



**Corporate Office:**  
**Core-1, Scope Complex, Lodhi Road,**  
**New Delhi-110 003**

**INVITES**

**EXPRESSION OF INTEREST**

*For*

*Empanelment of Associate Suppliers for supply of  
Imported Steam Coal to MMTC/buyers.*

Website: [www.mmtclimited.com](http://www.mmtclimited.com)

# Expression of Interest

No. MMTC/ Steam Coal/15-16/EOI-IV/1246

Dtd: 19.8.2015

***Empanelment of Associate Suppliers for supply of Imported Steam Coal to MMTC / buyers in India.***

## 1. **GENERAL**

MMTC Limited, a Govt. of India Enterprise, having their Corporate Office at Core-1, Scope Complex, Lodhi Road, New Delhi-110 003 (hereinafter called MMTC). MMTC Limited was set up in 1963 under the Ministry of Commerce, Government of India. The company is engaged in international and domestic trading of commodities/products. The commodities/products handled by the company are minerals, metals, precious metals, fertilizer & fertilizer raw materials, coal & hydrocarbon, agro commodities and general trading. MMTC's turnover during 2014-15 was over Rs 23,000 crores.

MMTC has a strong nation-wide presence with offices covering all the major consumption centers and port towns in India with deployment of over 1500 highly skilled and experienced manpower across the country. With the 'state of the art' wide area network providing on-line information exchange throughout the country through ERP, the company has capability to pro-actively source items surplus to domestic demand for exports from India and also to coordinate the demand of domestic users for import. It has its own warehouses, storage facilities, and handling and transportation network in place to provide quick and quality services to its clientele.

MMTC Limited hereby invites Expression of Interest (EOI) for empanelment of supplier of steam coal of foreign origin from prospective applicants who fulfill the eligibility criteria mentioned below.

## 2. **PRE-QUALIFICATION CRITERIA OF APPLICANTS**

The suppliers of steam coal of foreign origin meeting all the following conditions need only apply:

- (i) The supplier should have experience of executing cumulative supply of minimum 1.0 Million MT of steam coal during the last three financial years, directly or through PSUs to any steam coal buyer (end user) in India or abroad.

**The supplier shall furnish copies of purchase orders and original performance certificates from end-users.**

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- (ii) The supplier should also have, either individually or in joint venture/consortium, stevedored & handled at least 1.0 Million Tons of coal in India to any coal buyer (end user) during the last three financial years either directly or through any PSU's. The handling should be composite in case of FOR destination, that is, it should not only include port operations, viz ship /rake / unloading, intra port storage – stacking, but should also include responsibility for shortage, quality difference / deviations, prepayment of freights out of his own resources, allotment / placement of rakes, i.e. liaisoning with Railway authorities, Custom / Port clearance. **In support of the aforesaid experience, the suppliers shall furnish handling experience certificates in original from the end-user.**

In case of joint venture/consortium for handling, any one of the partners of the joint venture/consortium should fulfill the qualifying criteria under this clause. All the documents related to joint venture/consortium for handling shall be signed by one of the joint venture/consortium partner authorized by all the other partners through a Power of Attorney to execute the documents on behalf of joint venture/consortium.

- (iii) The supplier shall have to **submit a Solvency certificate from the scheduled bank** for an amount of minimum Rs.75 crores or equivalent US \$.
- (iv) The supplier (in case of joint venture/consortium for handling, each individual partner) should not have been blacklisted / banned for participation in tenders by any central/state PSU for supply of coal in India on date of empanelment. **The supplier shall have to submit an UNDERTAKING to this effect at the time of application for pre-qualification as well as each time while participating in a tender.** In case of submission of false declaration (found at any stage), such supplier shall be disqualified.
- (v) Initially the suppliers shall be empanelled provisionally. However, for final empanelment, each supplier has to give a declaration that the supplier and/or any of its Members of Board of Directors and/or its promoters do not have any cross-holding/shareholding directly and/or indirectly in any manner whatsoever in the other suppliers being empanelled.
- (vi) **Pre-Contract Integrity Pact** (Annexure-I) duly signed by Authorized signatory is to be submitted along with application for empanelment. If the application for empanelment is submitted in partnership/consortium, Pre-Contract Integrity Pact must be signed by all partners or consortium members.

### **3. Procedure for Selection of Supplier**

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- (i) In the event a steam coal buyer (end user) approaches MMTC for supply of Steam coal on nomination basis or any steam coal buyer (end user) selects MMTC on the basis of trade margin quoted in its tender/enquiry for procurement of coal, then MMTC will go in for a global tender and select an appropriate supplier(s) on the terms and conditions specified by the power utility. The participation is open for empanelled as well non-empanelled coal suppliers.

In case any single tender quantity is 2.0 MMT or above, the supply quantity shall be distributed in the ratio of 50:30:20 amongst L-1, L-2 & L-3 bidders provided L2 & L3 bidders match the L1 price.

- (ii) The distribution of quantity proposed as per Para (i) above amongst L-1, L-2 and L-3 suppliers shall be subject to acceptance of L-1 price by L-2 and L-3 supplier.
- (iii) Wherever steam coal buyer (end user) float an open/limited tender and MMTC participates with the support of backup Supplier, the Supplier shall be selected as below by MMTC from amongst the pre-qualified panel of suppliers by adopting the following procedure:
- a) MMTC shall write to all empanelled suppliers for supporting MMTC in limited tender / Global tender enquiry of steam coal buyer (end user) asking them to quote trade margin.
  - b) The selection/decision of back up supplier shall be on the basis of highest trade margin offered by the eligible supplier.

#### **4. General Terms and Conditions**

- (i) In case the supplier intends to supply coal through an Overseas supplier on C&F basis for Dollar remittance and the steam coal buyer (end user) concerned is agreeable to make payment in US dollars, the details of such supplier should be furnished along with the tender. In this regard the letter of Authority / No objection Certificate and unconditional acceptance of all terms and conditions of the tender shall have to be furnished from such overseas supplier. However, such involvement of an overseas supplier will not absolve the supplier from his responsibilities as a primary supplier.
- (ii) The supplier shall accept all the terms and conditions of the tender floated by steam coal buyer and in case of order shall, on a back to back basis, deliver the coal to steam coal buyer in the manner required without any financial involvement on the part of MMTC. The Bidder shall furnish EMD/Bank Guarantees, as required, to MMTC and shall also bear the expenses/bank charges incurred by MMTC in this regard. MMTC shall release payment to bidder upto the extent received from the steam coal buyer within three working days upon receipt and after deduction of all expenses and trade margin. MMTC will not be

responsible for delayed payment by the end user and no claim for interest due to delay in payment by end user will be entertained by MMTC.

- (iii) The supplier shall ensure compliance of all the Government regulations / conventions / policies /guidelines /orders etc, in force related to any or all of the activities covered in the imports including shipping of the consignments, insurance, clearing, handling , forwarding and inland transportation etc.
- (iv) MMTC shall be indemnified by supplier from any losses arising out of the claims received from Railways, Customs, Taxation including VAT/sales tax liability, entry tax and other taxes, if any levied, etc and the same shall be deducted from the suppliers during the currency of contract and later anytime. Any such liability on MMTC would be to the account of supplier and would be recovered from their due payments.
- (v) MMTC reserves the right to select or reject any bidder/supplier at the time of empanelment with whom a legal proceeding or arbitration is in progress with MMTC.
- (iv) The Suppliers can also be asked to furnish additional information /confirmation in connection with verification of the documents submitted by the supplier, if deemed necessary.
- (v) The validity of this Panel would be for one year from the date of confirmation by MMTC.
- (vi) The above terms and conditions shall have to be considered by the SUPPLIER in totality and the bid containing incomplete documents & not complying with the above conditions shall be summarily rejected.
- (vii) Any bidder participating in the bid, implies that the bidder has accepted all terms and conditions of the bid.

## 5. **INSTRUCTIONS TO APPLICANTS**

The interested applicant should submit the following information/documents as per the format(s) attached herewith along with their detailed proposal in a sealed envelope with each page of the document submitted by the applicant be numbered , stamped and initialed.

1. Documents as indicated in para 2 above
2. Vendor Empanelment format as per Annexure-II.
3. One complete set of bid documents duly signed by bidder on each page as token of acceptance of all the terms and conditions.

6. **DATE FOR SUBMISSION OF EXPRESSION OF INTEREST**

The due date & time for submission of the Expression of Interest is 1430 hours on 16<sup>th</sup> Sept 2015.

7. **PLACE FOR SUBMISSION OF EXPRESSION OF INTEREST & METHOD OF DELIVERY**

The Expression of Interest should be addressed to Chief General Manager (Steam Coal), MMTC Limited, Core-1, Scope Complex, Lodi Road, New Delhi- 110 003, India and should be dropped in the tender box placed at 7<sup>th</sup> Floor, Coal & Hydrocarbon Division, Core-I, SCOPE Complex, 7, Institutional Area, Lodi Road, New Delhi – 110 003, India before the due date and time. MMTC will **NOT** accept Courier/Registered Post / Speed Post , facsimile, Internet or email responses.

8. **LATE RECEIVED EXPRESSION OF INTEREST**

Any EOI received after the due date & time would be summarily rejected.

9. **REQUEST FOR CLARIFICATION ON EXPRESSION OF INTEREST**

Any clarification desired by applicants must reach MMTC latest by 9<sup>th</sup> Sept 2015. Any request thereafter would not be entertained. Reply to clarifications would be posted on MMTC's website [mmtclimited.gov.in](http://mmtclimited.gov.in) & [www.eprocure.gov.in](http://www.eprocure.gov.in)

10. **OWNERSHIP OF EOI DOCUMENTS AND INFORMATION THEREIN**

All Expression of Interest documents will become the property of MMTC upon submission.

Where the Applicant believes that information provided in response to this EOI is, or should be kept confidential; or disclosure of this information would unreasonably affect the Proponent's business affairs, notice is to be given at the time of delivery of the information or documents by clearly marking such information 'confidential'. In so far as is practicable, MMTC will give effect to the Applicant's stated wishes, and requests for access to such information will be determined under the RTI Act.

11. **NO CONTRACTUAL OBLIGATION**

MMTC is not bound contractually or in any other way to any Applicant to this Expression of Interest. MMTC is not liable for any costs of compensation in relation to the consideration of this Expression of Interest or any Expression of Interest by the Applicants to this Expression of Interest whether or not MMTC terminates, varies, or suspends the Expression of Interest process or takes any other action permitted under this Expression of

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Interest, including consideration of concepts proposed in future developments.

12. **SHORTLISTING OF APPLICANTS**

Applicants who qualify as empanelled suppliers to MMTC would be individually notified after the evaluation process of empanelment is complete. **Non- refundable empanelment charges of Rs 5.0 lakhs has to be deposited by each short listed supplier. Empanelment of supplier would be termed completed on receipt of empanelment charges of Rs 5.00 lakhs.**

13. **DISCLAIMER**

The issue of this document does not in any way commit or otherwise obliges MMTC to proceed with all or any part of a tender process.

The EOI Request is not the subject of any process contract or any contractual obligations between MMTC and Proponents or potential Proponents.

MMTC may, at its absolute discretion, elect to abandon any part or whole of the process without giving prior notice to the Proponents or potential Proponents.

**PRE CONTRACT INTEGRITY PACT**

Between

MMTC Limited (hereinafter, referred to as "MMTC")

And

M/s. .... ( hereinafter referred to as "The Seller/Vendor/Bidder")

**Preamble**

WHEREAS, MMTC is an international trading company dealing in export/import/sale/purchase of various commodities.

WHEREAS, MMTC values full compliance with all relevant laws of the land, rules, regulations and the principles of economic use of resources and of fairness/transparency in its relation with its Seller/Vendor/Bidder. In pursuance, thereto, the following clauses of the Integrity Pact will be applicable and this document shall deem to be an integral part of the Agreement/Contract between us.

In order to achieve the goals, MMTC has appointed Shri Bijoy Chatterjee and Shri D.R.S Chaudhary as an Independent External Monitors (IEM), who will monitor the tender/auction/e-auction/e-sale/sale/purchase process and the execution of the contract for compliance with the principles mentioned above.

**Section 1 – Commitments of MMTC**

1. MMTC commits itself to take all necessary measures to prevent corruption and to observe the following principles.
  - a) No employee of MMTC, 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 himself/herself or third person, any material or non-material benefit which he/she is not legally entitled to.
  - b) MMTC will during the tender/auction/e-auction/e-sale/sale/purchase process, provide to all Seller(s)/Vendor(s)/Bidder(s) the same information and will not provide to any Seller/Vendor/Bidder any confidential/additional information through which the Seller(s)/Vendor(s)/Bidder(s) could obtain an advantage in relation to the tender/auction/e-auction/e-sale/sale/purchase process or the contract execution.
  - c) MMTC will exclude from the process all known prejudiced persons.
2. If MMTC obtains information on the conduct of any of its employees which is a criminal offence under the relevant Anti-Corruption Laws of India or if there be substantive suspicion in this regard. MMTC will inform its Chief Vigilance Officer and in addition can initiate disciplinary action.

**Section 2 – Commitments of the Seller(s)/Vendor(s)/Bidder(s)**

1. The tender/auction/e-auction/e-sale/sale/purchase commits himself to take all measured necessary to prevent corruption. He commits himself to observe the following principles during his participation in the tender/auction/e-auction/e-sale/sale/purchase process and during the contract execution.
  - a) The Seller(s)/Vendor(s)/Bidder(s) will not, directly or through any other person or firm, offer, promise or give to any of MMTC's employees involved in the tender/auction/e-auction/e-sale/sale/purchase process or the execution of contract or to any third person any material or non-material 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 Seller(s)/Vendor(s)/Bidder(s) will not enter with other Seller(s) into any illegal agreement or understanding, whether formal or informal. This applies in particular to prices, specifications, certifications, subsidiary contracts, submission or non-submission of bids or any other actions to restrict competitiveness or to introduce cartelization in the bidding process.
  - c) The Seller(s)/Vendor(s)/Bidder(s) will not commit any criminal offence under the relevant Anti-Corruption Law of India., further the Seller(s)/Vendor(s)/Bidder(s) will not use improperly, for purposes of completion or personal gain, or pass on to others, any information or document provided by MMTC as part of the business relationship regarding proposals, plans business details including information contained or transmitted electronically.
  - d) The Seller(s)/Vendor(s)/Bidder(s) of foreign origin shall disclose the name and address of the Agents/representatives in India, if any. Similarly the Seller(s)/Vendor(s)/Bidder(s) of Indian Nationality shall furnish the name and address of the foreign principals, if any. Further, all the payments made to the Indian agents/representative have to be in Indian Rupees only.
  - e) The Seller(s)/Vendor(s)/Bidder(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 Seller(s)/Vendor(s)/Bidder(s) will not instigate third persons to commit offences outlined above or be necessary to such offences.

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

If the Seller(s)/Vendor(s)/Bidder(s), before award of contract, has committed a serious transgression through a violation of Section 2 above or in any other form such as to put his reliability or credibility as Seller(s)/vendor(s)/bidder(s) into question. MMTC is entitled to disqualify the Seller(s)/Vendor(s)/Bidder(s) from the tender/auction/e-auction/e-sale/sale/purchase process or to terminate the contract, if already signed, for such reason.

- a) If the Seller(s)/Vendor(s)/Bidder(s) has committed a serious transgression through a violation of Section 2 above or in any other form such as to put his reliability or credibility as Seller(s)/vendor(s)/bidder(s) into question. MMTC is entitled to also exclude the Seller(s)/Vendor(s)/ Bidder(s) from the future contract award processes. The imposition and duration of the exclusion will be determined by the severity of the transgression. The severity will be determined by the circumstances of the case, in particular the number of transgression, the position of the transgressors within the company, hierarchy of the buyer and the amount of the damage. The exclusion will be imposed for a minimum of 6 months and maximum of 3 years.
- b) If the Seller(s)/Vendor(s)/Bidder(s) can prove that he has restored/recouped the damage cause by him and has installed a suitable corruption prevention system. MMTC may at its sole discretion revoke the exclusion prematurely.
- c) A transgression is considered to have occurred if in light of available evidence no reasonable doubt is possible.

#### **Section 4 – Compensation for Damages**

1. If MMTC has disqualified the Seller(s) from the tender/auction/e-auction/e-sale/sale/purchase process prior to the award according to Section 3, MMTC is entitled to demand and recover the damages equivalent to Earnest Money Deposit/Bid Security.
2. If MMTC has terminated the contract according to Section 3, or if MMTC is entitled to terminate the contract according to Section 3, MMTC shall be entitled to demand and recover from the Vendor liquidated damages equivalent to 1% of the Contract value or the amount equivalent to Performance Bank Guarantee whichever is higher.
3. If the Seller(s)/Vendor(s)/Bidder(s) can prove that the exclusion of the Seller(s)/Vendor(s)/Bidder(s) from the tender/auction/e-auction/e-sale/sale/purchase process or the termination of the contract after the contract award has caused no damage or less damage than the amount of liquidated damages, the Seller(s)/Vendor(s)/Bidder(s) may compensate only the damage in the amount proved. If MMTC can prove that the amount of the damage caused by the disqualification of the Seller(s)/Vendor(s)/Bidder(s) before Contract Award or the termination of the Contract after the Contract Award is higher than the amount of the liquidated damages, it is entitled to claim compensation for the higher amount of the damages.

#### **Section 5 – Previous transgression**

1. The Seller(s)/Vendor(s)/Bidder(s) to declare that no previous transgressions occurred in the last 3 years with any other Company in any country conforming to the anti corruption approach or with any other 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 the contract, if already awarded and can be terminated for such reason.

#### **Section 6 – Equal treatment of all Seller(s)/Vendor(s)/ Bidder(s)**

1. MMTC will enter into agreements with identical conditions as the one with all Seller(s)/Vendor(s)/Bidder(s) without any exception.
2. MMTC will disqualify from the tender process all Seller(s)/Vendor(s)/Bidder(s) who do not sign the Pact or violate its provisions.

#### **Section 7 – Criminal charges against violating Seller(s)/ Vendor(s)/ Bidder(s)**

If MMTC obtains knowledge of conduct of Seller(s)/ Vendor(s)/Bidder(s) or of an employee or a representative or an associate of Seller(s)/Vendor(s)/Bidder(s), which constitutes corruption, or if MMTC has substantive suspicion in this regard, MMTC will inform the same to its Chief Vigilance Officer and/or appropriate Govt. authorities such as CBI.

#### **Section 8 – Independent External Monitor(s)**

1. MMTC appoints competent and credible Independent External Monitor (IEM) for this pact. The task of the IEM is to review independently and objectively, whether and to what extent the parties comply with the obligations under this agreement.
2. The IEM is not subject to instructions by the representative of the parties and performs his functions neutrally and independently. He reports to the CMD, MMTC.
3. The IEM has the right to access without restriction to all trade/project related documentation of MMTC. The Seller(s)/Vendor(s)/Bidder(s) will also grant the IEM, upon his request and demonstration of a valid interest, unrestricted and unconditional access to his trade/project documentation. The IEM is under contractual obligation to

treat the information and documents of the Seller(s)/Vendor(s)/Bidder(s) with confidentiality.

4. MMTC will provide the IEM sufficient information about all meetings among the parties related to the project/contract provided as meetings could have an impact on the contractual relations between MMTC and the vendor. The parties offer to the IEM the obtain to participate in such meetings.
5. As soon as the IEM notices, or believes to notice, a violation of this agreement, he will so inform the Management of MMTC and request the Management to discontinue or take corrective action, or to take other relevant action. The IEM can in this regard submit NON-BINDING RECOMMENDATIONS. Beyond this, the IEM has not right to demand from the parties that they act in a specific manner, refrain from action or tolerate action.
6. The IEM will submit a written report to the CMD, MMTC within 4 to 6 weeks from the date of reference or intimation to his by MMTC and, should the occasion arise, submit proposals for correcting problematic situations.
7. If the IEM has reported to the CMD, MMTC, substantiate suspicion of an offence under relevant Anti Corruption Laws of India and the CMD, MMTC, has not, within the reasonable time taken visible action to proceed against such offence or reported it to its Chief Vigilance Officer, the IEM may also transmit this information directly to the Central Vigilance Commissioner, Govt. of India.
8. The word "IEM" would include both singular and plural.

#### **Section 9 – Pact Duration**

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

#### **Section 10 - Other Provisions**

1. This agreement is subject to Indian Law. Place of performance and jurisdiction is the Registered Office of MMTC, 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 Vendor is 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.

(For & on behalf of MMTC)  
(Official Seal)

(For & on behalf of Seller/Vendor/bidder)  
(Official Seal)

Place:.....  
Date :.....

Place:.....  
Date :.....

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Witness 1.....  
Name :  
Address:

Witness 1.....  
Name :  
Address:

Witness 2.....  
Name :  
Address:

Witness 2.....  
Name :  
Address:

**VENDOR EMPANELMENT FORMAT**

<b>S. No.</b>	<b>PARTICULARS</b>	<b>DETAILS</b>
1	(a) Name and address of Supplier Year of Establishment	
	(b) Please specify whether you are: Mine Owner or Trader	
	(c) Name of contact person	
	(d) Telephone No.	
	(e) Fax No.	
	(f) E-mail id	
	(h) Company Profile: Attach supporting documents such as company brouchers etc.)	Yes/No
	(i) Solvency Certificate from the bank(Attached)	Yes/No
	(j) Copies of Purchase orders in support of supplies	Attached/Not attached
	(k) Copies of Performance Certificates(Attached)	Yes/No
	(l) Document in support of handling experience(Attached)	Yes/No
	(j) All terms and conditions specified in EOI	Accepted/Not Accepted
2	In case EOI submitted as Joint Venture/Consortium Details of Joint Venture/Consortium Partner	
	(a) Copy of Agreement (Attached)	Yes/No
	(b) Copy of Handling Experience Attached	Yes/No
	(c) Name of CEO	
	(d) Address of company	
	(e) Telephone & Fax No. of CEO	
3	Has the company been black listed / banned by any Government Undertaking / Power Utility from participating in any tenders for supply of coal.	Yes/No
4	Whether blacklisted / banned on the date of application.	Yes/No
5	Pre-Contract Integrity Pact	Attached/Not attached

**Certified that the above information is true**

Dated:

Signatures:

Name & Designation

Place

Company Seal