

# **MISHRA DHATU NIGAM LIMITED**

A Govt of India Enterprise

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

Corporate Identity Number : U14292AP1973GOI001660

Phone: 040 – 24340001 (10 Lines), 24184202, Fax: 040 – 24340764

e Mail ID: [snitesh@midhani-india.in](mailto:snitesh@midhani-india.in), website: [www.midhani-india.in](http://www.midhani-india.in)

**Invites**

## **EXPRESSION OF INTEREST FOR PROCUREMENT OF LOW CARBON FERRO CHROME**

(Under Make-II Process of Make In India Scheme)

Ref: MDN/PUR/EOI/LCFeCR/19-20 Dt. 09-01-2020

Receipt of EOI on or before	04/02/2020 by 10:30 Hrs
Opening of EOI	04/02/2020 at 11:00 Hrs

**Note:**

- Detailed Invitation for Expression of Interest is attached herewith.
- All Bidders need to submit the Documents as listed in a Sealed Cover with Title as “EOI for PROCUREMENT OF LOW CARBON FERRO CHROME Dt. 09/01/2020, Due on 04/02/2020” on or before 04/02/2020 at 10:30 Hrs to :  
AGM (I/C PURCHASE)  
MISHRA DHATU NIGAM LIMITED  
PO: KANCHANBAGH  
HYDERABAD – 500 058  
TELANGANA
- Any Corrigendum to the EOI shall be published in MIDHANI website only.

## **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](http://www.midhani-india.in)

MIDHANI desires to indigenize manufacture of the Low Carbon Ferro Chrome (C=0.03% Max). The objective behind the initiative is to promote technological development and skill enhancement in area of manufacture of Low Carbon Ferro Chrome as part of indigenization.

## **2. TECHNICAL REQUIREMENT:**

Currently requirement of Low Carbon Ferro Chrome is being met through imports. Midhani desires to Procure Low Carbon Ferro Chrome from indigenous source on long terms basis under Make in India programme.

### **Scope of work for supplying of LC Fe Cr**

1. Requirement of LC Fe Cr is around 700-800T per annum.
2. Composition of LC Fe Cr is as below
  - i) Cr = 65-75%,      N<sub>2</sub> = 0.15% Max      C = 0.03% Max  
Si = 1.5% Max      P = 0.03% Max      S = 0.03% Max
  - ii) Al = 1.0% Max
  - iii) SIZE = 10-100mm (±15% under size).
3. Actual payment shall be based on prorata basis on Cr% maximum up to 75%.
4. Price shall be Average of low prices of Metal bulletin for full shipment month plus premium per MT.
5. Bidder should provide sample for chemical Analysis at MIDHANI.
6. After Clearance of the sample only, a long term agreement shall be signed at mutually agreed terms & condition.
7. The bidder should provide the process route adopted in his offer.

### 3. Application Form

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

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 :	
j	Any other points, that you may wish to add	

### 4. Instructions to Applicants:

The applicant should submit the following information / documents:-

- a. Application format duly filled in, signed and stamped, as per clause No: 3 of this EOI.
- b. Expression of Interest 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.
- c. Following additional documents:
  - o Company Brochure
  - o Accreditation Certificates
  - o Registration Certificate with various tax authorities or Government Departments if any

5. **Preferable:** Preference shall be given to Indian manufacturer, Start up, SC/ST enterprises, Women enterprises and Micro and Small Enterprises.

**6. Selection of Parties:**

Bidders who accept **all** the commercial terms and conditions as outlined in this EOI shall be called for Pre bid discussion. Upon qualifying the sample, tender with commercial terms shall be floated to the qualified bidders for further process as per MIDHANI standard procedure.

**7. Delivery**

Approximate 800T shall be supplied per annum.

**8. General Terms & Conditions:**

- a. MIDHANI reserves the right to accept or reject any offer of Expression of Interest without assigning any reasons what so ever.
- b. Final selection of suitable applicant from the EOIs received will be done by MIDHANI at its sole discretion and the decision of MIDHANI shall be final.
- c. 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.
- d. 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 EOI 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. Format of Integrity Pact is enclosed herewith.

**11. Eligibility Criteria**

1. All the entities (except start-ups / MSMEs) satisfying all of the following criteria shall be considered as an eligible 'Indian Vendor' for evaluation of EoI:-
  - i. Public limited company, private limited company, partnership firms, limited liability partnership, one Person Company, sole proprietorship registered as per applicable Indian laws. 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.
  - ii. 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 Make-II.

**2. Criteria for Startups:**

- i. Startups recognized by Department of Industrial Policy & Promotion (DIPP) under the eligible Domain / Category **as below table**, shall be eligible to participate.

**ii. Categories & Domains of start ups eligible for participation under Make-II:**

<b>Sl.No</b>	<b>Category</b>
(i)	Engineering
(ii)	Manufacturing
(iii)	Research
(iv)	Government

<b>Sl. No</b>	<b>Industry Domain</b>
(i)	Raw materials
(ii)	A.I
(iii)	IT Services/IOT
(iv)	Capital Equipments
(v)	Green Technology
(vi)	Defence & Aerospace
(vii)	Material Manufacturing

**3. Technical Experience:**

- a. Bidder should provide sample (of minimum 50gms) for chemical Analysis at MIDHANI.
- b. After Clearance of the sample only, Bidder shall be qualified.

**PRE CONTRACT INTEGRITY PACT**

**General**

1. Whereas M/s. MISHRA DHATU NIGAM LIMITED a Government of India Enterprise incorporated and registered as a company under the company Act, 1956 having its registered office at P.O. Kanchanbagh, Hyderabad – 500058 state of A.P., India hereinafter referred to as the Buyer and the first part, propose to procure \_\_\_\_\_ hereinafter referred to as Defence Stores, and M/s. \_\_\_\_\_, (which term shall mean and include its successors assigns and legal representation), herein after referred to as the Bidder and the second party, has offered the stores.
2. Whereas the Bidder is a private company / public company / partnership / registered export agency, constituted in accordance with the relevant law in the matter and the Buyer is a Ministry of the Government of India performing its functions on behalf of the President of India.

**Objectives**

3. Now, therefore, the Buyer and the Bidder agree to enter into this Pre-contract agreement, hereinafter referred to as Integrity Pact, to avoid all forms of corruption by following a system that is fair, transparent and free from any influence / unprejudiced dealings prior to, during and subsequent to the currency of the contract to be entered into with a view to: -
  - 3.1 Enabling the Buyer to obtain the desired equipment at a competitive price in conformity with the defined specifications of the Service by avoiding in high cost and the distortionary impact of corruption on public procurement, and
  - 3.2 Enabling bidder to abstain from bribing or any corrupt practice in order to secure the contract by providing assurance to them that their competitors will also refrain from bribing and other corrupt practices and the Buyer will commit to prevent corruption, if any form, by their officials by following transparent procedures.

**Commitments of the Buyer:**

4. The Buyer Commits itself to the following: -
  - 4.1 The Buyer undertakes that no official of the Buyer connected directly or indirectly with the contract, will demand, take a promise for or accept directly or through intermediaries, any bribe, consideration, gift, reward, favour or any material or immaterial benefit or any other advantage from the Bidder, either for themselves or for any person, organization of third party related to the contract in exchange for an advantage in the bidding process, bid evaluation, contracting or implementation process related to the contract.
  - 4.2 The buyer will, during the pre-contract stage, treat all Bidders alike, and will provide to all Bidders the same information and will not provide any such information to any particulars Bidder which could afford an advantage to that particular Bidder in comparison to other Bidders.

- 4.3 All the officials of the Buyer will report to the appropriate Government office any attempted or completed breaches of the above commitments as well as any substantial suspicion of such a breach.
5. In case of any such preceding misconduct on the part of such officials (s) is reported by the bidder to the Buyer with full and verifiable facts and the same is prima facie found to be correct by the Buyer, necessary disciplinary proceedings, or any other action as deemed fit, including criminal proceedings may be initiated by the Buyer and such a person shall be debarred from further dealings related to the contract process. In such a case while an enquiry is being conducted by the Buyer the proceedings under the contract would not be stalled.

**Commitments of Bidders:**

6. The Bidder commits himself to take all measures necessary to prevent corrupt practices, unfair means and illegal activities during any stage of his bid or during any pre-contract or post-contract stage in order to secure the contract or in furtherance to secure it and in particular commits himself to the following:-
- 6.1 The Bidder will not offer, directly or through intermediaries, any bribe, gift, consideration, reward, favour, any material or immaterial benefit or other advantage, commission, fees, brokerage or inducement to any official of the Buyer, connected directly or indirectly with the bidding process, or to any person, organization or third party related to the contract in exchange for any advantage in the bidding, evaluation, contracting and implementation of the Contract.
- 6.2 The Bidder further undertakes that he has not give, offered or promised to give, directly or indirectly any bribe, gift, consideration, reward, favour, any material or immaterial benefit or other advantage, commission, fees, brokerage or inducement to any official of the Buyer or otherwise in procuring the contract or forbearing to do or having done any act in relation to the obtaining or execution of the Contract or any other contract with the Government for showing or forbearing to show favour or disfavor to any person in relation to the Contract or any other contract with the Government.
- 6.3 The Bidder will not collude with other parties interested in the contract to impair the transparency, fairness and progress of the bidding process, bid evaluation, contracting and implementation of the contract.
- 6.4 The Bidder will not accept any advantage in exchange for any corrupt practice, unfair means and illegal activities.
- 6.5 The Bidder further confirms and declares to the Buyer that the Bidder is the original manufacture / integrator / authorized government sponsored export entity of the defence stores and has not engaged any individual or firm or company whether Indian or foreign to intercede, facilitate or in any way to recommend to the Buyer or any of its functionaries, whether officially or unofficially to the award of the contract to the Bidder, nor has any amount been paid, promised or intended to be paid to any such individual, firm or company in respect of any such intercession, facilitation or recommendation.
- 6.6 The Bidder, either while presenting the bid or during pre-contract negotiations or before signing the contract, shall disclose any payments he has made, is committed to or intends to make to officials of the Buyer of their family members, agents, brokers or any other intermediaries in connection with the contract and the details of services agreed upon for such payments.
- 6.7 The Bidder shall to use improperly, for purposes of competitor or personal gain, or pass on to others, any information provided by the Buyer as part of the business relationship, regarding

plans, technical proposals and business details, including information contained in any electronic data carrier. The Bidder also undertakes to exercise due and adequate care last any such information is divulged.

- 6.8 The Bidder commits to refrain from giving any complaint direct or through any other manner without supporting it with full and verifiable facts.
- 6.9 The Bidder shall not instigate or cause to instigate any third person to commit any of the actions mentioned above.
- 6.10 A person signing IP shall not approach the courts while representing the matters to IEMs and he/she will await their decision in that matter.
- 6.11 A Bidder undertakes that in case of subcontracting, he becomes a Principal Contractor and he/she shall take the responsibility of adoption of IP by the sub contractor.

## **7. Previous Transgression**

- 7.1 The Bidder declares that no previous transgression occurred in the last three years immediately before signing of this Integrity Pact, with any other company in any country in respect of any corrupt practices envisaged hereunder or with any Public Sector Enterprise in India or any Government Department in India that could justify bidder's exclusion from the tender process.
- 7.2 If the Bidder makes incorrect statement on this subject, Bidder can be disqualified from the tender process or the contract, if already awarded, can be terminated for such reason.

## **8. Earnest Money / Security Deposit**

- 8.1 Every bidder, while submitting commercial bid, shall deposit an amount as specified in the RFP as Earnest Money / Security Deposit, with the buyer through any of the following instruments:
  - i. Bank Draft or a Demand draft in favour of M/s. Mishra Dhatu Nigam Limited, Hyderabad.
  - ii. A confirmed guarantee by an Indian Nationalized Bank, promising payment of the guarantee sum to M/s. Mishra Dhatu Nigam Limited, Hyderabad on demand within three working days without any demur whatsoever and without seeking any reasons whatsoever. The demand for payment by the Buyer shall be treated as conclusive proof for payment.
- 8.2 The Earnest Money / Security Deposit shall be valid upto a period of Six Months or the complete conclusion of the contractual obligations to complete satisfaction of both the bidder and the buyer, whichever is later. In case there are more than one bidder, the Earnest Money / security deposit shall be refunded by the buyer to those bidder) s) whose bid (s) does/do not qualify for negotiation by the Commercial Negotiation Committee (CNC) as constituted by the Buyer, Immediately after recommendation is made by the CNC on the bid(s) after an evaluation.
- 8.3 In the case of successful bidder a clause would also be incorporated in the Article pertaining to Performance Bond in the Purchase Contract that the provisions of sanctions for violation shall be applicable for forfeiture of performance bond in case of a decision by the Buyer to forfeit the same without assigning any reason for imposing sanction for violation of this pact.
- 8.4 The provisions regarding Sanctions for violation in Integrity Pact include forfeiture of performance Bond in case of a decision by the Buyer to forfeit the same without assigning any reason for imposing sanction for violation of Integrity Pact.
- 8.5 No interest shall be payable by the Buyer to the Bidder(s) on earnest money / Security Deposit for the period of its currency.

## **9. Company Code of Conduct**

9.1 Bidders are also advised to have a company code of conduct (clearly rejecting the use of bribes and other unethical behavior) and a compliance program for the implementation of the code of conduct throughout the company.

## **10. Sanctions for Violation:**

10.1 Any breach of the aforesaid provisions by the Bidder or any one employed by him or acting on his behalf (whether with or without the knowledge of the Bidder) or the commission of any offence by the Bidder or any one employed by him or acting on his behalf, as defined in chapter IX of the Indian Penal Code, 1860 or the Prevention of Corruption Act 1988 or any other act enacted for the prevention of corruption shall entitle the Buyer to take all or any one of the following actions, wherever required: -

- i) To immediately call off the pre-contract negotiations without assigning any reason or giving any compensation to the Bidder. However, the proceedings with the other Bidder(s) would continue.
- ii) The earnest Money / Security Deposit / Performance Bond shall stand forfeited either fully or partially, as decided by the Buyer and the Buyer shall to be required to assign any reason therefore.
- iii) To immediately cancel the contract, if already signed, without giving any compensation to the Bidder.
- iv) To recover all sums already paid by the Buyer, and in case of an Indian Bidder with interest thereon at 2% higher than the prevailing Prime Lending Rate, while in case of a Bidder from a country other than India with interest thereon at 2% higher than LIBOR. If any outstanding payment is due to the Buyer from the Bidder in connection with any other contract for any other Defence stores, such outstanding payment could also be utilized to recover the aforesaid sum and interest.
- v) To en-cash the advance bank guarantee and performance bond / warranty bond, if furnished by the Bidder, in order to recover the payments, already made by the Buyer, along with interest.
- vi) To cancel all or any other Contracts with the Bidder.
- vii) To debar the Bidder from entering into any bid from the Government of India for a minimum period of five years, which may be further extended at the discretion of the buyer.
- viii) To recover all sums paid in violation of this Pact by Bidder(s) to any middleman or agent or broker with a view to securing the contract.
- ix) If the Bidder or any employee of the Bidder or any person acting on behalf of the Bidder, either directly or indirectly, is closely related to any of the officers of the Buyer, or alternatively, if any close relative of an office of the Buyer has financial interest / stake in the Bidder's firm, the same shall be disclosed by the Bidder at the time of filing of tender. Any failure to disclose the interest involved shall entitle the Buyer to rescind the contract without payment of any compensation to the Bidder. The term 'close relative' for this purpose would mean spouse whether residing with the Government servant or not, but to include a spouse separated from the Government servant by a decree or order of a competent court, son or daughter or step son or step daughter and wholly dependent upon Government servant, but does not include a child or step child who is no longer in any way dependent upon the Government servant or of whose custody the Government servant has been deprived of by

or under any law, any other person related, whether by blood or marriage, to the Government servant or to the Government servant's wife or husband and wholly dependent upon Government servant.

- x) The Bidder shall not lend to or borrow any money from or enter into any monetary dealings or transactions directly or indirectly, with any employee of the Buyer, and if he does so, the Buyer shall be entitled forthwith to rescind the contract and all other contracts with the Bidder. The Bidder shall be liable to pay compensation for any loss or damage to the Buyer resulting from such rescission and the Buyer shall be entitled to deduct the amount so payable from the money(s) due to the Bidder.
- xi) In cases where irrevocable Letters of Credit have been received in respect of any contract signed by the Buyer with Bidder, the same shall not be opened.

10.2 The decision of the Buyer to the effect that a breach of the provisions of this Integrity Pact has been committed by the bidder shall be final and binding on the Bidder, however, the Bidder can approach the monitor(s) appointed for the purposes of this pact.

## **11. Fall Clause**

- 11.1 The Bidder undertakes that he has not supplied/is not supplying the similar systems or subsystems at a price lower than that offered in the present bid in respect of any other Ministry / Department of the Government of India and if it is found at any stage that the similar system or sub-system was supplied by the Bidder to any other Ministry / Department of the Government of India at a lower price, then that very price will be applicable to the present case and the difference / in the cost would be refunded by the Bidder to the Buyer, if the contract has already been concluded.
- 11.2 The Bidder shall strive to accord the most favored customer treatment to the Buyer in respect of all matters pertaining to the present case.

## **12. Independent Monitors**

- 12.1 Shri R MUKUNDAN, IRPS(Retd) , No.150-E, "Mandakini" Railway Officer's Enclave, Sterling Road, Nungambakam, CHEENAI-600 034 is the Independent External Monitor for Midhani.
- 12.2 As soon as the Monitor notices, or believes to notice, a violation of this agreement, he will so inform the Chairman & Managing Director of M/s. Mishra Dhatu Nigam Limited, Hyderabad.

**13. Examination of Books of Accounts:** In case of any allegation of violation of any provisions of this Integrity Pact or payment of commission, the Buyer or its agencies shall be entitled to examine the Books of accounts of the Bidder and the Bidder shall provide necessary information of the relevant financial documents in English and shall extend all possible help for the purpose of such examination.

**14. Law and Place of Jurisdiction:** This Pact is subject to Indian Law. The place of performance and jurisdiction is the seat of the Buyer i.e. Hyderabad.

**15. Other Legal Actions:** The actions stipulated in this Integrity Pact are without prejudice to any other legal action that may follow in accordance with the provisions of the extant law in force relating to any civil or criminal proceedings.

**16. Validity**

16.1 The validity of this Integrity Pact shall be from date of its signing and extend upto 5 years or the complete execution of the contract to the satisfaction of both the Buyer and the Bidder, whichever is later.

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

17. The parties hereby sign this Integrity Pact at Hyderabad on \_\_\_\_\_.

**BIDDER**

**BUYER**

M/s. Mishra Dhatu Nigam Limited,  
(A Govt. of India Enterprise)  
P.O. Kanchanbagh,  
Hyderabad 500 058,  
INDIA.

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In the presence of

In the presence of

**Witness:**

**Witness:**

1.

1.

2.

2.