



Core-1, SCOPE Complex, Institutional Area, Lodhi Road, New Delhi-110 003 INDIA
Phone : 011 2436 2200 Fax : 0091 011 2436 4106 Website : www.mmtclimited.gov.in

GLOBAL NOTICE INVITING TENDER
Tender No.MMTC/MIN/06/2014 dated 23.12.2014

Subject : GLOBAL TENDER FOR IMPORT OF HAEMATITE IRON ORE

MMTC Limited invites Global Tender for Import of **Haematite** Iron Ore as per following details:

Lot No.	Commodity	Quantity (MTs)	Port of Discharge
I	Haematite Iron Ore Fines	50,000 (+/-10%)	Paradip, India
II	Haematite Iron Ore Fines	60,000 (+/-10%)	Vizag/Gangavaram, India
III	Haematite Iron Ore Lumps	50,000 (+/- 10%)	Kandla, India

2. Last date/time of submission of filled-in tender(s) is at 14:00 hrs. on 16.01.2015. Complete details of the tender are published at MMTC's website www.mmtclimited.gov.in and at www.eprocure.gov.in.

Ravi Kishore
General Manager (Minerals)

ANNEXURES :

- I. Iron Ore Fines Specifications
- II. Iron Ore Lumps Specifications

APPENDICES (Formats) :

- I. Earnest Money Deposit
- II. Performance Bank Guarantee (PBG)
- III. Undertaking for PBG
- IV. Authority from Iron Ore producer
- V. Lot-wise Price Bid formats (Appendices-V a, b, c)
- VI. Shipping Details
- VII. Draft Contract
- VIII. Addendum to Contract
- IX. Integrity Pact

CHECKLIST

INDEX

<i>Sl.No.</i>	<i>Topic</i>	<i>Page Nos.</i>
1.	Invitation to Bid	..... 3
2.	Tender Document – Section I	..... 4 to 10
3.	Tender Terms & Conditions	..... 4 to 8
4.	Specifications of Iron Ore Fines (Annexure-I)	..... 9
5.	Specifications of Iron Ore Lumps (Annexure-II)	..... 10
6.	Tender Document – Section II	..... 11 to 41
7.	EMD Format (Appendix-I)	..... 11 to 12
8.	Performance Bank Guarantee Format (Appendix-II)	..... 13 to 14
9.	PBG Undertaking Format (Appendix-III)	..... 15
10.	Format of Authority Letter from Iron Ore Producer (Appendix-IV)	..... 16
11.	Price Bid Formats (Appendices-V a, b & c)	..... 17 to 19
12.	Illustration of Determination of Base Price (Appendix-Vd)	..... 20
13.	Shipping details format (Appendix-VI)	..... 21
14.	Draft Purchase Contract (Appendix-VII)	..... 22 to 35
15.	Addendum to Contract (Appendix-VIII)	..... 36
16.	Integrity Pact (Appendix-IX)	..... 37 to 41
17.	Checklist	..... 42



Core-1, SCOPE Complex, Institutional Area, Lodhi Road, New Delhi-110 003 INDIA
Phone : 011 2436 2200 Fax : 0091 011 2436 4106 Website : www.mmtclimited.gov.in

Tender No.MMTC/MIN/06/2014

Date : 23.12.2014

Subject : GLOBAL TENDER FOR IMPORT OF HAEMATITE IRON ORE

Dear Sirs,

MMTC Limited, a Public Sector Enterprise functioning under the aegis of the Ministry of Commerce, Govt. of India has recorded a turnover of over US\$ 4 billion during 2013-14. It is engaged in the field of International trading of minerals, agro products, precious metals, non-ferrous metals, coal & hydrocarbon, fertilizers etc. MMTC is one of the major global players in the minerals trade and is the single largest exporter of minerals from India. For further details please visit our website: www.mmtclimited.gov.in.

2. MMTC invites offers in two-bid system for the import of Haematite Iron Ore as per following details from overseas producers/suppliers/traders on FOB/CFR basis :

Lot No.	Commodity	Quantity (MTs)	Port of Discharge
I	Haematite Iron Ore Fines	50,000 (+/-10%)	Paradip, India
II	Haematite Iron Ore Fines	60,000 (+/-10%)	Vizag/Gangavaram, India
III	Haematite Iron Ore Lumps	50,000 (+/- 10%)	Kandla, India

Bidders are requested to submit their offers as per the tender documents. Last date of submission of completed tender is at 14 : 00 hrs IST on **16.01.2015**.

3. The tender notice consists of two Sections - **Section I : Tender description** and **Section II : Formats of documents**. Bidders are requested to go through the entire tender document carefully before submission of their bids.

4. Bidders are required to submit Technical Bid alongwith supporting documents and Price Bid in SEPARATE sealed envelopes. Both these envelopes shall be enclosed in a main envelope and bidders shall superscribe on the main envelope name of the bidding company, contact person, phone, fax, e-mail address, Tender No. and closing date. Incomplete offer or offer received after the closing time and date shall be rejected.

6. The Technical Bid and Price Bid may be addressed to the undersigned at the above-mentioned address MMTC to reach latest by 14:00 hrs. on **16.01.2015**. MMTC Ltd. hereinafter shall be called 'BUYER' and the supplier of Haematite Iron Ore shall be referred to as 'SELLER'.

7. Bidder may submit the Price Bid for any one or more or all the lots mentioned above.

Ravi Kishore
 General Manager (Minerals)

SECTION : I

1.0 LOTS, COMMODITY, QUANTITIES & PORTS OF DISCHARGE :

Lot No.	Commodity	Quantity (MTs)	Port of Discharge
I	Haematite Iron Ore Fines	50,000 (+/-10%)	Paradip, India
II	Haematite Iron Ore Fines	60,000 (+/-10%)	Vizag /Gangavaram, India
III	Haematite Iron Ore Lumps	50,000 (+/- 10%)	Kandla, India

2.0 SPECIFICATIONS :

As per Annexure-I for Haematite Iron Ore Fines
As per Annexure-II for Haematite Iron Ore Lumps

3.0 DELIVERY PERIOD :

Within 45 days from acceptance of bid.

4.0 EARNEST MONEY DEPOSIT (EMD) :

Each bid should be accompanied by an EMD in the form of Bank Guarantee (BG) in favour of 'BUYER' through a Scheduled Commercial Bank at New Delhi for US\$ 50,000 (US Dollars Fifty Thousand only) for each lot in respect of which the price bid is tendered (BG proforma is enclosed at **Appendix I**). The original BG may be sent directly to BUYER by issuing bank. A copy of the BG may be enclosed with the bid. The EMD shall be submitted with Techno-Commercial bid. Bid(s) received without requisite EMD shall be rejected. Non-acceptance of Letter of Intent (LOI), failure of signing the contract within the specified time, etc. shall be construed as a failure and the BG submitted may be invoked. EMD shall be returned to the unsuccessful bidders after accepting successful bid(s). EMD submitted by successful bidder shall be retained till completion of the contract.

MTPL, Singapore being a Subsidiary of MMTC is exempted from submission of EMD.

5.0 CATEGORIES OF BIDDERS :

Bids received from the following categories of bidders, will be considered by the 'BUYER' :

Haematite Iron Ore Fines / Lumps producers operating Iron Ore mines **and / or** traders offering Iron Ore Fines / Lumps produced by the Mine Operator(s) backed by a Letter of Authority of the concerned Iron Ore producer(s).

6.0 ELIGIBILITY CRITERIA :

The Bidder shall fulfill the following conditions and submit supporting documents thereof :

- (i) Company Profile furnishing information / data / documents / printed and illustrated literatures / brochures covering the following aspects :
 - a) Detailed information of the bidder and of the Mine operator/producer (in case the bidder is not a mine-operator / producer) alongwith the latest published Annual Accounts and Annual Report for the preceding two years.
 - b) Estimated reserves of IRON ORE in million metric tons as at the time of submission of the offer and certificate indicating validity of the mining rights for the Iron Ore

mine(s) from which IRON ORE is offered.

- c) Production capacity of IRON ORE Mine (s) and average annual production of IRON ORE FINES / LUMPS for the last two years.
- d) Exports of IRON ORE FINES / LUMPS during the last two years from the mine(s) from which IRON ORE is offered.

(Bidder's certificates for Sl. No. 6 (i)(b) to 6 (i)(d) are acceptable)

- (ii) Turn-over of the Bidder shall be more than US\$ 50 million during the previous financial year and net worth should be more than USD 15 million on the reporting date of previous financial year. Certificate issued by an Independent Auditor to this effect shall be acceptable.
- (iii) Bidders are required to submit their credit rating by any one of the credit rating agencies namely, Standard & Poor or Dun & Brad Street (D&B) or Moody's or ICRA or CARE Ratings or Credit Information Bureau (India) Limited or Crisil Global Research & Analytics. Such rating shall be satisfactory or better and should not be more than one year old on the date of submission to the 'BUYER'. In case the rating is more than one year old but less than two years old, the same will be accepted subject to replacement on or before date of signing of contract.
- (iv) The Bidder shall submit EMD for USD 50,000 (US Dollars Fifty thousand only) (for each lot in respect of which price bid is tendered) in the form of a BG as per MMTC's standard proforma (**Appendix-I**). Bidders shall submit a copy of BG alongwith tender documents and BG issuing bank should be instructed to forward the original BG directly to MMTC. (*Please refer to the **Clause No. 4** above.*)
- (v) Bidder shall submit a satisfactory Bank Reference Report issued on or after **01.03.2014**.
- (vi) Bidder shall furnish an Undertaking on Performance Guarantee as per proforma at **Appendix-III**.
- (vii) A Letter of Authority from Iron Ore Fines / Lumps producer (mine-owner/operator) as per proforma at **Appendix-IV** shall be submitted in case the bidder is not a producer.

All documents must be submitted in English language.

7.0 PRICE TERMS :

- (i) Basis for the price determination shall be the simple average of price as quoted in the PLATTS Daily Iron Ore Price Assessments by taking Midpoint for 63.5/63% Fe CFR North China as published in SSB Steel Markets Daily. Simple average of 11 days consisting of date of B/L and five pricing days on either side of the B/L date shall be computed to arrive at **Base Price**. In case date of B/L is a non-pricing day, the simple average of only ten days comprising of five pricing days on either side of the B/L shall be reckoned for determining the Base Price (rounded off to two decimal places only). A sample calculation (for illustration purpose only) is enclosed at **Appendix-V(d)**.
- (ii) The bidder is required to submit the price bid indicating the premium / discount on the Base Price as would be determined in terms of **Clause 7 (i)** above in US\$ per Dry Metric Tonne (DMT). Premium / discount in US\$ per DMT is to be quoted for both of the following delivery terms :
 - (a) FOB (Stowed and Trimmed) Port of Loading ; and
 - (b) CFR – CQD basis Port of Discharge

8.0 PREPARATION OF BIDS :

Bidder must carefully read the entire tender document before submitting their offer. Bidder shall prepare their tender in two parts as per following :

(i) TECHNO-COMMERCIAL BID :

Bidder shall fulfill the eligibility criteria as stated herein **Clause No. 6** above.

(ii) PRICE BID :

The bidder shall submit price bid giving the premium/discount for one or more of the lots as per formats enclosed at **Appendices-V (a,b,c)**.

9.0 EVALUATION OF BIDS:

On evaluation, the list of successful bidders who comply with terms & conditions of the tender shall be prepared. Price bids of only those bidders who are found qualified in techno-commercial parameters shall be opened. The price bids for each lot shall be ranked in ascending order with the effective lowest bid ranked as L-1. In case there are more than one L-1 bidders in price bids, 'BUYER' reserves the right to award the contract to any of the L-1 bidder(s).

10.0 VALIDITY OF OFFER :

Each Bidder shall keep their offer firm and valid for acceptance by 'BUYER' for at least **30 days** from the date of opening of price bid.

11.0 TAXES & DUTIES :

'SELLER' shall be responsible for all connected taxes, Stamp duties, License fees and all other levies/statutory taxes imposed outside INDIA.

12.0 AWARD OF CONTRACT :

'BUYER' shall normally award contract to the lowest bidder (L1). The successful bidder shall sign purchase contract with 'BUYER' as per format enclosed at **Appendix-VII**. In case the successful bidder fails to forward the signed purchase contract within 3 (three) working days from the date of issuance of the contract by 'BUYER', 'BUYER' reserves right to invoke the BG submitted by the bidder as EMD. 'BUYER' shall have the right to award quantity to more than one bidder. 'BUYER' shall also have right to review the performance of the bidder and accordingly may cancel/modify the contract.

13.0 DUE DATES :

Submission of Techno-Commercials Bids and Price Bids : **16.01.2015 by 14:00 hrs IST**
 Opening of Techno-Commercial Bids : **16.01.2015 by 14:30 hrs IST**
 Opening of Price Bid of Technically successful bidders : **21.01.2015 by 10:00 hrs IST**

14.0 DETAILS OF BIDS :

PART - A : Techno-Commercial Bid (in physical mode only) :

The Techno-Commercial bid documents are required to be submitted physically in sealed envelopes to be dropped in tender box by due date & time so as to reach to **Shri Ravi Kishore, General Manager (Minerals), MMTCL Limited, Core-1, SCOPE Complex, Institutional Area, Lodhi Road, New Delhi-110 003 INDIA**. The bidder in addition to signing the main documents shall arrange to affix his initials and stamp on each page of the tender document.

The Techno-Commercial bid will be opened as per date notified above. After scrutiny of the technical bids, the price bids of only those bidders whose technical bids are acceptable will be opened and considered further.

PART - B : Price Bid (in physical mode) :

The bidders shall submit their price bids in physical mode as per **Clause 7.0** above in the prescribed lot-wise price bid formats (**Appendices-V a,b,c**).

Price bids of only successful (techno-commercially qualified) bidder shall be opened on the notified date. Incomplete offer(s) received after closing time & date shall not be considered.

Any bidder willing to witness the tender opening process, may attend in person or depute their authorised representative.

EMD of the unsuccessful bidder will be returned back whereas EMD of successful bidder(s) shall be retained and returned on satisfactory performance of the contract.

In case of any query, bidder may contact at **Phone # 011 2436 3563 or 2436 2077 Fax # 0091 011 2436 4106** or e-mail to rkishore@mmtclimited.com / afs@mmtclimited.com / inn@mmtclimited.com.

15.0 INTEGRITY PACT :

Bidders participating in the tender are required to sign an Integrity Pact (IP) agreement as per prescribed format (at **Appendix-IX**). Bidders shall submit the IP agreement, duly signed by their authorized signatory as well as by two witnesses, alongwith the tender document. **The bid not accompanied by signed IP agreement, shall be liable to be disqualified and the price bid submitted with such bid shall not be opened.**

The IP agreement provides for Independent External Monitor (IEM) with whom bidders may communicate ONLY in case of any complaint relating to the Integrity Pact. For any commercial query, bidders may contact the authority issuing this tender. Details of IEMs are as follows :-

- (i) IEM Mr. Bijoy Chatterjee, *IAS(Rtd)*, e-mail ID : bijoychat@gmail.com
- (ii) IEM Mr. DRS Chaudhary, *IAS(Rtd)*, e-mail ID : dilip.chaudhary@icloud.com

16.0 GENERAL CONDITIONS :

- (i) BUYER reserves right and authority to review / modify / amend any terms & conditions and/or format of the tender, announce the same at any time before the tender process concludes. Announcements on the website and/or by facts including announcement of any additional conditions or correction or deletions of items being offered for purchase shall be binding on the bidder.

- (ii) Participation and bidding in this tender shall be treated as conclusive evidence of the fact that bidder has understood the terms and conditions of tender. However, participation will not mean qualification of the bid.
- (iii) Successful bidder shall affix his signature with seal on the contract sent by the BUYER latest within 3 (three) working days of issuance of the same. This signed contract shall be returned to the BUYER. In the event of failure on the part of the successful bidder in signing of contract within 3 (three) working days from the date of issuance of contract by the BUYER, the BUYER reserves the right to invoke the BG submitted by the bidder as EMD. BUYER also reserves the right to debar such bidder from participating in any future tender of the BUYER or any other action as may be deemed fit.
- (iv) On receipt of the signed copy of the contract from the successful bidder, the BUYER shall arrange to affix his signature and seal and send a signed copy to the SELLER for his reference and records.
- (v) Notwithstanding anything specified in these tender terms / documents, BUYER at its sole discretion, unconditionally and without having to assign any reason, reserves the right :
 - (a) To accept or reject the lowest offer or any other offer or all the offers ;
 - (b) To accept any offer in full or in part ;
 - (c) To procure the tendered quantity from more than one bidder ;
 - (d) To reject the offers not conforming to the tender terms without further correspondence ;
 - (e) To reject the offer of past supplier(s) with unsatisfactory track record ; and
 - (f) To increase the number of lots if suitable bids are received.

17.0 ARBITRATION :

All disputes arising between the parties (BUYER and SELLER) out of or in relation to the work order shall be settled amicably. If, however, the parties fail to resolve amicably, the same shall be referred to and settled through an arbitration proceeding of a single/sole arbitrator, to be nominated by the CMD, MMTC Limited. The arbitration proceeding shall be conducted in accordance with the Arbitration and Conciliation Act, 1996 of India. The reasoned award made in pursuance thereof shall be binding on the parties. Venue of arbitration shall be New Delhi. Only Courts in New Delhi shall have the jurisdiction over disputes in relation to and arising out of this tender.

SPECIFICATIONS OF IRON ORE FINES

CHEMICAL COMPOSITION *(on dry basis 105 ° Centigrade):*

Iron (Fe)	:	64% basis, rejection below 63%
Alumina (Al ₂ O ₃)	:	3% maximum
Silica (SiO ₂)	:	2% maximum
Phosphorous (P)	:	0.07% maximum
Sulphur (S)	:	0.04% maximum
Moisture	:	5% maximum

PHYSICAL COMPOSITION *(on wet basis) :*

Below 10mm and above 100 mesh	:	85% minimum
Below 100 mesh	:	10% maximum
Above 10mm	:	5% maximum

SPECIFICATIONS OF IRON ORE LUMPS

CHEMICAL COMPOSITION *(on dry basis 105 ° Centigrade):*

Iron (Fe)	:	64% basis, rejection below 63%
Alumina (Al ₂ O ₃)	:	3.0% maximum
Silica (SiO ₂)	:	2.0% maximum
Phosphorous (P)	:	0.07% maximum
Sulphur (S)	:	0.04% maximum
Moisture	:	5% maximum

PHYSICAL COMPOSITION *(on wet basis) :*

10 mm to 40mm	:	90% minimum
Oversize	:	Over 40 mm : 5% maximum
Undersize	:	Below 10 mm : 5% maximum

SECTION - II**APPENDIX-I**

The BG issuing bank must have a net worth of at least INR 5,000 million and Capital Adequacy Ratio of at least 9%.

PROFORMA FOR BANK GUARANTEE FOR EARNEST MONEY DEPOSIT (EMD)

(On a stamp paper of applicable amount to be executed by a New Delhi Branch of a Scheduled Bank other than Gramin Bank, Cooperative Banks, Dhanlakshmi Bank, Nainital Bank, etc.)

Date : _____

To,

The General Manager (Minerals)
MMTC Limited
Core-1, SCOPE Complex
Institutional Area, Lodhi Road
New Delhi-110 003 INDIA

Sub : Global tender No. _____

Dear Sir,

1. WHEREAS, MMTC LIMITED, Core-1, SCOPE Complex, Institutional Area, Lodhi Road, New Delhi-110 003 INDIA, (hereinafter referred to as MMTC) has invited bids vide Global Tender No. _____ dated _____ 2014 (hereinafter referred to as Invitation to Bid) for supply of _____ MTs +/-10% IRON ORE FINES/LUMPS.
2. WHEREAS, the said Invitation to Bid requires that any eligible bidder intending to make a bid in response thereto shall furnish an irrevocable bid guarantee amounting to US\$ 50,000 (US Dollars Fifty thousand only) in favour of MMTC with validity upto 30.04.2015.
3. AND WHEREAS at the request of M/s. _____ (Name & address of the Bidder) we, _____ (Name & address of the Bank) do hereby unconditionally and irrevocably guarantee and undertake payment to MMTC upto and not exceeding the sum of US\$ 50,000 (US Dollars Fifty thousand only) with validity upto 30.04.2015 and that the Bidder M/s. _____ -
 - a) Shall keep their offer firm and valid for acceptance by MMTC as per tender against which offer is made ;
 - b) Shall sign the purchase contract forwarded by MMTC within 3 (three) working days on receipt of unsigned purchase contract from BUYER ;
 - c) In the event of the offer being accepted by MMTC, bidder shall establish a Performance Bank Guarantee as per the tender ;
 - d) Shall further arrange to ship confirmed quantities as per the purchase contract and delivery schedule ; and
 - e) Any other conditions as stipulated by MMTC from time to time.
4. We, _____ (Name and Address of the Bank) (hereinafter referred to as the Bank which expression shall unless repugnant to the context or meaning thereof, include its successors, administrators, executors and assigns) do hereby guarantee that in the event of the said Bidder failing to abide by any of the conditions referred to in any of the preceding

paragraphs, this Bank shall pay to MMTC on demand without MMTC having to substantiate its demand and without protest or demur and without any reference to the said Bidder, a sum of US\$ 50,000 (US Dollars Fifty thousand only). This Bank further agrees that the decision of MMTC as to whether the said bidder has committed a breach of any of the conditions referred to in the preceding paragraphs shall be unquestionable, conclusive, final and binding.

5. We, _____ (Bank) undertake to pay the amount demanded by MMTC not exceeding sum of US\$ 50,000 (US Dollars Fifty thousand only) without any demur, delay, protest and without any reference or recourse to M/s. _____ (Bidder) notwithstanding any dispute raised by M/s. _____ (Bidder) in any suit proceedings relating thereto pending before any court or tribunal our liability under these presents being absolute and unequivocal.
6. The payment shall be made to MMTC, New Delhi across the counter of this bank on the same day of receipt of invocation of this Bank Guarantee.
7. NOTWITHSTANDING anything to the contrary contained hereinabove, liability under the Guarantee is restricted to US\$ 50,000 (US Dollars Fifty thousand only).
8. Your demand in writing may be presented to this Bank by courier / Fax / Airmail/ Speed Post/ Registered Post or in person and the same shall be binding on us.
9. This guarantee will not be discharged due to change in the constitution of the Bank or the said M/s. _____ (Bidder).
10. The liability of this Bank shall discharge upon receipt of US\$ 50,000 (US Dollars Fifty thousand only) by MMTC.
11. This Bank further undertakes that this Guarantee shall remain irrevocably valid and in force initially up to **30.04.2015** and that the same shall be extended further according to the provisions contained hereinabove, and shall not be amended or withdrawn without the previous consent of MMTC in writing.
12. This Guarantee is governed by the Laws of India and comes into force forthwith.

This Bank has the power to issue this guarantee in favour of MMTC Ltd. under the Charter of this Bank and the undersigned has full power to execute this Guarantee under the Power of Attorney granted by this Bank.

Signature : _____
 Name : _____
 Designation : _____
 Code : _____
 Seal of Bank : _____

The PBG issuing bank must have a net worth of at least INR 5,000 million and Capital Adequacy Ratio of at least 9%.

PROFORMA FOR PERFORMANCE BANK GUARANTEE (PBG)

(On a stamp paper of applicable amount to be executed by a New Delhi Branch of a Scheduled Bank other than Gramin Bank, Cooperative Banks, Dhanlakshmi Bank, Nainital Bank, etc.

Date : _____

To,

The General Manager (Minerals)
MMTC Limited
Core-1, SCOPE Complex
Institutional Area, Lodhi Road
New Delhi-110 003 INDIA

Sub : Global tender No. _____

Dear Sir,

1. WHEREAS, MMTC Limited, Core-1, SCOPE Complex, Institutional Area, Lodhi Road, New Delhi-110 003, INDIA (hereinafter called 'MMTC') has entered into Contract No. _____ dated _____ (hereinafter called 'CONTRACT') for purchase of a quantity of _____ (+/- 10%) MTs Iron Ore Fines / lumps with M/s. _____ (name), _____ address, (hereinafter called the 'XX').
2. AND WHEREAS 'XX' under the CONTRACT is required to furnish a security for the performance of the CONTRACT and MMTC has agreed to accept the Bank Guarantee in lieu of security deposit of the said sum of US Dollars _____.
3. AND WHEREAS at the request of the 'XX', we _____ Bank, _____ (address), hereby irrevocably and unconditionally guarantee and undertake to payment to MMTC, immediately on demand upto and not exceeding the sum of US \$ _____ (US Dollars _____ only) payable by the 'XX' in the event of failing to perform any or all their obligations under the CONTRACT. The decision of the MMTC that the 'XX' has failed to perform all or any of its obligations under the CONTRACT shall be conclusive, final and binding on us.
4. We, _____ (Bank), undertake to pay the amount demanded by MMTC not exceeding the sum of US\$ _____ only without any demur, delay, protest and without any reference or recourse to the 'XX' notwithstanding any dispute raised by 'XX' in any suit proceedings relating there to pending before any court or tribunal our liability under these presents being absolute and unequivocal. The payment shall be made to MMTC across the counter of the Bank on the same day of receipt of invocation of this PBG.
5. NOTWITHSTANDING anything to the contrary contained hereinabove, liability under this Guarantee is restricted to US Dollars _____. This Guarantee shall remain in force until 30.04.2015.
6. All rights of MMTC under this Guarantee shall be forfeited and this Bank shall be relieved and discharged from all liabilities thereunder unless a claim under this Guarantee is made on this Bank in writing on or before 30.04.2015.

7. Letter of Demand of MMTC in writing may be presented to the Bank by Registered Post or in person and the same shall be binding on us.
8. This Guarantee comes into force forthwith.
9. This Bank further agrees that MMTC shall have the fullest liberty without our consent and without effecting in any manner, our obligations hereunder to vary any of the terms and conditions of the delivery or extend time of performance by the said "XX" from time to time or to postpone for any time or from time to time, any of the powers exercisable by MMTC against the said "XX" and to forbear or enforce any part of the terms and conditions relating to the said CONTRACT and we shall not be relieved from our liability by reason of any such variation or extension being granted to the said M/s 'XX'.
10. The liability of the Bank under this Guarantee shall be discharged on receipt of US Dollars _____ only by MMTC.
11. We, _____ (Bank) lastly undertake not to revoke this Guarantee during its currency except with the previous consent of MMTC in writing.
12. This Guarantee shall not be discharged due to change in the constitution of the Bank or the said 'XX'.

We have the power to issue this Guarantee in favour of MMTC under the Charter of this Bank and the undersigned have full power to execute this Guarantee under the Power of Attorney granted to us by the Bank.

SIGNED AND DELIVERED THIS _____ DAY OF _____ 2014.

Yours faithfully,
for and on behalf of (Bank)

Address : _____

Bank Seal : _____

(On Company's Letterhead)

Date : _____

To,

The General Manager (Minerals)
MMTC Limited
Core-1, SCOPE Complex
Institutional Area, Lodhi Road
New Delhi-110 003 INDIA

Sub: **Undertaking on Performance Bank Guarantee**

Dear Sir,

We hereby agree and undertake that we shall furnish a Performance Guarantee bond in the form of a Bank Guarantee (as per format at Appendix-II) in favour of MMTC Limited within 10 working days from the date of issuance of signed sale contract by MMTC Limited. In case, we fail to furnish performance guarantee, MMTC Limited shall be at liberty to invoke / encash EMD and also to take appropriate action as may be deemed fit.

Thanking you,

Yours faithfully,
for and on behalf of ____ (company)

(Authorized Signatory)

**PROFORMA FOR AUTHORITY FROM ESTABLISHED IRON ORE PRODUCER (MINE OWNER)
OWNING IRON ORE MINE(S)**

Date : _____

To,

The General Manager (Minerals)
MMTC Limited
Core-1, SCOPE Complex
Institutional Area, Lodhi Road
New Delhi-110 003 INDIA

Sub : Global tender No. _____

Dear Sir,

We (Name & Address of the producer) IRON ORE FINES/LUMPS producer (mine owner) of (Place) owning (Name of Mine) IRON ORE mine(s) do hereby authorize M/s (Name and address of Bidder) to make an offer of the ore produced by us, in response to this Invitation to Bid :

(a) Name and location of Mine : _____

(b) Offered Quantity : _____

2. We hereby assure our full co-operation and support to the Bidder in respect of the IRON ORE FINES/LUMPS offered.

Yours faithfully,
for & on behalf of M/s.....

Authorised signatory
(Name & Address of the IRON ORE FINES/LUMPS producer)

PRICE BID FOR IRON ORE FINES
Lot No. I, Port of Discharge : Paradip, India

<p>1. Per DMT Premium on Base Price as per Clause 7 of Section I</p> <p align="center"><i>OR</i></p> <p>PDMT Discount on Base Price as per Clause 7 of Section I</p>	<p>:</p>	<table border="0"> <tr> <td>FOBT (PDMT) :</td> <td>CFR (CQD Basis) (PDMT)</td> </tr> <tr> <td></td> <td align="center">PARADIP</td> </tr> <tr> <td>US\$: _____</td> <td>US\$: _____</td> </tr> <tr> <td align="center" colspan="2"><i>OR</i></td> </tr> <tr> <td>FOBT (PDMT):</td> <td>CFR (CQD Basis) (PDMT)</td> </tr> <tr> <td></td> <td align="center">PARADIP</td> </tr> <tr> <td>US\$: _____</td> <td>US\$: _____</td> </tr> </table>	FOBT (PDMT) :	CFR (CQD Basis) (PDMT)		PARADIP	US\$: _____	US\$: _____	<i>OR</i>		FOBT (PDMT):	CFR (CQD Basis) (PDMT)		PARADIP	US\$: _____	US\$: _____
FOBT (PDMT) :	CFR (CQD Basis) (PDMT)															
	PARADIP															
US\$: _____	US\$: _____															
<i>OR</i>																
FOBT (PDMT):	CFR (CQD Basis) (PDMT)															
	PARADIP															
US\$: _____	US\$: _____															
<p>2. LOAD PORT(s)</p> <p>a. Name of Loading Port(s)</p> <p>b. Loading Rate(s)</p> <p>c. Port Conditions</p> <p>d. Any other condition / Restriction</p>	<p>:</p>	<p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>LOA : _____ BEAM : _____</p> <p>DRAFT : _____</p>														

Any other information :

Authorized Signature with official seal

Date _____

PRICE BID FOR IRON ORE FINES
Lot No. II, Port of Discharge : Vizag/Gangavaram, India

<p>1. Per DMT Premium on Base Price as per Clause 7 of Section I</p> <p align="center"><i>OR</i></p> <p>PDMT Discount on Base Price as per Clause 7 of Section I</p>	<p>:</p>	<table border="0"> <tr> <td>FOBT (PDMT):</td> <td>CFR (CQD Basis) (PDMT)</td> </tr> <tr> <td>US\$: _____</td> <td>Vizag/Gangavaram US\$: _____</td> </tr> <tr> <td align="center" colspan="2"><i>OR</i></td> </tr> <tr> <td>FOBT (PDMT):</td> <td>CFR (CQD Basis) (PDMT)</td> </tr> <tr> <td>US\$: _____</td> <td>VIZAG/ GANGAVARAM US\$: _____</td> </tr> </table>	FOBT (PDMT):	CFR (CQD Basis) (PDMT)	US\$: _____	Vizag/Gangavaram US\$: _____	<i>OR</i>		FOBT (PDMT):	CFR (CQD Basis) (PDMT)	US\$: _____	VIZAG/ GANGAVARAM US\$: _____
FOBT (PDMT):	CFR (CQD Basis) (PDMT)											
US\$: _____	Vizag/Gangavaram US\$: _____											
<i>OR</i>												
FOBT (PDMT):	CFR (CQD Basis) (PDMT)											
US\$: _____	VIZAG/ GANGAVARAM US\$: _____											
<p>2. LOAD PORT(s)</p> <p>a. Name of Loading Port(s)</p> <p>b. Loading Rate(s)</p> <p>c. Port Conditions</p> <p>d. Any other condition / restriction</p>	<p>:</p>	<p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>LOA : _____ BEAM : _____</p> <p>DRAFT : _____</p>										

Any other information :

Authorized Signature with official seal

Date _____

PRICE BID FOR IRON ORE LUMPS
Lot No. III, Port of Discharge : Kandla, India

<p>1. Per DMT Premium on Base Price as per Clause 7 of Section I</p> <p align="center"><i>OR</i></p> <p>PDMT Discount on Base Price as per Clause 7 of Section I</p>	<p>:</p>	<table border="0"> <tr> <td>FOBT (PDMT):</td> <td>CFR (CQD Basis) (PDMT)</td> </tr> <tr> <td align="center" colspan="2">KANDLA</td> </tr> <tr> <td>US\$: _____</td> <td>US\$: _____</td> </tr> <tr> <td align="center" colspan="2"><i>OR</i></td> </tr> <tr> <td>FOBT (PDMT):</td> <td>CFR (CQD Basis) (PDMT)</td> </tr> <tr> <td align="center" colspan="2">KANDLA</td> </tr> <tr> <td>US\$: _____</td> <td>US\$: _____</td> </tr> </table>	FOBT (PDMT):	CFR (CQD Basis) (PDMT)	KANDLA		US\$: _____	US\$: _____	<i>OR</i>		FOBT (PDMT):	CFR (CQD Basis) (PDMT)	KANDLA		US\$: _____	US\$: _____
FOBT (PDMT):	CFR (CQD Basis) (PDMT)															
KANDLA																
US\$: _____	US\$: _____															
<i>OR</i>																
FOBT (PDMT):	CFR (CQD Basis) (PDMT)															
KANDLA																
US\$: _____	US\$: _____															
<p>2. LOAD PORT(s)</p> <p>a. Name of Loading Port(s)</p> <p>b. Loading Rate(s)</p> <p>c. Port(s) Conditions</p> <p>d. Any other condition / restriction</p>	<p>:</p>	<p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>LOA : _____ BEAM : _____</p> <p>DRAFT : _____</p>														

Any other information :

Authorized Signature with official seal

Date _____

ILLUSTRATION FOR DETERMINATION OF BASE PRICE AS PER CLAUSE 7 OF SECTION I

1. Price taken from the published reports of SBB Steel Markets Daily.
2. Reference Price - 63.5% /63% Fe CFR North China - Midpoint (\$/DMT)
3. Simple average of 11 days consisting of the B/L date and five pricing days on either side of the B/L date shall be computed to arrive at the Base Price.
4. In case the B/L date is a non-pricing day, the simple average of only ten days comprising of five pricing days on either side of the B/L date shall be reckoned for determining the Base Price.

Example - 1

<i>Date</i>		<i>Price</i>
27-Oct-14		\$ 80.00
28-Oct-14		\$ 79.00
29-Oct-14		\$ 79.00
30-Oct-14		\$ 79.00
31-Oct-14		\$ 79.00
01-Nov-14	Non-pricing day	
02-Nov-14	BL Date	
03-Nov-14		\$ 78.50
04-Nov-14		\$ 77.75
05-Nov-14		\$ 76.25
06-Nov-14		\$ 75.50
07-Nov-14		\$ 76.00

Total **\$ 780.00**

Average Price **\$ 78.00**

(To be rounded off to two decimal)

Example 2

<i>Date</i>		<i>Price</i>
28-Oct-14		\$ 79.00
29-Oct-14		\$ 79.00
30-Oct-14		\$ 79.00
31-Oct-14		\$ 79.00
01-Nov-14	Non-pricing day	
02-Nov-14	Non-pricing day	
03-Nov-14		\$ 78.50
04-Nov-14	BL Date	\$ 77.75
05-Nov-14		\$ 76.25
06-Nov-14		\$ 75.50
07-Nov-14		\$ 76.00
08-Nov-14	Non-pricing day	
09-Nov-14	Non-pricing day	
10-Nov-14		\$ 75.50
11-Nov-14		\$ 76.00

Total **\$ 851.50**

Average Price **\$ 77.41**

APPENDIX-VI

PROFORMA FOR SHIPPING/LOADING DETAILS

1. Details of The Bidder :				
Name of the Bidder		Address		
2. Details of IRON ORE FINES / LUMPS				
Lot No.	Quantity (Metric Tonnes)	Shipment Schedule	Cargo Grade	Country of Origin
3. Bidder's confirmation that the above mentioned Loadport conforms to the International Ship and Port Facility Security (ISPS) code stipulated by the International Maritime Organization.		:		
4. Restrictions, if any, : (as to vessel dimensions, etc.) at the Port of Loading, type and size of vessel		:		
5. IRON ORE FINES/LUMPS loading facilities at the : Loadport (Viz. whether Automatic/manual ship loaders, shore grabs etc.)		:		
6. Clearance dimensions of : the IRON ORE FINES / LUMPS loading gantries		:		
7. Sailing draft at the Loadport		:		
8. Amount of Taxes/ Levies/ Dues, if any, payable by ship-owners at the Port of Loading		:		
9. Stowage Factor		:		

Bidder agrees to comply with the International Ship and Port facility Security (ISPS) Code stipulated by the International Maritime Organization, which has come into effect w.e.f. 1st July'2004. Failure on the part of the bidder to comply with the ISPS Code's requirements and/or the Loadport not conforming to the ISPS Codes and any delays caused by such failures shall be to the bidder's account.

Note : Filled in proforma to be submitted by the Bidder with Part I (Techno-Commercial) Bid.

Authorized Signature with official seal

Date



Core-1, SCOPE Complex, Institutional Area, Lodhi Road, New Delhi-110 003 INDIA
 Phone : 011 2436 2200 Fax : 0091 011 2436 4106 Website : www.mmtclimited.gov.in

IRON ORE FINES/LUMPS IMPORT CONTRACT NO. MMTC/MIN/___/2015 dated ____.2015

This agreement is made on ____ day of _____, 2015 between MMTC Limited, Core-1, SCOPE Complex, Institutional Area, Lodhi Road, New Delhi-110 003, INDIA, hereinafter called the BUYER (which expression unless excluded by or repugnant to the context shall include its successors and assigns) of the one part, AND M/s (**Name & address of Seller**) hereinafter called the SELLER (which expression, shall unless excluded by or repugnant to the context, shall include its successors and assigns) of the other part.

WHEREAS the SELLER has agreed to sell and the BUYER has agreed to buy the following quantity of Iron ore **Fines/Lumps** on the terms & conditions hereinafter mentioned.

NOW it is hereby mutually agreed and declared by and between the parties hereto as follows :

ARTICLE 1 : COMMODITY :

HAEMATITE IRON ORE FINES/LUMPS (Hereinafter called "CARGO").

ARTICLE 2 : QUANTITY :

_____ ±10% at Owner's option of 64/63% Fe Iron ore **Fines/Lumps**.

ARTICLE 3 : SPECIFICATIONS :

IRON ORE FINES :

CHEMICAL COMPOSITION (on dry basis 105 ° Centigrade):

Iron (Fe)	:	64% basis, rejection below 63%
Alumina (Al ₂ O ₃)	:	3% maximum
Silica (SiO ₂)	:	2% maximum
Phosphorous (P)	:	0.07% maximum
Sulphur (S)	:	0.04% maximum
Moisture	:	5% maximum

PHYSICAL COMPOSITION (on wet basis) :

Below 10mm and above 100 mesh	:	85% minimum
Below 100 mesh	:	10% maximum
Above 10mm	:	5% maximum

IRON ORE LUMPS :

CHEMICAL COMPOSITION (on dry basis 105 ° Centigrade):

Iron (Fe)	:	64% basis, rejection below 63%
Alumina (Al ₂ O ₃)	:	3.0% maximum
Silica (SiO ₂)	:	2.0% maximum
Phosphorous (P)	:	0.07% maximum
Sulphur (S)	:	0.04% maximum
Moisture	:	5% maximum

PHYSICAL COMPOSITION (on wet basis) :

10 mm to 40mm	:	90% minimum
Oversize	:	Over 40 mm : 5% maximum
Undersize	:	Below 10 mm : 5% maximum

ARTICLE 4 : PRICE :

- (i) **Provisional Price** - BUYER shall arrange to open an Irrevocable and without recourse to the drawer workable Letter of Credit payable at sight within 10 (ten) working days after receipt of duly signed contract and Performance Bank Guarantee (PBG) from the SELLER. Price for the provisional invoice value shall be the published price as quoted in the PLATTS Daily Iron Ore Price Assessments (pertaining to two pricing days earlier to the date of L/C) by taking the Midpoint for 63.5/63% Fe CFR North China as published in the SSB Steel Markets Daily together with premium or discount as applicable. **This price will be applicable for drawl of provisional 97% value.**
- (ii) **Final Price** – The final price [subject to **price adjustment** as detailed in **Sub-Article 4(iv)** below] consists of simple average (rounded off to two decimal places only) of 11 pricing days as quoted in the PLATTS Daily Iron Ore Price Assessments by taking the Midpoint for 63.5/63% Fe CFR North China as published in the SSB Steel Markets Daily together with premium or discount as applicable. The above average of 11 days consisting of the date of B/L and five pricing days on either side of the B/L date shall be computed to arrive at the Price before premium or discount. In case the date of B/L is a non-pricing day, the simple average of only ten days comprising of five pricing days on either side of the B/L shall be reckoned for determining the Price before premium or discount of US \$ _____ per DMT.
- (iii) On determination of the final price as per (ii) above of this Article, an Addendum to the contract shall be drawn and signed within 10 (ten) working days after B/L date by both the parties as per **Appendix VIII**. Such Addendum shall form an integral part of this Contract and the SELLER expressly agrees to accept the amendment to the L/C for the price and value as per the said Addendum to the Contract. **This price shall be applicable for preparation of final invoice and final settlement. SELLER has the option to draw the provisional 97% value taking this price, if Addendum to the Contract is signed before drawing the provisional 97% value.**
- (iv) **Price adjustment for deviation from Specifications in respect of IRON ORE FINES / LUMPS :**

In case actual analysis of the cargo varies with the specifications given at **Article 3** above, price will be adjusted or penalty will be levied at the rate mentioned below :

A. For Fe content :

In respect of IRON ORE FINES/LUMPS which does not meet Fe specifications set forth in **Article 3** above, the price shall be adjusted in accordance with Fe content determined as follows:-

- (i) The price shall be increased by single prorata of the price for each 1% Fe above 64% fraction prorata.
- (ii) The price shall be decreased by single prorata of the price for each 1% Fe below 64% upto and including 63% fraction prorata.
- (iii) Cargo analyzing Fe content below 63% shall be rejected.
- (iv) While drawing the invoice for provisional 97% value, prorata increase or decrease in price shall be calculated at **provisional price [as per Article 4(i) above]**. While drawing the final invoice, prorata increase or decrease in price shall be calculated at **final price [as per Article 4(ii) above]** as determined in **Addendum to Contract**.

B. For other elements :

In case the cargo does not meet any of the chemical specifications other than Fe as specified in **Article 3** above, the price shall be decreased fraction prorata as follows :

- i) *For excess Phosphorus (P)*
At the rate of 5(five) US Cents per dry metric tonne for each 0.01% in excess of 0.07%.
- ii) *For excess Sulphur (S)*
At the rate of 5(five) US Cents per dry metric tonne for each 0.01% in excess of 0.04%.
- iii) *For excess Silica (SiO₂)*
At the rate of 5(five) US Cents per dry metric tonne for each 1.00% in excess of 2.0%.
- iv) *For excess Alumina (Al₂O₃)*
At the rate of 5(five) US Cents per dry metric tonne for each 1.00% in excess of 3.0%.

C. Size Penalty : (i) IRON ORE FINES :

Oversize : US\$ 0.50 PER MT on natural basis fraction prorata shall be applied to the quantities of fines above 10 mm in excess of 5%.

Undersize : US\$ 0.50 PER MT on natural basis fraction prorata shall be applied to the quantities of fines below 100 mesh in excess of 10%.

(ii) IRON ORE LUMPS) :

Oversize : US\$ 0.50 PER MT on natural basis fraction prorata shall be applied to the quantities of above 40mm in excess of 5%.

Undersize : US\$ 0.50 PER MT on natural basis fraction prorata shall be applied to the quantities of fines below 10mm in excess of 5%.

D. Moisture Penalty :

In case of delivery on FOB terms, if free moisture loss at 105° Centigrade as finally determined pursuant to the provisions of **Article 5.0** (Sampling & Analysis) of this Contract exceed the guaranteed maximum referred to in **Article 3** (Specifications) above,

SELLER shall pay BUYER half of the actual freight attributable to moisture content over 5% up to 6% including 6% and full actual freight attributable to moisture over 6%.

ARTICLE : 5 SAMPLING & ANALYSIS :

- (i) The SELLER shall, at their own expense, appoint a qualified independent inspection agency namely, M/s Alfred H Knight Feros Ltd. or Bureau Veritas or Alex Steward (Assayers) Ltd. or Intertek Group or Superintendence Company of India (Private) Ltd. or any other inspection agency approved by the BUYER. Such agency shall determine the specification of Ore content by carrying out sampling and analysis in accordance with the relevant International Standard Specifications at the loadport. Such agency shall provide a certificate showing the detailed chemical and physical composition as required in **Article 3** above. The BUYER may, at their own option and expense, depute their representative(s) to witness sampling and analysis by the agency at loadport and may also obtain a part of the loadport sample for testing. The SELLER shall provide necessary assistance in this regard to BUYER's representative(s).
- (ii) The BUYER at their own expense shall appoint at the discharge port a qualified independent inspection agency namely, M/s Alfred H Knight Feros Ltd. or Bureau Veritas or Alex Steward (Assayers) Ltd. or Intertek Group or Superintendence Company of India (Private) Ltd. or M/s Mitra SK Private Limited or M/s Italab India Ltd or any other agency approved by the SELLER for sampling and analysis in accordance with the relevant International Standard Specifications. SELLER may, at their own option and expense, depute their representative(s) to witness the sampling by such agency at the discharge port. The BUYER shall forward the certificate issued by the agency at the discharge port to seller by e-mail or fax, within 15 (fifteen) days after completion of discharge. Discharge port analysis shall be final except as otherwise provided in the paragraphs (iv) and (v) of this Article.
- (iii) If the difference in percentage of Fe content between loadport and discharge port analysis made under preceding paragraphs (i) & (ii) of this Article is within 0.5%, Discharge Port result will be considered as final.
- (iv) Should the difference between the load port and discharge port analysis for Fe content exceeds 0.5% or if there exists a significant difference between the two said analysis in respect of any one or more chemical content(s) between the loadport and discharge port analysis made under above paragraphs of this Article and parties do not reach an agreement on definite results, samples taken and kept with the Inspection Agency at discharge port will be forwarded to an Umpire agreed to both by BUYER and SELLER who will carry out analysis in respect of Fe and other chemical compositions as requested by the parties. Result issued by Umpire will be final and binding on both the parties and the same will serve as basis for final invoicing. Cost of Umpire analysis shall be to the account of the party whose own analysis differs farther from the umpire analysis and if the results of such umpire analysis is the mean of the analysis of BUYER and the analysis of SELLER then such cost shall be equally borne by both the parties.
- (v) If no determination of analysis is exercised at port of discharge, or if BUYER fails to mail / fax the discharge port certificate within 15 (fifteen) days after completion of discharge, the certificate(s) issued at loadport shall be conclusive.

ARTICLE 6 : DRAFT SURVEY AT LOAD PORT :

- (i) At the load port SELLER shall at his own expense appoint a qualified independent agency namely, M/s Alfred H Knight Ferrous Ltd. or Bureau Veritas or Alex Steward (Assayers) Ltd. or Intertek Group or Superintendence Company of India (Private) Ltd. or any other agency as approved by the BUYER for determination of weight by draft survey. The weight of ore as ascertained and certified by such agency together with analysis certificate shall be the basis for SELLER's invoice for 97% of provisional shipment value.
- (ii) BUYER at his expense shall appoint a qualified independent agency namely, M/s Alfred H Knight Ferrous Ltd. or Bureau Veritas or Alex Steward (Assayers) Ltd. or Intertek Group or Superintendence Company of India (Private) Ltd. or M/s Mitra SK Private Limited or M/s Italab India Private Limited or any other agency approved by the SELLER at discharge port for determination of weight by draft survey. The weight thus determined at discharge port shall be final as to the wet quantity.
- (iii) The dry quantity (Dry Metric Tonne) shall be determined by deducting the free moisture as per **Article 5.0** above for such wet quantity. BUYER may appoint their representative at their own expense to witness the weight determination at loadport. Similarly, SELLER may appoint their representative at their own expense to witness weight determination at discharge port.
- (iv) In case no draft survey is carried out at the discharge port, weight as per certificate issued at loadport shall be considered for the final invoice.

ARTICLE 7 : EARNEST MONEY DEPOSIT (EMD) :

The SELLER has deposited a Bank Guarantee (BG) as EMD bearing No.....dated for USD (US Dollars) only in favour of BUYER. In case, SELLER fails either to forward the signed contract within three working days after the date of issuance of contract by MMTC or to furnish a performance guarantee as per **Article 8** of this Contract, the BUYER will have the right to invoke the bank guarantee and to take action as may be deemed fit.

ARTICLE 8 : PERFORMANCE GUARANTEE (PBG) :

On receipt of Letter of Intent (LOI) from the BUYER, SELLER has agreed to sign Sale Contract and return it to BUYER within 3 working days after issuance of the same by BUYER and execute a performance guarantee in the form of a PBG (as per the prescribed format at **Appendix-II**) for an amount of US\$ 200,000 (US Dollars two hundred thousand only) per lot (covering about 5% of shipment value). SELLER shall arrange to forward PBG as per proforma so as to reach BUYER within 10 (ten) working days from the date of issue of LOI. Within 10 (ten) working days after receipt of duly signed contract and PBG, BUYER shall establish a Letter of Credit (L/C). PBG issued by any scheduled bank in India / Foreign bank shall be advised through their New Delhi Branch. The PBG Bond shall be kept valid and in full force and effective from the date of agreement till a period of three months. Non-performance of the contract within the stipulated period will be construed as a failure and the PBG may be invoked.

In the event of the failure of BUYER to furnish PBG in the prescribed format and / or within the stipulated time, 'BUYER' shall have the right to forfeit the EMD furnished by the SELLER (and/or any other action deemed fit), without prejudice to further recourse for breach of the Agreement.

ARTICLE 9 : COMMERCIAL INVOICE :

- (i) **Provisional Commercial Invoice** - SELLER's provisional commercial invoice shall be drawn for Ninety Seven (97) percent of the shipment value based on the **Provisional Price** as set forth in **Article 4(i)** above and calculated on the basis of analysis as per **Article 5(i)** above and weightment at loadport as set forth in **Article 6(i)** of this contract.
- (ii) **Final Commercial Invoice** - SELLER's final commercial invoice shall be drawn for final value based on price as set forth in **Article 4** (read with the Addendum to the Contract) and calculated on the basis of analysis as set forth in **Article 5 (ii)** or **5(iii)** or **5(iv)** or **5(v)** above and weightment at loadport as set forth in **Article 6(iii)** above and after adjusting the provisional value drawn by SELLER.

ARTICLE 10 : INSURANCE :

BUYER may at their own expense, arrange for suitable Insurance cover. For the purpose of insurance SELLER shall immediately at the time of commencement of loading of material intimate BUYER about loading of cargo onto the nominated vessel and shall also immediately, within one working day from the date of B/L intimate BUYER, port of loading, name of the vessel, quantity of material loaded onto the vessel as per Load port Draft Survey, weight and approx. value thereof, B/L No. & date, date of sailing of vessel, name of destination port and expected date of arrival of vessel at destination port. SELLER shall forward message both by mail and Fax.

ARTICLE 11 : EXPORT LICENCE :

SELLER shall be responsible to obtain Export License(s), if required, and comply with all other relevant laws for trade of the Iron Ore and shall keep BUYER indemnified for any loss which may accrue to BUYER on this account.

ARTICLE 12 : DELIVERY :

Shipment(s) shall be deemed as delivered when it has been loaded on board the vessel, stowed and trimmed.

ARTICLE 13 : DELIVERY PERIOD :

SHIPMENT : upto2015. (In case of FOBT shipment) Laycan - 2015 to2015.

ARTICLE 14 : PORT OF LOADING :

ARTICLE 15 : DISCHARGE PORT :

_____, India

ARTICLE 16 : TITLE AND RISKS :

The title with respect to each shipment shall pass from Sellers to the Buyers when Seller receives reimbursement of the proceeds from the opening bank against the relative shipping documents as set forth in **Article-18** after **loading the vessel**. Risk with respect

to each shipment shall pass from the SELLER to BUYER when cargo has been loaded on board the vessel, stowed and trimmed.

ARTICLE 17 : CHARTERING AND ALLOCATION OF VESSEL :

For FOB (ST) Terms :

1. SELLER to give approximate 10 (ten) days advance notice prior to commencement of laycan to BUYER/TRANSCART, New Delhi for finalizing / nominating suitable vessel(s) within required laycan.
2. The Chief Controller of Chartering, Ministry of Shipping, Govt. of India will arrange and co-ordinate shipment of IRON ORE **FINES/ LUMPS** and will charter or arrange to charter ship to move the material from the agreed load port according to schedule given by SELLER or within 15 days after that date. If cargo is not available after ship has arrived at the port of loading according to schedule, SELLER shall be responsible for the demurrage / detention of the vessel and dead freight, if any, due to incomplete / short loading because of the non-readiness of either part or whole of the cargo, when the vessel has been in port at due time, and the notice of readiness has been tendered.
3. SELLER to expedite stem confirmation / clean acceptance of nominated vessel within 24 hours (or close of next working day) of receipt of nomination of vessel by BUYER / TRANSCART, New Delhi.
4. SELLER agrees to load from one/two safe berth(s) always accessible from the port. In case, two berths are used for loading, shifting expenses including bunker-oil consumed, tugs hire, crew's overtime and other relevant charges will be to vessel's account and time for shifting to count as laytime. Expenses incurred, if any, on more than one shifting shall be to SELLER's account.
5. Vessels to be fully fitted with winches and derricks in good working order, capable of being worked simultaneously and to their full capacity. The vessel shall give free use of winches and steam or power for same if required, but not exceeding their ordinary capacity and all available power for loading and discharging, also light for night work, on board winchmen from crew to be used if permitted, otherwise shores winchmen will be for SELLER's account.
6. BUYER shall be responsible towards SELLER for despatch money on all time saved at loading port. SELLER shall be responsible towards BUYER for demurrage, if any, on all time lost and detention, if any at loading port. Rate of dispatch and demurrage will be as stipulated in the Charter Party.
7. First opening and last closing of hatches to be for buyer's / owner's account and time for the same not to count.
8. The cargo shall be loaded by SELLER/Shipper free of expenses and risk to the vessel but under the supervision of the Master. Crew's overtime shall be to owner's account.
9. Time shall begin to count from 12 running hours after vessel's arrival within port limits and in free pratique, whether in berth or not. Time to commence at 1300 hrs, if notice of readiness to load is tendered during office hours before noon and 0800 hrs next working day if notice of readiness is tendered during office hours afternoon

whether in port or in the roadstead, whether in berth or not, and holidays excluded unless used, in which case actual time used to count as laytime. If loading starts before commencement of laytime, only half of such time used to count.

10. Any lighterage required for loading will be on SELLER's account.
11. 'BUYER' to ask for 'SELLER'/Shippers stem before fixing vessel definitely, stating at the same time the vessel's draft. Transchart shall nominate vessel with all available details including draft. 'SELLER' should indicate loadport restrictions/ requirements at the time of accepting the vessel's nomination.
12. Owners/Master to give 'SELLER' approximate seven running days notice of vessel's expected readiness to load, stating approximate quantity required in metric tons, or cause such notice to be served on Seller's port Representative. Five running days notice of vessel load readiness at loading port will be given to 'SELLER' or their Representative. Expected time of arrival is to be confirmed telegraphically/through e-mail/fax by the Master 72/48/24 hours in advance.
13. The term "FOB(ST) AT LOADPORT " means
 - a) Loaded, stowed and trimmed on board marine vessel at named port of loading free of expense of 'BUYER' ;
 - b) That it shall be responsibility of the 'SELLER' to do the following :
 - i) Provide for, pay and bear all charges incurred in placing goods actually on board duly stowed and trimmed as per hatch plan provided by the Master of the vessel within the period fixed. The cost of any extra cargo battens, dunnage, required and rigging of the same will be to vessel's account.
 - ii) Provide "Clean ON BOARD Ocean Bill of Lading.
14. 'SELLER' will be responsible for dead freight and detention charges, if any, and other related charges at load port, in case they fail or neglect or delay to load the full cargo.
15. 'SELLER' to keep advised 'BUYER' and Transchart, New Delhi of berthing/loading prospects on arrival of vessel at loadport and also keep 'BUYER' and Transchart, New Delhi regularly informed about loading progress/status on daily basis.
16. Loading Rate
ForPort MT PWWDSHEXUU/PWWD FHEXUU/
IUATUTC in all above cases.
17. Demurrage/Despatch rate shall not exceed equivalent to US\$ 10,000/5,000 per day.
18. Once the vessel is fixed by the Buyer and accepted by seller, berthing/loading of vessel at loadport shall be seller's responsibility.
19. Vessel hatches to be dry & clean, free pratique from residue of previous cargo duly certified by a qualified independent inspection agency before loading the cargo at Load Port.

20. Turn Time means 12 hours after NOR is tendered at the load Port unless used. Initial & Final Draft Survey (maximum one hour for each draft survey) may be excluded from time to count at Load Port.

For CFR -CQD terms :

1. SELLER will arrange for chartering suitable vessels to load the agreed quantity in full ship loads and SELLER is responsible for fulfilling the conditions of the Charter Party.
2. In case of chartered vessels, the maximum use of Indian vessels may be made by SELLER subject to Indian vessels being available at competitive freight rates. Availability of Indian vessels shall be ascertained from the Chief Controller of Chartering, Ministry of Shipping (CABLE ADDRESS : TRANSCART, NEW DELHI, Fax No: 91-11-23718614), sufficiently in advance. It is further agreed that specific enquiries for offer of Indian tonnage shall be replied within three clear days of receipt of enquiry by the Chief Controller of Chartering, New Delhi.
3. Vessels will be chartered on the basis of one or two safe port/ berth/ anchorage.
4. The Master / owner's Agent to give 96/72/48/24 hours notice of expected date of arrival (ETA) at discharge port to the 'BUYER'.
5. A sailing message is to be sent by the Master to the BUYER through fax and e-mail regarding vessel leaving loading port, giving sailing date, speed, commodity, total quantity loaded and estimated time of arrival at discharge port. Master to also send message to the BUYER two days after sailing from loading port, giving the latest expected time of arrival at port of discharge.
6. **Discharging of cargo shall be on CQD Basis. There shall be neither any dispatch nor any demurrage.**
7. Vessel to have Test Certificate covering vessel's gears in accordance with International Dock Safety Convention valid for the duration of the Charter.
8. Vessel chartered should be suitable for grab discharge and no cargo is to be loaded in twin decks, deep-tanks, wings tanks or bunker spaces or other place inaccessible to grabs. The Master to have liberty of loading in such spaces for the purpose of stability of the vessel but any additional expenses incurred by reason of discharging, from such spaces not easily accessible are to be for Owners'/ Seller' account.
9. The vessel shall give free use of all available gear for discharging and also lights for night work on board winchmen from crew to be used if permitted otherwise, shore winchmen to be used on BUYER's account. BUYER's privilege discharging over side, Owners allowing free use of gear, winches and derricks.
10. Owners / shipper's (SELLER) are to give name of his agents at discharging port(s) to the BUYER by email / fax latest by 48 hours before expected arrival of the vessel at discharging port.
11. Officers' and Crews' overtime, if any, to be always on Owners' account.
12. SELLER shall ensure that liberties, victories and other war built vessels are avoided for the shipment of the cargo. They should also not seek vessels of more than 20 years age. In any case, vessel should not be more than 30 years age. In case of

necessity of booking vessels older than 20 years (but less than 30 years), SELLER shall take the prior approval of BUYER and overage insurance premium, if any, would be to SELLER's account. Any extra premium charged by the insurance company towards non-approval of vessel would be to SELLER's account.

13. Vessels should not ordinarily exceed 225 feet LOA and 32 feet in beam length. Vessel should be single decker and should have Macgrover type steel hatch cover. Vessel should be suitable for grab discharge. For any relaxation of the above conditions, prior approval of BUYER should be obtained.
14. Before, finally confirming the vessel, approval from BUYER will be obtained giving full details of the vessel and other relevant details as per GIC proforma for obtaining GIC approval.
 - whether ISM regulation has been complied with and validity period
 - Name of Hull Underwriters, if vessel not insured.
 - Reasons therefore
 - Name & full address of the Disponent owners, if any
 - Name of the vessel with ex-name, if any
 - Flag
 - Classification
 - Year Built/ GRT/NRT
 - Name of the Registered owners
 - Name of the Manager, if any
 - Name of the P&I Club of the vessel operator names above
 - Name of the Characters, if any
 - Whether voyage charter or time charter
 - Loading port/discharging port
 - Name & address with Tel. No. & Fax No. of the agent at loading port
 - On whose behalf Bill of Lading is to be signed (name of the company to be mentioned)
15. Vessel to be consigned to receivers' agents at disport for entry with port and Customs. Owner to pay customary agency fee.
16. All vessel related charges incl. composite berth hire charges to be to owners account.
17. Terms as per contract would override terms of individual charter party unless deviations are specifically accepted.
18. Vessel hatches to be dry & clean, free pratique from residue of previous cargo duly certified by a qualified independent inspection agency before loading the cargo at Load Port.
19. SELLER shall be responsible to BUYER for any/ all acts of omission and commission by or on behalf of ship owners.
20. In case Receiver/BUYER is not able to produce original Bills of Lading on arrival of the vessel at discharge port, Owner/Master to instruct their Discharge Port agent to issue delivery order and allow discharging of cargo against ordinary letter of indemnity issued by the Receiver / BUYER.

ARTICLE 18 : MODE OF PAYMENT :

The Buyer shall establish an Irrevocable and without Recourse to the Drawer workable Letter of Credit payable at sight valid for 45 days after date of shipment in US Dollars to cover 100% value of the cargo with tolerance for quantity and value. Documents required for the negotiation of the Letter of Credit are listed below :

- (i) 97% of the FOB / CFR value of goods at sight on presentation of the following documents :
 - (a) Signed Commercial Invoice in three originals for 97% value of the shipment based **[Article 9(i)]** on the loadport quantity and quality as per the certificate mentioned in **Article 5(i)** and **Article 6(i)** above.
 - (b) Three sets of original clean On Board Ocean Bill(s) of Lading made out to order and blank endorsed marked Notify "MMTC Limited,, INDIA". Charter Party Bill(s) of Lading marked "Freight Pre-paid" is acceptable. In case of shipment on FOB(T) basis, Bills of Lading marked " Freight payable as per Charter Party" will be acceptable.
 - (c) Certificate of Sampling and Analysis issued as per **Article 5(i)** above clearly specifying that the sampling and analysis pertains to the IRON ORE **FINES/ LUMPS** loaded on the named vessel, in three originals.
 - (d) Loadport Draft Survey Weight Certificate issued as per **Article 6(i)**, in three originals.
 - (e) Certificate of Origin issued by Chamber of Commerce of exporting country in three originals.
 - (f) SELLER's Certificate confirming that (a) non-negotiable copy of the Bill of Lading ; (b) copy of Commercial Invoice(s) ; (c) two copies of the Certificate of Sampling and Analysis at loadport ; (d) two copies of Certificate of Origin ; (e) two copies of Loadport Draft Survey Weight Certificate have been sent through Courier Service directly to the BUYER at "MMTC Ltd., INDIA", within seven working days from the date of Bill(s) of Lading but not later than the date of negotiation of documents. Seller shall submit copy of receipt issued by the Courier company alongwith the Certificate.
 - (g) SELLER shall email the scanned documents of signed and stamped Bills of Lading, Commercial Invoice, Certificate of Sampling and Analysis, Certificate of Origin and Draft Survey Certificate of the shipment to the BUYER at e-mail rkishore@mmtclimited.com / afs@mmtclimited.com / jnn@mmtclimited.com within seven working days after the Bill of Lading Date but not later than the date of negotiation of documents.
- (ii) Balance 3% value shall be settled as per the discharge port weighment and analysis on submission of following documents :-
 - (a) Signed final Commercial Invoice in three original **[in line with Article 9(ii)** above]. The final invoice shall be drawn in terms of **Articles No. 5 & 6 of the Contract**.
 - (b) Copy of discharge port weight Certificate issued as per **Article 6** above or Buyer's

certificate stating that discharge port draft survey could not be conducted and load port weight is final.

(c) Copy of Sampling & Analysis Certificate issued at Discharge Port as per **Article 5** above or BUYER's certificate stating that discharge port analysis could not be conducted and load port quality results are final.

(d) Addendum to this contract to the price duly signed by BUYER and SELLER together with the acceptance of amendment in L/C matching the L/C price with the price mentioned in Addendum to the Contract.

(iii) All bank charges at the SELLER'S country shall be borne and paid for by the 'SELLER' and all bank charges at the BUYER'S country shall be borne and paid for by the 'BUYER'. Confirmation of the L/C can be arranged at the cost of the 'SELLER'.

(iv) In case, provisional 97% value drawn by the BUYER is more than the 100%, value as per the final invoice drawn on the basis of Final Price together with price adjustment as per **Article 4 (iv)** above, SELLER shall remit the overdrawn value to the BUYER. This remittance shall be made within five working days after the date of sending by BUYER to SELLER the discharge port Draft Survey Certificate and discharge port Sampling and Analysis certificate or the date of confirmation by the BUYER stating that Sampling and Analysis and / or Draft Survey at discharge port could not be conducted and SELLER may draw final invoice on the basis of loadport weight and Analysis.

ARTICLE 19 : DEFAULT :

In case of default in delivery of cargo in part or full within the delivery period, the BUYER shall have the right to invoke the bank guarantee submitted towards performance guarantee as well as earnest money deposit. In addition, MMTC will have right to claim all losses, damages, expenses, etc. from buyers and any other appropriate action as may be deemed fit.

ARTICLE 20 : FORCE MAJEURE :

If at any time during the existence of this contract either party is unable to perform in whole or in part any obligations under this contract because of war, hostility, military operations, civil commotion, sabotage, quarantine, restrictions, acts of god and acts of Government (including but not restricted to prohibitions of exports and imports), fires, floods, explosions, epidemics, strikes, or any other labour trouble, embargoes, then the date of fulfillment of any obligations engagement shall be postponed during the time when such circumstances are operative. Any waiver/ extension of time in respect of the delivery of any instalment or part of the goods shall not be deemed waiver / extension of time in respect of the remaining deliveries.

If operation of such circumstances exceed three months, either party will have the right to refuse further performance of the contract in which case neither party shall have the right to claim eventual damages.

ARTICLE 21 : ARBITRATION :

All disputes arising between the parties (Buyer and Seller) out of or in relation to the work order shall be settled amicably. If, however, the parties fail to resolve amicably, the same shall be referred to and settled through an arbitration proceeding of a single/sole

arbitrator, to be nominated by CMD, MMTC. The arbitration proceeding shall be conducted in accordance with the arbitration and conciliation Act, 1996 of India. The reasoned award made in pursuance there of shall be binding on the parties, the venue of arbitration shall be New Delhi. Only the courts at New Delhi shall have the jurisdiction over the disputes in relation to and arising out of the work order.

ARTICLE 22 : VALIDATION :

The contract shall become valid as and when signed by duly authorized representatives of both the SELLER and the BUYER.

ARTICLE 23 : SPECIAL CLAUSE :

It is expressly understood and agreed by and between the Buyer and the Seller that MMTC is entering into this agreement solely on its own behalf and not on behalf of any other person or entity. In particular it is expressly understood and agreed that the Government of India is not a party to this agreement and has no liabilities, obligations or rights hereunder. It is expressly understood and agreed that MMTC is an independent legal entity with power and authority to enter into contract solely on its own behalf under the applicable laws of India and general principles of contract law. The Seller expressly agreed, acknowledges and understands that MMTC is not an agent, representative or delegate of the Government of India. It is further understood and agreed that the Government of India is not and shall not be liable for any acts, omissions, commissions, breaches or other wrongs arising out of the contract. Accordingly Seller hereby expressly waives releases and foregoes any and all actions or claims including cross claims, implored claims or counter claims against the Government of India arising out of this contract and covenant not to sue the Government of India as to any manner, claim, and cause of action or thing whatsoever arising out of or under this agreement.

ARTICLE 24 : LOSS OF CARGO :

In the event of total loss of cargo, the weight and analysis as determined at the loading port shall be treated as final and shall be used for final invoicing and payment.

In the event of partial loss of cargo, weight determined at loadport and analysis determined at discharge port shall be final for invoicing and payment.

ARTICLE 25 : NOTICES :

All communications referred to in this contract shall be in writing and will be sent by E-Mail and fax, on the address as follows :

SELLER : _____

BUYER

MMTC Limited Core-1, SCOPE Complex, Institutional Area, Lodhi Road, New Delhi-110 003 INDIA	Phone 011 2436 2200 Fax 011-24364106 e-mail rkishore@mmtclimited.com afs@mmtclimited.com jnn@mmtclimited.com
--	---

ARTICLE 26 : OTHERS :

Any change or modification in the terms and conditions of this contract shall become effective only when confirmed by both the Seller and the Buyer in writing. The clauses of the contract will be governed by Indian Laws.

In witness whereof this contract is made in duplicate, the Seller and the Buyer having signed them on this are retaining one (1) copy each.

BUYER : _____

SELLER : _____

Addendum to the Contract No. MMTC/MIN/___/2015 dated ____/2015.

Date :.....

It is hereby mutually agreed by and between Buyer (MMTC Limited) and Seller (M/s.....) to amend the **Article No. 4 (ii) & (iii)** of the Contract no. MMTC/MIN/___/2015 dated ____/2015 as under:

Article 4 Existing	Amended as
<p>(ii) Final Price – The price [subject to price adjustment as detailed in (iv) below] consists of the simple average (rounded off to two decimal places only) of the price as quoted in the PLATTS Daily Iron Ore Price Assessments by taking the Midpoint for 63.5/63% Fe CFR North China as published in the SSB Steel Markets Daily together with premium or discount as applicable. The simple average of 11 days consisting of the date of B/L and five pricing days on either side of the B/L date shall be computed to arrive at the Price before premium or discount. In case the date of B/L is a non –pricing day, then the simple average of only ten days comprising of five pricing days on either side of the B/L shall be reckoned for determining the Price before premium or discount.</p> <p>(iii) On determination of the price as (ii) above, an addendum to the contract shall be drawn and signed within 10 (ten) working days after BL date by both the parties as per Appendix-VIII Such Addendum shall form an integral part of this contract and the Seller expressly agrees to accept the amendment to the LC for the price and value as per the said addendum to the contract. This price shall be applicable for preparation of final invoice and final settlement. Seller has the option to draw the provisional 97% value taking this price, if Addendum to the Contract is signed before drawing the provisional 97% value.</p>	<p>The Final Price derived for the shipment is USD .....PDMT FOB(ST) (name of the loadport) or PDMT CFR (name of the discharge port), fraction prorata.</p> <p>This price shall be applicable for preparation of final invoice and final settlement. SELLER has the option to draw the provisional 97% value taking this price, if Addendum to Contract is signed before drawing the provisional 97% value.</p>

This Addendum forms integral part of the Contract. All other terms and condition of the contract remain unchanged.

.....

Authorised signatory

BUYER

.....

Authorised signatory

SELLER

INTEGRITY PACT*B E T W E E N***MMTC LIMITED hereinafter, referred to as “MMTC”,***A N D***..... hereinafter referred to as “The Buyer/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 Buyer/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 may appoint an Independent External Monitor (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 Buyer(s)/Vendor(s)/Bidder(s) the same information and will not provide to any Buyer/Vendor/Bidder any confidential/additional information through which the Buyer/Vendor/Bidder 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 a substantive suspicion in this regard, MMTC will inform its Chief Vigilance Officer and in addition can initiate disciplinary action.

SECTION 2 : COMMITMENTS OF THE BUYER(s) / VENDOR(s) / BIDDER(s) :

1. The Buyer (s)/Vendor (s)/Bidder (s) commits himself to take all measures 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 Buyer(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 the 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 Buyer(s)/Vendor(s)/Bidder(s) will not enter with other Buyer(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 Buyer(s)/Vendor(s)/Bidder(s) will not commit any criminal offence under the relevant Anti-Corruption Laws of India; further the Buyer(s) /Vendor(s)/Bidder(s) will not use improperly, for purposes of competition 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 Buyer(s)/Vendor(s)/Bidder(s) of foreign origin shall disclose the name and address of the Agents/representatives in India, if any. Similarly the Buyer(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 Buyer(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 Buyer(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 Buyer(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 buyer/vendor/bidder into question, MMTC is entitled to disqualify the Buyer(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 :

1. If the Buyer(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 buyer/vendor/bidder into question, MMTC is entitled to also exclude the Buyer(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.

2. If the Buyer(s) /Vendor(s)/Bidder(s) can prove that he has restored/recouped the damage caused by him and has installed a suitable corruption prevention system, MMTC may at its sole discretion revoke the exclusion prematurely.
3. 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 Buyer(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 5% of the Contract value or the amount equivalent to Performance Bank Guarantee whichever is higher.
3. If the Buyer(s) /Vendor(s)/Bidder(s) can prove that the exclusion of the Buyer(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 Buyer(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 Buyer(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 Buyer(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 BUYER(s) / VENDOR(s) / BIDDER(s) :

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

SECTION 7 : CRIMINAL CHARGES AGAINST VIOLATING BUYER(S)/VENDOR(S)/BIDDER(S) :

If MMTC obtains knowledge of conduct of Buyer(s)/Vendor(s)/Bidder(s) or of an employee or a representative or an associate of Buyer(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 Central Bureau of Investigation.

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 representatives 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 Buyer(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 Buyer(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 option 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 him by MMTC and, should the occasion arise, submit proposals for correcting problematic situations.
7. If the IEM has reported to the CMD, MMTC, a substantiated 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 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.

 for & on behalf of MMTC Limited

 for & on behalf of Bidder

Office Seal

Office Seal

Place : _____
 Date : _____

Place : _____
 Date : _____

Witness 1 : _____
 Name : _____
 Address : _____

Witness 1 : _____
 Name : _____
 Address : _____

Witness 2 : _____
 Name : _____
 Address : _____

Witness 2 : _____
 Name : _____
 Address : _____

CHECKLIST

1. Tender Document, duly signed on all pages, as a token of acceptance of terms & conditions of the tender.
2. Integrity Pact, duly signed by bidder and two witnesses
3. Bank Guarantee for EMD (format as per Appendix I)
4. Documents as specified in Clause 6.0 of Section-I
5. Undertaking for PBG, duly filled in (as per Appendix-III)
6. Authority from Iron Ore producer, duly filled in & signed (as per Appendix-IV)
7. Shipping details, duly filled in (as per Appendix-VI)
