

CORRIGENDUM No. 2 to EMPANELMENT OPEN TENDER
I.T.T No. Pur. 5.66.SiMn/2015-16/0018 dtd. 06.01.2015

Open Tender notification:

Existing:	Amended as:
<p>“Tenderers may please note that this tender notice is to empanel list of tenderers. The tender notice will remain valid till 31.03.2016. Any tenderer who can not quote before the above last date may submit their Techno commercial offer along with Bid Money any time but before 31.03.2016. Such offers, if found Techno commercially acceptable, will be considered for inviting price bid/Reverse e auction for subsequent lots of procurement till 31.03.2016”</p>	<p>“Tenderers may please note that this tender notice is to empanel the tenderers <u>for supply of Silico Manganese (40-100mm)</u>. The tender notice will remain valid till <u>30.06.2016</u>. Any tenderer who is not empanelled with VSP against the above open tender for 2015-16, may submit their Techno-Commercial Offer along with EMD/Bid Bond any time before <u>30.06.2016</u>. Such Offers, if found technically & commercially acceptable, will be considered for subsequent cycles of procurement till <u>30.06.2016</u>.”</p>

Clause no. 7.0 of Annexure-II of ITT w.r.t OFFER VALIDITY:

Existing:	Amended as:
<p>Each tenderer shall keep his Techno commercial offer firm and valid for acceptance by RINL till 30.06.2016. The prices shall be kept valid for a period of 60 days from date of price bid opening/Reverse e auction for each lot for which reverse e-auction will be held time to time.</p>	<p>Each tenderer shall keep his Techno-commercial offer firm and valid for acceptance by RINL till <u>30.09.2016</u>. The prices offered against each cycle of procurement shall be kept valid for a period of 60 days from date of price bid opening/Reverse e-auction of each Cycle.</p>

Clause no. 8.2 of Annexure-II of ITT w.r.t EMD/ Bid bond Validity:

Existing:	Amended as:
<p>..... The Bid Bond should be valid till 31.10.2015 with a provision that it will be extended till 30.06.2016.</p>	<p>..... The EMD/ Bid Bond should be valid till <u>30.09.2016</u>.</p>

CORRIGENDUM No. 1 to OPEN TENDER I.T.T No. Pur. 5.66.SiMn/2015-16/0018 dtd. 06.01.2015

The following Tolerance limits in chemical composition & penalty structure in case of deviations, are hereby incorporated in the existing tender specification of Silico Manganese:

1. Present chemical specification of SiMn is modified as follows:

Element	Existing Spec.(%)	Modified Spec.(%)	Acceptable limit with penalty (%)
Mn	60-65	60.0 Min	59.00 Min
Si	15-20	15.0 Min	14.75 Min
C	2 max	2.0 Max	2.10 Max
P	0.35 max	0.35 Max	0.36 Max

Rounding off shall be done as per IS-2 except for Sulphur content.

2. Penalty shall be imposed for variation in Chemical Composition as follows:

i) For Mn

Below 60.0% to 59.0%	Penalty of 0.3 % of the basic price per ton for every 0.1% decrease or part thereof.
Below 59.0 %	Total rejection

ii) For Si

Below 15.0 % to 14.75%	Penalty of 0.4 % of the basic price per ton for every 0.1 % decrease or part thereof.
Below 14.75 %	Total rejection

iii) For C

Above 2.0 % and up to 2.1%	Penalty of 1 % of the basic price per ton for every 0.1 % increase or part thereof.
Above 2.1 %	Total rejection

iv) For P

Above 0.35 % to 0.36%	Penalty of 0.5% of the basic price per ton for every 0.01 % increase.
Above 0.36 %	Total rejection

Above Penalty structure for deviations in Chemical composition of SiMn is hereby appended to the existing Penalty clause in **Annexure-VII** of tender document.

Further, Clause nos. **1.0** and **2.1** in Annexure-VII are amended as follows:

Existing clause under Annexure-VII of open tender document:	Hereby amended as:
<p>1.0 <u>INSPECTION:</u> Inspection at VSP shall be final. The sampling and analysis shall be as per the following procedure:</p> <p>Sampling and Analysis shall be done at VSP on receipt of materials. The sample shall be drawn from a maximum lot of 100 Tons received from each supplier. The sample so drawn shall be tested for size at VSP stores and for chemical analysis at VSP laboratory. In case the material is rejected on account of sieve analysis and/or chemical analysis, the supplier shall be intimated to depute their representative for joint sampling within 3 days of intimation (excluding the day of intimation). In case the supplier's representative do not turn up within the stipulated time as above, VSP will collect the sample and carry out the tests and the results of the same shall be final and binding on both the Seller and Buyer. The representative of suppliers may be present while sampling, if desires.</p>	<p>1.0 <u>INSPECTION:</u></p> <p>Inspection at VSP shall be final. The sampling and analysis shall be as per the following procedure:</p> <p>Sampling and Analysis shall be done at VSP on receipt of materials. The sample shall be drawn from <u>each Truck / Consignment / Day Book</u> received from each supplier. The sample so drawn shall be tested for size at VSP stores and for chemical analysis at VSP laboratory. In case the material is rejected on account of sieve analysis and/or chemical analysis, the supplier shall be intimated to depute their representative for joint sampling within 3 days of intimation (excluding the day of intimation). In case the supplier's representative do not turn up within the stipulated time as above, VSP will collect the sample and carry out the tests and the results of the same shall be final and binding on both the Seller and Buyer. The representative of suppliers may be present while sampling, if desires.</p>
<p>2.1 <u>TOTAL REJECTION:</u></p> <p>Any lot deviating beyond the limits specified for chemical parameters mentioned above at Para (1) above shall not be paid for. Further, in case the material exceeds the size tolerance limits with penalty mentioned at Para 2(b) above, payment shall not be paid for that lot. All deviations/rejections shall be informed to the Seller. The Seller is to ensure lifting of the materials within 15 days from the date of issue of such notice to the Seller or otherwise 1% of material value per month or part thereof as storage cost will be leviable by VSP till such time the material is lying at VSP stores at Seller's risk. Payment, if any, made by the Company for the rejected material, shall be refunded forthwith by the Seller. The Seller also has to ensure immediate supply of equivalent quantity of material</p>	<p>2.1 <u>TOTAL REJECTION:</u></p> <p>Any lot deviating beyond the <u>tolerance limits with penalty</u> specified for <u>size and/or chemical composition</u> mentioned above in <u>ITT / Purchase Order</u> shall not be paid for. All deviations/rejections shall be informed to the Seller. The Seller is to ensure lifting of the materials within 15 days from the date of issue of such notice to the Seller or otherwise 1% of material value per month or part thereof as storage cost will be leviable by VSP till such time the material is lying at VSP stores at Seller's risk. Payment, if any, made by Company <u>RINL-VSP</u> for the rejected material, shall be refunded forthwith by the Seller. The Seller also has to ensure immediate supply of equivalent quantity of material as per the order specifications to maintain material availability at plant. In case the material is required at plant for meeting its urgent production requirements, the rejected material will be consumed and the payment for such</p>

as per the order specifications to maintain material availability at plant. In case the material is required at plant for meeting its urgent production requirements, the rejected material will be consumed and the payment for such rejected quantity which is used shall be decided by the Material Review Board (MRB) of RINL/VSP. The decision of MRB shall be final and binding on both the parties.

rejected quantity which is used shall be decided by the Material Review Board (MRB) of RINL/VSP. The decision of MRB shall be final and binding on both the parties.

RASHTRIYA ISPAT NIGAM LIMITED
VISAKHAPATNAM STEEL PLANT
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OPEN TENDER NOTIFICATION

Invitation to Tender No.Pur.5.66.SiMn/2015-16/0018, Dated 06.01.2015

Sealed tenders are invited for supply of Silico Manganese Grade Si 19 Mn 63 as per IS 1470 -1990 at monthly rate of approx 6,500T/month till 31.03.2016

Last date & time for receipt of Tenders for supply of 1st lot: **06.02.2015 by 1030 Hrs (IST)**

EMPANELMENT:

Tenderers may please note that this tender notice is to empanel list of tenderers. The tender notice will remain valid till 31.03.2016.Any tenderer who can not quote before the above last date may submit their Techno commercial offer along with Bid Money any time but before 31.03.2016.Such offers, if found Techno commercially acceptable, will be considered for inviting price bid/Reverse e auction for subsequent lots of procurement till 31.03.2016.

Tenderers who are interested in participating in the tender can download the tender documents from our Website : www.vizagsteel.com and submit their offer before **1030 Hrs. (IST) of last date** as per the instructions given in the tender documents. In case of difficulty in downloading of tender documents, the tender document shall be sent by post free of cost on written request from the tenderer.

- EXECUTIVE DIRECTOR (MM)

RASHTRIYA ISPAT NIGAM LIMITED
VISAKHAPATNAM STEEL PLANT
(A Government of India Enterprise)

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Invitation for Tender No. Pur. **5.66.SiMn/2015-16/0018, Dated 06.01.2015** for supply of
Silico Manganese Grade Si 19 Mn 63 as per IS 1470 - 1990.

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**OPEN TENDER NOTICE FOR SUPPLY OF SILICO MANGANESE.
INVITATION TO TENDER NO. PUR. 5.66.SiMn/2015-16/0018, Dated 06.01.2015.**

1.0 NOTICE INVITING TENDERS FOR SUPPLY OF SILICO MANGANESE.

1.1 Rashtriya Ispat Nigam Limited (RINL), Visakhapatnam Steel Plant (VSP), hereinafter referred to as PURCHASER, hereby invites tenders from **Indigenous suppliers** only for supply of Silico Manganese, conforming to Technical specifications at **Annexure -I** of tender documents.

1.2 The PURCHASER intends to purchase Silico Manganese Grade Si 19 Mn 63 as per IS 1470 - 1990, conforming to Technical specifications as at **Annexure-I** of tender documents at monthly rate of 6500T/month for one year. The quantity indicated is only indicative and may vary widely based on our requirement.

1.2.1 Techno Commercial offer is to be submitted for full offered qty for supply @ 6,500 T/Month.

1.2.1.1 Tenderers may please note that this tender notice is to empanel list of tenderers who will be found Techno Commercially acceptable for supply of Silico Manganese and will be invited for multiple reverse e auctions till 31.03.2016. The technically and commercially acceptable tenderers (i.e empanelled tenderers) may be asked to confirm the quantity for each lots or for the required quantity for which delivery schedule will be indicated by RINL prior to each reverse e-auction. The technically and commercially acceptable tenderers will be asked to submit their e-price bid through VSP's SRM Portal indicating their offered quantity and price for each reverse e-auction. The bidder should indicate the quantity they offer against each reverse e-auction in the price break up attachment in the C Folder.

1.3 **DELIVERY:** The tentative schedule at which the supplier should supply the material is @ 6,500 Tons per month.

The Purchaser reserves the right to revise the delivery schedule depending on VSP's production requirements and storage capacity, without any additional financial implication to the Purchaser.

1.3.1 The successful tenderers should commence delivery of material @6,500 Tons or monthly offered quantity within 7 days from the date of placement of LOI/ A/T and complete delivery of the offered monthly scheduled quantity in an evenly spread manner in the month. The delivery of the balance order quantity shall be continued at the offered monthly scheduled quantity basis till completion.

- 1.3.2 In the event of any failure to supply the required quantity by the supplier which is sought to be made good only after the contract period is over will be at RINL's option.
- 1.3.3 VSP Reserves the right to reject offers not meeting VSP's Schedule /to consider offer with best delivery schedule(s).
- 1.3.4 RINL reserves the right to negotiate with the tenderers without prejudice to their quoted price.
- 1.3.5 **Tenderers should submit only techno commercial bid. Price bid and quantity bid is to be submitted as and when RINL asks for.**
- 1.4.1 A Proforma as given in Annexure -III of the Tender Documents is prescribed for Price Bid. All the tenderers are advised to submit their Price Bid only in the prescribed proforma when RINL asks for. Any other terms and conditions other than the price mentioned in the price bid shall not be taken into consideration.
- 1.4.2 RINL shall have the option of resorting to reverse e-auction on SAP SRMLIVE AUCTION PLATFORM.The bidders are required to submit their E Bids of Price Bid through VSP's SRM Portal.Price bids of these bidders will be considered for determining the start bid price on Landed Net of Cenvat basis. The Start Bid Price shall be the Lowest of the E price Bids. This start bid price shall be displayed in the E Auction System on the scheduled E reverse auction date and Time.In reverse e-auction the bidders would be required to quote prices only on the basis of landed net of cenvat at VSP stores. Modalities of evaluation of landed net of cenvat price is given at para 4.5 of Annexure-II. Definition of key terms for RINLs SAP SRM Live-auction (E-Reverse Auction) user manual is available in SRM Portal.
- 1.4.3 **EVALUATION:**After the Reverse e-auction is conducted, the E Price Bids of all the TA & CA tenderers, irrespective of whether they have participated in the Reverse e-auction or not, shall be considered for Evaluation. Based on the prices so received through Reverse e-auction and the E Price Bids received, a composite comparative statement shall be made considering the lower of the prices (i.e. E price bid prices and Reverse e-auction prices) of all the tenderers. Placement of order shall be considered on the L-1 price (LNCP) so arrived.

1.5.0 BID MONEY/Earnest Money Deposits:

- 1.5.1 Each tender shall be considered only if Bid money in Indian Rupees by means of either a Cheque/Demand Draft drawn on any Scheduled Bank and payable to Rashtriya Ispat Nigam Ltd. at Visakhapatnam(subject to realization) or a Bid Bond in the form of Bank Guarantee (as per the prescribed proforma at Annexure -V of the Tender Documents) established in favour of RINL for an amount Rs. 75,00,000/- (Rupees Seventy five lakhs only) is submitted along with or prior to opening of Techno-commercial Bid.
- 1.5.1 The Bid Bond as mentioned above should be established either in the form of Bank Guarantee issued by any of the Nationalized Bank (whether situated at Visakhapatnam or outstation)) **with a clause to enforce the same on their**

local branch at Visakhapatnam or by way of Account payee Demand Draft payable at Visakhapatnam in favour of Rashtriya Ispat Nigam Limited. The Bank Guarantees from other Scheduled Banks (other than Nationalized) Banks) should however be from the branch located in Visakhapatnam. The bond established through Co-operative Banks are not acceptable. The Bid Bond should be valid till 31.10.2015 with a provision that it will be extended at stages till 30.06.2016. Tenders received without the Bid Bond / Bid Money of requisite value will summarily rejected. Bid money, if paid in cash, shall not accrue interest. **Further, the Tenderer is required to submit the duly filled in Check list for Bank Guarantees along with the tender. The check list format is enclosed at Annexure- VA.**

- 1.6.1 Tenders will be accepted upto **1030 Hrs. (IST) on 06.02.2015 for supply of 1st lot/ 1st cycle procurement of 13,000 T against the present empanelment tender.** Techno-Commercial bid will be opened immediately thereafter in the presence of the Tenderers or Authorised Representatives of the Tenderers, who may choose to be present.
- 1.6.2 Tenderers may please note that this tender notice is to empanel list of tenderers who will be found Techno Commercially acceptable for supply of Silico Manganese and will be invited for multiple reverse e auctions till 31.03.2016. Hence the tender notice will remain valid till 31.03.2016 .Any tender who can not quote before the last date may submit their Techno Commercial offer along with Bid Money any time but before 31.03.2016. Such offers, if found Techno commercially acceptable, will be considered for inviting price bid/Reverse e auction for next lot of procurement of Silico Managanese.
- 1.6.3 Tenders submitted against NIT/Tender shall not be returned in case the tender opening date is extended/postponed. Tenderers desirous to modify their offer/terms may submit their revised/supplementary offer(s) within the extended TOD, by clearly stating the extent of updation done to their original offer. The employer reserves the right to open the original offer along with revised offer(s)
- 1.7 All the tenders shall be evaluated on the basis of landed Net of CENVAT / VAT basis .
- 1.8 **Number of Sources**: The quantity proposed to be procured against each reverse e-auction shall be communicated to the empanelled bidders well in advance. The bidders may please note that while tying up the required quantity, number of sources will be limited to maximum of 50% of the bidders (whose prices are considered by RINL for the evaluation purpose) irrespective of the fact whether the required quantity is covered or not; provided all these bidders agree to match the lowest price received in the reverse e-auction and/or sealed price bid.
- 1.8.1 In case of bidders say 'n' is a even number, the number of source shall be maximum $n/2$ and in case 'n' is odd number, the maximum number of source shall be $(n-1)/2$.
- 1.9 **Not withstanding anything specified in this Tender Documents, RINL, in his sole discretion, unconditionally and without having to assign any reason, reserves to himself the rights:**
 - a) To accept or reject the lowest tender or any other tender or all the tenders;

- b) To accept any tender in full or in part;
- c) To reject the offers not conforming to the tender terms and
- d) To give Purchase preference to Public Sector Undertakings wherever applicable as per Government policy/ Guidelines.
- e) To extend purchase preference to Local SSIs (Micro and Small Enterprises) subject to submission of documents as stipulated at 8.5 of Annx-II, as given below. In case Local MSE becomes TAL1 tenderer purchase preference will not be extended to another Local MSE in that tender.

“RINL reserves the right to extend the Purchase Preference to local SSIs (MSEs), if local SSI prices are within 5% range of the lowest price obtained in the reverse e-auction and/or sealed price bid , local SSIs shall be considered for placement of order subject to matching TAL1 price for an additional quantity upto 50% of the tender quantity (which is over and above the quantity considered at para 1.8 above), split equally if more than one SSI unit comes within that range”.

EXECUTIVE DIRECTOR (MM)

(ANNEXURE -I TO TENDER NO.PUR.5.66.SiMn/2015-16/0018, Dated 06.01.2015)

TECHNICAL SPECIFICATION OF SILICO MANGANESE

1. IS Specification	: IS:1470 - 1990
2. Grade	: Si-19 Mn-63
3. Manganese	: 60 - 65 % Max.
4. Silicon	: 15 - 20 % Max.
5. Carbon	: 2.0 % Max.
6. Phosphorus	: 0.35 % Max.
7. Sulphur	: 0.03 % Max.
8. Size	: 40 mm to 100 mm
9. Size tolerance	:
(+) 125 mm	: Nil
(+) 100 mm	: allowed 3% of lot size
(-) 40 mm	: allowed 5 % of lot size (including 1% of -10 mm)
(-) 10 mm	: shall not exceed 1% . out of 5% of lot size

Note: The material delivered should be moisture free and dry.

(ANNEXURE -II TO TENDER NO.PUR.5.66.SiMn/2015-16/0018, Dated
06.01.2015)

INSTRUCTIONS TO TENDERERS

1.0 ESTABLISHMENT OF CREDENTIALS OF UN-LISTED VENDORS: If a tenderer who responds to this tender is not presently enlisted with RINL / VSP, he is requested to furnish copies of the following documents separately in a sealed envelope super scribing “**CREDENTIALS**” and the **ITT REFERENCE OR ADVERTISED TENDER REFERENCE** as the case maybe along with the tender:

(i) Notarized Statutory manufacturing / service industry registration certificate, i.e., EM- Part II issued by DIC / NSIC registration certificate for the same / similar items for MSEs.

(or)

Notarised copy of Certificate of Registration of Shops and Establishments for a Dealer/ Agent/Trader etc.

(or)

Notarized copy of Certificate of Incorporation along with Memorandum and Articles of Association of the Private / Public Limited companies.

(ii) Notarized **Copy of Proprietary** / Partnership deeds in case of Proprietary /Partnership firms.

(iii) Notarized copy of Excise, Sales Tax (CST, VAT), Service tax registration certificates and PAN card copy in the name of company in case of Limited companies or In the name of Individuals in case of **Proprietary firms**.

(iv) Self-certified Financial worth and audited financial statements for the last three (3)years.

(v) Self-certified Purchase orders / contracts copies for the same or similar tendered item/s.

(vi) Self-certified ISO certificate if any.

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

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

2.1.1 Tenderers who may be Manufactures of Silico Manganese or Suppliers shall furnish information / data / documents / printed and illustrated literature / brochures covering the following aspects:

- a) Detailed information of the Manufacturer along with the latest copies of the executed / on going orders (during the last 1 year) of Ferro alloys with different clients.
- b) Documents showing the exact nature
- c) of ownership.
- d) Production capacity of Silico Manganese and annual production during the last three years.
- e) A recent Test and Inspection Certificate (dated not earlier than one year from the date of tender) issued for the material by a reputed International test house // Government approved test house in case the tenderer is a new Supplier to RINL / VSP.

2.1.2 Tenderers who may be suppliers of Silico Manganese offering on behalf of a Principal Manufacturer, shall furnish in original the Letter of Authority of the concerned manufacture, as per the proforma at **Annexure - VI** of the Tender document, specifically authorising the said supplier to make an offer in response to this Invitation to Tender. This Letter of Authority should be submitted along with Techno-commercial bid

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

2.3 The Tenderers should submit **Quality Assurance Plan** along with the Techno-commercial Bid.

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

2.5 **Integrity Pact:** The Tenderer is required to unconditionally accept the “Integrity Pact” enclosed at **Annexure – IX** to the tender document 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. The details of the Nodal officer and Independent External Monitor (IEMs) are as are given hereunder.

Nodal Officer	IEM
Sri.S K Gupta ED(MM), Rashtriya Ispat Nigam Limited Visakhapatnam – 530031 Phone No : 0891-2518683 Fax No : 0891-25183753/756. E-mail: guptask@vizagsteel.com	Sri.Velayudham,Ex.DG(RD) & SS Flat No.:4,Nalanda Apartments, “D” block,Vikaspuri, New Delhi-110018 Contact numbers: 011-28530407 e-mail:vtham26@yahoo.co.in
	Shri Venugopal K Nair IPS (Retd.) P-1 Chakola Water Ford, Pandit Karuppan Road, Near Sacred Heart College, THEVARA, COCHIN – 682 013. Contact numbers : 91-484-2664223 09447500010 (Mobile) E-mail : vgknair@gmail.com

2.6 In case where RINL/VSP decides to procure the material from one or more sources (only one offer shall be submitted by companies using same equipment/Facilities/Address) and if it comes to notice of RINL/VSP at any stage during the finalization of the tender or after placement of order/execution of the contract that offers have been made by the companies using same equipment/facilities/address then such offers/orders shall be rejected/cancelled forthwith and the party(s) shall be blacklisted from all further dealings with RINL/VSP for a period of 2 years. Bid money/EMD/Security deposit etc if any shall be forfeited. Decision of RINL/VSP in this regard shall be final and binding

3.0 **SUBMISSION OF OFFERS:**

3.1.1 **QUOTING OF PRICE(S):** The price per Ton quoted should be on FOR VSP Stores basis inclusive of applicable taxes, duties, levies and Freight. However, the rate of taxes, duties, levies and freight considered are to be indicated separately. The prices shall remain firm and fixed during the period of the contract. However, any change in statutory taxes and duties shall be reimbursed at actuals during the original contractual delivery period. Any change in taxes and duties beyond the original contractual delivery period is to be borne by the Supplier. . It may be noted that unit price is to be quoted both in figure and words in the format enclosed at **Annexure-III**. In case of any discrepancy between the two , the price indicated in words shall only be considered.

3.1.2 **QUANTITY:** RINL may obtain the quantities from each supplier before reverse e-auction along with E Bids of Price Bid through VSP's SRM Portal and will be opened only after completion of reverse e- auction. The quantity shall be treated as binding and RINL can place orders to book full requirement indicated in the specific reverse e-auction subject to all these bidders matching to lowest price received and limited to number of source as given at clause 1.8 and 1.8.1 of Tender Notice. Suppliers can not reduce the quantity later (any enhancement in quantity willing to be supplied by the suppliers are at VSP's option).Suppliers reducing the quantities already confirmed shall be debarred from participating in the next 2 cycles of reverse e-auction for Silico Manganese.

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

3.2 However, in case tenderers quote any other term than mentioned in this tender, the same shall be loaded as per VSP norms while evaluating their offer.

3.3 Any revised bids received after tender (techno commercial bid in two bid case) opening shall be rejected unless it has been furnished in response to a specific request from VSP.

- 3.4 Tenderers Central & State sales Tax ,VAT Reg no etc are to be necessarily indicated in the offer.
- 3.5 Wherever the tenderers quote excise duty and sales tax as nil or at concessional rates(being SSI Unit or due to some other privilege available on the date of offer) but reserves the right to charge at actual on the date of dispatch suitable loading would be done with maximum ED& ST Rates as applicable
- 4.0 **TERMS OF PAYMENT:**
- 4.1 100% of the value of each consignment shall be made against submission of bills along with accepted GARNs (Goods Acceptance / Rejection Note) issued by PURCHASER on 60th day(21st day for local micro and small enterprises subject to submission of documents as stipulated vide clause No.8.5 below)from the date of receipt of material at VSP.
- 4.2 Payment shall be made by NEFT/RTGS mode or such other mode of electronic fund transfer offered by banks/ Letter of Credit. In case you have not already furnished the required details, you may download the pro-forma for NEFT/RTGS in which the details are to be furnished from the VSP's website and submit along with your offer for updating our database In case of L/c Payment suitable loading, as explained at para 4.4 below, will be made while evaluating the offer
- 4.3 The price bid should only contain the price quoted and other financial terms should be given in the techno-commercial bid and not in any other accompanying documents or statement. No extra weightage shall be given for any extra credit offered beyond ITT payment terms of 60 days interest free credit from the date of acceptance of material for ranking / evaluation purpose.
- 4.4 In case an offer with deviations to payment terms is considered, it shall be loaded suitably for the purpose of comparison with other offers. The general principle is to load for the additional financial implication to which RINL / VSP may possibly be exposed on account of such deviation. The decision of RINL / VSP in this regard shall be final. Since the deviations that might be stipulated by the tenderer cannot be foreseen, the illustration given below are not exhaustive. RINL / VSP reserves the right to load the offers at it's sole discretion for other deviations also, which in the opinion of RINL / VSP, have financial implications to RINL / VSP.

4.4.1 Illustration- I: (Deviation in payment terms)

Description	As per Tender terms	As per deviation
Payment terms	100% value against submission of bills within 60 days of receipt of material at VSP.	100% against L/C with 60 days interest free period from the date of receipt at VSP (All bank charges to Seller's a/c)
Landed cost per Ton on FOR VSP Stores basis / CIF basis	Landed cost: Rs.10,000/-	

Loading per Ton due to deviation in payment terms	L/c charges on landed / CIF value	L/C charges upto Rs. 1 crore shall be Rs 5,618/-.Loading on a/c of increase in L/C value above Rs. 1 crore or part thereof shall be Rs. 5,618 for each 1 crore i.e, Rs. 5,618 for first one crore or part thereof and additional Rs. 5,618 each for each additional one crore or part thereof.
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4.4.2 Illustration- II: (Deviation in payment terms)

Description	As per Tender terms	As per deviation
Payment terms	100% value against submission of bills within 60 days of receipt of material at VSP.	100% against L/C at sight. (All bank charges to VSP's a/c)
Landed cost per Ton on FOR VSP Stores basis / CIF basis		Landed cost: Rs.10,000/-
Loading per Ton due to deviation in payment terms	(i) 20% interest for 60 days on landed / CIF value (ii) L/c charges on landed / CIF value	$0.20 \times 60 \times 10,000 / 365 =$ Rs.328.77 L/C charges upto Rs. 1 crore shall be Rs 5,618/-.Loading on a/c of increase in L/C value above Rs. 1 crore or part thereof shall be Rs. 5,618 for each 1 crore i.e, Rs. 5,618 for first one crore or part thereof and additional Rs. 5,618 each for each additional one crore or part thereof.

4.5 Illustration for calculation of landed Net of VAT/CENVAT

		Rs/T	Rs/T
I	Basic Price	1000.00	1000.00
II	Excise Duty @ 12 % on basic price	120	120
III	Education Cess @ 2% on ED	2.4	2.4
IV	Secondary and Higher Education Cess @ 1% on E.D	1.2	1.2
V	Freight	100.00	100.00

VI	Sales Tax/VAT	22.47	61.18
		CST (I+II+III+IV)*2%	VAT(I+II+III+IV+V)*5%
VII	Loading towards payment terms	0.00	0.00
VIII	Landed cost (I+II+III+IV+V+VI+VII)	1246.07	1284.78
IX	Loading towards L/C margin money (@ 5% of 10% of landed value/qtr)	0.00	0.00
X	Landed Cost with L/C margin money(VIII+IX)	1246.07	1284.78
XI	Loading towards Entry Tax (##)	0.00	0.00
XII	Landed cost with ET(X+XI)	1246.07	1284.78
XIII	Less: Cenvat (II+III+IV)	123.6	123.6
XIV	Less Input credit on VAT (Input credit as applicable to VSP) (I+II+III+IV+V) X 1.77% (@1.77% prevailing ITC)	0.00	21.66
XV	Set off on ET	0.00	0.00
XVI	Landed net of Cenvat/VAT/ET(XII-XIII-XIV-XV)	1122.47	1139.52

5.0 **CURRENCY AND UNIT OF WEIGHT:** The price of Silico Manganese offered per metric ton should be quoted in Indian Rupees only .

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

7.0 **VALIDITY OF THE OFFER:**

7.1 Each tenderer shall keep his Techno commercial offer firm and valid for acceptance by RINL till 30.06.2016. The prices shall be kept valid for a period of 60 days from date of price bid opening/Reverse e auction for each lot for which reverse e-auction will be held time to time.

8.0 **BID MONEY/EARNEST MONEY DEPOSIT**

8.1 Each tender shall be considered only if Bid money in Indian Rupees by means of either a Cheque/Demand Draft drawn on any Scheduled Bank and payable to Rashtriya Ispat Nigam Ltd. at Visakhapatnam(subject to realization) or a Bid Bond in the form of Bank Guarantee (as per the prescribed proforma at **Annexure -V** of the Tender Documents) established in favour of RINL for an amount Rs. 75,00,000/- (Seventy five lakhs only) is submitted along with or prior to opening of Techno-commercial Bid.

8.2 The Bid Bond as mentioned above should be either in the form of Bank Guarantee issued by any of the Nationalized Bank (whether situated at

Visakhapatnam or outstation) **with a clause to enforce the same on their local branch at Visakhapatnam** or by way of Account payee Demand Draft payable at Visakhapatnam in favour of Rashtriya Ispat Nigam Limited. The Bank Guarantees from other Scheduled Banks (other than Nationalized) Banks) should however be from the branch located in Visakhapatnam. The bond established through Co-operative Banks are not acceptable. The Bid Bond should be valid till 31.10.2015 with a provision that it will be extended till 30.06.2016. Tenders received without the Bid Bond / bid Money of requisite value will summarily rejected. Bid money, if paid in cash, shall not accrue interest.

8.3 The Bid Money must be submitted along with or prior to opening of Techno-Commercial Bid. Tenders received without the EMD / Bid Money of requisite value will not be considered by RINL.

8.4 The following categories are exempted from submission of EMD/Bid Money

- (i) Central/State/Govt.Public Sector undertakings of India.
- (ii) SSI Units/ Micro and Small Scale enterprises (MSEs) registered with NSIC/District Industries Centre of the state government concerned for the item(s)/item category of tendered item(s) for which the tenderer is registered with the respective authority.
- (iii) Units registered with RINL for the tendered item(s).

SSIs/MSEs and units registered with RINL needs to submit notarized copies of the relevant valid registrations certificates for claiming exemption of EMD along with Techno Commercial bid.

8.5 Condition for availing benefit under purchase preference to local SSIs(MSEs) clause no.1.9(e) of tender notice & payment terms as per clause no. 4.0 above by local micro & small enterprenures (local SSIs): The local SSI unit shall submit notary attested copy of a valid SSI/MSE registration certificate/Enterpreneur memorandum acknowledgement part-II issued by any of the following for the items/ item category for which they are registered for availing the relevant benefits.

- (a) District Industries Centre of Visakhapatnam.
- (b) District Industries Centre of Srikakulam/Vizianagaram/East Godavari District i.e units located within 100 Km of road distance of Visakhapatnam Steel Plant and falling under the jurisdiction of respective District Industries Centres.
- (c) NSIC registered units falling within the above jurisdictions i.e in (a) or (b) above.

8.6 The EMD / Bid money shall be forfeited:

- a) if a Tenderer withdraws or modifies his Bid during the period of Bid validity specified by the Tenderer, or

- b) in case of a successful Tenderer, if the Tenderer fails to furnish Performance Guarantee Bond in accordance with clause 9 of Annexure - II of the Tender documents.

9.0 PERFORMANCE GUARANTEE BOND:

- 9.1 The successful tenderer should submit Performance Guarantee so as to be received in the office of Asst. General Manager (MM-Purchase), RINL/VSP before the date of commencement of supplies or 30 (Thirty) days from the date of LOA / Acceptance to Tender, whichever is earlier. The Performance Guarantee Bond is to be furnished in the form of Bank Guarantee as per proforma at **Annexure – VIII** of the tender document, for an amount covering 5% (Five percent) of the value of the quantity of material on landed cost basis . No change in the prescribed proforma of the Bank Guarantee for Performance Guarantee bond is acceptable. **Further, the supplier is required to submit the duly filled in check list for BGs along with Performance Guarantee. The check list format is enclosed at Annexure – VA of the tender documents.**
- 9.2 The Performance Guarantee Bond should be established in favour of RINL through any Nationalized Bank situated at Visakhapatnam or outstation **with a clause to enforce the same on their local branch at Visakhapatnam.** If the bond is issued by any scheduled bank (other than nationalized bank), bond is to be issued by the branch located in Visakhapatnam only. Bonds from Co-operative banks are not accepted
- 9.3 The Performance Guarantee Bond shall be for the due and faithful performance of the contract and shall remain binding, notwithstanding such variations, alterations or extensions of time as may be made, given, conceded or agreed to between the successful tenderer and the Purchaser under the terms & conditions of Acceptance to Tender.
- 9.4 The successful tenderer is entirely responsible for the due performance of the Contract in all respects according to the spirit, intent and meaning of the terms & conditions and specifications and all other documents referred to in the Acceptance to Tender.
- 9.5 The Performance Guarantee Bond shall be kept valid and in full force and effect during the period of the contract and shall continue to be enforceable for a period of 120 (One hundred and twenty) days from the date of delivery of the last consignment of the respective A/T.
- 9.6 The Performance Guarantee Bond shall be released after 90 days from the date of receipt of last consignment, subject to clearance from user department, under the Acceptance of Tender.

10.0 STATEMENT OF DEVIATIONS:

- 10.1 If any tenderer is unable to accept any particular term(s) as incorporated in the Tender document, or proposes any deviation therefrom, the Tenderer shall enclose along with his offer, a statement of deviations clearly spelling out the deletions / deviations proposed, which may, however, have an impact on the

evaluation of his offer or rejection by RINL. **Each tenderer shall give an undertaking along with his offer confirming his acceptance to all the terms and conditions of the Tender document / GCC, except for the deletions / deviations specifically proposed by them in their offer. (Refer Annexure-VII for General Conditions of Acceptance to Tender).**

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

a) Specification, b) Price firmness, c) Submission of Bid Money, d) Weighment, e) Sampling and Analysis f) Quality deviation g) Performance Guarantee Bond. h)Packing i) Transportation j)Liquidated damage k) Risk Purchase l) Integrity Pact

11.0 OTHER GENERAL POINTS RELATING TO THE PREPARATION / SUBMISSION / DESPATCH OF THE OFFER:

11.1 The detailed offer together with its enclosures should be submitted as Techno-Commercial Bid in a sealed envelope. Techno Commercial bid should contain all details on technical specifications, other information/ data/ documents/ confirmations/ deviations, if any. Confirmation with regard to information/ data/ documents to be furnished by tenderers as per Para 1.0 and 2.0 above are also to be enclosed in Techno Commercial bid. The techno Commercial offer will be applicable for entire one year Quantity. This should be sealed in a cover and super scribed as "Techno Commercial offer for empanelment for supply of Silico Manganese."

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

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

11.4 The techno commercial bid together with its enclosures should be placed in an envelope which should bear, in Block capital letters, superscription "**Tender for supply of Silico Manganese Tender No. 5.66.SiMn/2015-16/0018, Dated 06.01.2015**" and should also bear superscription:

Techno Commercial offer for empanelment for supply of
Silico Manganese."

The name and address of the tenderer should be mentioned on this envelope.

11.5.1 The envelope referred to in para 11.4 above should be placed in another envelope which should be addressed to the **Executive Director (MM), Administration Building, Block-A, Purchase Dept, Visakhapatnam Steel Plant, Visakhapatnam 530 031, Andhra Pradesh, India** and should bear in Block Capital Letters the superscription "**OFFER IN RESPONSE TO TENDER NO.**

PUR. 5.66.SiMn/2015-16/0018, Dated 06.01.2015". This envelope should also be sealed. The name and address of the Tenderer should be mentioned on this envelope as well.

11.5.2 For supply of 1st lot of 13,000 T , Tenders will be accepted upto **1030 Hrs (IST), on 06.02.2015.** The Techno-Commercial bid of the tenders shall be opened immediately thereafter in the presence of the tenderers or authorised representative of the tenderers, who may choose to be present.

11.6 **Evaluation and rejection of offers**

11.6.1 RINL Evaluates technical and commercial acceptable offers on Landed net of cenvat price (LNCP/VAT) basis.

11.6.2 After the Reverse e-auction is conducted, the E Price Bids of all the TA & CA tenderers, irrespective of whether they have participated in the Reverse e-auction or not, shall be considered for Evaluation. Based on the prices so received through Reverse e-auction and the E Price Bids received, a composite comparative statement shall be made considering the lower of the prices (i.e. E price bid prices and Reverse e-auction prices) of all the tenderers. Placement of order shall be considered on the L-1 price (LNCP) so arrived.

11.6.3 Offers which deviates from the vital conditions(as illustrated below) of the tender shall be rejected.

- a. **Variable price being quoted against requirement of Firm prices.**
- b. **Non submission of complete offers, appending signature on the offer and the prescribed formats.**
- c. **Receipt of Offers after due date & time and or by e-mail/ fax**
- d. **Acceptance of Integrity Pact.**

11.7 **In case any tenderer is silent on any clauses mentioned in this tender document, VSP shall construe that the tenderer had accepted the clauses as per this Invitation to Tender.**

11.8 **The price quotations should be given in only in the price format and not in any other accompanying documents or statement. No revision in the terms and conditions quoted in the offer will be entertained after the last date and time fixed for receipt of tenders. Price bid is to be submitted separately when RINL will ask for.**

12.0 **COMPLETENESS OF THE TENDER:**

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

13.0 **PUNITIVE ACTIONS TO BE TAKEN AGAINST AGENCIES WHO SUBMIT FALSE/FORGED DOCUMENTS TO VSP.**

13.1 If it comes to the notice of VSP at any stage after request for enlistment/ tender document that any of the certificates / documents submitted by applicants for enlistment or by bidders are found to be false/ fake/ doctored, the party will be debarred from participation in all VSP tenders for a period of 5 years including

termination of contract, if awarded. EMD/ Security Deposit etc. if any, will be forfeited. The contracting Agency in such cases shall make good to VSP any loss or damage resulting from such termination. Contracts in operation anywhere in VSP will also be terminated with attendant fall outs like forfeiture of EMD/ Security Deposit, if any, and recovery of risk and cost charges etc. Decision of VSP Management will be final and binding.

- 13.2 In case commercially and technically acceptable lowest price offered tenderers backs out after tender is opened in single bid tender and in two bid tender after commercial bid/price bid is opened or after finalisation of contract punitive action shall be taken as per prevailing guidelines.

14.0 **Right to reject tenders**

- 14.1 RINL/VSP does not pledge itself to accept the lowest or any other tender and reserves to itself the right of accepting the whole or any part of the tender or portion of the quantity tendered and tenderes shall supply the same at the rate quoted.

15.0 **Authorisation**

- 15.1 Representative of the tenderers are required to produce letter of authorization, if they are to be permitted to attend tender/price bid opening.

- 16.0 Vendor should mention excise duty, Tariff number, estimated assessable price and applicable excise duty percentage (rate) for item quoted, if excise duty applicable, in the offer, failing which the offer shall become liable for rejection.

If the vendor is dealer/stockist/Trader, the estimated assessable price of the product obtained by them from the manufacturer (wherever applicable) and/or MRP with abatement, if any , excise duty tariff number and applicable excise duty percentage (rate) should be mentioned in the offer, for each item quoted, if excise duty is applicable, failing which the offer shall become liable for rejection.

- 17.0 Tenderers must indicate Excise Assessable value w.r.t each of the quoted items in the Price bid (format is at Annexure – III). In case Excise Assessable value is not mentioned in the price bid, basic unit price quoted for such item(s) shall be considered as Excise Assessable value and the offer shall be evaluated accordingly.

If it comes to the notice of RINL/VSP at any point of time that Excise Assessable value of material supplied by the successful tenderer against the Purchase order placed against this ITT is less than the value indicated in the price bid, payment shall be released taking such lower Excise Assessable value into consideration and no claims whatsoever on this account shall be entertained.

- 18.0 Wherever the supplier quotes on FOR destination / VSP Stores basis supplier should ensure that materials are dispatched through registered common carriers as per the “Carriage by Road Rules 2011” notified on 28.02.2011 and “ The Carriage by Road Act 2007”. The Act / Rules are available on website www.morth.nic.in.

**(ANNEXURE-III TO TENDER NO.PUR.5.66.SiMn/2015-16/0018, Dated
06.01.2015)**

PROFORMA FOR: PRICE BID

1. Name of the Tenderer :
2. Address :
3.1 **Price break up in case of CST:**

a	Basic Price,(Rs. per MT)	
a-1	*Excise Assesable price(Rs.Per MT)	
b	Excise Duty (a or a-1 X12%)	
c	Education Cess(bX2%)	
d	Secondary & Higher Ed.Cess (bX1%)	
e	CST (a+b+c+d)X2%	
f	Freight	
g	Landed Cost (a+b+c+d+e+f)	
h	Quantity offered	

- 3.2 **Price break up in case of APVAT:**

a	Basic Price,(Rs. per MT)	
a-1	*Excise Assesable price(Rs.Per MT)	
b	Excise Duty (a or a-1X12%)	
c	Education Cess(bX2%)	
d	Secondary & Higher Ed.Cess (bX1%)	
e	Freight	
f	VAT (a+b+c+d+e)X5%	
g	Landed Cost (a+b+c+d+e+f)	
h	Quantity offered	

Total value of the quantity offered(**Landed Cost XQty. offered for supply):Rs.**

* In case Excise Assessable value is not mentioned in the price bid, basic unit price shall be considered as Excise Assessable value and the offer shall be evaluated accordingly. Kindly refer clause Clause No.18.0 of Annx-II of tender document.

- 4 CST Number :
State Sales Tax Number :

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

SIGNATURE OF THE PARTY

Note: In the techno commercial bid, the tenderer shall enclose the blank format of price bid except indicating the percentage of taxes and duties levied and shall give specific confirmation that except the data asked for in the price bid, no other information or condition is given in the price bid. Price bid should contain no caveat conditions. In case any other data or information not relevant is noted in the price bid, the same shall not be taken in to consideration.

**(ANNEXURE-IV TO TENDER NO PUR.5.66.SiMn/2015-16/0018, Dated
06.01.2015)**

**SEE PARA 2.3 OF INSTRUCTIONS TO TENDERERS
CHECK LIST TO BE FILLED UP AND SENT ALONG WITH TECHNO -
COMMERCIAL BID – PART-A OF YOUR OFFER**

SL. NO.	TENDER TERMS	AS REQUIRED BY VSP	TO BE CONFIRMED BY PARTY ACCEPTED / NOT ACCEPTED	DEVIATIONS, IF ANY
1	Name and address of the Tenderer			
2	Quantity offered	To be confirmed as per Para 1.2 & 1.2.1 of ITT		
3	Technical specification	To be confirmed as per Annx-I of tender document		
4	Delivery schedule	To be confirmed as per Para 1.3 & 1.3.1 of ITT		
5	Payment terms	To be confirmed as per Cl.4 of Annx-II of ITT		
6	Bid Bond / Bid Money	To be confirmed as per Cl.8 of Annx-II of ITT		
7	Submission of Quality Assurance plan	To be confirmed as per Cl.2.3 of Annx-II of ITT		
8	Price Basis	To be confirmed as per Cl.3 of Annx-II of ITT		
9	Price firmness	To be confirmed as per Cl.4 of Annx-VII of ITT		
10	Insurance	To party's a/c (for indigenous supply)		
11	Packing	To be confirmed as per Cl.7 of Annx-VII of ITT		
12	Validity of offer	To be confirmed as per Cl.7 of Annx-II of ITT		
13	Inspection	To be confirmed as per Cl.1 of Annx-VII of ITT		
14	Penalty and Total Rejection	To be confirmed as per Cl.2 & 2.1 of Annx-VII of ITT		
15	Weighment	To be confirmed as per Cl.3 of Annx-VII of ITT		
16	Test cum Guarantee certificate	To be confirmed as per Cl.8 of Annx-VII of ITT		
17	Liquidated damages	To be confirmed as per Cl.9 of Annx-VII of ITT		
18	Default	To be confirmed as per Cl.10 of Annx-VII of ITT		
19	Risk Purchase	To be confirmed as per Cl.11 of Annx-VII of ITT		
20	Arbitration & Jurisdiction	To be confirmed as per Cl.18 of Annx-VII of ITT		
21	Force Majeure	To be confirmed as per Cl.17 of Annx-VII of ITT		
22	Performance Guarantee Bond	To be confirmed as per Cl.9 of Annx-II of ITT		
23	Commencement of supplies	To be confirmed as per Cl.1.3.1 of ITT		
24	Evaluation of offers	To be confirmed as per Cl.11.6.2 of Annx-II of ITT		
25	Other terms and condition of ITT / GCC	To confirm acceptance.		
26	Submission of Modvatable documents	To confirm acceptance as per Cl.6 of Annx-VII of ITT		
27	Signing of Integrity Pact	To confirm as per C.2.5 of Annx-II of ITT		

.....

Signature and Name of the Tenderer

**ANNEXURE-V TO TENDER NO PUR.5.66.SiMn/2015-16/0018, Dated 06.01.2015
PROFORMA OF BANK GUARANTEE FOR BID BOND**

(To be typed on Non-judicial stamp paper of the value of Indian Rupees of One Hundred)
**TO BE ESTABLISHED THROUGH ANY OF THE NATIONALISED BANKS
(WHETHER SITUATED AT VISAKHAPATNAM OR OUTSATTION) WITH A
CLAUSE TO ENFORCE THE SAME ON THEIR LOCAL BRANCH AT
VISAKHAPATNAM OR ANY SCHEDULED BANK (OTHER THAN
NATIONALISED BANK) SITUATED AT VISAKHAPATNAM. BONDS ISSUED
BY CO-OPERATIVE BANKS ARE NOT ACCEPTED.**

To
Rashtriya Ispat Nigam Limited
Visakhapatnam Steel Plant,
Admn. Building,
Visakhapatnam-530 031.
INDIA.

Bank Guarantee No. Dt.

LETTER OF GUARANTEE

WHEREAS Rashtriya Ispat Nigam Ltd., Visakhapatnam Steel Plant (hereinafter referred to as RINL) have invited Tenders vide Tender No. Pur. **5.66.SiMn/2015-16/0018, Dated 06.01.2015** (hereinafter referred to as the said Invitation to Tender) for purchase of Silico Manganese at monthly rate of 6,500T AND WHEREAS the said Invitation to Tender requires that any eligible Tenderer wishing to make an offer in response thereto shall establish an irrevocable Bid Bond in favour of RINL in the form of Bank Guarantee for (**)
Rs. and valid upto as guarantee that the tenderer:

- a) shall keep his offer firm and valid for acceptance by RINL till 30.06.2016.
- b) shall, in the event of the offer being accepted by RINL, establish a Performance Guarantee (PG) Bond in favour of RINL, in the form of Bank Guarantee covering 5% (Five percent) (**5% of the order value in case of imported source**) of the value of the quantity of Silico Manganese ordered at the price and on the terms accepted by RINL, within 30 (Thirty) days from the date of Acceptance to Tender / LOA or before commencement of supplies, whichever is earlier.

AND WHEREAS M/s.....(hereinafter referred to as the said Tenderer) wish to make an offer in response to the said Invitation to Tender for the supply of Silico Manganese on the basis of (**)**FOR VSP Stores / FOB /CFR.NOW THIS BANK HEREBY GUARANTEES** that in the event of the said Tenderer failing to abide by any of the conditions referred to in any of the preceding paragraphs, this Bank shall pay to Rashtriya Ispat Nigam Ltd., Visakhapatnam Steel Plant, Visakhapatnam, INDIA on demand and without protest or demur (**)
Rs..... (Rupees.....).

This Bank further agrees that the decision of RINL as to whether the said Tenderer has committed a breach of any of the conditions referred to in the preceding paragraphs, shall be final and binding.

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

This Bank further agrees that the claims if any, against this Bank Guarantee shall be enforceable at our Branch office at Visakhapatnam situated at (Address of local branch at Visakhapatnam).

THIS BANK FURTHER undertakes that this Guarantee shall remain irrevocably valid and in force upto 31.10.2015 and bank also agrees to extend the bank guarantee till 30.06.2016.

Issuance of this bank guarantee may also be got confirmed from our controlling branch / office / Higher Authority (Name & Address).

For and on behalf of

(Name of the Bank)

Signature

Name()

Duly constituted attorney and
authorised signatory

Designation :

Name and Address :
of the Bank

** - To be modified based on the source of supply i.e., Indigenous or Import.

**ANNEXURE-VA TO TENDER NO.PUR. 5.66.SiMn/2015-16/0018, Dated
06.01.2015**

CHECK LIST FOR BANK GUARANTEES

Name of the party submitting BG:

Party Code:

Tender No:

Name of the Bank issuing BG:

Branch issuing the BG:

BG No.:

BG Date:

BG Value:

1	Is the BG as per the approved format of VSP ?	Yes / No
2	Is the BG issued by the specified category of Banks (Scheduled commercial bank / Nationalized bank etc. as specified in the contract) ?	Yes / No
3	Is the BG executed on stamp paper of adequate value under the relevant state rules ?	Yes / No
4	Is the stamp paper obtained in the name of the bank issuing the BG ?	Yes / No
5	Is the date of sale of stamp paper prior to the date of the BG ?	Yes / No
6	Does the BG refer to the concerned agreement / tender with reference to which the BG is issued ?	Yes / No
7	Does the BG bear the number, date and seal of the issuing Bank ?	Yes / No
8	Is the BG signed on all pages ?	Yes / No
9	Whether the name, designation & code number of the officer/officers signing the BG are mentioned against the signatures of respective officer/officers ?	Yes / No
10	Whether the BG validity period is as per the concerned contractual requirement ?	Yes / No
11	Whether the BG format contains a foot note regarding the details of the controlling office / higher authority from which confirmation regarding issuance of BG may also be obtained as given below: "Issuance of this bank guarantee may also be got confirmed from our controlling branch / office / Higher Authority (Name & Address)"	Yes / No
12	BG contains the clause for 'Enforceability of the same at Visakhapatnam*' and the address for the same is also specified in the BG.	Yes / No

Note: The BGs can be accepted only when reply to all the above are 'Yes'

Signature of the Tenderer

Date:

(ANNEXURE-VI TO TENDER NO PUR.5.66.SiMn/2015-16/0018, Dated
06.01.2015)

**LETTER OF AUTHORITY FROM ESTABLISHED MANUFACTURERR
OF SILICO MANGANESE**

(See 2.1.2 of Annexure -II of the Tender Documents)

ToTHE EXECUTIVE DIRECTOR(MM),
BLOCK 'A' PURCHASE DEPARTMENT,
ADMINISTRATIVE BUILDING,
RASHTRIYA ISPAT NIGAM LTD.,
VISAKHAPATNAM STEEL PLANT,
VISAKHAPATNAM 530 031 (A.P).

Dear Sir,

Sub:Your Tender Notice No.PUR. 5.66.SiMn/2015-16/0018, Dated 06.01.2015.

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

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

No Company/Firm or individual other than M/s.....is authorised to
represent us in regard to this business against this specific tender. In the event,
the offer made by M/s.....being considered by RINL for acceptance both
M/sand ourselves shall be jointly and severally responsible for the
due and timely performance of the Acceptance to Tender. We hereby extend
our full guarantee and warranty for the goods offered for supply against this
Invitation to Tender by the above firm.

Yours faithfully
(NAME)

for & on behalf of M/s.....

(Signature and Name of Silico Manganese Manufacturer with seal)

Note: This letter of authority should be on the Letter-Head of the Silico
Manganese Manufacturer and should be signed by a person competent and
having the power of attorney to bind the Silico Manganese Manufacturer. **This
letter of authority should be submitted in original along with Techno-
commercial bid.**

(ANNEXURE-VII TO TENDER NO.PUR.5.66.SiMn/2015-16/0018, Dated 06.01.2015)

GENERAL CONDITIONS OF ACCEPTANCE TO TENDER

- 1.0 **INSPECTION:** Inspection at VSP shall be final. The sampling and analysis shall be as per the following procedure:

Sampling and Analysis shall be done at VSP on receipt of materials. The sample shall be drawn from a maximum lot of 100 Tons received from each supplier. The sample so drawn shall be tested for size at VSP stores and for chemical analysis at VSP laboratory. In case the material is rejected on account of sieve analysis and/or chemical analysis, the supplier shall be intimated to depute their representative for joint sampling within 3 days of intimation (excluding the day of intimation). In case the supplier's representative do not turn up within the stipulated time as above, VSP will collect the sample and carry out the tests and the results of the same shall be final and binding on both the Seller and Buyer. The representative of suppliers may be present while sampling, if desires.

The chemical analysis of the material received shall be tested in VSP laboratory by Spectrometer method (SRF). Sieve analysis for size shall be carried out on round mesh sieves at VSP Stores. The inspection results for chemical analysis and sieve analysis at VSP shall be final.

VSP at its discretion may test the chemical composition at external laboratories and/or as per IS 1559-1961.

- 2.0 **PENALTY:** Deviations from the specifications are to be dealt with as follows:

- a) For material deviating in size upto 3% of the lot size on (+) 100 mm size and upto 5% of the lot size in the (-) 40 mm size subject to (+) 125 mm is nil and (-) 10mm does not exceed 1% out of 5% of the lot size in the undersize shall be accepted without any penalty.
- b) **With Penalty:** If the material is deviating in size beyond the allowable limits given above, upto another 3% on (+)100 mm size **or** additional 5% on (-) 40 mm size subject to the condition that (+)125 mm is nil and (-) 10 mm does not exceed 1% out of 10% of lot size shall be acceptable with a penalty of 3% on the total lot value of the inspected quantity.
- c) If the material is deviating in size beyond the allowable limits given above, upto another 3% on (+)100 mm size **and also** additional 5% on (-) 40 mm size subject to the condition that (+)125 mm is nil and (-) 10 mm does not exceed 1% out of 10% of lot size shall be acceptable with a penalty of 6% on the total lot value of the inspected quantity.

WITHOUT PENALTY		WITH PENALTY	
Size	Tolerance	Size	Tolerance
+125 mm	Nil	+125 mm	Nil
+100 mm	3% of lot size	+100 mm	>3% ≤ 6% of the lot
-40 mm	5% of lot size (including 1% of -10 mm)	-40 mm	>5% ≤ 10% of the lot (including 1% of - 10 mm)
-10 mm	1% out of 5% of lot size	-10 mm	1% out of 10% of lot size
No penalty		As indicated at (b) and (c) above.	

" * " - Apart from what is indicated above, the material will be accepted if (-) 10 mm is beyond 1% and upto 2% of the lot. However, payment will not be made for 1.5 times the quantity in the range beyond 1% and upto 2%. The total lot of material will be rejected if (-) 10 mm exceeds 2% of the lot.

- 2.1 **TOTAL REJECTION:** Any lot deviating beyond the limits specified for chemical parameters mentioned above at Para (1) above shall not be paid for. Further, in case the material exceeds the size tolerance limits with penalty mentioned at Para 2(b) above, payment shall not be paid for that lot. All deviations/rejections shall be informed to the Seller. The Seller is to ensure lifting of the materials within 15 days from the date of issue of such notice to the Seller or otherwise 1% of material value per month or part thereof as storage cost will be leviable by VSP till such time the material is lying at VSP stores at Seller's risk. Payment, if any, made by the Company for the rejected material, shall be refunded forthwith by the Seller. The Seller also has to ensure immediate supply of equivalent quantity of material as per the order specifications to maintain material availability at plant. In case the material is required at plant for meeting its urgent production requirements, the rejected material will be consumed and the payment for such rejected quantity which is used shall be decided by the Material Review Board (MRB) of RINL/VSP. The decision of MRB shall be final and binding on both the parties.
- 3.0 **WEIGHMENT:** All the trucks shall be weighed at destination i.e., at VSP's weighbridge. The weight recorded at VSP weighbridge shall be the basis for release of payment. The payment shall be restricted to the weight recorded at VSP weighbridge or LR or the Invoice weight, whichever is lower.
- 4.0 **PRICE VARIATION:** Price shall remain firm till completion of supplies.
- 5.0 **TERMS OF PAYMENT:**
- 5.1 100% of the value of each consignment shall be made against submission of bills along with accepted GARNs (Goods Acceptance / Rejection Note) issued by PURCHASER on 60th day(21st day for local micro and small enterprises subject to submission of documents as stipulated vide clause No.8.5 of Annx-II)from the date of receipt of material at VSP.
- 5.2 Payment shall be made by NEFT/RTGS mode or such other mode of electronic fund transfer offered by banks/Letter of Credit. In case you have not already furnished the required details, you may download the pro-forma in which the details are to be furnished from the VSP's website and submit along with your offer for updating our database. In case of L/c Payment suitable loading, will be made while evaluating the offer.
- 6.0 The Seller shall despatch materials on door delivery basis ensuring that the ED Gate Pass 'duplicate copy' for the transporter (for availing CENVAT) and "Tax Invoice" (for availing VAT) is handed over by the transporter to VSP. In case of non-submission of this document, the amount equivalent to the loss of CENVAT / VAT shall be recovered from the amount due.

7.0 **PACKING:** The material should be securely packed in New non-returnable One Metric Ton HDPE bags or New non-returnable 50 Kg. Double Gunny / HDPE bags. The bag should be properly stitched and sealed. The bags should also be stenciled in ink the "ITEM NAME AND THE SUPPLIER'S NAME". The packing should avoid fines generation and contamination from foreign particles/moisture.

8.0 TEST CUM GUARANTEE CERTIFICATE:

8.1 The Seller should submit Manufacturer's Test cum Guarantee certificate, along with every consignment, clearly indicating the relevant Parameters and batch no. and other identification marks, if any and give guarantee for replacement in case of any deviations / manufacturing defects. Test certificate shall be submitted from Govt./Govt. approved laboratories or own lab in case of ISO certified manufacturer.

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

9.0 LIQUIDATED DAMAGES:

9.1 Delivery is the essence of the Contract and hence should any consignment be delayed, liquidated damages @ 0.5% of the price of the delayed consignment, for each week or part thereof shall be levied and recovered subject to a maximum of 10% of the total order value. However, this is subject to the condition that delayed quantity in a month is either 10 Tons or more out of the monthly projected quantity. The liquidated damages for delayed supplies (if any) as mentioned above shall be calculated once in every three months and recovered from the bills of the Seller.

10.0 DEFAULT:

10.1 Should the SELLER fail to provide the MATERIAL for delivery by the time or times agreed upon or should the SELLER in any manner or otherwise fail to perform the Acceptance to Tender or should a receiver be appointed on its assets or make or enter into any arrangements or composition with Creditors or suspend payments (or being a company should enter into liquidation either compulsory or voluntary), the PURCHASER shall have power to declare the Acceptance to Tender as at an end at the risk and cost of the SELLER in every way. In such a case, the SELLER shall be liable for any expenses, damages or losses which the PURCHASER may incur, sustain or be put to by reason of or in connection with SELLER's default. This Clause is however subject to Force Majeure vide 17.0 herein below.

11.0 RISK PURCHASE:

11.1 The PURCHASER reserves the right to take Risk Purchase action at the cost and risk of the SELLER, in case he fails to deliver the materials in the specified

schedule and the differential cost shall be recovered. The cancellation of the Acceptance to Tender as stated in para 10 herein above may be either for whole or part of the Acceptance to Tender at PURCHASER's option. In the event of the PURCHASER terminating the Acceptance to Tender in whole or in part, he may procure, on such terms and in such manner as he deems appropriate, supplies similar to those so terminated and the SELLER shall be liable to the PURCHASER for any excess costs for such similar supplies. However, in case of part termination of Acceptance to Tender by the PURCHASER, the SELLER shall continue the performance of the Acceptance to Tender to the extent it is not terminated under the provisions of this Clause.

12.0 **RECOVERY OF SUMS DUE:**

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

13.0 **RESPONSIBILITY:**

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

14.0 **TRANSFER AND SUB-LETTING:**

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

15.0 **COMPLETENESS OF THE AGREEMENT AND MODIFICATION:**

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

16.0 **WAIVER:**

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

17.0 **FORCE MAJEURE:**

17.1 If either the SELLER or the PURCHASER be prevented from discharging his or their obligation under this Acceptance to Tender by reason of arrests or restraints by Government of people, war blockade, revolution, insurrection, mobilization, strikes, civil commotion, Acts of God, Plague or other epidemics, destruction of the MATERIAL by fire or flood or other natural calamity interfering with the production, loading or discharge, the time for delivery shall be extended by the time or times not exceeding one year, during which production, loading or discharge is prevented by any such causes as herein above mentioned. The party invoking protection under this clause shall within 15(fifteen) days of the occurrence of Force Majeure causes put the other party on notice supported by Certificate from the Chamber of Commerce or concerned Governmental authority and shall likewise intimate the cessation of such causes. The delivery shall be resumed by the Party/Parties within 15 (fifteen) days from the cessation of the Force Majeure causes.

17.2 Should there be any interruption in the delivery of the MATERIAL due to Force Majeure circumstances detailed in para 17.1 herein above, it is hereby mutually agreed between the PURCHASER and the SELLER that the period of offtake of the MATERIAL by the PURCHASER/period of delivery of the MATERIAL by the SELLER shall automatically stand extended by a period not exceeding one year, equal to the actual duration of the causes interrupting the offtake by the PURCHASER and/or delivery of the MATERIAL by the SELLER plus a period of six weeks to enable the affected party to make suitable arrangements for normalization of shipments.

18.0 **ARBITRATION AND JURISDICTION:**

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

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

19.0 **LEGAL INTERPRETATIONS:**

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

20.0 **LIABILITY OF GOVT. OF INDIA:**

20.1 It is expressly understood and agreed by and between the SELLER and the PURCHASER that the PURCHASER is entering into this Acceptance to Tender solely on its own behalf and not on behalf of any other person or entity. In particular, it is expressly understood and agreed that the Govt. of India is not a party to this Acceptance to Tender and has no liabilities, obligations or rights hereunder. It is expressly understood and agreed that the PURCHASER is an

independent legal entity with power and authority to enter into contracts solely in its own behalf under the applicable laws of India and general principles of Contract Law. The SELLER expressly agrees, acknowledges and understands that the PURCHASER is not an agent, representative or delegate of the Govt. of India. It is further understood and agreed that the Govt. of India is not and shall not be liable for any acts, omissions, commissions, breaches or other wrongs arising out of this Acceptance to Tender. Accordingly, the SELLER hereby, expressly waives, releases and foregoes any and all actions or claims, including cross claims, impleader claims or counter claims against the Govt. of India arising out of this Acceptance to Tender and covenants not to sue the Govt. of India as to any manner, claim, cause of action or thing whatsoever arising of or under this Acceptance to Tender.

21.0 All other terms and conditions shall be as per VSP's G.C.C for supply of Material.

(ANNEXURE-VIII TO TENDER NO.PUR.5.66.SiMn/2015-16/0018, Dated 06.01.2015)

PROFORMA OF BANK GUARANTEE FOR PERFORMANCE GUARANTEE BOND

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

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

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

Bank Guarantee No

Dt

LETTER OF GUARANTEE

WHEREAS M/s _____ hereinafter referred to as the SELLER) and M/s RASHTRIYA ISPAT NIGAM LIMITED (hereinafter referred to as the PURCHASER) have entered into an AGREEMENT vide ACCEPTANCE TO TENDER No. _____ Dated _____ (hereinafter called the said A/T) for the supply of _____ (_____) metric tons of Silico Manganese (hereinafter referred to as the MATERIALS) on the terms and conditions mentioned therein.

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

3. We, (name of bank & branch) hereby further agree that the guarantee herein contained shall remain in full force and effect during the period that would be taken for satisfactory performance and fulfillment in all respects of the said AGREEMENT and that it shall continue to be enforceable for (a) 120 days after the

date of L/R of the last consignment of the MATERIALS under the said AGREEMENT or (b) in the event of any dispute(s) between the PURCHASER and the SELLER, until such period(s) the dispute is settled fully, whichever date is the latest and that if any claim accrues or arises against us,(name of bank & branch) by virtue of this guarantee before the dates referred to at (a) and (b) herein above, the same shall be enforceable against us, (name of bank & branch), notwithstanding the fact that the same is enforced after the dates referred to at (a) or (b) herein above, whichever date is the latest, provided that notice of any such claim has been given by the PURCHASER before the dates referred to at (a) or (b) herein above, as the case may be. Payments under this LETTER OF GUARANTEE shall be made promptly upon our receiving the notice to that effect from the PURCHASER on demand and without protest or demur.

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

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

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

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

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

Issuance of this bank guarantee may also be got confirmed from our controlling branch / office / Higher Authority (Name & Address).

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

FOR AND ON BEHALF OF

(name of bank & branch)

Signature:

Name:

DULY CONSTITUTED ATTORNEY
& AUTHORISED SIGNATORY

Designation

(name of bank & branch)

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

(nature of contract, in brief). 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 Independent External Monitor(IEM) by name, from the panel of IEMs, at the tender stage, for monitoring the tender process and the execution of the contract in order to ensure compliance with the Integrity Pact by all the parties concerned.

Section 1 - Commitments of the Principal:

- (1) The Principal commits itself to take all measures necessary to prevent corruption and to observe the following principles:-
 - a. No employee of the Principal, personally or through family members, will in connection with the tender or the execution of a contract, demand/take a promise/accept for self or for third person, any material or non material benefit which the person is not legally entitled to.
 - b. The Principal will, during the tender process treat all Bidders with equity and reason. The Principal will in particular, before and during the tender process, provide to all Bidders the same information and will not provide to any Bidder confidential/additional information through which the Bidder(s) could obtain an advantage in relation to the tender process or the contract execution.
 - c. The Principal will exclude from the process all known prejudiced persons.
- (2) If the Principal obtains information on the conduct of any of its employees which is a criminal offence under the PC Act/ applicable law, or if there be a substantive suspicion in this regard, the Principal will inform the Chief Vigilance Officer of RINL and in addition can initiate disciplinary action.

Section 2 - Commitments of the Bidder(s)/contractor(s):

- (1) The Bidder/ Contractor commits to take all measures necessary to prevent corruption and commits to observe the following principles during his participation in the tender process/during the contract execution(in case of Bidder to whom the contract has been awarded).
 - a. The Bidder/Contractor 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/ Contractor will not enter with other Bidders into any undisclosed agreement or understanding, whether formal or informal. This applies in particular to prices, specifications, certifications, subsidiary contracts, submission or non-submission of bids or any other actions to restrict competitiveness or to introduce cartelization in the bidding process or to vitiate the Principal's tender process or execution of the contract.
 - c. The Bidder/Contractor will not commit any offence under the PC Act/ Applicable law, like paying any bribes or giving illegal benefit to anyone including employees of RINL, to gain undue advantage in dealing with RINL or for any other reason etc. Further, the Bidder/Contractor 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/Contractor of foreign origin shall disclose the name and address of their Agent(s)/representative(s) in India, if any. Similarly the Bidder/Contractor 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/Contractor, 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/ Contractor will, when presenting his bid, disclose any and all payments he has made or committed to or intends to make to agents, brokers or any other intermediaries in connection with the award of the contract.
- (2) The Bidder/Contractor will not instigate third persons to commit offences outlined above or be an accessory to such offences.

Section 3 - Disqualification from tender process and exclusion from future contracts:

- (1) A transgression is considered to have occurred, if the Principal after due consideration of the available evidence, concludes that a reasonable doubt is possible.
- (2) If the Bidder/Contractor, 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 from the tender process or to terminate the contract, if already awarded, for that reason, without prejudice to other remedies available to the Principal under the relevant GCC of the tender/contract.
- (3) If the Bidder/Contractor has committed a transgression through a violation of any of the terms under Section 2 above or in any other form such as to put his reliability or credibility into question, the Principal is entitled also to exclude the Bidder / Contractor from future tenders/Contract award processes. The imposition and duration of the exclusion will be determined by the Principal keeping in view the severity of the transgression. The severity will be determined by the circumstances of the case, in particular the number of transgressions, the position of the transgressors within the company hierarchy of the Bidder /Contractor and the amount of the damage.
- (4) If it is observed after payment of final bill but before the expiry of validity of Integrity pact that the Contractor has committed a transgression through a violation of any of the terms under Section 2 above during the execution of contract, the Principal is entitled to exclude the Contractor from future tenders/Contract award processes.
- (5) The exclusion will be imposed for a Period not less than six (6) months and, up to a maximum period of three (3) years.
- (6) If the Bidder / Contractor can prove that he has restored/ recouped the damage to the Principal caused by him and has installed a suitable corruption prevention system, the Principal may revoke the exclusion before the expiry of the period of such exclusion.

Section 4 - Compensation for Damages:

- (1) If the Principal has disqualified the bidder from the tender process prior to the award in accordance with Section 3 above, the Earnest Money Deposit (EMD)/Bid security furnished, if any, along with the offer as per the terms of the Invitation to Tender (ITT) shall be forfeited. This is apart from the

exclusion of the Bidder from future tenders as may be imposed by the Principal, as brought out at Section 3 above.

- (2) If the Principal has terminated the Contract in accordance with Section 3 above, or if the Principal is entitled to terminate the Contract in accordance with Section 3 above, the Security Deposit/performance bank guarantee furnished by the Contractor, if any, as per the terms of the ITT/Contract shall be forfeited without prejudicing the rights and remedies available to the Principal under the relevant General conditions of contract. This is apart from the exclusion of the Bidder from future tenders as may be imposed by the Principal, as brought out at Section 3 above.

Section 5 - Previous transgressions:

- (1) The Bidder declares that, to the best of his knowledge, no previous transgression occurred in the last five (05) years with any Company or Organization or Institution in any country or with any Government in any country conforming to the anticorruption approach that could justify his exclusion from the tender process.
- (2) If the Bidder makes incorrect statement on this subject, he can be disqualified from the tender process. The contract, if already awarded, can be terminated for such reason.

Section 6 - Equal treatment of all Bidders / Contractors / Subcontractors:

- (1) The Bidder(s)/Contractor(s) undertake(s) to demand from all subcontractors, he desires to appoint, a commitment in conformity with this Integrity Pact, and to submit it to the Principal at the time of seeking permission for such subcontracting.
- (2) The Principal will enter into agreements with identical conditions as this one with all Bidders/ Contractors.
- (3) The Principal will disqualify from the tender process all bidders who do not sign this Pact or violate its provisions.

Section 7 - Criminal charges against violating Bidder(s)/ Contractor(s)/ subcontractor(s) :

If the Principal obtains knowledge of conduct of a Bidder, Contractor, Subcontractor or of any employee or a representative or an associate of a Bidder/Contractor/ Subcontractor which constitutes corruption, or if the Principal has substantive suspicion in this regard, the Principal will inform the same to the CVO of RINL.

Section 8 - Independent External Monitor(s)(IEM(s)):

- (1) The Principal appoints competent and credible Independent External Monitor with the approval of Central Vigilance Commission. The IEM reviews independently, the cases referred to him or written complaints with all details received directly by him to assess whether and to what extent the parties concerned complied with the obligations under this Integrity Pact,
- (2) In case of complaint/representations on compliance of the provisions of the Integrity Pact by any person/agency, the complaint/representation can be lodged by the aggrieved party with the Nodal Officer for IP of RINL or directly with the IEM. The Nodal Officer shall refer the complaint /representation so received by him to the IEM for his examination. Similarly, RINL in case of any doubt regarding compliance by any or all the bidders can lodge its complaint / make a reference to IEM through Nodal Officer. For ensuring the desired transparency and objectivity in dealing with the complaints arising out of the tendering process, the matter should be examined by the full panel of IEMs who would look into the records, conduct an investigation and submit their joint recommendations to the Management.
- (3) The IEM is not subject to instructions by both the parties and performs his functions neutrally/independently. The IEM will submit report to the CMD, RINL.
- (4) The Bidder(s)/Contractors(s) accepts that the IEM has the right to access without restriction, to all tender/contract documentation of the Principal including that provided by the Bidder/Contractor. The Bidder/Contractor will also grant the IEM, upon his request and demonstration of a valid interest, unrestricted and unconditional access to his tender/contract documentation. The same is applicable to unrestricted and unconditional access to tenders / contract documentation of Subcontractors also. The IEM is under contractual obligation to treat the information and documents of the Bidder(s)/ Contractor(s)/Subcontractor(s) with confidentiality.
- (5) IEM will have the right to attend any meeting between RINL and Counterparties in respect of the cases falling under the purview of IP.
- (6) As soon as the IEM notices, or believes to notice, a violation of this Pact, he will inform the Principal and request the Principal to discontinue or take corrective action or to take other relevant action. The IEM can, in this regard, submit non binding recommendations. Beyond this, the IEM has no right to demand from the parties that they act in a specific manner, refrain from action or tolerate action.
- (7) The IEM will submit a written report to the CMD-RINL within four (04) to six (06) weeks from the date of reference or intimation to him by the Principal/ receipt of the complaint and, should the occasion arise, submit proposals for corrective actions for the violations or the breaches of the provisions of the agreement noticed by the IEM.

- (8) IEM may also submit a report directly to the CVO of RINL and the Central Vigilance Commission, in case of suspicion of serious irregularities attracting provisions of the PC Act/ applicable Law.
- (9) Expenses of IEM shall be borne by RINL/VSP as per terms of appointment of IEMs.
- (10) The word 'Monitor' means Independent External Monitor and would include both singular and plural.

Section 9 - Duration of the Integrity Pact:

- (1) This Pact comes into force upon signing by both the Principal and the Bidder/Contractor. It expires for the Contractor twelve (12) months after the last payment under the contract, and for all unsuccessful Bidders, six (06) months after the contract has been awarded and accordingly for the Principal after the expiry of respective periods stated above.
- (2) If any claim is made/ lodged during the valid period of the IP, the same shall be binding and continue to be valid even after the lapse of this Pact as specified above, unless it is discharged/determined by CMD of RINL.

Section 10 - Other provisions:

- (1) This Pact is subject to Indian Law. Place of performance and jurisdiction is the Registered Office of the Principal, i.e. Visakhapatnam, State of Andhra Pradesh, India.
- (2) Changes and supplements as well as termination notices need to be made in writing. Side agreements to this pact have not been made.
- (3) If the Contractor is a partnership firm/ Consortium, this Pact must be signed by all partners/ Consortium members, or their Authorized Representative(s) by duly furnishing Authorization to sign Integrity Pact.
- (4) Should one or several provisions of this Pact turnout to be invalid, the remaining part of the Pact remain valid. In this case, the parties will strive to come to an agreement with regard to their original intentions.
- (5) Wherever he or his is indicated in the above sections, the same may be read as he/she or his/her, as the case may be. Similarly, wherever Counterparty or Bidder or Contractor is mentioned, the same would include both singular and plural.

(For & On behalf of the Principal)

(Office Seal)

(For & On behalf of Bidder/
Contractor)

(Office Seal)

Place -----

Date -----

Witness 1:
(Name & Address)

Witness 2:
(Name & Address)

GUIDELINES FOR INDIAN AGENTS OFFOREIGN "SUPPLIERS/CONTRACT AGENCIES"

- 1.0 There shall be compulsory registration of Indian Agents of foreign suppliers/contract Agencies with RINL in respect of all Global (Open) Tenders and Limited Tenders. An agent who is not registered with RINL shall apply for registration in the prescribed Application Form.
- 1.1 Registered agent needs to submit before the placement of order by RINL, an Original certificate issued by his foreign supplier/ contract Agency (or an authenticated Photostat copy of the above certificate duly attested by a Notary Public) confirming the agency agreement and giving the status being enjoyed by the agent alongwith the details of the commission/ remuneration/ salary/ retainer being paid by them to the agent(s).
- 1.2 Wherever the Indian representative has communicated on behalf of their foreignsupplier/contract Agency and/or the foreign supplier/contract Agency have stated that they are not paying any commission to their Indian agent(s) but paying salary or retainer, a written declaration to this effect given by the foreign supplier/contract Agency should be submitted before finalizing the contract.
- 2.0 **DISCLOSURE OF PARTICULARS OF AGENT(S)/REPRESENTATIVE(S) IN INDIA, IF ANY:**
- 2.1 Bidders of Foreign nationality shall furnish the following details in their quotation/bid:
 - 2.1.1 The name and address of their agent(s)/representative(s) in India, if any, and the extent of authorization and authority given to them to commit them. In case the agent(s)/representative(s) is a foreign Company, it shall be confirmed whether it is a really substantial Company and details of the company shall be furnished.
 - 2.1.2 The amount of commission/remuneration included in the quoted price(s) for such agent(s)/representative(s) in India.
 - 2.1.3 Confirmation of the Bidder that the commission/remuneration if any, payable to his agent(s)/representative(s) in India, may be paid by RINL in Indian Rupees only.
- 3.0 **DISCLOSURE BY INDIAN AGENT(S) OF PARTICULARS OF THEIR FOREIGN SUPPLIER/CONTRACT AGENCY AND FURNISHING OF REQUISITE INFORMATION:**
- 3.1 Bidders of Indian Nationality shall furnish the following details/certificates in/alongwith their offers:

- 3.1.1 The name and address of foreign supplier/contract agency indicating their nationality as well as their status, i.e., manufacturer or agent of manufacturer holding the Letter of Authority.
- 3.1.2 Specific Authorization letter by the foreign supplier/contract agency authorizing the agent to make an offer in India in response to tender either directly or through their agent(s)/representative(s).
- 3.1.3 The amount of commission/remuneration included for bidder in the price (s) quoted.
- 3.1.4 Confirmation of the foreign supplier/contract Agency of the Bidder, that the commission/remuneration, if any, reserved for the Bidder in the quoted price (s), may be paid by RINL in India in equivalent Indian Rupees.
- 4.0 In either case, in the event of materialization of contract, the terms of payment will provide for payment of the commission/remuneration payable, if any, to the agent(s)/representative(s) in India in Indian Rupees, as per terms of the contract.
- 4.1 Failure to furnish correct information in detail, as called for in para 2.0 and/or 3.0 above will render the bid concerned liable for rejection or in the event of materialization of contract; the same is liable for termination by RINL. Besides this, other actions like banning business dealings with RINL, payment of a named sum etc., may also follow.