



Steel Authority of India Limited

Visvesvaraya Iron & Steel Plant - Bhadravathi



STEEL AUTHORITY OF INDIA LIMITED

Visvesvaraya Iron & Steel Plant
Bhadravati – 577 301, KARNATAKA,

Tender No: 1110721

Dtd: 30.05.2016

Sealed offers are invited for supply of 20,000 Tons± 2% of LAM Coke as per tender specification. For more details and downloading the tender documents, please visit our website: www.sailtenders.co.in Due Date & Time for submission of offer: **on or before: 21.06.2016 /11:00 a.m.**

E-mail: dgmmvisl@yahoo.co.in / vislmm.rm@rediffmail.com

Ph: 08282-271621, Extn:2038, Fax No. 08282-271611

DGM (MM)

Regd Office: Ispat Bhavan, Lodi Road, New Delhi – 110 003

There's little bit of SAIL in everybody's life



Invitation to Tender (ITT)/ Request for Quotation (RFQ)

For

Procurement of LAM Coke

Through

On – Line Reverse Auction

Conducted by

M/s Mjunction Services Limited

Tender No: 1110721	: Date: 30.05.2016
DUE DATE FOR RECEIPT OF TENDER	: 21.06.2016 11.00 HRS
DUE DATE FOR OPENING OF TENDER	: 21.06.2016 11.30 HRS
QUANTITY	: 20,000 Tons



Tender No:1110721 Dated: 30.05.2016 Due on: 21.06.2016/11:00am

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**Overview of the ITT/RFQ****1 Key Features in Purchase Process**

- i. Use on-Line Reverse Auction (RA) for price bid evaluation.
- ii. Evaluation of the lowest tenderer (L1) on per Ton Landed Cost Net of Cenvat (LCNC) on free delivery at plant stores basis.
- iii. L1 Tenderer to get maximum share of order volume VISL reserves the right to place orders on one or more parties. In case the order is to be placed on more than one party, the tenderers will be asked to match their prices with L1 rate for distribution of the tendered quantity. Only the tenderers who agree to match their prices with L1 rate will be considered for the distribution of the order as per Purchase procedure of SAIL ie., Purchase Contract Procedure-(PCP).

2 Price Bidding:

The price bidding would consist of two stages. The 1st stage would be to obtain on-line initial Bids. 2nd stage would be to conduct RA.

- 2.1 In the 1st stage, all eligible tenderers would submit on-line initial bids (sealed bids). The 2nd stage will be the dynamic bidding. i.e. on-line Reverse Auction The Sealed Bid L1 would be the Start Bid Price for the Reverse Auction.**

3 Service Provider (SP) and the Issuance of RFQ

- 3.1 SAIL has engaged the services of its Joint Venture Company M/s Mjunction services limited (MJ) for conducting the Reverse Auctions on behalf of SAIL/VISL. MJ is fully authorised to give clarifications / coordinate with the suppliers in consultation with SAIL/VISL w.r.t conduct of Reverse Auction for . Their address is given below:

Corporate Office	Chennai Office
mjunction services limited Godrej Water Side, 3rd Floor, Tower – 1, Plot – V, Block – DP, Sector – V, Salt Lake, Kolkata – 700091, West Bengal, India	mjunction services limited Basement, New No. 91, Old No.44, Armenian Street, Chennai-600001
Auction Room Nos: Ph : 033 – 66011721 to 1725 Fax: 033 –66011719	Ph: 044-64624733/34/35 Fax: 044-25216536
Contact Persons	
Ms.Satyavani Burra 033- 66106299 Mobile: 09163348103 E-Mail : vani.burra@mjunction.in	Mr.Thiruvalluvan Mobile: :08056111993 email: thiruvalluvan.k@mjunction.in Mrs. Uma 044-64624733/34/35 email: uma.r@mjunction.in

- 3.2 Suppliers whose techno commercial bids are acceptable to SAIL/VISL and who accept all the Terms and Conditions shall be intimated in advance the date on which Reverse auction would be held by M/s Mjunction services limited to facilitate participation in the Reverse Auction.
- 3.3 List of suppliers whose Techno Commercial Bids are acceptable to SAIL-VISL shall be given to the Mjunction to contact the supplier(s). MJ will explain the Reverse Auction process to all the prospective tenderers and clarify issues, if any. It will be the responsibility of the tenderers to get themselves acquainted to their satisfaction with the on-Line bidding process by thoroughly interacting with MJ. **Only SAIL, VISL will be empowered to approve any deviations from the ITT/RFQ asked for by the Supplier.**



- 3.4 **Vendor Enablement** – MJ shall have the responsibility of familiarizing the tenderers with the Reverse Auction Process (including training to the vendors).
- 3.5 Definition of Key Terms of Reverse Auctions are given in Annexure-9 and General Terms and Conditions are given in Annexure-10.
- 4 **Summary of the markets and terms and conditions are as follows:**
- 4.1 The tenderers are expected to quote the per metric ton Landed Cost Net of set Off (LCNS) which includes Basic Price, Excise Duty (ED), Sales Tax (ST) and Transportation Charges minus taxes & duties to the extent set off credit is available to the buyer, viz., ED, CESS, VAT etc. **[VAT setoff is 90% of KVAT]**
- 4.1.1 **The tenderer's shall submit a detailed price break-up for all taxes and duties, within four hours of the closure of the auction, to Mjunction (033 – 66011719) with a copy to DGM (MM), VISL, Karnataka. (Fax no. 08282-271611).**
- 4.2 The bidding will take place in Indian Rupees.
- 4.3 Normally the Start Bid Price, for each market, will be the L1 of the initial on-line sealed bidding.
- 4.4 During the Reverse Auction, suppliers shall be allowed to revise their price and bring it downward only. **Tenderers are not allowed to quote above the Start Bid Price under any circumstances.**
- 4.5 There would not be offline Post tender price negotiations. Hence, all the vendors are expected to give their best bids in online reverse auction.
- 4.6 Tenderers shall keep their offer firm and valid for acceptance by VISL for a period of 15 days from the date on which RA is conducted. In case the successful Tenderer backs out after the RA is finalized, appropriate action as per our existing guidelines will be initiated against the defaulter.
- 4.7 VISL reserves the right to conduct another Reverse Auction in case the lowest price received in the first Reverse Auction is not acceptable to VISL for placement of order. In such an event, the lowest price obtained in the first Reverse Auction will be the start bid price for the second auction.
- 4.8 **The rates quoted shall be for the full tendered quantity. However VISL reserves its right to release order for a lesser quantity than the quantity specified in the ITT/RFQ.**
- 4.9 SECURITY DEPOSIT: EMD of Successful Tenderers, on whom Contract is finalised for supply of Coke, would be retained as Security Deposit. The security deposit will be for faithful execution of contract and fulfilling the commitments made in the Reverse auction. SAIL/VISL reserves the right to forfeit the security deposit for failure in executing the contract to its satisfaction or failure to comply with the RA conditions after participation without any notice in addition to any penal action as per the terms and conditions.
- 4.10 SAIL/VISL in its discretion unconditionally and without having to assign any reason reserves the right to modify the quantity and to apportion the total quantity as per SAIL Purchase/Contract Procedure-(PCP) to more than one tenderer
- 4.11 All tenderers should nominate a person who would be the authorized 'TENDERER' (i.e., the person who is authorized to bid in Reverse Auction on the firm's behalf). The "USER-ID" and "PASSWORD" will be given to this person only. (format enclosed as Annexure MJ -1).



- 4.12 All Tenderers have to confirm through a letter/fax (033-66011725), their last quoted prices within one hour of concluding the Reverse Auction (format enclosed as Annexure MJ -2).
- 4.13 Tenderers are advised to quote from a reliable Internet facility, as neither VISL nor MJ would be responsible for any failure in the Internet connectivity during the bidding.
- 4.14 Format for the “Letter of Acceptance” is given in Annexure MJ-4. After the training is provided on the bidding process, you are requested to submit the Letter of Acceptance typed/printed on your letterhead and fax it to 033-66011725. **This letter is essential to activate your password to participate in the on-line auction.**
- 4.15 It is categorically to state on behalf of M/s VISL and M/s Mjunction that the Tenderers need not pay any fee towards training, for actual bidding etc., in the Reverse Auction and the Tenderers need not subscribe to any of the services in lieu of participation in the Reverse Auction.
- 4.16 “PURCHASE PREFERENCE”: Purchase preference to PSUs and JVs shall be given as per extant guidelines of Govt of India / Steel Authority of India Ltd.
- 4.17 **ALL OTHER TERMS AND CONDITIONS SHALL BE AS PER THE GENERAL CONDITIONS OF CONTRACTS GOVERNING PURCHASE CONTRACTS(SAIL/P1) WHICH IS AVAILABLE IN THE SAIL WEBSITE WWW.SAIL.CO.IN**

Written Acceptance in-toto to all the Terms & Conditions mentioned in this document is a pre-requisite for securing participation in the on-line Reverse Auction conducted by Mjunction on behalf of VISVESVARAYA IRON & STEEL PLANT, BHADRAVAT for the products/ services above.

Hence, the tenderer is requested to sign this document on each page after mentioning the name and other details of the authorized tenderer and send to the following address by post by the last date as mentioned in the first page of the RFQ.

DGM (MM)

Steel Authority of India Ltd

Visvesvaraya Iron & Steel Plant

Bhadravati– 577 301 KARNATAKA

PH: 08282-271621-2038

E-Mail: dgmminesvisl@yahoo.com / vislmm.rm@rediffmail.com



Invitation to Tender/RFQ

Tender No:1110721 Dated: 30.05.2016, Due on: 21.06.2016/11:00am

Sub: Supply of 20,000 Tons ± 2% for LAM Coke to SAIL – VISL on F.O.R. Bhadravati basis.

- 1 Sealed offers are invited from Coke producers and public sector trading firms for supply of Low Ash Metallurgical Coke to SAIL-VISL on FOR Bhadravati basis by road. (only Indigenous Coke Manufacturers and PSU trading firms are eligible for Participation in the Tender.)
 - 1.1 Tenderers, can submit their offers for quantities not less than 10000 Tons and in multiples of 500 Tons there of
 - 2 **Delivery:** The minimum quantity of Low Ash Metallurgical Coke to be supplied per day shall be at the rate of 1/60th of the Purchase Order quantity, starting within 7 days from the date of placement of purchase order.
 - 3 Interested parties shall submit their offer in the manner as follows.
 - a) Offer should be submitted in three separate sealed envelopes: ie., Part-I EMD Bid; Part-II Techno Commercial Bid and Part-III Price Bid.
 - First envelope containing Earnest Money Deposit (EMD) and marked as Part-I.
 - Second envelope containing Qualification Bid (Techno Commercial) and marked as Part-II.
 - Third envelope containing Price Bid and marked as Part-III.
 - **Discovery of Price:** *In addition, VISL reserves the right for price discovery which may be done through online reverse auction process also and in that case Price Bid (Part-3) shall not be opened*
 - *Price bidding through online Reverse Auction to be conducted by Mjunction.*
 - If any PSU trader quotes on behalf of any manufacturer and also the said manufacturer quotes himself, in such a case the tender of only manufacturer will be considered.
 - b) The envelope containing EMD should be superscribed as Part-I: “Earnest Money Deposit” (EMD) and as per Annexure – 1 must contain EMD of ₹ 35,00,000/- (Rupees Thirty Five Lakhs only) by way of Demand Draft / Pay Order / Bankers Cheque / Bank Guarantee from any scheduled Commercial Bank except Co-operative and Gramin Bank in favour of Steel Authority of India Ltd., Visvesvaraya Iron & Steel Plant and payable at Bhadravati (or) Bangalore (Karnataka). EMD in any other form shall not be accepted.
 - c) EMD has to be submitted by all tenderers. Tenders received with out EMD shall not be considered for opening. EMD is exempted for PSUs and any other Govt. Organization.
 - d) Tenders without EMD Bid shall be rejected.
 - e) EMD submitted by tenderers shall be returned to unsuccessful tenderers immediately on Finalization of purchase order. In the event the tender of any party is rejected during the course of techno-commercial scrutiny and evaluation, the EMD shall be returned to such tenderers within seven days from the date of rejection of their tender. EMD shall not earn any interest and shall not be liable for any financial charges whatsoever it may be by VISL. In the event of the tender failing to abide by any of the conditions referred to in their offer or with draws offer prematurely or fails to commit supplies in the event of order placed on him. VISL reserves the right to forfeit Earnest Money deposited by him. The decision of SAIL/VISL shall be final and binding in this regard. EMD for successful tenderers on whom the order is finalized shall be retained upto successful completion of order.



- 4 The documentary evidence of the Bidder's Qualification to perform or to Bid for this should establish to the Purchaser's satisfaction:
 - i. That the Bidder has the financial, technical and production capability necessary to perform the Contract.
 - ii. That the Bidder shall furnish information/data/documents/printed and brochures covering the following aspects of the LAM coke producer/plant from where the LAM coke is offered.
 - iii. Detailed information of the LAM coke Producer along with the latest published Annual Accounts (Balance Sheet, Profit loss Account) and/or Annual Report to the Shareholders for the **last three years** duly audited and certified by Auditors.

In case the manufacturing facilities are newly established by the firms, who could not submit these records as per this condition, they can submit these records for the **last One / Two years** only, as the case may be.
 - iv. Name and Location, and registration details of the LAM Coke Plant/Cookery.
 - v. Installed capacity of the LAM Coke plant.
 - vi. Annual Production capacity and Annual production of the LAM Coke plant for the last three years, in case of newly established firms for the **last One / Two years only** as the case may be.
 - vii. Bidder other than PSU trading companies should have manufacturing facilities at their factory and in case it is found at any point of time that such facilities are not with vendor, their offer will not be considered.
 - viii. Public sector trading companies are to indicate source of Coke supply and submit a certificate from the Coke supplier indicating their willingness to supply the Coke in case order is placed on PSU tenderer. PSU trading firms shall comply with all the terms and conditions of the tender applicable to manufacturers for supply of LAM Coke against this Tender.

Note: The Bidders who has participated in SAIL-VISL's Last Open Tender Enquiry No.1110715 dated 02.02.2016 for supply LAM Coke and whose Techno-commercial Bids were accepted by SAIL-VISL shall be exempted from furnishing the Documents mentioned vide Sl. No.(c); (d) & (e) provided there is no change in the status of Bidder firm. However, such Bidder who claim exemption for submission of the above documents shall confirm through a declaration on their Letter Head "That there is no change in status of their firm".

- 5 The envelope containing "Qualification Bid" (Techno Commercial Bid) shall be marked as **Part-II** and must contain the documents & declarations as under:
 - a) A Power of attorney, duly authorized by a Notary Public indicating that the Person(s) signing the bid have the authority to sign the bid and thus that the bid is binding upon the Bidder during the full period of its validity.
 - b) Tenderer has to furnish authorization for the person for submitting the tender and to negotiate with SAIL-VISL for Technical / Commercial considerations. Authorization shall be issued by the Proprietor/ Partner / Director of the Tenderer's firm attesting the signature of the person signing / submitting the tender.
 - c) Acceptance to Participate in On-line Bidding through RA process(Annexures-9; 10)
 - d) Documents establishing Bidder's Eligibility and Qualification as per Eligibility Criteria under SCC.
 - e) Tenderer has to furnish Typical, physical properties & chemical composition of the LAM Coke being offered invariably.
- *Offers with deviation from SAIL-VISL guaranteed specification but within Absolute max/min shall be evaluated at par i.e. to say.*



- *Specifications superior to SAIL-VISL guaranteed specification will not receive any extra credit / weightage in evaluation of the price bids.*
 - *Specifications inferior to SAIL-VISL guaranteed specification but within Absolute max / min will not attract any rebate in evaluation of the price bids.*
 - In the event of order placement on the successful Tenderer, the price basis shall be for SAIL-VISL guaranteed specification. For deviations from SAIL-VISL guaranteed specification subject to the Absolute max/min, the successful Tenderer shall allow rebate(s)/ diminution in his invoice as per clause -4 of Annexure-3 of SAIL-VISL tender terms & conditions.
- f) Tenderer has to furnish Documentary evidence of holding a stock of at least 1/3rd of the offered quantity for immediate supply in case of order placement. Evidence shall be from:
- Certificate from Neutral / Independent Surveyors or Assayers {Listed as in Annexure-3 under Clause 5 (a)}, certifying that minimum stock of 1/3 of the offered quantity of Low Ash Metallurgical Coke is available in the Tenderers' premises only.
 - The Certificate issued by any other agency is not acceptable.
 - *MULTIPLE OFFERS FOR SAME STOCK: In case multiple offers are received for the same stock / Lot under any location, the offer of original stock certificate holder shall only be considered and other offers shall be liable for rejection.*
 - SAIL-VISL reserves the right to inspect the offered material to decide on the acceptability of the bid before price bid opening.
- g) Tenderer has to furnish acceptance to deliver Low Ash Metallurgical Coke on F.O.R. Bhadravati basis. Offers with delivery other than F.O.R. Bhadravati basis shall be rejected.
- h) Tenderer has to furnish acceptance for direct payments after delivery of every 500 Tons lot material at SAIL-VISL end.
- i) Tenderer has to furnish Form of tender as per Annexure-2 duly signed and with seal of the company stamped on every page.
- j) Tenderer has to submit Annexure-3 duly signed and stamped (of the Company/Firm) on each page for having accepted the terms & conditions.
- k) Tenderer has to furnish:
- Un-priced pro-forma of the Price Bid by only indicating duties & taxes and freight structure if any in the columns provided in the pro-forma. The applicable duties, taxes shall be explicitly indicated. Basic Price shall not be mentioned here.
 - The Declaration regarding delivery of LAM coke with applicable CST with 'C' form or no CST with 'C' form or K-VAT.
 - *Tenderer shall confirm whether invoices are drawn as per relevant Central Excise rules to enable SAIL-VISL avail CenVAT input credit towards Central Excise Duty*
 - *Tenderer also shall furnish Tax registration details viz: ECC No / CST No / TIN No / PAN No*
 - Tenders with any conditional Bid shall be summarily rejected.
- l) Documentary evidence of stock shall be as per Annexure-5. This Annexure-5 shall be certified as specified under 5 (f) in their letterhead.
- m) Declaration as per Annexure – 6 duly signed with seal.
- n) Self-declaration with regard to any dispute with Government or and Public Sector Undertaking or any Government Agency or Authorities, should be given and annexed to the Part II bid. As per Annexure – 7.
- o) Tenderer has to furnish:



- i. The Declaration regarding whether any proprietor or partner or Director of the Tenderer's company has any employee working in SAIL-VISL or any other SAIL Units. If so, declaration regarding the name of the employee and his relationship with any Director of SAIL shall be furnished.
- ii. If there are any legal disputes with SAIL – VISL or any of SAIL Units, furnish full details. If there is no legal dispute, the same may be indicated.

6 **Integrity Pact** :Tenderer is to submit duly signed copy of the enclosed Integrity Pact Pre-Signed by authorized signatory of SAIL-VISL under Annexure – 8 along with Part -II Bid

6.1 The Bidder(s) /Contractor(s) is required to enter into 'Integrity Pact' with the Principal ie., SAIL-VISL. The Integrity Pact has to be signed by the Proprietor / Owner/Partner / Director or by their duly Authorized Signatory. **Failure to return the Integrity Pact along with the offer/bid, duly signed by the authority as mentioned above, will disqualify the offer / bid.**

6.2 The Bidder(s)/ Contractor(s), if aggrieved, may raise complaint/pass on information, if any, to:

- i. The competent authority / Operating authority of the Tender / Contract *or*
- ii. The Chief Vigilance Officer (CVO), SAIL, Ispat Bhavan, Lodi Road, New Delhi - 110 003 *or*
- iii. The Independent External Monitors of Integrity Pact, through Integrity Pact Secretariat, 19th Floor, Scope Minar, Laxmi Nagar, Delhi-110 092.

6.3 The Independent External Monitors of Integrity Pact, in SAIL are:

Mr. S.K. Tuteja
Ms. Chitra Chopra
Ms. Pravin Tripathi

7 **The bid evaluation process will comprise of two steps :**

Step-I: Techno - Commercial evaluation

Step-II: Price Bid evaluation by on line reverse auction over Internet.

7.1 **Techno - Commercial evaluation**

- **Documents submitted along with the qualification bid will be the basis for evaluation of qualification bid.**
- **After submission of Tender by the Tenderers, no documents whatsoever in respect of Qualification Bid shall be considered, except the documents related to clarifications sought by SAIL-VISL.**
- **All the required documents submitted along with Qualification Bid will be verified with originals as and when required.**
- **Tenders not containing complete documents in all respects, as stated in qualification bid evaluation criteria [5 (a) - 5 (o)] shall be rejected.**
- **All the documents indicated in Qualification Bid shall be enclosed (in Part-II) in the order 5 (a) to 5 (o).**
- **Failure to return the Integrity Pact (ie., Annexure-8) along with the offer/bid, duly signed by the authority as mentioned in clause- 6 above, will disqualify the offer / bid.**

7.2 **Part – 3: (Price Bid in sealed envelope):**

Price Bid shall be submitted in separate sealed cover as Part-3. The same should be submitted as per format of Annexure-4.

7.2.1 **Discovery of Price:** *In addition, VISL reserves the right for price discovery which may be done through online reverse auction process also and in that case Price Bid (Part-3) shall not be opened and Price bidding shall be done through online Reverse Auction over Internet,*



among technocommercially acceptable tenderers as assessed by VISL. The schedule and details of Reverse Auction event shall be communicated by the Service Provider of SAIL i.e M/s. mjunction.

The Service Provider will explain the Reverse Auction process to all the prospective bidders and clarify any issue. The General Rules and Regulations governing conduct of On-line Reverse Auctions are indicated in Annexure-10 Please note that on successful price discovery through Reverse Auction, Price bid (Part-3) shall not be opened.

- 7.2.2 Step-II Price Bid evaluation by On- line Reverse Auction (RA) over internet. Details regarding On-line Reverse Auction are enclosed in Annexures-9; 10; MJ.1; MJ.2; MJ.3 and MJ.4
- 7.2.3 The technically and commercially acceptable tenderers will be required to participate in On-line Reverse Auction conducted by Mjunction.
- 7.2.4 Prices shall be quoted for Reverse auction on Landed cost net of cenvat and VAT setoff basis (LCNC) at FOT VISL.
- 7.3 **L1 will be computed as follows:**
- Landed Cost Net of Cenvat & VAT set off as may be applicable
- **LCNC rate to include Base Price (Ex-Works) + Excise Duty (as applicable, against documentary evidence) + ST (As applicable in % & value) + forwarding /other charges, if any + freight + insurance as applicable– Cenvatable ED-VAT against TAX invoice (for supplies made from within Karnataka. Deduction of VAT shall be made to the extent benefit is available to VISL). (current rate of VAT set off is 90%).**
- **Other things being equal, purchase preference policy to PSUs shall be applicable to the extent of guidelines issued by the Government of India. However, qualification process shall be same for the PSUs as of any other bidder.**
- 8 The three Separate sealed covers each one containing Part-I EMD Bid, Part-II Techno commercial Bid and Part-III Price Bid should be sealed in a single cover.
- It is to be addressed to Deputy General Manager (MM), SAIL-VISL Bhadravati, super scribing with Tender Number / Date and Due date.
- 9 Once the tender is submitted, it is deemed that the Tenderer has expressly understood the scope of supply, read and accepted the terms and conditions of tender.
- 10 The Tenderer shall keep the validity of Techno commercial offer for acceptance of SAIL-VISL for a minimum period of 30 days from the date of opening of tender ie., Part-I and Part-II Bids.
- 10.1 Validity of the price bid in Reverse Auction shall be kept minimum 15 days from the date of reverse auction.
- 11 Offers complete in all respects should be sealed and submitted in the tender box kept at Office of Deputy General Manager (MM), SAIL-VISL, Bhadravathi, on or before 11:00 AM of 21.06.2016
- 12 Opening of Bids: Part-I & Part-II of Tender shall be opened on the same day ie.,21.06.2016 at about 11:30.AM as per the terms & conditions of the tender in presence of Tenderer (or) their authorized representative who may choose to attend the tender opening.
- 13 On the due date of opening, Part-1 EMD bid will be opened first. Subject to acceptance of the same as per terms & conditions of tender, Part-II Techno commercial Bid of such tenderers shall only be considered for opening.
- 14 On acceptance of Qualification Bid (Part-II ie., Techno commercial Bid) of the Tenderers as per terms & conditions of the tender and to the full satisfaction of SAIL-VISL, such Tenderers will be considered for Reverse Auction Process in price bidding through online Reverse Auction conducted by M-junction / opening of Price Bids on a suitable date to be decided by SAIL-VISL. Date and time for Price bidding through online Reverse Auction conducted by



M-junction would be informed in advance to the tenderers whose Techno commercial bids are found acceptable.

14.1 In case, price discovery through Reverse Auction is not successful, Part-3 Bids ie., sealed Price Bids of Techno-Commercially acceptable tenderers would be opened at a later date and the date of opening in such case would be intimated in advance to the tenderers. Tenderer (or) their authorized representative who may choose to attend the tender opening may attend opening of the price bids

15 Tender once submitted will be processed as per tender terms and conditions. Any request regarding withdrawal from the tender or any kind of change in the offer (Part-II) unilaterally by the Tenderer will not be entertained. In such cases their offer will be rejected and EMD will be forfeited.

16 SAIL-VISL reserves the right to:

- a) Re-tender (or) to extend the due date of submission of offer, if response to tender is not adequate or otherwise.
- b) Accept or reject offer(s) from the supplier(s) whose delivery performance is not satisfactory against the Purchase Order(s) placed on them in the financial year 2013-14 or 2014-15 or 2015-16.
- c) Accept or reject any offer / all offers in full or part at any time at any stage without assigning any reasons whatsoever and without any damage / compensation thereof to the tenderers.
- d) Modify the tender documents at any stage before the due date of tender. The Tenderers are advised to note the any updated information in the website from time to time.
- e) Place Purchase order/s on one or more parties and to distribute the tendered quantity as per the SAILs' Policy Guidelines in this regard, subject to matching the L-1 rate by other parties after price evaluation as per terms & conditions of the Tender.

Yours faithfully

FOR STEEL AUTHORITY OF INDIA LIMITED
VISVESVARAYA IRON AND STEEL PLANT

DGM (MM)



Annexure-1

Tender No.: 1110721 Dated:30.05.2016 Due On: 21.06.2016/11:00AM

**Supply of 20,000 Tons \pm 2% Low Ash Metallurgical Coke to
SAIL – Visvesvaraya Iron & Steel Plant on F.O.R. Bhadravati Basis**

EMD BID

**Sub: Tender for Supply of 20,000 Tons \pm 2% Low Ash Metallurgical Coke to
SAIL–Visvesvaraya Iron and Steel Plant on FOR Bhadravati basis**

Ref: Tender No.: 1110721 Dated 30.05.2016, Due on:21.06.2016/11:00AM.

To

The DGM (MM)
Steel Authority of India Ltd
Visvesvaraya Iron & Steel Plant
Bhadravati – 577 301
KARNATAKA

We are enclosing herewith the Earnest Money of Rs.35,00,000/- (Rupees Thirty Five Lakhs only)
vide Demand Draft / Banker's Cheque / Bank Guarantee / Pay Order No. _____ dated
_____ drawn on (Bank Name) _____ favouring SAIL-VISL
payable at Bhadravati or Bangalore (Karnataka).

Thanking you,

Yours faithfully,

(Authorized Signature of Tenderer)
Complete Address

Seal of firm

Date:



Annexure -2

FORM OF TENDER

(To be submitted by the Tenderer in Part-2 qualification bid)

From:

To:

DGM (MM),
STEEL AUTHORITY OF INDIA LTD
Visvesvaraya Iron & Steel Plant
Bhadravati – 577 301

Sub: Tender for Supply of 20,000 Tons ± 2% Low Ash Metallurgical Coke to SAIL–Visvesvaraya Iron and Steel Plant on FOR Bhadravati basis

Ref: Tender No.: 1110721 Dated 30.05.2016, Due on: 21.06.2016/11:00AM

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- 1 Having carefully examined all the Tender Documents attached to your Invitation to tender, we offer to take up Supply of _____ Tons (which is not less than min. stipulated bid quantity of 10000 Tons) of Low Ash Metallurgical Coke to SAIL–Visvesvaraya Iron and Steel Plant on FOR Bhadravati basis as per all the terms and conditions stated in the Tender Documents.
 - 2 We undertake, if our tender is accepted, to commence the Supply of Low Ash Metallurgical Coke to SAIL–Visvesvaraya Iron and Steel Plant on FOR Bhadravati basis as per tender. We undertake to start supply with in 7 days from the date of your purchase order.
 - 3 We hereby confirm that we have read and expressly understood all the terms & conditions of the Tender.
 - 4 We are submitting the Earnest Money Deposit for the sum of Rs.35,00,000/- (Rupees Thirty Five lakhs only) in the form of DD / Banker’s Cheque / Bank Guarantee / Pay Order as instructed by you. This Earnest Money Deposit shall be governed as per the stipulations provided in the Tender.
 - 5 We agree to abide by this tender and to hold the validity of the Price Bid (Part-III bid) for a period of 30 days from the date of opening of Part-I and Part-II bids of tender, further 15 days from the date of Price Bidding through Reverse Auction and it shall remain binding on us and may be accepted at any time before the expiry of that period. We further agree and undertake that our Earnest Money shall be forfeited if-
 - We revoke our Tender during its validity period.
 - We increase the prices unilaterally after the Reverse Auction and during the validity period of the tender.
 - In case SAIL-VISL accepts our tender proposal and we refuse to execute the order placed on us.

**Tender No:1110721 Dated: 30.05.2016 Due on: 21.06.2016/11:00am****Supply of 20,000 Tons ± 2% Low Ash Metallurgical Coke to SAIL – Visvesvaraya Iron & Steel Plant On F.O.R. Bhadravati Basis****Special Terms & Conditions of Contract (SCC)****1 ELIGIBILITY CRITERIA:**

- (a) Only Indigenous Coke Manufacturers and Public Sector Trading Firms are eligible for participation in the Tender.
- (b) The Bidder should submit Offer for quantity not less than 10,000 Tons, and thereafter in multiples of 500 Tons thereof.
- (c) Financial Criteria:
- (i) The Bidder should have the turnover of at least **17 (Seventeen) Crores** in any one of the last three financial years of 2013-14; 2014-15 or 2015-16.
- (ii) As the proof of financial turnover, Bidder should submit the audited Profit & Loss Accounts / Balance Sheet.
- (d) Experience Criteria:
The Bidder should have experience of having successfully completed similar Orders during any one of the last 5 (five) Financial years of 2011-12; 2012-13; 2013-14; 2014-15 or 2015-16. Experience should be either of the following:
- (i) Three similar completed Orders, each valuing not less than **6 Crores**. Or
- (ii) Two similar completed Orders, each valuing not less than **8 Crores**. Or
- (iii) One similar completed Orders, each valuing not less than **12 Crores**.
- (e) Certification Criteria:
- (i) For the proof of supply experience the tenderer is required to submit self attested photocopies of documents viz., Purchase Orders and corresponding supply invoice / excise duty gate pass, completion certificate and performance certificate etc.
- (ii) Tenderer should have preferably supplied the material to Govt Organization / PSUs / Public Limited Companies.
- (f) **Note:** The Bidders who has participated in SAIL-VISL's Last Open Tender Enquiry No.1110715 dated 02.02.2016 for supply LAM Coke and whose Techno-commercial Bids were accepted by SAIL-VISL shall be exempted from furnishing the Documents mentioned vide Sl. No.(c); (d) & (e) provided there is no change in the status of Bidder firm. However, such Bidder who claim exemption for submission of the above documents shall confirm through a declaration on their Letter Head "That there is no change in status of their firm".

2 SCOPE OF TENDER:

Supply of Low Ash Metallurgical Coke to SAIL–Visvesvaraya Iron and Steel Plant on FOR Bhadravati basis to be supplied at the rate of 1/60th of the Purchase Order quantity per day minimum starting within 7 days from the date of purchase order.

3 QUANTITY: 20,000 Tons ± 2%.

- Tenderers, however, can submit their offers for quantities not less than 10000 Tons and in multiples of 500 Tons there of. Offers with less than 10000 Tons of LAM Coke will not be considered.

4 TECHNICAL SPECIFICATION:

- 4.1 Supply of Low Ash Metallurgical Coke of the following specification shall be delivered to SAIL – Visvesvaraya Iron and Steel Plant on FOR Bhadravati basis.

Parameters	Guaranteed Specifications	Absolute max. / Min.
Ash (dry Basis)	12.00 % Max.	13.00 % Max.
Total Moisture	4.00 % Max.	10.00 % Max.**
Volatile Matter (dry basis)	1.00 % Max.	1.50 % Max.
Sulphur (dry basis)	0.60 % Max.	0.75 % Max.
Phosphorus (dry basis)	0.030% Max.	0.050% Max.
MICUM M 40	78 Min	75 Min
MICUM M 10	8 % Max.	10 % Max.
Fixed Carbon	86.00 % Min.	84.00 % Min.



CSR	60 % Min.	55% Min.
CRI	22% -26 %	22% – 29 %
Size : 30 – 80 mm		
Tolerance : (-) 30 mm	5% Max.	10% Max.
(+) 80 mm	5% Max.	10% Ma

** Please refer Clause No. 4 also.

- 4.2 Offers with specifications not within Absolute max/ min limits shall be summarily rejected.
- 4.3 In the event of order placement, order shall be placed as per the SAIL-VISL guaranteed specification indicated as above.
- 4.4 The Tenderer on whom the order is placed is bound to supply the material conforming to the SAIL-VISL guaranteed specification. Absolute Max/Min limits are provided for deviation from guaranteed specification in exceptional cases only. For such deviations in exceptional cases only subject to the absolute Max/Min limits stipulated, the tenderer on whom the purchase contract is placed shall allow rebate(s) / diminution in price in their Supply Invoice.
- 4.5 In no case the LAM Coke shall be supplied with specifications beyond Absolute Max/Min Limits. **LAM Coke, if supplied beyond Absolute Max / Min limits of specified parameters, shall be liable for rejection.**
- 4.6 Supply of LAM Coke with the following visual / physical features is preferred.
- Color: Silvery/ Steel Grey
 - Appearance: sharp edges, Fissures/ Transverse and Longitudinal heat penetration marks.
 - Size composition: Minimum 60% of the coke is preferred in the size range of 40 mm to 60 mm.

5 REBATES/DIMINUTION TO BE ALLOWED IN PRICE FOR DEVIATION FROM THE GUARANTEED SPECIFICATION:

Rebates / Diminution shall be allowed for deviation from the SAIL-VISL Guaranteed Specification (GS). The Rebate(s) / diminution in supply invoice shall be on fraction pro-rata basis as under. Rebates / Diminution shall be as per Neutral Assayers analysis certificate if Neutral Assayer's analysis values are within the permissible range of variations as mentioned in the Clauses 5(h) and 5(i). If neutral assayers values are beyond permissible variations mentioned in the Clauses 5(h) & 5(i), the rebate(s) / diminution will be as per results of joint sampling conducted as mentioned in the Clause 5(j).

Moisture	Reduction in weight from Invoice Quantity for excess moisture (Reduction at 1% for every 1% increase over 4% moisture & up to 10% Max. limit with fractions pro-rata). If moisture is more than 10% Max. & up to 12%, the reduction in receipt weight would be doubled for the range: 10% to 12%.
Ash	₹.100 P/Ton for every 1% increase above 12.00 %
Volatile Matter	₹. 50 P/Ton for every 0.1% above 1.00 %
Sulphur	₹. 25 P/Ton for every 0.10% above 0.60 %
Phosphorus	₹. 25 P/Ton for every 0.01% above 0.03 %
Undersize (-30 mm)	₹. 200 P/Ton for every 1.00% above 5 %
Oversize (+80 mm)	₹. 25 P/Ton for every 1.00% above 5 %
CSR	60% min up to 55% is acceptable with penalty of ₹.200 P/Ton per % decrease
CRI	26% Max acceptable up to 29% with penalty of ₹. 50/- P/Ton per % increase.

6 CERTIFICATION:

For the purpose of sampling and analysis, the following procedure shall be adopted.

- a) Sampling shall be done for every lot of 500 Tons. Sampling should be drawn as per standard practice and analysis of the elements are to be done, from any of the agencies listed below at seller's cost.



- i) Inspectorate Griffith India private limited.
 - ii) SGS India Pvt Ltd.
 - iii) Superintendence Co of India.
 - iv) Stewart Surveyors & Assayers Pvt. Ltd.,
 - v) Central Institute of Mining and Fuel Research -Dhanbad
- b) No other mode of inspection or no other Neutral Assayer is acceptable. Neutral Assayer's Analysis shall be considered for purpose of invoicing the product.
- c) The assayer will certify that they have visited vendor's premises & drawn the sample as per standard, ref _____ from Lot No _____ situated at _____ & they have analyzed the samples at _____ Lab which is Govt. recognized & found the following results:
- Lot No.:
 - Sample No.:
 - Technical specification:
 - Actual value obtained should be indicated.
- d) Neutral assayer should supervise loading. They (Neutral Assayer) have to certify the dispatch made from the particular inspected lot.
- e) The supplier/vendor would furnish original test certificate issued by Neutral Assayer as per technical specification as required with actual values obtained.
- f) The supplier would also give guarantee certificate for each consignment certifying that material dispatched under invoice No _____ dt _____ & Truck No _____ strictly conforms the ordered specification vide order No _____ dt _____ containing weight of material indicated in the invoice.
- g) Upon receipt of the consignment, the buyer (SAIL-VISL) will conduct sampling & analysis at Buyers Lab for a lot of about 500 Tons with respect to parameters viz. Ash, VM, FC, Size, Sulphur, Phosphorus, M10 & M40 and for a quantity of about 1500 Tons with respect to parameters viz, CSR & CRI for countercheck.
- h) Permissible percentage variation, beyond guaranteed specification under Clause 3.1, between analysis results of neutral assayer and buyer (***Difference between Neutral Assayer result and SAIL-VISL Lab result ÷ by Neutral Assayer result × 100***) is given in the following Table.

Sl. No.	Technical Parameters	Permissible % Variations Between lab to lab results.
1	Ash	8.00%
2	Volatile Matter	10.00%
3	Sulphur	2.00%
4	Phosphorous	10.00%
5	Fixed Carbon	2.00%
6	CSR	3.00%
7	CRI	3.00%

- i) Permissible absolute variation, beyond guaranteed specification under Clause 3.1, between analysis results of neutral assayer and buyer (***Difference between Neutral Assayer' result and SAIL-VISL lab's result***) is given in the following Table with respect to size of coke.

8	Under Size: (-) 25 mm	2% absolute
9	Over size: (+) 80 mm	1% absolute

- j) Whenever the variations between Lab to Lab found to be beyond the permissible ranges as shown in 5.h and 5.i as above and if SAIL-VISL's Lab result is not acceptable to the supplier,
- Joint sampling & analysis shall be conducted with respect to CSR & CRI by mutually agreeable neutral assayer and its results will be final and binding on both the parties.



- Joint sampling & analysis shall be conducted with respect to all the parameters except CSR & CRI at SAIL-VISL lab in the presence of supplier's representatives and its results will be final and binding on both the parties.
- In case of moisture, SAIL-VISL lab result is final as per the Clause 11.

7 PRICE:

The price quoted shall be on FOR VISL-Works basis. The Price for supply of Low Ash Metallurgical Coke shall be firm for supply of entire ordered quantity and no increase shall be admissible.

8 PLACEMENT OF ORDER:

Purchase order shall be placed on one or more parties at L1 rate at the discretion of SAIL-VISL, as indicated under Clause No. 16-e of 'Invitation to tender'.

9 DELIVERY:

Delivery will be essence of the contract. The successful tenderer on whom the purchase contract is placed shall start arranging supplies, transportation, unloading at SAIL-VISL premises at Bhadravati on F.O.R. Bhadravati basis, within 7 days from the date of purchase order.

9.1 Deliveries are to commence at the rate of 1/60th of the PO quantity minimum per day within 7 days from the date of placement of purchase order. Entire ordered quantity has to be completely delivered within 67 Days from the date of purchase order. However, liquidated damages will be imposed for late deliveries as per LD clause i.e. clause- 9 of Annexure – 3.

9.2 Receipt quantity at SAIL-VISL after adjustment of excess moisture over specified moisture limit of 4% ie., Store Receipt Voucher quantity (SRV) is basis for calculating delivered quantity.

10 LIQUIDATED DAMAGES:

Where LD is applicable beyond delivery schedule, the deduction shall be @ 1% per week or part thereof subject to a maximum of 5% of the quantity supplied. If the committed price includes Freight & insurance and if Freight & insurance is shown separately in the price bid, no LD shall be charged on the Freight & insurance component.

11 WEIGHT OF MATERIAL:

Weight recorded at SAIL-VISL Road weigh bridge shall be final and binding for acceptance and for payment.

12 ADJUSTMENT TOWARDS EXCESS MOISTURE:

Moisture analysis shall be done by SAIL-VISL on receipt of material. For excess moisture above 4%, proportionate deductions shall be made in the receipt weight as per Clause No. 4. Moisture Analysis result / report of SAIL-VISL's Laboratory is final & binding.

13 PAYMENT:

The payment towards accepted supplies shall be made within 30 days of receipt of material. Payment shall be released for every 500 Tons approx lot of material received with adjustment towards excess moisture.

14 IN CASE OF NON-PERFORMANCE OF THE CONTRACT:

The delivery and the time shall be taken into cognizance while evaluating non-performance of the contract. Against the purchase contract issued on the successful Tenderer, supply of ordered quantity of Low Ash Metallurgical Coke shall be delivered at SAIL-VISL, Bhadravati as per clause 8 as above per day, starting within 7 days from the date of purchase order. If supplies do



not start as per agreed schedule and delivery of goods per day is not maintained, the purchase order shall be liable to be canceled and security deposit shall be forfeited. SAIL-VISL shall be at liberty to arrange for alternate procurement at the risk and cost of the successful tenderer on whom the purchase contract is awarded and who fails to supply the material as per agreed terms. In case supply of ordered quantity is not made within stipulated time, the purchaser has every right to buy the balance material at the risk and cost of the successful tenderer.

15 STOPPAGE OF SUPPLY:

Due to unforeseen circumstances and for any other reasons, if the material is not required by SAIL-VISL, Bhadravathi, the delivery shall be stopped by SAIL-VISL with 7days notice and no damage shall be borne by SAIL-VISL, on such account.

16 CONDITIONS OF CONTRACT:

16.1 General conditions of contract (GCC) shall be governed by SAIL-P1. For details visit SAIL website at www.sail.co.in/sail_pl1.pdf

16.2 The special terms and conditions of the contract (SCC) shall be as per Annexure-3.

16.3 Where ever SCC indicated in Annexure-3 differs from GCC i.e. SAIL-P1, SCC shall override the GCC

17 FORCE MAJEURE:

17.1 If at any time during the currency of the contract, the performance in whole or in part by either party of any obligation under this contract shall be prevented or delayed by reason of War, Hostility, Acts of Public Enemy, Civil Commotion (s) Sabotage, Fire (s) Flood (s) Explosion (s), Epidemic, Quarantine Restrictions, Acts of State or Acts of God, hereinafter referred to as eventualities, then the Contract period will get extended for the period or Force Majeure, provided Notice of the happenings of any such eventualities is given, supported by a certificate of appropriate authority or Chamber of Commerce by either party to the other within 15 days from the date of occurrence thereof. Neither party shall by reason of such eventualities be entitled to terminate this contract nor shall either party have any claim for damages against the other in respect of such non-performance or delay in performance.

17.2 Work under this contract shall resume as soon as practicable after such eventualities have come to an end or ceased to exist and the decision of the company as to whether the work has to be resumed shall be final and conclusive. Should one or both parties be prevented from fulfilling their contractual obligations by state of Force Majeure lasting continuously for a period of at least three months, the parties shall consult each other regarding further continuation of the contract.

18 RESOLUTION OF DISPUTES:

18.1 CONCILIATION:

All questions, claims, disputes and or differences of any kind whatsoever arising out of or in connection with or concerning this contract, at any time, whether before or after the determination of the contract, shall be referred by the parties her to for Conciliation before a Conciliatory Forum/ Body.

The Conciliatory Forum / Body will be composed of the following members:

- i) Nominee of Visveswaraya Steel Plant – independent of officer handling the contract. (To be nominated by the head of the Material Dept.)
- ii) Nominee of The Contract / Supplier.



The parties in dispute would place their facts in writing before the Body/ Forum and the process of conciliation would be completed within the period of three months from the date of reference to the Conciliatory Forum / Body.

On failure of the conciliation, the aforesaid questions, claims, disputes and or differences shall be referred by the parties here to for the decision by a Sole Arbitrator to be appointed as herein after mentioned.

19 ARBITRATION:

Matter in question, claims, dispute and or difference in respect of the contract to be submitted to arbitration as aforesaid shall be referred for decision to a sole arbitrator to be appointed by Executive Director, SAIL-VISL (SAIL). Before appointing the Sole Arbitrator, ED, SAIL-VISL (SAIL) shall nominate three names out of which the contractor shall give his consent for one of them for appointment as the sole arbitrator, failing which after 30 days of the issuance of the letter informing three names by ED SAIL-VISL(SAIL) shall have the power to appoint one of the three notified persons as the sole arbitrator.

In case, the designation of the Executive Director SAIL-VISL (SAIL) is changed or his office abolished, the officer who for the time being is entrusted with the functions of the Executive Director SAIL-VISL (SAIL), by whatsoever designation such officer is called shall be the person designated to appoint the Sole arbitrator. The arbitrator so appointed shall adjudicate upon the disputes between the parties hereto.

The sole arbitrator appointed as stated above, shall from the time of his appointment and throughout the arbitration proceedings, without any delay, disclose to the parties in writing any circumstances likely to give rise to justifiable doubts as to his independence or impartiality provided that the mere fact that such sole arbitrator is an employee of SAIL shall not be regarded as such circumstances. The arbitrator shall decide the questions, claims, disputes or differences submitted to him by the parties in accordance with the substantive law for the time being in force in India.

The arbitrator shall hear the cases independently and impartially and shall not represent the interest of any party. Any arbitrator having personal interest in the case at the time of his appointment and at any time subsequently thereafter must withdraw from his office himself and the parties have also the right to ask him to do so. The venue of the arbitration shall be Bhadravati.

The question or procedure for conduct of the arbitration proceeding shall be decided by the arbitrator, in consultation with the parties before proceedings with reference. The arbitrator may hold preparatory meeting(s) for this purpose. In the preparatory meeting(s) as aforesaid, the arbitrator/s as the case may be, in consultation with the parties shall also determine the manner of taking evidence, the summoning of expert evidence and all such matters for the expeditious disposal of the arbitration proceedings.

The provisions of the arbitration and conciliation act, 1996 and the rules framed there under, if any, and all modifications / amendments thereto shall deem to apply and / or be incorporated in this contract and when such modification / amendments to the act / rules are carried out.

Work /supply under the contract shall be continued by the contractor / supplier, under the contract during the arbitration proceedings and recourse to arbitration shall not be a bar to continuance for the work or supply unless otherwise directed in writing by SAIL-VISL.

20 JURISDICTION:

The courts at Bhadravati, Karnataka alone shall have the jurisdiction over all matters of disputes arising out of this contract, to the exclusion of all other courts and only Indian Laws are applicable.

Yours faithfully
for Steel Authority of India Limited
Visvesvaraya Iron and Steel Plant

**PRICE BID FORMAT****Tender No.: 1110721 Dated:30.05.2016 Due On:21.06.2016/11:00AM****Sub:** Tender for Supply of 20,000 Tons ± 2% Low Ash Metallurgical Coke to SAIL–Visvesvaraya Iron and Steel Plant on FOR Bhadravati basis**Ref:** Tender No.: 1110721 Dated: 30.05.2016, Due on:21.06.2016/11:00AM

To:

DGM (MM)

Steel Authority of India Ltd

Visvesvaraya Iron & Steel Plant

Bhadravati– 577 301

KARNATAKA

Dear Sir,

Further to our acceptance of scope of supply and all terms and conditions of your Open Tender Notice No.: 1110721, dated 30.05.2016, we submit our lowest rate as per the prescribed format below.

SL.No	Particulars	Duties & Taxes in %	Rate/Metric Ton - ₹
1	Basic Price per Ton	<i>(Not Applicable)</i>	
2	Excise Duty (on 1)%	
3	CESS on ED (on 2)%	
4	Sub Total -1(1+2+3)	<i>(Not Applicable)</i>	
5	CST on%	
6	(OR) K-VAT on%	
7	Freight per Ton	<i>(Not Applicable)</i>	
8	Other Taxes if any		
9	Net Sale price 4+[5 (or) 6] +7+8	<i>(Not Applicable)</i>	
10	Less cenVAT available as per Excise Rules		
11	Less 90% of KVAT in case of supplies from Karnataka.		
12	Landed Rate Net of CenVAT and Net of VAT Input credit (9-10-11)		

We also confirm that:

- a) The Tax Registration Numbers are as under :
- ECC No :
- TIN No. / VAT Registration No :
- CST Registration No. :
- Service Tax No. :
- PAN :



- b) ECC No is for SAIL-VISP to claim CENVAT with respect to Excise Duty and Cess on Excise Duty.
- c) TIN No is for SAIL-VISP to claim set-off in case of K-VAT. Otherwise K-VAT shall be to our account.
- d) In case of CST, the prevailing CST shall be paid by SAIL-VISP.
- e) Service Tax Registration No and PAN No are for claiming set-off of Service Tax, by SAIL-VISP. **(Or)**

We shall certify in our Freight Bill as under:-

“It is certified that the cenvat credit of duty paid on inputs and capital goods used for providing taxable service by us to SAIL-VISP is not taken and benefit of notification on 12/2003 – Service Tax dated 20th June 2003 is also not availed by us”.

- f) The total price mentioned above includes all charges of handling, loading, transportation, unloading, liaison & supervision.

Yours faithfully

(Authorized Signature of Tenderer)

Seal of firm :

Date :

Note:

- a) Please submit the cost break up after the bidding event to the Service Provider within 4 hours of closure of Reverse Auction.
- b) In case, where price(s) is/ are asked in closed cover, the same should be submitted in above proforma as 'Price Bid'.

**Stock Certificate Format**

**Sub: Tender for Supply of 20,000 Tons \pm 2% Low Ash Metallurgical Coke to SAIL–
Visvesvaraya Iron and Steel Plant on FOR Bhadravati basis**

Ref: Tender No.: 1110721 Dated: 30.05.2016, Due on: 21.06.2016/11:00AM.

To

DGM (MM)
Steel Authority of India Ltd
Visvesvaraya Iron & steel plant
Bhadravati– 577 301
KARNATAKA

Dear Sir,

We submit our Stock Certificate as follows.

Location – 1	
Name of the Firm holding Stock	
Place	
Full Address	
Contact Person	
Telephone/Cell No.	
Location of stock held (Place & State)	
Lot No.	
Size of Coke	
Actual Stock Available as on date	
Location – 2	
Place	
Full Address	
Contact Person	
Telephone/Cell No.	
Location of stock held (Place & State)	
Lot No.	
Size of Coke	
Actual Stock Available as on date	

Certified by:

(Signature of Certifying Agency)

Seal of certifying agency.

Date:



Tender No.: 1110721 Dated: 30.05.2016 Due On: 21.06.2016/11:00AM

DECLARATION

Sub: Tender for Supply of 20,000 Tons \pm 2% Low Ash Metallurgical Coke to
SAIL-Visvesvaraya Iron and Steel Plant on FOR Bhadravati basis

Ref: Tender No.1110721 Dated 30.05.2016, Due on : 21.06.2016/11:00PM.

To

DGM (MM)
Steel Authority of India Ltd
Visvesvaraya Iron & steel plant
Bhadravati
KARNATAKA – 577 301

I _____ (Name) representing on behalf of
M/s. _____ hereby declare that the information /
documents is found false / incorrect and then I shall stand responsible for all consequences.

Name : _____

Complete Postal Address : _____

Telegraphic address : _____

Telephone No : _____

Fax No. : _____

Cell No. : _____

(Authorized Signature of Tenderer)

Seal of firm :

Date :



Tender No.: 1110721 Dated: 30.05.2016 Due On: 21.06.2016/11:00AM

DECLARATION

(Please refer clause 5 (m) in Invitation To Tender)

**Sub: Tender for Supply of 20,000 Tons ± 2% Low Ash Metallurgical Coke to SAIL–
Visvesvaraya Iron and Steel Plant on FOR Bhadravati basis**

Ref: Tender No.: 1110721 Dated 30.05.2016, Due on.: 21.06.2016/11:00AM.

To

DGM (MM)

Steel Authority of India Ltd

Visvesvaraya Iron & steel plant

BHADRAVATI – 577 301

KARNATAKA

I _____ (Name) representing on behalf of

M/s. _____ hereby declare that we have no Dispute

with Government / Public Sector Undertaking / any Government Agency or Authorities

(In case dispute is there, mention pending dispute) _____

(Mention with whom the dispute is pending if any) _____.

The information / documents are found false / incorrect, and then I shall stand responsible for all consequences.

Name : _____

Complete Postal Address : _____

Telegraphic address : _____

Telephone No : _____

Fax No. : _____

Cell No. : _____

(Authorized Signature of Tenderer)

Seal of firm :

Date :

N.B: The above declaration should strictly comply with requirements of clause 5 (n) of invitation to tender.



Tender No.: 1110721 Dated: 30.05.2016 Due On: 21.06.2016/11:00AM

**Tender for Supply of 20,000 Tons \pm 2% Low Ash Metallurgical Coke to SAIL–
Visvesvaraya Iron and Steel Plant on FOR Bhadravati basis**

INTEGRITY PACT

Between

**Visvesvaraya Iron & Steel Plant – A unit of : Steel Authority of India Limited (SAIL)-
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, contract/s for supply of LAM Coke vide Open Tender Enquiry No.: 1110721 dated: 30.05.2016 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).

In order to achieve these goals, the Principal will appoint an Independent External Monitor (IEM), who will monitor the tender process and the execution of the contract for compliance with the principles mentioned above.

Section 1 – Commitments of the Principal

- 1 The Principal commits itself to take all measures necessary to prevent corruption and to observe the following principles:
 - a) No employee of the Principal, personally or through family members, will in connection with the tender for, or the execution of a contract, demand, take a promise for or accept, for self or third person, any material or immaterial benefit which the person is not legally entitled to.
 - b) The Principal will, during the tender process treat all Bidder(s) with equity and reason. The Principal will in particular, before and during the tender process, provide to all Bidder(s) the same information and will not provide to any Bidder(s) 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 offense under the IPC/PC Act, or if there be a substantive suspicion in this regard, the Principal will inform the Chief Vigilance Officer and in addition can initiate disciplinary actions.



Section 2 – Commitments of the Bidder(s)/ contractor(s)

- 1 The Bidder(s)/ Contractor(s) commit themselves to take all measures necessary to prevent corruption. He commits himself to observe the following principles during his participation in the tender process and during the contract execution.
 - a) The Bidder(s)/ Contractor(s) will not, directly or through any other person or firm, offer, promise or give to any of the Principal's employees involved in the tender process or the execution of the contract or to any third person any material or other benefit which he/she is not legally entitled to, in order to obtain in exchange any advantage of any kind whatsoever during the tender process or during the execution of the contract.
 - b) The Bidder(s)/ Contractor(s) will not enter with other Bidders into any undisclosed agreement or understanding, whether formal or informal. This applies in particular to prices, specifications, certifications, subsidiary contracts, submission or non-submission of bids or any other actions to restrict competitiveness or to introduce cartelisation in the bidding process.
 - c) The Bidder(s)/ Contractor(s) will not commit any offence under the relevant IPC/PC Act; further the Bidder(s)/ Contractor(s) will not use improperly, for purposes of competition or personal gain, or pass on to others, any information or document provided by the Principal as part of the business relationship, regarding plans, technical proposals and business details, including information contained or transmitted electronically.
 - d) The Bidder(s)/Contractors(s) of foreign origin shall disclose the name and address of the Agents/representatives in India, if any. Similarly the Bidder(s)/Contractors(s) of Indian Nationality shall furnish the name and address of the foreign principals, if any. Further details as mentioned in the "Guidelines on Indian Agents of Foreign Suppliers" shall be disclosed by the Bidder(s)/Contractor(s). Further, as mentioned in the Guidelines all the payments made to the Indian agent/representative have to be in Indian Rupees only. Copy of the "Guidelines on Indian Agents of Foreign Suppliers" is placed at (page nos. 33-34)
 - e) The Bidder(s)/ Contractor(s) will, when presenting his bid, disclose any and all payments he has made, is committed to or intends to make to agents, brokers or any other intermediaries in connection with the award of the contract.
- 2 The Bidder(s)/ Contractor(s) will not instigate third persons to commit offenses outlined above or be an accessory to such offenses.

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

If the Bidder(s)/Contractor(s), before award or during execution has committed a transgression through a violation of Section 2, above or in any other form such as to put his reliability or credibility in question, the Principal is entitled to disqualify the Bidder(s)/Contractor(s) from the tender process or take action as per the procedure mentioned in the "Guidelines on Banning of business dealings". Copy of the "Guidelines on Banning of business dealings" is placed at (page nos. 35-44).

Section 4 – Compensation for Damages.

- 1 If the Principal has disqualified the Bidder(s) from the tender process prior to the award according to Section 3, the Principal is entitled to demand and recover the damages equivalent to Earnest Money Deposit/ Bid Security.



- 2 If the Principal has terminated the contract according to Section 3, or if the Principal is entitled to terminate the contract according to Section 3, the Principal shall be entitled to demand and recover from the Contractor liquidated damages of the Contract value or the amount equivalent to Performance Bank Guarantee.

Section 5 – Previous transgression

- 1 The Bidder declares that no previous transgressions occurred in the last three years with any other Company in any country conforming to the anti-corruption approach or with any Public Sector Enterprise in India 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 or action can be taken as per the procedure mentioned in “Guidelines on Banning of business dealings”.

Section 6 – Equal treatment of all Bidders / Contractors / Subcontractors

- 1 The Bidder(s)/ Contractor(s) undertake(s) to demand from all subcontractors a commitment in conformity with this Integrity Pact, and to submit it to the Principal before contract signing.
- 2 The Principal will enter into agreements with identical conditions as this one with all Bidders, Contractors and Subcontractors.
- 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 or Subcontractor, or of an employee or a representative or an associate of a Bidder, Contractor or Subcontractor which constitutes corruption, or if the Principal has substantive suspicion in this regard, the Principal will inform the same to the Chief Vigilance Officer.

Section 8 – Independent External Monitor / Monitors

- 1 The Principal appoints competent and credible Independent External Monitor for this Pact. The task of the Monitor is to review independently and objectively, whether and to what extent the parties comply with the obligations under this agreement.
- 2 The Monitor is not subject to instructions by the representatives of the parties and performs his functions neutrally and independently. It will be obligatory for him to treat the information and documents of the Bidders/Contractors as confidential. He reports to the Chairman, SAIL.
- 3 The Bidder(s)/Contractor(s) accepts that the Monitor has the right to access without restriction to all Project documentation of the Principal including that provided by the Contractor. The Contractor will also grant the Monitor, upon his request and demonstration of a valid interest, unrestricted and unconditional access to his project documentation. The same is applicable to Subcontractors. The Monitor is under contractual obligation to treat the information and documents of the Bidder(s)/ Contractor(s)/ Subcontractor(s) with confidentiality.
- 4 The Principal will provide to the Monitor sufficient information about all meetings among the parties related to the Project provided such meetings could have an impact on the contractual relations between the Principal and the Contractor. The parties offer to the Monitor the option to participate in such meetings.



- 5 As soon as the Monitor notices, or believes to notice, a violation of this agreement, he will so inform the Management of the Principal and request the Management to discontinue or take corrective action, or to take other relevant action.

The monitor can in this regard submit non binding recommendations. Beyond this, the Monitor has no right to demand from the parties that they act in a specific manner, refrain from action or tolerate action.

- 6 The Monitor will submit a written report to the Chairman, SAIL within 8 to 10 weeks from the date of reference or intimation to him by the *Principal* and, should the occasion arise, submit proposals for correcting problematic situations.
- 7 If the Monitor has reported to the Chairman SAIL, a substantiated suspicion of an offense under relevant IPC/ PC Act, and the Chairman SAIL has not, within the reasonable time taken visible action to proceed against such offense or reported it to the Chief Vigilance Officer, the Monitor may also transmit this information directly to the Central Vigilance Commissioner.
- 8 The word '**Monitor**' would include both singular and plural.

Section 9 – Pact Duration

This Pact begins when both parties have legally signed it. It expires for the Contractor 12 months after the last payment under the contract, and for all other Bidders 6 months after the contract has been awarded.

If any claim is made / lodged during this time, the same shall be binding and continue to be valid despite the lapse of this pact as specified above, unless it is discharged / determined by Chairman of SAIL.

Section 10 – Other provisions

- 1 This agreement is subject to Indian Law. Place of performance and jurisdiction is the Registered Office of the Principal, i.e. New Delhi.
- 2 Changes and supplements as well as termination notices need to be made in writing. Side agreements have not been made.
- 3 If the Contractor is a partnership or a consortium, this agreement must be signed by all partners or consortium members.
- 4 Should one or several provisions of this agreement turn out to be invalid, the remainder of this agreement remains valid. In this case, the parties will strive to come to an agreement to their original intentions.



5. In the event of any contradiction between the Integrity Pact and its Annexure, the Clause in the Integrity Pact will prevail.

Anwar

~~DGM-MM~~ 30/5/16
(For and On behalf of the Principal)

(Office Seal)

Place: Bhadravathi
Date: 30.05.2016

Witness 1: (Name & Address)

S 30/05/2016

SUGALI LOKANATHA
Dy. Manager (MM-RM,S&C)
SAIL – Visvesvaraya Iron & Steel Plant
BHADRAVATHI – 577 301

Witness 2: (Name & Address)

Vikas

30/05/16

H VIKAS
Asst. Manager (MM – Stores&Ref.)
SAIL – Visvesvaraya Iron & Steel Plant
BHADRAVATHI – 577 301

(For and On behalf of Bidder / Contractor)

(Office Seal)

Place:
Date:

Witness 1: (Name & Address)

Witness 2: (Name & Address)



1 GUIDELINES FOR INDIAN AGENTS OF FOREIGN SUPPLIERS

- 1.1 There shall be compulsory registration of agents for all Global (Open) Tender and Limited Tender. An agent who is not registered with SAIL Plants/Units shall apply for registration in the prescribed Application –Form.
- 1.2 Registered agents will file an authenticated Photostat copy duly attested by a Notary Public/Original certificate of the principal confirming the agency agreement and giving the status being enjoyed by the agent and the commission/remuneration/salary/ retainer ship being paid by the principal to the agent before the placement of order by SAIL Plants/Units.
- 1.3 Wherever the Indian representatives have communicated on behalf of their principals and the foreign parties have stated that they are not paying any commission to the Indian agents, and the Indian representative is working on the basis of salary or as retainer, a written declaration to this effect should be submitted by the party (i.e. Principal) before finalizing the order.

2 **DISCLOSURE OF PARTICULARS OF AGENTS/REPRESENTATIVES IN INDIA. IF ANY.**

- 2.1 Tenderers of Foreign nationality shall furnish the following details in their offer:
- 2.1.1 The name and address of the agents/representatives in India, if any and the extent of authorization and authority given to commit the Principals. In case the agent/representative be a foreign Company, it shall be confirmed whether it is real substantial Company and details of the same shall be furnished.
- 2.1.2 The amount of commission/remuneration included in the quoted price(s) for such agents/representatives in India.
- 2.1.3 Confirmation of the Tenderer that the commission/ remuneration if any, payable to his agents/representatives in India, may be paid by SAIL in Indian Rupees only.
- 2.2 Tenderers of Indian Nationality shall furnish the following details in their offers:
- 2.2.1 The name and address of the foreign principals indicating their nationality as well as their status, i.e, whether manufacturer or agents of manufacturer holding the Letter of Authority of the Principal specifically authorizing the agent to make an offer in India in response to tender either directly or through the agents/representatives.
- 2.2.2 The amount of commission/remuneration included in the price (s) quoted by the Tenderer for himself.
- 2.2.3 Confirmation of the foreign principals of the Tenderer that the commission/remuneration, if any, reserved for the Tenderer in the quoted price (s), may be paid by SAIL in India in equivalent Indian Rupees on satisfactory completion of the Project or supplies of Stores and Spares in case of operation items.
- 2.3 In either case, in the event of contract materializing, the terms of payment will provide for payment of the commission /remuneration, if any payable to the agents/representatives in India in Indian Rupees on expiry of 90 days after the discharge of the obligations under the contract.
- 2.4 Failure to furnish correct and detailed information as called for in paragraph- 2.0 above will render the concerned tender liable to rejection or in the event of a contract materializing, the same liable to termination by SAIL. Besides this there would be a penalty of banning business dealings with SAIL or damage or payment of a named sum.

**GUIDELINES ON BANNING OF BUSINESS DEALINGS****CONTENTS**

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1 Introduction

- 1.1 Steel Authority of India Limited (SAIL), being a Public Sector Enterprise and 'State', within the meaning of Article 12 of Constitution of India, has to ensure preservation of rights enshrined in Chapter III of the Constitution. SAIL has also to safeguard its commercial interests. SAIL deals with *Agencies*, who have a very high degree of integrity, commitments and sincerity towards the work undertaken. It is not in the interest of SAIL to deal with Agencies who commit deception, fraud or other misconduct in the execution of contracts awarded / orders issued to them. In order to ensure compliance with the constitutional mandate, it is incumbent on SAIL to observe principles of natural justice before banning the business dealings with any Agency.
- 1.2 Since banning of business dealings involves civil consequences for an Agency concerned, it is incumbent that adequate opportunity of hearing is provided and the explanation, if tendered, is considered before passing any order in this regard keeping in view the facts and circumstances of the case.

2 Scope

- 2.1 The General Conditions of Contract (GCC) of SAIL generally provide that SAIL reserves its rights to remove from list of approved suppliers / contractors or to ban business dealings if any Agency has been found to have committed misconduct and also to suspend business dealings pending investigation. If such provision does not exist in any GCC, the same may be incorporated.
- 2.2 Similarly, in case of sale of material there is a clause to deal with the Agencies / customers / buyers, who indulge in lifting of material in unauthorized manner. If such a stipulation does not exist in any Sale Order, the same may be incorporated.
- 2.3 However, absence of such a clause does not in any way restrict the right of Company (SAIL) to take action / decision under these guidelines in appropriate cases.
- 2.4 The procedure of (i) Removal of Agency from the List of approved suppliers / contractors; (ii) Suspension and (iii) Banning of Business Dealing with Agencies, has been laid down in these guidelines.
- 2.5 These guidelines apply to all the Plants / Units and subsidiaries of SAIL.
- 2.6 It is clarified that these guidelines do not deal with the decision of the Management not to entertain any particular Agency due to its poor / inadequate performance or for any other reason.
- 2.7 The banning shall be with prospective effect, i.e., future business dealings.

3 Definitions: In these Guidelines, unless the context otherwise requires:

- i) '*Party / Contractor / Supplier / Purchaser / Customer*' shall mean and include a public limited company or a private limited company, a firm whether registered or not, an individual, a cooperative society or an association or a group of persons engaged in any commerce, trade, industry, etc. '*Party / Contractor / Supplier / Purchaser / Customer*' in the context of these guidelines is indicated as '*Agency*'.
- ii) '*Inter-connected Agency*' shall mean two or more companies having any of the following features:
- If one is a subsidiary of the other.
 - If the Director(s), Partner(s), Manager(s) or Representative(s) are common;
 - If management is common;
 - If one owns or controls the other in any manner;
- iii) '*Competent Authority*' and '*Appellate Authority*' shall mean the following:
- For Company (entire SAIL) Wide Banning The Director (Technical) shall be the '*Competent Authority*' for the purpose of these guidelines. Chairman, SAIL shall be the '*Appellate Authority*' in respect of such cases except banning of business dealings with Foreign Suppliers of imported coal/coke.



- b) For banning of business dealings with Foreign Suppliers of imported coal/coke, SAIL Directors' Committee (SDC) shall be the 'Competent Authority'. The Appeal against the Order passed by SDC, shall lie with Chairman, as First Appellate Authority.
- c) In case the foreign supplier is not satisfied by the decision of the First Appellate Authority, it may approach SAIL Board as Second Appellate Authority.
- d) For Plants / Units only Any officer not below the rank of General Manager / Addl Director appointed or nominated by the Chief Executive of concerned Plant / Unit shall be the '*Competent Authority*' for the purpose of these guidelines. The Chief Executives of the concerned Plants / Unit shall be the '*Appellate Authority*' in all such cases.
- e) For Corporate Office only For procurement of items / award of contracts, to meet the requirement of Corporate Office only, Head of CMMG shall be the "Competent Authority" and Director (Technical) shall be the "Appellate Authority".
- f) Chairman, SAIL shall have overall power to take suo-moto action on any information available or received by him and pass such order(s) as he may think appropriate, including modifying the order(s) passed by any authority under these guidelines.
- i) '*Investigating Department*' shall mean any Department or Unit investigating into the conduct of the Agency and shall include the Vigilance Department, Central Bureau of Investigation, the State Police or any other department set up by the Central or State Government having powers to investigate.
- ii) '*List of approved Agencies - Parties / Contractors / Suppliers / Purchasers / Customers*' shall mean and include list of approved / registered Agencies - *Parties/ Contractors / Suppliers / Purchasers / Customers*, etc.

4 **Initiation of Banning / Suspension**

Action for banning / suspension business dealings with any Agency should be initiated by the department having business dealings with them after noticing the irregularities or misconduct on their part. Besides the concerned department, Vigilance Department of each Plant / Unit /Corporate Vigilance may also be competent to initiate such action.

5 **Suspension of Business Dealings**

- 5.1 If the conduct of any Agency dealing with SAIL is under investigation by any department (except Foreign Suppliers of imported coal/coke), the Competent Authority may consider whether the allegations under investigation are of a serious nature and whether pending investigation, it would be advisable to continue business dealing with the Agency. If the Competent Authority, after consideration of the matter including the recommendation of the Investigating Department, if any, decides that it would not be in the interest to continue business dealings pending investigation, it may suspend business dealings with the Agency. The order to this effect may indicate a brief of the charges under investigation. If it is decided that inter-connected Agencies would also come within the ambit of the order of suspension, the same should be specifically stated in the order. The order of suspension would operate for a period not more than six months and may be communicated to the Agency as also to the Investigating Department. The Investigating Department may ensure that their investigation is completed and whole process of final order is over within such period.
- 5.2 The order of suspension shall be communicated to all Departmental Heads within the Plants / Units. During the period of suspension, no business dealing may be held with the Agency.
- 5.3 As far as possible, the existing contract(s) with the Agency may continue unless the Competent Authority, having regard to the circumstances of the case, decides otherwise.



- 5.4 If the gravity of the misconduct under investigation is very serious and it would not be in the interest of SAIL, as a whole, to deal with such an Agency pending investigation, the Competent Authority may send his recommendation to Chief Vigilance Officer (CVO), SAIL Corporate Office along with the material available. If Corporate Office considers that depending upon the gravity of the misconduct, it would not be desirable for all the Plants / Units and Subsidiaries of SAIL to have any dealings with the Agency concerned, an order suspending business dealings may be issued to all the Plants / Units by the Competent Authority of the Corporate Office, copy of which may be endorsed to the Agency concerned. Such an order would operate for a period of six months from the date of issue.
- 5.5 For suspension of business dealings with Foreign Suppliers of imported coal/coke, following shall be the procedure :
- i) Suspension of the foreign suppliers shall apply through out the Company including Subsidiaries.
 - ii) Based on the complaint forwarded by ED (CIG) or received directly by Corporate Vigilance, if gravity of the misconduct under investigation is found serious and it is felt that it would not be in the interest of SAIL to continue to deal with such agency, pending investigation, Corporate Vigilance may send such recommendation on the matter to Executive Director, Coal Import Group (ED, CIG) to place it before a Committee consisting of the following :
 1. ED (F&A)/Head of Corporate Finance,
 2. ED, CIG/Head of CIG – Convener of the Committee
 3. ED, CMMG/Head of CMMG, Corporate Office
 4. ED (Law)/Head of Corporate Law

The committee shall expeditiously examine the report, give its comments/recommendations within twenty one days of receipt of the reference by ED, CIG.

- i) The comments / recommendations of the Committee shall then be placed by ED, CIG before SAIL Directors' Committee (SDC) constituted for import of Coal. If SDC opines that it is a fit case for suspension, SDC may pass necessary orders which shall be communicated to the foreign supplier by ED, CIG.
- 5.6 If the Agency concerned asks for detailed reasons of suspension, the Agency may be informed that its conduct is under investigation. It is not necessary to enter into correspondence or argument with the Agency at this stage.
- 5.7 It is not necessary to give any show-cause notice or personal hearing to the Agency before issuing the order of suspension. However, if investigations are not complete in six months time, the Competent Authority may extend the period of suspension by another three months, during which period the investigations must be completed.

6 Ground on which Banning of Business Dealings can be initiated

- 6.1 If the security consideration, including questions of loyalty of the Agency to the State, so warrants;
- 6.2 If the Director / Owner of the Agency, proprietor or partner of the firm, is convicted by a Court of Law for offenses involving moral turpitude in relation to its business dealings with the Government or any other public sector enterprises or SAIL, during the last five years;
- 6.3 If there is strong justification for believing that the Directors, Proprietors, Partners, owner of the Agency have been guilty of malpractices such as bribery, corruption, fraud, substitution of tenders, interpolations, etc;
- 6.4 If the Agency continuously refuses to return / refund the dues of SAIL without showing adequate reason and this is not due to any reasonable dispute which would attract proceedings in arbitration or Court of Law;



- 6.5 If the Agency employs a public servant dismissed / removed or employs a person convicted for an offense involving corruption or abetment of such offense;
- 6.6 If business dealings with the Agency have been banned by the Govt. or any other public sector enterprise;
- 6.7 If the Agency has resorted to Corrupt, fraudulent practices including misrepresentation of facts;
- 6.8 If the Agency uses intimidation / threatening or brings undue outside pressure on the Company (SAIL) or its official in acceptance / performances of the job under the contract;
- 6.9 If the Agency indulges in repeated and / or deliberate use of delay tactics in complying with contractual stipulations;
- 6.10 Willful indulgence by the Agency in supplying sub-standard material irrespective of whether pre-dispatch inspection was carried out by Company (SAIL) or not;
- 6.11 Based on the findings of the investigation report of CBI / Police against the Agency for malafide / unlawful acts or improper conduct on his part in matters relating to the Company (SAIL) or even otherwise;
- 6.12 Established litigant nature of the Agency to derive undue benefit;
- 6.13 Continued poor performance of the Agency in several contracts;
- 6.14 If the Agency misuses the premises or facilities of the Company (SAIL), forcefully occupies tampers or damages the Company's properties including land, water resources, forests / trees, etc.

(Note: The examples given above are only illustrative and not exhaustive. The Competent Authority may decide to ban business dealing for any good and sufficient reason).

7 Banning of Business Dealings

- 7.1 Normally, a decision to ban business dealings with any Agency should apply throughout the Company including Subsidiaries. However, the Competent Authority of the Plant / Unit except Corporate Office can impose such ban unit-wise only if in the particular case banning of business dealings by respective Plant / Unit will serve the purpose and achieve its objective and banning throughout the Company is not required in view of the local conditions and impact of the misconduct / default to beyond the Plant / Unit. Any ban imposed by Corporate Office shall be applicable across all Plants / Units of the Company including Subsidiaries.
- 7.2 For Company-wide banning, the proposal should be sent by ACVO of the Plant / Unit to the CVO through the Chief Executive of the Plant / Unit setting out the facts of the case and the justification of the action proposed along with all the relevant papers and documents except for banning of business dealings with Foreign Suppliers of imported coal/coke.

The Corporate Vigilance shall process the proposal of the Plant / Unit for a prima-facie view in the matter by the Competent Authority nominated for Company-wide banning.

The CVO shall get feedback about that agency from all other Plants / Units. Based on this feedback, a prima-facie decision for banning / or otherwise shall be taken by the Competent Authority.

If the prima-facie decision for Company-wide banning has been taken, the Corporate Vigilance shall issue a show-cause notice to the agency conveying why it should not be banned throughout SAIL.

After considering the reply of the Agency and other circumstances and facts of the case, a final decision for Company-wide banning shall be taken by the Competent Authority.

- 7.3 There will be a Standing Committee in each Plant / Unit to be appointed by Chief Executive for processing the cases of "Banning of Business Dealings" except for banning of business dealings with foreign suppliers of coal/coke. However, for procurement of items / award of contracts, to meet the requirement of Corporate Office only, the committee shall be consisting of General Manager / Dy. General Manager each from Operations, Finance, Law & CMMG. Member from CMMG shall be the convener of the committee. The functions of the committee shall, inter-alia include:



- i) To study the report of the Investigating Agency and decide if a prima-facie case for Company-wide / Local unit wise banning exists, if not, send back the case to the Competent Authority.
 - ii) To recommend for issue of show-cause notice to the Agency by the concerned department.
 - i) To examine the reply to show-cause notice and call the Agency for personal hearing, if required.
 - ii) To submit final recommendation to the Competent Authority for banning or otherwise.
- 7.4 If the Competent Authority is prima-facie of view that action for banning business dealings with the Agency is called for, a show-cause notice may be issued to the Agency as per paragraph 9.1 and an enquiry held accordingly.
- 7.5 Procedure for Banning of Business Dealings with Foreign Suppliers of imported coal/coke.
- i) Banning of the agencies shall apply through out the Company including Subsidiaries.
 - ii) Based on the complaint forwarded by ED (CIG) or received directly by Corporate Vigilance, an investigation shall be carried out by Corporate Vigilance. After investigation depending upon the gravity of the misconduct, Corporate Vigilance may send their report to Executive Director, Coal Import Group to be placed before a Committee consisting of the following :
 1. ED, (F&A)/Head of Corporate Finance,
 2. ED, CIG/Head of CIG – Convenor of the Committee
 3. ED, CMMG/Head of CMMG, Corporate Office
 4. ED, (Law)/Head of Corporate LawThe Committee shall examine the report and give its comments / recommendations within 21 days of receipt of the reference by ED, CIG.
 - i) The comments / recommendations of the Committee shall be placed by ED, CIG before SAIL Directors' Committee (SDC) constituted for import of Coal. If SDC opines that it is a fit case for initiating banning action, it will direct ED (CIG) to issue show-cause notice to the agency for replying within a reasonable period.
 - ii) On receipt of the reply or on expiry of the stipulated period, the case shall be submitted by ED (CIG) to SDC for consideration & decision.
 - iii) The decision of the SDC shall be communicated to the agency by ED (CIG).

8 Removal from List of Approved Agencies - Suppliers / Contractors, etc.

- 8.1 If the Competent Authority decides that the charge against the Agency is of a minor nature, it may issue a show-cause notice as to why the name of the Agency should not be removed from the list of approved Agencies - Suppliers / Contractors, etc.
- 8.2 The effect of such an order would be that the Agency would not be disqualified from competing in Open Tender Enquiries but LTE may not be given to the Agency concerned.
- 8.3 Past performance of the Agency may be taken into account while processing for approval of the Competent Authority for awarding the contract.

9 Show-cause Notice

- 9.1 In case where the Competent Authority decides that action against an Agency is called for, a show-cause notice has to be issued to the Agency. Statement containing the imputation of misconduct or mis-behaviour may be appended to the show-cause notice and the Agency should be asked to submit within 15 days a written statement in its defense.
- 9.2 If the Agency requests for inspection of any relevant document in possession of SAIL, necessary facility for inspection of documents may be provided.
- 9.3 The Competent Authority may consider and pass an appropriate speaking order:
 - a) For exonerating the Agency if the charges are not established;
 - b) For removing the Agency from the list of approved Suppliers/Contractors, etc.
 - c) For banning the business dealing with the Agency.



9.4 If it decides to ban business dealings, the period for which the ban would be operative may be mentioned. The order may also mention that the ban would extend to the interconnected Agencies of the Agency.

10 Appeal against the Decision of the Competent Authority

10.1 The Agency may file an appeal against the order of the Competent Authority banning business dealing, etc. The appeal shall lie to Appellate Authority. Such an appeal shall be preferred within one month from the date of receipt of the order banning business dealing, etc.

10.2 Appellate Authority would consider the appeal and pass appropriate order which shall be communicated to the Agency as well as the Competent Authority.

11 Review of the Decision by the Competent Authority

Any petition / application filed by the Agency concerning the review of the banning order passed originally by Chief Executive / Competent Authority under the existing guidelines either before or after filing of appeal before the Appellate Authority or after disposal of appeal by the Appellate Authority, the review petition can be decided by the Chief Executive / Competent Authority upon disclosure of new facts / circumstances or subsequent development necessitating such review. The Competent Authority may refer the same petition to the Standing Committee for examination and recommendation.

12 Circulation of the names of Agencies with whom Business Dealings have been banned

12.1 Depending upon the gravity of misconduct established, the Competent Authority of the Corporate Office may circulate the names of Agency with whom business dealings have been banned, to the Government Departments, other Public Sector Enterprises, etc. for such action as they deem appropriate.

12.2 If Government Departments or a Public Sector Enterprise request for more information about the Agency with whom business dealings have been banned, a copy of the report of Inquiring Authority together with a copy of the order of the Competent Authority / Appellate Authority may be supplied.

12.3 If business dealings with any Agency have been banned by the Central or State Government or any other Public Sector Enterprise, SAIL may, without any further enquiry or investigation, issue an order banning business dealing with the Agency and its inter-connected Agencies.

12.4 Based on the above, Plants / Units may formulate their own procedure for implementation of the Guidelines.

* * * * *



DEFINITION OF KEY TERMS

1 Reverse Auction

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

2 On-line Reverse Auctions

On-line Reverse auctions refer to those Reverse Auctions conducted through the Internet with simultaneous bidding (from one or more locations). In other words, the venue for the auction is on an Internet website/ platform. The Mjunction website (<http://auction.buyjunction.in>) or any other URL assigned by mjunction would constitute the venue for the purpose of the On-line auction.

3 Award at the Reverse Auction

The tenderer quoting the lowest price is normally allotted the item unless otherwise specified by the Client.

4 Client

Client is the individual/business entity who has contracted Mjunction to conduct such Reverse Auction. In case of Reverse Auction, the purpose would be to meet their requirement for item/s from among the sellers desiring to sell the items to the Client.

5 Tenderer

Tenderer is the individual/business entity participating in the Reverse Auction, intending to supply the item/s to the Client. To become a Tenderer in the auction, a business entity has to secure client approval for participation and also provide written assent to the General Rules and Regulations.

6 Auction Engine

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

7 Preview Time

Preview Time refers to the period of time that is provided prior to the commencement of bidding. This is to facilitate approved participants to view the auction details such as item specifications, bidding details and bidding rules. The purpose is also to familiarize participants with the functionalities and screens of the auction mechanism. It is not mandatory for Mjunction to provide Preview Time.

8 Start Time

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

9 Duration of the Reverse Auction

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

- Curtailment of auction duration in the event of no bids for a specified period of time (Inactivity Time)



- Automatic extension in the event of bids being entered towards the end of the scheduled duration to facilitate the other tenderers to view and react to the bid.

10 Auto Extension of the Auction Timings

In the event of bids in the last few minutes of the scheduled bid time, the Bid Timings are automatically extended for a specified period from each such bid. Such Auto Extension shall continue until no bids are placed for the specified period (Engine remains inactive for the specified period). The Inactivity Time for Auto Extension purpose is normally 3 minutes. Mjunction however retains the right to change the same in consultation with SAIL/VISL . The Inactivity Time applicable for the particular On-Line Bid shall be communicated to the tenderer if it will be set to a value less than 3 minutes.

11 End of the Reverse Auction

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

12 Auction Report

Mjunction would provide an Auction Report to the Client containing a summary of the auction proceedings and outcome. The Auction Report would constitute the official communication from Mjunction to the client about the outcome of the Reverse Auction.

ID and Pass Word - Pass Word and ID shall be given to all the eligible vendors by the Service Provider for enabling the vendor to participate in the Reverse Auction.

Start –Bid Price – Start Bid Price is the estimated Price of a lot decided by SAIL/VISL . This is the Maximum Price, which will be accepted by the Reverse Auction engine. Supplier have to quote a price lesser than the Start Bid Price for participating in the Reverse Auction. The computer shall not accept Price higher than Start Bid Price for a lot. Bidding will start at start Bid Price to be intimated in advance to the vendors eligible for bidding. This will be put up on the site and will also be communicated in advance through Fax/ email.

Minimum Decrement- Minimum decrement is the minimum amount a supplier has to reduce in order to beat a higher bid. For example, if a tenderer bids Rs 10,00,000/- for a Market, others, in order to beat this bid, have to quote a lower price with a minimum decrement say of Rs 100/- i.e. in order to be eligible they have to quote Rs. 9,99,900/- (or lower) for the same Market. This minimum decrement shall be pre-decided by Steel Authority of India Limited and will be in-built and displayed in the computer.

PROXY BID- In the following circumstances, a tenderer may opt for proxy bidding.

- ❖ Where the tenderer is not confident of a reliable Internet Connectivity
- ❖ Where the speed of Internet Connection is slow and unable to catch-up with the speed of competitor's bids.
- ❖ To remain a leading tenderer till the lowest bid value fed in the auction machine.
- ❖ Where the tenderer is required to put bids in more than one Market/Lot at a time

Following is the outcome when a tenderer exercises the proxy option:

A proxy bid remains L1 till the lower bid value fed in the auction machine is exhausted i.e. a lower bid, less than the lower bid value offered by the tenderer exercising the proxy, is offered by another tenderer. If a tenderer bids a price equal to the lower limit of the proxy bid, the proxy tenderer gets precedence over him at that price.



- 13 To let the system place bids on your behalf you need to check (click) the proxy bid box on the bidding details page and place the lowest value to which you can bid and then place submit button and confirm. Once the proxy is activated the bids are placed automatically as per the minimum decrements. The lowest value of your proxy bid amount is not visible by any other tenderer.

Example : Suppose, the current bid in the market is ₹ 10000 and the min. decrement is ₹ 100 and you have activated proxy till ₹ 9500. Now say a tenderer places a bid of ₹ 9800, the system automatically bids ₹ 9700 on your behalf at the same time and keeps you as a leading tenderer.



ANNEXURE 10

General Rules and Regulations governing conduct of On-line Reverse Auctions on the MJUNCTION platform and Terms and Conditions of the Buyer (SAIL/VISL)

INTRODUCTION

The General Rules and Regulations provided herein govern the conduct of On-line Reverse Auctions operated by Mjunction.com Private Ltd. These rules cover the roles and responsibilities of the parties in the On-line Reverse Auctions on the Mjunction platform. **Acceptance in-toto to these General Rules and Regulations is a pre-requisite for securing participation in the On-line Reverse Auctions on the Mjunction platform.**

The key terms pertaining to the On-line Reverse Auctions are provided in the Annexure 9. Prospective are advised to read through the same.

Role of Mjunction

Mjunction is the agency (operator) primarily providing the forum for conducting the Reverse Auction. As the agency providing the auction engine, the role of Mjunction would include:

- input of the details of the auction items and defining of the bidding rules as desired by the client, market making and training of prospective vendors
- providing access to the approved vendors to participate in the auction.
- enhancing tenderer awareness of and comfort with the auction mechanism and bidding rules
- summarizing of the auction proceedings & communicate the outcome to the Client

The responsibility for fulfillment of the contract rests between the tenderer and the client, and Mjunction shall have no liability on this account.

Role of the Tenderer

The role of the tenderer is outlined below:

- The tenderer would participate in the Reverse Auction with the aim of bidding to secure the auctioned item in the auction (being selected for supplying the client's requirement in a Reverse Auction).
- The tenderer would be provided access to the Auction through a User Id protected by a password. The tenderer needs to ensure that the User Id and password is not revealed to unauthorized persons.
- Access to the auction mechanism shall be provided to all the approved tenderer subsequent to obtaining their written consent to the General Rules & Regulations.
- In the event of winning an allotment in the auction mechanism, the tenderer shall commit to fulfill outlined obligations under the contract.

Bidding Rules:

The Bidding Rules refer to the information and terms defined specifically for a particular Reverse Auction. The purpose of the Bidding rules is to provide approved tenderer with the information and terms specific to the auction in which they are bidding. This would include:

- Definition of the unit of bidding
- Start Time and duration of the Reverse Auction
- Any extension of the duration of the auction in the event of bids being received towards the end of the pre-specified duration
- Reserve Price (if specified)
- Minimum & Maximum Bidding Quantity (if specified)
- Price Decrements and any reduction in the price decrements in the auction in the event of inactivity
- Other attributes (informational/non-negotiable in nature)
- Definition of the underlying supply contract (qty, delivery schedule, freight, insurance & local levies) etc.



Participation in the auction process presumes complete awareness and understanding of the bidding rules.

Conduct of the Reverse Auction

The Reverse Auction shall be communicated on pre-specified date. The key terms pertaining to conduct of the Reverse Auction such as Preview Time, Start Time, Duration and End Time have been specified in the Annexure.

Mjunction retains the right to extend or cancel or reschedule the reverse auction on any of the following reasons:

Sl	Circumstance	Action
01	Auto Extension Of Bidding Time	ONLY in the event of any bid being placed in the last 3 minutes of the scheduled bidding time, the bidding time shall automatically extend by 3 minutes from each such bid. This Auto Extension mechanism remains activated until a continuous inactivity period (i.e. no bids being placed by any bidder) of 3 minutes is reached at which point the market shall close
02	Cancellation of event / bid	<ol style="list-style-type: none"> 1. The number of confirmed bidders is deemed insufficient to conduct the reverse auction. 2. On Advice of the Buyer 3. MJ on its own accord - in case of situations where it is felt that continuance of the auction proceedings is prejudicial to the smooth conduct and/or the integrity of the auction process. 4. Cancellation/ premature termination of the reverse auction with/ without a subsequent rerun of the auction on a mutually decided date between Client and MJ. 5. Cancellation of a wrong bid 6. Locking a bidder's account (suspension of operations in the account)
03	Poor Participation	<ol style="list-style-type: none"> 1. Manual extension carried out if less than 10 bids received 2. Reserve / expected price not met. It is determined that one or more bidders have submitted bids which are clearly below Cost 3. On the advice of the Buyer
04	Unable to access the module due to infrastructural problems - Internet Problems being reported by bidders	<ol style="list-style-type: none"> 1. Manual extension carried out till connectivity restored or MJ will bid on behalf of bidder after obtaining suitable authentication. 2. The number of extensions and the time involved in each extension is on the judgment of the auction controller concerned.
05	MJ server not able to connect to the Internet cloud	To the extent possible, all auctions will be extended until the problem is resolved/ internet connectivity of MJ machine improves. Ability to extend depends upon time available, as also ability of MJ staff to connect to the MJ machine.
06	Power failure/ Planned power shutdown in his area reported by an interested supplier	MJ will bid on behalf of bidder after obtaining suitable authentication. (The party will inform his minimum price and will also inform his user id and password) Manual extension may be involved if the call is received just before closure, and MJ staff does not have sufficient time required to make a bid.
At the request of the Client, Mjunction may permit bidding through a combination of online and offline means (offline means including phone/fax/email). However in such event, Mjunction would not be responsible for any errors in transmission or entry of the information received in the offline medium. It must be expressly understood that such facilities if and when extended are only for the convenience of bidders and, while reasonable care and caution shall be taken by Mjunction, the ultimate responsibility for the same shall rest with the bidder/s.		



The duration of the auction may also vary from the pre-specified period of time on account of termination of the auction by Mjunction:

- a) on the advice of the client or
- b) on its own accord in case of situations where it is felt that continuance of the auction proceedings is prejudicial to the smooth conduct and/or the integrity of the auction process.

Problems during the conduct of the Reverse Auction

In the event of any problems being faced in the smooth conduct of the auction, Mjunction shall have the right to undertake one or more of the following steps:

- Cancellation/ premature termination of the Reverse Auction with/ without a subsequent rerun of the auction on a mutually decided date
- Cancellation of a bid
- Locking a tenderer's account (suspending operations of the account), etc.

Liability of Mjunction

Mjunction shall not be liable to the client/ in the auction or any other person/s for:

- any breach of contract by any of the parties in the fulfillment of the underlying contract
- any delays in initiating the On-line auction or postponement/cancellation of the On-line auction proceedings due to any problem with the hardware/ software/ infrastructural facilities or any other shortcomings.

Confidentiality Clause

Mjunction undertakes to handle any sensitive information provided by the client or confirmed for the Reverse Auctions with utmost trust and confidentiality.

Jurisdiction

Any disputes relating to the On-line auction module shall be subject to the sole jurisdiction of civil courts of Kolkata only to the exclusion of any other court.

Right of the Client

SAIL/VISL reserves the right to fully/ partly accept the bids or completely reject the same.

Acceptance to the Rules and Regulations:

We have gone through the general rules and regulations and confirm our acceptance to the same. We have also gone through and fully understood the product specifications and other terms and conditions specified by SAIL/VISL enclosed herewith.

Signed in acceptance of all the terms and conditions listed in Annexures 9 and 10.

Signature :

Date :

Name :

Place :

Designation :

Attested with Company Seal

Contact details (incl contact e-mail ID) of the company seeking to participate as a Tenderer in Reverse Auction.



ANNEXURE MJ-1

The details of the tenderer authorized to bid on our behalf is as follows.

Name :
Designation :
e-mail ID :
Contact phone no :
Address :

Acceptance to the Rules and Regulations:

We have gone through the general rules and regulations and confirm our acceptance of the same in toto.

Signed & Stamped in acceptance of the terms & conditions

Name :
Designation of Signatory :
Organization :
Contact Phones :
Date & Place :

For any clarifications, please contact:

**Ms.Sanchita Bandopadhyay
66106168/Mobile: 09163348101
During Auction 66011721 to 66011728**

**Mr. Saranathan Srinivasan – 09677120585
Email: saranathan.srinivasan@mjunction.in**



ANNEXURE MJ -2

Format for submitting last quoted prices

*(to be submitted on Company Letter Head of the Bidder,
Within 30 mins after On-line Auction through Fax followed by courier)*

To

Mrs. Satyavani Burra
mjunction Services Limited
Godrej Waterside, Tower-I,
3rd floor Plot No. 5,
Block-DP, Sector-V,
Salt Lake City
Kolkata - 700091
Fax No: 033 - 6601 1725

Sub: Last Quoted and Accepted price in the Online Reverse Auction for **LAM COKE**
for M/s VISWESVARAYA IRON & STEEL PLANT,
Tender No: 1110721 : Date: 30.05.2016

Reference above, we hereby confirm our last online quoted & accepted price in the system in the On-Line Reverse Auction.

FORMAT:

MKT NO.	Online Last Quoted & Accepted Price in the system(Rs / Ton LCNC Basis)	L1 Price Match (Yes/No), if yes then value matched
1		

We also confirm that we will submit detailed **price break-up as per price schedule mentioned in the enquiry**, within 2hrs after the closure of the On-line Reverse Auction.

Signature :

Name :

Designation :

Date :

COPY :

AH VASANTH
DGM (MM)
Steel Authority Of India Limited
Visvesvaraya Iron & Steel Plant,
BHADRAVAT-577 301



Annexure MJ.3

Format for authorizing Mjunction to put proxy bids
(to be submitted on Company Letter Head of the Bidder)

To:

Ms. Sanchita Bandopadhyay
mjunction services limited
Godrej Water Side, 3rd Floor,
Tower – 1, Plot – V, Block – DP,
Sector – V, Salt Lake,
Kolkata – 700091, West Bengal, India
Ph : 033 – 66011721 to 1725
033 - 66106168
Mobile: 09163348101
Fax: 033 –66011719

Email: sanchitabandopadhyay@mjunction.in

Re: Reverse Auction for LAM COKE for VISL, SAIL being held on

Reference above, we authorize Mjunction.com Pvt. Ltd., to put proxy bids on our behalf for the Reverse Auction being held on for LAM COKE for VISL, SAIL. We hereby confirm that the lowest price that could be quoted on our behalf with the stipulated minimum price decrement being the decrement for each bid is Rs.....

My User ID isand Password is

Kindly do the needful.

Signature

Name

Designation

Date:



ANNEXURE – MJ.4

< on Bidder's Co. Letter Head >

*This letter is a pre-requisite to activate your account to participate in the On-line Reverse Auction
(Please fax your letter to 91-33-2288 3207)*

Date: _____

To

DGM (MM)
STEEL AUTHORITY OF INDIA LIMITED
VISVESVARAYA IRON & STEEL PLANT,
BHADRAVAT - 577 301

Sub: Declaration prior to bidding in the On-line Reverse Auction for **LAM COKE**

Dear Sir,

We have understood the auction process to be conducted on the platform of mjunction. We have been provided a valid log-in name and password by mjunction for the On-line reverse Auction to be conducted for LAM COKE.

We have gone through the RFQ sent to us and abide by all the Terms and Conditions mentioned therein.

Yours truly,

< Authorized Signatory >

< Name & Designation >

< Co. Stamp >

Copy to: mjunction services limited., Chennai



**STEEL AUTHORITY OF INDIA LIMITED
VISVESVARAYA IRON & STEEL PLANT, BHADRAVATI**

FORMAT OF BANK GUARANTEE (BG) FOR EARNEST MONEY DEPOSIT (EMD) / SECURITY DEPOSIT (SD) / PERFORMANCE BANK GUARANTEE (PBG)

(The Stamp Paper shall be purchased in the name of concerned Bank, and Stamp Paper shall be of Rs.100/- Denomination)

..... Bank Ltd.

Address

Bank Guarantee No..... A/Cs Messers..... Date of Expiry

..... Address Limit of Liability Rs...

.....

Ref. Tender No..... Dated..... For (Name of Supply / Work)

.....

Subject: EMD - BG / SD / PBG Dated :

To:
M/s.Steel Authority of India Ltd.,
Visvesvaraya Iron & Steel Plant, Bhadravati, Karnataka.

Dear Sirs,

In consideration of your agreeing to accept the **EARNEST MONEY DEPOSIT - BANK GUARANTEE (BG) / SECURITY DEPOSIT (SD) / PERFORMANCE BANK GUARANTEE (PBG)** of Rs..... furnishable to you by M/s..... of (hereinafter referred to as the "Contractor") in terms of their contract with you for as per their Tender No..... dated pursuant to your invitation to such Tender and your General Conditions of Contract governing supply contracts of SAIL (SAIL-P1) and other Tender documents relating thereto subject to the additions and alterations mutually agreed upon and set forth or referred to in your letter of Acceptance No.....dated (hereinafter referred to as "the said contract" which expression shall, in case of execution of any formal agreement between you and the contractor in terms of mean and include the said agreement) in the form of guarantee from us in manner hereinafter contained.

1. We (indicate the name of the Bank) at the request of contractor(s) do hereby undertake to pay to you an amount not exceeding Rs. claimed by you irrespective of whether any loss or damage has been caused to or suffered by you by reason of any breach by the said contractor of any of the terms or conditions of the said agreement.
2. We (indicate the name of the Bank) do hereby undertake to pay the amounts due and payable under this guarantee without any protest or demur merely on a demand from you stating that the amount claimed is due by reason of breach by the said contractor(s) of any of the terms or conditions contained in the said Agreement or by reason of the contractor(s) failure to perform the said Agreement. Any such demand made on shall be conclusive as regards the amount due and payable by us under this guarantee. However, our liability under this Guarantee shall be restricted to an amount not exceeding Rs.....
3. Notwithstanding anything to the contrary we agree that your decision as to whether the Contractor has made any such default or defaults and the amount or amounts to which you are entitled by reason thereof will be binding on us and we shall not be entitled to ask you to establish your claim or claims under this Guarantee but shall pay the same forthwith without any objection or excuse.
4. We undertake to pay to you any money so demanded notwithstanding any dispute or disputes raised by the contractor(s) / suppliers(s) in any suit or Proceeding pending before any Court or Tribunal or arbitration relating there to our liability under these presents being absolute and unequivocal. The payment so made by us under this Guarantee shall be a valid discharge of our liability for payment there under.
5. This guarantee shall continue and hold good until it is released by you on the application by the Contractor after expiry of the relative guarantee period of the said contract and after the contractor has discharged all its/ his / their obligations under the said contract, and produced a certificate from your Engineering Organisation certifying the due completion of the work under the said contract and submitted a "No Demand Certificate" provided always that this Guarantee shall in no event remain in force after the date of Without prejudice to your claim or claims arisen and demanded from or otherwise notified to us in writing on or before the said date or within six months thereafter which will be enforceable against us notwithstanding that the same is or are enforced



after the said date. Should it be necessary to extend this Guarantee beyond the said date on account of any extension of time being granted by you to the contractor in respect of completion of the works under the said contract or otherwise we undertake to extend forthwith the period of this Guarantee on your request till such time as may be required by you.

6. We, (indicate the name of bank) further agree with you that you will have the fullest liberty without our consent and without affecting in any manner our obligations hereunder to vary any of the terms and conditions of the said Agreement or to extend the time of performance by the said contractor(s) from time to time or to postpone for any time or from time to time any of the powers exercisable by you against the said contractor(s) and to forbear or enforce any of the terms and conditions relating to the said agreement and we shall not be relieved from our liability by reason of any such variation, or extension being granted to the said contractor(s) or for any forbearance, act or omission on your part or any indulgence shown by you by the said contractor(s) or by any such matter or thing whatsoever which under the law relating to sureties would but for this provision, have effect of so relieving us.
7. All compositions and payment that may be received by you from the contractor or any person, firm or company whomsoever for or on account of the contractor in any way in respect of the said contract shall be regarded as payment in gross and you will be entitled to prove against the assets of the Contractor, should, the Contractor be wound up or dissolved or declared insolvent in respect of the whole of the Contractor's indebtedness to you without any right on our part to stand in your place in respect of or to claim the benefit of such composition or payment or any security that may be held by you until you shall have received the full amount of your claims against the contractor.
8. This Guarantee shall not in any way be affected by your taking or varying or giving up any securities from the contractor or any other person, firm or company on its behalf or by the winding up, dissolution, insolvency or death as the case may be of the contractor.
9. In order to give full effect to the Guarantee herein contained you shall be entitled to act as if we are your principal debtors in respect of all your claims against the contractor, hereby guaranteed by us as aforesaid and we hereby expressly waive all our suretyship and other rights if any, which are in any way inconsistent with the above or any other provisions of this Guarantee.
10. This Guarantee and the powers and the provisions herein contained are in addition to and not by way of limitation of or substitution for any other guarantee or guarantees heretofore given to you by us (whether jointly with other or alone) and now existing uncanceled and that this Guarantee is not intended to and shall not revoke or limit such guarantee or guarantees.
11. This Guarantee shall not be affected by any change in the constitution of the contractor or us nor shall it be effected by any change in your constitution or by any amalgamation or absorption thereof or therewith but will ensure for and be available to and enforceable by the or absorbing or amalgamated company or concern.
12. We (indicate the name of bank) lastly undertake not to revoke this Guarantee during its currency except with your previous consent in writing.
13. We have power to issue this Guarantee (under our Memorandum and Articles of Association) and the undersigned has full power to sign this Guarantee on our behalf under power of attorney dated Granted to him / or the resolution dated passed by our Board of Directors in accordance with our constitution.
14. The claim period will be 2 months after the expiry of the validity of the Bank Guarantee(s) and on lodging claim for encashment, the bank guarantee should be encashed immediately by the bank without stipulating a minimum period.

Yours faithfully,

Datedday of 20.....

For (indicate name of the Bank)