



A Govt. of India Enterprise
Touching Lives, adding value
(Core-1, SCOPE Complex, 7, Institutional Area, Lodi Road)
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No.: MMTC/CO/STEEL/EOI/STEEL BILLETS/2014-15/01

DT: 01.04.2014

*Expression of Interest for
Sale of Concast Mild Steel Billets Manufactured by NINL*

(1) **INTRODUCTION:**

MMTC Limited is a Govt. of India Enterprise, having their Corporate Office at Core-1, Scope Complex, Lodhi Road, New Delhi-110 003 (hereinafter called MMTC). MMTC Limited was set up in 1963 under the Ministry of Commerce, Government of India. The company is engaged in international and domestic trading of commodities/products. The commodities/products handled by the company are Minerals, Precious metals, Metals, Non-Ferrous metals, Steel, Power, Fertilizer & Fertilizer raw materials, Coal & Hydrocarbon, Agro commodities and general trade.

MMTC has a strong nation-wide presence with offices covering all the major consumption centers and port towns in India with deployment of over 1500 highly skilled and experienced manpower across the country. With the 'state of art' wide area network providing on-line information exchange throughout the country through ERP, the company has capability to pro-actively source items surplus to domestic demand for exports from India and also to co-ordinate the demand of domestic users for import.

Neelachal Ispat Nigam Limited (NINL), a company promoted by MMTC Ltd, Industrial Promotion and Investment Corporation of Orissa limited (IPICOL) and other government agencies has set up an 1.1 million ton Integrated Iron & steel plant at Kalinga Nagar, Duburi, Dist-Jajpur, Orissa. Presently the main products are Pig Iron, Billets and LAM coke along with other by-products like Nut coke, Coke breeze, Crude Coal Tar, Ammonium sulphate and BFG Slag.

MMTC intends to empanel business groups / buyers engaged in steel re-rolling, auto component manufacturing and forging operations for purchase of steel Billets produced by NINL.

(2) **Material offered against “ Expression of Interest’ (EOI):**

2.1 CC MS Billets Ex-NINL Plant, Duburi, Jajpur, Odisha:

CC MS Billets is produced with fully automated Basic Oxygen Steelmaking shop and Continuous Casting facility at NINL Plant. The Billets are produced in Steel Melting Shop (SMS) with world class technology and it was provided by SMS Seimag, Germany. It is manufactured with different grades by adjusting the chemical Composition with various amounts of elements like Carbon, Manganese, Phosphorous, Sulphur, Chromium, Silicon and Oxygen etc., and by slight variations in the different stages of Steel making process.

NINL has started its SMS-CONCAST units from March’2013 and they produce Steel Billets of Sizes 100 mm x 100 mm and 150 mm x 150 mm with up to 12 mtrs length. NINL accredited with BIS License as per IS 2830:2012 in July 2013 for Carbon Steel cast billets ingots, Billets, Blooms and slabs for re-rolling into steel for general structural purposes.

NINL steel billets will be catering to the need of rolling and re-rolling large and MSME industries having products like construction, automobile, engineering, forging and special grade steels. Billets are used to the manufacture of all long steel products such as bars, rods, pipes, tubes, wire & wire products, structural shapes, structural profiles, building beams, rails and columns. NINL is producing only carbon steel grades.

After commissioning of balancing facilities, customization for Auto grade and special alloy grades may also be produced.

2.2 The Chemical composition of the CC MS Billets is detailed below:

IS 2830:2012, Carbon Steel Cast Billet for Re-Rolling into Steel for General Structural purposes.

Designation	Carbon	Manganese
C15	0.12-0.18	0.30-0.60
C18	0.15-0.21	0.30-0.60
C20	0.17-0.23	0.30-0.60
C15MMn	0.12-0.18	0.60-1.00
C18MMn	0.15-0.21	0.60-1.00
C20MMn	0.17-0.23	0.60-1.00
C15HMn	0.12-0.18	1.00-1.50
C18HMn	0.15-0.21	1.00-1.50
C20HMn	0.17-0.23	1.00-1.50
C25HMn	0.30 Max	1.80 Max

All the above grades can be further subdivided in to sub grades A, B and C depending P & S content and carbon equivalent as follows:

Carbon Equivalent $CE = C + Mn/6$

Grade A: P & S each 0.050% Max and CE 0.42 Max

Grade B: P & S each 0.045% Max and CE 0.41 Max

Grade C: P & S each 0.040% Max and CE 0.39 Max

Grade C25HMn P&S each 0.06 Max, S+P=0.11 Max & C.E. does not apply.

(3) **PROPOSAL:**

Quantity available: Up to 8, 400 MT per month per buyer. (Approx. 3 Rakes)
(1 Rake = approx 2, 800 MT)

- 3.1 Minimum quantity to be quoted is 2,800 MT (approx. 1 Rake)
- 3.2 MMTC invites interested Customers to indicate their monthly quantity requirement.
- 3.3 Material will be offered only for Domestic Sales/ consumption.
- 3.4 Validity Period: One year from the date of Letter of Acceptance.
Minimum one rake is to be lifted every month.
- 3.5 The salient terms and conditions for delivery of the material and KYC form are placed at **Annexure-1** and **Annexure-2** respectively.

Accordingly, MMTC Limited hereby invites Expression of Interest (EOI) from such prospective buyers of Steel Billets who fulfill the eligibility criteria mentioned below.

(4) **ELIGIBILITY CRITERIA OF APPLICANTS:**

The Applicant meeting all the flowing conditions need only apply:

- a) The applicant company should have been in operation for more than 3 years.
 - b) Should be actual user/ trader/ consignment agent / association of manufacturers' utilizing billets in forging / rolling / auto components segment or any other associated with usage of steel billets.
 - c) Credit rating minimum '**FAIR**' of a reputed agency.
- (5) All the EOI's received by 21.04.2014 shall be scrutinized and the eligible applicants will then be considered for entering in to MOUs up to the quantity available. If required, they shall have to sign an 'INTEGRITY PACT' with MMTC at the time of finalization of MOU. A copy of Integrity pact as attached in **Annexure -3**

(6) **SUBMISSION OF EOI AND PLACE:**

Interested Customers may submit their "Expression of Interest" for sale of CC Mild Steel Billets ex- NINL plant, Jajpur, Odisha. The format for submitting EOI is enclosed at Annexure - 2. The Expression of Interest addressed to General Manager (Steel), MMTC Limited, 2nd Floor, Core-1, Scope Complex, 7 Institutional Area, Lodhi Road, New Delhi-110 003 should be sent by Courier/Registered Post/ Speed Post. (Checklist: DD + Annex 1 + Annex 2+ EOI notice signed on all pages as acceptance of terms & conditions).

(7) **DEADLINE FOR SUBMISSION OF EXPRESSION OF INTEREST**

The Expression of Interest should be submitted by 15.00 hours on 21.04.2014.

- (8) Mere submission of Expression of Interest (EOI) will not confer any right for allocation of material. MMTC reserves the right to reject any or all the applications or stop the process of approval at any stage, at its sole discretion.

(9) **OWNERSHIP OF EOI DOCUMENTS AND INFORMATION THERIN:**

All Expression of Interest documents will become the property of MMTC upon submission.

Where the Proponent believes that information provided in response to this EOI is, or should be kept confidential; or disclosure of this information would unreasonably affect the Proponent's business affairs, notice is to be given at the time of delivery of the information or documents by clearly marking such information 'confidential'. In so far as is practicable, MMTC will give effect to the Proponent's stated wishes, and requests for access to such information will be determined under the RTI Act.

(10) **NO CONTRACTUAL OBLIGATION**

MMTC is not bound contractually or in any other way to any Proponent to this Expression of Interest. MMTC is not liable for any costs of compensation in relation to the consideration of this Expression of Interest or any Expression of Interest by the Proponents to this Expression of Interest whether or not MMTC terminates, varies, or suspends the Expression of Interest process or takes any other action permitted under this Expression of Interest, including consideration of concepts proposed in future developments.

- (11) MMTC will not accept or respond to Proponents' requests for information on the status and progress of the EOI evaluation process. Additional information regarding the EOI process may be posted on MMTC's website www.mmtclimited.com from time to time.

(12) **DISCLAIMER**

The issue of this document does not in any way commit or otherwise obliges MMTC to proceed with all or any part of a tender process.

The EOI Request is not the subject of any process contract or any contractual obligations between MMTC and Proponents or potential Proponents.

MMTC may, at its absolute discretion, elect to abandon any part or whole of the process without giving prior notice to the Proponents or potential Proponents.

(Abhay Kumar)
Dy. General Manager (Steel)
Tel: 011 - 24381520
Mob: 09650111299

ANNEXURE-1

Salient Terms and Conditions for EOI of CC Mild Steel Billets:

- (1) Price basis : 100 % advance payment through DD/RTGS to MMTC Regional office, Bhubaneswar.
- (2) Applicable Excise Duty/ CST/VAT/other statutory taxes/levies as applicable will be charged extra.
Delivery: Ex-Plant, loaded on to rake basis.
- (3) Freight shall be borne by the BUYER. The BUYER should pay freight in advance.
- (4) Loading of the material in to the Railway Wagons will be done by the seller. Rake Load qty - payment to be deposited for approx 2800 MT but final quantity will be as per rake placed by Railways. Invoicing will be done on actual weight of the wagons. However, freight will be charged at actuals charged by Railways.
- (5) Wagon Utilization Cost will be borne by purchaser at actual which will be approximately Rs. 25/- Per MT.
- (6) Unit of measurement for invoicing would be in Metric Ton.
- (7) The analysis report on the quality of CC MS Billets furnished by NINL is final and binding on the BUYER.
- (8) All other terms will be finalized at the time of entering into MOU after finalization of EOI.
- (9) FOR SALES WITHIN ODISHA, MMTC WILL ISSUE INVOICE.
- (10) FOR SALES OUTSIDE ODISHA, NINL WILL ISSUE INVOICES DIRECTLY TO THE PARTY. MMTC ON RECEIPT OF PAYMENT WILL ISSUE INSTRUCTIONS TO NINL FOR THE SAME. MMTC WILL COLLECT SECURITY/ C FORM, FORM-27 (C) FROM THE PARTY IN FAVOUR OF NINL.
- (11) Quality Complaints: To be reported within 15 days from the date of dispatch of material from the plant.
- (12) Price: Generally in line with other PSU steel plants like SAIL/ RINL.

ANNEXURE-2

KYC FORM

(1)	Name of the Customer	
(2)	Address	
(3)	Contact Person	
(4)	Telephone No	
	Mobile No	
	Fax No	
(5)	E-mail	
(6)	Type of Firm/ Unit	
(7)	Brief details on the activity of the firm/profile: (attach separate sheets if required)	
(8)	Minimum Quantity to be Quoted :	2,800 MT (approx 01 Rake)
(8.1)	Quantity Quoted	_____ MT / Month
(8.2)	Grades & Specification	
(9)	Monthly requirement of Billets during the year 2014-15 (Min & Max Qty)	
(10)	Credit Rating details / report	
(11)	Any other information	

Last Date and time for submission of EOI: 21.04.2014

I/We have gone through the terms and conditions appended herein of the above columns thoroughly before filling-up the required details in the form. Further, in case of my/our failure to furnish the relevant information/data as may be required in future by MMTC, the EOI may be disqualified.

Signature:

Name:

Seal:

Date: