



**Corporate Office:
Core-1, Scope Complex, Lodhi Road,
New Delhi-110003**

INVITES

EXPRESSION OF INTEREST

For Empanelment of prospective overseas suppliers of imported Raw Silk of Grade 3A, conforming to ISA (International Silk Association) specifications for MMTC / associate buyers.

Website: www.mmtclimited.com

Expression of Interest

No. MMTC/CO/GT/NHDC/2010-11/RS/EMP

Date: 11.02.2011

For Empanelment of prospective overseas suppliers of imported Raw Silk of Grade 3A, conforming to ISA (International Silk Association) specifications for MMTC / associate buyers.

1. GENERAL

MMTC Limited, a Govt. of India Enterprise, having their Corporate Office at Core-1, Scope Complex, Lodhi Road, New Delhi-110 003 (hereinafter called 'MMTC'). MMTC Limited was set up in 1963 under the Ministry of Commerce, Government of India. The company is engaged in international and domestic trading of commodities/products. The commodities/products handled by the company are minerals, metals, precious metals, fertilizer & fertilizer raw materials, coal & hydrocarbon, agro commodities and general trading. MMTC's turnover during 2009-2010 was approximate US \$ 10 billion (INR 45,000/-crores). It has been a consistently profit-making company and has regularly paid dividend.

MMTC has a strong nation-wide presence with 76 offices covering all the major consumption centers and port towns in India with deployment of over 2000 highly skilled and experienced manpower across the country. With the 'state of the art' wide area network providing on-line information exchange throughout the country through ERP, the company has capability to pro-actively source items surplus to domestic demand for exports from India and also to coordinate the demand of domestic users for import. It has its own warehouses, storage facilities, and handling and transportation network and quality control mechanism in place to provide quick and quality services to its clientele.

The company handles about 15 million tonnes of cargo annually and is the largest single user of the railways and port facilities for international trading operations in India.

MMTC intends to empanel prospective overseas suppliers resourceful of supplying imported Raw Silk grade 3A conforming to International Standards for supply to NHDC in India for a period of one year. **A quantity of approximately 2500 MT of Raw Silk has to be supplied over the period of time in the year. However the suppliers can specify their supply quantity for the year including the origin.**

The quantity indicated is tentative and will not bind MMTC for any obligation and financial liability for non-import of tentative quantity. The supplies shall only be effected against the specific request(s) from NHDC, National Handloom Development Corporation, Lucknow, (Associate Buyer) India for their requirement of Imported raw silk.

MMTC Limited hereby invites Expression of Interest (EOI) from prospective applicants who fulfill the eligibility criteria mentioned below.

2. ELIGIBILITY CRITERIA OF APPLICANTS

The Suppliers meeting all the following conditions need only apply:

- A. The applicant should be a reputed overseas company dealing with raw silk having a valid export permit in its own name. A copy of same (In English) be submitted with the application. In case of a Chinese company the same must be attested by Indian Embassy, Beijing or Consulates in China.
- B. The name of Applicant Company MUST NOT appear in the list of companies indicated at **Annexure 3**.
- C. Proof of existence of Company to be submitted (In English) with the application. In case of a Chinese company (company registration document) must be duly certified by Chinese Ministry of Foreign Affairs and Embassy of India / Indian Consulates in China.
- D. The applicant should have successfully executed cumulative export orders for at least 50 MT of raw silk during the last three years period put together. The details of Experience shall be furnished in the attached format (**Appendix-II**).
- E. The applicant's company must have satisfactory rating from any one of the international accreditation agencies such as Dun and Bradstreet (D&B), ICRA, CRISIL, CARE, Price Water House, Earnest and Young not earlier than 31.03.2009. In case of a Chinese company a certificate copy (In English) attested by Indian Embassy, Beijing or Consulates in China must be submitted that the certifying agency is registered / recognized with Indian Embassy, Beijing to provide credit certification services in China.
- F. The Applicant shall have to submit a non-refundable (one time) empanelment fee of US \$ 500/- (US \$ Five hundred only) by way of Telegraphic transfer in favour of 'MMTC Ltd' payable at New Delhi (INDIA) or by SWIFT as per details below:-

Account Name : MMTC Ltd
Name of Bank: State Bank of India,
CAG Branch,
New Delhi,
India.
Account No.: 10813608375
SWIFT Code: SBININBB172

Proof of such telegraphic transfer must be attached with application failing which the application is liable for rejection.

- G. In case the supplier company wishes to be represented by an individual / company /firm in India then a letter of authorization (In English) from the principal to represent and / or to sign the EOI and other documents on behalf of the principal and to participate in the tender from time to time be submitted with the application.
- H. Applicant is required to submit the details in format as attached at '**Appendix I**'.
- I. A certificate (In English) from the applicant be submitted with the application that the information provided is **TRUE** and the supplier has not been involved in any fraudulent / unethical activities in the past.

3. INSTRUCTIONS TO APPLICANTS

Checklist of documents/information to be submitted with the application

The interested applicant should submit the following information /documents as per the format(s) attached and ensure that all correspondences / communications / documents are in English or translated English version along with their detailed proposal in a sealed envelope with each page stamped and initialed.

- (a) Company Profile
- (b) Appendixes I, II & III
- (c) Audited balance sheet of last two years.
- (d) Signed copy of the EOI document
- (e) Other documents as mentioned at Sl no 2 above

All the details as required in this EOI would need to be provided on or before the deadline for submission of EOI, failing which the EOI would be summarily rejected.

4. DEADLINE FOR SUBMISSION OF EXPRESSION OF INTEREST

The deadline for submission of the Expression of Interest is 1200 hours IST on 14.03.2011

5. PLACE FOR SUBMISSION OF EXPRESSION OF INTEREST & METHOD OF DELIVERY

The Expression of Interest should be in sealed envelop with superscription "Submission of Bid for EOI for Raw Silk Supplier" and "Tender No: No. MMTC/CO/GT/NHDC/2010-11/RS/EMP", addressed to Deputy General Manager (A.G), MMTC Limited, 7TH Floor Core-1, Scope Complex, Lodhi Road, New Delhi- 110 003, India should be sent by Courier / Registered Post / Speed Post or the same can be dropped in the tender box kept at third floor of the General Trade Division. MMTC will **NOT** accept facsimile, Internet or email responses.

6. LATE RECEIVED EXPRESSION OF INTEREST

Any EOI will be deemed to be late if it is received after the expiry of deadline.

7. REQUEST FOR STATUS UPDATE ON EVALUATION PROCESS

MMTC will not accept or respond to Proponents' requests for information on the status and progress of the EOI evaluation process. **Additional information/amendments, if any, regarding the EOI process may be posted on MMTC's website www.mmtclimited.com from time to time.**

8. OWNERSHIP OF EOI DOCUMENTS AND INFORMATION THEREIN

All Expression of Interest documents will become the property of MMTC upon submission. Where the Proponent believes that information provided in response to this EOI is, or should be kept confidential, or disclosure of this information would unreasonably affect the Proponent's business affairs, notice is to be given at the time of delivery of the information

or documents by clearly marking such information 'confidential'. In so far as is practicable, MMTC will give effect to the Proponent's stated wishes, and requests for access to such information will be determined under the RTI Act.

9. NO CONTRACTUAL OBLIGATION

MMTC is not bound contractually or in any other way to any Proponent to this Expression of Interest. MMTC is not liable for any costs of compensation in relation to the consideration of this Expression of Interest or any Expression of Interest by the Proponents to this Expression of Interest whether or not MMTC terminates, varies, or suspends the Expression of Interest process or takes any other action permitted under this Expression of Interest, including consideration of concepts proposed in future developments.

10 SHORTLISTING OF APPLICANTS AND TERMS FOR REFERENCE

- a) MMTC shall be finalizing a panel of short listed suppliers which shall be valid for a period of **one year** from the date of empanelment, extendable by mutual consent. The date of invitation of limited tender for purchase shall be used to ascertain the validity of empanelment of one year.

However MMTC reserve the right to cancel the empanelment on any of the following grounds:

- i) On account of non-adherence to any of the terms & conditions of the purchase order including general and special terms & conditions;
 - ii) Supplier fails to deliver the goods in time and / or to replace the rejected goods promptly.
 - iii) Supplier becomes bankrupt or goes into liquidation.
 - iv) Supplier provides wrong information or found to be involved in unethical /fraudulent practices or activities.
- b) MMTC shall be inviting E-tenders from time to time from the empanelled suppliers to supply the raw silk of required grade and quantity.
- c) The empanelled supplier shall be required to register electronically under the E-tendering system on the portal of MMTC and acquire digital signature to enable themselves to submit the bids electronically from time to time.
- d) Tendered quantity & other relevant details will be communicated to the empanelled suppliers electronically, who will be required to submit the bids through E-tendering mode within 5 working days.
- e) The rates so quoted shall remain valid for a period of next 5 working days (Saturdays & Sundays to be excluded) during this period, the bids will be evaluated and the successful bidder shall be communicated electronically.
- f) MMTC shall enter into an agreement indicating the price and other relevant clauses, for the transaction and establish the letter of credit on the overseas supplier through the nominated foreign bank. The cargo shall be dispatched from the load port only on specific written approval of shipment schedule by MMTC.

- g) The supplier shall ensure availability of more than Fifteen days free time for discharge of cargo (in containers) at “DESIGNATED SEAPORT OF DISCHARGE. SUPPLIER SHALL ENSURE THAT THE ORIGINAL BILL OF LADING AND OTHER DOCUMENTS FOR CUSTOMS CLEARANCE ARE FORWARDED TO MMTC WITHIN 3 WORKING DAYS BY FAX & EMAIL(SCANNED) ”
- h) The dispatch/ demurrage (if any) at the discharge port for the vessel shall be settled by MMTC/ Associate buyer NHDC.
- i) MMTC will engage an internationally reputed agency for carrying out quality & quantity inspection at load port. The inspection so conducted by the nominated inspection agency at load port shall be binding on all the parties. The cost of inspection shall be borne by MMTC.
- j) MMTC / NHDC at its discretion may depute representative(s) at its own cost to witness the pre-shipment inspection to be carried out at load port. However, the same may not absolve the supplier from his responsibilities of supplying the quality material.
- k) The supplier shall be required to adhere to the schedule of delivery and other terms and conditions agreed to by both the parties. In case of non-adherence to the agreed schedule of delivery due to unforeseen reasons or force majeure, the supplier shall notify NHDC & MMTC well in advance of such delay so that remedial measures can be taken in time.
- l) NHDC at its own cost shall engage a surveyor at the discharge port to check the quality/ quantity of the cargo and in the event of any variance in quality/quantity the same shall have to be suitably attended and made good to by the Supplier.
- m) The rates quoted in subsequent limited tenders shall be in US\$ per Kg, C&F at Chennai and Kolkata ports in India.
- n) Bidder shall quote for minimum one container load i.e. Approx 9 M.T and thereafter in multiple thereof.
- o) All the transactions shall be carried through irrevocable Letter of Credit (LC) and no advance payment request will be entertained.
- p) As per prevalent practice, the billing in case of raw silk is made at conditioned weight with moisture 11% regain (International Standard Regain), irrespective of actual moisture content in the package. Payment will be made based on the internationally accepted conditioned weight
- q) MMTC will deal directly with the exporter. Thus, no commission on any account will be paid by MMTC.
- r) The General conditions of the contract to be followed by the successful supplier subsequent to acceptance of his offer are enclosed at Annexure- 1.
- s) In case there are two bidders quoting the same rate as L1 then preference will be

given to the bidder quoting early deliveries.

- t) In case of L1 bidding for a quantity less than the lot size for which the bid is invited than L2... L3..... L4 bidders then other bidders may be asked to match the price of L1, till the total requirement of the tender is met.

11. DISCLAIMER

The issue of this document does not in any way commit or otherwise obliges MMTC to proceed with all or any part of a tender process.

The EOI Request is not the subject of any process contract or any contractual obligations between MMTC and Proponents or potential Proponents.

MMTC may, at its absolute discretion, elect to abandon any part or whole of the process without giving prior notice to the Proponents or potential Proponents.

EXPRESSION OF INTEREST (EOI) PROPOSAL

APPENDIX– I

1.	Name of the Company			
1a	Brief description/ background of the company. Note : Please refer eligibility criteria.			
2.	Address and contact details of Office:-			
2a	Head Office Address & Website			
	Name, designation and contact details of Contact person:	Name/ Designation: Telephone: Mobile: Fax: E-mail:		
2b	Branch/ Sub office in India/ Authorised agent in India, if any. Address (s):		
	Name, designation and contact details of Contact person:	Name/ Designation: Telephone: Mobile: Fax: E-mail:		
3	Status of the Company	Fully Government Public Sector Private JV	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	
4	Type of Company	Raw Silk Producer- Exporter Merchant Exporter		
5.	Total Turnover of company for the last 3 years under following sub heads:	(In US \$)		
	(i.) Raw silk – Grade 3A & above	<u>2009-10</u>	<u>2008-09</u>	<u>2007-08</u>
	(ii.) Others
	(iii.) Total
6.	Export licence No. and date..... Note : Please refer eligibility criteria			
7	Rating from international accreditation agency as mentioned at clause 2-E of the eligibility criteria. Indicating Report no. and date.			
8.	Self Declaration : It is solemnly declared that the information submitted in the document of 'Expression of Interest' for empanelment as a supplier of raw silk is TRUE and CORRECT to the best of our knowledge and belief. Further, it is declared that our company/firm has not been found to be engaging in fraudulent / unethical practices or activities in the past.			

Name & Designation
 (Authorised Signatory)
 Company Seal and Date

SCHEDULE OF EXPERIENCE
(To be submitted along with the EOI)

This is to certified that M/s has exported the following quantity and value of raw silk during the last three years:-

Year	Quantity (MT)	Grade of raw Silk	Value (Million US \$)	Remarks
2007-08				
2008-09				
2009-10				
Total				

Export experience in Indian Market:-

Year	Quantity (MT)	Grade of raw Silk	Value (Million US \$)	Indian importer's name	Remarks
2007-08					
2008-09					
2009-10					
Total					

Name & Designation
(Authorised Signatory)
Company Seal and Date

Chartered Accountant/
Certified Auditors
Registration No.....

Name & Designation
(Authorised Signatory)
Company Seal and Date

Note: The content of the certificate must not be changed. Clarification, if any, is to be provided separately.

SCHEDULE OF DEVIATIONS

All deviations shall be filled in by the EOI applicant and submitted along with EOI.

Sl. No.	Clause No./ Page No	Details of Deviations

The Applicant hereby certifies that the above mentioned are the ONLY deviations. The Applicant further confirms that in the event any other data and information presented in the EOI's proposal and accompanying documents are at variance with the specific requirements in the Purchaser's Conditions & Contract, then the latter shall govern and will be binding on the EOI for the quoted price.

Authorized Signatory

Company Seal and Date

ANNEXURE-1

(A) GENERAL CONDITIONS OF CONTRACT

1.0 Scope of order:

- 1.1 The scope of order/ contract shall be as defined/ indicated in the contract, which includes the specifications, general conditions, of contract and other schedules appended with the EOI
- 1.2 All material being supplied under the order/ contract shall conform to and comply with the relevant specifications and necessary certificate to this effect shall be furnished.

2.0 Order of Acceptance:

- 2.1 **Within 5 days** from the date of mailing of the order electronically, the supplier should acknowledge the order and convey acceptance electronically to the terms and conditions in its entirety. Subsequent to the acceptance of order by the supplier, MMTC shall be entering into a formal contract as per format attached at **Annexure-4**.
- 2.2 MMTC/NHDC shall not be bound by any printed conditions, provisions, in the EOI, form of acknowledgment or order, invoice, packing list and other documents which purport to improve any conditions at variance or supplement to the order/ contract.

3.0 Rejection/ Cancellation:

- 3.1 The overseas supplier should furnish an indemnity bond duly notarized indemnifying MMTC/ NHDC (associate buyer) against any losses that may be incurred by NHDC on account of supplied material not conforming to the order specification / any other discrepancies.
- 3.2 In the event that NHDC(associate buyer of MMTC) finds the goods supplied are not in conformity with the specifications and other conditions mentioned in the order or are received in damaged conditions, NHDC shall be entitled to reject the whole lot or the part as deemed fit and intimate the overseas supplier the rejection without prejudice to NHDC's other rights and remedies to recover from the supplier any/ all loss which NHDC may be put to.
- 3.3 **The test results of third party inspection agency appointed by MMTC at Load Port shall be considered final and shall prevail for all purposes including payment, in case of any discrepancy.**
- 3.4 The purchaser reserves the right to cancel the purchase order or any part thereof and shall be entitled to rescind the contract in whole or in part by a written notice to the supplier if:-
 - 1. The Supplier doesn't adhere to any of the terms & conditions of the purchase order including general and special terms & conditions;

2. Supplier fails to deliver the goods in time and / or to replace the rejected goods promptly.
3. Supplier becomes bankrupt or goes into liquidation.
4. Supplier provides wrong information or found to be involved in unethical /fraudulent practices or activities.

3.5 Purchaser also reserves the right to short close the order if the supply is unduly delayed and or material supplied is not meeting the specifications or change in supply schedule. **Extension of delivery date must be sought by the supplier for effecting shipment beyond the stipulated delivery date.**

4.0 Liquidated Damages/ Delays:

4.1 Quality, Time and date of delivery shall be the essence of the contract. Hence, if the supplier fails to deliver the goods, NHDC may without prejudice to any other right or remedy available to it reserves its right to recover damages for breach of contract as agreed, pre-estimated genuine liquidated damages and not by way of **penalty, a sum equivalent to 0.5% of the contract/ order value of the whole unit per week for such delay** or part thereof which the supplier has failed to deliver within the period fixed for delivery/ completion in the contract / order, however, subject to a ceiling of **5% of the contract/ order value.**

4.2 Liquidated damages will be calculated on the basis of contract/ order price of the goods but excluding duties and taxes.

5.0 Inspection/ testing of the material:

5.1 MMTC (at its cost) shall appoint a **third party inspection agency at the load port** to carry out the Pre-Shipment inspection of the cargo.

The brief scope of the inspection agency(s) shall include the following:-

- (a) Carrying out quality, quantity & packing checks
- (b) Proper cleaning & sealing of containers
- (c) Action required for carrying out Fumigation (if required)
- (d) All tests necessary to ascertain the technical specifications of raw silk as mentioned in **Annexure - 2.**

The format in which the **inspection report** is to be submitted by MMTC appointed inspection agency is attached at **Annexure- 2 (A) & 2 (B)**

The agency appointed by MMTC shall be carrying out pre-shipment tests on each cargo being shipped, in addition to the mandatory pre-shipment inspection as may be required in the country of export.

MMTC/NHDC at its discretion and cost can also appoint/ depute their representative to oversee the pre-shipment inspection activities at the load port, for

which the supplier shall render all help.

6.0 Sub-letting and assignment:

- 6.1 The supplier shall not without the prior consent in writing of MMTC sublet, transfer or assign the contract or any part thereof or interest therein or benefit or advantage thereof in any manner whatsoever to any person, firm or Corporation, provided nevertheless that any such consent shall not relieve the supplier from any obligation, duty or responsibility under the contract.

7.0 Packing and Marking:

- 7.1 The supplier shall ship the materials in sea worthy packing, as indicated in the order/ contract, conforming to the international norms of packing for raw silk, ensuring the safety of the cargo en-route and also during arrival of the materials at the ultimate destination in good condition.
- 7.2 Each packing should have detailed (in English) packing list in duplicate indicating the following:
- (a) Order Number and date.
 - (b) Brief description of the consignment.
 - (c) Name of the consignee.
 - (d) Name of the supplier.
 - (e) Bale Number (with running number).
 - (f) Conditioned, Gross and net weight of each bale in kilogram.
 - (g) Country of origin of goods.
- 7.3 Container-wise packing lists shall be sent to the consignee and also submitted along with negotiable documents while claiming payment.
- 7.4 The packing shall be in bales of 60 Kgs./ cartons of 30 Kgs consisting of bundles of 5 kgs each. Each bale/ carton shall be stenciled, inter alia, with the following marks:-
- (a) NHDC
 - (b) Grade and denier
 - (c) Conditioned and Gross weight in kgs.
 - (d) Tare weight in kgs.
 - (e) Net weight in kgs.
 - (f) Country of origin

An adhesive slip containing the above information be pasted on each bundle within the bale / carton.

8.0 Shipping Instructions:

- 8.1 The supplier shall notify the purchaser by fax, the Bill of Lading number and date, name of the vessel, ship manifest, port of loading, date of departure of the ship, brief description of materials shipped, gross and net weight and total number of bales, quantity, value and order number etc. within 3 days from the date of departure of the ship from the port of loading. Further, the advance copy of non-negotiable shipping documents which should contain one set of technical

specification of the materials so shipped should be sent to the purchaser for producing to Customs Authorities, immediately on making the shipment. The cargo shall be shipped to Designated Port only.

8.2 Where part shipment is permitted, the supplier shall ensure raising of invoice only for those items, quantities which are actually shipped. Description and number of items of the invoice must tally with the description and number of items shown in the packing list. Extra payment, if any, paid to the Indian Customs Authorities due to non-fulfillment of this requirement will be recovered from the supplier

8.3 “20’ ” and “40’ ” containers shall be used and it is ensured that full capacity is utilized.

8.4 Shipment to be made by conference/ non-conference line vessel registered with Lloyds or equivalent and a certificate to this effect from the shipping company or their agents should be furnished.

8.5 It is to be ensured that the vessel used for shipment is of less than 15 years of age and the containers engaged should have **free time of 15 days** from date of discharge of cargo at destination port. **The free time should be indicated in the Bill of Lading.**

9.0 Shipping documents:

9.1 The following documents shall form the shipping document:

- (a) Complete set of clean Bill of Lading (negotiable) made to order and blank endorsed, wherever applicable. The Bill of Lading should be endorsed by the shipper, freight ‘pre-paid’ basis. **The free time of 15 days shall also be indicated.**
- (b) Invoice showing item wise value as per order in triplicate drawn in the name of MMTC and duly manually signed by the supplier.
- (c) Certificate of guarantee by supplier that the material being supplied is of Grade 3A or above and confirms to technical specification as at Annexure 2.
- (d) Mandatory pre-Shipment inspection certificate issued by authorised Inspection agency in the country of export.
- (e) Certificates of Inspection from independent Inspection Agency nominated by MMTC strictly as per format in **Annexure-2A & 2B.**
(Certifying that the material loaded is what they had inspected and the containers are sealed in their presence. Containers Numbers and Seal Numbers must appear in the certificate).
- (f) Certificate of origin from the Govt. Chamber of Commerce of the exporting country.
- (g) Container wise packing list with Number of bales.

9.2 The shipping documents need to be forwarded to the bank by Supplier on carrying out the shipment. In case of non-receipt of all the shipping documents in time and consequent demurrage, if any, the same shall be on account of the Supplier.

10.0 Clearing agent’s charges:

10.1 Clearing agent’s charges and all port dues payable at the port of destination in India shall be borne by NHDC.

11.0 Damages/ Shortages:

11.1 NHDC shall be engaging the inspection agency/ surveyor at the discharge port and in the event of any damages or shortages are detected, the overseas supplier shall be

responsible for the same.

12.0 Statutory levies/ Obligation at Discharge Port.

12.1 Statutory levies payable at the port of destination in India as well as all port dues, clearing agent's charges etc shall be borne by NHDC.

13.0 Payment

13.1 Payment shall be released to the successful bidder by irrevocable LC, which shall be negotiable on production of the Shipping documents at clause 9 above.

14.0 Marine Insurance

14.1 The cargo shall be insured by MMTC under ICC (A), War Risks, SRCC, Spot Combustion, Piracy and Terror attacks cover for 110% of C&F value with claims payable in India.

15.0 Force Majeure

15.1 Force Majeure is herein defined as any clause which is beyond the control of either party of the Agreement as the case may be, which they could not foresee or with a reasonable amount of diligence could not have been foreseen or which when foreseen could not have prevented and which materially and adversely affected the performance by either party (the Affected Party) of its obligation under the Agreement such as but not limited to:

- a) Act of God, natural phenomena including but not limited to floods, droughts, earthquakes epidemics, lightening and cyclone;
- b) Acts of any Government (domestic or foreign) including but not limited to war declared or undeclared, hostilities, priorities, quarantines, embargoes;
- c) Civil disturbances including riot, civil commotion, sabotage or terrorism; revolution, rebellion, insurrection, exercise of Martial Law;
- d) Strikes and lock outs.

15.2 Burden Of Proof

The burden of proof as to whether a Force Majeure event has occurred shall be upon the party claiming the Force Majeure event. If operation of such circumstances exceed three months, either party will have the right to refuse further performance of the agreement, in which case, neither party shall have the right to claim eventual damages. The party, which is unable to fulfill its obligations under this agreement, must within 15 days of occurrence of any of the causes mentioned in this clause shall inform the other party in writing of the existence or termination of the circumstances preventing the performance of the contract. Certificate issued by Chamber of Commerce or any Government Authority in the country of Suppliers or the buyers shall be sufficient proof of the existence of the above circumstances and their duration. The contract shall be deemed to have been cancelled either partially or wholly, without any compensation to either parties.

16.0 Settlement of disputes:

16.1 Any dispute or difference what so ever 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 arbitrators in accordance with the Indian Arbitration Act and the award made in pursuance thereof shall be binding on

the parties.

Venue of the arbitration shall be New Delhi. The contract shall be governed by Indian Laws.

17.0 Validity of the offer

17.1 The offer in response to E-tenders, shall be valid for acceptance for 5 days from the last date of submission of price bid.

18.0 Reference of order number in all correspondence:

18.1 Reference of the order should invariably be mentioned by the supplier in all correspondence relating to the order.

19.0 Language/ Terminology:

19.1 The supplier shall ensure that the language/ terminology used in the offer and all documents annexed thereto is verbatim **in English**.

20.0 General

MMTC reserves the right to reject any or all bids, wholly or partially, and to annul the bidding process without assigning any reasons whatsoever, at any time prior to award of contract, and in such case no bidder/intending bidder shall have any claim arising out of such action.

ANNEXURE – 2

Parameters of raw silk of Grade 3A and above

Applicants are required to supply raw silk of Grade 3A, conforming to ISA (International Silk Association) specifications as below –

Major Items	Grade 3A
Size 19d – 22 d Deviation (denier)	Upto 1.35
Evenness Variation I (Count)	Upto 170
Evenness Variation II (Count)	Upto 17
Cleanness (%)	95 & above
Average Neatness (%)	92 & above
Low Neatness (%)	87 & above
Auxiliary	Class 2
Maximum 19d – 22 d Deviation (denier)	Upto 3.6
Evenness Variation III (Count)	Upto 1
Auxiliary	Class 2
Winding(breaks)	Upto 10
Auxiliary	Class 1
Tenacity(grams)	3.7 & above
Elongation (%)	18 & above
Cohesion (strokes)	60 & above

Note: The specification as above or better are acceptable.

As per prevalent practice, the billing in case of raw silk is made at conditioned weight with moisture 11% regain (International Standard Regain), irrespective of actual moisture content in the package.

Accordingly, the actual moisture content in the material supplied should not be less than 11.5%.

PRE-SHIPMENT INSPECTION CERTIFICATE

(Name & address of Inspection agency)	Report No:	Overall Result PASS/FAIL
	Report Date:	
	Client Name:	

A GENERAL

Name & address of Exporter	
Name & address of importer	
Grade of raw Silk	
Purchase Order No.	
Letter of Credit No.	
Country of Origin	
Destination country	
Loading location	
Date of loading	
Time of loading	
Condition of loading location	Rainy/Sunny/Snowy/Other

B. INSPECTION RESULT SUMMARY

Moisture (%)	
Condition of bales	
Condition of Containers	
No. of Containers	
Total quantity (Net weight)	
Conditioned & Gross weight	
Packing quality and details	
Shipping Marks if any	
OVERALL RESULT	PASS/FAIL

C. CONTAINER DETAILS

Container Type	Container No.	Seal No.	No. of bales	Net Weight

D. COMMENTS

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FINAL REPORT

After due inspection we hereby certify that:

- 1.
- 2.
3. This report does not discharge or release sellers/ suppliers from their commercial obligations with regard to quantity/ quality upon delivery nor does it prejudice the MMTC's right of claim towards sellers/ suppliers for compensation for any apparent and/ or hidden defects not detected during our random inspection or accruing thereafter.
4. This report is not an evidence of shipment.

We hereby declare that the particulars and statements made in this certificate are true and correct and nothing has been concealed or held there from. This inspection has been performed on request of MMTC as mentioned above, and the certificate has been issued to the best of our ability and knowledge at the time and place of inspection without prejudice.

Date:

Official Seal
Signature:
Designation:
Name & Address:

ANNEXURE – 2 (B)**INSPECTION REPORT**

Name of the Inspection agency: _____

Applicant's Name and Address: _____

Description of silk _____ Grade _____ Size/ denier _____

No of package _____ Running No. _____

Sl. No.	Description	Qualifying Values	Actual Values
I	Average Size (Denier)		
II	Major Tests		
1	Size Deviation (Denier) 19d – 22 d	Up to 1.35	
2	Evenness Variation I (Stripes)	Up to 170	
3	Evenness Variation II (Stripes)	Up to 17	
4	Cleanness (%)	95 & above	
5	Average Neatness (%)	92 & above	
6	Low Neatness (%)	87 & above	
III	Auxiliary Tests	Class 2	
1	Maximum Deviation (Denier) 19d – 22 d	Up to 3.6	
2	Evenness Variation III (Stripes)	Up to 1	
3	Winding(breaks)	Up to 10	
4	Tenacity(grams/ denier)	3.7 & above	
5	Elongation (%)	18 & above	
6	Cohesion (strokes)	60 & above	
IV	Overall Grade		

Average Moisture Regain (%)

Conditioned Weight Inspection

Bale/ Carton No.	Gross Wt.	Net Wt.	Conditioned Wt.
	Kilos	Kilos	Kilos
Total Kilos			

Place of Issue _____

Date of Issue _____

Official Stamp _____

Authorised Officer _____

Signature _____

Note :- Testing and grading of raw silk and testing for average moisture regain of the consignment can be done by drawing 25 skeins at random by opening 2 bales at random from a lot of every 10 bales and conditioned weight has to be indicated for every bale.

LIST OF COMPANIES

1. M/s Zhengzhou Goldstar Chemical Co. Ltd
2. M/s HebeiYagang Import & Export Co. Ltd.
3. M/s Puyang Yifeng Material Import & Export Co. Ltd.
4. M/s Mgenn Group Shandong Litong Bio technology Limited Company Limited
5. M/s Shandong Tianxing Railway Engg. Co. Ltd.
6. M/s Zaozhuang World Chemicals Co. Ltd.
7. M/s Hainhlu Yuan Agar Agr. Industry & Training Company Limited, Hainan
8. M/s Shijiazhuang Tianen Chemicals Co. Ltd
9. HebeiYagang Imp. Exp. Co. Ltd.
10. Hebei Yonghue Chemicals Industries Import & Export Co. Ltd
11. HebeiJinsen Chemicals Imp. Exp. Co. Ltd
12. Hongxinweiye (Tianjin) Chemicals Co. Limited
13. M/s Henan Premtech Enterprise Corporation,Zhengzhou, Henan
14. M/s Hebei Yuijiang Imp. & Exp Company Limited
15. M/s Wuhan Lan Sun Technology Co. Limited, Wuhan, Hubei
16. M/s Tianjin Minte Chemical Import and Export Co.. Ltd, Tinjin
17. M/s Sichuan Neijing Songlin Silk Company Limited, Sichuan
18. M/s Xian Moatong Import & Export Company Ltd. Shanxi province
19. M/s Qingdao Doublestone Industrial Co. Ltd, Qingdao
20. M/s Shijiazhuang Lingyua Chemical Co. Ltd., Hebei
21. M/s China Shijiazhuang Tuofa Import & Export Company, Hebei
22. M/s Luohe Chemtee Products Company Limited, Henan
23. M/s Beijing DHP Chemicals Eng. Co. Ltd, Jinma
24. Cosder International Group Limited, Hong Kong
25. Shijiazhuang Huanqiu Chemicals Co. Ltd
26. M/s Lantian Auto Wheel Factory, Lianyungang, Jiangsu Province
27. M/s Foshan Kelong Trade Corporation Ltd.
28. M/s Xiaman Aoxing Imp & Exp. Ltd, Xiamen City
29. M/s Chinalco Henan Aluminium Fabrication Co. Ltd.
30. M/s Qingdao Xindeyi Logistics Co. Ltd., Qingdao
31. Quingdao Doublestone Industrial Co. Ltd., Qingdao
32. M/s Guangdao Medicines & Health Products Imp. & Exp. Corporation, Guangzhou
33. M/s Nanjing Zhongsende Import & Export Trade Co. Ltd, Nanjing
34. M/s Heating Machine Co. Ltd.
35. M/s Zhejiang Xingyi Textile Co. Ltd.
36. M/s Kuming Huaduan Import & Export Co. Ltd
37. Nanhai Arts & Crafts
38. M/s Fujian Jinfeng Import & Exp., Fujian
39. M/s Laiwu Aotaike Zinc Oxide Co. Ltd. Laiwu City
40. Export Changzhou Chemical Factory
41. M/s Tinjin Yue Xang Industries & Trading Co, Ltd
42. AKZO Nobel Chemical (MCA)Taxing Co. Ltd.
43. M/s Hiltes Group & Company Ltd.
44. M/s Cuangdong Medicine & Health Products Import & Export,Guangzhou City
45. M/s Nadeek Mechanical Equipments Corporation Ltd.,
46. M/s Shenzen Mei Do Industrial and Commercial Company, China
47. M/s Yihongjiawei Cemented Carbide Cutting Tools Co. Ltd, Hunan
48. M/s Zhengzhou Flyworld chemicals Co. Ltd.
49. M/s Zhengzhou Goldstar Chemicals Co. Ltd,

CONTRACT

This contract is made at New Delhi, India on this day of _____, **2011** between **MMTC LIMITED**, a company duly registered in India and having its registered office at Core-1, Scope Complex, 7 Institutional Area, Lodi Road, New Delhi-110003 (hereinafter called as **BUYER**) which expression shall, unless excluded by or repugnant to the context mean and include its successors and assigns of the ONE PART,

And

M/s.-----, a company duly registered with ----(Name of authority)----- in ---- --(Country)----- having its registered office at ----- (Tel.No. Fax No.) (Hereinafter called the **SELLER**) which expression shall, unless excluded by or repugnant to the context mean and include its successors and assigns of the SECOND PART.

WHEREAS all the provisions of tender document are applicable & enforceable under this contract. In the event of any repugnancy(s) in provisions of tender with provisions in this contract, the former shall prevail and in event of any omission herein or the tender for any procedure / modality to effect the export under this contract the Seller & the buyer shall mutually decide upon it within reasonable time.

WHEREAS Seller agrees **to export Raw Silk Grade 3A to** Buyer as per terms of Letter of Intent (LOI) letter dtd..... **2011** issued by Buyer for purchase of ----MT Raw Silk as stipulated in the LOI.

AND WHEREAS seller has offered the price of Raw Silk to the Buyer in response to tender No. ----- dated----- issued by Buyer.

AND WHEREAS Buyer has issued **letter of Intent No. MMTC/CO/GT/Import of Silk/NHDC dated-----** and agrees to purchase of ---- MT of Raw Silk on the following terms and conditions:-

Buyer had invited E-tender No. ---- **dated2011** for Import of MT of Raw Silk for its customer **National Handloom Development Corporation Limited (NHDC)**, and the tender is integral part of this contract and forms the basis of this contract.

WHEREAS Important & other mutually agreed terms of contract are as under :

Clause No.1	Commodity	<u>Raw Silk Grade 3A or above, as at Annexure A.</u>
Clause No.2	Quantity MT (+/- 5%)
Clause No.3	Country of Origin	Any country .

Clause No.4	Price	C&F Price (in US\$ / Kg)		Qty Quoted (MT)	C&F Price	
		Kolkata Port (East Coast of India)	Bale Packing			
			Carton Packing			
		Chennai Port (South Coast Of India)	Bale Packing			
			Carton Packing			
Clause No. 5	Delivery Schedule	<p>1. Delivery time to perform the shipment after Buyer places the purchase order / LOI in favour of Seller to be 15-25 days from date of purchase order / LOI.</p> <p>2. The cargo shall be dispatched from the load port only on specific written approval of shipment schedule by MMTC.</p>				
Clause No.5	Language/ Terminology	The seller shall ensure that the language / terminology / description of goods in Invoice / Bill of Lading etc. is verbatim in English and not in any other language..				
Clause No. 6	Sub - letting and assignment	The Seller shall not without the prior consent in writing of the Buyer sublet, transfer or assign the contract or any part thereof or interest therein or benefit or advantage thereof in any manner whatsoever, provided nevertheless that any such consent shall not relieve Seller from any obligation, duty or responsibility under this contract.				
Clause No.7	Load Port	-----				
Clause No.8	Payment Terms	<p>1. The Buyer will open the Irrevocable L/C after signing of this agreement between seller and buyer.</p> <p>2. Seller's bank: -----</p> <p>A/C no. ----- with -----</p> <p>Swift SCBL US ----- (For America)</p> <p>SCBL -----</p> <p>3. The buyer and seller will bear the bank charges in their respective countries.</p> <p>4. In event of any amendment in LC on request of Seller, the</p>				

		<p>charges so borne by Buyer shall be paid by Seller at actual.</p> <p>Terms and Conditions of L/C:</p> <p>a. 100% irrevocable at sight L/C & valid for 90 days</p> <p>b. L/C shall be governed with relevant provisions of the tender.</p> <p>c. L/C shall be negotiated for payment against production of following Shipping documents :</p> <ol style="list-style-type: none"> 1. Complete set of clean Bill of Lading (negotiable) made to order and blank endorsed, wherever applicable. The Bill of Lading should be endorsed by the shipper, freight 'pre-paid' basis. The free time of 14 days shall also be indicated. 2. Invoice showing item wise value as per order in triplicate drawn in the name of MMTC and duly manually signed by the supplier. 3. Certificate of guarantee by supplier that the material being supplied is of Grade 3A or above and confirms to technical specification as at Annexure A of contract. 4. Mandatory pre-Shipment inspection certificate issued by authorised Inspection agency in the country of export. 5. Certificates of Inspection from independent Inspection Agency nominated by MMTC strictly as per formats annexed with EOI document. 6. Certificate of origin from the Govt. recognized Chamber of Commerce of the exporting country. 7. Container wise packing list with Number of bales. <p>d. L/C to be allowed for +/- 5% tolerance in value and quantity at Buyer's option.</p> <p>e. Partial shipment not allowed.</p> <p>f. Trans-shipment not allowed.</p> <p>g. Letter of Credit shall be governed by UCP 600 .</p>
Clause No.9	Insurance	<p>a) The goods will be insured by the Buyer. The Seller shall, immediately after arranging for shipment inform MMTC LIMITED, CORE-1, SCOPE COMPLEX, 7-INSTITUTIONAL AREA, LODHI ROAD, NEW DELHI 110 003 (INDIA), by Fax (No. +91 11 2436 4502) and send a scanned copy by E-mail to :- (anita@mmtclimited.com) & (saurabhgupta@mmtclimited.com) , the following details of the dispatch:</p> <p>i) Date of dispatch -----</p>

		<p>ii) Port of loading -----</p> <p>iii) Invoiced quantity and value of goods based on BL(s) and contracted price.</p> <p>iv) ETA of Vessel at Discharge port.</p> <p>b) This will be followed by airmail or courier advice accompanied by a copy of each of the related Invoices and BL of the open policy cover supplied to the Seller by the Buyer shall be quoted in the Commercial Invoice.</p>
Clause No. 10	Liquidated Damages/ Delays	<p>1 Quality, Quantity & Time of delivery shall be the essence of the contract. Hence, if the seller fails to deliver, the buyer may without prejudice to any other right or remedy available to him to recover damages for breach of contract, as agreed and pre-estimated genuine liquidated damages and not by way of penalty recovered, a sum equivalent to 0.5% of the contract / order value of the whole unit per week for such delay or part thereof which the supplier has failed to deliver within the period fixed for delivery / completion in the contract / order, however, subjected to a ceiling of 5% of the contract / order value.</p> <p>2 Liquidated damages will be calculated on the basis of contract / order price of materials / services but excluding duties and taxes.</p>
Clause No.11	Rejection/ Cancellation	<p>1. The Foreign supplier / Indian representative should furnish an undertaking in Rs.100/- non judicial stamp paper (OR its equivalent document as applicable in Exporting country) to the effect that in the event of the supplied material being non-conforming to the order specifications as per the tender, then they will suitably compensate the losses incurred by Buyer / associate purchaser on account of discrepancies.</p> <p>2 In the event that Buyer / associate purchaser finds the items supplied are not in conformity with the specifications and other conditions mentioned in the order or are received in damaged conditions, Buyer / associate purchaser shall be entitled to reject the whole lot or the part as deemed fit by the Buyer and intimate to Seller / Indian representative the rejection without prejudice to Buyer's other rights and remedies to recover from Seller any / all loss(es) which Buyer may be put to.</p> <p>3. Buyer reserves the right to cancel the purchase order/LOI or any part thereof and shall be entitled to rescind the contract in whole or in part by a written notice to Seller if:-</p> <p>a) Seller does not adhere to any of the terms and conditions of the purchase order including general and special terms and conditions.</p> <p>b) Seller fails to deliver the goods in time and / or to replace the rejected goods promptly.</p>

		<p>c) Seller becomes bankrupt or goes into liquidation. d) Supplier provides wrong information or found to be involved in unethical /fraudulent practices or activities.</p> <p>4. Buyer also reserves the right to short close the order if the supply is unduly delayed and / or material supplied is not meeting the specifications or change in Shipment schedule. Extension of delivery date must be sought by Seller for effecting shipment beyond the stipulated delivery date.</p>
Clause No. 12	Cancellation of contract	<p>If Seller fails to ship the goods within specified delivery period for reasons other than Force Majeure, Buyer shall be entitled at his option to cancel the contract, or extend the validity of the contract/LC. Buyer shall not be liable to any risks and costs, whatsoever, in consequences of such cancellation of the contract.</p>
Clause No. 13	Arbitration & Governing Law	<p>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 arbitrator 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.</p> <p>Venue of the arbitration shall be New Delhi. The contract shall be governed by Indian Laws.</p> <p>Language of the proceedings shall be English.</p>
Clause No. 14	Force Majeure	<p>If at any time during the existence of this contract either party is unable to perform in whole or in part any obligations under this contract because of the war, hostility, Military Operations, Civil Commotion, sabotage, quarantine restrictions, acts of God and acts of Government (including but not restricted to prohibitions of exports and imports), strikes, fires, floods, explosions, epidemics, strikes or any other labour trouble, embargoes, then the date of fulfillment of any obligations engagement shall be postponed during the time when such circumstances are operative. Any waiver / extension of time in respect of the delivery of any installment or part of the goods shall not be deemed to be waiver / extension of time in respect of the remaining deliveries.</p> <p>If operation of such circumstances exceeds three months, then either party will have the right to refuse further performance of the contract in which case neither party shall have the right to claim eventual damages. The party which is unable to fulfill its obligations under this contract must within 15 days of occurrence of any of the causes mentioned in this clause shall inform the other party of the existence or termination of the circumstances preventing the performance of the contract. Otherwise no extension of time will be available. A certificate issued by the Chamber of Commerce</p>

		<p>or any other competent authority connected with the case in the country of Seller or the Buyer shall be sufficient proof of the existence and duration of such circumstances.</p> <p>Non-availability of raw material shall not be an excuse to the Seller for not performing of their obligation under the contract.</p>
Clause No 15	Indemnity to Govt. of India	<p>It is expressly understood and agreed by and between the SELLER and the BUYER that the BUYER is entering into this Contract 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 Govt. of India is not a party to this Contract and has no liabilities, obligations or rights hereunder. It is expressly understood and agreed that the BUYER is an independent legal entity with power and authority to enter into contracts solely in its own behalf under the applicable laws of India and general principles of Contract Law. The SELLER expressly agrees, acknowledges and understands that the BUYER is not an agent, representative or delegate of the Govt. of India. It is further understood and agreed that the Govt. of India is not and shall not be liable for any acts, omissions, commissions, breaches or other wrongs arising out of this Contract. Accordingly, the SELLER hereby, expressly waives, releases and foregoes any and all actions or claims, including cross claims, impleader claims or counter claims against the Govt. of India arising out of this Contract and covenants not to sue the Govt. of India as to any manner, claim, cause of action or thing whatsoever arising of or under this Contract.</p>

IN WITNESS WHEREOF the parties hereto have set their respective hands on these presents in presence of the following witnesses on the date, month and year first mentioned above

FOR AND ON BEHALF OF BUYER

FOR AND ON BEHALF OF SELLER

Authorised Signatory

Authorised Signatory

M/s. MMTC Limited, New Delhi, India

M/S.-----

Witness :

- 1.
- 2.
- 3.

Witness:

- 1.
- 2.
- 3.

Annexure A of Contract

Raw Silk of Grade 3A, conforming to ISA (International Silk Association) specifications as below –

Major Items	Grade 3A
Size 19d – 22 d Deviation (denier)	Upto 1.35
Evenness Variation I (Count)	Upto 170
Evenness Variation II (Count)	Upto 17
Cleanness (%)	95 & above
Average Neatness (%)	92 & above
Low Neatness (%)	87 & above
Auxiliary	Class 2
Maximum 19d – 22 d Deviation (denier)	Upto 3.6
Evenness Variation III (Count)	Upto 1
Auxiliary	Class 2
Winding(breaks)	Upto 10
Auxiliary	Class 1
Tenacity(grams)	3.7 & above
Elongation (%)	18 & above
Cohesion (strokes)	60 & above

Note: The specification as above or better are acceptable.

As per prevalent practice, the billing in case of raw silk is made at conditioned weight with moisture 11% regain (International Standard Regain), irrespective of actual moisture content in the package.

Accordingly, the actual moisture content in the material supplied should not be less than 11.5%.