



Core-1, SCOPE Complex, Institutional Area, Lodhi Road, New Delhi-110 003 INDIA
Phone : 011 2436 2200 Fax : 0091 11 2436 4106 Website : www.mmtclimited.gov.in

No. MMTC/MIN/IOS/05/2015
20.08.2015

Date :

Sub: INVITATION FOR EXPRESSION OF INTEREST (EOI) FOR EMPANELMENT OF OVERSEAS BUYERS FOR IRON ORE FINES OF GOA ORIGIN.

Dear Sirs,

MMTC Limited, a Public Sector Enterprise functioning under the aegis of the Ministry of Commerce, Govt. of India has recorded a turnover of over US\$ 4 billion during 2013-14. It is engaged in the field of International trading of Minerals, Agro Products, Precious Metals, Non-ferrous Metals, Coal & Hydrocarbons, 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: www.mmtclimited.gov.in.

2. MMTC invites EOIs from overseas buyers/traders/consumers who wish to be empanelled for export of low grade (<57% Fe) Iron Ore fines of Goa (India) origin from MMTC on FOB basis. Interested parties are requested to submit their EOIs as per details contained herein. Last date of submission of completed EOIs is at 14:00 hrs IST on 10.09.2015.

I. Eligibility Criteria:

- (a) The applicant should have a minimum net worth of USD 10 million on the closing date of the last completed financial year.
- (b) Average annual turnover of the company / firm during the last three completed financial years should be minimum USD 100 million.
- (c) Latest positive Bank reference report.

II. Documents required :

- i) Profile of the buyer company, i.e. public limited / private limited / partnership / proprietary concern with details of contact persons, Phone Nos., Fax No., e-mail ID, complete address of the company, names of bankers and audited financial statements for the last three completed years.
- ii) A latest positive Bank reference report, in original (not older than six months from the date of application).
- iii) Documents showing buyer company's Registration Certificate with Tax authorities, Export/Import Code, etc. in the respective country.
- iv) Mandatory information as per Annexure-III.

III. *Documents desirable* :

- i) Satisfactory or equivalent Credit rating issued within six months prior to the date of this Notice from any one of the following International Credit Rating Agencies:
 - a) DUN & BRADSTREET
 - b) MOODY's
 - c) STANDARD AND POOR.
- ii) Consent letter for opening L/C from first class international bank for 100% value of the cargo. The L/C should provide for TT reimbursement of invoice value within two working days after receipt of claim from negotiating or confirming bank.

3. Tender enquiries will be sent by MMTC by e-mail / fax to the empanelled buyers who would be required to respond within the stipulated time.

4. MMTC shall circulate inquiry amongst the empanelled buyers for quoting their best price as soon as a shippable lot is organized. Expected lot size would be around 60,000 MTs. The empanelled buyer who submits the highest bid will be selected as successful bidder (other terms of sale being met). At the time of submitting bid, the bidder shall submit an EMD as prescribed by MMTC. The value the EMD will be upto 1% of shipment value and the same would be derived on the basis of prevailing Iron ore prices of the grade for which the bids would be invited. Bid(s) received without EMD would be rejected outrightly. While EMDs of unsuccessful bidder would be returned within one week from the date of opening of price bids, the EMD of successful bidder would be returned immediately on receipt of prescribed Performance Guarantee.

5. Acceptance of the offer made by the successful bidder will be conveyed. MMTC shall forward sale contract alongwith Integrity Pact to the buyer confirming sale and detailing terms of shipment. Within two working days of receipt of the sale contract, the buyer shall return such contract alongwith Integrity Pact, duly signed/stamped. In case buyer fails to return the said contract/documents within stipulated period, sale of material to such buyer shall be cancelled and MMTC shall take action as deemed fit.

6. Within 10 days of receipt of above sale contract, the overseas buyer shall submit following the documents :-

- (i) Performance Guarantee (PG) bond in the form of bank guarantee for 2% value of the cargo (with positive 10% tolerance) as per format prescribed by MMTC (Annexure-I). Such PG Bond shall be initially valid for a period of six months or till the completion of the performance of the sale contract ;
- (ii) Open an irrevocable, without recourse to drawer L/C from first class International bank for 100% value of the cargo after signing of the contract. The L/C shall provide TT reimbursement of provisional invoice value to the extent of 98 % based on loadport results within two working days after receipt of claim from negotiating or confirming bank. The L/C should also contain a clause providing for negotiation and acceptance of documents even with spelling mistakes, grammatical mistakes and / or technical discrepancies / errors for payment. Balance 2% value to be derived based on the Discharge Port / CIQ results to be released on receipt of final invoice from the seller.

7. If for any reason, the empanelled buyer fails to send the signed contract or fails to open the PG Bond or L/C of appropriate value, MMTC reserves the right to de-panel such overseas buyer and de-bar them from future business transaction with it.
8. MMTC's wholly owned Singapore based subsidiary (MTPL) will be exempted from submission of Bank Guarantee and also opening of L/C. However, this exemption is subject to their obtaining similar arrangements from their buyers on back to back basis.
9. Overseas buyers or their authorized representatives at their own cost are allowed to be present at the time of opening of EOI/price bids.
10. The overseas buyers shall submit their EOI alongwith supporting documents required for empanelment, complete in all respects, in sealed cover to MMTC at the following address so as to reach latest by 14:00 Hrs of 10.09.2015. Scanned copies of the documents can be mailed in advance at the e-mail ID given below. The interested overseas buyers may superscribe the name of the company, contact person, phone, fax, e-mail address, EOI number and closing date.

Ms. Anju Gupta,
General Manager (Minerals),
MMTC Limited,
Core-1, SCOPE Complex,
7, Institutional Area, Lodhi Road,
New Delhi 110 003 India.

Phone : 0091 11 2438 1396
FAX No. 0091 11 2436 4106
E-mail : anjug@mmtclimited.com

Anju Gupta
General Manager (Minerals)

ANNEXURES : I, II & III

The PBG issuing bank must have a net worth of at least INR 5,000 million and Capital Adequacy Ratio of at least 9%.

PROFORMA FOR PERFORMANCE BANK GUARANTEE (PBG)

(On a stamp paper of applicable amount to be executed by a New Delhi Branch of a Scheduled Bank other than Gramin Bank, Cooperative Banks, Dhanlakshmi Bank, Nainital Bank, etc.

Validity : 3 months from the date of agreement.

Date : _____

To,

The General Manager (Minerals)
MMTC Limited
Core-1, SCOPE Complex, Lodi Road
New Delhi 110 003 India

Sub : MMTC's offer for sale of Iron ore of Goa origin.

Dear Sir,

1. WHEREAS, MMTC Limited, Core-1, SCOPE Complex, Institutional Area, Lodhi Road, New Delhi 110 003, INDIA (hereinafter called 'MMTC') has entered into Contract No. _____ dated _____ (hereinafter called 'CONTRACT') for purchase of a quantity of _____ (+/-10%) MTs Iron Ore Fines / lumps with M/s. _____ (name), _____ address, (hereinafter called the 'XX').
2. AND WHEREAS '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 _____.
3. AND WHEREAS at the request of the 'XX', we _____ Bank, _____ (address), hereby irrevocably and unconditionally guarantee and undertake to payment to MMTC, immediately on demand upto and not exceeding the sum of US \$ _____ (US Dollars _____ only) 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 MMTC not exceeding the sum of US\$ _____ 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 there to pending before any court or tribunal our liability under these presents being absolute and unequivocal. The payment shall be made to MMTC across the counter of the Bank on the same day of receipt of invocation of this PBG.

- 5. NOTWITHSTANDING anything to the contrary contained hereinabove, liability under this Guarantee is restricted to US Dollars_____. This Guarantee shall remain in force until
- 6. All rights of MMTC under this Guarantee shall be forfeited and this Bank shall be relieved and discharged from all liabilities thereunder unless a claim under this Guarantee is made on this Bank in writing on or before
- 7. Letter of Demand of MMTC 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.
- 9. This Bank further agrees 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.
- 11. We, _____ (Bank) lastly undertake not to revoke this Guarantee during its currency except with the previous consent of MMTC in writing.
- 12. This Guarantee shall not be discharged due to change in the constitution of the Bank or the said 'XX'.

We have the power to issue this Guarantee in favour of MMTC under the Charter of this 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 _____ 2015.

Yours faithfully,
for and on behalf of (Bank)

Address : _____

Bank Seal : _____

(On Company's Letterhead)

Date : _____

To,

The General Manager (Minerals)
MMTC Limited
Core-1, SCOPE Complex, Lodi Road
New Delhi 110 003 India

Sub: Consent Letter in connection with MMTC's sale of Iron ore of Goa origin.

Dear Sir,

We hereby agree and undertake that we shall open an irrevocable, without recourse to drawer, Letter of Credit (L/C) from first class International bank for 100% value of the cargo after signing of contract. The L/C will provide for TT reimbursement of invoice value within 2 (two) working days after receipt of claim from negotiating or confirming bank. The L/C will also contain a clause providing for negotiation and acceptance of documents even with spelling mistakes, grammatical mistakes and/or technical discrepancies/errors for payment.

Thanking you,

Yours faithfully,
for _____

(Authorized Signatory)

Mandatory information to be submitted alongwith EOI

Company Details :

Company Name :	
Registration No. :	
PAN No. / TAN No. :	
Registered Address :	
Names of Partners / Directors :	
Bidder Type :	Indian / Foreign
City :	
Postal Code :	
Company' establishment year :	
Company's Nature of Business :	
Company's Legal Status :	
Company Category :	

Company's Contact Person's Details :

Contact Name :	
Date of Birth :	
Correspondence e-mail ID :	
Designation :	
Phone No. :	
Mobile No. :	

Signature of bidder : _____

Name : _____

Designation : _____

Date : _____