

**Proposed E-Auction procedure of iron and other miscellaneous scraps (due to fallen cranes) belongs to Reliance Naval & Engineering Limited, henceforth will be called as RNEL located in Block Building Site (BCS) and Ship Construction Site (SCS)**

**Basis of Scrap Sale**

Various Cranes installed at Reliance Naval & Engineering Limited (RNEL) were collapsed/damaged during Cyclone Tauktae on 18 May 2021. These cranes are beyond the condition of repairs and declared as a total loss. Hence the bid is invited for Salvage, Removal and Disposal of following cranes are processed **“As is where is basis”, “As is what is basis”, “Whatever there is basis” and “No recourse basis” (through E-Auction).**

**Item Descriptions**

Block no.	Type of Cranes	Location	No. of Cranes
Block -1	600 t Goliath Crane	RNEL-EOU	1
	20/50 t Portal Crane		1
	10 t EOT Crane		2
Block-2	60 t Gantry Crane	RNEL-SEZ	2
	10 t Gantry Crane		1
Block-3	Assorted Roof sheets Scrap		Lot

**1. Brief Description-Cranes**

**1. 600T Goliath Crane**

Technical Specifications

- a. Make- JIANGY IN CHENG INDUSTRIAL CO. LTD. CHINA
- b. “600T x 148meter” span.
- c. Lifting Capacity – 600T
- d. Rail Span – 148 meters
- e. Hook Height – 75 meters
- f. The Crane was having 2 hooks on upper trolley 220t each and lower trolley having capacity of 300t.
- g. Auxiliary Hook Capacity: 30t and a service crane having capacity: 10t.
- h. Power supply: 11KV,
- i. Hoisting Height: +75/ -12.5meters.
- j. Crane is having 96 wheels and load on each wheel : 620kN
- k. Travelling Rail: QU120, CT Rail: QU80, Gross Weight of Crane : 3600t,
- l. Gantry Travelling Speed: 30 - 40m/min.
- m. Hoisting speed: 5 -10m/ min
- n. CT travel speed: 30-40/min.
- o. Wheel base (Buffer to Buffer) : 35m
- p. Approximate tonnage of the Scrap: 3046MT

**2. 20/50t Portal Crane**

Technical Information

- a) Make: HEBENKRAFT
- b) 20/5t x 25m span
- c) The Crane was having 2 hooks having capacity of 20t and 5t

- d) Power supply: 415V,50Hz
- e) Hoisting Height: 10 meters.
- f) Gantry Travelling Speed: 25.71 m/min.
- g) Hoisting speed: 8.2m/ min
- h) CT travel speed: 16.45 m/min.
- i) Approximate tonnage of the Scrap: 80MT

### 3. 10t EOT Crane

#### Technical specification

- a) Make: HEVENKRAFT
- b) EOT34, 10T/3T x 20m span,
- c) The Crane was having 2 hooks having capacity of 10t and 3t
- d) Power supply: 415v,50Hz
- e) Hoisting Height: 12 meters.
- f) Approximate tonnage of the Scrap: 132MT

### 4. 60t Gantry Crane

#### Technical Specifications

- a) Make: ANUPAM
- b) 60t x 43m span,
- c) The Crane was having 1 hook having capacity of 60t.
- d) Power supply: 415V
- e) Hoisting Height: 28.5 meters.
- f) Gantry Travelling Speed: 20 m/min.
- g) Hoisting speed : 4 m/ min
- h) CT travel speed: 15 m/min.
- i) Approximate tonnage of the Scrap: 400MT

### 5. 10t Gantry Crane

#### Technical Specifications

- a) Make: ANUPAM
- b) The Gantry Crane G1,
- c) 10t x 37m
- d) The Crane was having 1 hook having capacity of 10t.
- e) Power supply: 415V,50Hz
- f) Hoisting Height: 20 meters.
- g) Gantry Travelling Speed: 20 m/min.
- h) Hoisting speed : 4m/ min
- i) CT travel speed: 15 m/min. Approximate tonnage of the Scrap: 100MT

## SUBMISSION OF BID & ELIGIBILITY

1. All bidders must have an office in India. Foreign bidder interested to participate in the E-Auction process must have a representative office in India. Foreign bidder must authorize their representative in writing, to act on their behalf. The Indian representative shall be unconditionally responsible for abiding all terms and conditions of the E-Auction process.
2. Bidders willing to participate in the e-auction process must fulfil the eligibility criteria and submit the documents (Annexure A, B, C, D, E and F) both in soft copy vide email with subject "Re: Process Document for E-Auction Sale dated 28<sup>th</sup> January 2022" for scraps of RNEL [www.mnaval.in](http://www.mnaval.in) to ip.rnaval@duffandphelps.com on or before 9<sup>th</sup> February 2022 before 4pm with a non-refundable deposit of INR 50,000/ (Rupees Fifty Thousand Only) by direct remittance in the below mentioned bank account and vide hardcopy in a sealed envelope.
3. Bank Account details  
Bank Account Name: Reliance Naval and Engineering Limited  
Account Number: 126103000002943  
IFSC Code: IBKL0000004  
Bank Name: IDBI Bank  
Branch: IDBI Bank Limited, Mittal Tower, 'C' Wing, Gr. Floor, Nariman Point, Mumbai - 400 021
4. The bidder must provide a Net worth Certificate of 10 Crores. The Net worth Certificate will be provided by a Chartered Accountant along with a brief profile of the bidder.
5. RP will verify the submitted documents and intimate to all eligible applicants by 10<sup>th</sup> February 2022.

6. Eligible bidders will be allowed to carry out the walk-through visual inspection of the assets from 11<sup>th</sup> February 2022 till 24<sup>th</sup> February 2022. Eligible bidders need to make a written application to Resolution Professional (RP) (in email id ip.rnaval@duffandphelps.com), submit the identity details of the visitor, make all necessary arrangement for making port passes, incur all related expenses for inspection and visit.
7. After inspection, prospective applicants should submit a refundable EMD of INR 4,00,00,000/- (Rupees Four Crore Only) by direct remittance or by making DD in the below mentioned bank account. DD will be in the name of "Reliance Naval & Engineering Limited" must be deposited in accounts department of RNEL Shipyard, Pipavav on or before 4 pm of 25<sup>th</sup> February 2022. Bidder must provide an acknowledgement of submission of DD by email to RP before close of business hour (4pm) of 25<sup>th</sup> February 2022.
8. **E-Auction Date- 1<sup>st</sup> March 2022**
9. E-Auction Platform [www.thesalvegebids.com](http://www.thesalvegebids.com)
10. All Bids will be only in equivalent Indian Rupees.
11. The bidders expressly acknowledge that only unconditional bids can be accepted. By submitting a bid, the bidder acknowledges that the same is unconditional in nature and that the bidder cannot revoke or withdraw its bid if found to be the successful bidder
12. RP will refund EMD to all/any unsuccessful applicant in Indian Rupee only within 07 calendar days. The RP will not bear/ liable for any foreign exchange variation.
13. RP will issue the "Letter of Intimation" on successful completion of auction on or before 4<sup>th</sup> March 2022.
14. The successful H1 bidder must deposit the sales consideration after adjusting INR 2 Crores within 15 calendar days. i.e. before 4pm of 19<sup>th</sup> February 2022 of the date of Letter on Intimation of sale.
15. In case H1 Bidder fails to deposit the remaining sales consideration within the stipulated period, his rights on this E-Auction Process will be treated as cancelled and the liquidator will forfeit the EMD.
16. The RP will issue the Sale Certificate only on receipt of complete sale consideration from the successful Bidder.
17. The H1 bidder must maintain and submit the record for material off take from shipyard offered under this e-auction process which will be duly supported with weighment slips taken from RNEL maintained weighbridge and a due certificate from Mr. Milan Trivedi. Remaining EMD amount will be refunded with in 7days from submission of the reconciliation statement.
18. Estimated scrap weight (take or pay) is 3758MT and estimated base price for e-auction is INR 11 crores (excluding all statutory and all other charges). Additional amount will be charged for any material taken beyond 3788 (+/-5% tolerance) according to offer price (estimated @ INR 35/Kg less cutting and transportation subsidy allowance @INR6.50/Kg).
19. For H1 bidder, of the total EMD of INR 4 Cr, INR 2 Cr will be adjusted against the bid value and the remaining INR 2 Cr will be used for any adjustments to final tonnage of the scrap. Any unadjusted portion of the EMD amount will be refunded within 7 (seven) days from submission of the reconciliation statement.
20. The H1 bidder must submit all relevant documents (as mention in clause "**Work methodology for dismantling of Cranes**" and all sub-clauses (1 to 7) and bear all responsibilities mentioned.
21. RNEL will have a right to recover from H1 bidder all damages, liabilities, penalties, recoveries, if any, and will be retained from the unpaid EMD amount.

## Bidding Process

1. Bidding will be on progressive (swiss challenge) method with a floor price. Bidder will be able to see the floor price after entering the bidding room.
2. Initially Bidding process will be for one (1) hour and it will extend for 10 minutes with incremental bid of INR 10,00,000 (Rupees Ten Lakhs Only).
3. Every qualified bidder (who is qualified with eligibility, deposited non-refundable deposits of INR 50,000 and paid EMD of INR 4 Crores) will be given a specific login password. The Login password will be shared in the "designated email id" of the bidder (the "designated email id" should be submitted to RP with EOI application).
4. H1 bidder will be responsible to pay all statutory duties and charges as applicable and payable to KASEZ leviable under EOI, SEZ Act and GST Act and other Regulations while removing the material from the shipyard site.
5. H1 bidder will bear all charges/ make own arrangement for cutting of oversized iron structures and blocks, other scraps and make own transportation arrangement.



## Site Visit

The prospective bidders participating in the e-auction process may visit the site and get themselves familiar with the site condition through a walkthrough site visit, before submitting their EMD. It shall be implied and taken for granted that the bidders have carefully gone through and understood the terms and conditions of e- Auction including the amendments if any, prevailing at the time of auction. No complaints or objections shall be entertained by RNEL and/or the Authorities after the bid is opened/accepted.

## Disposal mode:

The materials are available for disposal on “**As is where is basis**”, “**As is what is basis**”, “**Whatever there is basis**” and “**No recourse basis**”. The buyer shall be allowed to take the delivery of the “individual Cranes as a whole” OR “after demolition and cutting of cranes”. Dismantling/ loading of materials on the trucks or on the vessels at the respective sites will be allowed for convenience of transportation, however, it shall be ensured that the said operation will not hamper the RNEL Shipyard operations/ activities in general. Hence, the successful bidders shall take prior permission from RNEL for placing of required no. of Lifting equipment, Trucks, Forklifts or Vessel (in case of transportation through Sea).

## Work methodology for dismantling of Cranes:

The successful bidder shall engage a third-party agency/ experienced Engineers, for preparing a comprehensive dismantling plan and the detailed dismantling plan prepared by them shall be submitted to RNEL, describing the proposed sequence, removal, and disposal of structures. Planning should involve the entire dismantling/demolition operation including methods to be used to bring the structure down, necessary equipment to do the job, and measures to be taken to perform the job safely.

The Buyer is responsible for planning and wreckage of the structure, the equipment to do the work, informing workers of hazards and safety requirements and public safety. Planning should include provision of all the necessary safety equipment to the personnel such as safety nets, safety belts, lifelines, fall arrestors, warning signs, eye and face protection etc., and any other hazard protection device needed for the job.

Dismantling/ demolition planning process should also include emergency preparedness. Workers should know how to respond to possible emergency situations.

During the course of dismantling, at any time, the Structures should not be left in a condition in which they could be brought down by wind pressure or vibration.

## 1. SITE CONDITIONS:

- a. **Protection of Persons and Property:** It shall be ensured that the RNEL property including the Tracks on which the Goliath Crane is installed is safe guarded while carrying out the subject works. Temporary barricades, baffles, curtains, signs, bracing, shoring and other measures as necessary need to be erected & maintained during demolition, to protect the public, workers, and adjoining property from damage while carrying out demolition work, all in accordance with applicable codes and regulations.
- b. **Protection of Utilities:** Protect active sewer, water, electric and other utilities and drainage and water lines indicated or not indicated, found or otherwise made known to the Buyer before or during demolition work. If utility is damaged, immediately notify the utility owner for corrective action.
- c. **DISMANTLING/ DEMOLITION:** The Buyer shall perform dismantling/demolition and removal work in accordance with the RNEL approved Dismantling Plan.

The Buyer shall remove all the items pertaining to this equipment while carrying out demolition within the limits of the Work and as required to complete the work of this Contract. It shall be ensured that anything beyond the limits of Work is not removed.

The Buyer shall remove materials carefully & safely, to the extent indicated and as required. In case of any damage to the property of the RNEL during the demolition of structure or otherwise, the same shall be repaired or replaced as required at no increase in the Contract Price by the contractor.

- d. **Equipment to be used for Dismantling:** Any /all equipment like Crane/ Crawler Crane for dismantling of Crane Structure, Mobile Cranes for access purpose, Man baskets, Telehandler, Cutting torch sets complete with cylinders, hoses and accessories, welding machine, miscellaneous hand tools and power tools, lifting equipment for dismantling (Shackles, lifting gears) etc. required for removal of materials have to be arranged by the Buyer at their own cost and RNEL will not be responsible in any way for making any such provision.

The lifting equipment/ gears to be used for the purpose shall have valid load testing certificates issued by any Competent Person approved by RNEL Safety. For using the Crawler/ Mobile Cranes on the wharf, prior permission from the HSE & Yard Service department of RNEL shall be obtained, to ensure that the overall load of the Cranes including the material to be lifted is well within the load bearing capacity of the Crane Sites.

For entry/ exit of men & materials, permission from RNEL Project Manager & Security Department be obtained. The Supply Chain Department of RNEL will guide the Buyer in obtaining these permissions.

- e. **Removal of Dismantled Material:** If the buyer has to dismantle any part of the equipment, by cutting into pieces, the same shall be intimated in advance before commencement of dismantling process.
- f. The successful bidder is also required to clear the site after removal of all the materials lying in the site, by employing their own labour and transport at their own risk and cost from the area allotted to them within the time stipulated in the Terms & conditions or within such time as may be prescribed in the Delivery Order.
- g. The successful bidder shall lift the materials only from the site/space as may be earmarked / demarked by the RNEL from time to time which should be final and binding on the Buyer(s) and they shall observe the Rules and Regulations and working hours as may be fixed by RNEL.
2. **Safety Equipment:** The Buyer shall ensure that he and all his workmen shall use the following personal protective equipment of standard quality (ISI / CE marked): "Safety Helmet, full body harness with twin lanyard fitting with scaffolding hook & energy absorber, Eye shields / safety goggles & face protective equipment, hand gloves, Rope grab Fall arrestor (wherever applicable), any other requirement at the time of working".
3. **Hot Work Permit & permission for Working at Height:** Hot work permit and permission for working at height shall be obtained by the Buyer from the Fire & Safety Section of RNEL, as and when required. While working at height, the Buyer shall ensure that the safety measures are taken including use of proper scaffolding, wearing full body harness which is firmly secured to a proper place, safety net etc.
4. **House Keeping at Site:** The Buyer shall maintain good housekeeping at his area of work and must ensure that the passage, walkway, working areas should be free from any blockage and maintained neat and clean. Further, the debris, scrap etc., is removed daily and put at a proper place.
5. **Barricading of Area:** The demolition area should be clearly marked and properly barricaded as such to ensure that only authorized personnel are allowed within the restricted areas of the site. All site workers or authorized personnel should be dressed in appropriate personal protective wear and be informed of safety practices and emergency procedures. Access gate should be secured after the working hours.
6. **Provision of Safety Officer & Safety Supervisor:** Experienced supervisor and staff shall be deployed by the Buyer for the entire dismantling/demolition job to ensure site safety.
7. **Insurance Policy:** The Buyer shall take an appropriate and adequate insurance policy for Personal injury, Workmen Compensation, Public Liability (Third Party) etc as appropriate and in following lines:

**Erection All Risk Policy (EAR)** The Buyer/Contractor has to take an Erection All Risk Policy (EAR) for the demolition and removal work with a sum insurance equivalent to the tentative contractual disposable value of the items covering all the insurable risks associated with the project work in accordance with Good Industry Practice with an Indian Insurance company approved by Insurance Regulatory Development Authority of India (IRDA) with Owner/Principal (RNEL) as joint holder.

- a. The said policy shall be extended to cover specifically the full sum insured towards (i) Third party bodily injuries/ death/ disablement. (ii) Third Party Property Damage etc.
- b. The period of insurance shall be during the period of demolition/ dismantling till all dismantled items are removed from the port premises and debris being cleared.



**Employer Liability Insurance:** In case of accidents depending on the seriousness of injury etc. in addition to the charges for hospitalization/ treatment of the victim(s) and group insurance amount, the Buyer shall pay compensation to the affected person(s)/ his (their) family members as per relevant statute/ workmen compensation Act. Accordingly, the Contractor/ buyer shall comply with the provision of the Employees State Insurance Act, 1948, Employees Compensation Act and Employees Provident Funds & Miscellaneous Provisions Act, 1952 and the Contractor shall cover such liability under Workmen compensation (named as Employer Liability) Insurance and shall continue such insurance till completion of the performance of the Contract covering all the employees/ workers/ casual labours/ contract labour/ outsourced persons under his supervision deputed for the said contract work. The contractor shall also submit such policy of insurance as and when required by the Employer/ Employers representatives.

The value of third-party legal liability for compensation for loss of human life or partial/ total disablement as well as for damage to others equipment/ material /property shall be of required statutory limit where applicable or as awarded by Court of Law. A copy of Insurance shall be submitted to RNEL for information and record.

**Indemnification of RNEL:** The Contractor/buyer shall indemnify and keep RNEL/ Owner indemnified against all damages or compensation payable at Law in respect of or in consequence of any accident or injury to any workman or other person in the employment of the Contractor or Sub-Contractor/ third party against all claims, demands, proceedings, costs, charges and expenses whatsoever in respect thereof or in relation thereto and the owner/Employer/ vendor shall be at liberty to claim, demand, initiate proceedings towards costs, charges and expenses whatsoever in respect of or in relation to any accident or injury referred to above and the Buyer / Contractor shall remain liable to pay such demand.

**Quantity/ Quality of Material:** The quantity, quality, measurement, condition of the materials indicated will be sole responsibility of the bidder. The participation and bidding by any one in this sale shall be treated as conclusive evidence of the fact that the party has inspected the materials offered for sale and satisfied himself in all respect regarding quantity, quality, measurement, weight and condition of materials, taxes and duties, local working condition and other extraneous factors and principle of Caveat Emptor (let the buyer beware) will apply. RNEL does not give any warrantee or guarantee for the quality, chemical composition of each individual items in the lot or about the end use or fitness for a particular purpose.

**Custom Formalities:** The Buyer shall liaison with KASEZ (Kandla Special Economic Zone) authorities to complete custom formalities during taking out the scarp material or the Cranes as a whole. RNEL may provide necessary document to the Buyer which are available with the Department. Detailed Scrap Sale Procedures from EOU & SEZ Unit are furnished below:

**Procedure for Sale of Scrap from EOU.**

1. Permission from KASEZ for sale of Scrap.
2. Sale order issue by RNEL
3. Lifting of material - sale documents (Duty will be applicable on customs rate not on sale rate whichever is higher).

**Procedure for Sale of Scrap from SEZ.**

1. Permission from KASEZ for sale of Scrap.
2. Sale order issue by RNEL
3. Filing of Bill of Entry in SEZ online (Duty will be applicable on customs rate not on sale rate whichever is higher)
4. Assessment of Bill of Entry of Kasez Authorities.
5. Payment of full duty by Buyer
6. Lifting of material - sale documents

**Delivery of Materials:** The Cranes are being disposed off as two lot. The bidders are requested to parallelly dismantle the Cranes to the extent possible and efforts shall be made to dismantle and dispose off the Goliath Crane at the earliest possible as they are occupying the Road area. No pick and choose of the material will be entertained. Breaking / cutting is allowed with the permission of the RNEL. The Buyer is advised in their own interest to make appointment with the owner before placement of vehicles for taking delivery of the materials purchased by them within the scheduled date of delivery. The Buyer at his own cost will make his own arrangement for removal, dismantling, loading, transporting and he will not be entitled to claim any facility or assistance or cost on this account from RNEL.



**Demurrage Charges:** All the dismantled materials shall be cleared from the site within 90 days of award of work. The total quantity of materials is being delivered on lot basis, Hence, in case of any delay in disposal of materials from RNEL, the bidder shall pay demurrage charges based on the weight of the balance material (weightment to be made at RNEL weigh bridge), although the material is being disposed on lot basis. For arriving at the demurrage charges, it is considered to levy 1% of the total cost per week subject to maximum of 5% of the total cost

**Working Duration:** The dismantling work is permitted during the period of sunrise to sunset only. In case, any work (like taking out of loaded trucks) or carrying out dismantling at height to take care of the safety of the structures being dismantled/ Port property after sunset, prior approval from RNEL (Manager-Supply Chain or his representative) need to be obtained with the concurrence of RNEL Security Department.

**Generation of E-way bill for compliance under GST Regime:** The recipient of goods must generate an E-Way bill, based on the GST Tax invoice / Bill of Supply prepared by RNEL, before the movement of the goods commences by motorized vehicle, from the warehouse / premises of M/s RNEL and furnish copy of the same to M/s RNEL

**Pre-Bid Queries:** In case, the prospective bidders need any clarification on the subject e-auction, they may send queries to the port through email to [ip.reliancenaval@duffandphelps.com](mailto:ip.reliancenaval@duffandphelps.com) on or before 07 days from the date of publishing of e-auction. The queries received from all the bidders will be consolidated and RNEL's response to all the queries will be displayed on Bid portal as addendum well in advance before the date of auction. The bidders before participation in the auction shall carefully read the clarifications issued in response to the queries. No queries will be entertained after the date as mentioned above. The clarifications so issued shall form part of e-auction and remain binding on all the bidders.

**Governing Law and Jurisdiction** This Process Document, the Sale Process and the other documents pursuant to the process document shall be governed by the laws of India and any dispute arising out of or in relation to the process document or the Sale Process shall be subject to the exclusive jurisdiction of the Adjudicating Authority, courts and tribunals at Mumbai, India.

**SD/-**

**Sudip Bhattacharya** - Resolution Professional of Reliance Naval and Engineering Limited

IBBI Registration Number: IBBI/IPA-003/IP-N00080/2017-18/10703

**Process Address:**

**C/o Duff & Phelps India Private Limited,  
Raheja Tower, 14<sup>th</sup> Floor, Bandra Kurla Complex,  
Bandra (East), Mumbai – 400 051  
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