

NOTICE INVITING E -TENDER NO. MMTC/FERT/2017-18/PRILLED UREA/1 DATED 11/12/2017 FOR SUPPLY OF PRILLED UREA IN BULK FROM GLOBAL SUPPLIERS

1	COMMODITY	PRILLED UREA-WHITE		
2	QUANTITY	25,000 MT (+/- 10%) IN BULK		
3	DISCHARGE PORT AND DELIVERY PERIOD	CFR CHENNAI WITHIN 40 DAYS FROM THE DATE OF LOI		
4	SPECIFICATIONS OF PRILLED UREA	ONLY WHITE COLOUR		
5	DESCRIPTION	WHITE PRILLED UREA (FERTILIZER GRADE) FREE-FLOWING AND FREE FROM VISIBLE CONTAMINATION		
6	PHYSICAL CONDITION	CRYSTALLINE, FREE FLOWING WHITE IN COLOUR AND FREE FROM VISIBLE CONTAMINATION OF CLAY OR GRIT		
7	CHEMICAL PROPERTIES		<b>CHARACTERISTICS</b>	<b>REQUIREMENTS</b>
			TOTAL NITROGEN %AGE BY WEIGHT (ON DRY BASIS)	46.00 MIN
			MOISTURE %AGE BY WEIGHT	0.5 MAX
			BIURET %AGE BY WEIGHT	1.50 MAX
			CRUSHING STRENGTH IN KG	0.4-0.7
8	PARTICLE SIZE	THE PORTION OF THE MATERIAL PASSING THROUGH 2.8 MM IS SIEVE (TYLER SIEVE 7) AND RETAINED ON 1 MM IS SIEVE (TYLER SIEVE 16) SHALL NOT BE LESS THAN 90% BY WEIGHT, AND NOT MORE THAN 5% BY WEIGHT SHALL PASS THROUGH 1.00 MM IS SIEVE.		
9	METHOD OF ANALYSIS		NITROGEN	2.4.03 AOAC (1995)
			BIURET	2.4.23 AOAC (1995)
			MOISTURE	II D.4 (TFI.1982)
			PARTICLE SIZE	IV A TFI, (1982) – OR METHOD 20 (FCO 1985)
			SAMPLING	2.1.01, AOAC (1995)
				OR
				IC1, IC2, (TFI – 1982)
				OR
				SCHEDULE II A OF FCO, 1985
10	INSPECTION BEFORE/AFTER SHIPMENT-ALLOWANCES	A) IT SHALL BE THE PRIMARY RESPONSIBILITY OF THE SELLER TO ENSURE THAT THE MATERIAL LOADED CONFORMS TO THE SPECIFICATIONS. BUYER RESERVES THE RIGHT AT ITS OPTION TO HAVE THE MATERIAL INSPECTED BEFORE SHIPMENT WITH REGARD TO QUALITY AND SPECIFICATION. THE SELLER SHALL TENDER THE MATERIAL FOR INSPECTION BY THE AGENCY TO BE NOMINATED BY BUYER. THE SELLER SHALL		

		<p>ARRANGE INSPECTION BY INDEPENDENT INTERNATIONALLY REPUTED SURVEYORS AT LOAD PORT. THE CERTIFICATE OF INSPECTION SO OBTAINED BY THE SELLER TO THE EFFECT THAT THE MATERIAL IS IN ACCORDANCE WITH THE SPECIFICATION LAID DOWN IN THE CONTRACT SHALL ACCOMPANY THE SHIPPING DOCUMENTS.</p> <p>B) THE WEIGHT SHOULD BE DETERMINED BY CONDUCTING DRAFT SURVEY BEFORE LOADING OF CARGO AND AFTER COMPLETION OF THE LOADING OF THE CARGO THROUGH AN INDEPENDENT SURVEYOR AT SELLER'S COST. BILL OF LADING AND INVOICE WILL SHOW DRAFT SURVEY WEIGHT.</p> <p>C) DISPORT DRAFT SURVEY QUANTITY SHALL BE FINAL. IN THE EVENT OF ONE OR MORE SURVEYORS NOT SIGNING THE DRAFT SURVEY REPORT AT DISPORT FOR ANY REASON WHATSOEVER, FOR THE DETERMINATION OF THE ACTUAL QUANTITY DISCHARGED AT DISPORT, THE DRAFT SURVEY REPORT OF THE RECEIVER'S SURVEYOR SHALL BE FINAL AND BINDING ON THE PARTIES.</p> <p>D) BUYER SHALL DRAW SAMPLES FOR DETERMINING THE QUALITY OF THE CARGO AT THE PORT OF DISCHARGE (CHENNAI) THROUGH CENTRAL FERTILIZER QUALITY CONTROL &amp; TRAINING INSTITUTE, FARIDABAD.</p> <p>THE QUALITY SO DETERMINED BY CFQC&amp;TI, FARIDABAD FROM THE DISCHARGE PORT SAMPLE SHALL BE FINAL AND BINDING ON THE SELLER.</p> <p>E) THE SELLER, IF SO DESIRES, CAN NOMINATE HIS REPRESENTATIVE TO SUPERVISE THE DRAFT SURVEY AND DRAWAL OF SAMPLES AT THE DISCHARGE PORT AT HIS OWN EXPENSE.</p> <p>F) THE PAYMENT FOR SHORT LANDED QUANTITY EXCEEDING 0.25% OF B/L QUANTITY PER DISPORT DRAFT SURVEY SHALL BE COMPENSATED BY THE SELLER TO BUYER. THE AMOUNT OF PENALTIES LEVIED ON ACCOUNT OF DEVIATION IN QUALITY (NUTRIENTS, MOISTURE AND PARTICLE SIZE) ON THE BASIS OF DISCHARGE PORT ANALYSIS AS PER ABOVE VIS-A-VIS SPECIFICATIONS IN THE CONTRACT WOULD BE RECOVERED, WITHOUT ANY DEMUR FROM THE SELLER.</p> <p>G) ALL EFFORTS WILL BE MADE TO FINALISE THE ACCOUNTS WITHIN 90 DAYS FROM THE DATE OF COMPLETION OF DISCHARGE OF CARGO.</p>		
11	NORMS OF PENALTY FOR QUALITY DEVIATIONS	NATURE OF DEVIATION	DEGREE OF DEVIATION	SCALE OF PENALTY
		NUTRIENT	ANY DEFICIENCY UP TO A MAX OF 1% BEYOND THE TOLERANCE LIMITS PRESCRIBED IN FCO: TOTAL NITROGEN % BY WEIGHT ON DRY BASIS 46%	5 X Z% X C&F VALUE WHERE Z IS DIFFERENCE % DUE TO DEFICIENCY

			BEYOND THE ABOVE DEFICIENCY	TO BE DECIDED BY THE MPMC COMMITTEE/ITS NOMINATED AGENCY/ MPMC'S CLIENT TO BE CONSTITUTED BY CMD,MPMC/ITS CLIENT
		MOISTURE	ON PRO- RATA BASIS FOR ANY DEVIATION BEYOND PERMISSIBLE LIMITS OF 0.5% MAX	THE VALUE OF FERTILIZER EQUIVALENT TO EXCESS MOISTURE CONTENT IN ENTIRE SHIPMENT BY WEIGHT PLUS PENALTY @ 50 % OF HANDLING CHARGES
		PARTICLE SIZE		A. UNDER SIZE (LOWER-SIEVE) 30% OF VALUE OF THE MATERIAL EQUIVALENT OF DEFICIENCY. B. OVER-SIZE (UPPER SIEVE) 15% OF VALUE OF THE MATERIAL EQUIVALENT OF OVER- SIZE MATERIAL.
12	EMD	<p>CATEGORY- I "PRODUCERS" WHO SUBMIT THE BIDS DIRECTLY (OR THROUGH AUTHORIZED REPRESENTATIVE/AGENT IN INDIA) AND OFFERING CARGO FROM THEIR OWN PRODUCTION UNITS AND MPPL (100% SUBSIDIARY OF MPMC)ARE EXEMPTED FROM SUBMISSION OF BID BOND.</p> <p>CATEGORY - II "NON PRODUCERS" SHALL SUBMIT A BID BOND AT THE RATE OF US \$ 1.00 PMT OF THE QUANTITY OFFERED.</p> <p>TENDERERS SHOULD FURNISH ALONGWITH THEIR OFFER, BID SECURITY IN US DOLLARS BY MEANS OF A BANK GUARANTEE ISSUED BY A SCHEDULED BANK IN NEW DELHI IN ORIGINAL, FOR VALUES AS MENTIONED ABOVE STRICTLY IN THE PRESCRIBED PROFORMA (ANNEXURE I) IN FAVOUR OF MPMC LIMITED AND SHOULD BE KEPT VALID FOR A MINIMUM PERIOD OF ONE MONTH FROM THE LAST DATE OF VALIDITY OF OFFER. DEVIATIONS IN THE FORMAT OF BID BOND ARE NOT ACCEPTABLE. BIDS ARE LIABLE TO BE REJECTED IN CASE OF CONDITIONAL BID BONDS. CATEGORY II BIDDERS HAVE TO SUBMIT BANK REFERENCE TO SHOW CREDIT WORTHINESS OF BIDDER ALONGWITH CREDIT RATING REPORT WITH THE BID.</p> <p>CATEGORY II BIDDERS ARE ALSO REQUIRED TO SUBMIT A CREDIT RATING REPORT FROM ANY OF THE FOLLOWING INTERNATIONAL CREDIT RATING AGENCIES:</p> <ol style="list-style-type: none"> <li>1. DUN &amp; BRADSTREET</li> <li>2. MOODY'S</li> <li>3. STANDARD &amp; POOR</li> </ol> <p>CREDIT RATINGS NEED TO BE MINIMUM SATISFACTORY OR EQUIVALENT. REPORT TO</p>		

		BE SUBMITTED TO MMTC IN A SEALED COVER, BEFORE DUE TIME/DATE OF THE TENDER.
13	PG BOND	THE SUCCESSFUL BIDDER, OTHER THAN MTPL (100% SUBSIDIARY OF MMTC)/ MANUFACTURER/PRODUCERS SHALL BE REQUIRED TO SUBMIT A PERFORMANCE GUARANTEE BOND EQUIVALENT TO NOT LESS THAN 1% OF THE VALUE OF THE CONTRACT IN THE PRESCRIBED PROFORMA WITHIN TWO WEEKS OF THE ACCEPTANCE OF THEIR OFFER / ISSUE OF LOI AS PER MMTC ANNEXURE II.
14	PRICING	<p>A. SUPPLIERS SHALL QUOTE IN USD ON CFR BASIS FOR DISCHARGE AT CHENNAI PORT.</p> <p>B. THE PRICE SHOULD BE INCLUSIVE OF AGENCY COMMISSION, IF ANY, INDICATING THE PERCENTAGE OF AGENCY COMMISSION. THE INVOICE SHOULD EXCLUDE AGENCY COMMISSION AND CAN BE CLAIMED SEPARATELY THROUGH DEBIT NOTE.</p> <p>C. THE PRICE SHOULD BE QUOTED FOR 30, 60, 90 DAYS CREDIT FROM THE B/L DATE SEPARATELY. IF THE VENDOR OFFERS BID LESS THAN 90 DAYS, FOR THE DIFFERENTIAL CREDIT PERIOD INTEREST CALCULATION OF <b>3 MONTHS LIBOR</b> (ON THE DATE OF PRICE BID OPENING) <b>PLUS 300 BASIS POINTS</b> WILL BE LOADED FOR ARRIVING L1. PAYMENT WILL BE MADE BY LETTER OF CREDIT (L/C) AGAINST PRESENTATION OF SHIPPING DOCUMENTS.</p> <p>D. TAXES AND DUES IF ANY PAYABLE OUTSIDE INDIA SHALL BE TO SUPPLIERS ACCOUNT AND IN INDIA TO BUYER'S ACCOUNT.</p>
15	PAYMENT TERMS	<p>BY LETTER OF CREDIT CONFIRMED THROUGH A PRIME BANK IN INDIA, AFTER AVAILING THE 30 OR 60 OR 90 DAYS CREDIT, FROM THE DATE OF BILL OF LADING, ON PRESENTATION OF THE FOLLOWING DOCUMENTS IN FULL SET:</p> <ol style="list-style-type: none"> <li>1. ORIGINAL 3+3 NON-NEGOTIABLE COPIES OF CLEAN BILL OF LADING</li> <li>2. CERTIFIED COMMERCIAL INVOICE IN ORIGINAL ALONG WITH 4 COPIES</li> <li>3. CERTIFICATE OF ORIGIN ISSUED BY RECOGNIZED CHAMBER OF COMMERCE FROM THE COUNTRY OF ORIGIN OF CARGO IN ORIGINAL + 3 COPIES</li> <li>4. CERTIFICATE OF INSPECTION TO BE CERTIFIED BY INDEPENDENT INSPECTION AGENCY AT LOAD PORT SHOWING MATERIAL SUPPLIED UNDER CONTRACT AS QUANTITY, QUALITY IN ORIGINAL WITH 6 NON- NEGOTIABLE COPIES</li> <li>5. FOUR COPIES OF STOWAGE PLAN</li> <li>6. ORIGINAL LOAD PORT SURVEY REPORT</li> <li>7. ACKNOWLEDGEMENT OF MASTER OF VESSEL FOR RECEIVING THE SEALED SAMPLES.</li> <li>8. CERTIFICATE FROM THE SELLER TO THE EFFECT THAT THE FOLLOWING DOCUMENTS HAVE BEEN DISPATCHED BY THE SELLER TO THE BUYER THROUGH AN REPUTED COURIER OR REGISTERED AIRMAIL WITHIN SEVEN DAYS OF SAILING OF THE VESSEL, ALONG WITH ORIGINAL POSTAL/COURIER RECEIPT OF SUCH DISPATCH</li> </ol> <p>CHARGES FOR ESTABLISHING LC AND BANK CHARGES IN THE COUNTRY OF BUYER SHALL BE TO THE BUYER'S ACCOUNT. ALL BANK CHARGES OUTSIDE INDIA SHALL BE TO THE ACCOUNT OF THE SELLER. THE LETTER OF CREDIT EXTENSION AND AMENDMENT CHARGES WILL BE TO THE ACCOUNT OF THE PARTY RESPONSIBLE FOR OCCASIONING THE EXTENSION/AMENDMENT.</p> <p>IF THE DUE DATE HAPPENS TO BE A BANK HOLIDAY, PAYMENT WILL BE MADE ON THE NEXT WORKING DAY.</p> <p>IT IS EXPRESSLY AGREED BY SELLER THAT DURING THE TENURE OF THIS CONTRACT, IF</p>

		THE PRICE OF THE PRILLED UREA CONTRACTED BY ANY OF THE SUPPLIER TO INDIAN MARKET, BECOMES LOWER THAN THE PRICE AGREED UPON IN THE FINAL CONTRACT AGAINST THIS TENDER, SUCH CONTRACTED LOWER PRICE SHALL BE APPLICABLE FOR THE SHIPMENT IN THE RELEVANT PERIOD.
16	DISCHARGE RATE	3000 MT PWWDSSHEX EIU CHENNAI PORT BASIS 4 OR MORE AVAILABLE/WORKABLE HOLDS/HATCHES, PRO-RATA IF LESS.
17	VESSEL NOMINATION AND ACCEPTANCE	VESSEL NOMINATED BY THE SELLER WILL HAVE TO BE ACCEPTED BY THE BUYER BEFORE THE VESSEL IS FIXED FIRM.
18	VALIDITY	BIDS SHOULD BE VALID FOR A PERIOD OF MINIMUM OF 20 DAYS FROM THE DATE OF OPENING OF THE BID AND SHALL NOT BE WITHDRAWN BY THE BIDDER DURING ITS VALIDITY.
19	NOR AND COMMENCEMENT OF LAY TIME	<p><b>NOR:</b> THE MASTER SHALL GIVE NOTICE OF READINESS TO MMTC/ITS CUSTOMER OR NOMINATED AGENTS DURING OFFICIAL WORKING HOURS. IF NOTICE OF READINESS IS TENDERED AND ACCEPTED BEFORE 12.00 NOON THE LAY TIME WILL COMMENCE FROM 1400 HRS. IF NOR IS TENDERED AND ACCEPTED IN THE AFTERNOON THE LAY TIME WILL COMMENCE NEXT DAY AT 0800 HRS.</p> <p><b>LAY TIME:</b> A) THE CARGO SHALL BE DISCHARGED AT THE/AVERAGE RATE OF 3000 MTS FOR SINGLE DECKER VESSEL WITH 4 OR MORE HATCHES, PER WEATHER WORKING DAY OF 24 CONSECUTIVE HRS. SATURDAYS, SUNDAYS AND HOLIDAYS EXEMPTED EVEN IF USED, PROVIDED THE VESSEL CAN RECEIVE AND DELIVER AT THESE RATES. THE LAY TIME SHALL NOT COUNT ON SATURDAY, SUNDAY AND 0800 HRS. ON MONDAY AND NOT BETWEEN 1700 HRS. (IF NOT SATURDAY) ON THE LAST WORKING DAY PRECEDING PORT TRUST HOLIDAY AND UP TO 0800 HRS. ON THE FIRST WORKING DAY THEREAFTER EVEN IF USED UNLESS THE VESSEL IS ALREADY ON DEMURRAGE. RECEIVERS HAVE THE RIGHT TO WORK DURING EXCEPTED PERIODS, SUCH TIME USED NOT TO COUNT AS LAY-TIME.</p> <p>IN CASE VESSEL IS NOT ACCEPTED THE REASON AND CONSEQUENCES THEREOF SHALL BE MUTUALLY DISCUSSED AND SETTLED. CALCULATIONS OF DEMURRAGE/DESPATCH WILL BE SETTLED BETWEEN BUYER AND SELLER WITHIN A PERIOD OF 60 DAYS AFTER THE DATE OF COMPLETION OF DISCHARGE.</p> <p>B) RIGGING GANG EMPLOYED AT DISCHARGE PORT TO BE ON VESSEL OWNER'S ACCOUNT.</p> <p>C) SELLER SHALL ARRANGE FOR CHARTING OF SUITABLE GEARED SINGLE DECK VESSEL TO ENSURE DISCHARGE AS INDICATED ABOVE. VESSEL TO HAVE TEST CERTIFICATE COVERING VESSEL'S GEAR IN ACCORDANCE WITH INTERNATIONAL DOCK SAFETY CONVENTION, VALID FOR THE DURATION OF THE CHARTER. VESSEL IS GUARANTEED SUITABLE FOR GRAB DISCHARGE AND NO CARGO IS TO BE LOADED IN TWEEN DECKS, DEEP TANKS, WING TANKS, OR BUNKER SPACES OR OTHER SPACES INACCESSIBLE TO GRABS. THE MASTER TO HAVE LIBERTY IN LOADING SUCH SPACES FOR THE PURPOSES OF STABILITY OF THE VESSEL BUT ANY EXTRA EXPENSES INCURRED BY REASON OF LOADING AND DISCHARGING FROM SUCH SPACES NOT EASILY ACCESSIBLE ARE TO BE</p>

	<p>ON OWNER'S/SELLER ACCOUNT AND LAY TIME ADMISSIBLE SHALL BE CALCULATED AT HALF THE SPECIFIED DISCHARGE RATE FOR THE CARGO LOADED IN INACCESSIBLE AREAS.</p> <p>THE VESSEL SHALL THROUGHOUT THE DURATION OF DISCHARGING GIVE FREE USE OF THE VESSEL CARGO HANDLING GEAR AND CRANE, AND SUFFICIENT MOTIVE POWER TO OPERATE ALL SUCH CARGO HANDLING GEAR AND CRANE. TIME LOST BY BREAKDOWN OF THE VESSEL CARGO HANDLING GEAR AND CRANE OR MOTIVE POWER- PRO RATA SHALL BE APPLIED FOR LAY TIME CALCULATION.</p> <p>D) VESSEL TO BE LEFT IN SEAWORTHY TRIM TO SHIFT BETWEEN PORT AND BERTHS TO MASTER'S SATISFACTION AT OWNER'S/SELLER EXPENSE.</p> <p>E) VESSEL OWNERS UNDERTAKE THAT THE VESSEL'S ARRIVAL DRAFT AT THE DISCHARGE PORT NOT TO EXCEED 33 FT. SALT WATER. IN CASE OF LIGHTENING OVER 33 FT. DRAFT ARRIVAL, SAME WILL BE TO VESSEL OWNER'S ACCOUNT AND TIME USED NOT TO COUNT AS LAY TIME.</p> <p>F) THE SELLER TO GUARANTEE THAT TO DISCHARGE OF CARGO, THE VESSEL SHOULD BE SELF-GEARED BULK CARRIER FITTED WITH MINIMUM FOUR CRANES OF 25 MT SWL EACH WITH A MINIMUM OUT REACH OF NINE (9.0) METER AND SUITABLE FOR GRAB DISCHARGE. USE OF SHORE CRANES IS OPTIONAL. THE VESSEL SHOULD BE ABLE TO SUPPLY SUFFICIENT POWERS TO OPERATE ALL CRANES AND LOADED GRABS SIMULTANEOUSLY.</p> <p>G) VESSEL OWNERS ARE TO GIVE THE NAMES OF THE AGENTS AT DISCHARGE PORT TO BUYER BY EMAIL WITHIN 48 HRS. OF COMPLETION OF LOADING OF CARGO AT LOAD PORT.</p> <p>H) THE SELLER SHALL PAY TO BUYER DESPATCH MONEY AT THE RATE, AS MENTIONED IN THE CHARTER PARTY PER DAY AND PRO-RATA FOR PART OF A DAY FOR WORKING TIME SAVED IN DISCHARGING. DEMURRAGE/DESPATCH RATE SHALL NOT EXCEED EQUIVALENT TO US DOLLARS 8,000/4,000 PER DAY. IN CASE SUCH RATES ARE HIGHER THAN US DOLLARS 8,000/4,000 PER DAY, PRIOR APPROVAL OF BUYER SHOULD BE OBTAINED. PAYMENT OF DESPATCH MONEY SHOULD BE MADE BY SELLER TO BUYER WITHIN 60 DAYS OF COMPLETION OF DISCHARGE OF CARGO.</p> <p>I) IT IS AGREED THAT RECEIVER OR RECEIVER'S AGENT SHALL SIGN THE STATEMENT OF FACTS AND OTHER CUSTOMARY DOCUMENTS TOGETHER WITH THE MASTER OF VESSEL AND SHIP'S AGENTS.</p> <p>J) THE SELLER UNDERTAKES TO ADVISE BUYER BY EMAIL THE NAME OF THE VESSEL, THE TOTAL QUANTITY LOADED, DATE OF VESSEL DEPARTURE, SPEED, ESTIMATED DRAFT FORE AND AFT, EXPECTED DATE OF ARRIVAL AT THE INDIAN PORT, FULL NAME AND POSTAL ADDRESS OF THE OWNERS OF THE VESSEL AND POSTAL ADDRESS OF THEIR AGENTS IN INDIA EXPEDITIOUSLY.</p> <p>K) SELLERS ARE TO ENSURE THAT LIBERTIES, VICTORIES AND OTHER WAR BUILT</p>
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		<p>VESSELS ARE AVOIDED FOR THE SHIPMENT OF CARGO. THEY SHOULD NOT CHARTER VESSELS OF MORE THAN 15 YEARS AGE. IN CASE OF NECESSITY OF CHARTERING VESSELS OLDER THAN 15 YEARS THE SELLERS SHALL TAKE THE PRIOR APPROVAL OF BUYER. THE OVER-AGE INSURANCE PREMIUM SHALL BE TO THE ACCOUNT OF THE SELLER. HOWEVER THE SUPPLIER SHALL ENSURE THAT THE VESSEL EMPLOYED IS NOT MORE THAN 20 YEARS OLD.</p> <p>L) THE VESSEL SHOULD BE SINGLE DECKER AND SHOULD HAVE HYDRAULIC HATCH COVER.</p> <p>FOR ANY RELAXATION OF THE ABOVE CONDITIONS, PRIOR APPROVAL SHOULD BE OBTAINED FROM BUYER.</p>
20	LIQUIDATED DAMAGES	<p>IN THE EVENT OF PLACEMENT OF ORDER/ LOI ON SUCCESSFUL TENDERER, TIMELY EXECUTION OF THE ORDER/ LOI AND DELIVERY OF THE MATERIAL WITHIN THE DELIVERY PERIOD AS STIPULATED IN THE ORDER IS VERY IMPORTANT. IF THE MATERIALS ARE NOT DELIVERED ON OR BEFORE THE DELIVERY DATE SPECIFIED IN THE ORDER/LOI, BUYER RESERVES THE RIGHT EITHER TO RECEIVE OR REJECT THE MATERIAL IF SUPPLIED SUBSEQUENTLY, OR TO RECOVER AS LIQUIDATED DAMAGES AND NOT BY WAY OF PENALTY FOR THE PERIOD AFTER THIS MATERIAL WAS DUE OR UNTIL ACTUAL DELIVERY OR UNTIL THE BUYERS SECURE THE MATERIAL FROM OTHER SOURCES, A SUM EQUIVALENT TO 0.5% OF CONTRACT VALUE FOR EVERY WEEK OF DELAY OR PART THEREOF FROM THE SPECIFIED DATE OF DELIVERY SUBJECT TO A MAXIMUM OF 2% OF THE CONTRACT VALUE AND /OR TO CANCEL THE CONTRACT AND TO FORFEIT THE PG BOND.</p>
21	TITLE AND RISK	<p>TITLE AND RISK FOR CARGO SHALL PASS FROM SELLER TO BUYER ONCE THE GOODS PASS THE SHIP'S RAIL IN THE PORT OF SHIPMENT.</p>
22	ASSIGNMENT	<p>THE SELLER SHALL NOT ASSIGN OR DELEGATE ANY OF THEIR OBLIGATIONS UNDER THIS CONTRACT IN FULL OR PART TO ANY PARTY WITHOUT PRIOR WRITTEN CONSENT OF THE BUYER.</p> <p>THE PROVISIONS OF THIS PARAGRAPH SHALL ALSO APPLY TO:</p> <p>A) SUBCONTRACTING FOR THE PROCUREMENT OF THE COMMODITY PURCHASED HERE UNDER</p> <p>B) A SALE OR ENCUMBRANCE OF SUBSTANTIALLY ALL OF THE SELLER SHARE OR ASSETS OR A MERGER OF SELLER'S BUSINESS OR INSOLVENCY OR RECEIVERSHIP PROCEEDING IN RESPECT OF SELLER'S BUSINESS.</p>
23	EVALUATION CRITERIA	<p><b>TECHNO COMMERCIALY QUALIFIED</b> VENDORS OFFER ON CFR CHENNAI WITH 30/60/90 DAYS CREDIT PERIOD FROM B/L DATE IN USD PER MT WILL BE EVALUATED. FOR THOSE WHO ARE QUOTING ONLY 30/60 DAYS CREDIT PRICE, FOR THE DIFFERENTIAL CREDIT PERIOD, INTEREST CALCULATION OF <b>3 MONTHS LIBOR</b> (ON THE DATE OF PRICE BID OPENING) <b>PLUS 300 BASIS POINTS</b> WILL BE LOADED FOR ARRIVING L1 FOR THE LONGEST CREDIT PERIOD 90 DAYS.</p> <p>FOR ARRIVING INR, RBI EXCHANGE RATE FOR USD PREVAILING ON THE DATE OF OPENING OF PRICE BID WILL BE BASIS FOR EXCHANGE RATE CALCULATION.</p>
24	SHIPPING TERMS	<p>VESSEL SHALL BE CHARTERED AS PER RELEVANT CHARTER PARTY AND SHIPPING TERMS SHALL BE IN ACCORDANCE WITH THE <b>INCOTERMS 2010</b> EDITION AND AS</p>

		AMENDED FROM TIME TO TIME
25	AMENDMENT OF CONTRACT	ALL PREVIOUS NEGOTIATIONS AND CORRESPONDENCE CONCERNING THE CLAUSES OF THE CONTRACT SHALL BE CONSIDERED AS NULL AND VOID. MODIFICATIONS, WAIVER OR DISCHARGE OF THE CONTRACT, OR ANY OF ITS TERMS SHALL NOT BIND EITHER PARTY UNLESS IN WRITING AND SIGNED BY BOTH THE PARTIES.
26	FORCE MAJURE	<p>A) IF AT ANY TIME DURING THE CURRENCY OF THIS CONTRACT EITHER PARTY IS UNABLE TO PERFORM THE WHOLE OR IN PART ANY OBLIGATION UNDER THIS CONTRACT BECAUSE OF WAR, HOSTILITY, CIVIL COMMOTION, SABOTAGE, QUARANTINE RESTRICTIONS, ACTS OF GOD, ACTS OF GOVERNMENT, (INCLUDING BUT NOT RESTRICTED TO PROHIBITION OF EXPORTS OR IMPORTS) FIRES, FLOODS, EXPLOSION, EPIDEMICS, STRIKES, EMBARGOES, CLOSURE OF DISCHARGING BERTH ETC.,, THEN THE DATE OF FULFILLMENT OF ENGAGEMENT SHALL BE POSTPONED DURING THE TIME WHEN SUCH CIRCUMSTANCES ARE OPERATIVE.</p> <p>B) ANY WAIVER / EXTENSION OF TIME IN RESPECT OF DELIVERY OF ANY INSTALLMENT OR PART OF THE GOODS OCCASIONED DUE TO THE REASONS (A) ABOVE SHALL NOT BE DEEMED TO BE WAIVER / EXTENSION OF TIME IN RESPECT OF THE REMAINING DELIVERIES.</p> <p>C) IF OPERATION OF SUCH CIRCUMSTANCES EXCEEDS THREE MONTHS, EACH PARTY SHALL HAVE THE RIGHT TO REFUSE FURTHER PERFORMANCE OF CONTRACT IN WHICH CASE NEITHER PARTY SHALL HAVE THE RIGHT TO CLAIM THE EVENTUAL DAMAGES FROM EACH OTHER.</p> <p>D) THE PARTY WHICH IS UNABLE TO FULFILL ITS ENGAGEMENT UNDER THE CONTRACT MUST BE WITHIN 15 DAYS OF OCCURRENCE OF ANY OF THE CAUSES MENTIONED IN THIS CLAUSE SHALL INFORM THE OTHER PARTY OF THE EXISTENCE OR TERMINATION OF THE CIRCUMSTANCES PREVENTING THE PERFORMANCE OF THE CONTRACT. CERTIFICATE ISSUED BY THE CHAMBER OF COMMERCE IN THE COUNTRY OF THE SELLER OR COMPETENT AUTHORITY IN CASE OF BUYER SHALL BE SUFFICIENT PROOF OF THE EXISTENCE OF THE ABOVE CIRCUMSTANCES AND THEIR DURATION.</p> <p>E) NON AVAILABILITY OF MATERIAL WILL NOT BE AN EXCUSE FOR THE SELLERS FOR NOT PERFORMING THEIR OBLIGATION OF THE CONTRACT.</p>
27	ARBITRATION	<p>Any or all disputes arising out of the contract/agreement shall be settled by mutual discussions and in the event of failure to do so, such dispute(s) shall be referred to a Sole Arbitrator, who will be appointed by mutual consent for settlement of such dispute(s) and whose decision shall be final and binding. In the event of failure to appoint such a Sole Arbitrator, with mutual consent, then the Sole Arbitrator will be appointed through the High Court of Judicature at Chennai. Cost of Arbitration shall be borne equally by the parties.</p> <p>Subject as aforesaid, the Arbitration and Conciliation Act 1996 shall apply to the Arbitration Proceedings under this Clause and such Arbitration shall be in English and take place in the city of Chennai.</p>



28	INTEGRITY PACT	<p>1. SIGNING OF INTEGRITY PACT (IP) IS MANDATORY FOR EVERY BIDDER PARTICIPATING IN THIS TENDER. A COPY OF THE IP IS ENCLOSED (ANNEXURE III), WHICH MAY BE DEEMED TO HAVE BEEN SIGNED BY MMTC. THE BIDDER(S) AND MMTC SHALL BE BOUND BY THE PROVISIONS OF IP IN CASE ANY COMPLAINT RELATING TO THE TENDER IS FOUND SUBSTANTIATED.</p> <p>2. THE IP SHALL BE EXECUTED ON A PLAIN PAPER AND DULY SIGNED ON EACH PAGE BY THE SAME SIGNATORY WHO SIGNS THE BID DOCUMENT.</p> <p>3. ANY BID NOT ACCOMPANIED BY DULY SIGNED IP BY THE BIDDER SHALL BE SUMMARILY REJECTED.</p> <p>4. ALL SUB-CONTRACTORS/ASSOCIATES WHOSE CONTRIBUTION IN THE TENDER IS ABOVE 20 CRORE SHALL SIGN IP WITH MMTC AFTER THE TENDER IS AWARDED TO THE SUCCESSFUL BIDDER. ALL BIDDERS SHALL INFORM THEIR SUB-CONTRACTORS/ASSOCIATES ACCORDINGLY.</p> <p>5. THE INDEPENDENT EXTERNAL MONITORS (IEMS) FOR THIS TENDER SHALL BE SHRI D.R. S. CHOUDHARY, IAS (RETD.). ALL CORRESPONDENCE TO HIM REGARDING IMPLEMENTATION OF IP SHOULD BE ADDRESSED TO: SHRI D.R. S. CHOUDHARY IAS (RETD.), INDEPENDENT EXTERNAL MONITOR, MMTC LIMITED, CORE-1, SCOPE COMPLEX, 7, INSTITUTIONAL AREA, LODHI ROAD, NEW DELHI-110003. THE E-MAIL ID IS <a href="mailto:dilip.chaudhary@icloud.com">dilip.chaudhary@icloud.com</a>. BIDDERS ARE REQUESTED NOT TO COMMUNICATE ANY COMMERCIAL ENQUIRY TO IEMS EXCEPT COMPLAINTS RELATING TO INTEGRITY PACT</p>
29	FRAUD PREVENTION POLICY	AS PER ANNEXURE IV
30.	GENERAL	<p>A. PLEASE NOTE THAT THE FORM OF MATERIAL SHOULD BE STRICTLY AS PER SPECIFICATIONS AS MENTIONED ABOVE.</p> <p>B. INDIAN AGENT'S COMMISSION, IF ANY, WILL BE PAID ONLY IN INDIAN RUPEES AND DEDUCTED FROM THE INVOICE VALUE. PAYMENTS ARE SUBJECT TO STATUTORY DECUCTIONS.</p> <p>C. MMTC RESERVES THE RIGHT TO ACCEPT OR REJECT ANY OR ALL TENDERS OR TO RE-TENDER AT MMTC'S SOLE DISCRETION WITHOUT ASSIGNING ANY REASONS.</p> <p>D. ALL OTHER TERMS SHALL BE AS PER MMTC'S STANDARD TERMS FOR SUCH IMPORT.</p> <p>E. BIDS ARE TO BE SUBMITTED LATEST BY 1400 HRS. ON 19.12.2017 THROUGH ELECTRONIC MODE FOR WHICH BIDDERS MAY LOG ON TO WEBSITE <a href="https://mmtc.abcprocure.com">https://mmtc.abcprocure.com</a> . BID BOND CAN BE SUBMITTED IN CLOSED ENVELOPE TO BE DROPPED IN TENDER BOX PLACED AT MMTC LIMITED, FERTILIZER DIVISION, 2<sup>nd</sup> FLOOR, CORE-1 , SCPOE COMPLEX, LODHI ROAD, NEW DELHI BEFORE THE CLOSING TIME OF RECEIPT OF THE TENDERS AS ABOVE.</p> <p>F. TECHNICAL BID WILL BE OPENED AT 1430 HRS IST ON 19.12.2017 AND PRICE BID WILL BE OPENED AFTER VERIFICATION OF TECHNICAL BID.</p>

		G. BIDS ARE TO BE SUBMITTED IN TWO BID SYSTEM – TECHNICAL BID AND PRICE BID.
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**NOTE:**

1. CLASS III DIGITAL SIGNATURE CERTIFICATE (DSC) IS MANDATORY TO PARTICIPATE IN E-AUCTION/E-TENDERING. PARTICIPATING BIDDERS HAVE TO MAKE SURE THAT THEY HAVE THE VALID DSC IN THEIR NAME. IF NOT, THEY CAN PROCURE FROM ANY OF THE RAS APPROVED BY CCA. MINIMUM TIME TO PROCURE DSC IS 5 WORKING DAYS.

**ANNEXURE-I**

**BID BOND PROFORMA**

(ON A STAMP PAPER OF RS. 100/- TO BE EXECUTED BY A DELHI/NEW DELHI BRANCH  
OF ANY SCHEDULED BANK OF INDIA)

M/S. MMTC LTD.,  
FERTILIZER DIVISION, CORE NO.1  
"SCOPE COMPLEX"  
7- INSTITUTIONAL AREA, LODI ROAD,  
NEW DELHI-110 003. INDIA.

DEAR SIRS,

WHEREAS M/S. \_\_\_\_\_ (OFFEROR) HAS OFFERED TO  
SUPPLY A QUANTITY OF \_\_\_\_\_ MTS OF UREA TO MMTC AND THE OFFEROR IS REQUIRED  
TO SUBMIT A BID BOND IN US DOLLARS AT THE RATE OF USD \_\_\_\_\_ PMT FOR THE QUANTITY  
OFFERED ALONGWITH THE OFFER AS A GUARANTEE FOR FULFILLMENT OF ALL THE TERMS AND  
CONDITIONS OF SUBSEQUENT SALE, WE (BANK WITH FULL ADDRESS) HEREBY GUARANTEE AND  
UNDERTAKE TO PAY IMMEDIATELY ON DEMAND BY MMTC LTD., NEW DELHI THE AMOUNT OF  
US\$ \_\_\_\_\_ IN CASE THE OFFEROR FAILS TO PERFORM ANY OR ALL THE OBLIGATIONS,  
UNDERTAKEN BY HIM AS PER MMTC'S ACCEPTANCE WITHOUT RESERVATION, PROTEST, DEMUR  
AND RECOURSE TO SAID OFFEROR. ANY SUCH DEMAND IN WRITING MADE BY MMTC SHALL BE  
CONCLUSIVE AND BINDING ON US IRRESPECTIVE OF ANY DISPUTE OR DIFFERENCE RAISED BY  
THE OFFEROR.

NOTWITHSTANDING ANYTHING MENTIONED HEREIN BEFORE, OUR LIABILITY UNDER THE  
GUARANTEE IS RESTRICTED TO US\$ \_\_\_\_\_ (US DOLLARS \_\_\_\_\_  
\_\_\_\_\_ ONLY) AND IT WILL REMAIN IN FORCE UPTO \_\_\_\_\_ UNLESS A CLAIM  
UNDER THE GUARANTEE IS FILED AGAINST US ON OR BEFORE \_\_\_\_\_ ALL YOUR RIGHTS  
UNDER THE SAID GUARANTEE SHALL BE FOREFEITED AND WE SHALL BE RELIEVED AND  
DISCHARGED FROM ALL THE LIABILITIES THEREUNDER. WE, \_\_\_\_\_  
BANK FURTHER AGREE THAT THE GUARANTEE HEREUNDER CONTAIN SHALL NOT SO AFFECTED  
BY CHANGE IN THE TERMS OF PURCHASE ORIGINALLY OFFERED BY THE OFFEROR.

DATED: \_\_\_\_\_ FOR \_\_\_\_\_

PLACE: \_\_\_\_\_ BANK \_\_\_\_\_

## ANNEXURE II

### PERFORMANCE BANK GUARANTEE PROFORMA

BANK GUARANTEE NO. \_\_\_\_\_ DATED \_\_\_\_\_

(ON A STAMP PAPER OF APPLICABLE AMOUNT TO BE EXECUTED BY A DELHI / NEW DELHI BRANCH OF A SCHEDULED BANK OTHER THAN GRAMIN BANK OR COOPERATIVE BANK)

TO

M/S MMTC LIMITED  
CORE 1, SCOPE COMPLEX  
7 INSTITUTIONAL AREA  
LODHI ROAD  
NEW DELHI 110003 (INDIA)

DEAR SIRS,

- 1) WHEREAS, MMTC LIMITED, HAVING ITS REGISTERED OFFICE AT CORE-1, SCOPE COMPLEX, 7, INSTITUTIONAL AREA, LODHI ROAD, NEW DELHI -110 003 INDIA AND ONE OF ITS OFFICE AT \_\_\_\_\_ (HEREINAFTER CALLED "THE MMTC) HAVE ENTERED INTO CONTRACT NO. \_\_\_\_\_ DATED \_\_\_\_\_ (HEREINAFTER CALLED 'THE CONTRACT') FOR \_\_\_\_\_ WITH M/S. \_\_\_\_\_ (NAME) ADDRESS \_\_\_\_\_, (HEREINAFTER CALLED THE XX')
- 2) AND WHEREAS THE '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 THE MMTC, IMMEDIATELY ON DEMAND UP TO AND NOT EXCEEDING THE SUM OF US DOLLARS \_\_\_\_\_ 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 THE MMTC NOT EXCEEDING THE SUM OF US DOLLARS \_\_\_\_\_ 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 THE MMTC ACROSS THE COUNTER OF THE BANK ON THE SAME DAY OF RECEIPT OF INVOCATION OF THIS PERFORMANCE BANK GUARANTEE.

- 5) NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREINABOVE, LIABILITY UNDER THE GUARANTEE IS RESTRICTED TO US DOLLARS\_\_\_\_\_. OUR GUARANTEE SHALL REMAIN IN FORCE UNTIL \_\_\_\_\_ (DATE).
- 6) ALL YOUR RIGHTS UNDER THE GUARANTEE SHALL BE FORFEITED AND WE SHALL BE RELIEVED AND DISCHARGED FROM ALL LIABILITY THEREUNDER UNLESS A CLAIM UNDER THE GUARANTEE IS MADE ON OUR BANK IN WRITING ON OR BEFORE\_\_\_\_\_ (EXPIRY DATE).
- 7) YOUR LETTER OF DEMAND 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) WE FURTHER AGREE 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 LIMITED IN WRITING.
- 12) THIS GUARANTEE WILL NOT BE DISCHARGED DUE TO CHANGE IN THE CONSTITUTION OF THE BANK OR THE SAID 'XX'.
- 13) WE HAVE THE POWER TO ISSUE THIS GUARANTEE IN YOUR FAVOUR UNDER THE CHARTER OF OUR 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 \_\_\_\_\_ 2015

YOURS FAITHFULLY

FOR AND ON BEHALF OF  
BANK (ADDRESS)  
(BANKERS SEAL)

### **ANNEXURE III**

#### **INTEGRITY PACT**

BETWEEN

MMTC LIMITED HEREINAFTER, REFERRED TO AS “MMTC”,

AND

..... 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 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 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.

- A) 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.
- B) 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.
- 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 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 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 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.

5. THIS INTEGRITY PACT RELATES TO CONTRACT NUMBER AND DATE AS -----  
-----.

.....  
(FOR & ON BEHALF OF MMTC)  
BUYER/VENDOR/BIDDER)

NAME:  
DESIGNATION:  
(OFFICE SEAL)

PLACE : .....  
DATE : .....

WITNESS 1 : .....  
NAME :  
ADDRESS :

WITNESS 2 : .....  
NAME :  
ADDRESS :

.....  
(FOR & ON BEHALF OF

NAME:  
DESIGNATION:  
(OFFICE SEAL)

**ANNEXURE IV  
FRAUD PREVENTION POLICY**

- (1) **COMMITMENTS OF THE BIDDER(S) / CONTRACTOR(S) / BUYER(S) / VENDER(S):** THE BIDDER(S)/CONTRACTOR(S)/BUYER(S)/VENDER(S) SHALL BE BOUND TO TAKE ALL MEASURES NECESSARY TO PREVENT FRAUD AND CORRUPTION WHILE DEALING WITH MMTC. THEY AGREE AND UNDERTAKE TO OBSERVE THE PRINCIPLES/PROVISIONS AS LAID DOWN IN "FRAUD PREVENTION POLICY" OF MMTC (FULL TEXT OF WHICH IS AVAILABLE ON MMTC'S WEBSITE AT [HTTP://MMTCLIMITED.GOV.IN](http://mmtclimited.gov.in) DURING THEIR PARTICIPATION IN THE TENDER PROCESS, DURING THE EXECUTION OF CONTRACT AND IN ANY OTHER TRANSACTION WITH MMTC.
- a. THE BIDDER(S)/CONTRACTOR(S)/BUYER(S)/VENDER(S) SHALL NOT, DIRECTLY OR THROUGH ANY OTHER PERSON OR FIRM OFFER, PROMISE OR GIVE OR OTHERWISE ALLOW ANY OF MMTC'S EMPLOYEE(S) ANY MATERIAL OR OTHER BENEFIT WHICH HE/SHE IS NOT LEGALLY ENTITLED TO, IN ORDER TO OBTAIN IN EXCHANGE ANY ADVANTAGE OF ANY KIND, WHATSOEVER, DURING THE TENDER PROCESS OR DURING THE EXECUTION OF THE CONTRACT.
  - b. THE BIDDER(S)/CONTRACTOR(S)/BUYER(S)/VENDER(S) SHALL NOT ENTER WITH OTHER BIDDERS INTO ANY UNDISCLOSED AGREEMENT OR UNDERSTANDING, WHETHER FORMAL OR INFORMAL. THIS APPLIES IN PARTICULAR TO PRICES, SPECIFICATIONS, CERTIFICATIONS, SUBSIDIARY CONTRACTS, SUBMISSION OR NON-SUBMISSION OF BIDS OR ANY OTHER ACTIONS TO RESTRICT COMPETITIVENESS OR TO INTRODUCE CARTELIZATION IN THE BIDDING PROCESS.
  - c. THE BIDDER(S)/CONTRACTOR(S)/BUYER(S)/VENDER(S) SHALL NOT COMMIT OR ALLOW ANY EMPLOYEE OF MMTC TO COMMIT ANY OFFENCE UNDER THE RELEVANT PROVISIONS OF IPC/PREVENTION OF CORRUPTION ACT; FURTHER THE BIDDER(S)/CONTRACTOR(S) / BUYER(S)/VENDER(S) WILL NOT USE IMPROPERLY OR ALLOW ANY EMPLOYEE OF MMTC, FOR PURPOSE OF COMPETITION OR PERSONAL GAIN OR PASS ON TO OTHERS ANY INFORMATION OR DOCUMENT PROVIDED BY MMTC AS PART OF THE BUSINESS RELATIONSHIP, INCLUDING INFORMATION CONTAINED OR TRANSMITTED ELECTRONICALLY.
  - d. THE BIDDER(S)/CONTRACTOR(S)/BUYER(S)/VENDER(S) SHALL NOT INSTIGATE THIRD PERSON TO COMMIT OFFENCES/ACTIVITIES OUTLINED IN FRAUD PREVENTION POLICY OR BE AN ACCESSORY TO SUCH OFFENCES.
  - e. THE BIDDER(S)/CONTRACTOR(S)/BUYER(S)/VENDER(S) IF IN POSSESSION OF ANY INFORMATION REGARDING FRAUD/SUSPECTED FRAUD, HEREBY AGREE AND UNDERTAKE TO INFORM MMTC OF SAME WITHOUT ANY DELAY.
- (2) **DISQUALIFICATION FROM TENDER PROCESS AND EXCLUSION FROM FUTURE CONTRACTS:** IF THE BIDDER(S)/CONTRACTOR(S)/BUYER(S)/VENDER(S), BEFORE AWARD OR DURING EXECUTION HAS COMMITTED A TRANSGRESSION THROUGH A VIOLATION OF "FRAUD PREVENTION POLICY" OF MMTC IN ANY OTHER FORM SUCH AS TO PUT THEIR RELIABILITY OR CREDIBILITY, IN QUESTION, MMTC, OTHER THAN TAKING RECOURSE AVAILABLE UNDER LAW, SHALL BE ENTITLED TO DISQUALIFY THE BIDDER(S)/CONTRACTOR(S)/BUYER(S)/VENDER(S) FROM UNDERTAKING ANY TRANSACTION WITH MMTC AND/OR DECLARE THE BIDDER(S)/CONTRACTOR(S)/BUYER(S)/VENDER(S) INELIGIBLE TO BE AWARDED A CONTRACT EITHER INDEFINITELY OR FOR A STATED PERIOD OF TIME.
- (3) **DAMAGES:** IF MMTC HAS DISQUALIFIED THE BIDDER(S) FROM THE TENDER PROCESS PRIOR TO THE AWARD OR DURING EXECUTION ACCORDING TO CLAUSE (2), MMTC SHALL BE ENTITLED TO DEMAND AND RECOVER FROM THE CONTRACTOR LIQUIDATED DAMAGES OF THE CONTRACT VALUE OF THE AMOUNT EQUIVALENT PERFORMANCE BANK GUARANTEE.