



Core-1, 2<sup>nd</sup> Floor, SCOPE Complex, 7, Institutional Area, Lodi Road New Delhi – 110 003, India  
Phone #:24362200 Fax #: 0091-011 24364106/24362773

[www.mmtclimited.gov.in](http://www.mmtclimited.gov.in)

## GLOBAL NOTICE INVITING TENDER

[MMTC/CO/GT/ BARYTES /2014-15/01](#)

Dated 10<sup>TH</sup> APRIL 2015

MMTC invites bids for Indian Origin “Drilling Grade 4.20 Specific Gravity Barytes (A Grade)” from interested overseas buyers. The last date for submission of the completed bid is at 1500 hrs on 30<sup>th</sup> April, 2015.

The complete details of the tender are available at MMTC’s website [www.mmtclimited.gov.in](http://www.mmtclimited.gov.in) and Govt. website at <http://eprocure.gov.in>

Corrigendum issued, if any, will be hoisted on above websites only.

Additional General Manager (GT)



Core-1, 2<sup>nd</sup> Floor, SCOPE Complex, 7, Institutional Area, Lodi Road New Delhi – 110 003, India  
Phone #:24362200 Fax #: 0091-011 24364106/24362773

[www.mmtclimited.gov.in](http://www.mmtclimited.gov.in)

Dear Sirs,

Global tender for export of Indian Origin Barytes

Established in 1963, MMTC Limited, a Government of India Enterprise is a leading international trading company with annual 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 & Hydrocarbons, 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 at [www.mmtclimited.gov.in](http://www.mmtclimited.gov.in)

As per the Trade Policy of the Government of India, export of Barytes is under Open General License (OGL).

MMTC invites bids for export of Barytes from the interested overseas buyers. The bidders are requested to submit their offers as per the tender documents.

The overseas bidders shall submit their Technical bid and Price Bid along with supporting documents in a sealed envelope in the tender box. The bidders shall super scribe the name of the company, contact person, phone, fax, e-mail address, Tender no. and closing date on the envelope. Incomplete offer or offer received after the closing time and date shall be rejected.

Please send your offer addressed to Dr. A P Mishra, Additional General Manager (General Trade Division) at the address mentioned below so as to reach latest by 1400 hrs IST on **30<sup>th</sup> April, 2015**.

MMTC LIMITED,  
CORE-1, 2<sup>nd</sup> Floor, SCOPE COMPLEX,  
7, INSTITUTIONAL AREA, LODI ROAD  
NEW DELHI-110 003, INDIA

TEL: 0091 11 24381249 FAX: 0091 11 24364106

THANKING YOU,

Additional General Manager (GT)



**A Govt. of India Enterprise**

Touching Lives, adding value

**Core-1, 2<sup>nd</sup> Floor, SCOPE Complex, 7, Institutional Area, Lodi Road New Delhi – 110 003,  
India**

**SECTION – I**

**1.0 COMMODITY**

“Drilling Grade 4.20 Specific Gravity Barytes Lumps (A Grade)

**2.0 QUANTITY**

45,000 MT (±10% AT BUYER’S OPTION)

**3.0 LOADING PORT**

CHENNAI PORT (JAWAHAR DOCK)

**4.0 SHIPMENT PERIOD**

Upto 15<sup>th</sup> June 2015

**5.0 ORIGIN**

Indian origin

**6.0 SPECIFICATIONS**

Specific Gravity, g/ml :: 4.20 for A Grade  
Water Soluble Alkaline Earth Metals, mg/Kg 250 Maximum  
Cd :: 3 ppm Maximum  
Hg :: 1 ppm Maximum  
Size:  
Below 25 mm : 90% passing through 200 mm ring.

**7.0 EARNEST MONEY DEPOSIT**

Bidders are required to submit ***EMD of USD 75,000 (United States Dollars Seventy Five thousand only)*** in the form of a Bank Guarantee (Proforma enclosed at Appendix –I) through a scheduled commercial bank (other than Gramin bank, Co-operative bank, Dhanlakhmi Bank and Nainital Bank ) in Delhi (or NCR), India in favour of MMTC Limited. The BG should be valid till **30.06.2015**. Bidder should instruct the BG issuing Bank to forward the original BG directly to Dr. A P Mishra, Additional General Manager, (General Trade Division) at the address given above and to attach a copy of Bank Guarantee alongwith the technical bid.



## **8.0 VALIDITY**

The bidders shall keep their bids valid till 15 days from the date of opening of the price bid.

## **9.0 ELIGIBILITY CRITERIA**

Bidder shall fulfill the following criteria:

- i) Minimum annual turnover of USD 15 Million in each year during 2012-13 & 2013-14.
- ii) Credit rating: Minimum 'satisfactory' or equivalent (i.e. from D&B, S&P, Moody's, ICRA, CRISIL, CARE etc.). The credit rating report shall not be older than one year i.e. issued on or after 31<sup>st</sup> May 2014. Credit rating issued before 31<sup>st</sup> May 2014 will be accepted, but he will be required to submit a new credit rating before signing the contract.
- iii) Bidder shall submit a Bank's Reference Report issued on or after 31<sup>st</sup> May 2014.
- iv) Bidder shall submit an Earnest Money Deposit EMD for USD 75,000 (US Dollars Seventy Five thousand only) in the form of Bank Guarantee (BG format enclosed at Appendix - I).
- v) Bidder shall submit an undertaking to furnish a Performance Bank Guarantee (PBG) for 3% of the total contract value. (Format enclosed at Appendix -II)
- vi) Bidder shall submit an undertaking to make 100% payment through an irrevocable at sight letter of credit with TT reimbursement clause. (Format enclosed at Appendix - III)

MTPL, Singapore a 100% subsidiary of MMTC will be exempted from submission of Earnest Money deposit, performance guarantee bond and establishment of letter of credit towards the value of cargo.

## **10.0 EVALUATION OF BIDS**

MMTC shall evaluate technical bids of the bidders received within due date in tender box. Thereafter, MMTC shall open the price bids of those bidders who have qualified in their technical bids. MMTC shall award the contract to the successful bidder (H1).

## **11.0 AWARD OF CONTRACT**

MMTC shall offer the cargo to the highest bidder (H1) for each grade separately only subject to reconfirmation from the supplier of the cargo. MMTC and the successful bidder shall enter into a sale contract for each grade as per standard terms and conditions of MMTC (Contract format enclosed at Appendix - IV). In case the successful bidder fails to forward the signed sale contract within 3 working days from



the date of issuance of contract by MMTC, the seller (MMTC) reserves the right to invoke the bank guarantee submitted by the bidder as EMD.

## 12.0 DUE DATES

Submission of Technical Bids and Price Bids : 30.04.2015 by 15.00 hrs IST  
Opening of Technical Bid : 30.04.2015 by 16.00 hrs IST  
Opening of Price Bid : 01.05.2015 by 15.00 hrs IST

## 13.0 MODE OF SUBMISSION OF TENDER

13.1 The bidder shall have the option to participate in the tender through physical/electronic mode.

13.2 Bidder shall submit their offers separately in the following two-bid format:

- I) PART A: Technical Bid and
- II) PART B : Price bid.

### 13.2..1 Part – A: TECHNICAL BID : (Physical Form only)

Bidder shall fulfill the eligibility criteria as stated at Para 14 and submit the following supporting documents in tender box.

- a. **Auditor's Certificate** indicating annual turnover for last two financial years.
- b. **Credit rating** Report (issued on or after 31<sup>st</sup> May 2014) from any one of the following agencies: ( D&B, S&P, Moody's, ICRA, CRISIL, CARE). Credit rating issued before 31<sup>st</sup> May 2014 will be accepted, but he will be required to submit a credit rating issued after 31<sup>st</sup> May 2014 before contract.
- c. **Bank reference** report issued on or after 31<sup>st</sup> May 2014.
- d. Earnest Money Deposit (EMD) for USD 75,000 (US Dollars seventy five thousand only) in the form of Bank Guarantee (BG format enclosed at Appendix - I).
- e. An undertaking to furnish a **PBG** for 3% of the total contract value. (Format enclosed at Appendix -II)
- f. An **undertaking** to make payment through an irrevocable confirmed letter of credit without recourse to the drawer with TT reimbursement clause. (Format enclosed at Appendix -III)
- g. Duly signed and with Company's Seal, all documents given in **Section-I** of the tender notice.



### 13.2..2 PART-B: PRICE BID: IN ELECTRONIC OR PHYSICAL MODE

The price shall be quoted in USD PDMT FOBST Chennai Port (Jawahar Dock) and confirming validity of offer as per tender in the price bid format.

A) Electronic Mode:

As per ANNEXURE-II, to be submitted electronically (as detailed below).

B) Physical Mode:

In case the Bidder faces difficulty in submitting price bid through electronic mode, the bidders may submit in physical mode as per Attachment-A in another sealed cover superscribing "Price Bid" addressed to General Manager, General Trade Division, MMTC Limited, Core-1, SCOPE Complex, 7, Institutional Area, Lodhi Road, New Delhi-110003. Both the technical and price bids in separate envelopes may be put in another envelope superscribed "Tender No. MMTC/CO/GT/ Barytes/2014-15/01 dated 9<sup>th</sup> April, 2015. All the papers may be page numbered and properly stapled.

The technical bid will be opened on the due date. After scrutiny of Technical Bid the Price Bid of only those bidders whose Technical Bids have been accepted will be opened and considered.

- 13.3** Any bidder willing to participate in the tender opening process, may attend directly or depute their representative through proper authorization on their letter head with signatures in original clearly stating the name of firm, person, designation and his signatures.
- 13.4** EMD of the unsuccessful bidder will be returned back within 10 working days after opening the price bid. EMD of the successful bidders will be returned upon receipt of performance guarantee.
- 13.5** The above documents along with technical bid compliance form (as per Annexure-II) are required to be submitted physically in sealed envelopes to be dropped in tender box, by due date and time so as to reach **Dr. A. P. Mishra, Additional General Manager, (General Trade Division), MMTC Ltd., Core-1, 2<sup>nd</sup> Floor, SCOPE Complex, 7, Institutional area, Lodhi Road, New Delhi-110003.**

Incomplete offer or offers received after the closing time and date shall not be accepted. The technical bids will be opened as per due date. After scrutiny of technical bids, the price bids of only those bidders whose technical bids are acceptable will be opened and considered further.



### 13.6 SPECIAL TERMS & CONDITIONS IF PRICE BID SUBMITTED IN ELECTRONIC MODE..

- 1 E-Tender is available on MMTC e-procurement website [URL:- https://mmtc.eproc.in](https://mmtc.eproc.in) for online bidding process. For this, Bidder is required to obtain minimum Class II Digital Signature (meant for e-tendering) from any of Certifying Authority recognized by Controller of Certifying Authority and have to register with e-procurement portal [URL:- https://mmtc.eproc.in](https://mmtc.eproc.in) (a onetime activity) independent of each other as given below.

#### Procedure for Obtaining Digital Certificate

The bidder should obtain digital certificate to participate in the tender. The procedure for obtaining Digital certificate is given in the web site [URL:- https://mmtc.eproc.in](https://mmtc.eproc.in) In case of any difficulty either mail or talk to the Technical Support Engineer, whose contact details are given below.

**NOTE:** Class III Digital Signature Certificate (DSC) is mandatory to participate in 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.

#### Procedure for Registering in E-Procurement portal

Further, the bidder will have to register with MMTC's E-Procurement portal. For registering, please go to [URL:- https://mmtc.eproc.in](https://mmtc.eproc.in) and follow the directions. In case of any difficulty either mail or talk to the Technical Support Engineer, whose contact details are given below.

- 2 For any assistance on e-bidding process, please contact Mr. Nimesh Kant Bhardwaj, Technical Support Engineer – email id [nimesh.bhardwaj@c1india.com](mailto:nimesh.bhardwaj@c1india.com) mobile phone +91-9310527400 OR Ms. Neeti Bala Chandraa email id [neeti.bala@c1india.com](mailto:neeti.bala@c1india.com), mobile phone +91-9958000492 OR Mr. Mukesh Kumar Email id: [mukesh.kumar@c1india.com](mailto:mukesh.kumar@c1india.com) mobile phone +91-9560833122.

### 14.0 GENERAL CONDITIONS

- 14.1.. Subject to the terms and conditions set out herein, sale shall be made to the successful bidder for export on FOB basis only. MMTC reserves the right to modify and amend the terms & conditions and announce the same at any time before the tender concludes. Announcements during the tender on the website and/or by fax including announcement of any additional conditions or correction in the catalogue and/or additions or deletions of items being offered for sale are binding on the bidder
- 14.2.. Participation & Bidding shall imply that the bidder has carefully gone through and understood the terms and conditions of tender including the amendments if any, prevailing at the time of tender. Seller will not entertain any complaints or objections once bid is placed.
- 14.3. In the event of failure on account of (i) establishment of performance guarantee or (ii) signing of contract within 3 calendar working days from the date of issuance of contract by MMTC, the seller reserves the right to invoke the bank guarantee



submitted by the bidder as EMD. The seller also reserves the right to debar such bidder from participating in any future tender of MMTC or any other action as deemed fit.

- 14.4. The BG issuing bank must have a net worth of at least Rs.500 Crore and Capital Adequacy Ratio of at least 9%.
- 14.5. MMTC shall have the right and authority to review / modify / amend any condition / format before the e-tender concludes.
- 14.6. After finalization of the sale price, MMTC will arrange to send standard sale contract to the buyer for signatures.
- 14.7. On receipt of signed contract from MMTC through fax/e-mail, the buyer will put their signatures of authorized official with seal and send the signed contract to MMTC within three working days. The buyer will also arrange to open the performance guarantee (PG) bond in the form of a bank guarantee (BG), (as per format at Appendix-II), within ten calendar days of receipt of MMTC signed contracts by fax/e-mail and forward same to MMTC immediately. The PBG bond will be for appropriate value. Since shipment is prompt, as such, the requisite PG bond has to be furnished before vessel nomination or 10 days whichever is earlier.
- 14.8. 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. Incomplete offer or offers received after the closing time and date shall not be accepted. The complete details of the tender enquiry are available at MMTC's website [www.mmtclimited.gov.in](http://www.mmtclimited.gov.in) and Govt. website at <http://eprocure.gov.in>

## 15. 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.





**ANNEXURE - I**

**TECHNICAL BID - CHECK LIST**

Sl.No	Document	Compliance (Y/N)	Deviations, if any	Remarks
1	Name, Address, Tel No, Fax No, E Mail Id etc of the Bidder			
2	Company's Profile			
3	Auditor's Certificate indicating annual turnover and Annual financial results for last two years [Clause 13.2.1 (a)]			
4	A copy of credit rating report by D&B/S&P/MOODY/CRISIL/FITCH/ICRA/CARE [Clause 13.2.1(b)]			
5.	Bank reference report(Clause 13.2.1( c ))			
6	Bank Guarantee (EMD) [Clause 13.2.1 (d)] Also see (clause 7)			
7	Undertaking for PBG [Clause 13.2.1 (e)]			
8	Undertaking for LC [ Clause 13.2.1(f)]			
10	Signed & Stamped Copy of Tender Documents given in (Section-I) of tender notice [ Clause 13.2.1 (g)]			

Authorized Signatory with official seal

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



## ANNEXURE-II

### PRICE BID

1.	Name of the Bidder	
2.	Address of the Bidder	
3.	Commodity	: Barytes (Grade A)
4.	Quantity (+/-10% at buyer's option)	45,000 MTS
5.	Price in USD PMT FOBST Chennai Port, India,	
6.	Validity of Price	: 15 days from the date of opening of the price bid.

Bidder may quote for one or both port(s).

Authorized Signatory with official seal

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



**SECTION - II**

Appendix-I

**PROFORMA FOR BANK GUARANTEE FOR EMD**

(On a stamp paper of applicable amount to be executed by a Delhi / NCR Branch of a Scheduled Bank other than Gramin Bank, Cooperative Bank, Dhanlakhmi Bank, Nainital Bank)

Bank Guarantee No. \_\_\_\_\_

Date \_\_\_\_\_

REF No.

MMTC LIMITED,  
Core -1, 2<sup>nd</sup> Floor, Scope Complex,  
7, Institutional area,  
Lodi Road,  
New Delhi-110 003.

Sir,

1. WHEREAS, MMTC LIMITED, Core 1, 2<sup>nd</sup> Floor, SCOPE Complex, 7 Lodhi Road, NEW DELHI-110 003, India, (hereinafter referred to as MMTC) has invited bids vide Barytes of Indian Origin. Global Tender (hereinafter referred to as Invitation to Bids) for sale of 45,000 MTs +/-10% Barytes.
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 USD 75,000.00 (US Dollars seventy five thousand only) in favour of MMTC, New Delhi in the form of a Bank Guarantee of USD 75,000.00 with a validity upto **30<sup>th</sup> June 2015 and claim period upto 31<sup>st</sup> July 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, New Delhi up to and not exceeding the sum of US\$ 75,000.00 with a validity upto **30<sup>th</sup> June 2015 and claim period upto 31<sup>st</sup> July 2015** and that the Bidder M/s. \_\_\_\_\_:-
  - a) Shall keep his offer firm and valid for acceptance by MMTC as per tender against which offer is made.
  - b) Shall sign the sale contract forwarded by MMTC within three calendar working days.
  - c) Shall in the event of the offer being accepted by MMTC, bidder will establish a Performance Bank Guarantee (within 10 calendar working days from the issuance of signed sale contract or before nomination of the vessel, whichever is earlier) in favour of MMTC in the form indicated in the said Tender for 3% of the contracted value through a scheduled Commercial Bank (other than Gramin Bank, Co-Operative Bank, Dhanlakhmi Bank, Nainital Bank) at New Delhi, India.



- c) Shall in the event of the offer being accepted by MMTC, bidder will establish an irrevocable at sight Letter of Credit in favour of MMTC (within 10 calendar working days from the date of issuance of signed sale contract) in the form indicated in the said Tender covering full value of the quantity of Barytes at the price and on the terms accepted by MMTC.
  - d) Shall further arrange to lift the confirmed quantities as per the sale contract by the last date of shipment indicated in the sale contract.
  - 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 Limited, New Delhi, India 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\$ 75,000.00 (US Dollars Seventy Five 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 the sum of US\$ 75,000.00 (US Dollars Seventy Five thousand only) without any demur, delay, protest and without any reference or recourse to M/s. \_\_\_\_\_ (Bidder) notwithstanding any dispute raised by \_\_\_\_\_ (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\$ 75,000.00 (US Dollars Seventy Five thousand only).
  8. Your demand in writing may be presented to the Bank by courier / Fax / Airmail/ Speed Post/ Registered Post/E Mail 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 that of the said M/s. \_\_\_\_\_ (Bidder).
  10. The liability of this bank shall discharge upon receipt of US\$ 75,000.00 (US Dollars Seventy Five thousand only) by MMTC.
  11. This Bank further undertakes that this Guarantee shall remain irrevocably valid and in force till 30th June 2015 and claim period upto 31<sup>st</sup> July 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.
13. We have the power to issue this Bank Guarantee in your favour under the Charter of our Bank and the undersigned has full power to execute this Guarantee under the Power of Attorney granted by the Bank.
14. We \_\_\_\_\_ (Bank) undertake not to revoke this guarantee during its currency except with the previous consent of MMTC Ltd. in writing.

Singed & delivered this \_\_\_\_\_ day of \_\_\_\_\_ 2015.

Signature : \_\_\_\_\_

Name and code : \_\_\_\_\_

Designation: \_\_\_\_\_

\_\_\_\_\_

Seal of the Bank :



Appendix-II

(On Company Letterhead)

Dated: \_\_\_\_\_

To,

The Additional General Manager (General Trade),  
MMTC Limited,  
Corporate Office,  
Core-1, 2<sup>nd</sup> Floor, SCOPE Complex,  
7, Institutional Area,  
Lodi 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 before nomination of the vessel or within 10 calendar working days from the date of issuance of signed sale contract by MMTC Limited, whichever is earlier. In case, we fail to furnish performance Bank Guarantee, MMTC Limited shall be at liberty to invoke / encash EMD and also to take appropriate action as deemed fit.

Thanking you,

Yours faithfully,

(Authorized Signatory)



Appendix-III

(On Company Letterhead)

Dated: \_\_\_\_\_

To,

The Additional General Manager (General Trade),  
MMTC Limited,  
Corporate Office,  
Core-1, 2<sup>nd</sup> Floor, SCOPE Complex,  
7, Institutional Area,  
Lodi Road,  
**New Delhi-110 003(INDIA)**

**Sub: Undertaking on Letter of Credit.**

Dear Sir,

We hereby agree and undertake that we shall establish a confirmed, irrevocable 100% at sight Letter of Credit with TT reimbursement clause towards full value of contracted quantity (including tolerance of +10%) in favour of MMTC Limited before nomination of the vessel or within 10 calendar days from the date of issuance of signed sale contract by MMTC Limited, whichever is earlier. Buyer shall arrange confirmation of the LC through State Bank of India, CORPORATE ACCOUNTS GROUP ,3rd Floor Sigappi Achi Building, Egmore, CHENNAI PIN NO: 600 008, TEL NO:044-28576115/28576170, FAX NO: 044-28576133/28576123/285 SWIFT NO: SBININBB174Bank's Service Tax registration No.AAACS8577KSDB73, at their cost.

In case, we fail to establish workable LC, MMTC Limited shall be at liberty to invoke Earnest Money Deposit or performance guarantee and also to take appropriate action as deemed fit.

We shall nominate suitable vessel in such a manner so that seller shall get at least two clear working days (excluding the date of receipt of LC & PBG and date of NOR) prior to arrival of vessel at loading port for processing of pre shipment documents by the appropriate authority.

Thanking you,

Yours faithfully,

(Authorized Signatory)



Core-1, 2<sup>nd</sup> Floor, SCOPE Complex, 7, Institutional Area, Lodi Road New Delhi – 110 003,  
India

Phone #:24362200 Fax #: 0091-011 24364106/24362773

[www.mmtclimited.gov.in](http://www.mmtclimited.gov.in)

**SALE CONTRACT NO. MMTC/CO/GT/ BARYTES /2014-15/01 DATED \_\_\_\_ 2015**

This agreement is made on \_\_\_\_ day \_\_\_\_ month 2015 between MMTC Limited, Core-1, 2<sup>nd</sup> Floor, Scope Complex, 7, Institutional Area, Lodhi Road, New Delhi – 110003, INDIA, hereinafter called the SELLER (which expression unless excluded by or repugnant to the context shall include its successors and assigns) of the one part and \_\_\_\_\_ ( Name and address of buyer) hereinafter called the BUYER (which expression, shall unless excluded by or repugnant to the context, shall include its successors and assigns) of the other part.

WHEREAS the Sellers have agreed to sell and the Buyers have agreed to buy the following quantity of Barytes on the terms and conditions hereinafter mentioned.

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

**ARTICLE 1: COMMODITY**

Name of the Commodity	Barytes Lumps
Country of Origin	India
Packing	Loose In Bulk

**ARTICLE 2 : QUANTITY**

45,000 MT (+/-10% at Buyer's option)

**ARTICLE 3 : SPECIFICATIONS**

Specific Gravity, g/ml	:: 4.20 for A Grade
Water Soluble Alkaline Earth Metals, mg/Kg	250 Maximum
Cd	:: 3 ppm Maximum
Hg	:: ppm Maximum
Size:	
Below 25 mm:	90% passing through 200 mm ring.





**ARTICLE 4: PRICE**

US\$ \_\_\_\_\_ (US Dollars \_\_\_\_\_ only) PMT FOBST  
Chennai Port (Jawahar Dock).

**ARTICLE 5: PRICE ADJUSTMENT**

A. In case there is any difference between the specifications as per Article 3 and analysis report as per Article 9 of this contract, price will be adjusted at the rate mentioned below and documents will not be treated as discrepant.

B. Premium on Specific Gravity:

In case of Drilling grade 4.20 SG (A Grade) Barytes: The Buyers are required to pay a premium of 1% of the sale price per MT for every 0.01 unit increase in Specific gravity over and above 4.20 and below 4.28, fractions pro-rata.

C. Material with Specific Gravity less than 4.20 will be rejected.

D. In case of other specifications, the penalty for deviation from the guaranteed specification would be as under:

- i. Water Soluble Alkaline Earth Metals:: For every 10 mg/kg beyond 250, the base price would be reduced by 10 US Cents/PMT.
- ii. For Cadmium :: For every 1 ppm beyond guaranteed 3 ppm, the base price would be reduced by 15 US Cents/PMT
- iii. For Mercury:: For every 1 ppm beyond guaranteed 1 ppm, the base price would be reduced by 20 US Cents/PMT
- iv. For any oversized material which does not pass through 200 mm ring beyond 10%, penalty of US Dollars 1 for such oversized quantity will be applicable.

**ARTICLE 6: DESTINATION**

Name of destination port shall be indicated by buyer at the time of nomination of vessel.

**ARTICLE 7: DELIVERY PERIOD**

Shipments upto 31<sup>st</sup> May, 2015. Laycan shall be accepted 5 days before the last cancellation date i.e. upto 26<sup>th</sup> May, 2015.



**ARTICLE 8: PORT OF SHIPMENT**

Chennai Port(Jawahar Dock)

**ARTICLE 9: SAMPLING & ANALYSIS**

- a) At the loading port seller shall at seller's expense, appoint an reputed agency like M/s Mitra S K Pvt Ltd or Italab (India) Pvt Ltd or any other reputed assayer approved by the buyer to determine the specifications at Clause 3 above in each shipment, and shall provide a certificate showing details of the determination. The loadport results shall be final for all purposes.
- b) Buyer may depute their representative or nominated agency, at their cost to witness operations at the loading port(s).

**ARTICLE 10: WEIGHMENT**

At the loading port the seller at seller's expenses shall determine the weight of shipment of ore by draft survey. The weight of ore as ascertained and certified by Mitra S K Pvt.Ltd or Italab (India) Pvt Ltd or any other reputed assayer approved by the buyer. The weight so determined shall be final for all purposes.

**ARTICLE 11: PERFORMANCE GUARANTEE**

The buyer shall furnish a performance guarantee for USD \_\_\_\_\_00 (equivalent to 3% of Sale Value) in the form of a bank guarantee in favour of the seller through a scheduled commercial bank (other than Gramin Bank, Co-operative Bank, Dhanlakhmi Bank and Nainital Bank) in India within ten calendar working days from the date of issuance of signed sale contract by MMTC. Performance guarantee shall remain valid for a minimum period of 30 days after latest date of delivery and furthers 30 days as claim period. The Seller will accept the nomination of the vessel only after receipt of performance guarantee and its confirmation by issuing bank. In case the buyer either fails to perform the contract satisfactorily or fails to establish a workable letter of credit within stipulated time, MMTC will have the right to invoke the bank guarantee. In addition, MMTC will have right to claim all losses, damages, expenses, etc. from buyers and any other appropriate action as deemed fit. The PBG will be returned after satisfactory performance of contract.

**ARTICLE 12 ADVISE OF SHIPMENT**

Seller shall, after completion of loading at the loading port, advice, Buyer within 1 (One) working day after B/L date by fax/e-mail of the contract number L/C number, name of commodity, approximate invoice value, wet weight, name of vessel, loading port and B/L date at the loading port.



### **ARTICLE 13: INSURANCE**

Insurance covering shipment ore after it is loaded on board the vessel shall be arranged by the Buyer at his expenses. Seller shall advise Buyer within one (1) working day by fax/e-mail of the particulars as per Article 12 of this contract.

### **ARTICLE 14: DELIVERY**

Each shipment shall be deemed as delivered when it is loaded on board the vessel and trimmed.

### **ARTICLE 15: TITLE AND RISKS**

Title with respect to each shipment shall pass to the Buyer when the Seller has negotiated the relative shipping documents against the L/C opened by the buyers and received the proceeds from the opening bank after completion of loading on board the vessel at the Indian port. Risk with respect to each shipment shall pass from the Sellers to the Buyer when the ore has been loaded on board the vessel.

### **ARTICLE 16: CHARTERING OF VESSEL**

- a. Seller shall send a Notice of Readiness of the Cargo after convergence of cargo at port.
- b. The vessel to carry cargo under the contract should be a geared vessel as Chennai Port has no shore crane facility at Jawahar Dock. The vessel shall be chartered and allocated by the Buyer to the Seller within 15 days of issue (by E mail or fax) of Notice of Readiness of Cargo. While nominating a vessel the BUYER shall communicate following particulars for the nomination:
  - (a) Name of the Vessel
  - (b) Year of built & Flag
  - (c) Classification
  - (d) LOA/Beam/Draft at max DWT.
  - (e) Loadable tonnage/ nominal tonnage for Delivery
  - (f) No of Decks: (single Decker preferable)
  - (g) No of Holds/Hatches
  - (h) Hatch Openings: Weather deck/ Twin deck
  - (i) Type of hatch covers: Weather deck/ Twin Deck
  - (j) Cargo gear capacity: Cranes - single swinging Derricks-Configuration Hatch wise - Derricks Working in union purchase-not acceptable
  - (k) ETA/ lay date/cancellation date at load port
  - (l) Quantity to be loaded with allowance of 5% more or less
  - (m) ETA of the vessel at loading port

The SELLER is entitled to following additional information if required:

- (n) Original name of vessel if changed at present
- (o) Whether disponently owned
- (p) Owners P & I Club



- (q) Disponent Owners P & I Club
  - (r) Last special survey
  - (s) Last dry-docking
  - (t) Position of engines
- c. The Seller is required to accept or reject (with reasons) the nomination within 3 days after the receipt of notice of allocation by the Buyer.
  - d. In case the Seller having once accepted the vessel fails to make the shipment, the Seller shall indemnify the Buyer for non-performance of the charter.
  - e. The extra expenses, if actually incurred, resulting from the change in the shipping programme once decided, such as, the cost of diverting the steamer shall, in principle, be to the account of the party who has proposed such change.
  - f. Any expenses required for loading outside the working hours shall be on account of the party ordering the same except for vessels crew members' overtime and light and the free use of the gears and winches, which shall be to the account of ship-owners which is to be ensured by the Buyer/Ship. If cargo is loaded in twin decks, any extra cost and or time incurred shall be confirmed in writing by ships master or the owners agents will be to the account of the buyer/ship.
  - g. Ship owner's agent at the loading port shall be appointed by the ship owner which is to be ensured by the Buyer.
  - h. B/L quantity shall be the quantity loaded which shall be determined as per Article 10.
  - i. Seller shall load ore aboard the vessel at the following rates per weather working day of twenty four (24) consecutive hours Saturdays, Sundays and Holidays included but statutory holidays excepted.

Size of vessel	Loading Rate (Chennai Port) By Vessel's Grabs
Any Size	10,000 WMT Basis 4 working cranes & 4 hatches Grabs of 25 MT.

- j. Lay time for loading shall commence 12 running hours after tendering of notice of readiness unless loading commences earlier, in which case, actual time used to count. In case loading has to be interrupted due to reasons of responsibility of the vessel, such time lost shall not count as Lay time.
- k. Master of the vessel shall serve the Notice of readiness of the vessel to load the Materials (i.e. Master's N/R) on the port office of the SELLER at the loading port, during normal office hours which are 9.30 AM to 5.30 PM from Monday to Friday and from 9.30 to 1200 Hours on Saturday. The master's N/R shall not be served on Saturday afternoon/Sundays/Port holidays/ Charter Party holidays.



I. DEMMURAGE/DESPATCH

Size of vessel	Demurrage per 24 hours day(prorata or part)	Despatch per 24 hours day(prorata or part)
Any Size	USD 6,000 Max	USD 3,000 Max

- m. Despatch will be always half of the demurrage rate as per Charter Party.
- n. Immediately after completion of loading of the materials into vessel and before the sailing of the vessel from the loading port(s) a statement of facts shall be made out at the loading port(s) duly signed by and distributed amongst; (a) Master of the vessel/Agent of the vessel at the loading port (b) Agents/Representative(s), if any of the BUYER at the loading port and (c) representative of the SELLER at the loading port.
- o. The Master of the vessel shall deliver a stowage plan in triplicate duly signed by him before loading and immediately after completion of loading and sailing of the vessel, if sought by the SELLER.
- p. Based on the Statement of Facts, the computation of lay time allowed and lay time used shall be based on provisions and its sub clauses herein above. Dispatch money, if any, calculated on the basis of "Working time Saved" shall be arranged to be remitted by the BUYER to the SELLER within thirty days from the date of receipt of the claim of the SELLER with lay time statements and demurrage shall be remitted within thirty days from date of receipt of claim from buyer and permission for remittance of demurrage from RBI.
- q. OTHER TERMS AND CONDITIONS: Counting of Lay time:
- i. Time lost for all draft surveys on the account of the buyer.
  - ii. Time for shifting of vessel from anchorage point to loading berth shall be to the account of the buyer.
  - iii. If any damage is caused to the vessel at the loading port at the time of loading of the Materials by the Stevedores engaged by the SELLER, the claim, if any, for such damage shall be settled directly between the ship owners and stevedores. The Master of the vessel shall lodge such claim, if any, on the stevedores, promptly after the damage has been sustained and then confirm in writing duly supported by the Third Party damage reports, prior to the departure of the vessel from the loading port, failing which the claim shall stand barred and the stevedores shall stand absolved and relieved of all responsibility. Subject to compliance with the conditions enumerated in the clause.

**ARTICLE 17: MODE OF PAYMENT**

**17.1** The buyer shall establish from a first class international bank a confirmed, irrevocable and without recourse to the drawer workable letter of credit payable at sight to cover 100% value of the cargo with tolerance for quantity and value as per contract .



Letter of credit shall be in favour of the sellers/beneficiaries (MMTC Limited, 6,Chennai House, Essar house, Esplanade, Chennai 600108) and shall remain valid for minimum 45 days after latest date of shipment. The said letter of credit shall be established within 10 calendar days from the date of issuance of signed sale contract by MMTC to the buyer. The LC shall be advised through State Bank of India, CORPORATE ACCOUNTS GROUP, 3rd Floor Sigappi Achi Building, Egmore, CHENNAI PIN NO: 600 008,TEL NO:044-28576115/28576170,FAX NO: 044-28576133/28576123/285, SWIFT NO: SBININBB174 Bank's Service Tax registration No.AAACS8577KSDB73 . The opening bank shall also add that the telex/swift is operating instrument and no further confirmation is required. The LC shall allow negotiation of documents for 100% shipment value within 21 days after bill of lading date at the counter of LC negotiating bank. Notice of Readiness (NOR) shall be accepted only after receipt of workable LC through banking channels and completion of pre-shipment formalities with customs/port authorities. Pre-shipment documents shall be processed by MMTC only after receipt of workable LC and performance guarantee.

The buyer shall nominate suitable vessel in such a manner so that seller shall get at least two clear working days (excluding the date of receipt of LC & PBG and date of NOR) prior to arrival of vessel at loading port for processing of pre shipment documents by the appropriate authority. LC shall provide for T.T. reimbursement within two working days upon receipt of claim from the negotiating bank. All bank charges outside India shall be to the buyers account. Cost of LC confirmation (through State Bank of India) would be to the account of Buyer. LC shall also provide for negotiations and acceptance of documents even with spelling, grammatical and other technical mistakes etc. for payment. LC instrument is subject to UCPDC600.

#### **ARTICLE 18: DOCUMENTS**

- 18.1 After shipment of the ore and obtaining the Bills of lading & other documents, Seller shall negotiate the LC for 100% of sale value against following documents:
  - 18.1.1 Seller's signed commercial invoice in three originals and three copies for 100% value indicating value of commodity shipped, name of carrying vessel, contract number, L/C number and B/L Number.
  - 18.1.2 Full set of "Shipped Clean on board" ocean B/L in three originals and three Non-negotiable copies made out to "Order", Blank endorsed marked "Freight Payable as per Charter party" notifying the party stipulated in the L/C. Quantity shown in Metric Tons/MT acceptable.
  - 18.1.3 Certificate of Weight in one original and two copies issued by (reputed agency – approved by buyer or M/s Mitra S K Pvt Ltd or Italab (India) Pvt Ltd at the loading port certifying the actual surveyed weight of cargo shipped.
  - 18.1.4 Certificate of Quality in one original and two copies issued by (reputed agency – approved by buyer or M/s Mitra S K Pvt Ltd or Italab (India) Pvt Ltd at the



loading Port showing the actual result of the test of chemical composition and all other tests called.

- 18.1.5 Certificate of Origin in one original and two copies issued by any chamber of commerce and industry in India.
- 18.1.6 Beneficiary's certified copy of shipment advice by fax / e-mail dispatched to Buyer within one (1) working day after the B/L date at the loading port advising L/C number, goods name, quantity, vessel name, shipment date, approximate invoice value, B/L Number and ETA of the vessel at discharging port.
- 18.1.7 Beneficiary's certificate certifying that they had sent to Buyers by fax / e-mail one set of non negotiable documents, including Bill of Lading, Commercial Invoice, Certificate of Quality, Certificate of Weight, Certificate of Origin and Shipment advice by fax within five (5) working days after the date B/L.

#### **ARTICLE 19: NON-DELIVERY**

Notwithstanding Article 7 (Delivery Period) herein above in the event of failure to effect or to take delivery as provided in this contract due to cause(s) for which the Seller or the Buyer is responsible, the other party shall have an option either to cancel the contract in respect of the undelivered quantity or accept or supply it in the manner to be mutually agreed upon.

#### **ARTICLE 20: DEFAULT**

In case of non-lifting of cargo within the delivery period, the seller shall have the right to invoke the bank guarantee submitted towards performance guarantee. In addition, MMTC will have right to claim all losses, damages, expenses, etc. from buyers and any other appropriate action as deemed fit.

#### **ARTICLE 21: FORCE MAJEURE**

Either party shall be relieved of its obligations and responsibilities under this contract if the performance of this contract is wholly or partially prevented and/or delayed by act of God and any other cause or causes beyond the control of either party such as fires, floods, strikes, lockouts, riots or civil commotion, epidemics, war and acts of Government. etc. Either party shall promptly i.e. within 15 days give notice to the other party of any force majeure given even effecting its obligations under this contract supported by documentary evidence such as certificate of Chamber of Commerce or of any other competent authority connected with the cause. If such notice is given, the obligations and responsibilities of the party giving such notice as well as the corresponding obligations and responsibilities of the other party shall be relieved to the extent made necessary by and continuance of force majeure. If such condition continues for more than 90 days, this agreement shall be deemed to be inoperative and parties shall be relieved from the respective obligations.



**ARTICLE 22: ARBITRATION**

Any dispute or difference whatsoever arising between the parties out of or relating to the construction, meaning, scope, scope, operation or effect of this contract or the validity or the breach thereof shall be settled by arbitration in accordance with the Rules of Arbitration of the Indian Council of Arbitration and the award made in pursuance thereof shall be binding on the parties. The governing law shall be Indian Law and the venue of Arbitration shall be New Delhi.

**ARTICLE 23: VALIDATION**

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

**ARTICLE 24: 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 Buyers 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 Buyer, 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, cause of action or thing whatsoever arising out of or under this agreement.

**ARTICLE 25: 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.

In witness whereof this contract is made in duplicate, the Seller and the Buyer having signed them on this \_\_\_\_\_ 2015 are retaining one (1) copy each.

BUYER  
FOR AND ON BEHALF OF

SELLER  
FOR AND ON BEHALF OF





APPENDIX- V

PERFORMANCE BANK GUARANTEE PROFORMA

Bank Guarantee No. \_\_\_\_\_ dated \_\_\_\_\_  
(On a stamp paper of applicable amount to be executed by a Delhi / NCR Branch of a Scheduled Bank other than Gramin Bank, Cooperative Bank, Dhanlakhmi Bank, Nainital Bank)

To  
M/s MMTC Limited  
Core 1, 2<sup>nd</sup> Floor,SCOPE Complex  
7 Institutional Area  
Lodi Road  
New Delhi 110003 (INDIA)

Dear Sirs,

- 1) WHEREAS, MMTC Limited, having its registered office at Core-1, 2<sup>nd</sup> Floor, SCOPE Complex, 7, Institutional Area, Lodi 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 \_\_\_\_\_ with validity upto \_\_\_\_\_2015 and claim period upto \_\_\_\_\_2015.
- 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 thereto 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 demand in writing may be presented to the Bank by courier / Fax / Airmail/ Speed Post/ Registered Post/E Mail or in person and the same shall be binding on us.
- 8) This guarantee comes into force forthwith validity upto \_\_\_\_\_2015 and claim period upto \_\_\_\_\_2015.
- 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 with validity upto \_\_\_\_\_2015 and claim period upto \_\_\_\_\_2015. (Claim period one month after of validity date).
- 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 \_\_\_\_\_

Yours faithfully  
For and on behalf of Bank  
(Address)  
(Banker's Seal)

With validity upto	:	31.07.2015
With Claim period	:	31.08.2015