

**NIT No. MMTC/BBN/IOF/NINL-RM/02/2015-16**  
**dated 14/05/2015**

Last Date of Submission of Bids: **04/06/2015** at 13: 30 Hours

**OPEN TENDER (NIT) FOR PURCHASE OF IRON ORE FINES (62% Fe)**

MMTC Limited, A Government of India Enterprise, having its Sub-Regional Office at Kalinga Road, Barbil – 758 035, P.O. Barbil, Dist. Keonjhar (Odisha) invites **Open Tender** on behalf of Neelachal Ispat Nigam Ltd in two bid system from **Mine Owners /Traders only** of Joda/Barbil sector of Odisha for supply of Iron Ore Fines (62% Fe *basis*) for its integrated steel plant at Kalinga Nagar Industrial Complex, Duburi - 755 026, Jajpur, Odisha as per following specifications, terms & conditions:-

The Bidders are required to submit their sealed tenders on or before **04/06/2015** by 13.30 Hrs in the Tender Drop Box kept in Minerals Section, MMTC Limited, SRO, Barbil. The offer (s) is / are required to be submitted in **two separate sealed envelopes** i.e. One envelope for Technical bid containing documents mentioned under eligibility criteria, including a copy of this tender (Part -I) duly signed by the bidder with official seal on each page and Second envelope for Price Bid containing only quoted price per WMT on F.O.R *loading station* delivery basis in INR, duly signed by the bidder with official seal, in the prescribed PRICE BID (Part-II of this tender). The entire information including technical bid and price bid should be typed written/downloaded from website without any change. The technical bid will be opened **04/06/2015** at **15:30** Hours and the price bid of technically qualified bidders will be opened subsequently. Bidders can depute their authorized representatives during opening of technical and price bids, if they desire. This NIT is available in MMTC and Govt. web sites i.e. [www.mmtclimited.gov.in](http://www.mmtclimited.gov.in) & <http://eprocure.gov.in>. This NIT can be down loaded from the web sites and the bidders are required to submit the bids as per Tender so down loaded without any change/modification/alteration/deletion etc. In case any changes in the NIT come to notice subsequently by MMTC the same will be rejected summarily.

**CLAUSE :1. ELIGIBILITY CRITERIA :**

**1.1** In order to become eligible to participate in the above Tender, prospective bidder(s) must submit self attested copies of following documents along with Technical Bid :-

**a)MINE OWNERS:** (i)Self certification by Mine owners (ii) IBM Registration Certificate ; (iii) PAN card ; (iv) VAT Registration Certificate clearly indicating the commodity (iron ore) being dealt ; (v) Local Office address with FAX /E-mail ID/ Telephone number(vi) Service Tax certificate(Optional). (vii) All the pages of the tender i.e. NIT, must be stamped and signed by the bidder and submitted with technical bid as a token of acceptance of the terms and conditions.

**b) TRADER :**

i) Trade Licence under concerned Mining Circle, (ii) IBM Certificate, (iii) VAT Registration Certificate clearly indicating commodity (iron ore) being dealt, (iv) Pan Card (v) Office address with Fax/e-mail ID/ Telephone Number, (vi) Service Tax Certificate (optional) (vii) All the pages of the tender i.e. NIT, must be stamped and signed by the bidder and submitted with technical bid as a token of acceptance of the terms and conditions. (viii) Letter of authorisation from Mine Owners (as per format enclosed Annexure I,II), offering Iron Ore Fines to the traders for entire tender quantity as per required specifications of NINL Plant.

**1.2** EMD of Rs.2.00 Lakh in the form of Demand Draft/Banker's Cheque favouring MMTC Limited, payable at Barbil.

**1.3** KYC COMPLIANCE: Name, address, Mobile Numbers, signed copy of Pan Card/Voter ID/Passport/Aadhar card of Proprietor/Partners/ Directors along with list of partners (in case of Partnership) and Directors (in case of Limited Company )to be submitted.

**1.4** Declaration (in prescribe format – Annexure I & II) regarding banning of business dealings.

**1.5** Integrity pact (in prescribe format – Annexure III).

In case wrong information with regard to the eligibility criteria or otherwise is furnished by any bidder, MMTC may debar the bidder from entering into any commercial transaction of any nature with MMTC for a period of one year which can be extended up to three years.

**CLAUSE :2 SALIENT FEATURES OF NIT :**

**Commodity : (a) Iron Ore Fines (WMT basis by Rail)**

**SPECIFICATIONS :**

<b>CHEMICAL COMPOSITION</b>		<b>PHYSICAL COMPOSITION (Size)</b>	
<b>Fe</b>	62% basis below the limit penalty. Rejection below 60% of Fe content		0 MM to 10 MM
<b>SiO<sub>2</sub></b>	3.00% Max. Above the prescribed limit penalty	<b>+10 MM</b>	5% Max. Above the prescribed limit penalty
<b>Al<sub>2</sub>O<sub>3</sub></b>	4.00% Max Above the prescribed limit penalty	<b>-10 MM</b>	95% Minimum
<b>Sulphur</b>	0.020% Max. Above the prescribed limit penalty	<b>-100 Mess</b>	20% Max Above the Prescribed limit penalty
<b>Phos</b>	0.055% Max. Above the prescribed limit penalty		
<b>Moisture</b>	6% Max.(For June15) 8%Max(For July & Aug15)Above the prescribed limit penalty		

**CLAUSE 3 : Quantity & Delivery period** : As per following details :-

<b>Month</b>	<b>Iron ore fines (MTs)</b>
June, 2015	Up to 20 Rakes
JULY 2015	Up to 20 Rakes
AUGUST 2015	Upto 20 Rakes

**3.1.** Allocation of monthly quantity / rakes shall be as per buyer's option. NINL at their option, may issue the purchase order(s) on the successful bidder(s) for full or part thereof the tender quantity. Further, NINL reserves right to extend the delivery period as per the requirement of plant, and/or allocation of rakes. In case of non-supply of rakes by Railways in spite of registration of indents by the supplier the quantity/rakes may be carried forward to the next month at NINL's option for supply of Iron Ore Fines at the contracted price.

**3.2.** Delivery period for the undelivered quantities excluding the quantity that could not be delivered (Mining Permission obtained but indents not registered), may be extended at Buyer's option subject to acceptance of the price by the Seller available through any tender by MMTC during the extended delivery period or the contractual price, whichever is lower.

**3.3.** Those suppliers who have neither obtained mining permission / nor registered indent and cargo does not move in the same month, the EMD/Security Deposit of the concerned bidder to whom Purchase Order has been issued by NINL, shall be forfeited at the option of MMTC / NINL.

**CLAUSE 4 :Loading point :**

Nearest Railway siding of the supplier from amongst Banspani, Jaroli, BIL Siding of S.E. Railway under CKP Division & Nayagarh siding of E. Co. Railway .

(i)The bidders have to quote F.O.R price per WMT basis as per above mentioned loading sidings.

(ii)Allotment of rakes shall be decided as per NINL's requirement, CBT allocation of rakes by Railway authorities and landed cost of material at NINL siding.

**CLAUSE 5 : Destination :**

Railway Siding of Neelachal Ispat Nigam Limited, Duburi (NINS) Jajpur,Odisha.

**CLAUSE 6 : Preloading :**

On receipt of Purchase Order from NINL for supplies of IOF all necessary steps for obtaining various clearances / permissions will be taken by the supplier promptly. Indent to be registered by the supplier in time at the respective Railway sidings to complete the despatch within the stipulated time. Supplier has to ensure loading of material in the wagons fit for loading of Iron Ores and arrange packing of doors properly to prevent loss of cargo en-route destination. The supplier must clean each and every wagon before loading of the material to avoid any contamination of material. Supplier keep closed co-ordination with MMTC / NINL during execution of the purchase order to be placed by NINL.

**CLAUSE 7 : Price:** Price shall be in Indian Rupees per WMT F.O.R loading stations basis. The price shall be inclusive of royalty and exclusive of VAT, labour welfare cess, entry tax, which will be as per the prevailing rates.

**CLAUSE 8 : Penalty :**

**8.1 Penalty for Fe content:**

- (i) Ore containing Fe content (-) 62% up to 61 % : 2% of base price PMT on fraction pro-rata basis.
- ii) Ore containing Fe content from (-) 61% up to 60% : 4% of base price PMT on fraction pro-rata basis.
- iii) Ore containing Fe content less than 60% : Rejected and a token basic price @ Re.1/- PMT shall be applicable. However, other elements like Royalty, a fixed amount of Rs.200/- PWMT towards transportation charges of material from Mines to siding and loading into wagons , Labour welfare cess & VAT shall be applicable at actual .

**8.2 Silica** :For each 0.1% of Silica above the specifications, the deduction in price will be Rs.2.30 PWMT, fraction pro-rata.

**8.3 Alumina** :For each 0.1% of Alumina above the specifications, the deduction in price will be Rs.2.30 PWMT, fraction pro-rata.

**8.4 Sulphur** :For each 0.01% of Sulphur above the specifications, the deduction in price will be Rs.5.00 PWMT, fraction pro-rata.

**8.5 Phosphorus :**

For each 0.01% of Phosphorus above the specifications, the deduction in price will be Rs.5.00 PWMT, fraction pro-rata.

**8.6 Penalty for mechanical composition:** Deduction in price will be Rs. 23.00 per WMT on the quantity of oversize ore in excess of the contractual specifications. The undersized ore (minus 100 Mesh) will be permitted up to 30% with a penalty of Rs. 30.00 per WMT for excess undersize ore in excess of 20%, but up to 30%. In case undersized ore is in excess of 30% but within 40%, a penalty of Rs.50/- PWMT shall be levied. No payment shall be made for the undersized in excess of 40%.

**8.7 Moisture :** Moisture content is allowed to the extent of 6% *for the supplies effected during the month of June 2015 and 8% for the supplies effected during the month of July and August 2015*. However, in case the moisture content analysis above the contractual limit, deduction towards penalty will be effected at actual over and above *stipulated limits as indicated* .

**8.8 Bonus for Fe content :** On each 1% of Fe above 62% Fe, bonus will be paid on fraction pro-rata basis.

**8.9 Bonus/Penalties** shall be on the basis of actual quantity shifted from mines.

**Cont..... P/5**

**CLAUSE 9 : Weight /Railway Dues:**

9.1 The weight of the ore received on F.O.R *loading station* basis shall be determined on the basis of weight recorded at Govt. approved road weighbridge and the quantity unloaded at Railway Siding on the basis of Transit Permits issued by Mining Department, Joda. Weight determined as above shall be final.  
OR

9.2 In case of private Sidings where quantity is determined on the basis of Railway Receipt, quantity in the bill shall be as per the R/R. In case DDM, Joda Mining Circle permits acceptance of permitted quantity on the basis of weighment of individual lorries without Transit Permit, the total quantity shifted as per statement submitted by the supplier would be acceptable for payment purposes.

9.3 In case of non-weighment of rakes the quantity determined by weight volume ratio by third party assayer shall be binding for determination of railways dues, if any Railway Freight shall be arranged by the buyer. Payment of Railway dues such as, Punitive Charges and Dead freight, etc. shall be as per Railway Receipt.

9.4 The Punitive Charges and Dead freight if any payable to the Railways shall be shared 50:50 between the buyer and the seller subject to maximum of Rs.100/- per MT being the share of **NINL on chargeable weight of the rake**. Demurrage charges due to delay in loading, penalty due to excess loading per wagon and subsequent adjustment charges shall be to seller's account. Further, other Railways liabilities, if any, related to the despatch of material shall be to the seller's account..

**CLAUSE 10 : Sampling and Analysis of cargo**

10.1 At the loading point, an approved / recognized analyst shall be appointed as independent analyst by the buyer who shall draw samples and analyze for the quantity loaded by the seller.

10.2 The analyst shall determine the specifications (Chemical and Physical) of the ore for a full rake in three lots by giving analysis of elements, components as per required specifications. First 2 (two) lots shall be of 20 wagons each and the 3<sup>rd</sup> lot shall be for the balance wagons in the rake. The analyst shall provide an analysis certificate showing detailed analysis reports after completion of the lot indicating the weighted average of three lots.

10.3 Buyer reserves the right for joint sampling/analysis by a third party inspection agency nominated by MMTC/NINL to be undertaken at unloading point i.e. NINL plant and the results of such sampling analysis shall be binding for all purposes.

**10.4** Drawing of samples at the time of loading of rakes for carrying out chemical and physical analysis shall be done by the public analyst appointed by the buyer. In case seller's representative does not turn up at the time of drawing of samples, the sample so drawn by the public analyst in the presence of buyer's representative would be final and binding on the seller.

Final sample packets prepared by the analyst by crushing, etc. will be divided into 7 (seven) parts and sealed separately in the presence of the representatives mentioned above.

Out of above, two sample packets will be handed over to the representative of NINL, one to seller's representative and one will be retained by the public analyst to conduct the analysis. In case recourse has to be taken for umpire analysis, the fifth set of sample packets (i.e. the umpire's sample) preserved under the safe custody of the analyst concerned, will be used and the balance two set of sample packets will be handed over to the representative of MMTC.

**10.5** Cost of such sampling / analysis by the public analyst will be to the seller's account. In the event of recourse, cost of such analysis will be borne as stated in the umpire analysis clause appearing hereunder.

**10.6** NINL has the option to forward the sample packet for umpire analysis. Umpire analysis shall be final and binding on both parties (Seller and Buyer). *Umpire analysis cost shall be borne by the party whose analysis is more remote from the Umpire analysis. If the the result of the analysis is equidistance from the original analysis the charges will be divided equally between the buyer and seller.*

**CLAUSE 11 : Payment :**

**Provisional Payment :**

11.1 Provisional Payment : The Seller shall raise TAX INVOICE to NINL, Kalinga Nagar Industrial. Complex, Duburi, Jajpur Road (Odisha) (Tin No. 21731400956), for supplying cargo to Neelachal Ispat Nigam Limited under intimation to MMTC along with copies of RR and Analysis Report. NINL will settle the bills directly. On receipt of provisional invoice along with supporting documents, Buyer will release provisional payment to the extent of 90% value of the cargo through E-mode. Analysis report (Fe content only issued by third party analyst) appointed by MMTC and weight determined as per CLAUSE 9 & 10 of this NIT quantities as per T.P (Transit Permit) issued by the Deptt. of Steel & Mines, Govt of Odisha shall be final for both buyer and seller for release of payment which is as per Orissa Mining Rules, 2007. Further, all payments are subject to the terms of Purchase Order. **The invoice must be raised by the seller after the date of issue of R/R.**

**Final Payment :**

On receipt of Tax Invoice, Buyer will release the final payment after adjustment of provisional payment to supplier on E-Mode on the basis of weight and complete analysis report determined as per CLAUSE 10. For the purpose of E-payment the supplier will be required to furnish its Bank account details in writing to NINL in the prescribed format. **The Bank charges for RTGS payment**

will be borne by the Seller holding account in banks other than State Bank of India.

**CLAUSE 12 : Inspection :**

Inspection of cargo at Buyer's option will be done at mine heads by Buyer's representative. The cost of such inspection will be borne by the bidder. This will, however, not absolve the Seller of its responsibility for supply of the material as per contractual specifications.

**CLAUSE :13: Consignee:**

The seller shall consign the material in favour of M/s.Neelachal Ispat Nigam Limited, Kalinga Nagar Industrial Complex, Duburi-755026, Dist-Jajpur, Odisha .

**CLAUSE 14 : Default in Delivery :**

In the event of any default in the delivery schedule or non-performance of the contract by the Seller, the Buyer reserves the right to forfeit the EMD/Security Deposit amount, beside taking any other action as deemed fit.

**CLAUSE 15 : Security :**

**Within 7 working days after receipt of intimation from NINL**, successful bidder shall submit security deposit of Rs.10,00,000/-(Rupees Ten Lakhs) only in the form of pay order or demand draft issued by any nationalised Bank in favour of Neelachal Ispat Nigal Limited payable at Jajpur,Odisha.

On receipt of the above security deposit, the contract shall be executed and EMD shall be returned to the successful bidder. The unsuccessful bidders shall also get back their EMD (s) after 7 working days from the date of Purchase Order issued to the successful bidder(s).

**CLAUSE 16 : Arbitration :**

i)All Disputes or differences, whatsoever, arising between the parties out of or in relation to the construction, meaning and operation or effect of this Contract or breach there of shall be settled amicably. If however, the parties are not able to resolve them amicably, the same shall be settled by arbitration in accordance with the provisions of Arbitration & Conciliation Act 1996 and the award made in pursuance there of shall be binding on the parties. The Arbitrator/Arbitrators will give reasoned award.

ii) Work under the Contract shall be continued by the Contractor during the arbitration proceedings unless otherwise directed in writing by the Purchaser or unless the matter is such that the works cannot be continued until the decision of the arbitrators or of the Umpire, as the case may be, is obtained and save as those which are otherwise expressly provided in the Contract, no payment due or payable by the Purchaser shall be withheld on arbitration proceeding unless it is the subject matter or one of the subject matter thereof.

iii) The venue of Arbitration shall be Bhubaneswar. Only the Courts at Bhubaneswar will have the jurisdiction over any matter/disputes etc. pertaining to and arising out of the Contract.



**CLAUSE 17 : Force Majeure :**

In case at any time during the existence of the contract, either party is unable to perform in whole or in part any obligation under the contract because of war, hostility, military operation of any character, civil commotions, sabotage, quarantine restrictions, acts of Government, fire, floods, explosions, epidemics, strikes, embargoes, blockages, mobilizations, earthquake, cyclone, **plant shut down restrictions** or any other unforeseen circumstances beyond the reasonable control of the parties concerned then the date of fulfilment of any obligations 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 to be waiver/extension of time in respect of the remaining deliveries. If operation of such circumstances exceeds by one month, the affected 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.

The party which is unable to fulfil its obligations under the present contract must within 10 days of occurrence of any of the cause mentioned in the contract shall inform the other party of the existence of the circumstances preventing the performance of the contract.

Certificate issued by a Chamber of Commerce of Industry or any other competent authority connected with the cause shall be sufficient proof of the existence of the above circumstances and their duration. Non-availability of material will not be an excuse to the Seller for not performing their obligations under the contract.

*Delivery period for the undelivered quantities which could not be delivered on account of force majeure situations, may be extended at Buyer's option, subject to acceptance of the price by the Seller available through any tender by MMTC during the extended delivery period or the contractual price, whichever is lower.*

If no mutual agreement either for extension of time for supply of iron ore or price is arrived at, the contract may be terminated at the option of the NINL without any liability.

**CLAUSE 18 : Authorisation of Agent/Representative :**

For the bid submitted by agent / representatives, the name, address & bank attested specimen signature of their Principal Partner(s)/Director(s) is to be furnished along with a letter of authority issued by the principal Partner(s)/Director(s) authorizing the agent/representatives to participate on their behalf.



**CLAUSE 19 : Contract :**

Tender documents forming part of the contract shall be signed by the bidder on each page and furnished along the Technical Bid as token acceptance of the terms and conditions. One copy of the Purchase Order(s) to be issued by NINL to the successful bidder(s) shall also be duly stamped & signed by the supplier & submitted to NINL.

**CLAUSE 20 : Submission of Tender Bid :**

The bid (s) is/are to be submitted in the following manner :

**20.1** Techno-Commercial Bid : One closed envelope (super scribing “Techno Commercial Bid”) for Technical bid containing documents mentioned under eligibility criteria, including a copy of this tender (Part -I) duly signed by the bidder with official seal on each page.

**20.2** Price Bid : Second closed envelope (super scribing “Price Bid”) for Price bid containing only quoted price per WMT on **F.O.R loading station basis** in INR, duly signed by the bidder with official seal, in the prescribed PRICE BID (Part-II of this tender).

**20.3** Both the closed envelopes put in one closed envelope super scribing “Tender NIT No.MMTC/BBN/IOF/NINL-RM/02/2015-16 dated **14/05/2015** for supply of IOF for NINL”, to be dropped in the Tender Box kept in the Mineral Division, MMTC Limited, Sub Regional Office, Barbil on or before **04/06/2015** by 13:30 hours.

**CLAUSE 21 : General Conditions:**

**21.1** For evaluation of the bid, the landed cost at NINL plant, Duburi, Jajpur,Odisha shall be the basis.

**21.2** MMTC reserves the right to cancel or, reject any or all bids without showing any reason whatsoever and the decision of MMTC in this respect shall be final and binding and shall not be liable to be questioned in any court or before any authority.

**21.3** If required, NINL may split the quantity amongst L-1 and L-2 bidders, provided L-2 bidder(s) match the landed Cost as per price bid of L-1 bidder. In case, there are more than one L-1 bidder, 100% quantity shall be allocated equally(as far as possible) amongst all L-1 bidders. In case, there are more than one L-2 bidder and they agree to match the landed cost, 70%(approx) quantity shall be allocated to the L-1 bidder and balance quantity shall be equally (as far as possible) allocated to L-2 bidder.

**21.4** No objection certificate( Service tax certificate) is to be submitted by the supplier to Railways in favour of NINL against Railway Receipt for Iron Ore Fines rakes booked from respective loading stations to NINS siding certifying that the supplier will not claim service taxes towards railway freight paid by the buyer(NINL Plant).

**21.5** In this tender MMTC will act as an agent for procurement of Iron Ore for NINL.

**Clause No.22: Termination of Contract**

The buyer may at any point of time by notice in writing summarily terminate the contract without any complain whatsoever from the seller.

- (i) In the event of insolvency of the seller/insolvency of any partner of the seller's firm/dissolution of the seller's firm/winding up of the sellers company on appointment of receiver.
- (ii) If the seller commits the breach of the contract even though not specifically provided for herein, provided always that such determination shall not prejudice any right of action or remedy which shall accrued or shall accrue thereafter to the buyer and provided also that the seller shall be liable to compensate the buyer for damages, claims, losses and expenses etc.
- (iii) If quantity delivered by the Seller is analysed below 60% Fe.

**Clause No.23: Validity:**

The tendered price/rate will remain valid till 31/08/2015 for acceptance by NINL.

**Clause No. 25: Integrity Pact:**

The successful Bidder has to sign an Integrity Pact as Annexure- III with NINL which will be a part of the tender.

Accepted.

MMTC limited  
B A R B I L

NIT No. MMTC/BBN/IOF/NINL-RM/02/2015-16      Date 14/05/2015  
(Last Date of submission of Bids :04/06/2015      at 13:30 Hours)

PART-II

PRICE BID

Price shall be in Indian Rupees. .... per WMT on F.O.R loading stations basis. Railway freight shall be arranged by the buyer. The price shall be inclusive of royalty and exclusive of labour welfare cess, VAT and Entry tax as applicable, which will be as per the prevailing rates

The price offered shall remain valid till 31/08/2015 for acceptance by MMTC.

Place:

Signature of the Bidder with Official Seal

Date:

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

Ref No. \_\_\_\_\_

Date : \_\_\_\_\_

To,

The Addl. General Manager

MMTC Limited

SRO Barbil.

Sub : MMTC Tender No. \_\_\_\_\_ dt. \_\_\_\_\_ for supply of Iron Ore Fines / lumps due on \_\_\_\_\_.

Dear Sir,

We M/s. \_\_\_\_\_ (Name and address of the producer), IRON ORE FINES/LUMPS producer/mine owner do hereby authorize M/s ..... (Name and address of Bidder) to participate in the tender on our behalf. Our mine details are given below :-

(a) Name and location of Iron ore mine : \_\_\_\_\_

(b) Offered Quantity : \_\_\_\_\_

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

3. We also understand that this Letter of Authorization is on exclusive basis. In case there are more than one bid for our material with Letters of Authorization issued by us, MMTC has right to reject all such bids.

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

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

**Proforma of declaration regarding banning of business dealings**

**In case of proprietary concern**

I hereby declare that neither I in my personal name or in the name of my proprietary concern M/s ..... Which is submitting the accompanying bid nor any other concern in which I am a proprietor nor any partnership firm in which I am or was involved as partner are not currently banned by MMTC or by Ministry of Commerce or Govt of India or any of the PSU under Ministry of Commerce except as indicated below:

(Give particulars of banning of business dealings, in absence thereof mention "NIL".

I hereby do further declare that the following notice(s) have hitherto been issued against proposed action for banning business dealings or the following action for banning business dealings by MMTC or by Ministry of Commerce or Govt of India or any of the PSU under Ministry of Commerce has been taken in my personal name or in the name of any proprietary concern of mine or against any partnership firm of which I was or am the partner.

No & date of show cause notice or notice of banning the business dealings by MMTC or by Ministry of Commerce or Govt of India or any of the PSU under Ministry of Commerce	Period for which business dealing has been banned	Present Status

**In case of partnership firm**

We hereby declare that neither we, M/s ..... Which is submitting the accompanying bid nor any partner are involved in the management of said firm either in his individual capacity or as proprietor of any concern or as partner of any firm in which he/she was a partner are not currently banned by MMTC or by Ministry of Commerce or Govt of India or any of the PSU under Ministry of Commerce except as indicated below:

(Give particulars of banning of business dealings, in absence thereof mention "NIL".

We hereby do further declare that the following notice(s) have hitherto been issued against proposed action for banning business dealings or the following action for banning business dealings by MMTC or by Ministry of Commerce or Govt of India or any of the PSU under Ministry of Commerce has been taken against the above firm or any partner involved in the management of the firm in his individual capacity or as proprietor of any concern or as partner of any firm in which he/she was a partner of any firm.

No & date of show cause notice or notice of banning the business dealings by MMTC or by Ministry of Commerce or Govt of India or any of the PSU under Ministry of Commerce	Period for which business dealing has been banned	Present Status

In case of Company

We hereby declare that we, M/s ..... are not currently banned by MMTC or by Ministry of Commerce or Govt of India or any of the PSU under Ministry of Commerce except as indicated below:

(Give particulars of banning of business dealings, in absence thereof mention "NIL".

We hereby do further declare that the following notice(s) have hitherto been issued against proposed action for banning business dealings or the following action for banning business dealings by MMTC or by Ministry of Commerce or Govt of India or any of the PSU under Ministry of Commerce has been taken against the us

No & date of show cause notice or notice of banning the business dealings by MMTC or by Ministry of Commerce or Govt of India or any of the PSU under Ministry of Commerce	Period for which business dealing has been banned	Present Status

It is understood that if this declaration is found to be false, MMTC shall have the right to reject my / our bid and if the bid has been resulted in contract, the contract is liable to be terminated.

Place  
Date

Signature of bidder  
Name & Designation of the signatory.

**INTEGRITY PACT**

Between

**MMTC** Limited hereinafter, referred to as “MMTC”

And

M/s. .... 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.

**Section1 – 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 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 tender/auction/e-auction/e-sale/sale/purchase commits himself to take all measured necessary to prevent corruption. He commits himself to observe the following principles during his participation in the tender/auction/e-auction/e-sale/sale/purchase process and during the contract execution.
  - a) The 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 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 Law of India., further the Buyer(s)/Vendor(s)/Bidder(s) will not use improperly, for purposes of completion or personal gain, or pass on to others, any information or document provided by MMTC as part of the business relationship regarding proposals, plans business details including information contained or transmitted electronically.
  - d) The 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 cause by him and has installed a suitable corruption prevention system. MMTC may at its sole discretion revoke the exclusion prematurely.

- c) A transgression is considered to have occurred if in light of available evidence no reasonable doubt is possible.

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

1. If MMTC has disqualified the 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 the 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 the 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 representative of the parties and performs his functions neutrally and independently. He reports to the CMD, MMTC.
3. The IEM has the right to access without restriction to all trade/project related documentation of MMTC. The 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 obtain to participate in such meetings.
5. As soon as the IEM notices, or believes to notice, a violation of this agreement, he will so inform the Management of MMTC and request the Management to discontinue or take corrective action, or to take other relevant action. The IEM can in this regard submit NON-BINDING RECOMMENDATIONS. Beyond this, the IEM has not right to demand from the parties that they act in a specific manner, refrain from action or tolerate action.
6. The IEM will submit a written report to the CMD, MMTC within 4 to 6 weeks from the date of reference or intimation to his by MMTC and, should the occasion arise, submit proposals for correcting problematic situations.
7. If the IEM has reported to the CMD, MMTC, substantiate suspicion of an offence under relevant Anti Corruption Laws of India and the CMD, MMTC, has not, within the reasonable time taken visible action to proceed against such offence or reported it to its Chief Vigilance Officer, the IEM may also transmit this information directly to the Central Vigilance Commissioner, Govt. of India.
8. The word "IEM" would include both singular and plural.

#### **Section 9 – Pact Duration**

1. This Pact begins when both parties have legally signed it. It expires for the Vendor 12 months after the last payment under the contract, and for all other Bidders, 6 months after the Contract has been awarded.
2. If any claim is made/lodged during this time, the same shall be binding and continue to be valid despite the lapse of this pact as specified above, unless it is discharged/determined by CMD, MMTC.

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

1. This agreement is subject to Indian Law. Place of performance and jurisdiction is the Registered Office of MMTC, i.e. New Delhi.
2. Changes and supplements as well as termination notices need to be made in writing. Side agreements have not been made.
3. If the Vendor is partnership or a consortium, this agreement must be signed by all partners or consortium members.

4. Should one or several provisions of this agreement turn out to be invalid, the remainder of this agreement remains valid. In this case, the parties will strive to come to an agreement to their original intentions.

.....  
(For & on behalf of MMTC)  
Buyer/Vendor/bidder  
(Official Seal)

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

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

Witness 1.....  
Name :  
Address:

Witness 2.....  
Name :  
Address: