

**Specific Conditions
Of
Two Stage International Tender
No. 86-230**

Esfahan Steel Co. intends to purchase through international tender **20 items valves** according to the specifications attached to the tender documents.

Prospective qualified bidders should prepare and submit their price-quotations according to the tender documents taking into account the following conditions:

1) Amount of the bid-bond (For items 1-12: EUR.5530 and that for items 13-20 Amount of the bid-bond: EUR.5415)

2) Date of opening Envelopes A & B: 18 May 2008, at **a.m. Local time.**

3) Date of opening Envelopes "C": will be declared after envelopes A & B are opened and their contents are considered.

4) Place of opening of envelopes: Transactions Committee, 5th Floor, Towhid Bldg.,
Esfahan Steel Co.

5) Deadline for submission of bids: Official closing time (i.e. 15.00 pm) on 14
May .2008

- Bidder's offer should be for all items of materials of tender.

6) The goods should be delivered at Esfahan Steel Co.'s customs.

- In case of the impossibility of the delivery of the goods to Esfahan Steel Co.'s customs, the goods should be delivered to Bandar Abbas customs or one of the Iranian North customs (i.e. Amirabad or Nowshahr)

7) The delivery time: During 4 month after opening LC

8) No advance payment shall be effected in respect of the transaction subject of this tender.

9) The required items can be divided into two groups , i.e. items 1-12 and items 13-20.

10) Terms of payment:

- In case of purchase in a currency other than Iranian Rial: By unconfirmed irrevocable at sight letter of credit

11) The good performance guarantee to be submitted by winner of the tender shall be for 10% of the total value of his final proforma-invoice. Once the same (the said guarantee)is received by Esfahan Steel Co., the bidder ' s bid-bond shall be released .

12) In order that bidders can be evaluated as regards the conformity or non-conformity their offers with the specifications by the required valves and the tender conditions , envelopes "B" should contain the following as wall:

1. Complete techno-commercial offer stating the name of the manufacturer and of the country of origin.
2. Catalogue of the offered valves .

3. Bidder's letter of undertaking for the presentation of the manufacturer's certificate of quality at the time of the delivery of the valves.

13) The following bids will not be considered:

- Incomplete bids.
- Bids not bearing the bidders' signatures & stamps.
- Bids not referring to Clause 12 of "The Tender Specific Conditions" .
- Bids with no bid- bonds.

14) Conversion of the currencies will be made on the basis of the central Bank of Iran's (CBI'S) exchange rate ruling on the working day before the date of opening envelopes "C" containing the price- quotations.

15) In case of any queries regarding this tender , prospective bidders may contact the Hydraulic Group , Equipment & Services Purchasing Dept., Esfahan Steel Co.

through Tel. No. : 0098 334257-4059 or 4028.

E-mail : hydro4059@esfahansteel.com

***Yours faithfully,
A. Fat'hi,
Equipment & Services Purchasing Manager.,
Esfahan Steel Co.***

**General Conditions
Of
International Tender No. 86-230**

1) Prospective qualified bidders should deliver their bids in a sealed envelope (containing the following envelopes) to the following address in due time and obtain receipt:

A) *Envelope "A" to contain one of the following documents as the bid-bond:*

- *The original of the bid-bond guarantee, or:*
- *Bank receipt of the payment of the amount stated in the attached "Specific Conditions of the Tender" to Account No.80089717 with Export Development Bank of Esfahan Branch.*

Note 1: No cash payment, travel cheque , etc. as bid-bond shall be acceptable .

Note 2: The bid-bond guarantee should be unconditional, valid for at least 3 months and extendable and opened in favour of Esfahan Steel Co. through one of the Iranian banks inside Iran.

B) *Envelope "B" to contain:*

- *Signed and stamped tender documents.*
- *Signed and stamped techno – commercial offer.*
- *Any documents containing the changes made in the specifications of the materials subject of the tenders by Esfahan Steel Co.*

C) *Envelope "C" to contain a signed and stamped price-quotation valid for min. 3months after the date of opening envelopes "A"&"B".(NB:The price should be in Euro).*

Note 1: The price –quotation should state the following details:

- * Full name & address of buyer.*
- * Full tech. data of the goods.*
- * Both FOB & CPT Esfahan customs.*
- *Manufacturer ' s name and country of origin.*

** Kind of packing of the goods.*

** Delivery time of the goods.*

**Net & gross weight of the goods.*

**Bank charges outside Iran shall be born by seller.*

**Method of payment:*

Unconfirmed irrevocable sight letter of credit.

NB: LC shall be opened once the seller opens a PBG for 10% of the total value of his P/I in favour of the buyer through one of the Iranian banks.

** Customs tariff No.*

** Validity of pro-forma: about 3 Months.*

** Place of shipment*

** Standard No. Of the offered materials (such as DIN or BSI,, etc).*

**Name of seller 's Rep. in Iran, if any.*

Note2: Prospective bidders may give alternative quotations. Such quotations should be only for the required materials subject of the tender.

Should prospective bidders intend to submit alternative quotations (in addition to the main quotation), they should submit a bid-bond for each quotation (i.e. for the main quotation and the alternative ones).

Otherwise, only the main quotation shall be considered.

Note3: The price should be quoted in both figures and words .In case the price in figures differs from that in words, the price in words shall be enforceable.

Note4: Conditional, ambiguous or garbled price – quotations may receive no consideration

Note5: Prospective bidders should prepare their price – quotations after studying the tender documents.

Note 6: The price - quotation should be for the materials subject of the tender.

Note 7: The price – quotation should be on the "Price Quotation Format" attached to the tender documents.

2) Esfahan Steel Co. reserves the right to accept or reject any or all of the bids submitted and to purchase the offered goods or services wholly or partially. Once the winners of the tender are determined, the bid- bonds of the other bidders shall be released and the bid – bond of the second winner shall be released after the first winner submits his good performance guarantee.

3) Once the winner of the tender is determined, the other bidders' bid-bonds shall be released.

4) One fully-authorized representative of any bidder may attend the bids opening meeting.

5) The tech.scores and coefficient set by the Techno–Commercial Committee shall be applied in the determination of the winner of the tender.

6) The following data should be stated on the envelope containing envelopes "A", "B" and "C":

- Tender No.*
- Subject of the tender.*
- Name & address of prospective bidder. Prospective bidders should submit the said envelope within the deadline stated in this Notice and obtain a receipt showing the hour and date of the submission of the same to the Secretariat of the Equipment & Services Purchasing Dept., Esfahan Steel Co. .*

The said envelope shall not be returned to the bidder prior to the Opening of envelopes except when envelopes "A" & "B" are opened and the bidder's offer is found unacceptable.

- Esfahan Steel Co. shall not be responsible for the late receipt or non – receipt of the envelopes through mail, etc.

7) Esfahan Steel Co. reserve the right to alter, amend or revise the specifications of the materials subject of the tender and the contents of the tender documents prior to the expiry of the deadline set for the submission of the bids. In this case , bidders shall be notified accordingly within the deadline set for the submission of the bids .In the event any bidder submits his bid before the receipt of such notification , he shall be entitled to ask Esfahan Steel Co. to return his bid.

8) Since the alteration or revision of the specifications of the materials subject of the tender and the contents of the tender documents may involve changing the prices, Esfahan Steel Co. may postpone the deadline for the receipt of the bids and notify the bidders accordingly in writing to give them sufficient time to amend or revise their bids .

9) The winner of the tender should submit a bank guarantee for the good performance guarantee within 10 working days after he is notified that he has won the tender .Otherwise, his bid-bond shall be seized by Esfahan Steel Co. without referring to the judicial authorities .(In this case, the bidder shall not be entitled to lodge any objection). Then the second winner of the tender shall be asked to submit his bank guarantee for the good performance of his obligations. Should he (the second winner) submit the same within the set deadline, a contract shall be concluded with him and in case he fails to submit the said guarantee within the said deadline, his bid – bond shall be seized by Esfahan Steel Co. and the tender shall be cancelled.

10) The following bids shall not be considered and shall be returned to the relevant bidders:

- Conditional, ambiguous or defective bids or bids with crossed - out sentences.*
- Bids not conforming to the tender conditions.*
- Bids with no bid-bonds.*
- Bids with incomplete documents of the tender.*

11) Bidders shall not be entitled to change their quoted prices or the specifications of the offered materials after the envelopes are opened.

12) All the tender documents including this Tender Notice should bear the bidder's authorized signature and stamp and should be submitted along with the bidder's price-quotation.

13) All the conditions set forth in the tender documents are integral parts of the price-quotation and in case any page of the tender documents does not bear the bidder's signature, submission of the price-quotation shall be considered as the bidder's acceptance of all the conditions and specifications stated in the tender documents.

14) In the event prospective bidders notice any ambiguity or ambiguities in the specifications of the materials subject of the tender or in the other documents of the tender, they should notify the Equipment & Services Purchasing Dept., Esfahan Steel Co. in writing max. within 7 days before the deadline set for the submission of the bids and ask the said Dept., for clarification. Any clarifications or explanations of the contents of the tender documents or any addition to or deletion of the same (the tender documents) shall be officially notified to prospective bidders by the Equipment & Services Purchasing Dept., Esfahan Steel Co. Such appendices (i.e. such clarifications, explanations, addition or deletion) shall be considered as parts of the tender documents.

15) The inspection charges shall be for the buyer's account.

16) In case it is proved that there has been collusion between the bidders, the tender will be cancelled, such bidders will be blacklisted at the discretion of the Tenders Committee and the matter will be reported to the authorities concerned.

17) In case of any queries regarding the contents of the purchased tender documents, bidders should contact Esfahan Steel Co. no later than.....

18) Prospective bidders should submit their bids to the following office:

Secretariat of Equipment & Services Purchasing Dept.,

2nd Floor,

Towhid Bldg.,

Esfahan Steel Co.,

End of Esfahan-Zobahan Highway, Esfahan, Iran .

Tel: + 98 334257 3674

Prospective bidders may submit their bids (envelopes) to Esfahan Steel Co.'s offices in Tehran or Esfahan .In this case ,the bids should submitted 24 hours before the deadline for the submission of bids.

In Tehran:

- ***Office of Esfahan Steel Co.,No . 685 , 1 st Floor National Iranian Steel Corp.'s Bldg.,***
- ***Valie –e –asr sq., Tehran, Iran.***
- ***Tel: +98 21 848 130 11***

In Esfahan:

***Esfahan Steel Co.'s Administrative Complex,
Shafagh Blvd , Start of Esfahan Zobahan Highway , Esfahan – Iran.
Tel: +98 311 780 7740.***

Fax: +98 311 780 6914

*For further information , prospective bidders may contact us via
the following phone No.,*

E-mail address:

Tel: 0098 334257 -4059 or 4028

E-mail : hydro4059@esfahansteel.com

Yours faithfully,

**Equipment & Services Purchasing Manager.,
Esfahan Steel Co.**

**Tender No: 86-230
Price- Quotation Form**

Having considered and fully understood the contents of the documents of Tender No..... valves , I (we), the undersigned quote the following price:

| DISCRIPTION | USE IN | QUANTITY (Each) | Unit Price based on FOB | Total Price based on FOB | Unit Price based on CPT Esfahan Steel Co.,'s Customs | Total Price based on CPT Esfahan Steel Co.,'s Customs |
|---|---------------|----------------------------|--|---|---|--|
| <i>E.L.C OPERATED WELDID JOINT STEEL GLOBE VALVE BW</i> | <i>Water</i> | <i>2</i> | | | | |
| <i>E.L.C OPERATED WELDID JOINT STEEL GLOBE VALVE BW</i> | <i>Steam</i> | <i>2</i> | | | | |
| <i>E.L.C OPERATED WELDID JOINT STEEL GLOBE VALVE BW</i> | <i>Water</i> | <i>2</i> | | | | |
| <i>WELDID JONINT STEEL GATE VALVE BW WITH UNIVERSAL JOINT</i> | <i>Steam</i> | <i>2</i> | | | | |

| | | | | | | |
|---|-------------------------|------------|--|--|--|--|
| <i>UP&DOWN</i> | | | | | | |
| <i>WELDED JOINT STEEL GATE VALVE BW WITH UNIVERSAL JOINT UP&DOWN</i> | <i>Steam</i> | <i>200</i> | | | | |
| <i>WELDED JOINT STEEL GATE VALVE BW WITH UNIVERSAL JOINT UP&DOWN</i> | <i>Steam</i> | <i>200</i> | | | | |
| <i>WELDED JOINT STEEL GATE VALVE BW WITH UNIVERSAL JOINT UP&DOWN</i> | <i>Water</i> | <i>200</i> | | | | |
| <i>WELDED JOINT STEEL GATE VALVE BW WITH UNIVERSAL JOINT UP&DOWN</i> | <i>Water</i> | <i>300</i> | | | | |
| <i>WELDED JOINT STEEL GATE VALVE BW WITH UNIVERSAL JOINT UP&DOWN</i> | <i>Water /Steam</i> | <i>2</i> | | | | |
| <i>WELDED JOINT STEEL GATE VALVE BW WITH UNIVERSAL JOINT UP&DOWN</i> | <i>Steam</i> | <i>2</i> | | | | |
| <i>WELDED JOINT REGULATOR VALVE</i> | <i>Water /Steam</i> | <i>2</i> | | | | |
| <i>VERTICAL NON- RETURN VALVE (Connected to piping by welding & to pump by flanges)</i> | <i>Water</i> | <i>4</i> | | | | |
| <i>E.L.C OPERATED GATE VALVE FLG</i> | <i>Water</i> | <i>4</i> | | | | |
| <i>E.L.C OPERATED</i> | <i>Water</i> | <i>2</i> | | | | |

| | | | | | | |
|--|--------------------|-----------|--|--|--|--|
| <i>GATE VALVE FLG</i> | | | | | | |
| <i>STEEL GATE VALVE FLG</i> | <i>Water/Steam</i> | <i>10</i> | | | | |
| <i>STEEL GATE VALVE FLG WITH UNIVERSAL JOINT</i> | <i>Gas/Steam</i> | <i>2</i> | | | | |
| <i>E.L.C OPERATED GATE VALVE FLG</i> | <i>Water</i> | <i>2</i> | | | | |
| <i>STEEL GATE VALVE FLG</i> | <i>Water</i> | <i>3</i> | | | | |
| <i>STEEL SWING CHECK VALVE FLG</i> | <i>Water/Steam</i> | <i>2</i> | | | | |
| <i>CAST IRON SWING CHECK VALVE FLG</i> | <i>Water/Steam</i> | <i>2</i> | | | | |

1. This Quotation is valid for 3 months from the date of Bids opening date.
2. Delivery time: Diving 4 months offer LC establishment.
- 3- The valves (for which the above prices are quoted) are in strict accordance with the tech. data mentioned in the tech. offer contained in envelop "B". Also, I (we), the undersigned am (are) fully aware that Esfahan Steel Co. Have no obligation to purchase the said valves from any of the bidders.
4. All the conditions stated in the tender documents are integral parts of the price – quotation and in case any page of the tender documents does not bear the bidder's signature, submission of this price-quotation shall be considered as his acceptance of all the conditions and specifications mentioned in the tender documents.
5. Also, I (we), the undersigned am (are) fully aware that Esfahan Steel Co. have no obligation to purchase the said valves from any of the bidders.
6. The basis for comparison of bidders' quoted prices will be CPT Esfahan Steel Plant's Customs. Meanwhile the price quoted in Euro will be converted to the Iranian Rial at the Central Bank of Iran's exchange rate ruling on the working day before the date of opening envelopes "C" and %47 as the customs duties would beaded to the items 1-10 & 14 and for others would be 17%

The required items can be divided into two groups , i.e. items 1-12 and items 13-20.

Note: Should the price be quoted on CPT basis, the flag duty shall be for the supplier's account.

Bidder's Name & Surname:

Position:

Bidder's Authorized Signature:

Full name & address (incl.Tel & Fax nos.) of bidder's Company

Bidder's Signature and Stamp