

Mishra Dhatu Nigam Limited
A Govt. of India Enterprise
P.O. Kanchanbagh, Hyderabad – 500058 (Telangana), India
Phone: 040-2418 4453, Fax: 040-24340764
Website: www.midhani-india.in

EOI No: MDN/PUR/COBALT/20-21

Date: 23.06.2020

Issue of EOI Documents up to : 20.07.2020 @ 17:00 Hrs.
Receipt of offers on or before : 21.07.2020 @ 10:30 Hrs.
Opening of EOI Date : 21.07.2020 @ 11:00 Hrs.

**OFFTAKE AGREEMENT FOR PROCUREMENT OF COBALT METAL
PRODUCED IN INDIA**

List of Tender documents:

- 1. OBJECTIVE, TECHNICAL REQUIREMENT, APPLICATION FORM AND
GTC IS AT ANNEXURE-I Page: 1-4**
- 2. PRE CONTRACT INTEGRITY PACT IS AT ANNEXURE-II Page: 5-8**

**Note: Any Corrigendum/Addendum/Date of Extension, if any to the
above tender would appear only on the MIDHANI website
(www.midhani.com)**



1. INTRODUCTION & OBJECTIVE

Mishra Dhatu Nigam Limited (MIDHANI), a public sector company has been playing a very active role in development and manufacture of strategic materials for various sectors. MIDHANI is a unique integrated metallurgical plant located in Hyderabad, Telangana, India. It has unique manufacturing facilities for production of low alloy steels, high alloy steels, special steels, stainless steels, super alloys, titanium and titanium alloys in various forms and sizes. Our annual turnover is about INR 800 crores. More information can be found on www.midhani-india.in

MIDHANI desires to indigenize manufacture of the Cobalt metal. The objective behind the initiative is to promote technological development and skill enhancement in area of manufacture of Cobalt metal as part of indigenization.

2. TECHNICAL REQUIREMENT:

Currently requirement of Cobalt is being met through imports. Midhani desires to Procure Cobalt metal from indigenous source on long terms basis under Make in India programme(Make II).

In this case, successful bidder will supply Cobalt metal manufactured by him in INDIA only, sourcing from other countries shall not be allowed.

2.1 Scope of work for supplying of Cobalt metal

2.1.1 **Quantity:** - Requirement of Cobalt metal is ranging from 100-250 Mt per annum depending upon Production Targets. Quantity of Cobalt metal requirement shall be indicating in starting of every financial year.

2.1.2 **Quality** :- Specification of cobalt Metal required by MIDHANI

A) Composition of Cobalt metal is as below

Co+ Ni	= 99.98% MIN	Co= 99.78% min
Ni	= 0.2% MAX	Cu = 0.0025% MAX
Fe	= 0.003% MAX	Pb = 0.0008% MAX
S	= 0.0005% MAX	As = 0.0008% MAX
C	= 0.005% MAX	Zn = 0.0005% MAX

B) Size: CUT CATHODES (25 x 25 MM OR 50MM x 50 MM.) /ROUNDS

2.1.3 The cobalt metal production at bidders plant should comply with metal specification requirement provided in point no.2.1.2. For confirmation prototype sample will be analyzed at MIDHANI before release of first supply order.

Afterwards normal procurement practice in MIDHANI will prevail.



- 2.1.4 After setting up the plant/ existing plant/ project stage MIDHANI representative/ committee shall visit the facilities to ensure the indigenization production/ quality/capabilities.
- 2.1.5 The bidder shall provide the process route adopted in his offer.
- 2.1.6 Purchase of Cobalt Metal : Party shall quote in INR only.

3.0 Eligibility Criteria:

- 3.1 Cobalt shall be manufactured in India only.
- 3.2 Bidder shall own cobalt ore mine or cobalt intermediate production facility outside the country or in India with regular production facility from last three years. The final manufacturing shall be in India only. Cobalt metal shall be delivered from that unit only.
- 3.3 Bidder should have a minimum average annual turnover of Rs. 75 Cr for previous three financial years. Audited annual accounts shall be submitted.

Note: The offer of the party with regard to submitted Solvency Certificate is considered valid only when the verification of Solvency Certificate document with the source is completed with satisfactory result. In case, if the verification reveals that submitted certificate is fake/forged, the offer will be deemed rejected and the party will be considered banning for future business and also necessary criminal proceedings will be considered for initiation against the party.

- 3.4 Bidders shall have positive net worth in each of the previous three years or should submit solvency certificate value of minimum Rs. 30 Cr issued not earlier than six months from the date of issue of RFP.

4.0 Application Form

(To be filled by the Party and submitted along with RFP)

Sl No.	Description	Response from Party
a	Name of the Firm	
b	Address of the firm with website	
c	Details of contact person (a) Name : (b) Email : (c) Tel : (d) Mob: (e) FAX :	

d	Please enclose a brief about the history of your company, capabilities & facilities, collaborators, manpower, marketing distributors, financial standing etc. Attach literatures/documents to support your statements wherever necessary	
e	Please enclose the catalogue / technical literatures / brochure	
f	Is your company registered under the statutory requirements applicable locally? Please enclose a copy of the relevant documents, namely GST registration, etc.,	
g	Nature of the company: PSU / Limited / Listed Company / Partnership Co. / Private Enterprise / Proprietorship Concern	
h	Please provide the sales turnover and PBT of your company for the last three years: (Audited Annual report/Accounts for last three FY to be submitted)	
j	Any other points, that you may wish to add	

5.0 Instructions to Applicants:

The applicant should submit the following information / documents: -

5.1 Application format duly filled in, signed and stamped, as per clause No: 4 of this RFP.

5.2 RFP documents in original / downloaded form duly signed and stamped at each page as token of acceptance of all terms and conditions with e-mail, phone and fax nos.

5.2 Following additional documents:

5.3.1 Company Brochure

5.3.2 Accreditation Certificates

5.3.3 Registration Certificate with various tax authorities or Government Departments if any

5.3.4 Pre-feasibility report. If possible bidders may submit.

5.3.5 Proof of mining stake.

6.0 **Preferable:** Only Indian manufacturer, Start up, SC/ST enterprises, Women enterprises and Micro and Small Enterprises are allowed to participate. No foreign party is allowed to participate.

7.0 Selection of Parties:

Bidders who accept **all** the commercial terms and conditions as outlined in this RFP shall be called for Pre bid discussion and bidders shall submit the following documents:-

- 7.1 Public limited company, private limited company, partnership firms, limited liability partnership, one Person Company, sole proprietorship registered as per applicable Indian laws.
- 7.2 In addition, such entity shall also possess or be in the process of acquiring a license/development of products if the product under project requires license as per DIPP's licensing policy.
- 7.3 Bidder need to submit the audited annual report/accounts for last three FY to find out their sales, Net worth & PBT.
- 7.4 Technical expertise
- 7.5 The entity has to be owned and controlled by resident Indian citizens; entity with excess of 49% foreign investment will not be eligible to take part in the EOI.
- 7.6 Finalization / EXIT of RFP: a. MIDHANI reserves the right to accept or reject any offer of RFP without assigning any reasons what so ever.

b. Final selection of suitable applicant from the RFP received will be done by MIDHANI at its sole discretion and the decision of MIDHANI shall be final.

8.0 General Terms & Conditions:

- 8.1 MIDHANI reserves the right to accept or reject any offer of Expression of Interest without assigning any reasons what so ever.
- 8.2 Final selection of suitable applicant from the RFPs received will be done by MIDHANI at its sole discretion and the decision of MIDHANI shall be final.
- 8.3 The selected applicant shall ensure compliance of all the Government regulations / conventions / policies / guidelines / orders etc. in force related to any or all of the above activities. Applicant shall undertake to abide by the statutory requirements of the Indian Government from time to time.
- 8.4 Eligible parties to study carefully all documents referred to herein before accepting the same.

9. Disclaimer

Bidders shall study carefully and Project scope given in the RFP and understand the requirements sought. Claims and objections due to unawareness on the Subject shall not be considered.

10. Integrity Pact

All eligible bidders shall sign an Integrity Pact along with submission of their acceptance of technical specification & commercial terms & conditions.

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:-

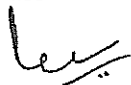
- a. No employee of the Principal, personally or through family members, will in connection with the tender for , or the execution of a contract, demand, take a promise for or accept, for self or third person, any material or immaterial benefit which the person is not legally entitled to.
- b. The Principal 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 substantlive 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.

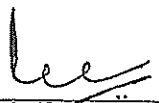
Section 9 – Pact Duration

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

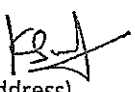
- (1) This agreement is subject to Indian Law. Place of performance and jurisdiction is the Registered Office of the Principal, i.e. Hyderabad.
- (2) Changes and supplements as well as termination notices need to be made in writing. Side agreements have not been made.
- (3) If the Contractor is a partnership 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.

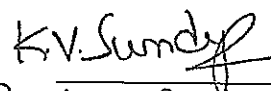


 (For & On behalf of the Principal)
एम.रामचन्द्र राव/M.Rama Chandra Rao
 उप महा प्रबंधक (क्रय)
Dy.Genl. Manager (Purchase)
 मिश्रा धातु निगम लिमिटेड / Mishra Dathu Nigam Limited
 कंचनबाग, हैदराबाद / Kanchenbagh, Hyderabad
 Date _____

 (For & On behalf of Bidder/ Contractor)

 (Office Seal)

Witness 1: 
 (Name & Address)



 Purchase Dept. Midhani

Witness 2:
 (Name & Address) _____
