



**VIZAG
STEEL**
Pride of Steel

RASHTRIYA ISPAT NIGAM LIMITED / राष्ट्रीय इस्पात निगम लिमिटेड
VISAKHAPATNAM STEEL PLANT / विशाखपट्टणम इस्पात संयंत्र

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E-AUCTION NOTICE FOR SALE OF BFG SLAG (SSY-2)-MERCHANT EXPORT

E-AUCTION CATALOGUE

Marketing By Products
Room No 55, D Block, Project Office Complex
Visakhapatnam -530031 (AP)
Tel: 0891 -2518030/ e-mail: mktgbp@vizagsteel.com

E-AUCTION DATE & TIME: 18-01-2024 @ 15.00 Hours.

FORWARD E-AUCTION NOTICE NUMBER:
VSP/MKTG /BP/2023-24/ 9100001615



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ONLINE FORWARD AUCTION NOTICE

Sub: Notice inviting E-Auction for Sale of Blast Furnace Slag on Merchant Export terms for a quantity of 54,000 MT with Ex-plant delivery basis from BFG Slag at Storage Yard SSY-2 area on “As is where is and No complaint basis” - by ROAD/RAKE

1. RASHTRIYA ISPAT NIGAM LIMITED intends to sell material, tabulated below via e-auction. Online biddings are invited from the interested parties for the same through our e-auction website <https://srm.vizagsteel.com>. The sale is on “AS IS WHERE IS AND NO COMPLAINT BASIS” of any kind whether physical or chemical and unintended use vis-à-vis material as mentioned against each item.
2. The following material can be inspected on all working days, except Sundays and holidays between 10:00 AM to 5:00 PM with prior intimation to RINL, VSP.

S. No.	Products	Lot. No.	Quantity	Delivery period
1	BFG SLAG FROM SSY-2 AREA BY ROAD/RAKE	1	54,000 MT	45 days

3. Interested parties can participate online through our website <https://srm.vizagsteel.com> by registering with the site and submitting the required EMD on or before the dates mentioned below. Registration is online.
4. The bidders are advised to refer to all the Terms & Conditions for better understanding before participating in the auction. The auction terms and conditions have to be accepted online before participation in online auction.
5. The last date and time for accepting the Pre-Bid EMD along with necessary certificates, if any, is up **to 17 :30 Hours on 17-01-2024.**



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6. Start time and date of bidding in the auction is **15:00 Hours on 18-01-2024**. Minimum Duration of entire auction is 45 minutes. (Duration is subject to automatic closing time extensions.)
7. Bidders are advised to login at 14:00 hours and check accordingly or call RINL/VSP EXECUTIVES for any assistance during the auction.
8. The successful bidder shall lift the material within **45 days** excluding the date of quotation as per Terms & Conditions stipulated.
9. 100 % of the allocated quantity to be lifted unless the balance quantity is less than a truckload.
10. Mode of Auction: **YANKEE MODE**.
11. Bid Validity: Bid Placed by the bidder/customer in the online auction will be valid for acceptance for a period of 30 days from the date of auction.

Date: 11-01-2024.

Place: Visakhapatnam.

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**Sr. Branch Manager
(Mktg)- By Products**

CONTACT DETAILS OF RINL/VSP EXECUTIVES:

Mr. E.L.N Srinivas	Sr. Branch Manager (By Products)	+91-891-2424656 / 8332983255
Ms. K.Revathi	DGM (Mktg.) (By Products)	+91-891-2421184 / 9849797551



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TERMS AND CONDITIONS

1. RASHTRIYA ISPAT NIGAM LIMITED (RINL)/VISAKHAPATNAM STEEL PLANT (VSP) invites quotations/bids for sale of BFG slag on merchant export terms from SSY-2 area or as permitted by blast furnace engineer I/c for a quantity of 54,000 MT on “AS IS WHERE IS AND NO COMPLAINT BASIS” with Ex-Plant delivery basis for export to any other country other than banned countries.
2. The representative specification of the BFG Slag material shall be as below:

Parameter	Content
CaO	33-40%
SiO ₂	32-38%
Al ₂ O ₃	14-20%
MgO	7-10%
FeO	3.0% Maximum
MnO	1.0% Maximum
Moisture	20% Maximum
Glass content	93% Maximum

RINL will issue test certificate after testing the samples for the above parameters. It is planned to collect the representative samples and one composite sample is made out of all the samples collected once for a consignment/shipment and will be sent to QATD for testing. RINL will test these samples for the above-mentioned parameters except Glass content, which will be tested once for a consignment/shipment. These analyses will be used for issuing TC by RINL.



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Bidders are advised to collect the samples from SSY-2 area and satisfy themselves with the quality including moisture content as an extra precaution, since no complaint whatsoever shall be entertained by RINL.

Period of Contract:

Quantity	Delivery Period/Contract Period
54,000MT	45 days from the date of first quotation

A quantity variation of (+/-) 10% is allowed on total contract quantity. No claim on this account will be entertained.

“Month” means month for example 20th February 2023 to 19th March 2023 shall be considered as one month.

Countries for export: Any Country (other than banned Countries)

3. Terms and conditions:

Material: BFG Slag on “As is where is and No complaint basis” Quantity: 54,000 MT

Earnest Money Deposit (EMD): Rs. 5 lakhs payable to RINL/VSP as per Annexure-1

4. Issue of Letter of Acceptance (LOA): Upon acceptance of the bid, LOA shall be issued by RINL and the same shall be acknowledged.

5. Security Deposit (SD): 5.90 % of the Contract value is to be submitted in the form RTGS/NEFT/Bank Guarantee towards Security deposit (SD) within 15 working days (Bank working days) from the date of LOA.



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In case of deposit through RTGS/NEFT, EMD amount of **Rs.5 lakhs** can be adjusted against SD and balance amount to be deposited. In case of failure to lift minimum 90% of the contract quantity within the contract period, total SD amount shall be forfeited, and contract shall be closed.

6. **Differential Price:** BG/RTGS/NEFT payments to be submitted for the differential price between the operating base price net of Road or Rake incentives of Domestic sales of BFG slag material and the Merchant Export price along with applicable GST for a quantity of 25,000 tons on replenishable basis upon submission of proof of export, else payments towards differential price to be made for the quantities lifted above 25,000 tons also.

In case BFG Slag operating price net of Road or Rake incentives of domestic sales increases subsequently, the differential value with merchant export price along with GST to be deposited until the proof of export is submitted.

Presently the operating base price of Domestic sales for BFG Slag is **Rs. 675/-** pmt. In case the differential price is submitted in the form of BG, the BGs should have claim period of 6 months beyond the contract period.

7. **Submission of Bank Guarantee (BG):** The Buyer may submit Individual Bank Guarantees in the prescribed format placed at Annexure - 4 & 5 towards equivalent amounts of Security Deposits as stated above at Sl. No. 05 and Differential Price as mentioned at Sl.No.06 in lieu of RTGS/NEFT payment. However the BGs are to be submitted within 15 working days (Bank working days) from the date of LOA. The BGs should have claim period of 6 months beyond the contract period.



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In case Security Deposit (SD) and Differential Price as specified at Clause number 5, 6, 7 are not submitted within 15 working days (Bank working days) from the date of LOA, EMD amount shall be forfeited.

8. **Signing of Agreement:** Agreement shall be entered in the prescribed format (as specified at Annexure-3 on Rs.200/- Non-judicial stamp paper) upon receipt of Security Deposit and Security for Differential Price and on or before generation of First quotation/offer.

9. Quotation shall be issued after receipt of the BG confirmation from the issuing bank and encasing branch (local branch). In case, if customer makes payment towards Differential price (Domestic price of BFG Slag and Contract price for Merchant export) by RTGS/NEFT, quotations shall be issued for the quantity as requested by the customer.

Contract period: From the date of FIRST OFFER/QUOTATION to the Maximum period as mentioned above para-2 depending on the Contract Quantity i.e. 1 month.

10. **Payment Terms:** The buyer shall remit in advance 100% of offer value of the material along with the GST amount for issue of sales order within 15 working days from the date of Quotation. Quotations/offer letters shall be issued for the quantity as per the request of customer. However, deliveries shall have to be completed within the Delivery schedule mentioned above.

11. Buyer has to furnish the copy of Purchase order placed by foreign buyer for each shipment before lifting material from the plant for that particular shipment. Buyer shall furnish shipment wise proof of Export, within 04 (four) months from the date of delivery



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of BFG Slag from VSP or as permitted by the RINL/VSP. In case of failure to submit proof of export, the SD submitted by party shall be forfeited and deposit for Differential Price along with GST shall also be recovered.

12. PRICE:

PRICE: The tenderer shall quote Basic Price for BFG Slag on ex-plant basis. Price shall be exclusive of GST etc.

CURRENCY OF PRICE: INDIAN RUPEES

13. PAYMENT TERMS: Mode of payment shall be by RTGS/NEFT. Payment to be made within 15 working days from the date of quotation.

14. Invoice shall be raised for the actual tonnage delivered on ex-plant basis without deduction for moisture. RINL's Weighment is final. The scope of Loading in to wagons shall be with RINL only. In case of movement by rakes, rakes shall be indented by RINL as per the request of the customer. Demurrages, if any, shall have to be borne by the customer. Customer has to follow up for missing wagons, if any, after the rake is handed over to Railways.

15. VALIDITY: Quoted price shall be kept valid for acceptance up to 30 days from the date of auction.

16. DIVERSION TO DOMESTIC MARKET:

In case any quantity is diverted to the domestic market by the successful tenderer out of the material lifted for export purpose, the successful bidder shall make good the price difference between the operating base price net of road/rake incentives of domestic sales for BFG Slag prevailing for the month of diversion, and ex-works price agreed with the successful tenderer for export including the applicable GST.



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For the purpose of collecting deposit towards differential price, the operating price is calculated after deduction of the incentives applicable for Road (or) Rail dispatches that is prevailing for domestic delivery for the equivalent volume of quantity as covered in the Merchant Export auction. The lifting period for the proposed merchant export quantity falls more than 45 days, the propionate quantity is only to be considered.

The prevailing operating price & incentives for road and rake as on the date of issue offer Letter of Acceptance (LOA) shall be considered. However, differential price and incentives for Road (or) Rake shall be revised as and when prices & incentives get changed. It is to note that only either Rail or Road incentives (but not both for same quantity) shall be considered based on the mode of dispatch mentioned/opted in the respective auction.

In case of shortfall (i.e. difference in actual quantity lifted for export and the quantity for which proof of export is submitted) the successful tenderer shall make good the price difference as above apart from compensating the amounts claimed by the statutory authorities, if any, in this connection.

17. Instructions to the tenderers: The following shall be taken into due consideration while submitting the offer:

- i. Loading of BFG Slag from BF Slag storage yard SSY-2 area or as permitted by BF Engineer I/c, will be in the scope of Buyer and allowed round the clock. Weight recorded at RINL's weighbridge is final and binding.
- ii. Material to be covered with tarpaulin to avoid spillage. Customer shall ensure cleaning of spilled slag on the roads on daily basis.
- iii. Customer should ensure plying of empty and loaded trucks through the designated path only in case of road despatch.
- iv. The movement of vehicles will be restricted during safety timings within the plant.
- v. The capacity of the weighbridge used for slag weightment is 100 MT maximum.



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18. The Tenderer is required to unconditionally accept the “Integrity pact” enclosed to the E- Auction notice and shall submit the same duly signed along with his offer. Offer of the Tenderer received without Integrity pact duly signed shall not be considered. Presently, Shri Siva Prasada Rao has been appointed as independent external monitor (IEM) for RINL.

The copy of Integrity pact to be signed is enclosed at Annexure – 6.

19. **Quality of the material:** The analysis report on the quality of BFG Slag from Blast Furnace slag storage yard SSY-2 area or as permitted by BF Engineer I/c furnished by the seller is final and binding on the buyer. The buyer shall not have any right to reject BF Slag, since the material is offered on “As is where is and no complaint basis” and No claim whatsoever shall be entertained by RINL.

20. VSP reserves the right to cancel, accept, or reject any or all bids/E-auction or to apportion the quantities to a number of bidders in any form and without assigning any reason and at sole discretion of VSP and the decision of VSP in this regard will be final and binding.



Sr. Branch Manager
(Mktg)- By Products



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ANNEXURE – 1

(PART – A / EMD)

EMD SHALL BE SUBMITTED UP TO 17:00 HOURS OF THE PREVIOUS DAY OF AUCTION DATE IN THE FORM OF DD/ RTGS IN INDIAN RUPEES ONLY. PLEASE TICK MARK THE RELEVANT MATTERS BELOW

EMD IS BEING SUBMITTED IN THE FORM OF DD/RTGS FOR AN AMOUNT OF Rs. 5,00,000/- (RUPEES FIVE LAKHS ONLY). THE RELEVANT DETAILS TOWARDS EMD ARE AS GIVEN BELOW:

A. DD NUMBER _____ DATED _____

B. THE RTGS DETAILS TOWARDS EMD IS ENCLOSED:

UTR NUMBER _____ DATED _____

STATION: _____ SIGNATURE OF THE TENDERER /

DATE: _____ AUTHORISED REPRESENTATIVE

* IF THE PAYMENT OF EMD IS TO BE MADE BY RTGS THE DETAILS OF OUR BANK A/C ARE AS GIVEN AT ANNEXURE 1-A.



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ANNEXURE 1-A

RTGS DETAILS

Name of the beneficiary/ Account Name	Rashtriya Ispat Nigam Ltd – HQ Sales– RTGS A/c
Address	Byproducts Sales Account, Project Office Complex, D Block, Visakhapatnam Steel Plant, Visakhapatnam-530031
Bank	Union bank of India Bank
Branch	Dwarakanagar
Location	Visakhapatnam
Account No	506101010033884
IFSC Code	UBIN0550612
Figures	
Type of account	
Current	
MICR code	
Branch code	
Bank address	
IFSC code	UBIN0550612

Please instruct your banker to indicate your Company name in the Structural message report.



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ANNEXURE – 2

TERMS AND CONDITIONS FOR MERCHANT EXPORTS

1. **Delivery:** Ex- Plant, RINL/VSP
2. **Payment:** Advance payment - INR, along with GST
3. **Weighment:** Weight at VSP's weighbridge is final
4. **Price:** Ex-Plant, RINL/VSP excluding GST etc.
5. Test certificate issued by RINL is final and no complaint is entertained regarding quality of the material since the sale is on "As is where is and No complaint basis"
6. GST shall be charged as per the applicable tax rate i.e. 5%. The same can be claimed from the concerned department against proof of export as per the extant procedure.
7. Customer has to furnish the copy of purchase order placed by foreign buyer for each shipment before lifting material from the plant for that particular shipment. Payment to be made within 15 working days from the date of offer/quotation.
8. The buyer has to submit Proof of Export within 04 months from the date of lifting material from the plant i.e. Copies of Bill of Lading and Shipping bills.
9. Loading and Transportation arrangements are within the scope of Purchaser only.
10. The buyer has to sign the Agreement.



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ANNEXURE – 3

**AGREEMENT FOR SALE OF BFG SLAG FROM BF SLAG STORAGE YARD
SSY-2 AREA ON MERCHANT EXPORT BASIS**

AGREEMENT NO. RINL/VSP/MKTG/BP/2023-24/_____ DATED _____

This Agreement is made on _____ day of _____ 2023.

Between

Rashtriya Ispat Nigam Limited, Visakhapatnam Steel Plant, a Company registered under the Companies Act, 1956 and having its registered office at Administration Building, Visakhapatnam Steel Plant, Visakhapatnam-530031, India hereinafter referred to as the **“SELLER”** (which expression shall, unless excluded by or repugnant to the context to be deemed to include its Successors, assigns) of the one part,

And

M/s. _____
a Company registered under the Companies Act, 1956 and having its registered office at _____ India,
hereinafter referred to as the **“BUYER”** (which expression shall, unless excluded by or repugnant to the context to be deemed to include its Successors, assigns) on the other part.

WHEREAS the BUYER has agreed to enter into an Agreement with the SELLER for the purchase of BFG SLAG ON MERCHANT EXPORT TERMS FROM BFG SLAG STORAGE YARD SSY-2 AREA OR AS PERMITTED BY BF I/C FOR _____ MT, on “AS IS WHERE IS AND NO COMPLAINT BASIS” with EXPLANT DELIVERY BASIS, starting from the aforesaid date of agreement, i.e. from DD.MM.20YY To DD.MM.20YY on the following terms and conditions, which are agreed and reduced into writing.



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Now these presents witnessed and it is hereby agreed and declared by and between the parties hereto as follows:

1. **Material:** BFG SLAG ON MERCHANT EXPORT TERMS FROM BF SLAG STORAGE YARD SSY-2 AREA FOR _____ MT ON "AS IS WHERE IS AND NO COMPLAINT BASIS" WITH EXPLANT DELIVERY BASIS.

Location: BF SLAG STORAGE YARD SSY-2 area or as permitted by the BF In-charge.

2. **Contract Quantity:** Total _____ MT
(In words _____ Metric Tonnes only)

3. **Quality/Grade:** Test Certificate mentioning the indicative specification range will be provided. No complaint whatsoever shall be entertained since the material is offered on "As is where is and No complaint basis".

4. **Period of Contract/ Delivery:**

Quantity	Delivery Period/Contract Period
54,000MT	45 days from the date of first quotation

A quantity variation of (+/-) 10% is allowed on total contract quantity. No claim on this account will be entertained.

"Month" means month for example 20th February 2023 to 19th March 2023 shall be considered as one month.

Countries for export: Any Country (other than banned Countries)



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5. The BUYER intends to buy from the SELLER, BFG SLAG FROM BFG SLAG STORAGE YARD SSY-2 AREA OR AS PERMITTED BY BF I/c FOR _____ MT, on “AS IS WHERE IS AND NO COMPLAINT BASIS” ON MERCHANT EXPORT TERMS FOR EXPORT TO ANY COUNTRY OTHER THAN BANNED COUNTRIES and the SELLER intends to sell the same on merchant export basis and delivery shall be on EX-WORKS basis, Visakhapatnam Steel Plant, within the contract period as mentioned at point number 4.

Price: Rs. _____ PMT (Ex-Works, VSP).

The prices are exclusive of GST. The price shall be valid up to DD.MM.YYYY.

6. TAXES & DUTIES:

Taxes applicable on sale of BFG Slag on date of delivery shall be payable by the BUYER at actual and SELLER shall raise invoice accordingly.

GST shall be charged at applicable tax rate i.e. 5%. The same can be claimed from the concerned department against “Proof of Export” i.e. Copies of Bill of Lading and Shipping bills.

7. BUYER shall furnish proof of Export, shipment wise within 04 months from the date of export of BF Slag or as permitted by the Statutory Authorities.

8. Security Deposit:

Upon awarding work, 5.90% of the Contract value is to be submitted in the form Bank Guarantee/RTGS/NEFT towards Security Deposit (SD). In case of deposit through RTGS/NEFT, EMD amount of Rs.5 lakhs shall be adjusted against SD and balance amount is to be deposited. In case of failure to lift minimum 90% of the contract quantity within the contract period and submit the proof of export, total SD amount shall be forfeited, and contract shall be closed.



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SD shall be released on completion of lifting of Minimum 90 % of contact quantity as per the delivery schedule mentioned at clause number-04 above after adjusting dues, if any and upon submission of proof of export.

9. Delivery Terms:

Material shall be delivered from BF Slag Storage Yard SSY-2 area or as permitted by the BF Engineer In-charge. Loading into trucks at the SELLER's premises shall be in the scope of buyer only.

The material is to be lifted by the BUYER by Trucks/ Wagons from Ex-Works, RINL/VSP, and Visakhapatnam i.e., from the SELLER's premises and the BUYER shall tie up with the transporters for movement of the entire quantity by Road/Rail from the SELLER's premises.

Delivery shall be made by Rail/ Road as indicated in the NIT.

The BUYER shall not be allowed to pick or choose the material. It is the BUYER's obligation to properly ascertain the logistics requirement and expenses involved.

The risk and property of the material shall pass on to the BUYER immediately after loading the material into their trucks/ Wagons at the loading point of the SELLER's premises.

The BUYER shall follow and comply with and abide by the delivery/dispatch procedure in force at the SELLER's premises from time to time.



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The BUYER shall make all efforts to lift the material uniformly throughout the contract period.

Entry and Exit for Trucks/Vehicles in case of Road dispatch: Trucks/Vehicles have to enter and exit through BC Gate / BCSY of the SELLER or as per existing system of the SELLER. The movement of trucks/vehicles will be restricted during safety timings within the plant premises of the SELLER.

The following shall be taken into due consideration while submitting the offer:

Loading of BFG Slag will be Round the clock.

Entry and Exit for vehicles: Vehicles have to enter and exit through BC Gate/BCSY OR as per existing system of the SELLER.

The movement of vehicles will be restricted during safety timings within the plant as per existing system of SELLER.

The capacity of the weighbridge used for slag weightment is 100 MT maximum.

10. Buyer shall strictly follow the following terms and conditions. At any point of time during the surprise checks, if it is noticed that the buyer is lifting BFG Slag from other than permitted area by RINL, contract shall be foreclosed, SD shall be forfeited and will be blacklisted by RINL.

Buyer shall arrange for loading in to trucks/ Wagons from BFG Slag Storage Yard (SSY-2) area or as permitted by the BF In-charge. Buyer has to ensure that after loading is completed, material to be covered with tarpaulin to avoid spillage. Buyer shall ensure cleaning of spilled slag on the roads on daily basis (in case of road dispatch).

Buyer should ensure plying of empty and loaded trucks through the designated path only (in case of road dispatch).



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11. After completing the lifting of said quantity of BFG Slag, and the submission of proof of export for above 90 % of the contract / quoted quantity, on the certification of the same by Sr. BM (BP), SD shall be released to the buyer.

12. **Payment Terms:** The buyer shall remit in advance 100% of offer value of the material along with the GST amount for issue of sales order within 15 working days from the date of Quotation. Quotations shall be issued for the quantity as per the request of buyer. However, deliveries shall have to be completed within the Delivery schedule mentioned above.

13. **Differential Price:** BG/RTGS/NEFT payments to be submitted for the differential price between the Operating base price net of Road or Rake incentives of Domestic sales of BFG slag material and the Merchant Export price along with applicable GST for a quantity of 25,000 tons on replenishable basis upon submission of proof of export, else Payments towards differential price to be made for the quantities lifted above 25,000 tons also.

In case BFG Slag operating price net of Road or Rake incentives of domestic sales increases subsequently, the differential value with merchant export price along with GST to be deposited until the proof of export is submitted.

Presently the operating base price of Domestic sales for BFG Slag is Rs. 750/MT. In case the differential price is submitted in the form of BG, the BGs should have claim period of 6 months beyond the contract period.

14. Buyer has to furnish the copy of Purchase order placed by foreign buyer for each shipment before lifting material from the plant for that particular shipment. Buyer shall furnish shipment wise proof of Export, within 04 (Four) months from the date of delivery of BFG Slag from VSP or as permitted by the RINL/VSP. In case of failure of all or any of the above requirements mentioned at Sl.no-08 & 13, i.e. EMD/SD, submitted by



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party shall be forfeited and SD deposit for Differential Price along with GST shall also be recovered.

15. DIVERSION TO DOMESTIC MARKET:

In case any quantity is diverted to the domestic market by the successful tenderer out of the material lifted for export purpose, the successful bidder shall make good the price difference between the operating base price net of road/rake incentives of domestic sales for BFG Slag prevailing for the month of diversion, and ex-works price agreed with the successful tenderer for export including the applicable GST.

For the purpose of collecting deposit towards differential price, the operating price is calculated after netting of the incentives applicable for Road (or) Rail dispatches that is prevailing for domestic delivery for the equivalent volume of quantity as covered in the Merchant Export auction. The lifting period for the proposed merchant export quantity falls more than 45 days, the proportionate quantity is only to be considered.

The prevailing operating price & incentives for road and rake as on the date of issue of Letter of Acceptance (LOA) shall be considered. However, differential price and incentives for Road (or) Rake shall be revised as and when prices & incentives get changed. It is to note that only either Rail or Road incentives (but not both for same quantity) shall be considered based on the mode of dispatch mentioned/opted in the respective auction.



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In case of shortfall (i.e. difference in actual quantity lifted for export and the quantity for which proof of export is submitted) the successful tenderer shall make good the price difference as above apart from compensating the amounts claimed by the statutory authorities, if any, in this connection.

16. ANALYSES REPORT/TEST CERTIFICATE:

RINL will issue test certificate after testing the samples for the above parameters. Bidders are advised, to collect the samples from BF Slag storage yard SSY-2 area and satisfy themselves with the quality including moisture content as an extra precaution since no complaint whatsoever shall be entertained by RINL.

17. WEIGHMENT:

The SELLER shall provide necessary facilities at their premises for weighment of the material loaded into trucks/ Wagons. Weight recorded at the SELLER's weighbridge is final and binding on the buyer and no dispute regarding the same shall be entertained once the material leaves SELLER'S premises.

Invoices will be raised as per the weight recorded at SELLER's weighbridge.

18. SAFETY CLAUSE:

The BUYER shall comply with all Safety and Security Regulations while lifting the material from the premises of SELLER as applicable from time to time. SELLER will have no liability towards any claim regarding injury to the employees of/workers engaged by the BUYER or any damage to any of their machines/equipment's etc. BUYER shall keep SELLER indemnified against any such claim/claims.



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19. FORECLOSURE:

In case, the BUYER fails to perform as per the conditions stipulated in this agreement, the agreement shall be foreclosed. The decision of the SELLER regarding this will be final and binding. The amount available after adjusting the damages and other dues, if any, shall be returned to the BUYER.

In case the SELLER wishes to foreclose the contract in the interest of the company at any point of time, during the contract period, a notice of one week shall be given by the SELLER to the BUYER and after the notice period, the agreement shall be foreclosed. In that case, the amount available after adjusting the damages and all other dues, if any, shall be returned to the BUYER. During the notice period, the BUYER shall perform all their obligations.

20. JURISDICTION CLAUSE:

It is hereby agreed between the parties that the courts at Visakhapatnam, India with the exclusion of all other courts, shall alone have jurisdiction over all matters relating to this contract, Governing law shall be laws of India.

21. FORCE MAJEURE:

Notwithstanding anything contained in this agreement, the obligation of the SELLER to supply and deliver and the PURCHASER to purchase and take delivery shall remain suspended and neither of them shall be entitled to claim compensation from the other for any loss or damage caused by such suspension, whether total or partial, if and to the extent that either the SELLER or the PURCHASER is rendered unable to perform its obligations under this agreement by reasons of restraints by Govt., war, blockade, revolution, insurrection, strikes, acts of God, plague or other epidemics, destruction of material by flood, fire or other natural calamity interfering with the production, loading or discharge, provided that the operation of the contract shall be resumed as soon as any such condition or circumstances are removed. Provided further that at all times this clause shall not be construed as releasing the SELLER and/or the BUYER from any



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liability in respect of willful refusal to effect or receive supplies or willful default or neglect in doing so.

On the occurrence of Force Majeure as above, the affected party shall give to the other, notice in writing of such occurrence with all details and supporting evidence thereof, within 15 (FIFTEEN) days of such occurrence.

In case of Force Majeure conditions prevail for the period in excess of 90 (NINETY) days; either party shall have the option to cancel this agreement, by notice in writing to other party in respect of the undelivered quantity of the materials without, however, any right against or being responsible to the other party for such cancellations. Upon such cancellation, the SELLER shall return the balance amount available after adjusting the outstanding damages and all other dues, if any, till the date of such notice.

22.ARBITRATION:

If at any time, any question, dispute or difference whatsoever arises between the SELLER and the BUYER upon or in relation to or in connection with the contract/agreement, either party may forthwith notify the other in writing of the existence of such question, dispute or difference and the same shall be referred to the adjudication of sole arbitrator to be nominated by the Chairman-cum-Managing Director, RINL, Visakhapatnam Steel Plant. In case designation of the Chairman-cum-Managing Director is changed or his office is abolished, the officer who for the time being is entrusted with the functions of the Chairman-cum-Managing Director, RINL, Visakhapatnam Steel Plant by whatsoever designation such officer is called, shall nominate the sole arbitrator to adjudicate upon the disputes and there shall be no objection to any such nomination / appointment on the ground that the sole arbitrator is an officer / employee of the Visakhapatnam Steel Plant. The Fee payable to the Arbitrator 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



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force at the time of invocation, with a maximum ceiling of Rs.10,00,000/- The costs and incidental expenses etc., for conducting the Arbitration proceedings and the fee payable to the Arbitrator shall be born equally by both parties. The Arbitrator shall make a reasoned Award and the award shall be final and binding on both the parties.

Both parties agree that no interest shall be awarded by the arbitrator in the arbitration proceedings. The decision of the sole Arbitrator shall be final and binding on both the parties to this Agreement. The arbitration proceedings shall be governed by the Arbitration and Conciliation Act 1996 and rules framed there under. The Seat and venue of Arbitration shall be Visakhapatnam, Andhra Pradesh only.

Work under the contract shall be continued by the Purchaser during the arbitration proceedings unless otherwise directed in writing by the RINL or unless the matter is such that the work cannot possibly be continued unless the decision of the arbitrator is obtained and save as those which are otherwise expressly provided in the contract, no payment due or payable by the RINL shall be with-held on account of such arbitration proceedings unless it is a subject matter or one of the subject matters thereof.

The Arbitrator's fee, expenses and all other costs and other expenses relating to the holding of arbitration shall be borne by both the parties equally. However, the fees and expenses of the Advocates and expenses relating to the presentation of witness shall be borne by the respective parties. Should the Arbitrator give a specific award in respect of costs then it would prevail.

23.ASSIGNMENTS:

The BUYER/SELLER shall not assign their rights and obligations under the terms of this agreement to any party other than its legal successor without the written consent of the other part.



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24. ENTIRE AGREEMENT:

The terms and conditions herein contained shall constitute the entire Agreement and understanding between the parties hereto and shall supersede all other communications which were made prior to signing of this Agreement, whether written or oral, between the parties hereto with respect to the subject matter hereof.

25. AMENDMENT OF AGREEMENT:

Any clause which is hindering the operation of the agreement or due to any changes in ground situation at either end can be reviewed. Any amendment to this agreement shall be made in writing by both parties hereto and specifically stated to be an amendment to this agreement.

26. WAIVER:

Non-enforcement by either party of any of the provisions of this Agreement shall not operate or constitute as a waiver of the provision itself or any subsequent breach thereof.

The validity of the Agreement shall not be affected should one or more of its stipulations be or become legally invalid. In such a case, the parties shall negotiate in good faith to replace the invalid clause by a stipulation which is in accordance with the applicable law and which shall be as close as possible to the party's intent.

Should the fulfillment of this contract be rendered impossible by any Executive or Legislation Act done by or on behalf of the government, this contract or any unfulfilled part thereof shall be cancelled without any financial liabilities whatever, to either party.



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IN WITNESS WHEREOF the parties hereto have executed and signed this agreement on _____ day of _____ 2023.

Executed for and on behalf of Visakhapatnam Steel Plant, RASHTRIYA ISPAT NIGAM LIMITED by:

NAME:

SIGNATURE:

WITNESS:

1. _____ SIGNATURE _____

2. _____ SIGNATURE _____

Executed for and on behalf of M/s _____
_____ by:

NAME:

SIGNATURE:

WITNESS:

1. _____ SIGNATURE _____

2. _____ SIGNATURE _____



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ANNEXURE – 4

**BANK GUARANTEE FROM A SCHEDULED COMMERCIAL BANK TO BE EXECUTED ON A STAMP PAPER
OF VALUE NOT LESS THAN Rs. 200.00 BOUGHT IN THE NAME OF THE EXECUTING BANK**

PRO FORMA BG FOR PERFORMANCE GUARANTEE(SD)

TO

RASHTRIYA ISPAT NIGAM LIMITED

VISAKHAPATNAM STEEL PLANT

VISAKHAPATNAM-530031

1. Name and address of the bank:
2. BG issued on behalf of:
3. Bank Guarantee No. :
4. Date of issue/with effect :
5. Date of expiry:
6. Claim period:
7. Limit of liability:
8. Ref. Letter of Acceptance Number & dated :
9. For: Security deposit towards Sale of BFG SLAG on Merchant export basis.

SUBJECT: SECURITY DEPOSIT

Dear Sirs,

In consideration of M/s Rashtriya Ispat Nigam Limited, Visakhapatnam Steel Plant, a Company incorporated under the Company's Act, 1956, wholly owned by Government of India having its registered office at Administrative Building, "Visakhapatnam -530031, AP (hereinafter referred to as 'the Seller') having agreed to accept the Security Deposit of Rs _____ /- (Rupees _____ (Only) of M/s _____ (Hereinafter called as 'Buyer')



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under the terms and conditions of Letter of Acceptance number _____ dated _____ for SALE of BFG SLAG FROM BF SLAG STORAGE YARD SSY-2 AREA ON MERCHANT EXPORT BASIS "AS IS WHERE IS AND NO COMPLAINT BASIS" on comprehensive job basis and as per your Letter of Acceptance dated _____ (hereinafter referred to as "the said Contract which expression shall in case of execution of any formal agreement between you and the buyer shall and include the said agreement) covered under the said agreement as a Guarantee for due performance /fulfillment of all the terms and conditions contained in the said agreement on furnishing of a Bank Guarantee for Rs _____ /-(Rupees _____ (Only). We, (Name of the Bank) (hereinafter called as said 'Bank') hereby covenant and agree with you as under:

1. We undertake to indemnify you and keep you indemnified from any loss from time to time to the extent of Rs _____ suffered by or that may be caused to 'or' suffered by you by reason of any breach or any breaches on the part of the buyer of any of the terms and conditions contained in the said contract and in the event the Buyer shall make any defaults in carrying out lifting of BFG SLAG FROM BLAST FURNACE SLAG STORAGE YARD SSY-2 AREA 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 _____ as may be claimed by you as your losses and / or damages, cost, charges or expenses by reasons of such default/defaults on the part of the Buyer.
2. Notwithstanding anything to the contrary, your decision as to whether the Buyer has made any such default or defaults and the amount or amounts which you are entitled by reason thereof will be binding on us we shall not be entitled to ask you to establish your claim or claims under this guarantee but will pay the same on demand without objections.



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3. The seller 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 _____ as referred to above and this guarantee shall not become invalid or in fructuous because of the partial demand made by the seller upon us on payment under the circumstances stipulated herein above and this guarantee shall hold good in favour of the Seller 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 Buyer after expiry or the relative guarantee period of the said contract and after the Buyer had discharged its entire obligation under the said contract and produced a certificate of the due completion of the contract under the said contract.

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 Buyer in respect of due performance/fulfillment of all the terms and conditions contained in the said contract or otherwise we undertake to extend the period of this Guarantee and confirm 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 and of the terms and conditions of the said contract or extend time of performance of the contract or to postpone for any time or from time to time any of your rights or powers against the Buyer and either to enforce or forebear 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 Buyer or any other forbearance, act or omission on your part or any indulgence by you to the Buyer or by any variation or modification of the said contract or 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



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Rs _____ as the aforesaid or extend the period of guarantee beyond the said date of (date) unless expressly agreed to by us in writing.

6. This guarantee shall not in any way be affected by your taking or giving up any securities from the Buyer 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 Buyer.
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 Buyer hereby guaranteed by us and as aforesaid and we hereby expressly waive all our rights of surety ship 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 Buyer from time to time arising out of or in relation to the said contract and in respect of which a 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 of any other guarantee or guarantees hereto 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 effected by any change in the constitution of the Buyer or us nor shall it be affected by any change in your constitution or by any amalgamations 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.



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11. This guarantee during its currency shall not be revoked by us except with your previous consent in writing.
12. It shall not be necessary for you to proceed against the Buyer 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 Buyer at any time or when proceedings are taken against us hereunder be outstanding or unrealized.
13. We (mention the name of bank), hereby agree that any claim due and arising under this guarantee shall be enforceable against our Bank's branch (mentioning the name and address of branch) at Visakhapatnam and they shall honor such demand in any case not later than next working day.

14. Issuance of this Bank Guarantee may also be got confirmed from our controlling branch/office/higher Authority as per the name & address mentioned below:

DATED THE _____ DAY OF _____ TWO THOUSAND _____



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ANNEXURE – 5

**BANK GUARANTEE FROM A SCHEDULED COMMERCIAL BANK TO BE EXECUTED ON A STAMP PAPER
OF VALUE NOT LESS THAN Rs.200.00 BOUGHT IN THE NAME OF THE EXECUTING BANK**

PRO FORMA BG FOR DIFFERENTIAL PRICE

(Highest Domestic Price minus Merchant Export price)

TO

RASHTRIYA ISPAT NIGAM LIMITED

VISAKHAPATNAM STEEL PLANT

VISAKHAPATNAM-530031

1. Name and address of the bank:
2. BG issued on behalf of:
3. Bank Guarantee No. :
4. Date of issue/with effect :
5. Date of expiry:
6. Claim period:
7. Limit of liability:
8. Ref. Letter of Acceptance Number & dated :
9. For: Differential price towards Sale of BFG SLAG on Merchant export basis

SUBJECT: SECURITY DEPOSIT

Dear Sirs,

In consideration of M/s Rashtriya Ispat Nigam Limited, Visakhapatnam Steel Plant, a Company incorporated under the Company's Act, 1956, wholly owned by Government of India having its registered office at Administrative Building, "Visakhapatnam -530031, AP (hereinafter referred to as 'the Seller') having agreed to accept the Security Deposit of Rs_____ /- (Rupees_____



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_____ (Only) of M/s _____
_____ (hereinafter called as 'Buyer')
under the terms and conditions of Letter of Acceptance number _____
dated _____ for SALE of BFG SLAG FROM BF SLAG STORAGE YARD SSY-2 AREA
ON MERCHANT EXPORT BASIS "AS IS WHERE IS AND NO COMPLAINT BASIS" on
comprehensive job basis and as per your Letter of Acceptance dated _____
(hereinafter referred to as "the said Contract which expression shall in case of
execution of any formal agreement between you and the buyer shall and include the
said agreement) covered under the said agreement as a Guarantee against the
differential amount between the highest domestic price of BFG SLAG and the Merchant
export price of the BFG SLAG referred to in the Letter of Acceptance /agreement for the
quantity lifted from the Plant, on violation of Buyer in exporting the material as
indicated in the said agreement with respect to offer letters issued by the Seller, on
furnishing of a Bank Guarantee for Rs _____ /-(Rupees _____
_____ (Only). We, (Name of the Bank)
(hereinafter called as said 'Bank') hereby covenant and agree with you as under:

1. We undertake to indemnify you and keep you indemnified from any loss from time to time to the extent of Rs _____ suffered by or that may be caused to 'or' suffered by you by reason of any breach or any breaches on the part of the Buyer of any of the terms and conditions contained in the said contract and in the event the Buyer shall make any defaults in EXPORT of BFG SLAG FROM BF SLAG STORAGE SSY-2 YARD AREA under the said contract or Failed to furnish the proof of Export 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. _____ As may be claimed by you as your losses and / or damages, cost, charges or expenses by reasons of such default/defaults on the part of the Buyer.



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2. Notwithstanding anything to the contrary, your decision as to whether the Buyer has made any such default or defaults and the amount or amounts which you are entitled by reason thereof will be binding on us we shall not be entitled to ask you to establish your claim or claims under this guarantee but will pay the same on demand without objections.
3. The seller 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 _____ as referred to above and this guarantee shall not become invalid or in fructuous because of the partial demand made by the seller upon us on payment under the circumstances stipulated herein above and this guarantee shall hold good in favour of the Seller 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 Buyer after expiry or the relative guarantee period of the said contract and after the Buyer had discharged its entire obligation under the said contract and produced a certificate of the due completion of the contract under the said contract.

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 Buyer in respect of due performance/fulfillment of all the terms and conditions contained in the said contract or otherwise we undertake to extend the period of this Guarantee and confirm 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 and of the terms and conditions of the said contract or extend time of performance of the contract or to postpone for any time or from time to time any of your rights or powers against the Buyer and either to enforce or forebear 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



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with reference to matters aforesaid or by reason of any time being given to the Buyer or any other forbearance, act or omission on your part or any indulgence by you to the Buyer or by any variation or modification of the said contract or 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 _____ as the aforesaid or extend the period of guarantee beyond the said date of (date) unless expressly agreed to by us in writing.

6. This guarantee shall not in any way be affected by your taking or giving up any securities from the Buyer 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 Buyer.
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 Buyer hereby guaranteed by us and as aforesaid and we hereby expressly waive all our rights of surety ship 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 Buyer from time to time arising out of or in relation to the said contract and in respect of which a 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 of any other guarantee or guarantees hereto 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.



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10. This guarantee shall not be effected by any change in the constitution of the Buyer or us nor shall it be affected by any change in your constitution or by any amalgamations 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 revoked by us except with your previous consent in writing.
12. It shall not be necessary for you to proceed against the Buyer 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 Buyer at any time or when proceedings are taken against us hereunder be outstanding or unrealized.
13. We (mention the name of bank), hereby agree that any claim due and arising under this guarantee shall be enforceable against our Bank's branch (mentioning the name and address of branch) at Visakhapatnam and they shall honor such demand in any case not later than next working day.

1. Issuance of this Bank Guarantee may also be got confirmed from our controlling branch/office/higher Authority as per the name & address mentioned below:

DATED THE _____ DAY OF _____ TWO THOUSAND _____



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ANNEXURE – 6

INTEGRITY PACT

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 contract for Merchant Export Sales of BF Slag against NIT Number VSP/MKTG/BP/2023-24/ _____ DATED _____. 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

- i. 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.



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- 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.
- ii. 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)

- i. The Bidder(s)/ Contractor(s) commit(s) 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



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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.
- ii. The Bidder(s)/Contractor(s) will not instigate third persons to commit offences outlined above or be an accessory to such offences.



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

- i. A transgression is considered to have occurred, if the principal after due consideration of the available evidence, concludes that a reasonable doubt is possible.
- ii. 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.
- iii. 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.
- iv. 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. The exclusion will be imposed for a minimum period of six (6) months and a maximum period of three (3) Years.
- v. 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.



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Section 4 – Compensation for Damages

- i. 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.
- ii. 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

- i. 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.
- ii. 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

- i. The Bidder(s)/Contractor(s) undertake(s) 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.



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- ii. The Principal will enter into agreements with identical conditions as this one with all Bidders and Contractors.
- iii. 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)

- i. If the Principal obtains knowledge of conduct of a Bidder, Contractor, and 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))

- i. 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.
- ii. 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 / noncompliance so received by him to the IEM, already appointed or to be appointed for that case.
- iii. 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.
- iv. 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



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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.

- v. 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.
- vi. 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.
- vii. 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.
- viii. 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.
- ix. Expenses of IEM shall be borne by RINL/VSP as per terms of appointment of IEMs.
- x. The word 'Monitor' means Independent External Monitor and would include both singular and plural.



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Section 9 – Duration of the Integrity Pact

- i. 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.
- ii. 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

- i. 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.
- ii. Changes and supplements as well as termination notices need to be made in writing. Side agreements to this pact have not been made.
- iii. 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.
- iv. If 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.
- v. 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.



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For & on behalf of the Principal

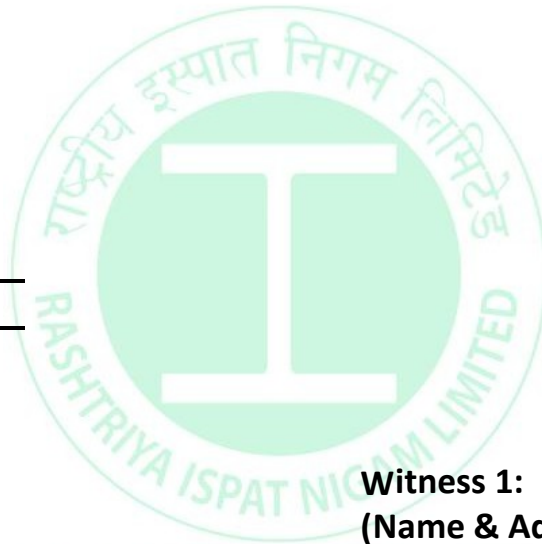
For & on behalf of Bidder/ Contractor

(Office Seal)

(Office Seal)

Place: _____

Date: _____



Witness 1:
(Name & Address)

Witness 1:
(Name & Address)



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GUIDELINES FOR INDIAN AGENTS OF FOREIGN “SUPPLIERS/CONTRACT AGENCIES

1. 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.
2. 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).
3. 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.
4. **DISCLOSURE OF PARTICULARS OF AGENT(S)/ REPRESENTATIVE(S) IN INDIA, IF ANY:**
Bidders of Foreign nationality shall furnish the following details in their quotation/bid:
 - i. 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. In case the agent(s)/representative(s) is/are a foreign company, it shall be confirmed whether it is a really substantial Company and details of the company shall be furnished.



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- ii. The amount of commission/remuneration included in the quoted price(s) for such agent(s)/representative(s) in India.
- iii. 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.

5. DISCLOSURE BY INDIAN AGENT(S) OF PARTICULARS OF THEIR FOREIGN SUPPLIER/CONTRACT AGENCY AND FURNISHING OF REQUISITE INFORMATION:

Bidders of Indian Nationality shall furnish the following details/certificates in /along with their offers:

- i. 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.
- ii. 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).
- iii. The amount of commission/remuneration included for bidder in the price(s) quoted
- iv. 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.

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.



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Failure to furnish correct information in detail, as called for in 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.

Sri S. Siva Prasada Rao, Retd. MD-SAIL

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





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ANNEXURE - B

GENERAL TERMS AND CONDITIONS

1. PREAMBLE

- i. Sale of materials through auction from Branches / Regional Offices / HQs will be governed by the Auction conditions herein contained.
- ii. The quantities indicated in the Auction are only indicative and may vary up to (+/-) 10%. No claim on this account will be entertained.

2. INSTRUCTIONS TO THE BIDDER

- i. All the information useful to bidders/customers pertaining to RINL Marketing (By-products) and RINL By-products e-auctions will be updated on RINL website time to time. Bidders/customers are advised to visit the RINL website to access the same.

Direct link to the same given below:

<https://www.vizagsteel.com/myindex.asp?tm=2&url=code/exports/defaultbyprod.asp>

- ii. If due to any reason the date of auction is postponed to any other date, information regarding the same will be displayed on the website <https://srm.vizagsteel.com>.
- iii. Bid will be accepted online only. Bidders are advised to go through the “**user manual for by-products sales auction**” to make themselves aware of the online auction bidding process.
(Link: <https://srm.vizagsteel.com/irj/go/km/docs/documents/crmauction.pdf>)



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- iv. Bidders are advised login one hour prior to auction start time and check accordingly. For any assistance prior to or during auction bidders may call RINL/VSP executives.
- v. The lots are notional and are not made as physically separate entities for prime materials and By Products. Physical lots are made for customer returned, defective and packing materials. However, before participating in the auction, the bidders may inspect the material.
- vi. Rate quoted in Rupees per MT (or rupees per Unit) of material separately for each item. The rate quoted is Ex- VSP Works basis and exclusive of all Duties & Taxes which shall be charged extra as applicable.
- vii. Any necessary documents like Fertilizer Registration Certificate, Explosive license, MOEF certificates etc. has to be mandatorily submitted within 2 working days of Lot Acceptance letter or Quotation date to RINL/VSP.

3. PRE BID EARNEST MONEY DEPOSIT AND SECURITY DEPOSIT (SD)

- i. **EARNEST MONEY DEPOSIT (EMD):** Customers intending to participate in any of the auction shall have to deposit the interest free Earnest Money Deposit (EMD) by Online Mode (RTGS/ NEFT/ Online Fund Transfer Etc.) only up to 17:00 hours of the previous day of the auction date. Below table indicate the EMD amounts to be deposited:

MATERIAL	EMD (RS)
BFG Slag SSY-2 Merchant Export	5 lakhs

GST shall be applicable on forfeiture of EMD (Earnest Money Deposit), if levied by RINL on the bidder and shall be recovered along with GST applicable thereon. GST shall be charged by grossing up the EMD amount with the applicable GST rate. RINL shall issue tax invoice in favour of Bidder for such recovery.



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EMD amount of Rs.5 lakhs shall be adjusted against SD and balance amount is to be deposited.

- ii. **SECURITY DEPOSIT (SD):** The successful H1 bidder will be required to pay a Security Deposit (SD), equivalent to 5.9% of the value of the material (Rounded off to the nearest thousand on higher side) in the form Bank Guarantee/RTGS/NEFT within 15 working days from the date of quotation to RINL/VSP. EMD amount of Rs.5 lakhs shall be adjusted against SD and balance amount is to be deposited.

RINL BANK DETAILS

Account Name	Rashtriya Ispat Nigam Ltd – HQ Sales – RTGS A/c
Bank	Union bank of India Bank
Branch	Dwarakanagar
Location	Visakhapatnam
Account No	506101010033884
IFSC Code	UBIN0550612

Bidder has to send e-mail / letter to RINL/VSP confirming the UTR No. / Transaction code mentioning the auction reference, amount transferred, purpose (i.e. EMD/SD/OFFER VALUE) and related sale offers for further action at RINL/VSP.



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4. EMD/SD REFUND/FORFEITURE AND DEBAR

- i. EMD amount of Rs.5 lakhs shall be adjusted against SD and balance amount is to be deposited. In respect to the successful bidders, the EMD will be forfeited if the bidder fails to pay the security deposit within the stipulated time.
- ii. In respect of unsuccessful bidders, the EMD will be returned after finalization of auction only on written request from the bidder/customer. No interest shall be paid on EMD.
- iii. In case the successful bidder withdraws his offer before expiry of the validity or does not execute the contract or does not pay the full amount as specified in the quotation issued by RINL or does not execute the contract as per the acceptance by RINL, the SD shall be forfeited by RINL/ VSP. Forfeiture of SD to read as EMD/SD whichever is higher will be forfeited in case of non-lifting the material/ not lifting minimum 90% of the bid quantity within the time allowed.
- iv. In case the successful H-1 bidder fails to deposit the required SD within the prescribed time limit, the pre-bid EMD will be forfeited and the bidder will be debarred to participate in the e-auction for the branch for a period of 3 months.
- v. In case the successful H-1 bidder fails to deposit the value of the quotation within the prescribed time limit or fails to lift the entire lot of the material within the allowed delivery period as per the sale order or communicated otherwise, the SD under hold will be forfeited. SD will be released after lifting the entire lot quantity evidenced by the Lot Closure certificate issued by the custodian yard for physical lots. In case of notional lots, SD shall be released based on the certification from Sr. Branch Manager/ Branch Manager.



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5. LETTER OF ACCEPTANCE/ OFFER LETTER / QUOTATIONS:

- i. RINL, VSP shall issue Letter of Acceptance/ Offer Letters/ Quotations of bid to the successful bidders. Letter of Acceptance/ Offer Letters/ Quotations of bid shall be issued for each lot separately.
- ii. Such Letter of Acceptance/ Offer Letters/ Quotations shall be issued based on final rates of the successful bidder and accepted by VSP.

6. FINANCIAL ARRANGEMENT

- i. The successful bidder should pay the value of the material including Taxes and Duties, etc., by RTGS/DD/Pay Order/Banker's Cheque drawn in favour of Rashtriya Ispat Nigam Limited, payable at the Branch as mentioned in the Letter of Acceptance/ Offer Letters/ Quotations along with the C/D form or any other sales tax form as required. Otherwise full tax will be collected. The amount so collected will be adjusted against the invoices for the actual quantity delivered. The balance surplus deposits/advance will be refunded to the successful bidder after completion of the contract.
- ii. The successful bidder has to pay the amount indicated in the Acceptance Letter within 15 days from the date of Letter of Acceptance/Offer Letters/ Quotations.
- iii. The bidder has to pay full amount as per the Letter of Acceptance /Offer Letters/ Quotations for enabling VSP to issue delivery order/ sales order for the lot quantity. Delivery Order/Sales Order for part quantity of any physical lot will not be issued. However, Delivery Order/Sales Order for part Quantity can be issued in case of material being delivered in notional lots. The Letter of Acceptance/Offer Letters/Quotations shall be issued based on the availability in case of notional lots.



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7. DELIVERY OF MATERIAL

- i. Materials will be delivered from BF Slag storage yard SSY-2 area in the plant. Purchaser has to lift material by Road/Rake transport. **Loading will be in the scope of buyer only.**
- ii. Trucks/ Trailers/Rail Wagons will be placed at loading point as per the direction of VSP. Loading on trucks/trailers /rail will be as per the instruction of VSP's representative at the place of loading.
- iii. The bidder/purchaser will not be allowed to pick or choose the material. If any material other than the subject auction lot is found in the vehicle at the time of loading or weighing or at the time of issue of gate pass, etc. suitable action will be taken as per VSP's rules and regulations and also consider the same as breach of contract under the auction.
- iv. The risk and property of the material will pass on to the bidder immediately after loading the materials into their trucks.
- v. Weight as per the weighbridge at VSP's stockyard or HQ will be final and no dispute will be entertained after the material leaves VSP premises.
- vi. If the bidder intends to take the deliveries through his representative he must authorize his representative by a letter of authorization giving name and details of such representative. The letter of authorization will be with the signature of the representative duly attested by the bidder, who signed on the auction document.

8. DELIVERY SCHEDULE / EXTENSION

- i. The bidder should lift the entire quantity of the lot quoted and accepted by the Company, within the delivery time indicated in the auction notice.



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- ii. The successful bidder shall deposit the value of the lot accepted within 15 working days from the date of Acceptance of auction or issue of offer/quotation Letter (for notional lots) by VSP. Failure to submit the payment within the prescribed time limit, or failure to lift the quantities within the delivery period as indicated in the offer or communicated otherwise, shall be considered as breach of contract and the Company shall forfeit the EMD/SD submitted by the successful bidder.
- iii. Any losses due to such breach of contract on the part of the bidder will also be recovered from any other amounts due to the bidder either under this auction or under any other auction or contract.

9. GENERAL

- i. In case payments are not made or materials are not lifted after making part/full payment as per the conditions of the auction, the Company (RINL) will have the full right to dispose of the lot in any manner, as it deemed fit. The bidder will have no claim on such materials. In such cases the SD shall be forfeited. For any losses on account of such failure by the bidder, RINL shall have right to recover the losses apart from other rights available to RINL under the law. Decision of RINL/VSP shall be final and binding in this regard. The bidder is not entitled for any gain on account of such acts of VSP
- ii. If the fulfillment of the contract is rendered impossible by any Executive or Legislative Act done by or on behalf of the Government the contract or any non-fulfillment part thereof will be cancelled.
- iii. The Company at its entire discretion may terminate the contract without any notice to the bidder in case there is any mala fide intention noticed during lifting of materials



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from VSP. In the event of such termination of contract, the SD will be forfeited and RINL shall have right to recover the losses, if any, incurred during disposing off such material.

- iv. Bidder will not be entitled to claim any compensation of whatsoever nature if termination/cancellation is imposed by VSP for any reason.
- v. Any damage caused to VSP's property or its contractor's personnel within VSP's premises by the bidder during the operation of the contract will be to his account and are recoverable.
- vi. Except the matters covered by the terms of the contracts , where a decision is provided or where it is declared to be final, if at any time, any question, dispute or difference whatsoever shall arise between RINL/VSP and the CUSTOMER upon or in relation to or in connection with the Contract either party may forthwith give to the other notice in writing of the existence of such question dispute or difference and the same shall be referred to the adjudication of an arbitrator to be nominated by RINL/VSP.

The performance of the obligations under the contract shall unless otherwise directed by the Arbitrator, continue during the Arbitration proceedings and no payment due or payable by the parties shall be withheld on account of such proceedings.

The award of the arbitrator shall be final and binding on both the parties and the provisions of the Arbitration and Conciliation Act, 1996, and the rules there under and any statutory modification thereof shall be deemed to apply to and be incorporated in this contract.

The venue of Arbitration shall be at Visakhapatnam, Andhra Pradesh, India (for auctions conducted at HQ)



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

NOTE: For auctions conducted through RO's and BSO's the respective places may be considered for venue and jurisdiction of courts and suitably incorporated in the arbitration clause.





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GENERAL TERMS OF SALES ORDER

1. The Sales Order is subject to Terms and Conditions for Sale of materials through e-auction.
2. The hired/own vehicles have to be sent by the customers with prior appointment with the Concerned Branch Sales Office/BCSY/Blast Furnace area and custodian Department.
3. The customers can send their representative with appropriate authority and identification letter for taking delivery.
4. The customer will not make unauthorized use of Company's land for any purpose including dumping of any material purchased against this delivery order from Company and in case of any violation of these terms/clauses, Company will reserve the right to suspend supplies against the delivery order and / or other delivery orders and / or cancel the delivery orders altogether.
5. The customer will ensure that proper discipline and decorum is maintained by the workmen employed by or through him at works and in and around the plant site/stock yard of the Company.
6. With regard to the work and the labour directly or indirectly employed in the works the customer will conform in all respect with the provision of any statute, ordinance or laws and the rules, regulations of by-laws brought into force by the central and the state governments or the local authority from time to time and will keep the company indemnified against all penalties and liabilities of every kind for breach of any such statute ordinance, Law, rules and regulations or by-laws.



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7. The customer will be fully responsible for the safety of his workmen and employees. The customer will however, follow all instructions and directions that the safety department of company may issue from time to time in regard to safety measures. The customer will be responsible for all accidents arising out of this work however and whatever, occurring in Plant and should ensure that they are reported without delay to the safety department of the company. The customers will also assist in regard to the enquiry and implementation of the safety measures.
8. Claims if any arising out of errors in invoicing should be submitted to Marketing Department not later than 15 days of receipt of Invoice or delivery of material.
9. If sales tax, excise duty authorities at any time charges sales tax, excise duty at a higher rate for any reason whatsoever the customer shall have to bear the difference of amount of taxes / duties immediately on demand.
10. All suits or proceedings relating to any dispute or any claim arising out of or in the course of performance of the contract shall be subjected to the exclusive jurisdiction of the courts at Visakhapatnam only (for auctions conducted at HQ).

Note: For auctions conducted through RO's and BSO's, the respective places may be considered for Venue and Jurisdiction of courts and suitably incorporated.

11. It is specifically and expressively agreed by both the parties to this sale contract that the movement of goods under the Sales Order will take place in terms of the Sales order irrespective of fact that the delivery of goods in question take place in the state of origin of the goods and / or that the movement of goods take place by a carrier as an agent of the purchaser and / or the property in goods passes on to the buyer in the origin of the goods and such sale will attract concessional rate of central sales tax provided valid central sales tax declaration form for inter-state sale is submitted.



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GENERAL RULES AND REGULATION GOVERNING

CONDUCT OF ONLINE AUCTIONS

INTRODUCTION:

This Online Forward Auction is being conducted by Rashtriya Ispat Nigam Limited, Visakhapatnam Steel Plant on the Auction Platform <https://srm.vizagsteel.com>.

The key terms pertaining to the online Forward Auctions are provided in the “Annexure-7. Prospective customers are advised to read through the same & understand thoroughly.

ROLE OF CUSTOMER/BIDDER

The role of the Customer/Bidder is outlined below:

- i. The Customer would participate in the auction with the aim of bidding to secure the auctioned item in the Online Auction.
- ii. The Customer would be provided access to the Online Auction through a “User ID” protected by a “Password”. The Customer needs to ensure that the “User ID” and “Password” is not revealed to unauthorized persons. Customers are also requested to change the Password allocated to them by RINL to keep their confidentiality. However it would be Customer’s sole responsibility to ensure the security and privacy of the same and he/they would not hold “RINL” responsible in any manner whatsoever for any misuse of these user IDs and/or Password. The access to the auction mechanism shall be provided to all the approved Customers subsequent to obtaining their written consent to the General Rules & Regulations and the Letter of Interest. The payment of Earnest Money deposit as decided by RINL before the start of the Online Auction will be one of the necessary conditions for participating in the auction.



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- iii. Customers hereby confirm that they shall commit to lift the item (being bid for) at the price entered by them in the auction engine and at the terms and conditions specified herein. All prices entered shall be legally binding on the Customers. Customers are strongly advised to exercise due diligence while placing bids. Failure to honor the bids placed during online bidding shall render the Customers liable for penal action as deemed fit by RINL.
- iv. In the event of winning an allotment in the auction mechanism, the Customer shall commit to fulfill outlined obligations under the contract between Winning Customer and RINL.

The Customers shall bid on the terms & place their bid in the auction engine in the manner specified herein. The Customers shall not stipulate any conditions on their own unless the terms herein expressly permit such conditions being stipulated by the Customer. Bids entered with conditions attached shall be considered Conditional bids & RINL retains the right of rejecting these bids.

CONDUCT OF THE AUCTION:

- i. Only those Customers who have submitted EMD amount and other necessary documents to the "RINL" prior to the start of Online Auction will be given "Login ID" and "PASSWORD" to enable them view and participate in Online Auction.
- ii. The Online Auction shall be conducted on pre-specified date. The Key Terms pertaining to the conduct of Online Auction such as "START TIME", "DATE", AND "AUTO EXTENSION FACILITY" Shall be specified separately for each Auction.



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iii. The duration of Online Auction may also vary from the pre-specified period of time either on account of termination of the Online Auction by “RINL”,

OR

In case of situations where it is felt that continuance of the auction proceedings is prejudicial to the smooth conduct and / or the integrity of the auction process.

OR

Due to Auto Extension during the Auction, duration may increase from specified period.

iv. In the event of any problems being faced in the smooth conduct of the Online Auction, RINL, shall have the right to undertake one or more of the following steps:

- a. Cancellation/ premature termination of the Online Auction with/ without a subsequent rerun of the auction on a mutually decided date
- b. Cancellation of a bid
- c. Locking / deactivate a Customer’s account (suspension of operations in the account), etc.

JURISDICTION

Any disputes relating to the online auction module shall be subject to the sole jurisdiction of Court of Law having jurisdictions over the Plant from where the Materials are being sold.



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ANNEXURE - 7

DEFINITION OF KEY TERMS

A reference herein to different expressions / abbreviation used shall mean the following:

- i. "RINL" shall mean "RASHTRIYA ISPAT NIGAM LIMITED" and "VSP" shall mean "VISAKHAPATNAM STEEL PLANT"
- ii. EMD – Earnest Money Deposit
- iii. RTGS – Real Time Gross Settlement (an online mode of payment)
- iv. NEFT – National Electronic Fund Transfer (an online mode of payment)
- v. FA – Forward Auction (This refers to an on-line auction conducted through the internet wherein different bidders bid simultaneously from one or more locations for buying the item(s) given in an Auction Notice.
- vi. Lot – Physical accumulation of similar or other specified materials put up for sale.
- vii. DO/ SO – Delivery Order/ Sales Order
- viii. SD – Security Deposit
- ix. Bidder – An individual / business entity intending to buy the item(s) from RINL/VSP by participating in an online auction.



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x. Auction

Auction refers to a forum where the requirement for one/more lots of an item is stated and the participants (customers) are required to bid down the price to be selected to supply the requirement.

xi. Online Auctions

Online auctions refer to those auctions conducted through the Internet with the customers (from one or more locations) simultaneously bidding to be selected for supplying the item/s on Auction. In other words, the venue for the auction is on an Internet website/ platform.

xii. Award at the Auction

In a single winner format, only one customer (normally the customer who quotes the highest price) is awarded all the units of the item being auctioned. The customer quoting the highest price is normally allotted the item.

xiii. Customer

Customer is the individual/business entity participating in the auction, intending to buy the item(s). To become a Customer in the auction, a business entity has to secure approval for participation and also provide written assent to the General Rules and Regulations.

xiv. Auction Engine

Auction Engine refers to the software that encapsulates the entire auction environment, processing logic and information flows. RINL is the sole owner of the auction engine and retains exclusive right over the utilization of the same.



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xv. Timings of the Online Bid

All the timings of the Online Bid shall be based on the time indicated by the Server hosting the Auction Engine.

xvi. Start Time.

Start time refers to the time of commencement of the conduct of the online auction. It signals the commencement of the Price Discovery process through competitive bidding.

xvii. Duration of the Auction:

It refers to the length of time the price discovery process is allowed to continue by accepting bids from competing customers. The duration of the auction would normally be for a pre- specified period of time. However, the bidding rules may state the conditions when the pre- specified duration may be curtailed/extended.

- a. Curtailment of auction duration in the event of no bids for a specified period of time (Inactivity Time)
- b. Automatic extension in the event of bids being entered towards the end of the scheduled duration to facilitate the other customers to view and react to the bid

xviii. Auto Extension of the Auction Timings.

In the event of bids in the last few minutes of the scheduled bid time, the Bid Timings are automatically extended for a specified period from each such bid. Such Auto Extension shall continue until no bids are placed for the specified period (Engine remains inactive for the specified period). The Inactivity Time for Auto Extension purpose is normally 3 minutes. RINL however retains the right to change the same.

xix. End of the Auction.

End of the Auction refers to the termination of the auction proceedings signaling an end to the price discovery process.