

TATA STEEL - HMC Division

TERMS & CONDITIONS for e-Auction of Secondary Products

Material Details

Product: Swamp Breeze

Ex – Location: TATA STEEL - HMC DIVISION, HALDIA, West Bengal

Delivery Mode: Road

Quantity: 5000 MT (+/- 10%) – On Arising Basis

(Material is being offered on "as is where is basis only")

1. Eligibility:

Any Indian Buyer (viz. individual, partnership firm, companies etc.) can participate in e-Auction for procurement of coal.

2. Registration:

2.1 Before participation in the e-Auction, a prospective Buyer shall be required to get itself / himself registered with Mjunction Services Limited, by submitting an application in the prescribed format available on the Website of Mjunction Services Limited. The application shall be made along with the required documents such as copy of Income Tax return (latest), PAN Number, Sales Tax / Vat Registration Certificate, SSI Registration, Trade License, if applicable, Passport size photograph, etc. as prescribed by Mjunction Services Limited. Registration can be done either online, or at the head office of Mjunction Services Limited at Kolkata.

2.2 After the registration, all-prospective Buyers will have an auto generated "Unique User ID" & a "password" based on which they can log in. Details of the registration process with Mjunction Services Limited will be available in their website.

2.3 Mjunction Services Limited shall issue "Photo Identity Card" to such registered bidders duly authenticating the identity & signature and indicating a "Unique Registration Number" allotted to them.

2.4 Only one registration will be done against one PAN number. However, based on more than one independent valid sales tax registration, more than one registration against a PAN Number can be considered. In such cases, the details of valid sales tax registration will be indicated in each 'Photo Identity Card'.

2.5 All Buyers having been registered with Mjunction Services Limited shall also have to furnish non-interest bearing Earnest Money Deposit (EMD) at the rate of **Rs.200/-** per tonne, with Mjunction Services Limited for participating in the e-auction.

3. Notification:

3.1 TATA STEEL - HMC DIVISION, HALDIA would draw program and intimate Mjunction Services Limited accordingly for hoisting the same on their websites.

3.2 The intending bidders shall be allowed to inspect the goods advertised for sale prior to the auction by arrangement with client. Admission to works will be by express permit that will be issued on request. Name of firms and / or representatives intending to visit the works should be specified in the application.

3.3. Prices achieved (Bid price) through e-Auction is subjected to approval and TATA STEEL LTD reserves the right to reject the same without providing any reasons. Price bids should be valid for 7 days from closure of the e-auction.

4. Bidding Process

4.1 The registered Bidders shall be required to record their acceptance after login, of the Terms & Conditions of the e-Auction before participation in the actual Bidding Process.

4.2 Goods will be sold on 'as is where is' basis. Before participating in e-Auction, bidders are to satisfy themselves with the quality of coal products being offered from a source. Bids will be deemed to have been made on the clear understanding that intending bidders have satisfied themselves fully in regard to the nature, condition, quality and quantity of goods upon inspection.

4.3 Prospective Bidders are entitled to Bid for the quantity to the extent of amount of EMD which is available with Mjunction Services Limited in the bidder's account at the time of bidding.

4.4 The Bidders while bidding shall quote their "Bid price" per tonne in Indian Rupee as base coal by-product price at source basis, exclusive of other charges like statutory levies, handling and loading charges, surface transportation charges, sizing/beneficiation charges, taxes, cess, royalty, SED & any other charges as will be applicable at the time of delivery. These charges as well as freight etc. shall be on the Bidders' account.

4.5 The bidder has to bid for a price equal to or above the reserve price to secure consideration in the concerned e-Auction.

4.6 The date, time and period of e-Auction as notified in advance including closing time on portal of Mjunction Services Limited shall be adhered to but for the event of force majeure. However, the closing time of e-Auction will be automatically extended up to last Bid time, plus 5 minutes, so that opportunity is given to other Bidders for making an improved Bid on that item.

4.7 The Bidder shall offer his Bid price (per tonne) in the increment of Rs.10/- (Rupees ten) during the Normal e-Auction period of 1 hour. During the extended period of first two (2) hours, the Bidder shall offer his Bid price in the increment of Rs.20/-. Beyond this extended period of two hours the bid price increment would be Rs. 50/- (Rs. Fifty) only.

4.8 The minimum quantity (swamp Breeze) for bidding would be 2500 tonnes and then in multiples of 2500 tonnes for a source for dispatches by Road.

4.9 While maintaining the secrecy of Bidder's identity, the web site shall register and display on screen the lowest successful Bid price at that point of time. The system will not allow a Bidder to Bid in excess of his entitled quantity as per his EMD. However once a Bidder is out-bided by another (in part or full) the particular Bidder shall become eligible for making an improved Bid.

5. Post e-Auction process:

5.1 Each successful bidder will be intimated through SMS by Mjunction Services Limited upon price approval by client. However, it will be the responsibility of the bidder to personally see and download the result displayed on website, from the "lot confirmation" link.

5.2 Upon the approval of the Bid price by TATA STEEL LTD, the successful bidder will be required to deposit material full value within 5 working days from date of such approvals. Through DD/ Pay Order favoring TATA STEEL - HMC DIVISION, payable at HALDIA. Five working days would be reckoned as applicable for TATA STEEL - HMC DIVISION, HALDIA office where the payment/ deposit is required to be made.

5.3 EMD of the successful bidder corresponding to the successful bid quantity, shall be blocked and will be transferred to TATA STEEL - HMC DIVISION, HALDIA by Mjunction Services Limited along-with the bid sheet in respect of successful bidder.

6. Terms of payment:

6.1 The coal products value to be deposited in advance by the successful bidders shall be computed and deposited after making provision for the EMD amount for the successful bid quantity already transferred by Mjunction Services Limited to TATA STEEL - HMC DIVISION, HALDIA. In other words, the coal by-products value to be deposited and EMD amount together, shall be equivalent to the 100 % coal by-product value.

6.2 EMD amount shall not be treated as an adjustment towards the coal by-products value but would stand converted into a 'Security Deposit' for performance of the bidders towards completion of the said transaction.

6.3 The above security deposit (as converted from the EMD amount) would be adjusted as coal by-products value only after completion of lifting of coal by-products covered under coal products value paid, excluding security deposit. However, in the event of default in performance by the bidder, the provision of forfeiture of the 'Security Deposit' (as converted from the EMD) as stipulated, would be applicable.

In case of the default of payment of full material value TATA STEEL -HMC DIVISION would be eligible to forfeit relevant EMD.

6.4 Once the coal products value is deposited by way of demand draft /pay order, drawn in favour of **TATA STEEL - HMC DIVISION, payable at HALDIA**, Sale/Delivery orders shall be issued within seven days by TATA STEEL - HMC DIVISION, HALDIA after encashment of bidder's financial instrument.

6.5 All sales tax, terminal tax, excise duty and all other taxes, duties (imposts) whether payable to the central government or to the state government or to the municipal, local or other authorities shall be deposited by the bidder with **TATA STEEL - HMC DIVISION, payable at HALDIA**

A) Sales Tax:

Local sales tax shall be applicable to the sale made to the successful bidder who is carrying business in the state where the auctioned materials are kept and from where the materials will be delivered to the bidder. However, central sales tax will be applicable to the sales made to successful bidder whose place of business is located in the state other than the state in which the auctioned materials are kept

B) Undertaking:

For such outside parties who are participating in the auction in respect of materials lying in different states, it is explicitly made clear that they on successful bidding, will move auctioned materials to their respective place of business, i.e., outside the state in which materials are kept and the successful bidder/bidders will have to furnish CST declaration form 'C' in advance.

The bidder shall pay the sales tax at the higher rate (without any concession even if applicable) while making payment for the lot purchased by them in the auction. Any refund due to them under the law against such sales tax payment will only be refunded on the bidder's submitting the necessary declaration form/exemption certificate duly filled in. A copy of the registration certificate must be also furnished while claiming such refund.

Notwithstanding anything to the contrary contained in clauses. the company may at any time on the application of the bidder annul the forfeiture and permit the bidder to pay the purchase money with such additional amount and within such period and on such terms and conditions as **TATA STEEL - HMC DIVISION, HALDIA** may in his / her absolute discretion think fit.

6.6 The bidder shall not be entitled to re-sell any lot or part of a lot while the goods are still lying within the premises of **TATA STEEL - HMC DIVISION, HALDIA** and no delivery would be affected by **TATA STEEL - HMC DIVISION, HALDIA** to any person or persons other than the bidder whose name is mentioned in the delivery order.

6.7 The successful bidder of the lot before actually sorting and collecting purchased materials from inside the works should contact the company's marketing manager. the safety & accident prevention services to get themselves fully acquainted with safety rules and regulations. the bidder will be allowed to start lifting material only when they have confirmed in writing that they are agreeable to follow the various safety rules and plant regulations.

6.7 For any type of refund, the bidder has to put up an application to **TATA STEEL - HMC DIVISION, HALDIA** (copy to mj).giving full details. on receipt of application the payment will be made within 10 days from the time of sale and until removal the goods shall remain in the premises of tata steel - hmc division, haldia at the risk of the bidder.

6.8 In case the bidder requires any service of facility from **TATA STEEL - HMC DIVISION, HALDIA** for dismantling loading or removing the goods, **TATA STEEL - HMC DIVISION, HALDIA** may without being under any obligation to do so provide the same.

6.9 At the time of obtaining delivery of any goods, the bidder shall not be entitled to pick or choose any particular item or items from the lots. the bidder will have to operate the lot from one side of the heap until the entire quantity is lifted.

6.10 Any dispute arising out of any contract shall be decided in Kolkata by the courts in Kolkata and by no other courts. The courts in Kolkata shall have exclusive jurisdiction to adjudicate upon any such dispute.

6.11 The successful bidder is warned that any attempt to misuse gate pass, challan authorizing delivery or any such documents will open them to serious penalties or such other action as may be

open to **TATA STEEL - HMC DIVISION, HALDIA** the bidder should, therefore, ensure that important documents relating to sale are in the custody only of trust worth and responsible persons.

6.12 In case the successful bidder wants to avail the MODVAT he should furnish the following:

- A) Name & Address
- B) Address of Central Excise Range/Division and Collectorate
- C) Xerox Copy of Central Excise Registration
- D) Xerox Copy of Sales Tax Registration
- E) Permanent Income Tax or Gir Number

P.C. & MOEF: -

Please note that according to the notification file no.23.11/94 part iii dated 3.2.2000 issued by ministry of environment & forests, govt. of India, New Delhi, old & used ferrous/non-ferrous metal scrap, lead acid battery scrap, used oil can only be purchased by actual users enlisted with ministry of environment & forests (MOEF). However, concerns who are actual users can purchase the above items provided they submit the following documents:

- i) Valid license to process waste/scrap
- ii) Valid consents under air and water act
- iii) Valid authorization under hazardous waste rules
- iv) Environment friendly technology for processing scientific disposal facility approved by the state pollution control board/central pollution control board.

7. Procedure of Coal products Delivery

By Road:

7.1 TATA STEEL - HMC DIVISION, HALDIA shall issue Sale / Delivery Orders to the successful bidder in terms of Clause 6.4 after realization of payment. The Bidder has to submit the option before the issue of the Sale / Delivery Order for movement of the coal products "within state" or "outside state" and the Sale / Delivery Order would indicate the same accordingly. However, the challan issued by TATA STEEL - HMC DIVISION, HALDIA shall indicate the destination.

7.2 The validity period to complete lifting of coal products by road shall be two (02) months from the date of issue of Sale/Delivery Order. No extension of validity will be allowed in any case.

7.3 The successful bidder has to regularly lift the material on monthly basis as intimated by TATA STEEL LIMITED. The lifting would be reviewed on quarterly basis by TATA STEEL LIMITED and TATA STEEL LIMITED reserves the right to take necessary action in case of poor / non lifting by the bidder.

7.4 Bidders bidding for the goods sold shall be deemed to have taken into account and made due allowance for the cost of handling, loading or other expenses (including dismantling if permitted by **TATA STEEL - HMC DIVISION, HALDIA**) for purposes of removal of the goods. The authorized

representative must carry valid authority letter along with photocopy of identity card issued by Mjunction Services Limited. Party

7.5 The weight as recorded by HMC/assigned weighbridge at the loading end shall be final and binding for all commercial purposes.

8. Refund of EMD for Unsuccessful bidders:-

In case of unsuccessful bidders, EMD shall be refunded by Mjunction Services Limited after the auction is over, on the bidder's request. However, if no such request is received Mjunction Services Limited will retain the EMD for participation in e-Auction in future.

9. Forfeiture of EMD: -

The EMD submitted by the successful Bidder will be liable for forfeiture in the following cases: -

9.1 If after completion of e-Auction, a successful bidder fails to make payment for the coal products value including all other charges within the stipulated time, the proportionate EMD equivalent to the failed quantity shall be forfeited and/or,

9.2 If the successful bidder does not lift the booked quantity within the stipulated validity period, the proportionate Security Deposit @ **Rs. 200/-** per Tonne (as converted from the EMD amount) for the unlifted quantity would be forfeited.

Such forfeiture, however, would not take place if TATA STEEL - HMC DIVISION, HALDIA has failed to offer full or part of the successful bid quantity within the validity period. In such cases again, no forfeiture would take place if the balance quantity is less than a truck load/rake load.

9.3 If the Bidder cancels the order after booking, the EMD @ **Rs. 200/-** per tonne (as the case may be) shall be forfeited.

10. Refund of Coal by-products value:

The balance coal by-products value of the unlifted quantity after the expiry of the validity period for supply of coal by-products and completion of required commercial formalities shall be refunded subject to forfeiture of EMD if required, in terms of the forfeiture clause as above.

11. General Terms & Conditions:

11.1 All terms and conditions of Scheme are subject to force majeure conditions as applicable.

11.2 Bidders must always ensure to keep their email address valid. In any case bidder / Buyer cannot be absolved from fulfilling the responsibility of compliance of any of the terms and conditions herein including payment terms due to non-receipt of emails from Mjunction Services Limited.

11.3 Bidders must be extremely careful to avoid any error in bidding (whether typographical or otherwise) and they are fully responsible to check and rectify their bid before submitting their Bid into the live e-Auction floor by clicking the "Bid" button. During the auction if the incremental bid price is more than 50% of the immediate preceding bid price, then the system will seek a re-confirmation from the Bidder before the bid is registered.

11.4 There is no provision for bidding in decimals. The Bidder shall be solely responsible for all consequences arising out of the bid submitted by him (including any wrongful bidding by him) and no complaint /representation will be entertained by Mjunction Services Limited/ TATA STEEL - HMC DIVISION, HALDIA in this regard.

11.5 The decision of TATA STEEL - HMC DIVISION, HALDIA in matters related to this e-Auction shall be final and binding on the bidders / Buyers.

11.6 Quantity/Specification mentioned in notice is only indicative and may undergo a change.

11.7 Any joint/ third party sampling facility is not permitted and refusal on account of non-suitability and /or sub-standard quality for the allotted quantity of coal / coal products shall not be acceptable.

11.8 TATA STEEL - HMC DIVISION, HALDIA / Mjunction Services Limited reserve the right to cancel the sale of coal products under this e-Auction from any source / location in part or whole at any stage at its sole discretion without assigning any reason thereof and no party shall have any right whatsoever to raise any claim in that regard on that count.

11.9 TATA STEEL - HMC DIVISION, HALDIA reserves their rights to amend/modify and revise the terms and conditions contained herein in full or in part at any point of time and no party shall have any right whatsoever to raise any claim in that regard on that count.

11.10 Tata steel is not responsible for loading the material or placement of truck, Successful bidder should arrange the same on his own cost .

Note: Party has to abide by all the following safety rules and legal aspects applicable in the company before bidding:

a) Labours ,drivers and supervisors engaged must fulfill:

1. Individuals medical fitness
2. PF/ESI coverage of the personnel engaged in the job
- 3.Usage of relevant Personal Protection Equipment (PPE)for the job

b) Vehicles used for loading and transporting will be checked by our security at plant entry gate before allowing inside to ensure that :

Seat belts, lights,blinkers with horns, side mirrors ,hand brakes ,driving licence & legal documents like road tax ,registration pollution control certificates etc are available in good condition.