

Addendum To The Original Tender Inviting Bids For Supply Of Units Of 8 Gms Of Gold.

**Please note that wherever the term “ gold coin ” appears it is to be substituted by “ units of 8 gm of gold ”.

**Wherever the term “100 kms ” appears the same is to be substituted by “200 kms”

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1. INTRODUCTION :

Clause 3 :- The bid consists of two parts :-The **PRE – QUALIFICATION BID** document will contain the details of the organisation, specifications for the gold coin and three sample gold plated coins as per LIC 's artwork (Annexure C) . The **COMMERCIAL BID** document will contain the price quotations, conforming to the details specified in the pre-qualification bid and the specification given in annexure A and delivery norms.

Clause 5 :-The number indicates the units of 8 gm gold to be supplied to the employees namely 1,13,184 units.

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2. QUALIFYING CRITERIA FOR BIDDERS :

Clause f:- The point stands modified as follows –

Scheduled Banks will have to produce the authorization letter from RBI. Other bidders will have to produce govt. licence/certificate giving them the authority to deal in gold. In case a bidder is purchasing gold from any agency the letter from the said agency that they are authorised agents and documentary proof to that effect has to be produced. The agency should also state that they are prepared to supply the necessary quantity of gold to the bidder. However, it may be noted that it is solely the responsibility of the bidder supplying units of 8 gms of gold to procure the gold from the agency and any delay in supply or any other modification in the terms and conditions of the bidder and agency should not impact LIC.

3. SELECTION OF BIDDERS :

Clause f :- In case a bidder is L1 on prices in more than one group, he will be allotted the group of his choice and the other groups will be allotted to the next highest bidder (L2/L3... bidder, as the case may be) at the lowest (L1) prices of those groups. In case one or more of the next higher bidders do not accept the L1 rates, then the L1 bidder will be offered that particular group, which he has to honour. Non acceptance of allotment will lead to forfeiture of the proportionate EMD and he will also not be allowed to participate in the fresh bid to be called for that particular group/groups.

(Attention is also invited to the EMD clause 14 on page 7, which stands suitably modified keeping in view the modifications as mentioned above.)

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4. PRE-QUALIFICATION DETAILS :

Clause c – The artwork for the gold coin is enclosed alongwith this bid as per Annexure C. Three sample gold plated coins as per LIC's Artwork will have to be submitted by the bidder alongwith the pre-qualification bid for approval.

5. COMMERCIAL DETAILS :

Clause a:- The commercial offer (quotation) shall be made in Indian currency and shall be exclusive of all taxes, levies, cess and Octroi , etc. The quotation should contain rate per unit of 8 gm of gold with following factors –

- i) Basic cost of unit of 8 gm of gold(inclusive of cost of gold, making charges, packing charges and cerification and other charges)
- ii) Delivery charges including Insurance charges
- iii) Total cost per unit of 8 gm of gold

Clause d:- The point further stands modified as under –

A letter of intent duly signed by the competent authority will be given to the successful bidders within 24 hours of the selection of the bidders. The firm purchase order will be placed subsequently.90 % of the advance payment will be made subject to production/verification of Bank Guarantee.

The quotation will be given in the format as appended below.The original format stands modified.

| COMMERCIAL QUOTATION SHEET | | | | | | |
|----------------------------|-------------|---|--|--|----------------------|----------------------|
| Sr No | Group | Price quotation (per unit in Rupees) The price quoted should be upto two decimal places. | | | Amount in words (iv) | Remarks (if any) (v) |
| | | Basic cost of unit of 8 gm of gold (incl. making charges, packing charges, certification, etc) per unit (i) | Delivery Charges incl. insurance charges Per unit (ii) | Total Cost per unit of 8 gm of gold Per unit (iii) | | |
| 1 | Group – I | | | | | |
| 2 | Group – II | | | | | |
| 3 | Group – III | | | | | |
| 4 | Group - IV | | | | | |

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6 : CONCESSIONS TO PSE : The point stands modified as under –

Clause (a) – In case of Single Contracts where the quoted prices of Public Sector Enterprises or Joint Venture PSEs with a minimum value added content of over 20 % by the latter subject to purchase in excess of Rs 5 crore but not exceeding Rs 100 crore, is within 10% of the lowest price, other things being equal, purchase preference will be granted to the Public Sector Enterprises Concerned at the lowest acceptable price (i.e. L1 rate). For the purpose of arriving value addition of 20% by LIC the basic gold price will be determined on the basis of **LBMA** (London Bullion Market association) PM fixing rate available in website www.lbma.org.uk on the previous day of commercial quotation. This LBMA quote will be converted into Rupees at the rate prevailing for Rs/USD as per the RBI reference rate declared on the previous day of commercial quotation. The price so arrived for 8 gms will be the base price for the purpose of determining value addition.

Clause (b) –CVC’s Purchase Preference Policy (PPP) will apply to PSEs and their subsidiaries (i.e. where PSE owns 51% or above shareholding), but not to a joint venture owned by a PSE and a private sector partner.

Clause 6(c) - However the 6(a) clause will be applicable as per government directives from time to time and the companies/bidders claiming to be qualifying under this clause will have to enclose documentary evidence showing that they qualify for such a concession and also agree to the terms and conditions of the clause. In the absence of documentary evidence along with the commercial bid all companies/bidders will be treated at par for the purpose of arriving at the lowest bidder.

Clause (d) – Accordingly, other things being equal purchase preference **will be granted to the PSEs at the lowest valid price bid(L1)** if the price quoted by the PSE is within 10% of the L1 price and other conditions as mentioned in clause 6 (a).

8 PAYMENT TERMS :

Clause d – Balance 5% of the value of the purchase order will be released by ED (E&OS) within 45 days of receipt of full reconciliation statement by the Central Office from the bidder for the allotted group(s) alongwith the relevant enclosures containing the acknowledgement of the receipt of gold coins by the employees/ officers at CO. Please note that all certificates of delivery for the order given to the bidder will be submitted in one lot and not in piecemeal. Incomplete lots will not be accepted.

Clause e -Balance 5% will be released within 90 days from the last date of receipt of the confirmations from all the units subject to there being no compliants/disputes regarding the quality/quantity etc of the gold coins supplied by the bidder.

9 PRE DISPATCH INSPECTION :

Clause b – This clause stands deleted.

All other clauses a,c,d remain unaltered.

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11. BILLING AND TAXES :

Clause (a) :- The billing should be done in the respective states locally where the bidder has an office/ carries out his trade and has a valid registration number and licence.

All other clauses i.e. b,c,d stands unaltered.

12. DELIVERY AND DISTRIBUTION OF GOLD COINS :

Clause a – The bidder will have to distribute the gold coins to each of our offices as per the details of offices given to him at the time of placing the purchase order by the Central Office. Where the bidder is not distributing the coins using his own distribution channel i.e. tying up with a partner for distribution, such types of partnership should have already existed for similar jobs at least for a period of two years and more and documentary evidence to this effect has to be produced. The sole responsibility of distribution of coins as per LIC’s specifications lies with the successful bidder.

Clause d – Any gold coin(s) which could not be distributed either directly or through the letter of authority shall be deposited with the Officer designated by Executive Director (Personnel) for Central Office, Zonal Manager-in-charge for Zonal Offices. The bidder will obtain a letter from ED(Personnel)/ZM nominating the designated officer. This nomination letter shall bear the signatures of ED(Personnel)/ZM (as the case may be) as well as that of the designated officer and an acknowledgement will be obtained from such designated officer after handing over the coins to him as per the format given in Annexure G.

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14. EARNEST MONEY DEPOSIT:

Clause (a) :- The bidder should submit to LIC along with the **Pre-Qualification Bids a Demand Draft of Rs 25,00,000/- (Rupees Twenty Five Lacs) for each group** payable at Mumbai as the Earnest Money Deposit. If the bidder is submitting a bid for more than one group, then the EMD amount will be the number of groups he bids multiplied into Rs 25.00 lacs per group (Please refer to modified point 3 clause f) DD for consolidated amount can be given.

(b) :- EMD will be refunded to the successful bidders within seven days of submission Bank Guarantee . No interest will be paid on the EMD.

(c) :- For the bidders who do not qualify in the bid , the EMD without interest will be refunded within seven days of the opening of the Commercial Bid.

(d) :- The proportionate EMD will be forfeited if the successful L1 bidder of one group/groups does not take up the offer of LIC for other groups where he also happens to be L1. (This situation is likely to arise only when L2, L3 etc do not opt to supply for specified group at L1 rate)

NOTE :

- 1) **THE ABOVE AMENDMENTS WILL FORM PART OF THE ORIGINAL GOLD BID DOCUMENT DATED 14.10.2006**
- 2) **LAST DATE OF SUBMISSION OF BIDS IS NOW AMENDED AS 13TH NOV 2006, 11.30 AM . BIDS RECEIVED BEYOND THIS DATE AND TIME WILL NOT BE ACCEPTED.**

Annexure A

SPECIFICATION FOR THE GOLD COINS

| Sr. No. | Specification | Details of the Specification | Whether Bidder will Comply Yes/No |
|----------------|--------------------------------------|--|--|
| 1. | Product | 24 Kt. Gold Medallions | |
| 2. | Weight | 8 gms NET | |
| 3. | Shape & Size | Circular (Diameter : 22 mm) | |
| 4. | Embossing | As per art work given in Annexure – C. | |
| 5. | Purity | 0.999 fineess (24 kt.) | |
| 6. | Tolerance weight | No negative tolerance in respect of weight and purity. | |
| 7. | Packing | In laminated tamper proof card/box for each gold medallion along with vendors certificate regarding the specification of gold coin. | |
| 8. | Sample coins | Three gold plated coins as per LIC's Artwork (Annexure C) to be enclosed by the bidder alongwith the pre-qualification bid . | |
| 9. | Transit cum storage Insurance | Transit cum storage Insurance from the place of dispatch to the place of delivery to be included. (Will be insisted upon from the successful bidder) | |
| 10. | Certification | All works shall conform to the specifications of Hallmark Certifying agency or other relevant Indian Standards or equivalent standards mentioned in the contract documents or as approved by the LIC. | |
| 11 | Distribution | Can the bidder distribute the coins using his own distribution channel ? | |
| 12 | Distribution | If the answer to above query 11 is "NO", whether the distribution partnership is already in place for more than 2 years ? | |

