



MISHRA DHATU NIGAM LIMITED

A Govt of India Enterprise

P. O Kanchanbagh, Hyderabad – 500058, TS, India.

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Tender Notice No. : MDN/PUR/RM/ADVT/AL/19-20, Date: 03/02/2020

Start of Issue of Tender Documents: 03rd Feb 2020 at 17.00 Hrs. IST

Receipt of Tender on or before: 03rd Mar 2020 at 10.30 Hrs. IST

Opening of Tender Date: 03rd Mar 2020 at 10.35 Hrs. IST

PREAMBLE:

Growth of high technology industries is invariably interlinked with availability of special materials. Aeronautics, space, Atomic Energy, Armament, Power & General Engineering Industries has attained a high level of technical perfection which has in turn dictated stringent quality requirement on the materials. Mishra Dhatu Nigam Limited (MIDHANI) A Govt. of India Enterprises, was set up in 1973 at Hyderabad with the objective of providing the nation self reliance in strategic materials. For over three decades now, MIDHANI has been handling challenging tasks of developing alloys, taking a lead position in indigenization of critical technologies and products to render support to several programmes of National importance and hi-tech segments of India industry. MIDHANI has now started offering its core competence of developing and manufacturing custom made alloys to suit the specific requirements of customers for their critical applications.

The following Raw Materials are the annual requirement of the Company over next one year period:

Sl. No	MATERIAL	Estimated Requirement	
	DESCRIPTION & SPECIFICATION.	Unit	Qty
1.	ALUMINUM GRANULES (DETAILS AS PER ANNEXURE-I) Quantity tolerance : +/- 10%	15	MT.

Note: This is in addition to the requirements of Aluminium Bars, Pellets & Wires

STEPS INVOLVED

1. Techno Commercial bids are invited from interested Bidders against this open tender notice.
2. The list of stores with detailed specifications, QAP and approximate annual demand is given in this tender notice. Quantities indicated are indicative and actual quantities to be procured may vary.

3. The detailed techno commercial terms and conditions are mentioned in this tender.
4. **Only Techno commercial bids shall be submitted against this tender.** As a token of confirmation, all pages of the tender set duly signed and seal need to be enclosed along with your offer.
5. Offers received on tender opening date shall be opened shall be opened and processed techno commercial evaluation. Wherever required, Midhani may seek clarifications from participating bidders.
6. Once the process of techno commercial evaluation is complete, Midhani shall issue letter of acceptance to all bidders whose offers are accepted, authorizing them to be eligible for participating in all the future price discovery cycles of such items, for a period of one year.
7. Midhani shall inform unsuccessful bidders also indicating the reasons for rejecting their offers.
8. During the next one year period, as and when an requirement for these items is received, Midhani shall issue Tender enquiry to such qualified bidders, indicating there in the a) Item wise quantity b) Delivery schedule c) EMD amount etc. This communication shall also indicate if multiple sources are required to execute this requirement. Bidders shall be required to submit offers within 10 days with validity of 30 days.
9. Participation of price discovery process shall mean that quantity tendered and delivery schedule has been agreed to. Thereafter, Reverse auction process shall be carried out, if required to ascertain L1.
10. Thus, same or similar items may have multiple price discovery cycles in a period of one year depending on actual requirement.

Special Terms & Conditions:


1. Techno-Commercial Offers for all three items shall be evaluated as per the Tender terms and conditions. On finalisation of Techno-Commercial Bid, "Letter of Acceptance" shall be issued to all the techno-commercially acceptable and eligible bidders indicating the following:
"Your Techno-Commercial Offer for Supply of Aluminium Granules is accepted and is considered valid for a period of one year from the date of acceptance of the same by MIDHANI, with an option to extend the validity for one year further at same terms and conditions. Accordingly any requirement of the above item(s) for which your offer is qualified shall be intimated to you and a separate tender shall be floated in our eProcurement Portal (www.eprocuremidhani.nic.in) under Reverse Auction Process. Acceptance of supply of the quantity required and delivery as per format provided therein shall be uploaded in the Cover One i.e., Techno-Commercial Bid along with EMD as per requirement (if applicable) and Price Bid shall be uploaded in the Cover Two i.e., Price Bid. Reverse Auction shall take place subsequently between bidders who accept the delivery schedule and quantity to be supplied."
2. The techno commercial bids shall be valid for a period of one year from the date of Tender opening.

3. Even after the Techno Commercial bids are frozen and one or more procurement cycles completed, there may be some new bidders who may want to participate now but could not participate at the initial stage due to lack of information. Such bidders shall be afforded an opportunity to submit techno commercial bids and in case the same is acceptable, they shall be eligible to participate in the price discovery of remaining procurement cycles of the total one year period. Such offers shall be sent in sealed covers as per the below procedure indicating the Tender reference mentioned above.
4. Tenders shall be floated to those bidders who are techno-commercially qualified against this tender as and when requirement arises.
5. Pre-Contract Integrity Pact as per enclosed format shall be submitted along with the techno-commercial offer.

List of Tender Documents:-

S. No	Document Description	Pages
	Invitation to Tender	24 Pages
Annexure I	Technical Specifications	03 Pages
Annexure II	General Terms and Conditions	07 Pages
	(a) Terms and Conditions for Indigenous Bidders	01 Pages
Annexure III	(a) Terms and Conditions & Instructions for e-procurement	03 Pages
	(b) E-Auction Terms and Conditions	03 Pages
Annexure IV	Bank Guarantee Formats	05 Pages
Annexure V	Integrity Pact	07 Pages
	Eligibility Criteria	01 Page

For MISHRA DHATU NIGAM LIMITED


Nitesh S
Manager (Purchase)

Check list for submission of documents against the tender:

I) Techno Commercial bid should contain the following information

S. No	Description	Comply (Yes/No)
1	EMD	NOT APPLICABLE
2	Signed copy of integrity pact	
3	Detailed specification and Chemical composition of the offered product	
4	Acceptance to Terms and conditions of the tender	
5	Manufacturer test certificate wherever required	
6	Manufacturer's Name & Address	
7	The tenderer shall furnish typical analysis along with offer with respect to elements listed in the tendered specifications.	
8	Price Basis	
9	Delivery Schedule as per tender	NOT APPLICABLE
10	Validity period of the offer as per tender	
11	Terms of payment as per tender	
12	Country of origin of goods	
13	GST number and applicable rate (For indigenous bidder)	
14	Port of loading for FOB supplies. (For Import Offers)	
15	Tariff Head Under H.S (HARMONISED SYSTEM)/Custom duty tariff code	
16	Any other remarks related to this tender please specify in your offer	

Note:

- a. Tenders received without the above documents & details are liable to be rejected summarily.
- b. Any order resulting from this invitation to tender shall be governed by our General conditions of contract and the supplier quoting against this enquiry shall be deemed/ to have read and understood the same.
- c. Please enclose the above check list along with the Techno Commercial bid.
- d. Tenderer's offer must conform in all respects with the applicable specifications and terms and conditions of the tender. In case of, deviation if any, from the tender specifications or terms and conditions must be clearly and explicitly stated. Technical deviations and Commercial deviations shall be furnished in separate sheets under the headings "TECHNICAL DEVIATIONS" and "COMMERCIAL DEVIATIONS" respectively, along with reasons for taking such deviations. Deviation(s) mentioned elsewhere shall not be accepted.

MIDHANI reserves the right to accept / reject any deviation in tenderer's offer pertaining to the materials specifications or to the terms and conditions stipulated in this tender without assigning any reason.

SPECIFICATION

TECHNICAL SPECIFICATION OF ALUMINIUM GRANULE

1.0 CHEMICAL COMPOSITION: -

Aluminium	:	(Al)	-	99.5 % min
Iron	:	(Fe)	-	0.40 % max.
Silicon	:	(Si)	-	0.30 % max.
Oxygen	:	(O)	-	0.01 % max .
Nitrogen	:	(N)	-	0.02 % max.
Carbon	:	(C)	-	0.01 % max.
Copper	:	(Cu)	-	0.02 % max .
Zinc	:	(Zn)	-	0.07 % max .
Titanium	:	(Ti)	-	0.03 % max .
All other Element each	:		-	0.03 % max.
Size	:		-	5 – 12 mm

Process of manufacture – Granulation from liquid Aluminium of purity more than 99.5 %

2.0 Inspection procedure before dispatch:-

2.1 Visual inspection, density, purity and sieve analysis shall be done.

2.2 Material shall be properly sieved and under sized particle shall be removed as this material is going for making Titanium alloys for aerospace applications.

3.0 Material shall be free from all foreign material like Slag, Mud, Wooden pieces, Iron particle and discoloured particles, as the alloys made out of these granules go for critical applications.

4.0 Test certificate of OEM from where the material is going to be supplied, shall be enclosed.

5.0 Before shipment of material, the vendor / manufacturer should submit the TEST CERTIFICATE of the material offered to Midhani for approval. Test certificate (in duplicate / photo copy) shall be put in drum no 1 of each lot.

6.0 The material shall be shipped only after clearance from Midhani.

7.0 Delivery schedule:- FOR, 100 % ordered quantity within 75 days from PO.

8.0 Quantity Tolerance = $\pm 10\%$

9.0 Packing: 200/250/500 Kgs in sealed steel drum. The drums after packing shall be properly sealed.

10.0 Every drum should have proper identification / label in paint of the drum and lid. A. Name of manufacturer, B. PO Number, C. Material description, D. Lot no / Batch No, E. Drum no, F. Net Weight, G. Gross Weight

11.0 Acceptance Criteria:- As per QA document (Chemical composition as per QA document shall be tested at Midhani).

Standard Eligibility Criteria & Evaluation thereof

1. Offers from Traders as well as from Authorised dealers/distributors/ representatives on behalf of Original manufacturers (OM) are allowed subject to the following:

- Authorization letter duly signed by the original manufacturer to be submitted along with techno commercial bid by the Authorised dealers/distributors/ representatives /Traders. The Authorization letter along with the techno-commercial offer should be tender specific.

Authorization letter shall be valid till completion of the contract / order, in case of award of Contract.

2. Offers shall be considered subject to fulfilling of the eligibility criteria as below: (Applicable to all new vendors to MIDHANI)

Note: Vendors of MIDHANI who have successfully executed at least one Order in past 5 years shall be treated as existing Vendors.

Eligibility Criteria:

Sl. No	Criteria	Documents required for confirmation
01	Technical Experience: Bidder (sole)/Original Manufacturer Should have supplied tendered material of similar composition at least two times in previous 24 months for at least 20% tendered quantity. (Two separate POs need to be submitted)	Copy of the Contract/Purchase Order OR other documentary evidence by self or by principal or by Original Manufacturer.

3. Apart from meeting the eligibility criteria defined, all new bidders shall fill the Vendor Registration form available in the website <http://midhani-india.in/login> and submit along with the offer for formal vendor registration.

Note: Existing Suppliers also who have earlier not submitted the Vendor Registration Application in the above format/chose to update their credentials subsequent to earlier application, may submit the same along with their technical bid.

General Terms and Conditions of the Tender

1. Any Order resulting from this invitation to tender shall be governed by our General Terms and Conditions of Contract and the supplier quoting against this enquiry shall be deemed / to have read and understood the same.
2. Where counter terms and conditions have been offered by the Tenderer, the purchaser shall not be governed by these unless specific acceptances have been given in writing in the order by the Purchaser.
3. The offer should be complete in all respects. Full Particulars and descriptive literature and drawing should be forwarded along with the quotation. The make of the items offered should be clearly specified. Materials should be offered strictly conforming to our specifications. The deviations if any should be clearly indicated in the quotation. Test Certificates must be produced, wherever required. Material conforming to IS will be preferred.

4. **VALIDITY :**

Present Open Tender Enquiry: Techno-Commercial Bids submitted shall be valid for a minimum period of one year with an option to extend the same further by a period of One Year.

Against Individual Tenders for actual requirements: The offer should be valid for a minimum period of **30** days from the date of opening of the tender. **In case of shorter Price validity period, than what is stipulated in the Tender, the Company reserves the right to reject the bid summarily**

5. **DELIVERY PERIOD: Shall be indicated in the subsequent tenders in our e Procurement Portal.**

6. **EARNEST MONEY DEPOSIT :**

The individual tenders floated against this Open Tender notice must be accompanied by an EMD amount of **as per the amount indicated in particular tender notice** online through [link http://ebs.in/midhani/public](http://ebs.in/midhani/public) or visit [midhani website www.midhani.com](http://www.midhani.com) > purchase > Tenders > Tender fee, EMD fee (Earnest Money Deposit) and security Deposit –**ONLINE PAYMENT**. Or Bank Guarantee as per format enclosed from a Scheduled Bank encashable in Hyderabad, India with validity till 180 days.

If EMD is not submitted, offers are liable for rejection. EMD and Security Deposit in the form of Demand Draft or Bankers Cheque will not be considered unless prior consent from MIDHANI is obtained. Exemption of EMD is available to MSE's and Start Up's as per Government Guidelines.

The earnest money shall be kept deposited till validity of the offers/finalization of the tender whichever is earlier. The Earnest Money will not earn any interest. If the tenderer after submitting his tender and during the tender's validity period, resile from his offer or modifies the terms and conditions thereof in a manner not acceptable to the Purchaser, the earnest money shall be liable to be forfeited. Should an Invitation to tender to be withdrawn or cancelled by the Purchaser, which it shall have the right to do at any time, the earnest money paid with the tender will be returned.

The Earnest Money shall be returned to all the firms after finalization of the tender, except to the successful tenderer. EMD of successful tenderer shall be returned after submission of Security Deposit/shall be held as Security Deposit as the case may be. Should the successful tenderer, upon the acceptance of his tender, fail or refuse to duly sign the agreement within the period fixed by the Purchaser as indicated above, the earnest money shall be forfeited without prejudice to his being liable for any further loss or damage incurred in consequence by the purchaser.

Note: EMD is exempted for all Government Departments/Central PSUs and in case of Raw Materials, Original Raw Material Manufacturers (provided they participate directly).

In all the cases of EMD Exemption/EMD Not applicable: In case of failure of the bidder to accept / execute the contract, the bidder shall not be permitted to participate in the re-tender for the same item. Also suitable penal action as deemed fit by Midhani shall be imposed.

7. **SECURITY DEPOSIT (SD):**

In case of successful tenderer, **10% of PO Value** towards SD shall be submitted by vendor within 21 days from the date of PO, in the form of Bank Guarantee or payment through online with proof thereof.

The Security Deposit of above amount shall be submitted on placement of order, online through [link http://ebs.in/midhani/public](http://ebs.in/midhani/public) or visit midhani website www.midhani.com > purchase > Tenders > Tender fee, EMD fee (Earnest Money Deposit) and security Deposit –ONLINE PAYMENT. Or Bank Guarantee as per format enclosed from a Scheduled Bank of India encashable in Hyderabad, India with validity till successful completion of the Order, within 21 days from the placement of order.

The security deposit shall be for the due and faithful performance of the contract and shall remain binding notwithstanding such variations, alterations or extensions of time as it may be made, given, conceded or agreed to between the Supplier/Contractor and Purchaser.

The Security Deposit furnished by the successful tenderer will be subject to the Terms & Conditions of the order/contract finally concluded between the parties and the Purchaser will not be liable for payment of any interest on the security deposit or any depreciation thereof.

The Security Deposit shall be refunded on application by the contractor after expiry of the contract period and after he has discharged all his obligations under the contract and produced a certificate from the Purchaser's authorized representatives certifying the due completion & acceptance of the work.

All Government Departments and Central PSUs are exempted from payment of Security Deposit. In all cases where SD is exempted, in case of failure of the bidder to accept / execute the contract as per agreed terms, the bidder shall not be permitted to participate in the re-tender for the same item. Suitable penal action in accordance with other provisions of the Tender shall also be applicable.

In case SD is not submitted within the stipulated time as above, interest @ 12% p.a. shall be levied for the period of delay beyond the stipulated time. Interest as above may be either deposited by the supplier / contractor or recovered from any amounts due to the supplier / contractor.

8. **All Bank Guarantees (EMD/SD/Advances/PBG) submitted:**

- a. Shall be from a Nationalized Bank/ Scheduled Commercial Bank encashable in India and in our prescribed formats only.
- b. Bank Guarantees (SD/Advances/PBG) shall have an additional claim period of three months from the date of expiry.

9. Preference under Make in India Programme as per below mentioned notifications shall be provided to all Local Vendors:

- a. Public Procurement (Preference to Make in India) Order – 2017 dated 15/06/2017.

Local supplier means a supplier or service provider whose product (Goods, services, as also works) offered for procurement meets the minimum local content as prescribed under the

above mentioned order or by competent Ministries/Departments in pursuance of this order.

Local content means the amount of value added in India which shall, unless otherwise prescribed by the nodal Ministry, be the total value of the item procured (Excluding net domestic indirect taxes) minus the value of imported content in the item (including all customs duties) as a proportion of total value in content.

Minimum local content shall ordinarily be 50%. The nodal ministry may prescribe a higher or lower percentage in respect of any particular item and may prescribe the manner of calculation of local content.

The local supplier at the time of tender, bidding or solicitation shall be required to provide self certification that the item offered meets the minimum local content and shall give details of the location(s) at which the local value addition is made.

In cases of procurement of value in excess of 10 Crores, the local supplier shall be required to provide a certificate from the statutory auditor or cost auditor of the company (In case of companies) or from a practicing cost accountant or practicing chartered accountant (in respect of suppliers other than companies) giving the percentage of local content.

For details please visit the following website link.

https://dipp.gov.in/sites/default/files/Revised-PPP-MII-Order-2017_28052018.pdf

- b. DDP Notification No. 59011/8/2015-D(HAL-II) issued on different dates mentioning list of items with minimum specific local content etc for consideration as local supplier in pursuance of above mentioned order.

10 Vendors to intimate the value of Goods & Services which are sub contracted by them from MSE's if any, pertaining to the tendered item(s).

11 MSE (MICRO AND SMALL ENTERPRISES):

As per Public Procurement Policy(PPP) for Micro & Small Enterprises (MSEs) order,2012 vide Gazette notification dated 23.03.2012 by Ministry of Micro, Small and Medium Enterprises of Govt of India, the following benefits will be extended to the MSEs.

If Tenderer happens to be a MSE as per Government Guidelines, necessary benefits in line with Government Guidelines issued from time to time shall be provided on submission of valid documentary proof to the satisfaction of the Purchaser. In case organization is an MSE Unit owned by SC/ST Entrepreneur or owned by Women Entrepreneur, submit valid documentary proof for extending benefits as per Government guidelines. Benefits include

- i) EMD is exempted for Micro & Small Enterprises (MSEs) registered with DIC/ NSIC/KVIC/ Udyog Aadhar Memorandum (UAM) issued by MoMSME or any other body specified by Ministry of MSME.
- ii) Purchase Preference to MSE's shall be provided as given below.
 - a) In tenders, participating Micro and Small Enterprises quoting price within price band of L1+ 15 percent shall also be allowed to supply at least 20% requirement by bringing down their price to L1 price in a situation where L1 price is from someone other than a Micro and Small Enterprise. In case of more than one such Micro and Small Enterprise, the supply shall be shared proportionately (to tendered quantity).
 - b) In case of tender item is non-divisible and if Micro and Small Enterprises quoted price is within the price band L1+15% shall be allowed to supply total tender requirement by bringing down their price to L1 price in a situation where L1 price is from someone other than a Micro and Small Enterprise.

iii) "Vendors to intimate the value of Goods & Services which are sub contracted by them from the MSE's if any, pertaining to the ordered item(s)".

iv) The benefits mentioned above are meant for procurement of goods produced and services rendered by MSE's. Traders are excluded from availing these benefits

12 Start ups as recognized by Department of Industrial policy and Promotion (DIPP) shall be exempt from paying Earnest Money Deposit (EMD)

13 **QUERIES / CLARIFICATIONS:**

Queries / clarifications technical, financial or commercial, if any, that may arise, should be referred by the tenderer by email/letter to

Technical Queries:

Name: Mr. J. Kiran Kumar, (Manager-Melt)

Email id: kiran.jadala@midhani.com

Ph: 040-2418 4378

Commercial/Financial Queries:

Name: Mr. Arindam Mondal

Email id: arindam.m@midhani-india.in

Ph: 040-2418 4348

14 **PRICE NEGOTIATIONS :**

Price Negotiations as such shall not be held, except in the case of Negotiations with the lowest tenderer and accordingly, the tenderers shall have to submit their best commercial bids.

15 **ARBITRATION :**

Any dispute(s) or difference(s) whatsoever arises under or out of or in connection with the EOI/contract, or in respect of any defined legal relationship associated therewith or derived there from, shall be resolved/settled amicably, through mutual negotiation; failing which the differences shall be resolved by way of arbitration in accordance with the International Centre for Alternative Dispute Resolution (ICADR) Arbitration Rules 1996. The authority to appoint the arbitrator(s) shall be the International Centre for Alternative Dispute Resolution (ICADR). And will provide administrative services in accordance with ICADR Arbitration Rules 1996. The seat of arbitration shall be India. The language of the arbitration proceeding shall be English. The place of arbitration proceedings shall be Hyderabad, Telangana, India.

In case of PSU/Government organization DPE guidelines in force or as amended from time to time shall be applicable. In the event of any dispute or difference relating to the interpretation and application of the provisions of commercial contract(s) between Central Public Sector Enterprises (CPSEs)/Port Trusts inter se and also between CPSEs and Government dept./Organizations (Excluding disputes concerning Railways, Income Tax, Customs & Excise Dept.), such disputes or differences shall be taken up by either party for resolution through AMRCD as mentioned in DPE OM No. 4(1)/ 2013- DPE(GM)/FTS-1835 dated 22/5/2018 or the latest DPE Guidelines issued from time to time.

16 **JURISDICTION :**

All questions, disputes or differences arising under, out of or in connection with the contract shall be subject to the exclusive jurisdiction of court within local limits of Hyderabad, India.

17 **RISK PURCHASE:**

The supply of all items must be completed satisfactorily and within the specified delivery period in the order, failing which the purchaser reserves the right to purchase stores from other sources at the supplier's cost & risk. In such case the supplier shall be bound to pay the extra cost incurred by Midhani forthwith on demand by MIDHANI.

18 **ADDENDA TO TENDER DOCUMENTS :**

The Purchaser reserves the right to issue addenda to the tender documents to clarify, modify, supplement or delete any of the condition, clause or items stated in the tender documents issued

with this invitation to Tender. Each addendum issued will be distributed to each tenderer or his authorized representative and the addendum so issued shall form a part of the original tender documents to be reviewed as required.

19 NO CLAIM FOR COMPENSATION FOR SUBMISSION OF TENDER :

The tenderers whose tenders are not accepted shall not be entitled to claim any costs, charges and expenses of the tender, incidental to or incurred by them, through or in connection with their submission of tenders even though the Purchaser may elect to withdraw the invitation to tender.

20 BANKRUPTCY ETC.:

If the Supplier/Contractor shall become bankrupt or insolvent or cause or suffer any receiver to be appointed of his business or any asset thereof or compound with his creditors, or being a corporation commence to be wound up, or carry on its business under a Receiver for the benefits of its creditors or any of them, the Purchaser shall be at liberty:

- a. To terminate the contract forthwith upon coming to know of the happening of any such event as aforesaid by notice in writing to the Contractor or to the receiver / liquidator.
OR
- b. To give such receiver, liquidator or other person the option of carrying out the contract subject to his providing guarantee up to an amount to be agreed for the due and faithful performance of the Contract.

21 RIGHT OF ACCEPTANCE:

The Purchaser does not bind himself to accept the lowest or any of other tender and reserves the right of acceptance the whole or any part of the tender or portion of the quantity offered.

22 LIQUIDATED DAMAGES (LD):

Liquidated Damages shall be levied against Suppliers/Contractors in the event of unsatisfactory, delayed or non supply of materials/execution of Contract beyond the date of delivery/completion of job. LD is leviable at the rate of 1% of the total order/contract prices per week or part there of subject to a maximum 10% of the order/contract prices including taxes & duties without prejudice to the right of the purchaser to take any other action. The amount shall also be recoverable from any other contract on account of the supplier.

23 CANCELLATION / SHORT CLOSURE OF CONTRACT/PURCHASE ORDER:

The purchaser may, without prejudice to any other remedy for breach of Contract, by written notice of default sent to the supplier, terminate the contract in whole or in part:

- a) If the supplier fails to deliver any or all of the stores within the time period(s) specified in the contract, or any extension thereof granted by the Purchaser.
- b) If the supplier fails to perform any other obligation under the contract within the period specified in the contract or any extension thereof granted by the purchaser.
- c) Purchaser reserves the right to cancel the Purchase Order/ contract on its own under exceptional circumstances.

On receipt of notice for short closure, the contractor shall cease all further work, except for such work as may be specified in the notice for the sole purpose of protecting that part of the stores already executed. Further, the liability of MIDHANI in such cases will be limited to the extent of the cost as assessed by MIDHANI, in its opinion, till the point of short closure.

24 REJECTED GOODS:

The rejected goods at MIDHANI premises will lie at the risk of the Vendor. They should be replaced immediately on receipt of intimation regarding rejection from Midhani. In case the rejected goods are not replaced within six weeks from the date of receipt of the inspection memo, MIDHANI is not responsible for any loss, damage and theft, and in addition, MIDHANI reserves the right to recover

such amount as may be assessed on account of storage and incidentals or any other charges MIDHANI may have incurred.

The vendor has to lift the rejected material from MIDHANI within 6 months from the date of receipt of intimation. In case of rejected goods are in MIDHANI for more than 6 months, MIDHANI reserves the right to dispose of the same and Vendor shall not have any right for claiming the goods or damages thereof.

25 SUBMISSION OF TENDER :

Tenders shall be submitted as per procedure specified at Annexure III. The tenders received after the stipulated time and due date, due to any reason whatsoever will not be considered. Tenders who are incomplete or otherwise considered defective are liable to be rejected.

26 MULTIPLE L1 PARTIES:

In case more than one tenderer is qualifying as L1, after price evaluation and the order is not to be split, the placement of order shall be done after obtaining reduced revised price bid from the L1 tenderers and if still there is a tie among L1 tenderers then to discover the final L1, draw of lots shall be held in presence of the tenderers who chose to be present.

27 Only one vertical (Company) from a group of companies will be eligible to participate in the tender. Midhani reserves the right to reject the bids of all such parties summarily, if it is found that verticals under the same organizations have participated.

28 TENDER OPENING:

A. TECHNO-COMMERCIAL BIDS (UN-PRICED) :

Techno-commercial Bids (un-priced) only shall be opened on the due date indicated in the enquiry in the e-platform (or) in the presence of Tenderers or their authorized representatives who choose to be present at the time of tender opening, as the case may be.

B. PRICE BIDS: (For Individual Tenders to be floated against this Tender Notice)

Price Bids of technically acceptable tenders' shall be opened after the Techno-commercial bids evaluation and after receipt of clarifications, if any, in the e-platform (or) in the presence of Tenderers or their authorized representatives who choose to be present at the time of tender opening, as the case may be at the time and date which will be informed to the tenderers concerned in advance.

The comparative assessment of offers received would be made on equal footing taking into account the financial implications for the deviations in terms and conditions/loading of any charges to arrive at the Landed Cost to MIDHANI. In case of any acceptable commercial deviation, MIDHANI may evaluate the prices with appropriate loading at One year MCLR rate + 0.5% of SBI prevailing on the date of Technical bid opening.”

Conditional discounts offered by the tenderers for coverage within a shorter period for early inspection / payment etc., shall not be considered at the time of evaluation of tenders.

29 **DEFINITIONS:**

A. **PURCHASER:**

The term "Purchaser" or "Midhani" as used herein shall mean Mishra Dhatu Nigam Limited, incorporated under the Companies Act, 1956, and having its registered office at P.O. Kanchanbagh, Hyderabad - 500 058, India, and shall include its successors and assigns.

B. **TENDERER:**

The term "Tenderer" shall mean the person, firm or corporation submitting a tender against the Invitation to tender and shall include his/its heirs, executors, administrators, legal representatives, successors and assigns.

C. **SUCCESSFUL TENDERER/SUPPLIER/CONTRACTOR:**

The term "Successful Tenderer/Supplier/Contractor" shall mean the Tenderer whose tender has been accepted and shall include his/its heirs, executors, administrators, legal representatives, successors and assigns approved by the Purchaser.

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TERMS AND CONDITIONS FOR INDIGENOUS OFFERS

1. PRICE BID FORMAT:

Prices shall be quoted ONLY in the following format/as per BOQ:

The tenderer shall indicate/furnish the following in his offer:

- a. Manufacturer's Name & Address.
- b. Country of origin of goods.
- c. Delivery period.
- d. Mode of packing.
- e. Net weight and Gross weight.
- f. Technical Literature / Catalogue/Specifications.
- g. Details of Shelf life, if any, applicable for the goods offered.
- h. Your Banker's Name, Address & Details.
- i. A confirmation that the price quoted is your lowest export price and is the same as you would normally quote to Government department and other favored customers.
- j. HSN Code for all the Items quoted along with applicable GST Rates.
- k. TARIFF HEAD UNDER H. S. (HARMONISED SYSTEM).

2. TERMS OF PAYMENT for Indigenous Offers:

For Materials:

100% Payment within 30 Days from the date of Receipt and acceptance of Material at MIDHANI.

3. PRICES

Price Basis: FOR Midhani, Hyderabad basis shall be quoted. The Prices must be per unit shown inclusive of packing forwarding insurance Octroi duty and delivery charges and should be on FOR destination basis, Offers from local suppliers should be for free delivery at our Stores.

4. TAXES AND DUTIES:

The Tenderer shall indicate their GST Number & date in the quotation. Taxes/Duties payable have to be clearly indicated in the quotation. The nature of duties and applicable percentages thereof and the items on which such taxes/duties are leviable along with applicable HSN code shall be indicated in the Offer. Payment of taxes or duties shall be as applicable at the time of supply and on production of documentary evidence. Statutory variation in the rate of Taxes and duties during the delivery period shall be accepted.

5. PACKING:

The stores should be securely packed and properly marked to avoid loss or damage in Transit by Rail / Road. Mode of Packing shall be specified in the offer.

**TERMS AND CONDITIONS AND INSTRUCTIONS TO THE TENDERER FOR
ONLINE SUBMISSION OF QUOTATION**

1. Tenders are invited on-line on the website <http://eprocuremidhani.nic.in> from the eligible bidders having Class III, Digital Signature Certificate (DSC) issued from any agency authorized by Controller of Certifying Authority (CCA), Govt. of India. For Digital Signature Certificate (DSC) issuer details, please refer www.cca.gov.in website, FAQ- How do I get a Digital Signature Certificate (DSC)?. The bidders have to get themselves registered online on the e-Procurement portal <http://eprocuremidhani.gov.in> with the class III DSC. The online Registration of the Bidders on the portal will be free of cost and one time activity only.
2. The Tender has to be submitted in TWO BID SYSTEM failing which the tender will be liable for rejection. All technical matters, Testimonials, credentials, commercial conditions has to be mentioned in Cover-I i.e. Technical Bid and Price has to be mentioned in Cover-II i.e. Price Bid (BOQ). (Note: The other commercial terms & conditions of your quotation/offer should be mentioned separately in ATC (Agreed Terms and Condition) which will be downloaded and upload the same in cover I).

All bids are to be submitted on-line on the website <http://eprocuremidhani.gov.in> No bid shall be accepted off-line.

3. No consideration for wrong entries/errors will be allowed and firms are advised to carefully indicate the applicable taxes and duties amount.
4. **Technical Specification:** Technical Specification containing the technical parameters for tendered item will be in PDF format and will be downloaded by the bidder and he will furnish all the required information in PDF file. Thereafter, the bidder will upload the technical specification of the quoted item in PDF file during bid submission. Non-compliance of any one specification parameter of the item will disqualify the bidder in that item. The Technical specification which is incomplete and not submitted as per instruction given above will be rejected.
5. **Price bid:** The Price bid containing the Bill of Quantity will be in Excel format and will be downloaded by the bidder and he will quote the rates, taxes & duties etc. for his offered items on this Excel file. Thereafter, the bidder will upload the same Excel file during bid submission in respective folder. The Price-bid will be in Item-wise Rate BOQ format and the bidder may quote for any or all the tendered items and the L-1 will be **decided for each item separately**. The Price-bids of the tenderers will have no condition. The Price Bid which is incomplete and not submitted as per instruction will be rejected.
6. The "General Terms & Conditions" as mentioned in the NIT shall form an integral part of the NIT and will also form a part of the Orders placed against this tender.
7. Clarification of Bid (wherever applicable): The bidder may seek clarification on-line within the specified period. His identity will not be disclosed by the system. However, the management will clarify as far as possible the relevant queries. The clarifications given by the department will be visible to all the bidders or only the bidder who raised the clarification query, intending to participate in the tender.

8. Submission of Bid: The bidders have to accept unconditionally the on-line user portal agreement which contains the acceptance of all the Terms and Conditions of NIT including Commercial & General Terms & Conditions, along with on-line undertaking in support of the authenticity of the declarations regarding the facts, figures, information and documents furnished by the Bidder on-line in order to become an eligible bidder. No conditional bid shall be accepted.
9. In case the Tender Committee finds that there is some error/omission in scanning & uploading the Technical Cover document by a bidder, the same will be specified on-line under shortfall documents by Evaluator normally within short duration of Technical-bid (Part-I) opening/through an email to the specified email id, indicating the start date and end date giving specific time for on-line submission by bidder. The bidder will get the intimation about this through a standard system generated e-mail and will re-upload the same within specified period. No additional time will be allowed for on-line submission of document.
10. Modification and Withdrawal of Bid: The bidder may modify and resubmit the bid on-line as many times as he/she may wish, only before the deadline of submission of tender.

11. The destination point for delivery of materials will be as follows:

Item Sl. No.	Quantity	Consignee	Destination Point (Place of delivery of materials)
All Items	Full Quantity	Dy. Genl. Manager (Stores) Mishra Dhatu Nigam Limited PO - Kanchanbagh HYDERABAD - 500058, Telangana, INDIA	Dy. Genl. Manager (Stores) Mishra Dhatu Nigam Limited Central Stores PO – Kanchanbagh, HYDERABAD - 500058, Telangana, INDIA

The bidder will be responsible for safe arrival of materials to the destination points as mentioned above. However, the unloading and stacking of materials will be the responsibility of the consignee. The bidders should quote their unit rate on FOR (Free on Road/Rail) destination basis in a specified format containing the breakup of applicable taxes and duties, freight, insurance and other components of the price in absolute value along with the basic price of each item. The L1 bidder will be decided by the system on the basis of landed price inclusive of all taxes and duties as applicable and tax credits for each item. It will be calculated automatically by the system based on the price quoted by the bidders, by summing up the basic rate with other price elements, as given by the bidders on-line. Non submission of any price component by bidder will be taken as 'zero' by the system, the evaluation will be done accordingly and that price element will be assumed to be included in the basic price quoted by the bidder. Bidders are requested to indicate Taxes separately in the BOQ wherever applicable.

12. After evaluation of Techno-commercial bid, all the bidders will get the information regarding status of their eligibility along with the date of Price-bid opening on their personalized dash board and also by system generated e-mail. It will be the bidder's responsibility to check the status of their Bid on-line at least once daily, after the opening of Techno-commercial bid till opening of the Price-bid. No separate communication will be made to the bidder in this regard.

13. The Bidder, who's Bid has been accepted, will be notified of the award on-line and also Purchase Order shall be sent by email/registered/speed post by the employer prior to expiration of the bid validity period. The L-1 bidder will get the information regarding award of work on their personalized dashboard on-line.
14. *In case of Contract to be signed, on receipt of Letter for Acceptance (LOA)/Work Order of the tender issued by the MIDHANI, the successful tenderer shall execute contract agreement in the company's prescribed form for the due fulfillment of the contract. Failure to enter into the required contract within the specified period in the work order shall entail cancellation of LOA/work order and forfeiture of the Earnest Money. The written contract to be entered into between the contractor and the MIDHANI, shall be the foundation of the rights of both the parties and the contract shall not be deemed to be executed until the contract is signed by both the parties i.e. Contractor and the MIDHANI.*
(This is not required in tenders where only PO is released).
15. Cost of Bidding: The bidder shall bear all costs associated with the preparation and submission of his bid and the Employer will in no case be responsible and liable for those costs.
16. It is the bidder's responsibility to comply with the system requirement i.e. hardware, software and internet connectivity at bidder's premises to access the e-tender website. Under any circumstances, MIDHANI shall not be liable to the bidders for any direct/indirect loss or damages incurred by them arising out of incorrect use of the e-tender system or internet connectivity failures.
17. One Bid per Bidder: Each Bidder shall submit only one Bid, either individually, or as a partner in a partnership firm or a partner in a Joint Venture or a public limited firm. A Bidder who submits or participates in more than one Bid (other than as a subcontractor or in cases of alternatives that have been permitted or requested) will cause all the proposals with the Bidder's participation to be disqualified.

e- TENDER CUM AUCTION NOTICE

1. Tenders are invited on-line on the website <https://eprocuremidhani.nic.in> from the eligible bidders having Digital Signature Certificate (DSC) issued from any agency authorized by Controller of Certifying Authority (CCA), Govt. of India and which can be traced up to the chain of trust to the Root Certificate of CCA.

Start Date & time of Reverse Action	Information regarding start Date & Time of Reverse Auction shall be sent by system generated e-mail and SMS, but it shall be bidder's responsibility to check the MIDHANI e-Procurement portal after Bid Opening Date & Time to get the latest status / information regarding start Date & Time of Reverse Auction.
Tender-cum-auction:	After opening of bid, the system will show lowest F.O.R. Destination rate. The auction (reverse) shall be created for the tender, after opening of price bid. The auction (reverse) will be available to participant to participate with initial L-1 rate.

General guidelines and Process Flow for Tender cum Auction:

General guidelines and Process Flow for Tender cum Auction, if applicable are as under:-

- a) Reverse Auction will be initiated after opening of price bids, as specified by Tender Inviting Authority (TIA) as detailed above.
- b) There will be no participation fees for e-Reverse auction.
- c) Upon opening of the price bids, a reverse auction platform will be created, displaying only the item wise L1 price received.
- d) L-1 Landed price/cost to the company will be the start bid price for tendered Goods. The BOQ shall be designed taken into consideration Tax Credits as applicable, so that it is reflected in the landed price.
- e) The L1 price/start bid price is Landed / cost to the company price on which the auction will be initiated. At the end of reverse auction, the L1 bidder shall have to submit break up of prices conforming to the lowest landed rate quoted by him in the reverse auction.
- f) The L-1 Bidder after the reverse auction has to upload the breakup of Landed Price in the shortfall document. The detailed breakup of offered landed price uploaded by the bidder shall be considered and order if placed shall be with the same breakup of prices. The L-1 bidder after reverse auction will be responsible to ensure that Landed rate as per the breakup of prices provided by them after the reverse auction & L-1 landed rate offered by them in the reverse auction is exactly same, otherwise it may be treated as withdrawal of offer and it will attract penal action. While giving breakup, the bidder will have to consider the same rate of taxes and duties as quoted while submitting the e-Price bid. In case the L-1 bidder fails to submit the breakup of landed price within 02 days, MIDHANI shall be at liberty to place order on the basis of breakup of the e-price bid submitted by the bidder along with the initial offer and same shall be binding on the bidder.

- g) The decrement value will be @ 1% of the start bid price rounded off to the nearest Rupee. The reduction shall have to be made as per decrement value or in multiple thereof. However, the decrement value may be modified with due approval of competent authority depending upon value of item proposed for tendering.
- h) Initial period of reverse auction will be two hours (Start date & time of auction shall be intimated online after opening of Bid). There will be auto extensions of time every time by ten minutes (or any other time decided to be set which should not be less than ten minutes) in case of any reduction recorded in the last ten minutes. The reverse auction will come to a close only when there is no further reduction recorded in the set time slot.
- i) System protects bid and bidder information till auction gets over and displays current L1 price only to the bidder.
- j) System provides bidder details along with bid documents at the end of reverse auction process.
- k) The log details of the entire reverse auction process will be generated by the system once the process of reverse auction is completed.
- l) If a bidder does not submit their bid in the Reverse Auction, the price quoted by them in the price bid shall be considered as the valid price of that bidder. The status of the bidder (L1, L2 etc.) shall be evaluated considering either the bid price submitted in Reverse auction or the Price quoted in the price bid, whichever is lower.
- m) Since, reverse auction is a sequel to e-tender, the process of finalizing the tender upon completion of reverse auction will be same as the tender process without reverse auction.
- n) MIDHANI will provide the calculation sheet (e.g.: EXCEL sheet) which will help to arrive at "Landed Cost to MIDHANI" by the vendor, like packing & forwarding charges, Taxes and duties, freight charges, Insurance, Service tax for services etc., to enable them to fill-in the price and keep it ready for keying in during the Reverse auction.
- o) The bid history shall reflect only the landed price. The landed price may also not be the same for two bidders even if any bidder makes such an attempt.
- p) Server time shall be the basis of Start time & Closing time for bidding and shall be binding for all. This would be visible to all concerned.
- q) On expiry of the closing of the auction, the bid history showing all the last valid bids offered along with name of the bidders shall be published. All bidders shall have the facility to see and get a print of the same for their record.
- r) All electronic bids submitted during the reverse auction process shall be legally binding on the bidder. The chronologically last bid submitted by the bidder till the end of the auction will be considered as the valid price bid offered by that bidder and acceptance of the same by MIDHANI will form a binding contract between MIDHANI and the bidder for entering into a contract.
- s) Conditional discounts shall not be considered. If a bidder offers a discount unilaterally after submission of bid, the discount shall not be considered except L-1 bidder.

t) If the lowest price received during reverse auction is unreasonable or it is unacceptable on ground of being too high or too low compared with estimated price, the management reserves right to seek justification of the price from lowest bidder. If the price is not considered reasonable or it is decided otherwise, management may not accept such bid and go for another tendering process.

u) In case of disruption of service at the service provider's end while the RAP is online, due to any technical snag or otherwise attributable to the system failure at the server end, the RAP process will start all over again. In such a situation, the last recorded lowest price of prematurely ended RAP, will be the 'Start Bid' price for the restarted RAP. The prices quoted in the prematurely ended RAP will be binding on all the bidders for consideration, if the restarted RAP does not trigger within the stipulated time.

v) Disruption and restarting of RAP shall be intimated to all the bidders through system/SMS/e-mail through e procurement portal. All the time stipulations of normal RAP will be applicable to the restarted RAP.

Annexure IV

SPECIMEN FORMS OF

BANK GUARANTEES

1. BG FORMAT IN LIEU OF EMD
2. FORM OF BANK GUARANTEE IN LIEU OF SECURITY DEPOSIT

BANK GUARANTEE FOR EARNEST MONEY DEPOSIT

1. WHEREAS MISHRA DHATU NIGAM LIMITED (A GOVERNMENT OF INDIA ENTERPRISE) PO KANCHANBAGH, HYDERABAD (hereinafter referred as “ The Owner / Company” which expression shall unless repugnant to the subject or context includes its legal representatives, successors and assigns) has issued tender paper vide its Tender No: _____ for supply of _____ (herein after called “the said tender”) to M/s. _____ (herein after called “the said Tenderer(s)” which expression shall unless repugnant to the subject or context includes their legal representatives, successors and assigns) and as per terms and conditions of the said tender, the tenderer shall submit a Bank Guarantee for Rs./USD _____ towards earnest money in lieu of cash.

2. WE (Bank Name and Address) (herein after called the bank) do hereby undertake to pay the amount due and payable under this Guarantee without any demur merely on a demand from the company stating that in the opinion of the company, which is final and binding, the amount claimed is due because of any withdrawal of the tender or any material alteration to the tender after the opening of the tender by way of any loss or damage caused or would be caused or suffered by the company by reason of any breach by the said tenderer(s) of any of the terms and conditions contained in the said tender or failure to accept the Letter of Intent / Agreement or that the amount covered under this Guarantee is forfeited. Any such demand made on the bank by the owner shall be conclusive as regards the amount due and payable by the Bank under this Guarantee. However, our liability under this guarantee shall be restricted to an amount not exceeding Rs./USD _____.

3. We undertake to pay to the Company any money so demanded notwithstanding any dispute or disputes raised by the tenderer(s) in any suit or proceeding pending before any office, court or tribunal relating thereto, our liability under this present guarantee being absolute and unequivocal. The payment so made by us under this bond shall be a valid discharge of our liability for payment thereunder. Our liability to pay is not dependant or conditional on the owner proceeding against the tenderer.

4. The guarantee herein contained shall not be determined or affected or suspended by the liquidation or winding up, dissolution or change of constitution or insolvency of the said tenderer(s) but shall in all respect and for all purposes be binding and operative until payment of all money due or liabilities under the said tender are fulfilled.

5. WE (Bank Name and Address) further agree that the guarantee herein contained shall remain in full force and effect during the period that would be taken for the finalization of the said tender and that it shall continue to be enforceable till the said tender is finally decided and order placed on the successful tenderer(s) and /or till all the dues of the company under/or by virtue of the said tender have been fully paid and its claims satisfied or discharged or till a duly authorized officer of the company certifies that the terms and conditions of the said tender have been fully and properly carried out by the said tender(s) or till date: _____ whichever is earlier and accordingly discharges the guarantee.

6. That the Owner/Company will have full liberty without reference to us and without affecting this guarantee to postpone for any time or from time to time, the exercise of any of the power of the owner under the tender.

7. We (Bank Name and Address), lastly undertake not to revoke this guarantee during its currency except with the previous consent of the company in writing. We further undertake to keep this Guarantee renewed from time to time on the request of the Tenderer(s).

8. Notwithstanding anything contained herein before, our liability shall not exceed Rs./USD _____ towards earnest money in lieu of cash and shall remain in force till (date). Unless a demand or claim under this Guarantee is made on us within three months from the date of expiry i.e., _____ we shall be discharged from all the liabilities under this guarantee.

Date: _____ (Bank Name and Address)

Signature of duly

Authorized person

On behalf of the Bank

With seal & signature code

FORM OF BANK GUARANTEE IN LIEU OF SECURITY DEPOSIT

1. This deed of guarantee executed onday of by
.....

(Name and Address of the Bank)

the Bank hereinafter called Bank (which term shall mean and include its successors and assigns wherever the context so admits) in favour of M/s. MISHRA DHATU NIGAM LIMITED., a government of India Enterprise incorporated and registered as a company under the Companies Act, 1956, having its registered office at P.O. Kanchanbagh, Hyderabad – 500 058, state of A.P. India, herein after referred to as the “purchaser” (which terms shall mean and include its successors in office and assigns).

2. In consideration of M/s. Mishra Dhatu Nigam Limited (Purchaser) having agreed to exempt hereinafter called the said Contractor(s) (which term shall mean and include its successors assigns and legal representatives) from the demand under the terms and conditions of Purchase / Work Order No. dated for(hereinafter called the said agreement) of Earnest Money / Security Deposit/ Defect Liability deposit for the due fulfillment by the said Contractor(s) of the terms and conditions contained in the said agreement on production of a bank guarantee for Rs.....(Rupees..... only), we (name of the bank, address) (hereinafter referred to as “The Bank”) at the request of Contractor(s) do hereby undertake to pay Purchaser an amount not exceeding Rs against any losses or damage caused to or suffered or would be caused to or suffered Purchaser by reason of any breach by the said Contractor(s) of any of the terms and conditions contained in the said agreement.

3. We (Bank) do hereby unconditionally and irrevocably agree and undertake to pay to Purchaser the amounts due and payable under this Guarantee without any demur, merely on a demand from Purchaser stating that the amount claimed is due by way of loss or damage caused to or would be caused to on suffered by Purchaser by reason of breach by the said agreement or by reason of the contractor(s) failure to perform the said agreement. Any such demand made on the Bank shall be conclusive as regards the amount due and payable by the Bank under this Guarantee. However, our liability under this Guarantee shall be restricted to an amount not exceeding Rs

4. We undertake to pay Purchaser and money so demanded notwithstanding any dispute or disputes by the contractor(s) / supplier(s) in any suit or proceedings pending before any court of tribunal relating thereto, our liability under this present being absolute and unequivocal. The payment so made by us under this Guarantee shall be valid discharge of our liability for payment thereunder and the contractor(s) shall have not claim against us for making such payment.

5. We (Bank) further agree that the guarantee herein contained shall remain in full force and affect during the period that would be taken for the performance of the said Agreement and that it shall continue to be enforceable till all the dues of Purchase under or by virtue of the said Agreement have been fully paid and its claims satisfied or discharges or till Purchaser certifies that the terms and conditions of the said Agreement have been fully and properly carried out by the said contractor(s) and accordingly discharges this guarantee. Provided that if Purchaser together with the Contractor seeks an extension of terms of the Guarantee, such extension shall be granted by the Bank and the guarantee shall be in full force till the expiry of such extended period.

6. We (Bank) further agree with Purchaser that Purchaser shall have the fullest liberty without our consent and without affecting in any manner our obligations hereunder to vary any of the terms and conditions of the said agreement or to extend time of performance by the said contractor(s) from time to time or to postpone for any time or from time to time any of the powers exercisable by purchaser against the said Contractor(s) and to forebear or enforce any of the terms and conditions relating to the said agreement and we shall not be relieved from our liability by reason of any such variation of extension being granted to the said contractor(s) or for any forbearance, act or omission on the part of Purchaser or any indulgence by Purchaser to the said contractor(s) or by any such matter or thing whatsoever which under the law relating to sureties would but for this provisions, have effect of so relieving us.

7. It shall not be necessary for Purchaser to proceed against the contractor before proceeding against the Bank and the guarantee herein contained shall be enforceable against the Bank notwithstanding any security which Purchaser may have obtained or obtains from the contractor.

8. This guarantee shall not be discharged due to the change in the constitution of the Bank or the contractor(s).

9. We (Bank) lastly undertake not to revoke this guarantee during its currency except with the previous consent of Purchase in writing.

10. Our liability is limited to a sum not exceeding Rs unless a claim is made on us in writing on or before (3 months beyond the date of delivery / completion as specified in the contract) we shall be discharged from liability under this guarantee.

In witness whereof these presents are executed at on the date, month and year first herein above written.

FOR AND ON BEHALF OF THE BANK WITHIN NAMED

INTEGRITY PACT

Between

Mishra Dhatu Nigam Limited (MIDHANI) hereinafter referred to as **“The Principal”**,

and

..... hereinafter referred to as **“The Bidder/ Contractor”**

Preamble

The Principal intends to award, under laid down organizational procedures, contract/s for.....The Principal values full compliance with all relevant laws of the land, rules, regulations, economic use of resources and of fairness / transparency in its relations with its Bidder(s) and / or Contractor(s).

In order to achieve these goals, the Principal will appoint Independent External Monitors (IEMs) who will monitor the tender process and the execution of the contract for compliance with the principles mentioned above.

Section 1 – Commitments of the Principal

- (1) The Principal commits itself to take all measures necessary to prevent corruption and to observe the following principles:-
 - a. No employee of the Principal, 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 self or third person, any material or immaterial benefit which the person is not legally entitled to.
 - b. The Principal will, during the tender process treat all Bidder(s) with equity and reason. The Principal will in particular, before and during the tender process, provide to all Bidder(s) the same information and will not provide to any Bidder(s) confidential / additional information through which the Bidder(s) could obtain an advantage in relation to the tender process or the contract execution.
 - c. The Principal will exclude from the process all known prejudiced persons.
- (2) If the Principal obtains information on the conduct of any of its employees which is a criminal offence under the IPC/PC Act, or if there be a substantive suspicion in this regard, the Principal will inform the Chief Vigilance Officer and in addition can initiate disciplinary actions.

Section 2 – Commitments of the Bidder(s)/ Contractor(s)

- (1) The Bidder(s)/ Contractor(s) commit themselves to take all measures necessary to prevent corruption. The Bidder(s)/ Contractor(s) commit themselves to observe the following principles during participation in the tender process and during the contract execution.
 - a. The Bidder(s)/ Contractor(s) will not, directly or through any other person or firm, offer, promise or give to any of the Principal’s employees involved in the tender process or the execution of the contract or to any third person any material or other benefit which he/she is not legally entitled to, in order to obtain in exchange any advantage of any kind whatsoever during the tender process or during the execution of the contract.

- b. The Bidder(s)/ Contractor(s) will not enter with other Bidders into any undisclosed agreement or understanding, whether formal or informal. This applies in particular to prices, specifications, certifications, subsidiary contracts, submission or non-submission of bids or any other actions to restrict competitiveness or to introduce cartelization in the bidding process.
 - c. The Bidder(s)/ Contractor(s) will not commit any offence under the relevant IPC/PC Act; further the Bidder(s)/ Contractor(s) will not use improperly, for purposes of competition or personal gain, or pass on to others, any information or document provided by the Principal as part of the business relationship, regarding plans, technical proposals and business details, including information contained or transmitted electronically.
 - d. The Bidder(s)/Contractors(s) of foreign origin shall disclose the name and address of the Agents/representatives in India, if any. Similarly the Bidder(s)/Contractors(s) of Indian Nationality shall furnish the name and address of the foreign principals, if any. Further details as mentioned in the “Guidelines on Indian Agents of Foreign Suppliers” shall be disclosed by the Bidder(s)/Contractor(s). Further, as mentioned in the Guidelines all the payments made to the Indian agent/representative have to be in Indian Rupees only. Copy of the “Guidelines on Indian Agents of Foreign Suppliers” is placed at page No.5.
 - e. The Bidder(s)/ Contractor(s) will, when presenting their bid, disclose any and all payments made, are committed to or intend to make to agents, brokers or any other intermediaries in connection with the award of the contract.
 - f. Bidder(s) /Contractor(s) who have signed the Integrity Pact shall not approach the Courts while representing the matter to IEMs and shall wait for their decision in the matter.
- (2) The Bidder(s)/ Contractor(s) will not instigate third persons to commit offences outlined above or be an accessory to such offences.

Section 3 - Disqualification from tender process and exclusion from future contracts

If the Bidder(s)/Contractor(s), before award or during execution has committed a transgression through a violation of Section 2, above or in any other form such as to put their reliability or credibility in question, the Principal is entitled to disqualify the Bidder(s)/Contractor(s) from the tender process or take action as per the procedure mentioned in the “Purchase policy MIDHANI.

Section 4 – Compensation for Damages

- (1) If the Principal has disqualified the Bidder(s) from the tender process prior to the award according to Section 3, the Principal is entitled to demand and recover the damages equivalent to Earnest Money Deposit/ Bid Security.
- (2) If the Principal has terminated the contract according to Section 3, or if the Principal is entitled to terminate the contract according to Section 3, the Principal shall be entitled to demand and recover from the Contractor liquidated damages of the Contract value or the amount equivalent to Performance Bank Guarantee.

Section 5 – Previous transgression

- (1) The Bidder declares that no previous transgressions occurred in the last three years with any other Company in any country conforming to the anti-corruption approach or with any 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 action can be taken as per the procedure mentioned in “Purchase policy MIDHANI”.

Section 6 – Equal treatment of all Bidders / Contractors / Subcontractors

- (1) In case of Sub-contracting, the Principal Contractor shall take the responsibility of the adoption of Integrity Pact by the Sub-contractor. In case of subcontract (only when the contract provide for sub contracting) the clause is applicable.
- (2) The Principal will enter into agreements with identical conditions as this one with all Bidders and Contractors.
- (3) The Principal will disqualify from the tender process all bidders who do not sign this Pact or violate its provisions.

Section 7 – Criminal charges against violating Bidder(s) / Contractor(s) / Subcontractor(s)

If the Principal obtains knowledge of conduct of a Bidder, Contractor or Subcontractor, or of an employee or a representative or an associate of a Bidder, Contractor or Subcontractor which constitutes corruption, or if the Principal has substantive suspicion in this regard, the Principal will inform the same to the Chief Vigilance Officer.

Section 8 – Independent External Monitor

- (1) The Principal appoints competent and credible Independent External Monitor for this Pact after approval by Central Vigilance Commission. The task of the Monitor is to review independently and objectively, whether and to what extent the parties comply with the obligations under this agreement.
- (2) The Monitor is not subject to instructions by the representatives of the parties and performs his/her functions neutrally and independently. The Monitor would have access to all Contract documents, whenever required. It will be obligatory for him / her to treat the information and documents of the Bidders/Contractors as confidential. He/ she reports to the C&MD MIDHANI.
- (3) The Bidder(s)/Contractor(s) accepts that the Monitor has the right to access without restriction to all Project documentation of the Principal including that provided by the Contractor. The Contractor will also grant the Monitor, upon his/her request and demonstration of a valid interest, unrestricted and unconditional access to their project documentation. The same is applicable to Sub-contractors.
- (4) The Monitor is under contractual obligation to treat the information and documents of the Bidder(s)/ Contractor(s)/ Sub-contractor(s) with confidentiality. The Monitor has also signed declarations on 'Non-Disclosure of Confidential Information' and of 'Absence of Conflict of Interest'. In case of any conflict of interest arising at a later date, the IEM shall inform C&MD MIDHANI and recuse himself / herself from that case.
- (5) The Principal will provide to the Monitor sufficient information about all meetings among the parties related to the Project provided such meetings could have an impact on the contractual relations between the Principal and the Contractor. The parties offer to the Monitor the option to participate in such meetings.
- (6) As soon as the Monitor notices, or believes to notice, a violation of this agreement, he/she will so inform the Management of the Principal and request the Management to discontinue or take corrective action, or to take other relevant action. The monitor can in this regard submit non-binding recommendations. Beyond this, the Monitor has no right to demand from the parties that they act in a specific manner, refrain from action or tolerate action.

- (7) The Monitor will submit a written report to the C&MD MIDHANI within 8 to 10 weeks from the date of reference or intimation to him by the Principal and, should the occasion arise, submit proposals for correcting problematic situations.
- (8) If the Monitor has reported to the C&MD MIDHANI, a substantiated suspicion of an offence under relevant IPC/ PC Act, and the C&MD MIDHANI has not, within the reasonable time taken visible action to proceed against such offence or reported it to the Chief Vigilance Officer, the Monitor may also transmit this information directly to the Central Vigilance Commissioner.
- (9) The word '**Monitor**' would include both singular and plural.

Section 9 – Pact Duration

This Pact begins when both parties have legally signed it. It expires for the Contractor 12 months after the last payment under the contract, and for all other Bidders 6 months after the contract has been awarded. Any violation of the same would entail disqualification of the bidders and exclusion from future business dealings.

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 C&MD MIDHANI.

Section 10 – Other provisions

- (1) This agreement is subject to Indian Law. Place of performance and jurisdiction is the Registered Office of the Principal, i.e. Hyderabad.
- (2) Changes and supplements as well as termination notices need to be made in writing. Side agreements have not been made.
- (3) If the Contractor is a partnership or a consortium, this agreement must be signed by all partners or consortium members.
- (4) Should one or several provisions of this agreement turn out to be invalid, the remainder of this agreement remains valid. In this case, the parties will strive to come to an agreement to their original intentions.
- (5) Issues like Warranty / Guarantee etc. shall be outside the purview of IEMs.

(For & On behalf of the Principal)

(For & On behalf of Bidder/ Contractor)

(Office Seal)

(Office Seal)

Place -----

Date -----

Witness 1:

(Name & Address)

Witness 2:

(Name & Address)

GUIDELINES FOR INDIAN AGENTS OF FOREIGN SUPPLIERS

- 1.0 There shall be compulsory registration of agents for all Global (Open) Tender and Limited Tender. An agent who is not registered with MIDHANI shall apply for registration in the registration form .
- 1.1 Registered agents will file an authenticated Photostat copy duly attested by a Notary Public/Original certificate of the principal confirming the agency agreement and giving the status being enjoyed by the agent and the commission/ remuneration/ salary/ retainer ship being paid by the principal to the agent before the placement of order by MIDHANI.
- 1.2 Wherever the Indian representatives have communicated on behalf of their principals and the foreign parties have stated that they are not paying any commission to the Indian agents, and the Indian representatives working on the basis of salary or as retainer, a written declaration to this effect should be submitted by the party (i.e. Principal) before finalizing the order.
- 2.0 **Disclosure of particulars of agents/ representatives in India, if any.**
- 2.1 Tenderers of Foreign nationality shall furnish the following details in their offers:
 - 2.1.1 The Bidder(s)/ Contractor(s) of foreign origin shall disclose the name and address of the agents/ representatives in India if any and the extent of authorization and authority given to commit the Principals. In case the agent/ representative be a foreign Company, it shall be confirmed whether it is existing Company and details of the same shall be furnished.
 - 2.1.2 The amount of commission/ remuneration included in the quoted price(s) for such agents/ representatives in India.
 - 2.1.3 Confirmation of the Tenderer that the commission/ remuneration, if any, payable to his agents/ representatives in India, may be paid by MIDHANI in Indian Rupees only.
- 2.2 Tenderers of Indian Nationality shall furnish the following details in their offers:
 - 2.2.1 The name and address of the foreign principals, if any, indicating their nationality as well as their status, i.e. whether manufacturer or agents of manufacturer holding the Letter of Authority of the Principal specifically authorizing the agent to make an offer in India in response to tender either directly or through the agents/ representatives.
 - 2.2.2 The amount of commission/ remuneration included in the price (s) quoted by the Tenderer for himself.
 - 2.2.3 Confirmation of the foreign principals of the Tenderer that the commission/ remuneration, if any, reserved for the Tenderer in the quoted price(s), may be paid by MIDHANI in India in equivalent Indian Rupees on satisfactory completion of the Project or supplies of Stores and Spares in case of operation items.
- 2.3 In either case, in the event of contract materializing, the terms of payment will provide for payment of the commission/ remuneration, if any payable to the agents/ representatives in India in Indian Rupees on expiry of 90 days after the discharge of the obligations under the contract.
- 2.4 Failure to furnish correct and detailed information as called for in paragraph 2.0 above will render the concerned tender liable to rejection or in the event of a contract materializing, the same liable to termination by MIDHANI. Besides this there would be a penalty of banning business dealings with MIDHANI or damage or payment of a named sum.
