

Invitation of Bids

Price Quotations are invited from the market participants for auction of the following proposed materials:

Sl. No.	Location of the Vault & State	Commodity & Variety	Denomination in grams	Number of bars/units in stock	Total Weight in grams
1	Indian Bullion Market Association Ltd., FT Tower 4th Floor, Mumbai, Maharashtra	Silver 999 Cut Bars	NA	1	109
2	Indian Bullion Market Association Ltd., FT Tower 4th Floor, Mumbai, Maharashtra	Silver 999 Cut Bars	NA	9	7875
3	Indian Bullion Market Association Ltd., FT Tower 4th Floor, Mumbai, Maharashtra	Silver 999 Cut Bars	NA	4	1623
4	Indian Bullion Market Association Ltd., FT Tower 4th Floor, Mumbai, Maharashtra	Silver 999 Cut Bars	NA	3	191
5	Indian Bullion Market Association Ltd., FT Tower 4th Floor, Mumbai, Maharashtra	Silver 999 Cut Bars	NA	20	12312.21
6	Indian Bullion Market Association Ltd., FT Tower 4th Floor, Mumbai, Maharashtra	Silver 999 Finished Bar	100	32	3200
7	Indian Bullion Market Association Ltd., FT Tower 4th Floor, Mumbai, Maharashtra	Silver Finished Bar	1000	21	21000
8	Indian Bullion Market Association Ltd., FT Tower 4th Floor, Mumbai, Maharashtra	Silver Granules	NA	1	25

Auction Terms and Conditions

The instructions to be followed for submitting the tender are set out below: -

1. The Bid document may be downloaded from the website as follows:

www.ibma.co.in

2. At any time before the submission of proposals, Auction Committee may, for any reason, whether at its own initiative, or in response to a clarification requested by the bidder, carry out amendment(s) to the Documents. The amendment will be notified in writing or by Email or Fax to all Bidders and will be binding on them.

3. SAMPLE OF CONSIGNMENTS :

The stocks may be inspected by the intending bidders on the authority of this bid form at the vault(s)/godown(s)/warehouse(s) on any working day wherefrom the delivery of the stocks shall be made. The stock shall be disposed of on “as is where is” basis.

4. SIGNING OF BIDS :

Person signing the bid should state in what capacity he is signing the bid i.e. sole proprietor, or partner of a firm, or as Secretary, or as Director of a Limited Company. In case of partnership firm, the bid must be signed by all the partners. The person(s) signing the bid form or any other documents forming part of the bid on behalf of another person shall produce a proper Power of Attorney duly executed in his favour stating that he has authority to bind such other person(s) in all matters pertaining to the contracts. If the person signing subsequently fails to produce the said Power of Attorney within reasonable time, Auction Committee may without prejudice to other Civil and Criminal remedies cancel the contract and hold the signatory liable for all costs and damages. In the case of Limited Companies, it has to be supported by Resolution of the company and bids should be signed by the person authorized in the resolution; the Common Seal of the Company should be affixed to bid documents.

5. BIDDING PARAMETERS AND FINAL PRICING:

Bidders are required to bid for the “**Premium**” to the landed price. The bid for premium should be in terms of USD per troy ounce. The base price applicable to winning bidder(s) would be the sum of reference price in terms of USD per troy ounce and the premium that is bid for by the bidder. This base price (sum of reference price and premium) is then converted to landed price as per the standard accepted market practice for such conversion.

The reference price would be the Silver Fix of the day (USD per troy ounce) of The London Silver Fixing. The base price shall be arrived at by adding the Silver Fix of the day (USD per troy ounce) of The London Silver Fixing and the premium that is bid for by the bidder. For the purpose of currency conversion, RBI Reference rate of the day for converting USD into INR shall be used. Applicable customs duty to arrive at the landing price shall be as per the actual applicable customs duty for import on the day.

VAT and Octroi shall be charged as applicable.

An illustration is given in the table below:

Reference Price	A
Premium bid for	B
Base price	$C = A+B$
Base Price in USD per Kg	$D = C*32.1507$
RBI Reference Rate	E
Base Price in Rs. per Kg	$F = D*E$
Customs Duty	G
Base Price including Customs	$H = F+G$
Silver 999 Rs. per Kg	H
Octroi	As Applicable
VAT	As Applicable

6. SUBMISSION OF BIDS :

This bid document, along with Notice inviting bid and the appendices, duly signed on every page, are to be submitted as per the bid schedule in a sealed envelope addressed to the :

Directors

Indian Bullion Market Association Ltd.

FT Tower, CTS No. 256 & 257,

4th Floor, Suren Road, Chakala,

Andheri (East), Mumbai – 400 093

However if the bidder intends to bid through email, the same can also be done by sending scanned copy of the bid documents duly filled in all respects to marketoperations@ibma.co.in with subject **Bid For Silver**. Any allocation done to bidders who have submitted the bid documents by email shall be provisional subject to submission of the original duly filled in signed documents, filled in Authorization Letter complete in all respect prior to delivery of the goods.

7. BID SCHEDULE

Bids will be received up to **1530 hrs on 1st, 07th, 8th, 9th, 10th, 13th, 14th, 15th, 16th, 17th, 20th, 21st, 22nd, 27th, 28th, 29th, 30th and 31st October 2014**. Bid submitted after 1530 hrs on the scheduled date will be considered for the next bidding day and shall NOT be considered for the day of receipt. Bids received after 1530 hrs on 31st October 2014 or completion of auction sale of the stock, whichever is earlier shall be rejected.

Auction Committee may at its discretion extend the deadline for the submission of proposals.

Date and time of initiation of the process bidding is **01st October 2014 at 1000 hrs**.

8. The conditional bids are liable to be rejected.

9. ACCEPTANCE OF BIDS :

Auction Committee will auction proposed material to the highest bidders and it reserves the right to reject any bid / all bids without assigning any reasons. The contract, if any, which may eventuate from the bid, shall be governed by the conditions as mentioned in the bid document, its appendices and annexure, Notice Inviting Bid and acceptance letter.

The acceptance of the bid by the Directors or an officer authorized by him on his behalf shall constitute the agreement between the bidder and the IBMA and no separate agreement shall be required to be executed after the issue of the acceptance letter. The successful bidder will be advised about the acceptance of his offer and quantity accepted thereof by way of E-mail by 1600 hrs.

The detailed calculation of final applicable price, other taxes and levies, bank details for payment etc. shall be sent to the successful bidders after public declaration and availability of the reference price. This communication shall include a format of 'Authorization Letter' which needs to be duly filled up by the purchaser and sent back to IBMA for the purpose of preparation of Delivery Order (DO).

In case of tie between multiple bidders and available quantity is less than the total bid quantity, allocation shall be done proportionate to the quantity bid for by such bidders. In case such proportionate allocation by weight leads to odd lot in terms of denomination of the commodity, FIFO logic shall be used to round-off the denomination in favor of the bidder whose bid was received first.

10. PAYMENT OF THE COST AND TAKING DELIVERY :

The successful bidders will be required to make upfront payment of the stocks within two (2) working days from the date of issue of the acceptance letter. , The successful bidders will have to take the delivery of the stocks within two (2) working days from the date of

communication (through post or an electronic media) of acceptance by the Directors, **Indian Bullion Market Association Ltd.**, FT Tower, CTS No. 256 & 257, 4th Floor, Suren Road, Chakala, Andheri (East), Mumbai – 400 093.

- i. The IBMA does not guarantee to make available/allocate exact quantity that is bid for by the bidder. The actual quantity that would be allocated to the bidder might vary as compared to the quantity bid for by the bidder. However the amount payable by the bidder would be based upon the actual quantity/weight that is receivable by the bidder.
- ii. The material is sold on “as is where is basis” on Ex - warehouse price basis.
- iii. The IBMA will not be responsible for obtaining permits from the State Government in favour of the purchaser and will not accept any liability for dispatching the stocks in the absence of any permit.
- iv. The Purchaser will be liable to pay the VAT, Octroi and other charges as applicable under the relevant Central, State and other such enactments.
- v. The purchaser will make his own arrangement for transport and will not be entitled to claim any facility or assistance for transport from the IBMA. Delivery of the stocks will be made Ex-Warehouse or Ex-Vault or any other such location as mentioned in the document.
- vi. Should the original purchaser wish to take delivery of the stocks purchased, through a representative, he must authorize the latter by a letter of authority which shall be presented to the officer in whose charge the warehouse is held. Such officer may in his entire discretion decline to act on any such authority and it shall be in all case of the purchaser to satisfy such officer that the authority is genuine. Delivery by proxy shall be at purchaser’s sole

responsibility and risk and no claim shall lie against the IBMA on any account whatsoever if delivery is affected to a wrong person.

- vii. The stocks sold to a purchaser shall be from the date of acceptance of the bid at his risk and IBMA shall not be responsible for the safe custody or preservation thereof.

11. CORRUPT PRACTICES:

Any bribe, commission, advantages offered or promised by or on behalf of the bidders to any officer/ employee/ servant of the IBMA, members of the auction committee then such bidders shall be debarred from the bid enquiry in addition to initiating criminal action. Canvassing in any form on the part of the bidder or on his behalf will also make his bid liable for rejection.

12. INDEMNITY:

The bidder shall defend, indemnify and hold IBMA harmless during and after the bid against any and all liabilities, damages, claims, fines, penalties, actions, procedures and expenses of any nature arising out of, resulting from any violation of any laws by the bidder or its punishment or any way connected with the acts, negligence, breach, failure to perform obligations relating to the bid.

Date: _____

From,

Name of the Firm: _____

Address: _____

To,

**The Auction Committee
Indian Bullion Market Association Ltd.**

FT Tower, CTS No. 256 & 257,
4th Floor, Suren Road, Chakala,
Andheri (East),
Mumbai – 400 093

Dear Sir,

1. I/ We hereby offer to purchase from the IBMA the materials as per details in Appendix-II as you may specify in the acceptance of bid at the bid quoted in Appendix-II and agree to hold this offer open up to and inclusive of ____ October 2014.
2. I/ We shall be bound by a communication of acceptance dispatched within the prescribed time.
3. I/ We have thoroughly examined and understood the terms and conditions of the bid issued by IBMA as contained in this bid document. I/ We shall be bound by the terms of both these documents.

4. I/ We have thoroughly examined and understood the pricing methodology as described under Point 5 in 'Auction Terms and Conditions' of the bid issued by IBMA as contained in this bid document. I/ We shall be bound by the terms of both these documents.

5. A. My/ Our particulars are as follows :

In case of Proprietorship / Partnership Firm:

- i. Name (With Name of father In case of an individual) _____

- ii. Business Name _____
- iii. Constitution of the Firm, i.e. Registered under the Indian Partnership Act. _____

- iv. Name & Address of all Partners and the extent of their shares _____

In case of Company:

- i. No. & Date of registration Certificate _____
- ii. Attach a copy of resolution of the Company authorizing this transaction _____

- iii. Registered office address: _____

- iv. E- Mail I.D. _____
- v. Telephone: _____

6. I/ We hereby offer to purchase from the IBMA and to take delivery of materials as per terms and conditions laid down in the bid document, the quantities of materials and at the price shown against warehouses as given in Appendix – III and subject to the condition governing such purchases as stipulated by the Directors, IBMA in the documents mentioned above which I/ We have read and understood and agree to abide by them.

7. The VAT/ Sales Tax and other taxes leviable on this sale shall be paid by me/ us in addition to the price offered as applicable under the State VAT/ Sales Tax Act.

8. I/ We agree to hold the offer open upto ____ October 2014 and inclusive of ____ October 2014 and if the said date be declared to be holiday for IBMA Office till the next following working day and shall be bound by the communication of acceptance dispatched within this time. I/ We further undertake that this offer shall not be retracted or withdrawn by me/ us hereafter.
9. I/ We hereby declare that the entries made in this bid form are correct to the best of my/ our knowledge and I/ We shall be bound by the Act of my/ our constituted Attorney Shri _____ whose signature is appended hereto in the space specified for the purpose and of any other person who in future may be appointed by me/ us in his status to carry on the business of the concern, whether an intimation of such change is given to the IBMA or not.
10. Acceptance of this bid by the Directors, IBMA or by an officer authorized by him dispatched within the prescribed time shall constitute a valid and legal contract between me/ us and the IBMA. No execution of a separate deed would be necessary.
11. I/ We hereby declare that we will abide by the terms and conditions governing the sale of material under this bid.
12. I/ We confirm that person(s) who has/ have signed below has/ have the authority to sign the bid and given above offer on behalf of M/s _____

Yours faithfully,

Signature of constituted

Attorney

(Signatures of Bidder(s) indicating capacity in which the Signatory is/ are signing).

Place: _____

Date: _____

INDIAN BULLION MARKET ASSOCIATION LTD.

Date: _____

From,

Name of the Firm: _____

Address: _____

Sr. No.	Location of the Vault & State	Commodity & Variety	Denomination in grams (A)	Number of bars/units being bid for (B)	Total Weight being bid for in grams (A*B)	Bid Value (Premium in USD per troy ounce)
1.						
2.						
3.						
4.						
5.						

Signature: _____

DECLARATION

To,
The Auction Committee
Indian Bullion Market Association Ltd.
FT Tower,
Chakala, Andheri (East)
Mumbai – 400093

The Bidder hereby declares that:

- I. The bidder is not:
 1. holding shares in excess of 5% and/or
 2. a member of the Board of Directors and/or
 3. an employee and/or
 4. relative or kin of the employee / Director of **Indian Bullion Market Association Ltd.**, Financial Technologies India Ltd., or its group entities / associate concerns and
- II. The bidder is not connected in any way in any entity where any employee, director, relative or kin of **Indian Bullion Market Association Ltd.**, Financial Technologies India Ltd., or its group entities / associate concerns has a stake of 1% or more.

Date: _____

Place: _____

Name: _____