



RASHTRIYA ISPAT NIGAM LIMITED
VISAKHAPATNAM STEEL PLANT, VISAKHAPATNAM – 530 031

MATERIALS MANAGEMENT DEPARTMENT
(Purchase Wing)
BLOCK-A, ADMINISTRATIVE BUILDING
VISAKHAPATNAM STEEL PLANT
VISAKHAPATNAM – 530 031

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NOTICE INVITING EXPRESSION OF INTEREST
FOR SUPPLY OF PCI COAL

Ref : Pur. 5.17.0021/0238 Dtd. : 27.02.2016

RINL invites Expression of Interest from Overseas Suppliers having their own mines / Marketing rights for supply of Pulverized Coal Injection (PCI) Coal. Details of the Information to be furnished and the Technical specifications of Coal required by RINL are placed in the website www.vizagsteel.com.

Interested parties can download the details and submit their EOI. All such EOIs received within a particular period (to be decided by RINL/VSP), shall be evaluated at a time.

EXECUTIVE DIRECTOR (MM)

INVITATION FOR EXPRESSION OF INTEREST FOR SUPPLY OF Pulverized Coal Injection (PCI) Coal TO RINL ON LONG TERM BASIS.

Introduction

Rashtriya Ispat Nigam Ltd (RINL), a Public Sector undertaking under the Ministry of Steel, Govt. of India, located in the Port city of Visakhapatnam, India and having an annual production capacity of 6.3 million tonne of crude steel, envisages to enhance its production capacity of 7.3 million tonne by 2016-17. An approx. quantity of 0.40 million tonne of Pulverized Coal Injection (PCI) Coal per annum is envisaged to be imported at present and the requirement is likely to increase with the increased levels injection rates of PCI coal in the coming years.

Long Term Agreements are generally concluded by RINL for a period of three years preferably with buyer's option to extend by another two years, with established suppliers of PCI Coal having their own mines or marketing rights.

In order to broaden the supplier-base, Expression of Interest (EOI) is invited from eligible reputed overseas PCI Coal producers/mine owners/suppliers, who are interested in supplying Pulverized Coal Injection (PCI) Coal as per Technical Specifications enclosed at **ANNEXURE - I** on long term basis to RINL.

Eligibility criteria for submission of EOI

The following category of Overseas coal producers/ mine owners/suppliers are invited to express their interest for supply of Pulverized Coal Injection (PCI) Coal:

1. The EOI offerer should preferably own/manage and control the mines producing PCI Coal and should have exported not less than 150,000 MT of PCI coal in the preceding 2 years.
2. The EOI offerer who is having sole marketing rights from the major mine owners should have exported not less than 1,50,000 MT of PCI Coal in the preceding two years.
3. The EOI offerer should agree that, in case their offer is considered by RINL for acceptance, the first ship load of the coal will be supplied as an industrial trial cargo. On successful usage of coal in RINL, they shall be considered for entering into long term agreement.
4. The EOI offerer should be willing to offer a quantity of at least 1,50,000 MT per year for a minimum period of 2 years
5. The EOI offerer – whether producer/mine owner/supplier – should not have any legal proceedings pending in a court of law against RINL.

Information Required

The interested EOI offerer may submit their expression of interest (EOI) along with the following information/data/documents/printed and illustrated literatures/brochures covering the following aspects:

1. Detailed information of the Coal Producer(s)/Owner(s) of Coal Mines/ Coal Supplier along with their latest published Annual Accounts and Annual

Report to the Shareholders. These documents should clearly show the exact nature of ownership.

2. Country of origin of PCI coal.
3. Name(s) and Location of the PCI coal seam(s)/PCI coal mine(s) (Coal Suppliers to provide name and address of the mine owner also)
4. Nature of the mining operations (open-cast or underground etc.).
5. Estimated reserves of PCI coal in million metric tonnes as at the time of submission of the offer and unexpired period of mining rights for the PCI coal seam(s)/mine(s) offered.
6. Production capacity of PCI Coal Mines and average annual production of washed/unwashed PCI Coal for the last three years and future production estimates.
7. Quantity exported of PCI Coal during the last three years from the mine from which PCI coal is offered with user/buyer name and country.
8. Port(s) of shipment and its distance from the mines/Washery and mode of transportation of washed/unwashed PCI coal to the port(s) of shipment.
9. Brand name(s)/any other specific name(s) of the PCI coal(s) offered and also whether the PCI coal(s) indicated is from a new mine/seam intended to be developed or existing operational mine/seam.
10. Name, address, Phone number, Fax number, E-mail of contact person.
11. Test Reports of the PCI coal from any of the reputed international test houses for all the parameters as per the standards detailed at **Annexure-II**.
12. Details of the test certificate(s) submitted.
 - i) Ref.No. and date of the test certificate.
 - ii) Name of the test house which issued the test certificate.
 - iii) Brand of coal and names of coal mine and seam for which the test certificate is issued.
13. Quantity of the PCI coal offered annually (separately for each offered PCI coal Brand/name)
14. Period for which the offered PCI coal(s) can be supplied.

NOTE :

1. The existing long term suppliers of Low Ash coking coal/PCI coal to RINL/SAIL need not apply again against this notice.
2. This is categorically stated that this is not a request for proposals. After review of the EOIs received, a shortlist will be prepared and subsequent

action will be taken. Submission of EOI by a firm, therefore does not automatically guarantee that the firm will be invited for further discussion on the subject or for signing of supply agreement. RINL reserves the right to change or cancel these requirements and/or the EOI process at any time.

3. The parties having PCI Coals with different specifications, wherein values for one or more parameters may fall beyond the absolute values mentioned in the Technical Specifications at **Annexure – I**, can also submit their EOI if they so desire. However, the decision of RINL to consider them or not would be final and binding.
4. In the event of an expression of interest being considered by RINL for acceptance, both the PCI coal supplier and the PCI coal producer, if different parties, shall be required jointly to conclude the Agreement with RINL and both the parties shall be jointly and severally responsible for the due and timely performance of the Agreement and the PCI coal supplier will be required to produce an undertaking to the effect from the PCI coal producer along with full guarantee and warranty for the PCI coal offered for supply. In the event of such supplier not being able to produce the undertaking from the PCI coal producer, the supplier will be required to submit a Letter of Authority from the PCI coal producer in that regard, furnishing the details of the PCI coal mine, coal brand and the offered coal quantity with PCI coal specifications and delivery period.
5. RINL will deal directly and exclusively with the overseas supplier and no agency arrangements are acceptable to RINL. The interested supplier should give an undertaking to the effect in the proforma enclosed at **Annexure – III**.
6. All the information / documents furnished with the bid are liable to be verified and in case of misrepresentation/forgery noticed at any stage, RINL shall take action such as non-consideration of EOI / bid / termination of order along with forfeiture of bid bond, if any. Decision of RINL in such case shall be final and binding.

The EOI be delivered at the address mentioned below:

EXECUTIVE DIRECTOR(MM),
3rd Floor, 'A' Block,
Main Administrative Building,
Visakhapatnam Steel Plant,
Rashtriya Ispat Nigam Limited,
Visakhapatnam - 530 031.
Andhra Pradesh, INDIA

Phone : +91 891 2519520 /251
Fax : +91 891 2518753 / 2518756

E –mail : matl.mgmt@vizagsteel.com/mmkm.mm@vizagsteel.com/
prasannamishra@vizagsteel.com/vvnrao@vizagsteel.com/venkayyaj@vizagsteel.com
Web : www.vizagsteel.com

ANNEXURE - I

TECHNICAL SPECIFICATIONS FOR PCI COAL:

S. No	Technical Parameters	Unit(Limit)	Desired Specification	Absolute limit
1	Total Moisture	% Max	10.0	13.0
2	Inherent Moisture	% Max	2.5	5.0
3	Volatile matter	% Min-Max	20-25	18-27
4	Ash	% Max	9.0	10.00
5	GCV	K Cal/ Kg (Min)	7000	6800
6	Sulphur	% Max	0.50	0.70
7	Hard Groove Index (HGI)	Number(Min)	50.0	50.0
		(Max)	65.0	75.0
8	Phosphorus	% Max	0.04	0.08
9	Total Alkalies (Na ₂ O+K ₂ O) on Ash	% Max	2.2	2.5
10	Chlorine	% Max	0.04	0.08
11	Ash Fusion Temperature (Free Flow)	°C Min	1450	1400
12	Size distribution	Range (mm)	0-50	0-50
13	Minus 30 mm	% Min	95	80
14	Minus 100 Mesh	% Max	5	15

ANNEXURE - II

**PROFORMA OF THE TECHNICAL PARAMETERS TO BE GIVEN BY THE TENDERER IN
THE FORM OF TEST CERTIFICATE ALONG WITH THE OFFER.**

S. No	Technical Parameters	Unit	STANDARDS	
			ISO	ASTM
1	Total Moisture	%	ISO 589-2008	D 3302D 3302 M 2015/D 2961-2011
2	Inherent Moisture	%	ISO 11722-2013	D 3173-2011
3	Volatile matter	%	ISO 562-2010	D 3175-2011
4	Ash	%	ISO 1171-2010	D 3174-2012
5	GCV	K Cal/ Kg	ISO 1928-2009	
6	Sulphur	%	ISO 334-2013	D 4239-14 e2
7	Hard Groove Index (HGI)	Number	ISO-5074-1994	D 409/D 409M-12
8	Phosphorus	%	ISO 622-1981	D 2795
9	Total Alkalies (Na ₂ O+K ₂ O) on Ash	%		D 4326-13
10	Chlorine	%	ISO 587 -1997	D 4208-13
11	Ash Fusion Temperature (Free Flow)	°C	ISO-540-2008	D 1857/1857M -04 (2010)
12	Size	Range (mm)	ISO 1953-1994	
13	Minus 30 mm	%		
14	Minus 100 Mesh	%		

ANNEXURE - III

PROFORMA FOR
UNDERTAKING FOR NON-ENGAGEMENT OF AGENT TO DEAL WITH RINL
(Please see 5 at NOTE of Invitation for EOI)

No.....

Date :

To

EXECUTIVE DIRECTOR(MM),
3rd Floor, 'A' Block
Main Administrative Building,
Rashtriya Ispat Nigam Limited,
Visakhapatnam Steel Plant,
Visakhapatnam 530 031.
Andhra Pradesh
INDIA.

Dear Sir,

Sub: Your EOI No. Pur.5.17.0021/0238 Dtd. 27.02.2016

We (Name of the Bidder), fully understand that RINL would deal directly and exclusively with us for the subject EOI and no agency arrangements are acceptable to RINL.

We, hereby, undertake that we shall deal directly with RINL and have not engaged any Agent to deal with RINL for the subject EOI.

Yours faithfully,

(NAME)

For and on behalf of M/s.

(Name of the bidder)

Note: This Undertaking should be on the Letter-Head of the Bidder and should be signed by a person competent and having the power of attorney to bind the Bidder.