



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

www.mmtclimited.gov.in

GLOBAL NOTICE INVITING TENDER

MMTC/MIN/2013-14/BAUXITE/8938 Dated 27th January 2014

MMTC invites global e-tender for export of Bauxite (Metallurgical Grade) of Indian Origin from interested overseas buyers. The last date of submission is at 1400 hrs on 17th February, 2014.

The complete details of the e-tender are available at MMTC's website www.mmtclimited.gov.in and Govt. website at <http://eprocure.gov.in>

Chief General Manager (Min)



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

www.mmtclimited.gov.in

Dear Sirs,

Global e-tender for export of Bauxite (Metallurgical Grade) of Indian Origin

Established in 1963, MMTC Limited, a Government of India Enterprise is a leading international trading company with annual turnover of over US\$ 5.20 billion during 2012-13. It is engaged in the field of international trading of minerals, agro products, precious metals, non-ferrous metals, coal & hydrocarbon, fertilizers etc. MMTC is one of the major global players in the minerals trade and is the single largest exporter of minerals from India. For Further details please visit our website at www.mmtclimited.gov.in

As per trade policy of Government of India for the period 2009-2014, export of Metallurgical Grade Bauxite is under open general license (OGL).

MMTC Limited undertakes export of Bauxite (Metallurgical Grade) to overseas market by procuring the items from the Indian suppliers on back to back basis. MMTC invites global tender in two bid system for export of Bauxite (Metallurgical Grade) from the interested bidders. The bidders are requested to submit their offers as per the tender documents. The last date of submission of tender is at 1400 hrs IST on **17th February, 2014.**

The overseas bidders shall submit their Technical bids along with supporting documents in a sealed envelope in the tender box and the Price Bid in electronic mode in MMTC's E-portal <http://mmtc.eproc.in>.

The bidders shall super scribe the name of the company, contact person, phone, fax, e-mail address, Tender no. and closing date. Incomplete offer or offer received after the closing time and date shall be rejected.

Please send your offer addressed to Shri P.K.Das, Chief General Manager, Minerals Division at the below mentioned address to reach latest by 1400 hrs IST on **17th February, 2014.**

MMTC LIMITED
MINERALS DIVISION
CORE-1, SCOPE COMPLEX,
7, INSTITUTIONAL AREA, LODI ROAD
NEW DELHI-110 003, INDIA

TEL: 0091 11 24381302 FAX: 0091 11 24364106

THANKING YOU,

Chief General Manager (Min)



A Govt. of India Enterprise
Touching Lives, adding value

Core-1, SCOPE Complex, 7, Institutional Area, Lodi Road New Delhi – 110 003, India

SECTION – I

1.0 COMMODITY

Bauxite (Metallurgical Grade)

2.0 QUANTITY

- a) Lot No.1 : 50,000 MT ($\pm 10\%$ AT BUYER'S OPTION);
- b) Lot No.2 : 50,000 MT ($\pm 10\%$ AT BUYER'S OPTION);

3.0 LOADING PORT

OKHA PORT, INDIA

4.0 SHIPMENT PERIOD

Upto 31st March 2014

5.0 ORIGIN

Indian origin

6.0 SPECIFICATIONS

Chemical Composition (On Dry Basis)

Al ₂ O ₃	45.00% Basis
SiO ₂	8.00% Basis
Fe ₂ O ₃	18.00% Max.
TiO ₂	4.00% Max.
CaO	4.00% Max.
LOI	30.00% Max.
Monohydrate	3.00% Max.
Free Moisture	8.00% Max
Size: 0 to 100 mm	95.00% Min
Type	Trihydrate Bauxite

7.0 PRICE (To be quoted)

The bidders shall quote; Prices in USD PDMT FOB OKHA Port India (In bulk) for Bauxite (Metallurgical Grade).

Please see Price Bid format at Annexure III. The price bids shall be submitted in electronic mode only.

8.0 BONUS/ PENALTY RATE

In case there is any difference between the specifications as per Article 3 and analysis report as per Article 10 of this contract, price will be adjusted at the rate mentioned below and documents will not be treated as discrepant.

(A) For Al₂O₃ Content

Bonus/Penalty:

Al₂O₃: The base price shall be increased by USD 1.00 PDMT for each 1% (fraction prorata) of Al₂O₃ above 45% and the base price shall be decreased by USD 1.00 PDMT for each 1% (fraction prorata) of Al₂O₃ below 45% upto 43%.

(B) For SiO₂ content :

Bonus/Penalty:

SiO₂: The base price shall be decreased by USD 1.00 PDMT for each 1% (fraction prorata) of SiO₂ above 8% and upto 9% and the base price shall be increased by USD 1.00 per PDMT for each 1% decrease ((fraction prorata) in SiO₂ below 8%.

(C) For Physical composition

Penalty @ USD 0.20 PWMT shall be applicable for each 1% deviation in size guaranteed at clause 6 above.

9.0 EARNEST MONEY DEPOSIT

Bidders are required to submit **EMD @USD1.00 PMT** in the form of a bank guarantee (Proforma enclosed at Appendix –I) through a scheduled commercial bank (other than Gramin bank and Co-operative bank) in Delhi (or NCR), India in favour of MMTC Limited. The BG should be valid till 31-03-2014.

10.0 SAMPLING & ANALYSIS

- a) At the loading port seller shall at seller's expense, appoint Mitra S K Pvt.Ltd /SGS India Ltd to determine the specification of ore content in each shipment, and shall provide a certificate showing details of the determination and also the percentage of free moisture loss at 105 degree centigrade.
- b) At the port of discharge SGS (or any other assayer mutually agreed by Buyer and Seller) shall sample from each shipment and divide into three parts, one for buyer, the second for seller and third for umpire analysis which shall be sealed and kept with discharge port assayer for chemical analysis.
- c) The buyer shall forward the certificate issued by discharge port assayer showing the percentage of free moisture loss at 105 degree centigrade and the relevant analysis within 60 (sixty) days after the date of Bills of Lading to seller by airway mail. Discharge port analysis shall be final except as otherwise provided in paragraph d, e, f & h below.
- d) If the difference in percentage of Al₂O₃ or SiO₂ content between loadport and discharge port analysis made under paragraph a and b above of this clause is more than 0.5% but within one percent, seller and buyer shall take mean of the loadport and discharge port result.
- e) Should the difference between the load port and discharge port analysis for Al₂O₃ or SiO₂ exceeds 1.00% (One percent) and parties do not reach an agreement on definite results, samples taken and kept with the Assayer at the load port and discharge port will be forwarded to an Umpire agreed to who will be mix both these samples in equal proportion and carry out Umpire Analysis in respect of Al₂O₃ and SiO₂ which will be binding on both the parties and which will serve as basis for final invoicing.
- f) If the difference between the size determined at loadport and discharge port exceeds 0.50%, mean of loadport and discharge port result shall be taken for final settlement.

- g) The cost of weight, sampling and chemical analysis, moisture determination and analysis performed at the discharging port shall be for buyer's account. The cost of umpire analysis shall be for the account of the party whose own analysis differs farther from the umpire analysis and if the results of such umpire analysis is the mean of the analysis of buyer and the analysis of seller then such cost shall be equally borne by both parties.
- h) If no determination of analysis is exercised at the port of discharge, or if seller does not receive the discharge port certificate within 60 (sixty) days after B/L date, the loadport certificate(s) shall be conclusive as to analysis of the ore.
- i) Buyer if felt necessary, would depute their representative or nominate agency at their cost to witness operations at the loading port(s). Similar facility would be extended to MMTC at the discharge port(s) in China.

11 WEIGHMENT

At the loading port the seller at seller's expenses shall determine the weight of shipment of ore by draft survey. The weight of ore as ascertained and certified by SGS India Ltd / Mitra S K Pvt.Ltd analysis certificate shall be basis of seller's invoice.

Buyer shall, at buyer's expense shall appoint SGS (or any other assayer mutually agreed by Buyer and Seller) for determination of weight at the port of destination.

The weight of each shipment at the discharge port shall be ascertained by draft survey. The weight thus determined by the assayer shall be final as to wet quantity in relevant shipments except if difference between loadport and discharge port dry weight is more than 0.5%.

The dry quantity shall be determined by deducting the free moisture referred to in clause 10 of tender for such wet quantity. MMTC may appoint their representative for inspection at the discharge port. If the difference of dry weight determined at the load port and at the discharge port is over 0.5%, then the mean of these two weights shall be final. If no draft survey is performed at the discharging ports, weight determined at loadport will be regarded as final.

12. SHIPMENT

Buyer shall nominate a Vessel with fully classed Highest Lloyds or equivalent first class classification society, ISM/ITF approved, P&I Covered and the vessel shall not be older than 15 Year. Vessel shall be fitted with minimum 4 x 25t fully functional cranes + 4 x 10 or 12 CBM electro-hydraulic grabs.

For shipment, Buyer shall notify Seller of 1) Name of the Vessel, 2) Quantity of the Bauxite to be loaded 3) mode of loading and 4) estimated time of arrival (ETA) at loading port together with Lay days of 10 days. Buyer shall nominate a performing vessel to seller and the seller shall confirm acceptance of the vessel within 1 working day after receipt of Buyer's nomination.

The buyer shall arrange the vessel or their agent to notify seller or their agent three notices of the ETA of the vessel at the loading port. The first of such notice shall be given 7 (seven) days prior to the ETA of the vessel, the second to be given 48 (Forty eight) hours prior to the ETA and the third to be given 24 (Twenty Four) hours prior to the ETA.

13. LOADING TERMS

- a) Seller shall deliver the cargo to buyer in bulk, seaworthy trimmed, alongside Seller's wharf/anchorage vessel being always afloat to a maximum permissible draft, when fully loaded at the place of loading.
- b) Seller shall load ore aboard the vessel at the following rates per weather working day of twenty four (24) consecutive hours Saturdays, Sundays and Holidays included but statutory holidays excepted.

<u>Size of vessel</u>	<u>Loading Rate</u>	
	<u>Okha Port Berth/Anchorage</u>	
	By Vessel's Grabs	By Vessel's Grabs
Upto 50,000 DWT	6,000 WMT Basis 4 working cranes/ Grabs of 25 MT per grab.	
Over 50,001 DWT	8,000 WMT Basis 4 working cranes/ Grabs of 25 MT per grab.	

- c) The length of the berth at port okha is 190 mts and available draft at berth is 7.5 mts for calculation purpose and depending upon tide at the time of arrival of the vessel. On this berth buyer can bring in a supramax vessel where part loading of 25000 MT can be done on berth and balance quantity can be loaded at anchorage. If the buyer is planning to bring a panamax vessel then it has to be loaded 100% at anchorage. The quantity loaded at anchorage will be additional cost of USD 1.00 PDMT to be borne by bidder.
- d) Sellers confirm loading will take place partly at berth and balance quantity at anchorage in Port Okha and have received confirmation from all appropriate authorities where the vessel nominated by charterers can be safely loaded at the anchorage.
- e) Lay time for loading shall commence 12 running hours after tendering of notice of readiness even if loading commences earlier, in which case, actual time used to count. In case loading has to be interrupted due to reasons of responsibility of the vessel, such time lost shall not count as Lay time.
- f) Upon arrival of the vessel within the limits of the loading port and after
- i. Ensuring that the hatches/holds of the vessel have been thoroughly cleaned,
 - ii. Obtaining free pratique and;
 - iii. Ensuring that the vessel is load-ready in all respects, the Master of the vessel shall serve the Notice of readiness of the vessel to load the Materials (i.e. Master's N/R) on the port office of the SELLER at the loading port, during normal office hours which are 9.30 AM to 4.30 PM from Monday to Friday and from 9.30 to 1200 Hours on Saturday. The master's N/R shall not be served on Saturday afternoon/Sundays/Port holidays/ Charter Party holidays.

DEMMURRAGE/DESPATCH

<u>Size of vessel</u>	<u>Demurrage</u> (APCP) but Maximum <i>per 24 hours day(prorata or part)</i>	<u>Despatch</u> (in USD)
Upto 50,000 DWT	USD 8,000 Max	USD 4,000 Max
Over 50,001 DWT	USD10,000 Max	USD 5,000 Max

- Despatch will be always half of the demurrage rate as per Charter Party.

Immediately after completion of loading of the materials into vessel and before the sailing of the vessel from the loading port(s) a statement of facts shall be made out at the loading port(s) duly signed by and distributed amongst; (a) Master of the vessel/Agent of the vessel at the loading port (b) Agents/Representative(s), if any of the BUYER at the loading port and (c) representative of the SELLER at the loading port.

The Master of the vessel shall deliver a stowage plan in triplicate duly signed by him before loading and immediately after completion of loading and sailing of the vessel, if sought by the SELLER.

Based on the Statement of Facts, the computation of lay time allowed and lay time used shall be based on provisions and its sub clauses herein above. Dispatch money, if any, calculated on the basis of "Working time Saved" shall be arranged to be remitted by the BUYER to the SELLER within thirty days from the date of receipt of the claim of the SELLER with lay time statements and demurrage shall be remitted within thirty days from date of receipt of claim from buyer and permission for remittance of demurrage from RBI.

OTHER TERMS AND CONDITIONS: Counting of Lay time:

- i. Time lost for all draft surveys on the account of the buyer.
- ii. Time for shifting of vessel from anchorage point to loading berth shall be to the account of the buyer.
- iii. BL quantity shall be the quantity loaded which shall be determined. The release instructions for the bill of lading should be arranged by the buyers immediately after completion of loading.
- iv. If any damage is caused to the vessel at the loading port at the time of loading of the Materials by the Stevedores engaged by the SELLER, the claim, if any, for such damage shall be settled directly between the ship owners and stevedores. The Master of the vessel shall lodge such claim, if any, on the stevedores, promptly after the damage has been sustained and then confirm in writing duly supported by the Third Party damage reports, prior to the departure of the vessel from the loading port, failing which the claim shall stand barred and the stevedores shall stand absolved and relieved of all responsibility. Subject to compliance with the conditions enumerated in the clause.

14.0 VALIDITY

The bidders shall keep their bids valid for a period of 7 (Seven) calendar days from the date of closing of e-tender excluding the date of closing. In case the 7th day falls on a Saturday/Sunday/Holiday or remains closed for the seller, such bids will be deemed to be automatically extended to be valid up to the next working day of seller.

15.0 ELIGIBILITY CRITERIA

Bidder shall fulfill the following criteria and submit supporting documents in a tender box kept in MMTC, New Delhi Office.

- i) Bidder shall have minimum annual turnover of USD 25 Millions in each year during 2011-12 & 2012-13.
- ii) Past experience: Minimum experience of one year in minerals business.
- iii) Credit rating: Minimum 'satisfactory' or equivalent (i.e. from D&B, S&P, Moody's, ICRA, CRISIL, CARE etc.). The credit rating report shall not be older than one year i.e. issued on or after 31st January 2013.
- iv) Bidder shall submit a Bank's Reference Report issued on or after 31st January 2013.
- v) Bidder shall submit an Earnest Money Deposit (EMD) @USD1.00 (one) PMT in the form of Bank Guarantee (BG format enclosed at Appendix - I). Bid bond conditions are exempted for such buyers who have purchased Chrome ore/ concentrate or manganese ore from MMTC during any of the FY 2010-11 / 2011-12 / 2012-13 / 2013-14 satisfactorily.
- vi) Bidder shall submit an undertaking to furnish a Performance Bank Guarantee (PBG) for 5% of the total contract value. (Format enclosed at Appendix -II)
- vii) Bidder shall submit an undertaking to make 100% payment through an irrevocable at sight letter of credit with TT reimbursement clause. (Format enclosed at Appendix - III)
- viii) MTPL, Singapore a 100% subsidiary of MMTC will be exempted from submission of Earnest Money deposit, performance guarantee bond and establishment of letter of credit towards the value of cargo.

16.0 EVALUATION OF BIDS

MMTC shall evaluate technical bids of the bidders received within due date in tender box. The bidder shall submit price bids in electronic mode only. Thereafter, MMTC shall open the price bids of those bidders who have qualified in their technical bids. MMTC shall award the contract to the successful bidder (H1) for each lot separately. In case, there is more than one H-1 bidder, contract will be awarded to the bidder who has procured maximum quantity of minerals from MMTC during 2010-11 to 2012-13.

17.0 AWARD OF CONTRACT

MMTC shall offer the cargo to the highest bidder (H1) for each lot separately only subject to reconfirmation from the supplier of the cargo. MMTC and the successful bidder shall enter into a sale contract for each lot as per standard terms and conditions of MMTC (Contract format enclosed at Appendix - IV). In case the successful bidder fails to forward the signed sale contract within 3 calendar working days from the date of issuance of contract by MMTC, the seller (MMTC) reserves the right to invoke the bank guarantee submitted by the bidder as EMD.

18.0 PERFORMANCE GUARANTEE

MMTC shall issue a letter to the successful bidder accepting the price and shall also indicate amount of performance guarantee required from the successful bidder. The bidder shall furnish a performance bank guarantee @ 5% of contracted value (with +10% tolerances) in favour of MMTC limited, New Delhi within 10 calendar days from the date of issuance of signed sale contract by MMTC. Nomination of vessel shall be accepted only after receipt of original bank guarantee and its confirmation by issuing bank. This performance guarantee shall be valid for a minimum period of 30 days after latest date of delivery and further 30 days as claim period. In case the successful bidder fails to establish the requisite performance bank guarantee within stipulated time, MMTC reserves the right to invoke the bank guarantee submitted by the bidder as EMD.

MMTC reserves the right to invoke this performance guarantee in case the buyer fails to perform the contractual obligations as per sale contract.

(Performance Bank Guarantee format is attached at Appendix-V)

19.0 PAYMENT TERMS

The buyer shall establish from a first class international bank (acceptable to MMTC) an irrevocable and without recourse to the drawer workable letter of credit payable at sight to cover 100% value of the cargo with tolerance for quantity and value as per contract . Letter of credit shall be in favour of the sellers/beneficiaries (MMTC Limited, 2, Nagindas Chambers, Ashram Road, Usmanpura, Ahmedabad - 380014, Gujarat, India) and shall remain valid for minimum 45 days after latest date of shipment. The said letter of credit shall be established within 10 calendar days from the date of issuance of signed sale contract by MMTC to the buyer. The LC shall be advised through State Bank of Hyderabad, GF Nagindas Chambers, Ashram Road, Usmanpura, Ahmedabad - 380014, Gujarat, India, Swift no. SBHYINBB015. The opening bank shall also add that the telex/swift is operating instrument and no further confirmation is required. The LC shall allow negotiation of documents for 98% shipment value within 21 days after bill of lading date at the counter of LC negotiating bank. Notice of Readiness (NOR) shall be accepted only after receipt of workable LC through banking channels and completion of pre-shipment formalities with customs/port authorities. Pre-shipment documents shall be processed by MMTC only after receipt of workable LC and performance guarantee.

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

List of banks from where LC shall be acceptable to MMTC is attached Appendix VI.

The seller shall claim the payment in two part A) Provisional Payment, B) Final Payment:

A) PROVISIONAL PAYMENT

The said LC shall be payable by telegraphic transfer reimbursement by opening bank within three working days against seller's sight draft for the amount of **98%(ninety eight percent)** of the value of this shipment. The weight certificate issued by Mitra S K Pvt.Ltd / SGS India by survey of ship's draft together with the certificate of analysis of sample and of the percentage of the free moisture loss at 105 degrees centigrade issued by Mitra S K Pvt.Ltd / SGS India shall be basis for seller's provisional invoice.

B) FINAL PAYMENT

The balance due to the seller after provisional payment shall be made through the Letter of Credit against seller's final invoice in six duplicates delivered through the Bank. This invoice is to be based on SGS or any other mutually agreed assayer certificate as provided in Article 9 and Article 10 of contract issued within 60 days after Bill of Lading date. If umpire analysis is required, payment adjustment arising for this will be made when the umpire's certificate is available. In case analysis is not received by seller within 60 days after Bill of Lading date, the load port result shall form the basis for final invoice. Seller's certificate regarding non-receipt of discharge port certificate within 60 days after Bill of Lading date would be final.

19.1. DOCUMENTS FOR PROVISIONAL PAYMENT:

Seller shall provide buyer through negotiating and opening banks for reimbursement of sale proceeds with the following documents for the provisional amount of 98% of sale value.

- i) Seller signed provisional commercial invoice in three originals and three copies for 98% value indicating value of commodity shipped, name of carrying vessel, contract number, L/C number and B/L Number.
- ii) Full set of "Shipped Clean on board" ocean B/L in three originals and three Non-negotiable copies made out to "Order", Blank endorsed marked "Freight Payable as per Charter party" notifying the party stipulated in the L/C. Quantity shown in Wet Metric Tons/WMT acceptable.
- iii) Certificate of Weight in one original and four copies issued by **SGS India** / Messrs Mitra SK Pvt Ltd. at the loading port certifying the actual surveyed weight of cargo shipped.
- iv) Certificate of Quality in one original and four copies issued by SGS India / Messrs Mitra SK Pvt Ltd. at the loading Port showing the actual result of the test of chemical composition and all other tests called.
- v) Certificate of Origin in one original and four copies issued by any chamber of commerce and industry in India.
- vi) Beneficiary's certified copy of shipment advice by fax/e-mail dispatched to Buyer within one (1) working day after the B/L date at the loading port advising L/C number, goods name, quantity, vessel name, shipment date, approximate invoice value, B/L Number and ETA of the vessel at discharging port.

- vii) Beneficiary's certificate certifying that they had sent to Buyers by fax/ e-mail one set of non negotiable documents, Including Bill of Lading, Provisional Commercial Invoice, Certificate of Quality, Certificate of Weight, Certificate of Origin and Shipment advice by fax within five (5) working days after the date B/L.

19.2 DOCUMENTS FOR FINAL PAYMENT:

Seller shall provide buyer through negotiating bank to opening bank for reimbursement of final payment with the following documents.

- i) Seller's final invoice in one original and four copies indicating value of commodity shipped, name of carrying vessel, the contract number and B/L Number less provisional payment.
- ii) Certificate of Quality in one copy issued SGS at discharging port, Photocopy is allowed.
- iii) Certificate of Weight in one copy issued by SGS at discharging port, photocopy is allowed.
- iv) In case SGS or any other mutually agreed assayer certificate of weight and / or quality is not received by the seller within 60 days after BL date, then the seller has right to submit the final invoice based on load port Certificate of Quality and Certificate of Weight issued by SGS India / Messrs Mitra SK Pvt Ltd. In such case a declaration by the seller of non-receipt of SGS certificate and the photocopy of load port weight and quality results to accompany documents instead of documents at (ii) and (iii) above. In case, it is decided to go for umpire analysis, copy of umpire analysis shall be attached in placed of s.no. ii) above.

20.0 DUE DATES

Submission of Technical Bids and Price Bids: **17.02.2014 by 14.00 hrs IST**
Opening of Technical Bid : **17.02.2014 by 14.30 hrs IST**
Opening of Price Bid : **18.02.2014 by 12.00 hrs IST**

21.0 MODE OF SUBMISSION OF TENDER

- 21.1 The bidder shall participate in the tender through physical mode for technical bid and electronic mode for Price Bid. Price Bid in physical mode shall not be accepted.

21.2 PROCEDURE FOR PARTICIPATING IN E-TENDER

E-tender is available on MMTC E-procurement website www.tenderwizard.com/MMTC for online bidding process. For this, bidder is required to obtain minimum Class II Digital Signature (meant for e-tendering) from any of Certifying Authority recognized by Controller of Certifying Authority (www.cca.gov.in) and have to register with e-procurement portal <https://mmtc.eproc.in> (a one time activity)

21.2.1 PROCEDURE FOR OBTAINING DIGITAL CERTIFICATE

The bidder should obtain digital certificate to participate in the tender. The procedure for obtaining Digital Certificate is given in the website www.tenderwizard.com/MMTC. In case of any difficulty either mail or talk to the Technical Support Engineer, whose contact details are given below.

21.2.2 PROCEDURE FOR REGISTERING IN E-PROCUREMENT PORTAL

The bidder will have to register with MMTC's E-Procurement portal. For registering, please visit to www.tenderwizard.com/MMTC and follow the directions. In case of any difficulty either mail or talk to the Technical Support Engineer, whose contact details are given below.

For any assistance on e-bidding process, please contact Mr. Pradeep S R, First Level Contact: Tender Wizard Help Desk – email id pradeep.sr@antaressystems.com pradeep.sr@antaressystems.com, mobile phone 91- 9686196751 OR Mr. Yogesh email id yogesh.m@antaressystems.com, yogesh.m@antaressystems.com, mobile phone 91-9686196755.

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

- I) PART A: Technical Bid (Physical mode) and
- II) PART B : Price bid (Electronic mode).

21.3.1 Part – A: TECHNICAL BID : (Physical Form only)

Bidder shall fulfill the eligibility criteria as stated at Para 15 and submit the following supporting documents in tender box.

- a. Bidder shall enclose an **Auditor's Certificate** indicating annual turnover for 2011-12 & 2012-13 and past experience as mentioned in eligibility criteria. Please enclose annual financial statement for FY 2011-12 and FY 2012-13.
- b. Bidder shall enclose a **Credit rating** Report (issued on or after 31st January 2013) from any one of the following agencies: (D&B, S&P, Moody's, ICRA, CRISIL, CARE)
- c. Bidders shall enclose a **Bank reference** report issued on or after 31st January 2013.
- d. Bidder shall submit an **EMD @USD1.00 PMT** in the form of Bank Guarantee (BG format enclosed at Appendix - I)
- e. Bidder shall submit an undertaking to furnish a **PBG** for 5% of the total contract value. (Format enclosed at Appendix -II)
- f. Bidder shall enclose an **undertaking** to make payment through an irrevocable letter of credit with TT reimbursement clause. (Format enclosed at Appendix -III)
- g. Bidder shall submit **Price Bid format** duly signed and stamped without quoting prices.
- h. Bidder shall submit duly signed and stamped all documents given in **Section-I** of the tender notice.

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

The above documents along with technical bid compliance form (as per Annexure-II) are required to be submitted physically in sealed envelopes to be dropped in tender box, by due date and time so as to reach **Shri P.K.Das, Chief General Manager, Minerals Division, MMTC Ltd., Core-1, SCOPE Complex, 7, Institutional area, Lodhi Road, New Delhi-110003.**

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

Bidders who have earlier submitted the supporting documents as per Clause 19.3.1(a to c) during current financial year against their bid need not submit the same again.

21.3.2 PART-B: PRICE BID: (ELECTRONIC MODE ONLY)

The bidders shall submit their price bids in electronic mode at MMTC E portal at www.tenderwizard.com/MMTC. The price shall be quoted in USD PDMT only FOBST Okha Port and confirming validity of offer as per tender in the price bid format.

21.4 Any bidder willing to participate in the tender opening process, may attend directly or depute their representative through proper authorization on their letter head with signatures in original clearly stating the name of firm, person, designation and his signatures.

21.5 EMD of the unsuccessful bidder will be returned back. EMD of the successful bidders will be returned upon receipt of performance guarantee.

22.0 GENERAL CONDITIONS

22.1. Subject to the terms and conditions set out herein, sale shall be made to the successful bidder for exports on FOB basis only. Seller reserves the right to modify and amend the terms & conditions and announce the same at any time before the e-tender concludes. Announcements during the e-tender on the website and/or by fax including announcement of any additional conditions or correction in the catalogue and/or additions or deletions of items being offered for sale are binding on the bidder

22.2. Participation and bidding in this tender shall be treated as conclusive evidence of the fact that bidder is well aware about the Foreign Trade Policy of Govt. of India that export of Bauxite. The cargo for export shall be procured from the associate supplier of MMTC and all terms & conditions shall be on back to back basis with our supplier. Our associate supplier shall perform the export contract and MMTC will not be responsible for any quality, quantity or any other claim of the bidder. It shall also imply that the bidder has carefully gone through and understood the terms and conditions of e-tender including the amendments if any, prevailing at the time of tender. Seller and **Antares System Pvt. Limited** will not entertain any complaints or objections once bid is placed.

22.3 Seller and **Antares System Pvt. Limited** do not give warranty or guarantee of the quality, quantity, measurement, condition chemical composition of each lot/s that form the e-tender property and about its "end use" or fitness for a particular purpose. In the event of failure on account of (i) establishment of performance guarantee or (ii) signing of contract within 3 calendar working days from the date of issuance of contract by MMTC, the seller reserves the right to invoke the bank guarantee submitted by the bidder as EMD. The seller also reserves the right to debar such bidder from participating in any future tender of MMTC or any other action as deemed fit.

22.4 The BG issuing bank must have a net worth of at least Rs.500 Crore and Capital Adequacy Ratio of at least 9%.

22.5. MMTC shall have the right and authority to review / modify / amend any condition / format before the e-tender concludes.

22.6. After finalization of the sale price, MMTC will arrange to send standard sale contract to the buyer for signatures.

22.7 After receipt of signed contract from MMTC through fax/e-mail, the buyer will put their signatures of authorized official with seal and send the signed contract to MMTC within three working days. The buyer will also arrange to open the performance guarantee (PG) bond in the form of a bank guarantee (BG), (as per format at Appendix-II), within ten calendar days of receipt of MMTC signed contracts by fax/e-mail and forward same to

MMTC immediately. The **PBG** bond will be for appropriate value. Since shipment is prompt, as such, the requisite PG bond has to be furnished before vessel nomination or 10 days whichever is earlier.

- 22.8** MMTC reserves the right to accept or reject any or all tenders or to re-tender at MMTC's sole discretion without assigning any reasons. Incomplete offer or offers received after the closing time and date shall not be accepted. The complete details of the tender enquiry are available at MMTC's website www.mmtclimited.gov.in, <http://eprocure.gov.in> and URL:- www.tenderwizard.com/MMTC

23. ARBITRATION

All disputes arising between the parties (Buyer and Seller) out of or in relation to the work order shall be settled amicably. If, however, the parties fail to resolve amicably, the same shall be referred to and settled through an arbitration proceeding of a single/sole arbitrator, to be nominated by CMD, MMTC. The arbitration proceeding shall be conducted in accordance with the arbitration and conciliation Act, 1996 of India. The reasoned award made in pursuance thereof shall be binding on the parties, the venue of arbitration shall be New Delhi. Only the courts at New Delhi shall have the jurisdiction over the disputes in relation to and arising out of the work order.

ANNEXURE – I**TECHNICAL BID COMPLIANCE FORM**

Sl.No	Document	Compliance (Y/N)	Deviations, if any	Remarks
1	Name, Address, Tel No, Fax No, E Mail Id etc of the Bidder			
2	Company's Profile			
3	Auditor's Certificate indicating annual turnover and past experience in Minerals Trade and Annual financial results for last two years [Clause 21.3.1 (a)]			
4	A copy of credit rating report by D&B/S&P/MOODY/CRISIL/FITCH/ICRA/CARE [Clause 21.3.1(b)]			
5.	Bank reference report(Clause 21.3.1(c)]			
6	Bank Guarantee (EMD) [Clause 21.3.1 (d)] together with Banker's certificate(clause 9)			
7	Undertaking for PBG [Clause 21.3.1 (e)]			
8	Undertaking for LC [Clause 21.3.1(f)]			
9	Price Bid Format duly signed and stamped without quoting price [Clause 21.3.1 (g)]			
10	Signed & Stamped Copy of Tender Documents given in (Section-I)of tender notice [Clause 21.3.1 (h)]			

Authorized Signature with official seal

Date: _____

ANNEXURE-II(A)

PRICE BID – LOT NO.1

(To be filled by the bidders in electronic mode)

1.	Name of the Bidder	
2.	Address of the Bidder	
3.	Commodity	: Bauxite (Metallurgical Grade)
4	Quantity (+/- 10% at buyer's option)	: 50, 000 WMT
5	Price in USD PDMT FOBST OKHA Port, India, basis 45% Al ₂ O ₃	: To be quoted in electronic mode only
6.	Validity of Price	:

The quantity loaded at anchorage will have additional cost of USD1.00 PDMT which is to be borne by the bidder.

Authorized Signature with official seal

Date: _____

ANNEXURE-II(B)

PRICE BID – LOT NO.2

(To be filled by the bidders in electronic mode)

1.	Name of the Bidder	
2.	Address of the Bidder	
3.	Commodity	: Bauxite (Metallurgical Grade)
4	Quantity (+/- 10% at buyer's option)	: 50, 000 WMT
5	Price in USD PDMT FOBST OKHA Port, India, basis 45% Al ₂ O ₃	: To be quoted in electronic mode only
6.	Validity of Price	:

The quantity loaded at anchorage will have additional cost of USD1.00 PDMT which is to be borne by the bidder.

Authorized Signature with official seal

Date: _____

SECTION - II

Appendix-I

PROFORMA FOR BANK GUARANTEE FOR EMD

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

Bank Guarantee No. _____
REF No.

Date _____

MMTC LIMITED,
Core -1, Scope Complex,
7, Institutional area,
Lodi Road,
New Delhi-110 003.

Sir,

1. WHEREAS, MMTC LIMITED, Core 1, SCOPE Complex, 7 Lodhi Road, NEW DELHI-110 003, India, (hereinafter referred to as MMTC) has invited bids vide Bauxite (Metallurgical Grade) of Indian Origin Global E-Tender (hereinafter referred to as Invitation to Bids) for sale of 100,000 MTs +/-10% Bauxite (Metallurgical Grade) in two lots.
2. WHEREAS, the said Invitation to Bid requires that any eligible bidder intending to make a bid in response thereto shall furnish an irrevocable bid guarantee amounting to USD 55,000.00 (US Dollars fifty five thousand only) for each lot in favour of MMTC, New Delhi in the form of a Bank Guarantee of USD 55,000.00 for each lot with a validity upto **31st March 2014 and claim period upto 30th April 2014**.
3. AND WHEREAS at the request of M/s. _____ (Name & address of the Bidder) we _____ (Name & address of the Bank) do hereby unconditionally and irrevocably guarantee and undertake payment to MMTC, New Delhi up to and not exceeding the sum of US\$55,000.00 for each lot with a validity upto **31st March 2014 and claim period upto 30th April 2014** and that the Bidder M/s. _____:-
 - a) shall keep his offer firm and valid for acceptance by MMTC as per tender against which offer is made.
 - b) Shall sign the sale contract forwarded by MMTC within three calendar days.
 - c) shall in the event of the offer being accepted by MMTC, bidder will establish a Performance Bank Guarantee (within 10 calendar days from the issuance of signed sale contract or before nomination of the vessel, whichever is earlier) in favour of MMTC in the form indicated in the said Invitation to e-Tender for 3% of the contracted quantity through a scheduled Commercial Bank (other than Gramin Bank and Co-Operative Bank) at New Delhi, India.
 - c) shall in the event of the offer being accepted by MMTC, bidder will establish an irrevocable at sight Letter of Credit in favour of MMTC (within 10 calendar days from the date of issuance of signed sale contract) in the form indicated in the said Invitation to e-Tender covering full value of the quantity of Bauxite (Metallurgical Grade) at the price and on the terms accepted by MMTC.
 - d) shall further arrange to lift the confirmed quantities as per the sale contract by the last date of shipment indicated in the sale contract.
 - e) Any other conditions as stipulated by MMTC from time to time.
4. We _____ (Name and Address of the Bank) (hereinafter referred to as the Bank which expression shall unless repugnant to the context or meaning thereof, include its successors,

administrators, executors and assigns) do hereby guarantee that in the event of the said Bidder failing to abide by any of the conditions referred to in any of the preceding paragraphs, this Bank shall pay to MMTC Limited, New Delhi, India on demand without MMTC having to substantiate its demand and without protest or demur and without any reference to the said Bidder a sum of US\$ 55,000.00 (US Dollars fifty five thousand only) for each lot. This Bank further agrees that the decision of MMTC as to whether the said bidder has committed a breach of any of the conditions referred to in the preceding paragraphs shall be unquestionable, conclusive, final and binding.

5. We _____ (Bank) undertake to pay the amount demanded by MMTC, not exceeding the sum of US\$ 55,000.00 (US Dollars fifty five thousand only) for each lot without any demur, delay, protest and without any reference or recourse to M/s. _____ (Bidder) notwithstanding any dispute raised by _____ (Bidder) in any suit proceedings relating thereto pending before any court or tribunal our liability under these presents being absolute and unequivocal.
6. The payment shall be made to MMTC, New Delhi across the counter of this bank on the same day of receipt of invocation of this bank guarantee.
7. NOTWITHSTANDING anything to the contrary contained hereinabove, liability under the Guarantee is restricted to US\$ 55,000.00 (US Dollars fifty five thousand only) for each lot.
8. Your demand in writing may be presented to the Bank by courier / Fax / Airmail/ Speed Post/ Registered Post or in person and the same shall be binding on us.
9. This guarantee will not be discharged due to change in the constitution of the Bank or the said M/s. _____ (Bidder).
10. The liability of this bank shall discharge upon receipt of US\$ 55,000.00 (US Dollars fifty five thousand only) for each lot by MMTC.
11. This Bank further undertakes that this Guarantee shall remain irrevocably valid and in force till **31st March 2014 and claim period upto 30th April 2014** and that the same shall be extended further according to the provisions contained hereinabove, and shall not be amended or withdrawn without the previous consent of MMTC in writing.
12. This Guarantee is governed by the Laws of India and comes into force forthwith.
13. We have the power to issue this guarantee in your favour under the Charter of our Bank and the undersigned has full power to execute this Guarantee under the Power of Attorney granted by the Bank.

Signature : _____

Name and code : _____

Designation: _____

Seal of the Bank : _____

NB : Amount –USD110,000 if bid is for both lots.

Appendix-II

(On Company Letterhead)

Dated: _____

To,

The Chief General Manager (Minerals),
MMTC Limited,
Corporate Office,
Core-1, SCOPE Complex,
7, Institutional Area,
Lodi Road,
New Delhi-110 003(INDIA)

Sub: Undertaking on Performance Bank Guarantee

Dear Sir,

We hereby agree and undertake that we shall furnish a performance guarantee bond in the form of a Bank Guarantee (as per format at Appendix-II) in favour of MMTC Limited within 10 calendar days from the date of issuance of signed sale contract by MMTC Limited or before nomination of the vessel, whichever is earlier. In case, we fail to furnish performance guarantee, MMTC Limited shall be at liberty to invoke / encash EMD and also to take appropriate action as deemed fit.

Thanking you,

Yours faithfully,

(Authorized Signatory)

(On Company Letterhead)

Dated: _____

To,

The Chief General Manager (Minerals),
MMTC Limited,
Corporate Office,
Core-1, SCOPE Complex,
7, Institutional Area,
Lodi Road,
New Delhi-110 003(INDIA)

Sub: Undertaking on Letter of Credit.

Dear Sir,

We hereby agree and undertake that we shall establish an irrevocable 100% at sight Letter of Credit with TT reimbursement clause towards full value of contracted quantity (including tolerance of +10%) in favour of MMTC Limited within 10 calendar days from the date of issuance of signed sale contract by MMTC Limited or before nomination of the vessel, whichever is earlier. LC shall be opened from a bank acceptable to MMTC (i.e. from any of the bank mentioned in the appendix VI of tender. In case, we fail to establish workable LC, MMTC Limited shall be at liberty to invoke Earnest Money Deposit or performance guarantee and also to take appropriate action as deemed fit.

Thanking you,

Yours faithfully,

(Authorized Signatory)



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

www.mmtclimited.gov.in

FORMAT OF Bauxite (Metallurgical Grade) SALE CONTRACT NO. MMTC/MIN/2013-14/BAUXITE(S) ____
DATED _____ 2014

This agreement is made on ____ day ____ month 2014 between MMTC Limited, Core-1 Scope Complex, 7, Institutional Area, Lodhi Road, New Delhi – 110003, INDIA, hereinafter called the SELLER (which expression unless excluded by or repugnant to the context shall include its successors and assigns) of the one part and _____ (Name and address of buyer) hereinafter called the BUYER (which expression, shall unless excluded by or repugnant to the context, shall include its successors and assigns) of the other part.

WHEREAS the Sellers have agreed to sell and the Buyers have agreed to buy the following quantity of Bauxite (Metallurgical Grade) on the terms and conditions hereinafter mentioned.

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

ARTICLE 1: COMMODITY

Name of the Commodity	Bauxite (Metallurgical Grade)
Country of Origin	India
Packing	Loose In Bulk

ARTICLE 2 : QUANTITY

Lot No.1: 50,000 WMT (+/-10% at Buyer's option) Metallurgical Grade Bauxite of 45/46% grade.
Lot No.2: 50,000 WMT (+/-10% at Buyer's option) Metallurgical Grade Bauxite of 45/46% grade.
(Partial Shipment / Transshipment Not Allowed)

ARTICLE 3 : SPECIFICATIONS

**Chemical Composition
(On Dry Basis)**

Al ₂ O ₃	45.00% Basis
SiO ₂	8.00% Basis
Fe ₂ O ₃	18.00% Max.
TiO ₂	4.00% Max.
CaO	4.00% Max.
LOI	30.00% Max.
Monohydrate	3.00% Max.
Free Moisture	8.00% Max
Size: 0 to 100 mm	95.00% Min
Type	Trihydrate Bauxite

ARTICLE 4: PRICE

US\$ _____ (US Dollars _____ only) PDMT FOBST Okha Port, basis 45% Al₂O₃ content, fraction pro rata for the quantity loaded at berth.

US\$ _____ (US Dollars _____ only) PDMT FOBST Okha Port, basis 45% Al₂O₃ content, fraction pro rata for quantity loaded at anchorage.

In view of draft restriction at Port Okha, maximum 20-25,000 MT can be loaded at berth and balance at anchorage.

ARTICLE 5: PRICE ADJUSTMENT

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

(a) **For Al₂O₃ Content**

Bonus/Penalty:

Al₂O₃: The base price shall be increased by USD 1.00 PDMT for each 1% (fraction prorata) of Al₂O₃ above 45% and the base price shall be decreased by USD 1.00 PDMT for each 1% (fraction prorata) of Al₂O₃ below 45% upto 43%.

(b) **For SiO₂ content:**

Bonus/Penalty:

SiO₂: The base price shall be decreased by USD 1.00 PDMT for each 1% (fraction prorata) of SiO₂ above 8% and upto 9% and the base price shall be increased by USD 1.00 per PDMT for each 1% decrease ((fraction prorata) in SiO₂ below 8%.

(c) **For Physical composition**

Penalty @ USD 0.20 PWMT shall be applicable for each 1% deviation in size guaranteed at clause 6 above.

ARTICLE 6: DESTINATION

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

ARTICLE 7: DELIVERY PERIOD

Lot No.1: 50,000 MT (±10%) shipments upto 20th March, 2014. Laycan shall be accepted 5 days before the last cancellation date i.e. upto 15th March, 2014.

Lot No.2: 50,000 MT (±10%) shipments upto 31st March, 2014. Laycan shall be accepted 5 days before the last cancellation date i.e. upto 26th March, 2014.

ARTICLE 8: PORT OF SHIPMENT

OKHA PORT (INDIA)

ARTICLE 9: SAMPLING & ANALYSIS

- a) At the loading port seller shall at seller's expense, appoint Mitra S K Pvt.Ltd /SGS India Ltd to determine the specification of ore content in each shipment, and shall provide a certificate showing details of the determination and also the percentage of free moisture loss at 105 degree centigrade.
- b) At the port of discharge SGS (or any other assayer mutually agreed by Buyer and Seller) shall sample from each shipment and divide into three parts, one for buyer, the second for seller and third for umpire analysis which shall be sealed and kept with discharge port assayer for chemical analysis.
- c) The buyer shall forward the certificate issued by discharge port assayer showing the percentage of free moisture loss at 105 degree centigrade and the relevant analysis within 60 (sixty) days after the date of Bills of Lading to seller by airway mail. Discharge port analysis shall be final except as otherwise provided in paragraph d, e, f & h below.
- d) If the difference in percentage of Al_2O_3 or SiO_2 content between loadport and discharge port analysis made under paragraph a and b above of this clause is more than 0.5% but within one percent, seller and buyer shall take mean of the loadport and discharge port result.
- e) Should the difference between the load port and discharge port analysis for Al_2O_3 or SiO_2 exceeds 1.00% (One percent) and parties do not reach an agreement on definite results, samples taken and kept with the Assayer at the load port and discharge port will be forwarded to an Umpire agreed to who will be mix both these samples in equal proportion and carry out Umpire Analysis in respect of Al_2O_3 and SiO_2 which will be binding on both the parties and which will serve as basis for final invoicing.
- f) If the difference between the size determined at loadport and discharge port exceeds 0.50%, mean of loadport and discharge port result shall be taken for final settlement.
- g) The cost of weight, sampling and chemical analysis, moisture determination and analysis performed at the discharging port shall be for buyer's account. The cost of umpire analysis shall be for the account of the party whose own analysis differs farther from the umpire analysis and if the results of such umpire analysis is the mean of the analysis of buyer and the analysis of seller then such cost shall be equally borne by both parties.
- h) If no determination of analysis is exercised at the port of discharge, or if seller does not receive the discharge port certificate within 60 (sixty) days after B/L date, the loadport certificate(s) shall be conclusive as to analysis of the ore.
- i) Buyer if felt necessary, would depute their representative or nominate agency at their cost to witness operations at the loading port(s). Similar facility would be extended to MMTC at the discharge port(s) in China.

ARTICLE 10: WEIGHTMENT

At the loading port the seller at seller's expenses shall determine the weight of shipment of ore by draft survey. The weight of ore as ascertained and certified by SGS India Ltd / Mitra S K Pvt.Ltd analysis certificate shall be basis of seller's invoice.

Buyer shall, at buyer's expense shall appoint SGS (or any other assayer mutually agreed by Buyer and Seller) for determination of weight at the port of destination.

The weight of each shipment at the discharge port shall be ascertained by draft survey. The weight thus determined by the assayer shall be final as to wet quantity in relevant shipments except if difference between loadport and discharge port dry weight is more than 0.5%.

The dry quantity shall be determined by deducting the free moisture referred to in Article 9 for such wet quantity. MMTC may appoint their representative for inspection at the discharge port. If the difference of dry weight determined at the load port and at the discharge port is over 0.5%, then the mean of these two weights shall be final. If no draft survey is performed at the discharging ports, weight determined at loadport will be regarded as final.

ARTICLE 11: PERFORMANCE GUARANTEE

The buyer shall furnish a performance guarantee for USD _____00 in the form of a bank guarantee towards 5% of the sale value in favour of the seller through a scheduled commercial bank (other than Gramin Bank and Co-operative Bank) in India within ten calendar days from the date of issuance of signed sale contract by MMTC. Performance guarantee shall remain valid for a minimum period of 30 days after latest date of delivery and furthers 30 days as claim period. The Seller will accept the nomination of the vessel only after receipt of performance guarantee and its confirmation by issuing bank. In case the buyer either fails to perform the contract satisfactorily or fails to establish a workable letter of credit within stipulated time, MMTC will have the right to invoke the bank guarantee. In addition, MMTC will have right to claim all losses, damages, expenses, etc. from buyers and any other appropriate action as deemed fit. The PBG will be returned after satisfactory performance of contract by buyer.

ARTICLE 12 ADVISE OF SHIPMENT

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

ARTICLE 13: INSURANCE

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

ARTICLE 14: DELIVERY

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

ARTICLE 15: TITLE AND RISKS

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

ARTICLE 16: SHIPMENT

Buyer shall nominate a Vessel with fully classed Highest Lloyds or equivalent first class classification society, ISM/ITF approved, P&I Covered and the vessel shall not be older than 15 Year. Vessel shall be fitted with minimum 4 x 25t fully functional cranes + 4 x 10 or 12 CBM electro-hydraulic grabs.

For shipment, Buyer shall notify Seller of 1) Name of the Vessel, 2) Quantity of the Bauxite to be loaded 3) mode of loading and 4) estimated time of arrival (ETA) at loading port together with Lay days of 10 days. Buyer shall nominate a performing vessel to seller and the seller shall confirm acceptance of the vessel within 1 working day after receipt of Buyer's nomination.

The buyer shall arrange the vessel or their agent to notify seller or their agent three notices of the ETA of the vessel at the loading port. The first of such notice shall be given 7 (seven) days prior to the ETA of the vessel, the second to be given 48 (Forty eight) hours prior to the ETA and the third to be given 24 (Twenty Four) hours prior to the ETA.

ARTICLE 17: LOADING TERMS AND CONDITIONS

- a) Seller shall deliver the cargo to buyer in bulk, seaworthy trimmed, alongside Seller's wharf/anchorage vessel being always afloat to a maximum permissible draft, when fully loaded at the place of loading.
- b) Seller shall load ore aboard the vessel at the following rates per weather working day of twenty four (24) consecutive hours Saturdays, Sundays and Holidays included but statutory holidays excepted.

<u>Size of vessel</u>	<u>Loading Rate</u>	
	Okha Port Berth/Anchorage	
	By Vessel's Grabs	By Vessel's Grabs
Upto 50,000 DWT	6,000 WMT Basis 4 working cranes/ Grabs of 25 MT per grab.	
Over 50,001 DWT	8,000 WMT Basis 4 working cranes/ Grabs of 25 MT per grab.	

- c) The length of the berth at port okha is 190 mts and available draft at berth is 7.5 mts for calculation purpose and depending upon tide at the time of arrival of the vessel. On this berth buyer can bring in a supramax vessel where part loading of 25000 MT can be done on berth and balance quantity can be loaded at anchorage. If the buyer is planning to bring a panamax vessel then it has to be loaded 100% at anchorage. The quantity loaded at anchorage will be additional cost of USD 1.00 PDMT to be borne by bidder.
- d) Sellers confirm loading will take place partly at berth and balance quantity at anchorage in Port Okha and have received confirmation from all appropriate authorities where the vessel nominated by charterers can be safely loaded at the anchorage.
- e) Lay time for loading shall commence 12 running hours after tendering of notice of readiness even if loading commences earlier, in which case, actual time used to count. In case loading has to be interrupted due to reasons of responsibility of the vessel, such time lost shall not count as Lay time.
- f) Upon arrival of the vessel within the limits of the loading port and after
 - i. Ensuring that the hatches/holds of the vessel have been thoroughly cleaned,
 - ii. Obtaining free pratique and;
 - iii. Ensuring that the vessel is load-ready in all respects, the Master of the vessel shall serve the Notice of readiness of the vessel to load the Materials (i.e. Master's N/R) on the port office of the SELLER at the loading port, during normal office hours which are 9.30 AM to 4.30 PM from Monday to Friday and from 9.30 to 1200 Hours on Saturday. The master's N/R shall not be served on Saturday afternoon/Sundays/Port holidays/ Charter Party holidays.

DEMMURRAGE/DESPATCH

<u>Size of vessel</u>	<u>Demurrage</u> (APCP) but Maximum <i>per 24 hours day(prorata or part)</i>	<u>Despatch</u> (in USD)
Upto 50,000 DWT	USD 8,000 Max	USD 4,000 Max
Over 50,001 DWT	USD10,000 Max	USD 5,000 Max

- Despatch will be always half of the demurrage rate as per Charter Party.

Immediately after completion of loading of the materials into vessel and before the sailing of the vessel from the loading port(s) a statement of facts shall be made out at the loading port(s) duly signed by and distributed amongst; (a) Master of the vessel/Agent of the vessel at the loading port (b) Agents/Representative(s), if any of the BUYER at the loading port and (c) representative of the SELLER at the loading port.

The Master of the vessel shall deliver a stowage plan in triplicate duly signed by him before loading and immediately after completion of loading and sailing of the vessel, if sought by the SELLER.

Based on the Statement of Facts, the computation of lay time allowed and lay time used shall be based on provisions and its sub clauses herein above. Dispatch money, if any, calculated on the basis of "Working time Saved" shall be arranged to be remitted by the BUYER to the SELLER within thirty days from the date of receipt of the claim of the SELLER with lay time statements and demurrage shall be remitted within thirty days from date of receipt of claim from buyer and permission for remittance of demurrage from RBI.

OTHER TERMS AND CONDITIONS: Counting of Lay time:

- 1) Time lost for all draft surveys on the account of the buyer.
- 2) Time for shifting of vessel from anchorage point to loading berth shall be to the account of the buyer.
- 3) BL quantity shall be the quantity loaded which shall be determined. The release instructions for the bill of lading should be arranged by the buyers immediately after completion of loading.
- 4) If any damage is caused to the vessel at the loading port at the time of loading of the Materials by the Stevedores engaged by the SELLER, the claim, if any, for such damage shall be settled directly between the ship owners and stevedores. The Master of the vessel shall lodge such claim, if any, on the stevedores, promptly after the damage has been sustained and then confirm in writing duly supported by the Third Party damage reports, prior to the departure of the vessel from the loading port, failing which the claim shall stand barred and the stevedores shall stand absolved and relieved of all responsibility. Subject to compliance with the conditions enumerated in the clause.

ARTICLE 18: MODE OF PAYMENT

The buyer shall establish from a first class international bank (acceptable to MMTC) an irrevocable and without recourse to the drawer workable letter of credit payable at sight to cover 100% value of the cargo with tolerance for quantity and value as per contract . Letter of credit shall be in favour of the sellers/beneficiaries (MMTC Limited, 2, Nagindas Chambers, Ashram Road, Usmanpura, Ahmedabad - 380014, Gujarat, India) and shall remain valid for minimum 45 days after latest date of shipment. The said letter of credit shall be established within 10 calendar days from the date of issuance of signed sale contract by MMTC to the buyer. The LC shall be advised through State Bank of Hyderabad, GF Nagindas Chambers, Ashram Road, Usmanpura, Ahmedabad - 380014, Gujarat, India, Swift no. SBHYINBB015. The opening bank shall also add that the telex/swift is operating instrument and no further confirmation is required. The LC shall allow negotiation of documents for 98% shipment value within 21 days after bill of lading date at the counter of LC negotiating bank. Notice of Readiness (NOR) shall be accepted only after receipt of workable LC through banking channels and completion of pre-shipment formalities with customs/port authorities. Pre-shipment documents shall be processed by MMTC only after receipt of workable LC and performance guarantee.

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

List of banks from where LC shall be acceptable to MMTC is attached Appendix VI.

The seller shall claim the payment in two part A) Provisional Payment, B) Final Payment:

a) PROVISIONAL PAYMENT

The said LC shall be payable by telegraphic transfer reimbursement by opening bank within three working days against seller's sight draft for the amount of **98%(ninety eight percent)** of the value of this shipment. The weight certificate issued by Mitra S K Pvt.Ltd / SGS India by survey of ship's draft together with the certificate of analysis of sample and of the percentage of the free moisture loss at 105 degrees centigrade issued by Mitra S K Pvt.Ltd / SGS India shall be basis for seller's provisional invoice.

b) FINAL PAYMENT

The balance due to the seller after provisional payment shall be made through the Letter of Credit against seller's final invoice in six duplicates delivered through the Bank. This invoice is to be based on SGS or any other mutually agreed assayer certificate as provided in Article 9 and Article 10 issued within 60 days after Bill of Lading date. If umpire analysis is required, payment adjustment arising for this will be made when the umpire's certificate is available. In case analysis is not received by seller within 60 days after Bill of Lading date, the load port result shall form the basis for final invoice. Seller's certificate regarding non-receipt of discharge port certificate within 60 days after Bill of Lading date would be final.

ARTICLE 19: DOCUMENTS

A. DOCUMENTS FOR PROVISIONAL PAYMENT:

Seller shall provide buyer through negotiating and opening banks for reimbursement of sale proceeds with the following documents for the provisional amount of 98% of sale value.

- 1) Seller signed provisional commercial invoice in three originals and three copies for 98% value indicating value of commodity shipped, name of carrying vessel, contract number, L/C number and B/L Number.
- 2) Full set of "Shipped Clean on board" ocean B/L in three originals and three Non-negotiable copies made out to "Order", Blank endorsed marked "Freight Payable as per Charter party" notifying the party stipulated in the L/C. Quantity shown in Wet Metric Tons/WMT acceptable.
- 3) Certificate of Weight in one original and four copies issued by **SGS India** / Messrs Mitra SK Pvt Ltd. at the loading port certifying the actual surveyed weight of cargo shipped.
- 4) Certificate of Quality in one original and four copies issued by SGS India / Messrs Mitra SK Pvt Ltd. at the loading Port showing the actual result of the test of chemical composition and all other tests called.
- 5) Certificate of Origin in one original and four copies issued by any chamber of commerce and industry in India.
- 6) Beneficiary's certified copy of shipment advice by fax/e-mail dispatched to Buyer within one (1) working day after the B/L date at the loading port advising L/C number, goods name, quantity, vessel name, shipment date, approximate invoice value, B/L Number and ETA of the vessel at discharging port.
- 7) Beneficiary's certificate certifying that they had sent to Buyers by fax/ e-mail one set of non negotiable documents, Including Bill of Lading, Provisional Commercial Invoice, Certificate of Quality, Certificate of Weight, Certificate of Origin and Shipment advice by fax within five (5) working days after the date B/L.

B. DOCUMENTS FOR FINAL PAYMENT:

Seller shall provide buyer through negotiating bank to opening bank for reimbursement of final payment with the following documents.

- i) Seller's final invoice in one original and four copies indicating value of commodity shipped, name of carrying vessel, the contract number and B/L Number less provisional payment.
- ii) Certificate of Quality in one copy issued SGS at discharging port, Photocopy is allowed.
- iii) Certificate of Weight in one copy issued by SGS at discharging port, photocopy is allowed.
- iv) In case SGS or any other mutually agreed assayer certificate of weight and / or quality is not received by the seller within 60 days after BL date, then the seller has right to submit the final invoice based on load port Certificate of Quality and Certificate of Weight issued by SGS India / Messrs Mitra SK Pvt Ltd. In such case a declaration by the seller of non-receipt of SGS certificate and the photocopy of load port weight and quality results to accompany documents instead of documents at (ii) and (iii) above. In case, it is decided to go for umpire analysis, copy of umpire analysis shall be attached in placed of s.no. ii) above.

ARTICLE 20: NON-DELIVERY

Notwithstanding Article 7 herein above in the event of failure to effect or to take delivery as provided in this contract due to cause(s) for which the Seller or the Buyer is responsible, the other party shall have an option either to cancel the contract in respect of the undelivered quantity or accept or supply it in the manner to be mutually agreed upon. However, since the contract is on back to back basis, seller will not be liable for any claim for non-delivery.

ARTICLE 21: DEFAULT

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

ARTICLE 22: FORCE MAJEURE

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

ARTICLE 23: ARBITRATION

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

ARTICLE 24: VALIDATION

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

ARTICLE 25: SPECIAL CLAUSE

It is expressly understood and agreed by and between the Buyer and the Seller that MMTC is entering into this agreement solely on its own behalf and not on behalf of any other person or entity. In particular it is expressly understood and agreed that the Government of India is not a party to this agreement and has no liabilities, obligations or rights hereunder. It is expressly understood and agreed that MMTC is an independent legal entity with power and authority to enter into contract solely on its own behalf under the applicable laws of India and general principles of contract law. The Buyers expressly agreed, acknowledges and understands that MMTC is not an agent, representative or delegate of the Government of India. It is further understood and agreed that the Government of India is not and shall not be liable for any acts, omissions, commissions, breaches or other wrongs arising out of the contract. Accordingly Buyer, hereby expressly waives, releases and foregoes any and all actions or claims including cross claims, implored claims or counter claims against the Government of

India arising out of this contract and covenant not to sue the Government of India as to any manner, claim, cause of action or thing whatsoever arising out of or under this agreement.

MMTC is entering into this contract on the basis of back to back supplies by M/s. _____, India. All responsibility of quality/quantity as well as performance of this contract is to the account of M/s. _____. MMTC shall not be responsible for any claim/damages of buyer and / or vessel owner for any reason whatsoever including non-performance of the contract by M/s. _____.

ARTICLE 26: LOSS OF CARGO

In the event of total / or partial loss of cargo, the analysis and the weight as determined at the loading port shall be treated as final and shall be used for final invoicing and payment.

ARTICLE 27: OTHERS

Any change or modification in the terms and conditions of this contract shall become effective only when confirmed by both the Seller and the Buyer in writing.

In witness whereof this contract is made in duplicate, the Seller and the Buyer having signed them on this _____ **2014** are retaining one (1) copy each.

BUYER
FOR AND ON BEHALF OF

SELLER
FOR AND ON BEHALF OF

PERFORMANCE BANK GUARANTEE PROFORMA

Bank Guarantee No. _____ dated _____

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

To

M/s MMTC Limited
Core 1, SCOPE Complex
7 Institutional Area
Lodi Road
New Delhi 110003 (INDIA)

Dear Sirs,

- 1) WHEREAS, MMTC Limited, having its registered office at Core-1, SCOPE Complex, 7, Institutional Area, Lodi Road, New Delhi -110 003 India and one of its office at _____ (hereinafter called "the MMTC) have entered into Contract No. _____ dated _____ (hereinafter called 'the CONTRACT') for _____ with M/s. _____ (name) address _____, (hereinafter called the 'XX')
- 2) AND WHEREAS the 'XX' under the CONTRACT is required to furnish a security for the performance of the CONTRACT and MMTC has agreed to accept the Bank Guarantee in lieu of security deposit of the said sum of US Dollars _____ with validity upto _____ 2014 and claim period upto _____ 2014.
- 3) AND WHEREAS at the request of the 'XX', we _____ Bank, _____ (address), hereby irrevocably and unconditionally guarantee and undertake to payment to the MMTC, immediately on demand up to and not exceeding the sum of US Dollars _____ payable by the 'XX' in the event of failing to perform any or all their obligations under the CONTRACT. The decision of the MMTC that the 'XX' has failed to perform all or any of its obligations under the CONTRACT shall be conclusive, final and binding on us.
- 4) We, _____ Bank, undertake to pay the amount demanded by the MMTC not exceeding the sum of US Dollars _____ only without any demur, delay, protest and without any reference or recourse to the 'XX' notwithstanding any dispute raised by 'XX' in any suit proceedings relating thereto pending before any court or tribunal our liability under these presents being absolute and unequivocal. The payment shall be made to the MMTC across the Counter of the bank on the same day of receipt of invocation of this Performance Bank Guarantee.
- 5) NOTWITHSTANDING anything to the contrary contained hereinabove, liability under the Guarantee is restricted to US Dollars _____. Our Guarantee shall remain in force until _____ (date).
- 6) All your rights under the Guarantee shall be forfeited and we shall be relieved and discharged from all liability thereunder unless a claim under the Guarantee is made on our Bank in writing on or before _____ (expiry date).
- 7) Your Letter of Demand in writing may be presented to the Bank by Registered Post or in person and the same shall be binding on us.
- 8) This guarantee comes into force forthwith validity upto _____ 2014 and claim period upto _____ 2014.
- 9) We further agree that MMTC shall have the fullest liberty without our consent and without effecting in any manner, our obligations hereunder to vary any of the terms and conditions of the delivery or extend time of performance by the said "XX" from time to time or to postpone for any time or from time to time, any of the powers exercisable by MMTC against the said "XX" and to forbear or enforce any part of the terms and conditions relating to the said CONTRACT and we shall not be relieved from our liability by reason of any such variation or extension being granted to the said M/s 'XX'.
- 10) The liability of the Bank under this Guarantee shall be discharged on receipt of US Dollars _____ only by MMTC with validity upto _____ 2014 and claim period upto _____ 2014. (Claim period one month after of validity date).
- 11) We _____ (Bank) lastly undertake not to revoke this guarantee during its currency except with the previous consent of MMTC Limited in writing.
- 12) This guarantee will not be discharged due to change in the constitution of the Bank or the said 'XX'.
- 13) We have the power to issue this Guarantee in your favour under the Charter of our Bank and the undersigned have full power to execute this Guarantee under the Power of Attorney granted to us by the Bank.

SIGNED AND DELIVERED THIS _____ DAY OF _____

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

With validity upto	:	30-04-2014
With Claim period	:	30-05-2014