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CEMENT CORPORATION OF INDIA LIMITED

(A GOVT. OF INDIA ENTERPRISE)

ZONAL OFFICE: 4TH FLOOR

ROOM NO 437 & 438 CHANDRALOK COMPLEX

S.D. ROAD SECUNDERABAD

REF: CCI/HYZO/MKTG/Fixed-Price/2010-11/ Dt. 16.08.2010

NIT

Offers in Sealed cover are invited from potential stockists / dealers, actual users & direct consumers of cement located in Maharashtra, Karnataka and Andhra Pradesh for sale of cement in bulk quantity of around 10000 MT per month of 53/43 Grade OPC cement on fixed price from our factory located at Tandur (A.P), for a period of 12 months w.e.f. September 2010. Details of tender containing terms and conditions such as Security Deposit, Penalty, Prices, Payment Terms etc. can be collected from this office on payment of Rs.500/- (Non refundable) by way of Demand Draft / Cash favouring Cement Corporation of India Ltd., payable at Hyderabad as tender document fees on any working day during working hours and till 2.00 P.M 10.09.2010. The same can also be downloaded from our website, however cost of tender has to be deposited along with document at the time of submission of tender.

The tenders are required to be submitted in two parts one containing Techno Commercial Bid along with EMD of Rs.2,00,000.00 by way of Demand Draft in favour of Cement Corporation of India Ltd. Hyderabad and other containing price bid only. Techno Commercial bid required to be submitted by 3.00 P.M. on 10.09.2010 and will be opened on same day at 3.30 P.M. in presence of tenderers who may like to participate. For Details / Special Terms & Conditions you may visit our Web Site http://www.cementcorporation.co.in.

ZONAL MANAGER

CEMENT CORPORATION OF INDIA LIMITED ZONAL OFFICE: HYDERABAD

<u>SPECIAL TERMS AND CONDITIONS FOR SUPPLY OF CEMENT TO CCI STOCKISTS /</u> DEALRS / ACTUAL USERS / DIRECT CONSUMERS ON FIXED PRICE BASIS

- 1. Cement shall be supplied to individual tenderers through open tender on monthly basis for 10000MT for a period 12 months i.e. 1,20,000 MT in a year.
- 2. E.M.D: EMD of Rs.2.00 lacks in the form of DD in favour of CCI payable at Hyderabad or BG at any Nationalized Bank will have to be submitted along with the tender paper. The EMD of successful Bidder would be adjusted against the Security Deposit.
- 3. SECURITY DEPOSIT: Security deposit of Rs.48,00,000/- (Rupees Forty Eight Lakhs only) will have to be deposited in the form of Demand Draft in favour of CCI payable at Hyderabad or BG of any Nationalized Bank within 15 days from the date of placement of order. Security deposit shall not carry any interest and Corporation reserves the right to adjust the security deposit against any dues from the party. Security deposit will be refunded to the party after one month of successful completion of contracted quantity.
- 4. QUANTITY BOOKED: Quantity booked for the contract period shall be binding on the party for lifting on monthly basis regularly during validity of the contract.
- 5. PRICE: This will be Fixed Price Contract for a period of twelve months starting from the date of placement of contract / order.
- 6. PAYMENT TERMS: Cement shall be supplied on receipt of advance payment. Alternatively cement shall be supplied on submission of Bank Guarantee from a Nationalized Bank with a value of one month quantity i.e. 10000MT against a credit of 20 days for each lot. The B.G would be a revolving BG, which would be valid for 12 months with a claim period for further 2 months.
- 7. Bank Guarantee of party is only to be acceptable. No Bank Guarantee of other parties shall be acceptable.
- 8. QUANTITY TO BE LIFTED: There would be a plus or minus variation clause for the quantum to be lifted in a month against the contractual quantity of 10000 MT per month i.e. minimum 8000 MT and maximum 12000 MT per month. However, the total quantity in a quarter must be lifted to the tune of 30000 MT, failing which penalty as per clause 10 would be applicable.
- 9. The party shall make arrangements to lift cement at their own. However, on specific request of party cement shall be transported by rail on rake load basis, subject to availability of wagons by Railways and freight for such quantity would have to be paid in advance on actual basis. The party shall be responsible for taking delivery at unloading point and CCI would not be responsible for demurrage /wharf age if any.

- 10.PENALTY: Penalty @ Rs.40/- per MT shall be levied for the un-lifted quantity in the particular quarter against the committed quantity.
- 11. No revision on any account whatsoever it may be, in terms and conditions of the contract will be possible during the validity of the contract.
- 12. The party shall have to give tentative break-up of supplies to be made destination wise, at the time of submission of tender documents.
- 13. The rate should be quoted for lifting of cement on Ex-Tandur basis, inclusive of Excise duty, but exclusive of Sales tax. It may be noted here that, as per Excise rule whenever MRP is restricted to Rs.190/- per bag, the E.D would be charged at the rate of Rs.14.50 per bag. In case of MRP is more than Rs.190/- per bag, the excise duty would be charged @ 10.3% i.e. ED 10% of the rate of bag, 2% Education cess on ED & 1% higher education cess on ED. Therefore, Ex-Factory rate may be quoted, taking into account ED at Rs.14.50 per bag. However, enhance ED may have to be paid, depending upon the MRP price of bag, the difference in excise shall have to be paid by party i.e. difference of Rs.14.50 per bag or Rs.290/- per MT & 10.3% of MRP.
- 14. Any statutory increase in ED, Sales Tax, Railway freight, cess etc., shall be borne by party.
- 15. Since this is a fixed time contract with fixed price, No quantity/cash discount would be allowed.
- 16.Successful bidder shall not supply cement to such places where CCI is already having ready market/Dumps i.e. Mumbai, Pune, Bhigwan, Solapur, Raichur, Hubli, Gulbarga, Bijapur, Goa, Latur and nearby markets of Tandur etc.
- 17.CCI at its own discretion shall accept or reject any offer either in full or part thereof without assigning any reason.

18.DISPUTES UNDER THIS CONTRACT AND ARBITRATION:

In the event of any quotation / dispute breach of or difference arising in respect of the meaning and scope of terms and conditions herein or in connection with any matter under this agreement (except for those matter which are to be decided as per provisions made in these terms & conditions) the same shall be referred to the Sole Arbitration by an Officer of CCI Ltd, New Delhi appointed by its C&MD. There will be no objection if the Arbitrator is an employee of on all or; any of matters in dispute or difference. In case the employee of the Corporation who has been so appointed as an Arbitrator cases to be in the employment of the Corporation because of his superaanuation or otherwise in any manner, shall no longer remain as an Arbitrator from that day and C&MD of the Corporation shall appoint another employee of the Corporation as Sole Arbitrator in his place who shall proceed in the matters from the stage where the previous arbitrator had left the proceedings. Except where the award is an arbitral award on agreed terms under section 30 of the Arbitration and Conciliation Act, 1996 the Arbitrator shall give award with reasons in respect of each claim dispute or difference referred to him. The award of the arbitrator shall be final and okay and binding on the parties to this contract and persons claming under them respectively.

Subject to aforesaid the Arbitration & Conciliation Act, 1996 and rules made there under any statutory modifications thereof for the time being in force shall apply to the arbitration proceedings under this clause.

The work under the contract shall be continued uninterrupted during the pendency of arbitration proceedings and no payment due from one to the other parties therein shall be withheld on account of pendency of such proceedings unless such payment related to the matter under arbitration.

The venue of the arbitration shall be New Delhi or such other place as the arbitral tribunal at his discretion may determine.