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FROM: EMBASSY OF INDIA, ANKARA

SUBJECT: Global Tender for Purchase of Raw Materials by MSTC Limited

Dear Sir / Madam,

This is to bring to your kind notice that a tender announcement has been released by **MSTC Limited, a Government of India Enterprise.**

Further information is provided within the enclosed brochure and/or click on the link below;

[http://www.mstcindia.co.in/PurchaseEntry/view\\_purchase\\_regionwise.aspx](http://www.mstcindia.co.in/PurchaseEntry/view_purchase_regionwise.aspx)

Sincerely yours,

Mr. Aras Güven

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एम एस टी सी  
लिमिटेड  
(भारत सरकार का उपक्रम)



**MSTC**  
**LIMITED**  
(A Govt. Of India Enterprise)

**Global Tender for Import of Shreddable  
Goods (Raw Materials) for Auto Shredding  
Plant**

TENDER NO:

MSTC/HO/CP/PMU/RM/001/2014-15

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## Disclaimer

The information contained in this TENDER document or subsequently provided to Bidders, whether verbally or in documentary or any other form by or on behalf of MSTC Limited or any of its employees or advisers, is provided to Bidders on the terms and conditions set out in this TENDER and such other terms and conditions subject to which such information is provided.

This TENDER is not an agreement and is neither an offer nor invitation by MSTC Ltd to the prospective Bidders or any other person. The purpose of this TENDER is to provide interested parties with information that may be useful to them in the formulation of their bids pursuant to this TENDER. This TENDER includes statements, which reflect various assumptions and assessments arrived at by MSTC Ltd in relation to the Auto Shredding Plant Project. Such assumptions, assessments and statements do not purport to contain all the information that each Bidders may require. This TENDER may not be appropriate for all persons, and it is not possible for MSTC Ltd, its employees or advisers to consider the objectives, technical expertise and particular needs of each party who reads or uses this TENDER. The assumptions, assessments, statements and information contained in this TENDER, may not be complete, accurate, adequate or correct. Each Bidder should, therefore, conduct its own investigations and analysis and should check the accuracy, adequacy, correctness, reliability and completeness of the assumptions, assessments and information contained in this TENDER and obtains independent advice from appropriate sources.

Information provided in this TENDER to the Bidders is on a wide range of matters, some of which depends upon interpretation of law. The information given is not an exhaustive account of statutory requirements and should not be regarded as a complete or authoritative statement of law. MSTC Ltd accepts no responsibility for the accuracy or otherwise for any interpretation or opinion on the law expressed herein.

MSTC Ltd, its employees and advisers make no representation or warranty and shall have no liability to any person including any Bidder under any law, statute, rules or regulations or tort, principles of restitution or unjust enrichment or otherwise for any loss, damages, cost or expense which may arise from or be incurred or suffered on account of anything contained in this TENDER or otherwise, including the accuracy, adequacy, correctness, reliability or completeness of the TENDER and any assessment, assumption, statement or information contained therein or deemed to form part of this TENDER or arising in any way in this selection process.

MSTC Ltd also accepts no liability of any nature whether resulting from negligence or otherwise however caused arising from reliance of any Bidder upon the statements contained in this TENDER.

MSTC Ltd may in its absolute discretion, but without being under any obligation to do so, update, amend or supplement the information, assessment or assumption contained in this TENDER.

The issue of this TENDER does not imply that MSTC Ltd is bound to select a Bidder or to appoint the Selected Bidder, as the case may be and MSTC Ltd reserves the right to reject all or any of the Bids without assigning any reasons whatsoever.

The Bidder shall bear all its costs associated with or relating to the preparation and submission of its Bid including but not limited to preparation, copying, postage, delivery fees, expenses associated with any demonstrations or presentations which may be required by MSTC Ltd or any other costs

## Introduction

### MSTC LIMITED

- MSTC Limited is a Mini Ratna Category-I PSU under the administrative control of the Ministry of Steel, Government of India. The company was set up on 9th September 1964 to act as a regulating authority for export of ferrous scrap.
- Of late, MSTC Ltd has emerged as a major player in the country for promoting e-commerce. It has presented with e-Auction portal namely, [www.mstcecommerce.com](http://www.mstcecommerce.com) which has become immensely popular tool for transacting business over the internet in a most transparent and fair manner. The portal provides a virtual marketplace for domestic sellers and buyers to do business in metal scrap (ferrous/non-ferrous), surplus stores, machineries, obsolete spares, vehicles, minerals and agriculture & forest produce etc. The methodology adopted includes open tender, public auction and e-auction.

### Auto Shredding Plant project

- To expand its spectrum of operation in India, MSTC Ltd has embarked upon the project for setting up of a facility for the processing of End of Life Vehicles (ELVs) and End of Life White-goods.
- The plant is expected to use an automated process for shredding of End of Life Vehicles (ELV's)/Condemned scrap cars and End of Life /Condemned white goods (AC, refrigerator etc.) and will use state of the art sorting technologies to separate the ferrous and non-ferrous metals.

### Tender Details

MSTC Ltd invites tenders in a two stage process of evaluation for empanelling supplier/s of Shreddable Goods (End of Life Vehicles, End of Life White Goods)

- Commercial Credentials ( Pre-Qualification)
- Financial Bid

### Important Dates and EMD Details

Description	Date	Remarks
Date of Issue of Tender	<u>29/03/2014</u>	The Tender Document will be available at <a href="http://www.mstcindia.co.in">http://www.mstcindia.co.in</a>  Under the Upcoming Events header at Purchase and Sale by MSTC.  (The subheading will be Purchase/Sale Program from MSTC Head Office-Kolkata)

## General Terms and Conditions

### SUBMISSION OF TENDER

The Tender can be submitted by Supplier or Supplier's representative. Such Representative will have to enclose Power of Attorney along with the offer, otherwise the offer will be considered null and void at any stage at the sole discretion of MSTC Ltd.

The mode of execution of the Power of Attorney should be in accordance with the procedure, if any, laid down by the applicable law and the charter document of the executants (s) and when it is so required the same should be under common seal affixed in accordance with the required procedure.

For a Power of Attorney executed and issued overseas the document will also have to be legalized by the Indian Embassy and notarized in the jurisdiction where the Power of Attorney is being issued. However, Bidders from countries that have signed The Hague Legislation convention 1961 need not get their Power of Attorney legalized by their Indian Embassy, if it carries a confirming Apostille Certificate.

### PROCEDURE FOR SUBMISSION

The intending Bidder has to submit three envelopes and mark the envelopes as I, II and III. Envelope No. I and II will be put inside the Envelope No. III. Usage of these envelopes will be as under:

- a) Envelope marked as I: The duly completed Commercial Credentials Document Set in the prescribed format to be put in this envelope and sealed. This envelope would be super scribed as "Commercial Credentials".
- b) Envelope marked as II: The Financial bid should be put in this envelope and sealed. This envelope would be super scribed as "Financial Bid". This bid will be opened only if the Commercial Credentials Documents following the Evaluation qualifies as per the eligibility criteria. The decision of MSTC Ltd in this respect shall be final & binding.
- c) Envelope marked as III: The above two sealed envelopes No. I and No. II be placed in Envelope No. III and sealed. (i.e. Envelope marked as III, will contain two envelopes marked as I & II). This envelope marked as No. III would be superscripted as Global Tender for Import of Shreddable Goods by MSTC Limited.
- d) If the tender is not super scribed as stated above, then there are chances of accidental opening and the Tender is liable for rejection, therefore it is advised that the tender be super scribed as above and deposited in the tender box kept for the purpose. However, if the Envelops are not super scribed as illustrated above MSTC Ltd. shall hold the right to reject the bid without opening either of the Tenders.
- e) Tender should be sent only to "JM (PMU), 5th Floor, MSTC Ltd. 225-C AJC Bose Road Kolkata-700020, India".
- f) Unsealed envelopes will be summarily rejected.
- g) Tender should be super scribed as Global Tender for Import of Shreddable Goods by MSTC Limited. (The Bidder has to necessarily super scribe the envelope, failing which the tender

MSTC Ltd reserves the right not to respond to any questions or provide any clarifications, in its sole discretion, and nothing in this Clause shall be construed as obliging MSTC Ltd to respond to any question or to provide any clarification.

#### RETURN OF EMDs

The EMD of unsuccessful bidders will be returned within a period of 90 days from the date of opening of Financial Bids.

The Bidders are required to provide their bank account details in a separate A4 sheet along with Commercial Credential Form, for MSTC Ltd to return the EMD amount in case the bidder is unsuccessful.

#### PRE-BID CONFERENCE

During the course of Pre-Bid Conference, the Prospective Bidders will be free to seek clarifications and make suggestions for consideration of MSTC Ltd. MSTC Ltd shall endeavor to provide clarifications and such further information as it may, in its sole discretion, consider appropriate for facilitating a fair, transparent and competitive Selection Process.

#### AMENDMENT OF TENDER

At any time prior to the deadline for submission of tender document, MSTC Ltd may, for any reason, whether at its own initiative or in response to clarifications requested by an Bidder, modify the Tender document by the issuance of Addendum/ Amendment and posting it on its Official Website and/or by conveying the same to the prospective Bidders by fax or e-mail.

The amendments will also be posted on the Official Website along with the revised Tender containing the amendments which will be binding on all Bidders.

In order to afford the Bidder/s a reasonable time for taking an amendment into account, or for any other reason, MSTC Ltd may, in its sole discretion, extend the Tender Submission Date.

#### PRODUCT Type and QUANTITY Sought under this Tender

##### **Description of Shreddable Goods**

Shreddable Goods may include End of Life Vehicles and End of Life White Goods which will be used as a feeder for the Auto Shredding Plant.

3. Bidder should have executed a single order of minimum US \$ 1.5 Million or its INR equivalent of Shreddable Goods/ELVs/ End of Life White Goods/Recycling Scrap or Waste in the last three financial years. A copy of the purchase order should be submitted with the Bid.
4. Minimum Tendering Quantity: For each of the coast Bidder must offer minimum 50% of the Total Tender Quantity which is 40,000MT and have to accept the delivery schedule as per the requirement of MSTC Ltd.
5. The Bidder must demonstrate sound financial status as defined in this section to the satisfaction of MSTC Ltd. The Documentary proof including copy of audited annual accounts for the last 3 years, bank credit limits, bank references, etc. of the bidder, and in the case of joint-venture/consortium bidders, of all members of the Joint-Venture/consortium shall be attached. The documentary proof shall include but not limited to:
  - a) Audited Financial Accounts.
  - b) List of Banks from which references can be obtained with the contact details i.e. Address, Telephone and Fax Nos. Listing of Bankers shall be deemed an authorization by the Bidder/ Joint Venture/ Consortium Bidder for MSTC Ltd to request such references and for the bankers to release them to MSTC Ltd.

In the event of the Bidder being a Joint Venture/Consortium, the MSTC Ltd requires that all the parties of the Joint Venture/ Consortium accept joint and several liabilities for all the obligations under the agreement.

A Joint Venture/Consortium shall comply with the following requirements:

- I. The bid, and in case of a successful bid, the Contract Agreement shall be signed so as to legally binding on all the parties.
- II. One of the partners shall be authorized to be the Lead Partner in charge and this authorization shall be evidenced by submitting a power of attorney signed by legally authorized signatories of all the partners.
- III. The Lead Partner shall be authorized to incur liabilities and receive instructions on behalf of any one or of all partners of the Joint Venture/ Consortium and the entire execution of the contract including payment shall be done exclusively with the partner in charge.
- IV. All the partners of the Joint Venture/consortium shall be liable jointly and severally for the execution of the contract in accordance with the contract terms and a relevant statement to this effect shall be included.
- V. A certified copy of the agreement or MOU entered into by the Joint Venture/Consortium partners shall be submitted with the bid.
- VI. The Bidder blacklisted by any Government Organization will stand disqualified.

A Commercial Credentials Form (CCF) is attached below in this tender to be filled in to serve as a check list and the documents sought needs to be attached while submitting the bids.



Following the Signing of LOA, MSTC Ltd as required by it will issue purchase orders to the selected bidders who then will supply the material as per the terms and conditions specified in each Purchase Order. In addition:

- The Bidder shall assure and represent MSTC Ltd that they are the sole and absolute owners with all rights, title and interest in the said material and no other person has or can have any claim on title or interest in the said material and the said material is not subjected to any charges mortgages, liens, encumbrance, prior sale, fit, stay order, attachment and there is no dispute, litigation, or proceedings pending and that the bidder has full and unrestricted right to sell and transfer the aforementioned material to MSTC Ltd.
- The Bidder shall from time to time and at all times hereafter shall keep MSTC Ltd harmless and indemnified for the amount paid by MSTC Ltd and received by the Bidder and also from and against all actions, losses, damages, claims and demands whatsoever in respect of the said material for which MSTC Ltd may be liable by any reason of defect in the title of the Bidder or restrictions in his right of sale and in such cases, Bidder on demand by MSTC shall be bound to pay the whole amount of consideration so received by him along with interest at the bank rate of Reserve Bank of India and all amount of expenses, losses, damages incurred in this connection by MSTC Ltd.
- The Bidder shall confirm that all statements made by them and documents enclosed are true to the best of their knowledge.
- The Drafts of all documentation that may be finalized by and between MSTC Ltd and the Bidder shall be final and binding on the Bidder.

Nature of Relationship between MSTC Ltd and Successful Bidder when Purchase Order is issued:

1. The Payment shall be made through an irrevocable Letter of Credit (L/C).
2. The BIDDER shall undertake that the exported material is free from wood, weapons, ammunitions, explosives, radioactive contamination, batteries, lead, oil, coolants and prohibited items and hazards of any kind and its metal content (specifically Iron, Aluminium & Copper) should be specified at the time of shipment with a tolerance limit of  $\pm 5\%$ .
3. Delivery Point for the BIDDER is Haldia Port, West Bengal for Eastern Coast and/or Nhava Sheva Port for Western Coast.
4. "The Reference Exchange Rate" for any vessel shall be the Reserve Bank of India Reference Exchange Rate of US\$ v/s INR prevailing on the date of Bill of Lading of the vessel or the hedged FOREX Rate (US\$ v/s INR) at which the FOREX Cover is obtained as per the mutual agreement. If RBI reference rate of the date of Bill of Lading is not available due to holiday or otherwise then FE rate of the next immediate day will be considered for the purpose of payment.
5. The above-referred stipulation for obtaining FOREX cover may be exercised in the following manner:

The Bidder shall advise MSTC Ltd the prevailing rate at which a FOREX Cover through an authorized dealer can be obtained with a suitable mechanism. The Bidder shall also

- Marine insurance certificate for 110% of invoice value, in duplicate, covering Institute Cargo clause (C), War and S.R.C.C. to be taken by the BIDDER.
- Certificate of Origin issued by a Chamber of Commerce in one original and one duplicate copy.
- BIDDER's Certificate confirming that, the materials shipped are free from wood, weapons, ammunitions, explosives, radioactive contamination, batteries, lead, oil, coolants and hazards of any kind etc.
- Pre-shipment Inspection Certificate from an independent inspection agency approved by DGFT Government of India, in prescribed format.
- Form 9 of Indian Customs.
- Certificate of Quantity and Quality issued by third party independent inspection agency.

#### Other Conditions of L/C:

- L/C shall allow for  $\pm 5\%$  in total quantity and value.
- The BIDDER and MSTC Ltd shall bear L/C charges in their respective countries. All banking charges outside India shall be borne by the BIDDER.
- L/C must be valid for twenty one (21) business days after latest shipment date.
- Third party documents are not allowed.
- Partial shipments allowed.
- Trans-shipments not allowed.
- T.T. reimbursements allowed.
- Minor spelling and typographical errors in documents which do not change the meaning or an intended implication should not be considered a discrepancy.
- This credit is subject to the latest version of Uniform Customs and Practice for Documentary Credits (UCP 600).

**Quality/Quantity:** There will be inspection at load port about Quality and Quantity that material conforms to order specifications and international standard and BIDDER's Certificate of Weight/Packing List for weight recorded at the loading Yard. The same inspection Agency or its counterpart will inspect the material at discharge port and payment will be released on the basis of discharge port certificate. BIDDER shall guarantee to make supplies strictly in conformity with MSTC Ltd 's approved specifications/samples and generally accepted International Standards for material of the type ordered. BIDDER shall guarantee that the exported materials are free from wood, weapons, ammunitions, explosives, radioactive contamination, batteries, lead, oil, coolants and hazards of any kind and its metal content should be specified at the time of shipment with a maximum tolerance limit of  $\pm 5\%$ .

**Mode of Shipment:** International Suppliers can ship in <Bulk/Containerized> cargo, wherein BIDDER has to ship materials by a conventional/non-conventional liner vessel up to 20 years of age registered with Lloyds or equivalent agency, maintaining class equivalent to Lloyds 100 A-1.

## Integrity Pact

### Commitments of MSTC Ltd

MSTC Ltd commits itself to take all measures necessary to prevent corruption and to observe the following principles:-

#### Previous Transgression

The BIDDER declares that no previous transgressions occurred in the last 3 years with any other company in any country or with any other Public Sector Enterprise in India that could justify his exclusion from the tender process. If the Buyer makes incorrect statement on this subject, he can be disqualified from the tender process or the contract, if already awarded, can be terminated for such reason.

#### Criminal Charges against violating BIDDERS

If MSTC Ltd obtains knowledge of conduct of a BIDDER or of an employee or a representative or an associate of a BIDDER which constitutes corruption, or if MSTC Ltd has substantive suspicion in this regard, MSTC Ltd will inform the Vigilance Office.

#### External Independent Monitor

MSTC Ltd may appoint competent and credible External Independent Monitor for this Pact. In such case the task of the Monitor is to review independently and objectively, whether and to what extent the parties comply with the obligations under this Tender.

The Monitor will not be subject to instructions by the representatives of the parties and will perform his functions neutrally and independently. He will reports to the Chairperson of the Board of MSTC Ltd.

The Monitor has the right of access without restriction to all Project documentation of MSTC Ltd. The Supplier/Bidder will also grant the Monitor, upon his request and demonstration of a valid interest, unlimited access to his project documentation. The Monitor is under contractual obligation to treat the information and documents of the Supplier/Bidder with confidentiality.

MSTC Ltd will provide to the Monitor sufficient information about all meetings among the parties related to the project provided as meetings could have an impact on the contractual relations between MSTC Ltd and the BIDDER. The parties offer to the Monitor the option to participate in such meetings.

As soon as the Monitor notices, or believes to notice, a violation of this agreement, he will so inform the Management of MSTC Ltd and request the Management to discontinue or heal the violation, or to take other relevant action. The Monitor can in this regard subject non-binding recommendations. Beyond this, the Monitor has no right to demand from the parties that they act in a specific manner, refrain from action or tolerate action.

The Monitor will regularly submit a written report to the Chairperson of the Board of MSTC Ltd and, should the occasion arise, submit proposals for correcting problematic situations.

If the Monitor has reported to the Chairperson of the Board a substantiated suspicion of an offence under relevant Anti-Corruption Laws of India, and the Chairperson has not within reasonable time, taken visible action to proceed against such offence or reported it to the Vigilance Office, the Monitor may also transmit this information directly to the Central Vigilance Commissioner, Government of India.

#### Other Provisions

This Tender is subject to Indian Law. Place of performance and jurisdiction is the Corporate Office of MSTC Ltd at Kolkata.

Changes and supplements as well as termination notices need to be made in writing. Side agreements have not been made.

If the Supplier/Bidder is a partnership or a consortium, this agreement must be signed by all partners or consortium members.

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

6.	Details of Net Worth of the bidder as reflected in the Balance Sheet of bidder as on 31.3.2013		Copy of approved Balance Sheet/Audit Report to be attached for last 3 years.
7.	Export Value (in USD) in the last three years	2010-11: 2011-12: 2012-13:	Copies of B/L in support of exports of Shreddable goods undertaken by supplier to be attached.
8.	Has the company been black listed/banned by any Government Undertaking/Trading Organizations from participating in any tenders for supply of Shreddable goods?	Yes/no	Please tick.
9.	Credit Rating D&B Report or reports from S&P, Moody, Fitch, Crisil etc		Copies to be attached.
10.	List of Items proposed to be supplied.		Please mention Names and Category
11.	Power of Attorney and MoU in case of a JV		Copies to be attached.

2.	Nhava Sheva Port	CIF Price	_____ (in Figures)
			_____ ( in words)
3..		Proposed Quantity (Not less than 40,000 MT per year)	_____ (in Figures)
			_____ ( in words)
3..		Proposed Ferrous Content (%)	_____ (in Figures)
			_____ ( in words)

Our financial proposal shall be binding upon us up to expiration of the validity period of the Bid.

We understand you are not bound to accept any Bid you receive. We abide by all the Terms and Conditions of this tender.

We remain,

Yours sincerely,

Authorized Signature:

Name and Title of Signatory:

Name of the Firm:

Address:

Seal

(Strictly Confidential)