claim with proof of such payment made in this connection in the RA bill and the same will be reimbursed to them.

The contractor is required to take the above aspects into consideration while submitting their offers and no profit/overhead charges will be paid by VSP on this account.
- iv. Wages with ad-hoc amount, welfare allowance to the workmen shall be paid on or before the 7th of the subsequent month after the last day of wage-period.
- v. In case of revision of RINL/VSP approved wage rate, consequent to the revision in the minimum wages (either in Basic Wage or Living Allowances) as notified by the appropriate government, escalation amount to the contract shall be payable as per the formula given above at para 5.6 of Terms and conditions.
- vi. As per G.O No.90, dt.19.02.2008, the successful tenderer shall have to pay the minimum wages by way of cheque or by crediting salaries to the Bank Account of the concerned workers. Where banking facilities are not available, the wages may be paid in cash.

- 7.3.1 Contactor shall also submit a certificate to RINL/VSP within a week after disbursement, details showing acquittance and wage period.
- 7.3.2 The Contractor shall take into consideration the ad-hoc payment as referred at clause no.7.3 (ii) to the contract labour while quoting their rates. No separate payment is made in this regard. No profit/overhead charges etc. will be paid by VSP on this account.

7.4. FINE CLAUSES:

- a. In case of non-payment/delayed payment of wages to the workers by the Successful tenderer/Agency, an amount equivalent to wages payable by the successful tenderer applicable for the relevant period shall be recovered from the bills of the successful tenderer as certified by the representative of RINL/VSP/Manager.

In addition to the above, an amount of Rs. 500/- (non-refundable) as a fine per each day/instance, from the due date will be recovered from the RA bills or any other amounts payable to the successful tenderer.

- b. In case of non-compliance of any other provisions in the terms and conditions of the contract, a fine of Rs. 500/- to Rs. 1000/- shall be imposed per complaint/instance/case and non-refundable recovery of the same will be made from the RA bills or any other amounts payable to the successful tenderer. Decision of the Manager in this regard shall be final and binding on the successful tenderer. No claim whatsoever on this account will be entertained further.
- c. In case the successful tenderer becomes a continuous defaulter by not-complying with the statutory/contractual terms repeatedly, stringent action will be taken against the contractor which may include termination of the contract at the risk and cost of the contract.
- d. Non-deployment of labour as per 3.0 of Scope of work
- e. Penalty towards delayed payment of wages

If the contractor fails to pay wages within the stipulated time i.e., by 7th working day of the subsequent month, a penalty up to 1% of the gross wages (Basic, DA & Over time (if any) except Adhoc, SMA, ASMA and other allowances) of the workers will be levied for every day of lapse subject to a maximum of 10% in any calendar month. This is without prejudice to appropriate action against the contractor including debarring, in case of perpetual/habitual default.

- f. Payment of Wages through banks

The contractor shall pay wages not less than the minimum wages notified by the appropriate government from time to time to the workers deployed by him. The payment shall be made on the due dates either by way of crossed cheques or crediting the wages to the bank accounts of the concerned contract workers. Proof of such payments shall be submitted by the contractor to the Engineer-in-charge by 10th of the subsequent calendar month.

- g. Before / at the time of unloading of material at stockyard/Railway siding/Port, person authorised by Engineer-In-charge (Branch Manager)/consignee shall inspect, record in the wagon/vehicle arrival report & report to Engineer-in-charge (DGM-PDL) within 1 week, the discrepancies if any with regard to Tags/Heat nos./grades/colour codes/ any visual surface defect/improper coiling/bundling etc. Payment will not be done for such quantities.

8.0 The following deductions per workman deployed category-wise shall be made from the bills/amounts due to the successful tenderer as applicable for the work done and such deducted amounts shall be released as follows:

S.No	Component	Recovery amount per labour Per every WORKING DAY (in Rs.)			To be released when
		UN-SKILLED	SEMI-SKILLED	SKILLED	
01	Notice pay	Rs.39.64 ps.	Rs.44.79 ps.	Rs.52.51 ps.	After the Successful tenderer makes payment to the workmen in the presence of RINL/VSP Representative/Manager and CLC Representatives , A certificate to this effect is to be enclosed with pre-final bill. (to be paid with pre-final bill)
02	Retrenchment compensation	Rs.19.82 ps.	Rs.22.40 ps.	Rs.26.26 ps.	
03	Leave with wages	Rs.24.40ps	Rs.27.56ps	Rs.32.32 ps.	
Sub-total		Rs.83.86 ps.	Rs.94.75 ps.	Rs.111.09 ps.	
04	Bonus	Rs.39.63 ps	Rs. 44.77 ps	Rs. 52.49 ps	After the Successful tenderer makes payment to the workmen in the presence of RINL / VSP Representative/Manager and CLC Representatives , A certificate to this effect is to be enclosed with pre-final bill. (to be paid with RA bill/pre-final bill as and when paid by the Successful tenderer)
Grand total (To be paid to the Labourer)		Rs.123.49ps	Rs.139.52 ps.	Rs.163.58ps.	
10% towards Profits and Overheads of Successful tenderer		Rs.12.35 ps.	Rs.13.95 ps.	RS.16.36 ps.	
Total recovery Amount		Rs.135.84 ps.	Rs.153.47 ps.	Rs.179.94 ps.	

Note:

- (i) The above recovery rates are effective from 01.04.2018. In case of any Statutory revision in minimum wages payable to Contract workmen as notified by the Regional Labour Commissioner (Central), Visakhapatnam, from time to time, the above amounts for workmen category- wise will be revised by RINL/VSP and will be notified accordingly.
- (ii) Payment against the above components is to be made to the Workmen based on effective Wages of Last drawn pay.

- 9.0 PAYMENT MODE FOR BILL AMOUNTS : The Successful tenderer hereby gives an undertaking that the payment made by RINL/VSP of any sum due to him, through the Direct Credit System /EFT system, by directly remitting the same in his bank account, the address and the number of which is already furnished to the Finance Dept of VSP, shall be in full discharge of the particular bill raised by him and that he shall not have any claim in respect of the same.
- 9.1 In respect of payment made through Electronic Fund Transfer mechanism or Direct Credit to the supplier's / Successful tenderer's bank account, the supplier/successful tenderer/receiver should intimate discrepancies, if any, within 10 days from the date of despatch of intimation letter of payment to them to Finance Dept of RINL/VSP, failing which it shall be presumed that the funds have reached their bank account and no claims will be entertained after the said 10 days.
- 9.2 The Successful tenderer shall bear and pay all taxes, duties, levies and other liabilities, which are applicable or which may become applicable to the Successful tenderer in connection with discharge of his obligations under this contract, except Goods and Service Tax(GST). GST will be paid on submission of tax invoices in accordance with the GST rules.

The tax invoices shall be serially numbered not exceeding sixteen characters in one or multiple series and signed by the authorized person and shall contain the following:

- (i) Name, address and Goods and Services Tax identification number of the supplier and recipient
- (ii) Date of its issue
- (iii) SAC code and description of services.
- (iv) Total value of supply of services.
- (v) Taxable value of the supply of services taking into account discount or abatement, if any
- (vi) Rate of tax (Central tax, state tax, integrated tax, or cess)
- (vii) Amount of tax charged in respect of tax asable services (Central tax, state tax, integrated tax or cess)
- (viii) Whether the tax is payable on reverse charge basis.
- (ix) Signature or digital signature of the supplier or his authorized representative.

The contractor shall comply with all the necessary statutory compliances including but not limited to providing GST invoices or other documentation as per GST law relating to the above supply to RINL, uploading the details of the invoices, payment of taxes, timely filing of valid statutory returns for the tax period in the Goods and Service Tax portal so as to enable RINL to claim Input Tax Credit (ITC). In case the input tax credit (ITC) of GST is denied or demand is recovered from RINL on account of any act of the contractor, the contractor shall indemnify RINL in respect of the input tax credit (ITC).

Income Tax or any other taxes or duties which RINL/VSP may be required by Law to deduct shall be deducted at source and the same shall be paid to the Tax Authorities for the account of the Successful tenderer and RINL/VSP shall provide the Successful tenderer with required Tax Deduction Certificate.

The payments to the Successful tenderer under the contract shall be made by Electronic Fund Transfer to the Bank Account of the Successful tenderer.

- 9.3 GST shall be applicable on all penalties (including forfeiture of security deposit/earnest money deposit etc.) if levied by the employer on the contractor and shall be recovered along with GST application thereon. The employer shall issue tax invoice in favour of the contractor for such recoveries.
- 9.4 The agency will be required to furnish to RINL/VSP the following particulars regarding the payments to be made by him to his workers, immediately after the commencement of the work in question;
1. Wage period
 2. Place of disbursement of wages
 3. Payment and date of disbursement of wages.
- 9.5 Notices showing the rates of wages, hours of work, wage periods, dates of payment of wages, names and addresses of the Inspectors having jurisdiction, and date of payment of unpaid wages, shall be displayed in English and Hindi and in the local language understood by the majority of the workers in conspicuous places at the establishment and the work-site by the successful tenderer. The notices shall be correctly maintained in a clean and legible condition. A copy of the notice shall be sent to the inspector under the Contract Labour (R&A) Act, 1970 and the Contract Labour (R&A) Central Rules, 1971 presently. All payments shall be made on working days at the work place and during working hours, as provided in the rules framed under the said Act.
- 9.6 The agency shall undertake and be responsible for providing canteen facilities for the workers employed by him in compliance with Chapter V of the Contract Labour (Regulation & Abolition) Act, 1970 and Contract Labour (R&A) Central Rules, 1971 and also provide First Aid Box, equipment with contents, as prescribed under the Rules framed under the Contract Labour (R&A) Act, 1970 and Contract Labour (R&A) Central Rules, 1971 at every location where labour is employed by him. Wherever the successful tenderer executes works in the state of Andhra Pradesh or in a state other than Andhra Pradesh, the successful tenderer shall obtain licence from the appropriate Government under the Contract Labour (Regulation & Abolition) Act, 1970 and the Contract Labour (Regulation & Abolition) Central Rules, 1971 presently in the respective state from Labour Department to comply with all the provisions of various statutes governing the service conditions of the contract labour in the concerned State.
- 9.7 The agency shall not allow the use or sale of ardent spirits or other intoxicating beverages in the working area or in any of the buildings, premises occupied by him in connection with the work in question.
- 9.8 The Agency should clearly understand and comply with the Factories Act 1948 and relieve the FEMALE WORKERS from their work site within the restricted working hours prescribed therein under section 66(b).
- The agency shall ensure that the working hours for female workers, if any, employed by him shall be regulated as per the requirements of the statute and that no female worker is engaged for work at the work place except between 6.00 AM to 7.00 PM on any working day.
- 9.9 No child will be allowed in the premises.
- 9.10 The agency shall further ensure that proper discipline and decorum is maintained by the workers / employees engaged by him, in the area of work.
- 9.11 If any loss arises due to theft, pilferage or damage of articles which have happened during the work, the agency will be responsible and cost of articles and quantum of damages as assessed by

RINL/VSP will be recovered from him. The agency shall, if necessary, provide adequate security against such incidents at their own cost.

- 10.0 PROVIDENT FUND: As per the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, The successful tenderer (successful tender) shall submit a copy of their Provident Fund Registration Certificate issued by Provident Fund Organisation, Government of India indicating their Provident Fund code number and a certificate from the Regional Provident Fund (RPF) authorities. In case the same is not available, they shall submit a letter of undertaking to submit the same before commencement of contract.

The contractor should deposit Employees' Provident Fund contributions [employee's + employer's (in this case contractor) contributions] on or before 15th of the subsequent month of the wage period in their independent Employees' Provident fund code number or in RINL/VSP provident fund sub-code number, if permitted as per the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and thereafter amended from time to time, failing which payments due to them will be withheld. The successful tenderer should submit the Provident Funds remittance copy of challans containing the work order number along with list of workers with contribution details to the representative of RINL/VSP and Zone Personnel Executive every month.

The monthly remittances and yearly returns are to be made on-line as per guidelines of PF authorities, w.e.f April 2012.

- 11.0 EMPLOYEES' STATE INSURANCE ACT: The successful tenderer shall submit a copy of their Employees' State Insurance Registration Certificate indicating their Employees' State Insurance code number under Employees' State Insurance Act, 1948. The successful tenderer shall strictly implement all the provisions provided in the act the all the covered workers engaged by him.

In case, the Employees' State Insurance Act, 1948 is not applicable by any reason to any employee of the successful tenderer, the Employees' Compensation Act, 1923 is applicable for such employee engaged by the Contractor and the Contractor is required to submit insurance policy under the Employees' Compensation Act, 1923 before commencement of contract.

The monthly remittances and half yearly returns are to be made on-line as per guidelines of ESI authorities, w.e.f April 2011.

- 12.0 GROUP PERSONAL ACCIDENT INSURANCE (GPAI) POLICY: GPAI Policy Covering ex-gratia payment of Rs.5,00,000/- (Rupees five lakhs only) per head for deaths arising out of accidents on duty to the contract labour engaged by the Contractor is to be taken by him. This insurance is in addition to the statutory insurances under the provisions of the Employees State Insurance Act, 1948 / Employees' Compensation Act, 1923, Public Liability Insurance Policy (Third Party insurance) or any other insurance taken by the successful tenderer or any other agency to cover the workmen. The Agency shall update the said insurance policy from time to time as per RINL/VSP rules.

- 13.0 DAMAGES TO PERSONS & PROPERTY: The successful tenderer shall (except if and so far as the Contract otherwise provides) indemnify and keep indemnified RINL/VSP against all losses and claims for injuries/death or damages to any person or property whatsoever which may arise out of or in consequence of the executions of the contract and against all claims, demands, proceedings damages, costs, charges and expenses whatsoever in respect thereof or in relation there to.

- 14.0 PUBLIC LIABILITY INSURANCE POLICY: Copy of the insurance policy for the third party insurance for Rs 50000/- (Rupees fifty thousand only). The Agency shall update the said insurance policy from time to time as per RINL/VSP rules.
- 15.0 MINIMUM AMOUNT OF THIRD PARTY INSURANCE: Such insurance shall be effected with an insurer and in terms, approved by RINL/VSP and for an amount not less the amount of Rs.50,000/- (Rupees fifty thousand only) and the Successful tenderer shall whenever required, produce to the Representative of RINL/VSP/Manager the valid policy or policies of insurance and the receipts for payment of the current premium. The Agency shall update the said insurance policy as per the instructions of RINL/VSP from time to time.
- 16.0 ACCIDENT OR INJURY TO WORKMEN: RINL/VSP shall not be liable for or in respect of any damages or compensation payable at Law in respect of or in consequence of any accident or injury to any workman or other person in the employment of the Contractor and /or Sub-contractor save and except an accident or injury resulting from any act or default of RINL/VSP, and the Successful tenderer shall indemnify and keep indemnified RINL/VSP against all such damages and compensation (save and except as aforesaid) and against all claims, demands, proceedings, costs, charges and expenses whatsoever in respect or in relation thereto.
- 17.0 COMPLIANCE WITH STATUTE, REGULATIONS ETC: The Agency shall conform in all respects with the provision of any such Statute, Ordinance, or Law as aforesaid and the rules, regulations or bye-laws of any local or other duly constituted authority which may be applicable to the works or to any Temporary Works and with such rules and regulations of public bodies as aforesaid and shall keep RINL/VSP indemnified against all penalties and liability of every kind for breach of any such statute, Ordinance, law, Rule, Regulation or Bye-Law.
- 18.0 AGE LIMITATION : The successful tenderer shall not engage or continue to engage the contract workers who have completed 60 years of age. Gate passes of such workers shall not be renewed. For this purpose, the successful tenderer shall obtain age proof of the respective workers and maintain a record.
- 19.0 ENGAGEMENT AND OBSERVANCE BY SUB-SUCCESSFUL TENDERERS:
- 19.1 No Sub-Contractor can be engaged by the contractor without prior written consent by RINL/VSP.
- 19.2 The successful tenderer/agency shall also be responsible for the observance of all the contractor's provisions by sub-successful tenderers employed by him in the execution of the contract, if any. Such sub-successful tenderers shall be authorised by RINL/VSP.
- 20.0 The successful tenderer/agency shall follow the provisions of Factories Act, 1948 and all rules made there under from time to time as applicable and shall indemnify RINL/VSP against all claims of compensations under the provisions of the act in respect of workmen employed by the successful tenderer in carrying out the work against all costs, expenses and penalties that may be incurred by RINL/VSP in connection therewith.
- 21.0 SAFETY:**
- a) The successful tenderer and his workers must strictly take all safety precautions and shall supply to his workers dependable safety appliances like canvass/LF Gloves/Woollen mittens, safety shoes, Gum boots Tested Double lifeline Full body harness, safety helmets, duster cloth, dust mist respirators etc. In addition to this, successful tenderer shall also provide additional safety appliances as per requirement and follow safe working practices. He shall also ensure that his workmen intelligently use only dependable safety appliances supplied to them.

- b) The successful tenderer shall take adequate safety precaution to prevent accidents at site. The successful tenderer shall also ensure that his employees observe the statutory safety rules and regulations and also those laid down by the and /or port authorities RINL/VSP and /or port authorities from time to time and promptly submit report of accident and state the measures taken by him to prevent their recurrence and also keep RINL/VSP indemnified of all claims arising out of such accidents.
 - c) No Workmen shall be engaged on the work without proper safety induction and clearance from SED/Contract operating department of RINL/VSP and/ or Port authorities. The workmen must use required PPE. Use of safety helmet and shoe is a must.
 - d) All the safety appliances required for safe working as decided by SAFETY ENGINEERING DEPARTMENT (SED)/Contract operating department of RINL/VSP and/or port authorities shall be provided by the successful tenderer to his workmen.
 - e) Clearance to start the job will be obtained by the successful tenderer in form 'A&B' before start of work. The forms may be obtained from the dept. concerned of RINL/VSP.
 - f) Works at height cannot be started without clearance from Zonal Safety Officer of RINL/VSP. The workers engaged for work at height shall possess height pass from SED of RINL/VSP.
 - g) Contravention of any safety regulation of VSP and/or port authorities in vogue from time to time will result into work stoppage, levying fines and ultimately in contract termination.
 - h) The successful tenderer must adhere to all the applicable statutory laws pertaining to safety, health and environment.
 - i) Contractors/ their employees/ their labourers/ their vehicles etc are expected to follow the prevailing safety norms of the company.
 - j) In case of any violation of the prescribed safety norm, applicable penalties issued dtd 08.07.2017 shall be levied on the contractor. In case of non-payment of penalty by the contractor, the same shall be recovered from their bills/EMD/SD etc. The detailed list of safety violations and the corresponding penalties is given in **Annexure-D**. The penalties mentioned in the list are in addition to those applicable as per statutory acts/rules. In case of any penalty imposed by statutory authority, the same shall be over and above the contractual clause.
 - k) The successful tenderer shall ensure all necessary precautions for safe handling of material including the equipment.
 - l) Reporting accidents: The contractor shall be responsible for the safety of all employees and/or workmen employed or engaged by him on and in connection with the work and shall report to the employer and other local authorities concerned, all cases of serious accidents howsoever caused and wherever occurring on the works and shall make adequate arrangements for rendering immediately all possible aid to the victims of the accidents.
- 22.0 LABOUR DEPLOYMENT :** Only trained, experienced, safety inducted workers acceptable to the representative of RINL/VSP Manager shall be engaged on this work and work shall be executed as per specifications to the satisfaction of the Representative of RINL/VSP Manager.

- 23.0 INDEMNITY :** The agency assumes responsibility for and shall indemnify and save harm to RINL/VSP from all liability claims, costs, expenses, taxes and assessment including penalties,

punitive damages, attorney's fees and court costs which are or may be required with respect to any breach of the contract or obligation under the assumed responsibility under the contract or for which the agency has assumed responsibility under the contract, including those imposed under any contract, local or national laws or in respect to all salaries, wages or other compensation in all persons employed by the agency.

The agency shall execute and deliver such other further instruments and to comply with all the requirements of such laws and regulations as may be necessary thereunder to confirm and effectuate the contract and to protect RINL/VSP.

24.0 FACILITIES: RINL/VSP would provide as per its convenience suitable office space, electricity and water at free of cost. The gate passes for the workers / employees of the agency would be provided by RINL / VSP at nominal charges.

25.0 RISK AND COST : If the agency neglects to execute the work with due diligence or shall refuse to comply with any reasonable orders given to the agency by RINL/VSP in connection with the work or shall contravene the provisions of the contract, RINL/VSP may give notice in writing to the agency calling upon them to make good the failure, neglect or contravention complaint with in such time as may be deemed reasonable and in default of the compliance with the said notice, RINL/VSP without prejudice may cancel the contract holding the agency liable for the damages equivalent to the loss that RINL/VSP may sustain in this regard. RINL/VSP shall have the option and liberty to take the work wholly or in part out of the agency's hand and may complete the work envisaged in the contract at the agency's RISK AND COST either departmentally or may re contract at a reasonable price with any other person or persons to execute the same or any part thereof and provide other material, tools, tackles or labour for the purpose of completing the work or any part thereof.

25.1 In case, RINL/VSP chooses to go for issue of fresh Tenders at the risk and cost of the Defaulting Agency, the Defaulting Agency will not be issued the Tenders.

26.0 FORCE MAJEURE: RINL / VSP and the agency shall not be in any way, liable for non-performance either in whole or in part of the contract or for delay in performance thereof in consequence of lock out, fire, riots, natural calamities, war or insurrection or restraints imposed by Government, act of legislature or other authorities. Such force majeure conditions have to be declared by the concerned Chamber of Commerce. The party claiming Force majeure shall within 15 days, notify to the party in respect of Force Majeure. In case the Force Majeure situation continues beyond 6 months either party may cancel the contract.

27.0 ARBITRATION / SETTLEMENT OF DISPUTES

27.1 All disputes and differences, whatsoever, arising between the parties out of or relating to or in connection with the construction, meaning, scope, operation or effect of this contract or breach thereof shall be settled between the Employer and the Contractor amicably. In the event of any dispute, the parties shall endeavor to resolve such dispute by discussion in good faith in the first instance within 30 (thirty) days of notice of such dispute. The mutual discussion shall be without prejudice to the rights of the parties to proceed to arbitration. If however, the parties are not able to resolve their disputes and differences amicably as aforesaid, such disputes and differences whatsoever arising between the parties out of or relating to or in connection with the construction, meaning, operation or effect of this contract or the breach thereof shall be settled by Conciliation and Arbitration. In cases where Conciliation fails, the parties shall resolve their disputes/differences through Arbitration.

27.2 The said Conciliation/Arbitration proceedings shall be governed by the provisions of Arbitration and Conciliation Act, 1996 (hereinafter referred to as the 'Act') of India and the statutory modifications/ amendments thereto.

27.3 The appointment/nomination of Conciliator/Arbitrator(s) for Conciliation/ Arbitration shall be as specified below:

Conciliation:

- a) The person to be appointed as Conciliator shall be an Officer not below the grade of General Manager either in service of RINL,VSP or a retired officer of similar grade of RINL,VSP or other P.S.U.s and shall be appointed by RINL, VSP.
- b) The Fee payable to Conciliator (Conciliator other than serving officer of RINL,VSP) shall be a fixed amount of Rs.50,000/-. The other expenses such travelling, boarding & lodging etc., shall be reimbursed as per actual.
- c) The Fee and other expenses for holding the Conciliation proceedings shall be shared equally by both the parties.

Arbitration:

- a) In case where the sum of the claim(s) made is equal to or less than Rs.5 Crores, the disputes/differences shall be referred to a Sole Arbitrator to be appointed by RINL, VSP.
- b) In case where the sum of the claim(s) made is more than Rs.5 Crores, the disputes/differences shall be referred to a three member Arbitral Tribunal, consisting of nominee arbitrators of each party and the Third/Presiding arbitrator, who should be a former judge of either any High Court or Supreme Court of India, shall be appointed by the said two arbitrators nominated by the respective parties.
- c) The Fee payable to the Arbitrator(s) shall be in line with the Fourth Schedule (inserted by Amendment Act No.3 of 2016) and the Rules framed if any under the Arbitration and Conciliation Act, 1996 in force at the time of invocation, with a maximum ceiling of Rs.10,00,000/- to each Arbitrator. The costs and incidental expenses etc. for conducting the Arbitration proceedings and the Fee payable to the Arbitrators shall be born equally by both parties.

27.4 The seat and venue of Conciliation/Arbitration shall be at Visakhapatnam, Andhra Pradesh. The language of Conciliation/ Arbitration shall be English.

27.5 The award made in pursuance of above shall be a reasoned award and shall be final and binding on both the parties.

27.6 Both parties agree that no interest shall be awarded by the arbitrator/arbitral tribunal in any arbitration proceedings pertaining to this contract.

27.7 Notwithstanding the existence of any dispute and differences or conciliation or arbitration in terms hereof or otherwise, work under the contract shall continue during the arbitration and each party shall continue and be bound to continue to perform their respective obligations according to the contract, and, the parties shall remain liable and bound in all respects under the Contract. Provided

further that, no reference to Arbitration, whether the final bill for the contractual work has been passed or not, shall be made later than 6 months from the date of satisfactory completion of the work under the contract.

27.8 The courts at Visakhapatnam, India with the exclusion of all other courts, shall alone have jurisdiction over all matters relating to this contract and the disputes and differences arising from the same. Governing law shall be Laws of India.

28.0 **JURISDICTION:** Any Litigation arising out of the above contract shall be subject to the jurisdiction of the courts at Visakhapatnam only and no other Court shall have jurisdiction over the subject matter of dispute arising out of this contract.

.....

Annexure-A**NOTE:**

1. For BOQ item No; 1A & 2A. The quantities weighed & dispatched shall only be considered for payment (STO/Invoice)
2. For BOQ item No: 2A, As regards to quantity diverted from exports, would be certified either by Marketing Department or Works Department of rank E-4 and above. Responsibility for obtaining confirmation from works Department, wherever the certification from Marketing Department does not exist, would be with the agency.
3. No Payment will be made for
 - a) the materials rejected during inspection.
 - b) the discrepancies raised/recorded if any with regard to Tags/Heat nos./grades/colour codes/ any visual surface defect/improper coiling/bundling etc in the wagon/vehicle arrival report, before or at the time of unloading of material at stockyard/Railway siding/Port.
4. No extra payment will be made for supervision done for the purpose of stock verification of inspected materials.
5. Wherever the term “pre-shipment inspection” is mentioned, the agencies have to issue Quality and other required certificates as per contract.

SCHEDULE OF RATES – I**PRICE BID FORMAT****Sub: E-TENDER FOR QUALITY AND PRE-SHIPMENT INSPECTION OF STEEL PRODUCTS INCLUDING VALUE ADDED FLATS (OTHER THAN TMT REBARS & STRUCTURALS) FOR DOMESTIC DESPATCHES**

Sl.No	BOQ Item No.	DESCRIPTION	Estimated Quantity in MT per year	Rate (RS/MT)
1	2	3	4	5
1	1A	<p>Quality & Pre-shipment inspection at plant of Steel Products including value added Flats (other than Rebars & Structural and material produced for Exports) as below :</p> <ul style="list-style-type: none"> To check the input Bloom/ Billet heat numbers during charging to ensure feeding of correct grade material in all the furnaces. Inspection and tracking of material during rolling of finished products in all the Mills. Checking of tag details, counting of number of bundles/coils/pieces in higher section of Rounds (45mm above), Blooms & Billets and submission of tallying report product wise of each campaign along with relevant heat no's to respective loading In-charges for generation of Test Certificate and also Engineer In-charge for record. Inspection of loading of materials into the trailers/trucks/wagons from shipping yard & specified yard within Plant premises. Material with Short edges / physical visible defects such as cracks/seems/ are to be kept aside and not to be cleared for loading. Inspection of marking/painting of color codes as per assigned grade. Inserting "Accepted" Sticker or Tag after clearing the material. 	29,60,000	
		(in figures)	Rs.	
		(in words)	Rs.	
Total value of the schedule of Rates-I				

NOTE:

- Refer clause no 2.5 of Scope of work of ITT and Annexure-A while quoting the rates.
- Tenderer shall quote their Rate per MT for the above BOQ item 1(A) through online in VSPs SRM Portal: <https://srm.vizagsteel.com> along with technical offer.
- The quantities mentioned above are only indicative per one year and actuals may vary.

(SIGNATURE OF THE TENDERER)

SCHEDULE OF RATES – II**PRICE BID FORMAT****Sub: E-TENDER FOR QUALITY AND PRE-SHIPMENT INSPECTION OF STEEL PRODUCTS INCLUDING VALUE ADDED FLATS (OTHER THAN TMT REBARS & STRUCTURALS) FOR DOMESTIC DESPATCHES**

Sl.No	BOQ Item No.	DESCRIPTION	Rate (RS/MT)
1	2	3	5
1	2A	<p>Quality & Pre-shipment inspection at plant (for material diverted from Exports & material in Stock* (other than Rebars & Structural (excl non-value added Flats)) as below:</p> <ul style="list-style-type: none"> • Checking of tag details, counting of number of bundles/coils/pieces in higher section of Rounds (45mm above), Blooms & Billets and submission of tallying report product wise of each campaign along with relevant heat no's to respective loading In-charges for generation of Test Certificate and also Engineer In-charge for record. • Inspection of loading of materials into the trailers/trucks/wagons from shipping yard & specified yard within Plant premises. • Material with Short edges / physical visible defects such as cracks/seems/ are to be kept aside and not to be cleared for loading. • Inspection of marking/painting of color codes as per assigned grade. • Inserting "Accepted" Sticker or Tag after clearing the material. 	16.61

* Material already produced and in Stock at the time of Commencement of Inspection Agency.

Note : The above rates are Fixed rate shall be given by VSP in respect of the above BOQ item 2(A). By submission of the tender it is implied that the tenderer has accepted the fixed rates declared by VSP for the items and upload the same in 'Tech RFX' cFolder with signature and seal of the tenderer.

(SIGNATURE OF THE TENDERER)

Annexure-B

FROM

To

Manager
RINL/VSP

Sub: Bank A/C Details for E-Payment
Ref: Contract/WO No

I/We agree for NEFT/RTGS/Direct Credit (Strikeout whichever is not applicable) or any other mode of electronic payment introduced by RBI from time to time. The payment credited to our Bank A/c will be in full discharge of the obligations of RINL/VSP and we shall have no claim what so ever in respect of the bill, for which, payment is made.

I/We furnish here below the bank account details:

Name of the Bank

Branch Name, place and MICR Code of the Branch, in case of RTGS,IFSC Code of the Branch,

Beneficiary's Account Number in Full

Type of Account

Name and style of Account

For _____ &RINL/VSP

Authorised Signatory/Proprietor

(Note: Endorsement by Bank manager is necessary to ensure correctness of the Bank details provided)

Annexure-C

(PROFORMA FOR BANK GUARANTEE TOWARDS SECURITY DEPOSIT)
(ON NON JUDICIAL STAMP PAPER OF APPROPRIATE VALUE PURCHASED IN
THE NAME OF EXECUTING BANK)

GUARANTEE BOND
(FROM any Indian Scheduled Commercial Banks)

Name & Address of the Bank:

Bank Guarantee No. & Date:

Date of expiry:

Limit of liability:

Ref: VSP's Order No:

For 'Appointment of Inspection agency for Quality and Pre-Shipment inspection of Steel products including value added Flats (other than TMT Rebar and Structural) of RINL/VSP for Domestic despatches'.

Subject: Security Deposit

To

Rashtriya Ispat Nigam Limited
Visakhapatnam Steel Plant
Visakhapatnam – 530031

In consideration of Rashtriya Ispat Nigam Limited, Visakhapatnam Steel Plant, a Government Company incorporated under the companies Act,1956 having its registered office at Main Administrative Building, Visakhapatnam-530031 (AP) (herein after called the "company") having agreed to accept this Bond towards the Security Deposit of Rs.41,00,000/- (Rs. Forty one lakhs only) under the terms and conditions of the contract awarded vide Letter of Acceptance No.____ dated _____ (hereinafter called 'the said contract, which expression shall in case of execution of any formal agreement between the company and the contractor shall include the said agreement ') made between the Company and M/s_____ (hereinafter called 'the Contractor') for Quality and Pre-Shipment inspection of Steel products including value added Flats (other than TMT Rebar and Structural) of RINL/VSP for Domestic despatches, covered under the said contract as a guarantee for successful completion of the work in terms of the said contract as also for the due fulfilment of the terms and conditions contained in the said contract, on furnishing of a Bank Guarantee for Rs.41,00,000/- (Rs. Forty one lakhs only).

We _____ (Name of the Bank) (herein after referred as the said Bank) do hereby covenant and agree with you as under:

1. We undertake to indemnify you and keep you indemnified from time to time to the extent of Rs. Rs.41,00,000/- (Rs. Forty one lakhs only) against any loss or damage or costs caused to or suffered by or that may be caused or suffered by you by reason of any breach or breaches on the

- part of the Contractor of any of the terms and conditions contained in the said contract and in the event the Contractor shall make any defaults in carrying out any of the works under the said contract or otherwise in the observance and performance of any of the terms and conditions relating thereto, we shall forthwith without any protest or demur pay to you such sum or sums not exceeding in total the said sum of Rs.41,00,000/- (Rs. Forty one lakhs only) as may be claimed by you as your losses and/or damages, costs, charges or expenses by reason of such default / defaults on the part of the Contractor.
2. Notwithstanding anything to the contrary, your decision as to whether the Contractor has made any such default or defaults and the amount or amounts to which you are entitled by reason thereof shall be binding on us and we shall not be entitled to ask you to establish your claim under this Guarantee but will pay the same on demand from you without any objection.
 3. The Company shall have the fullest liberty to claim payment of the amount or amounts from time to time under this Guarantee subject to the ceiling limit of Rs.41,00,000/- (Rs. Forty one lakhs only) as referred to above and this Guarantee shall not become invalid or infructuous because of the partial demands made by the Company upon us for payment under the circumstances stipulated hereinabove and this guarantee shall hold good in favour of the Company to the extent of the balance amount covered under this Guarantee.
 4. This Guarantee shall continue and hold good until it is released by you on the application by the Contractor after the Contractor had discharged all its obligations under the said contract and produced a certificate of the due completion of the work under the said contract and submitted a No Demand Certificate. Should it be necessary to extend this Guarantee beyond the said date on account of any extension of time being granted by you to the Contractor under the said contract or otherwise we undertake to extend the period of this Guarantee and confirm to you in writing the extension of time on your request till such time as may be required.
 5. You will have the fullest liberty without our consent and without affecting this guarantee from time to time to vary any of the terms and conditions of the said contract or extend time of performance of the Contractor or to postpone for any time or from time to time any of your rights or powers against Contractor and either to enforce or forbear to enforce any of the terms and conditions of the said contract and we shall not be released from our liability under this Guarantee by the exercise of your liberty with reference to matters aforesaid or by reason of any time being given to the Contractor or any other forbearance, act or omission on your part or any indulgence by you to the Contractor or by any variation or modification of the said contract / or by any other act matter or thing whatsoever which under the law relating to sureties would but for the provisions hereto have the effect of so releasing us from our liability hereunder provided always nothing herein contained will enlarge our liability herein beyond the limit of Rs.41,00,000/- (Rs. Forty one lakhs only) as aforesaid or extend the period of Guarantee beyond the said day of2019 unless expressly agreed to by us in writing.
 6. This guarantee shall not in any way be affected by your taking or varying or giving up any sureties from the Contractor or any other person, firm or company on its behalf or by the winding up, dissolution insolvency reconstruction or death as the case may be of the Contractor.

7. In order to give full effect to the guarantee herein contained you shall be entitled to act as if we were your principal debtors in respect of all your claims against the Contractor hereby guaranteed by us as aforesaid and we hereby expressly waive all our rights of suretyship and other rights, if any, which are in any way inconsistent with the above or any other provisions of this guarantee.
8. Subject to the maximum limit of our liability as aforesaid this guarantee will cover all your claim or claims against the Contractor from time to time arising out of or in relation to the said Contract and in respect of which your demand or notice in writing is received by us.
9. This guarantee and the powers and provisions herein contained are in addition to and not by way of limitation of or substitution for any other guarantee or guarantees thereto given to you by us (whether jointly with other or alone) and now existing un cancelled and that this guarantee is not intended to and shall not revoke or limit such guarantee or guarantees.
10. This guarantee shall not be affected by any change in the constitution of the Contractor or us nor shall it be affected by any change in your constitution or by any amalgamation or absorption or reconstruction thereof or therewith but will ensure for and be available to and enforceable by the absorbing or amalgamated reconstructed company or concern.
11. This guarantee during its currency shall not be revocable by us except with your previous consent in writing.
12. It shall not be necessary for you to proceed against the Contractor before proceeding against us and the guarantee herein contained shall be enforceable against us, notwithstanding any security which you may have obtained or obtain from Contractor at any time or when proceedings are taken against us hereunder be outstanding or realised.
13. We _____(name of the bank) hereby agree that any claim due and arising under this guarantee shall be enforceable against our bank's branch _____(mention the name and address of the branch) at VISAKHAPATNAM and they shall honour such demand in any case not later than next working day.

Dated _____ day of 2019

Yours faithfully

Category	Safety Violations			Works/ Non-works
I	Not wearing crash helmet while riding two- wheeler in Plant premises.			First offence Rs.1,000/- second or subsequent offence Rs.2000/-
II	Minor Violations			3,000/-
A	Height	1	Height Pass not made / not available	
		2	Unauthorized entry at height / hazardous locations.	
		3	Fall arrester not provided / used.	
		4	Horizontal life line / guide rope not provided for anchoring full body safety harness.	
B	Excavation	1	Proper ladder / steps not provided for descending / ascending.	
		2	Shuttering not done (below 2 mtrs level) of excavation.	
		3	Overhanging burden in pit not removed in excavation.	
		4	Excavated materials left near the edge of the pit.	
C	Electrical	1	Power Cable clamped with G.I. wires to post / pillar.	
		2	Power cables tied on reinforce rod / structure without proper insulation.	
		3	Loose connection taken from sockets without proper plug.	
		4	Taking shelter behind electrical panel.	
		5	Power cables/electrical wires lying on ground in hap-hazard manner.	
		6	Source of supply / danger board not displayed on the electrical equipment.	
		7	Electrical Control Post not provided with Barrication / Shelter / Canopy.	
		8	Cables used having many joints.	
		9	Earthing not provided on Electrical equipments.	
		10	ELCB not installed.	
D	Material Handling	1	Use of damaged slings / tools / ropes.	
		2	Fitness certificate of cranes / hydras / heavy vehicles not available.	
		3	Crane rope conditions not ok.	
		4	Rope of crane not clamped properly.	
		5	Guy ropes not used during shifting of materials.	
E	Gas Cutting	1	Rolling / lifting of cylinders(without cage).	
		2	Gas cutting without required PPEs.	
		3	Gas hose pipe clamping done by wires.	
		4	Usage of LPG cylinder beyond date of expiry.	
		5	Wet bags / covers not put on gas cylinder.	
		6	Loading /unloading of cylinder – cushion not given.	

			7	Condition of hose pipe not good.	
			8	Working with leaking cylinder.	
			9	Flash Back Arrester not provided at Torch / Cylinder ends.	
			10	Colour coding of gas cutting of hoses not followed.	
	F	Arc Welding		1	Welding with non-standard holder.
				2	Welding machine earthing not done. (Double body earthing).
				3	Using improper welding cable.
				4	Welding cables used with many joints.
				5	Lugs not provided for connecting cables to Welding machines.
				6	Local isolation switch not provided on welding machines.
	G	PPEs		1	Non usage of PPE's at site such as Safety Helmet, Shoes, Goggles, Hand gloves, Face Shields etc., as per requirement.
	H	Vehicle		1	Driving of heavy vehicles on the main road during restricted hours & restricted timings.
				2	Parking at unauthorized place.
				3	Using of truck with damaged body.
				4	Dropping / Spillage of material on the road.
				5	No number plate on vehicle.
				6	No head light / signal lights / brake light / horn /reverse horn on the vehicle.
				7	Tyres of vehicle having patching / bolting.
				8	Violation of approved speed limits during plying on the road.
				9	No front / rear wheel guards on Hydra.
				10	Un-authorized dumping of material.
				11	Driving license not available / in-valid
				12	Driving of two wheeler carrying more than one pillion rider.
				13	Driving dangerously.
				14	Overloading of vehicles.
				15	Talking on cell phone while driving.
				16	Vehicles transporting loads without tying/securing of loads/ stock protruding out of the truck body/without red flags/red lights, side guards, donnage.
				17	Drunk & driving
				18	Non availability of reverse horn of moving equipment.
				19	Using hydra for material transportation on roads.
				20	Marching of hydra without signal man & red flags.
				21	Using trucks for transportation of persons
	I	Permits		1	Working without work permit / shut down
2				Not putting red flags / stopper.	
3				Dismantling of structure without authorized plan.	

		4	Unauthorized oxygen tapping.	
		5	Working on VSP installations without permission.	
		6	Critical / heavy erection of structures without authorized plan	
	J	General	1	Not having proper gate passes / other area passes.
			2	Not reporting of accident.
			3	Hand grinders / mixer machines without guard.
			4	Make-shift arrangement for job execution.
			5	Engaging workers without safety training.
			6	Using of defective tools.
			7	Unauthorized operation of equipment.
	K	Statutory Records	1	SWL Certificates of lifting machines / equipments not valid /not available / details not displayed on the equipment.
			2	Valid Test Certificates of Electrical Hand Gloves/Full-Body harness not available.
			3	Eye examination records of vehicle/crane operators not available.
			4	Electrical Authorization not available.
			5	Vehicles plying without valid insurance, valid fitness certificate, valid pollution under control certificate
III	Minor subsequent - Repetition of violations as detailed under Category-II above.		First repetition of violation Rs .12,000 For second repetition of violation onwards Rs.24,000/-	
IV	Major violations.			
HEIGHT	1. Using bamboo / or other non-standard material for scaffolding.		Rs.20,000/-	
	2. Railing not given at platforms or opening of floor.			
	3. Scaffolding planks not tied.			
	4. Throwing / dropping of material from height.			
	5. Proper ladder / approach not given for working at height.			
	6. Full body harness (FBH) not wearing.			
	7. Lifeline of FBH not anchoring.			
	8. Floor opening left unguarded in the area of work.			
	9. Floor opening left unguarded in the area of work.			
	10. Walkway / cross over path not provided.			
Excavation	1. No barrication of excavated pits.			
Electrical	2. Un authorized working on electrical equipment.			
Vehicle	3. Sleeping under truck.			

Arc welding	4. Welding screen not used.	
General	5. Absence of Supervisor at work site.	
	6. Leaving loose sheets on the roof tops.	
V	Fatal Accidents/Permanent disability.	20% of contract value subject to Min. Rs.1 lakh and Max.Rs.5 lakhs or banning of business dealing or both

Note :

- 1) Any other violation which is not listed above having potential to endanger human life/Property shall be liable for penalty under any of the categories listed above.
- 2) Independent of the above ,the contractor shall be debarred or deregistered from taking up further contractual work in VSP in case of any repeated fatal accidents after third incident for the reasons attributable to contractor.
- 3) Safety violations have been classified into 5 categories (I to V) .Without prejudice to the right conferred by the clause no 16(g) of special conditions of contract for stoppage of work for violation of safety rules , the contractor shall be liable for penalty at the rates as indicated depending upon the category of violations .
- 4) The penalties mentioned above are in addition to those ,which are applicable as per the statutory acts & Rules . In case of any imposed penalty by any statutory authority , the same shall be over and above the contractual clauses.
- 5) The above penalties related to the accidents mentioned at Category V will be imposed on agency in case the reasons to the accidents are attributable to the agency .

Authority for imposing penalties:

- I) Penalty for violations falling under the Categories (I), (II) & (III) will be imposed by contract operating authority i.e Engineer I/c based on the findings by the designated officer of SED/Departmental Safety Officer/Zonal/ Project Safety Officer/Operating Authority, a copy of the penalty imposition advice will be endorsed to the In-charge, SED for his information.
- II) Penalty for the violations falling under the Categories (IV) & (V) will be imposed by the Engineer I/c based on the recommendation of Head of SED in consultation with the Head of Operating Department.
- III) The penalty amount shall be recoverable from any bill and/or EMD/SD of the contractor without any further reference to him.
- IV) For violations falling under the Category (V), beside penalty, action for banning of dealings with the contractor will be initiated if recommended by the committee for enquiring into fatal cases.

INTEGRITY PACT FORMAT

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

And

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

Preamble

The Principal intends to award, under laid down organizational procedures, a Quality and Pre-shipment Inspection of Steel products including Value added Flats (other than TMT Rebars & Structural) against NIT Ref NO.VSP/MKTG/INSP18-19/02 of 2018-19 DT 16/01/2019. 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(s)/ Contractor(s) commit to take all measures necessary to prevent corruption. He commits to observe the following principles during his participation in the tender process and during the contract execution.
 - (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.
- (2) 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 disqualification of the Bidder as may be imposed by the Principal as brought out at Section 3 above.
- (2) If the Principal has terminated the Contract in accordance with Section 3 above, or if the Principal is entitled to terminate the Contract in accordance with Section 3 above, the Security Deposit/performance bank guarantee furnished by the contractor, if any, as per the terms of the ITT/Contract shall be forfeited without prejudicing the rights and remedies available to the principal under the relevant General conditions of contract. This is apart from the 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 noncompliance of the provisions of the Integrity pact, the complaint/noncompliance is to be lodged by the aggrieved party with the Nodal Officer only appointed by CMD/RINL. The Nodal Officer shall refer the complaint / non compliance so received by him to the IEM, already appointed or to be appointed for that case.
- (3) The IEM is not subject to instructions by both the parties and performs his functions neutrally and

independently. The IEM(s) 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) The Principal will provide to the IEM sufficient information about all meetings among the parties related to the tender/contract for the cases referred to IEM, provided such meetings could have an impact on the contractual relations between the Principal and the Contractor. The Parties offer to the IEM the option to participate in such meetings.
- (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 agreement 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 agreement 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.

(For & On behalf of the Principal) (For & On behalf of Bidder/Contractor)

(Office Seal)

(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 Sri. P K Vijay Kumar
2. Sri Sri. V V R Sastry

(for details please see our website www.vizagsteel.com)