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No.: MMTC/CO/STEEL/CONV.AGENT/2015-16/01

Date: 10.07.2015

CORRIGENDUM NO.2
TO
WET LEASE CONVERSION AGENT TENDER NO. MMTC/CO/STEEL/CONV.AGENT/2015-16/01
IN CONTINUATION WITH THE ABOVE TENDER NO DATED 01.06.2015, THE FOLLOWINGS HAVE BEEN
CHANGED.

Page No	Sl.No	EXISTING	CHANGES MADE
3	2	MMTC shall not be responsible..... Any alteration or modification or imposition by the tenderer that are in deviation to the terms and conditions prescribed by MMTC in tender papers shall be ignored.	MMTC shall not be responsible.....Any alteration or modification or imposition by the tenderer that are in deviation to the terms and conditions prescribed by MMTC in tender papers shall be ignored and it will not be accepted and considered for further evaluation.
4	5	5.3) Bid Closing Date: 30.06.2015 at 16.30 Hours 5.4) Technical Bid Opening Date: 01.07.2015 at 11.00 Hours 5.5) Price Bid Opening Date: 03.07.2015 at 14.30 Hours.	5.3) Bid Closing Date: 28.07.2015 at 16.30 Hours 5.4) Technical Bid Opening Date: 29.07.2015 at 11.00 Hours 5.5) Price Bid Opening Date: 31.07.2015 at 14.30 Hours.
	7	<u>Contract Period:</u> 3 (Three) years with a provision for extension by 2 (two) more years with mutual consent on terms, conditions and prices.	<u>Contract Period:</u> The WLA contract shall be initially for 6 months trial period. After 6 months, the WLA and NINL shall review the performance of the contract and if it's found mutually satisfactory then the said contract shall be renewed for the period of one year and thereafter for 2 years with mutual consent on same terms, conditions and prices.

	8 (i)	The tenderers should be re-rollers having a Rolling Mill with available facilities for processing of Cast Billets into TMT Rebars of FE500, FE500D, FE550, FE550D and FE600 quality with minimum 3 preceding years production of TMT. NINL shall supply Cast Billets of sizes 100 mm square (in 6M lengths).	The tenderers should be re-rollers having a Rolling Mill with available facilities for processing of Cast Billets into TMT Rebars of FE500, FE500D, FE550, FE550D and FE600 (Optional) quality with minimum 3 preceding years production of TMT. NINL shall supply Cast Billets of sizes 100 mm square (in 6M lengths).
	8 (iii)	The tenderers are required to have valid FE500, FE500D, FE550 & FE550D & FE 600 BIS Licence. In case any of the BIS License is not available, the tenderer must obtain BIS licence within 3 months of becoming WLA	The tenderer is required to have valid FE500, FE500D, FE550 & FE550D BIS Licence. In case FE 600 BIS License is not available, the tenderer must obtain BIS licence within 9 months from becoming WLA. The contract between WLA and MMTC/NINL shall stand cancelled, If the tender fails to obtain BIS licence for FE 600 within 9 months
	8 (vi)	The tenderers are required to have valid IT Return for FY: 2014-15 & audited Balance Sheet for FY: 2014-15.	The tenderers are required to have valid IT Return & audited Balance Sheet for last 3 financial years i.e. FY 2011-12, FY 2012-13 & FY 2013-14.
5	2	Line 4: .....by mutual consent on terms, conditions & prices	Line 4: .....by mutual consent on same terms, conditions & prices
	2	Line 7: NINL will not be liable in any way if the actual quantities supplied, vary from the above due to Force Majeure/ Acts of God/ demand fluctuation/ non-availability of conversion of TMT	Line 7: NINL shall not be liable in any way if the actual quantities supplied, vary from the above due to Force Majeure/ Acts of God.
	4	Tenderer should have had minimum average annual TMT Conversion (with SAIL/TATA/RINL/JSW/JSPL) OR/AND own TMT production, of 75,000 MT in the preceding total 3 financial years average. Tenderer must have minimum Rs. 50 crores Net Worth as of 31.03.2015 as evidenced by Audited Balance Sheet (FY: 2014-15). Tenderer shall have to submit their production figures (in MT) for the preceding 3 financial years with necessary supporting documents	Tenderer should have minimum average annual TMT Conversion (with SAIL/TATA/RINL/JSW/JSPL) OR own TMT production, of 50,000 MT on an average in the preceding 3 financial years. Tenderer must have minimum Rs. 30 crores Net Worth and turnover of Rs. 150 crores as of 31.03.2014 as evidenced by Audited Balance Sheet (FY: 2013-14). Tenderer shall also have to submit their production figures (in MT) for the preceding 3 financial years ending FY 2014-15 with necessary supporting documents.
6	6 (a) (VIII)	Valid ISO:9001 - 2008 License / Certificate	Valid ISO: 9001 - 2008 Certificate.
16		Monthly Lease Rental (in words) for 2 acres land for NINL local yard & site	Tenderer has to provide minimum 1.5 acres to 2 acres of land for NINL local yard & site

		office with yearly lease rent increase percentage, if any. (Lease rental is inclusive of all taxes, duties as applicable on date of Tender to be quoted by the bidders): Yard lease rental of Rs.....per acre/ per month. Yearly Lease Rental increase percentage:% per annum every year.	office with separate boundary wall within/ adjacent to the WLA premises. NINL shall pay a sum of Rs. 1.00 Lakhs per month (all inclusive) for the leased yard. The yearly lease rental shall be increased by 6%.
17	1	The evaluation shall be done on the basis of Total Weighted average conversion price & the plant inspection by MMTC/NINL wherein MMTC/NINL shall also consider the minimum landed cost of billets by rake from NINL to the WLA location, the expected market demand, price realisation & future prospects for TMT in the WLA area and any other critical factors affecting the Conversion at WLA location in the sole discretion of MMTC/NINL	The evaluation shall be done on the basis of Total Weighted average conversion price & the plant inspection by MMTC/NINL wherein MMTC/NINL shall also consider the minimum landed cost of billets by rake from NINL to the WLA location.
	3	Upto 3% TMT may be supplied in shorter lengths (4 -9 M).	THE POINT HAS BEEN REMOVED
28	3	A sum of Rs. (Rupees.....) only is forwarded herewith as Earnest Money in the form of demand draft / PO / Banker's Cheque No. Drawn on in favour of Neelachal Ispat Nigam Ltd payable at ...../RTGS/NEFT.	A sum of Rs. (Rupees.....) only is forwarded herewith as Earnest Money in the form of RTGS/NEFT/demand draft / PO / Banker's Cheque No. drawn on in favour of MMTC Limited payable at New Delhi.
29		On non-compliance/ non submission..... Till the date of signing the agreement, this LOI along with Tender, NIT, ITT, Terms and conditions, all other Annexures and the letters under reference shall be considered as contract	On non-compliance/ non submission.....Till the date of signing the agreement, this LOA along with Tender, NIT, ITT, Terms and conditions, all other Annexures and the letters under reference shall be considered as contract.
30		'Force Majeure/ Acts of God' means those actions or events beyond human control, such as failure of electricity supply from Grid, major plant break downs, non-availability of wagons rake, strikes, terrorist acts, natural disasters (ex. lightning, earthquake, fire, tempest, storm, floods) etc, including lower billet production by NINL.	".....including lower billet production by NINL" <u>HAS BEEN REMOVED</u>

31	2.1	TMT rebars (8 to 32 mm in std. sizes) FE500, FE500D, FE550, FE550D & FE600.	TMT rebars (8 to 32 mm in std. sizes) FE500, FE500D, FE550, FE550D & FE600 (optional).
	2.2	Only the tenderers.....Tenderer must obtain FE600 endorsement on BIS: 1786-2008 Licence within 3 months of appointment date as WLA..... related statutory requirements.	Only the tenderer..... Tenderer must obtain FE600 endorsement on BIS: 1786-2008 Licence within 9 months of appointment date as WLA..... related statutory requirements.
	2.3	..... WLA should have TMT Industrial Licence evidencing minimum 180,000MT/year installed capacity.	.....WLA should have TMT Industrial Licence evidencing minimum 150,000 MT/year installed capacity.
	2.5	The tenderer.....should have a Universal Testing Machine of 100 MT capacity.....Calibration Test Certificate.	The tenderer.....should have a Universal Testing Machine of 100 KN capacity..... Calibration Test Certificate.
	2.6	Tenderer should have Minimum average annual TMT Conversion (with SAIL/TATA/RINL/JSW/JSPL) OR/AND own TMT production, of 75,000 MT in the preceding total 3 years average. Tenderer must have minimum Rs. 50 crores Net Worth as of 31.03.2015 as evidenced by Provisional/Audited Balance Sheet (FY: 2014-15).Tenderer shall have to submit their production figures (in MT) for the preceding 3 financial years with necessary supporting documents.	Tenderer should have minimum average annual TMT Conversion (with SAIL/TATA/RINL/JSW/JSPL) OR own TMT production, of 50,000 MT on an average in the preceding 3 financial years. Tenderer must have minimum Rs. 30 crores Net Worth and Turnover of Rs. 150 crores as of 31.03.2014 as evidenced by Audited Balance Sheet (FY:2013-14). Tenderer shall also have to submit their production figures (in MT) for the preceding 3 <i>financial years ending FY 2014-15 with necessary supporting documents.</i>
32	2.10	.....ensure various grades of TMT (FE500/FE500D/FE550/FE550D)	.....ensure various grades of TMT (FE500/FE500D/FE550/FE550D/ FE600).
	2.12	..... (Tenderer must obtain FE600 endorsement on BIS: 1786-2008 Licence within 3 months of appointment as WLA.)	..... (Tenderer must obtain FE600 endorsement on BIS: 1786-2008 Licence within 9 months of appointment as WLA.)
	2.14	WLA will arrange minimum two acres of land with road access for heavy trailers and boundary wall/ fence, for NINL, for it's local stockyard & site office, within/ immediately adjacent to it's factory premises, at a monthly lease rental (including all taxes & duties) to be quoted in the Tender document, with no escalations, Period of lease to be for the duration of the Wet Lease Conversion contract plus 2 months thereafter.	"WLA shall arrange minimum 1.5 acres to 2 acres of land with road access for heavy trailers and boundary wall/ fence, for NINL, for its local stockyard & site office, within/ adjacent to its factory premises, at a monthly lease rental (including all statutory taxes & duties) as mentioned in the Tender document (Price Bid) with 6% yearly escalation. "
33	2.15	WLA shall have insurance cover .....as documentary evidence.	WLA shall have insurance cover..... as documentary evidence within 7 days of work order ".

	3.0	PERIOD: The Contract is for a period of 3 (Three) years from the date of Agreement. However, it can be extended for 2 (Two) more years on mutual consent on same terms, conditions and rates.	<u>Period:</u> The said WLA contract shall be initially for 6 months trial period. After 6 months, the WLA and NINL will review the performance of the contract and if it's found mutually satisfactory then the said contract shall be renewed for the period of one year and thereafter for 2 years with mutual consent on same terms, conditions and prices.
	4.1. (A)	..... subject to Force majeure/ Acts of God/demand fluctuation/non-viability of conversion of TMT.	..... subject to Force majeure/ Acts of God.
	4.1 (B)	ADDED	During initial period of six months, NINL and WLA shall try to smoothen the conversion process and thus there shall be no penalty during this period on either party.
	4.1. (B) TO BE READ AS 4.1 (C)	The Wet-Leasing Agent shall have to ensure above minimum monthly guaranteed production of 2 rakes (of approx. 2750 MT each) failing which penalty equal to the 50% of conversion charges shall be paid for differential quantity by WLA.	After initial period of six months , the Wet-Leasing Agent shall have to ensure above minimum monthly guaranteed production of 2 rakes (of approx. 2750 MT each) failing which penalty equal to the 40% of conversion charges shall be paid for differential quantity by WLA. In case, NINL could not supply the above quantity then the same penalty of 40% for the differential quantity will be paid by NINL to WLA.
	4.1. (C) TO BE READ AS 4.1 (D)		
35	8..0 (I)	Cost of transportation of Cast Billets from closest NINL Yard and unloading at WLA's premises	Cost of transportation of Cast Billets from closest NINL Yard and unloading the same at WLA's premises and also cost of transportation of finished products from WLA's premises to NINL stock yard
	8.0 (VII)	Handling expenses for delivery into customers trucks	Handling expenses for delivery of finished products into customers trucks at WLA premises
	9.0	The WLA shall be paid .....Billet weight at NINL's weighbridge at Duburi is final.	The WLA shall be paid Billet weight at NINL's local weighbridge is final as per Stock Transfer Challan.
	9.1	..... WLA shall return 0.95 tonnes of the finished products.	..... WLA shall return 0.95 tonne of the Tested finished products.
37	10.0 (d)	All other relevant.....with documentary evidence	From Line No. 4 "However..... with documentary evidence" HAS BEEN REMOVED
41	16.1	WLA is responsible..... For any loss/damage/shortage of material 100% of cost of material on the basis of prevailing branch MOP shall be recovered from WLA..... after 14 days.	WLA is responsible..... For any loss/damage/shortage of billets 100% of cost of billet on the basis of landed cost of billets shall be recovered from WLA..... after 14 days.

42	16.5	ADDED	In any case, WLA must not hypothecate any raw material (billets) supplied by NINL and finished goods (TMT Re-Bars) of NINL.
	17.0	The Company shall.... sales/delivery, stock, regulation of Bank Guarantee etc on continuous basis.	The Company shall .....sales/delivery, physical stock verification , regulation of Bank Guarantee etc on continuous basis and certify the same.
44	20.0	NINL shall have the one time right to review and exit the Wet Lease Conversion agreement between 4 to 12 months, by giving one month written notice to WLA, if the TMT sales do not result in incremental profits to it by then.	During the initial period of 18 months (i.e. 6 months plus first one year), NINL/WLA shall have the one time right to review and exit the Wet Lease Conversion agreement by giving one month written notice to WLA/NINL after initial 6 months, if the TMT conversion does not result in incremental profits to it by then.

The tenders/bidders are required to sign with seal on each page of the original tender document & corrigendum No. 1 & 2. If, tenders/bidders fails to do so, their bid will not be accepted and considered for further evaluation.

ALL OTHER TERMS AND CONDITIONS OF THE ABOVE TENDER REMAINS THE SAME.

(ASHOK BHATNAGAR)
Add. General Manager (Steel)