

**THE STATE TRADING CORPORATION OF INDIA LIMITED NEW DELHI,**  
**INDIA**

**NOTICE INVITING TENDER NO. STC/FERT/ UREA EXPORT/2014-15/01 DATED  
22.01.2015 FOR SUPPLY OF BAGGED UREA**

1. The State Trading Corporation of India Ltd. (STC), a Government of India Enterprise and a company registered under the Indian Companies Act 1956, is into business of imports and exports of various commodities including urea and other fertilizers/ complex fertilizers. Agriculture Inputs Company Limited (AICL), Nepal has issued a Tender No. KPN/57/071/72 dated 08.01.2015 due on 23.02.2015, for import of 35,000 MT(+/-5%) Urea (copy enclosed).
2. STC is keen to participate in the captioned tender enquiry and is seeking support for the same. We would like to have a Back to Back arrangement with the global suppliers for participating in the above tender for supply of Urea in case order is placed on STC. **The last date of submission of offer in AICL (Nepal) is 23.02.2015.**
3. STC would quote the rates to AICL (Nepal) on the basis of rates/prices offered by the lowest bidder to STC **after adding a Trading Margin of STC @ 3% of the CIF Nepal value plus agency commission charges of our authorized agent in Nepal.** The basic terms of order received by STC from AICL (Nepal) shall mutatis mutandis apply in the back-to-back contract to be finalized between STC and the lowest bidder except payment terms. Payment terms would be as per Serial No. 5(e) below.
4. All activities including port and custom formalities at discharge port in India, filing Bill of Entry in STC's name, arranging storage of bagged cargo at port or other godowns in India, arranging bagging of material in 50 Kg bags as per requirement of AICL (Nepal) i.e. at manufacturer's plant or loadport only, appointing CHA agent, storage insurance, transportation upto designated warehouses as per AICL's Tender, handling of cargo at various stages, arranging clearance of the representative of AICL (Nepal) at Indian load-port, co-ordination with Railways/Road Transport, supply of spare bags, etc. up to safe delivery to AICL (Nepal) as per their Tender No. KPN/57/071/72 dated 08.01.2015 due on 23.02.2015 shall be done by the supplier at their own cost. STC will extend necessary help like signing of documents for import in India and final export to Nepal. Please note that all the statutory and legal requirements within and outside India have to be complied by the supplier. STC will not be responsible for any lapses in this matter.
5. The bidders are requested to submit their most competitive and firm offers to STC **on CIF Nepal basis (Biratnagar, Birgunj and Bhairahawa AICL warehouses).** Please note the price should include charges incurred for arranging completion of all discharge port formalities including unloading, filing bill

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of entry, custom clearance & handling of the consignment, entry tax, payment of custom duty and port dues in India and Nepal/other charges, port handling and clearing charges, local taxes/levies, other statutory charges etc., cost/ charges for storage of material at port and thereafter arranging transportation and payment of freight and other related charges of the bagged Fertilizers to final destinations in Nepal by railway rake/road as per AICL's (Nepal) requirement and in strict compliance of terms and conditions contained in enclosed AICL's Tender No. KPN/57/071/72 dated 08.01.2015 due on 23.02.2015 along with the following:

- a) Bid Bond for US\$ 4,00,000.00 valid for a minimum of 150 days from the date of opening of AICL's tender shall be furnished by way of unconditional bank guarantee drawn in favour of "State Trading Corporation of India Limited, New Delhi" issued by first class international bank through its branch office in New Delhi. In case the order is placed on the bidder, bidder shall have to submit Performance Bond @ 5% of the total delivery price plus STC's trading margin @3% and Rs.261/- PMT (in equivalent US Dollars) to be paid to STC's authorized agent in Nepal within 10 (Ten) days from the date of receipt of letter of acceptance of tender from STC. Performance Bond to be issued by first class international bank through its branch office in New Delhi in favour of "State Trading Corporation of India Limited, New Delhi" and should be valid for at least 60 days from the last date of delivery at designated destinations in Nepal.

Formats of Bid Bond and Performance Guarantee Bond to be submitted to STC are attached as per Annexure I and II".

In case STC's Bid Bond /Performance Bond is forfeited by AICL, Nepal due to any reason, the back-up Bid Bond/ Performance Bond submitted by you shall also be forfeited forthwith by STC.

- b) Signed and Stamped Integrity Pact as per Annexure III, signed and stamped Tender Form as per Annexure IV, Duly filled in Techno-Commercial Bid Format and Price Bid Format s per Annexure V and Annexure VI respectively.
- c) The bidder should submit along-with offer a written confirmation from manufacturer stating the guarantee to supply the goods as per the specification and quantity. Offers from only those countries of origin will be acceptable which are not restricted by US for which manufacturer analysis and non-contamination certificates have been submitted with the tender document.
- d) Please note that M/s Annapurna Impex, 184, Main Road Birat Nagar, Nepal is our authorized agent in Nepal for submission of offer and co-ordination with AICL, Nepal for this case for which STC will be paying them Rs. 261/- PMT. In addition to STC's trading margin of 3%, we shall be adding the commission to be paid to our said agent in the rates quoted by you while quoting our rates to AICL, Nepal.

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The bidder shall have to pay directly all charges/ commission of their authorized agent in Nepal (if any) for follow up with AICL, Nepal for satisfactory execution of this transaction.

- e) Payment will be made to the supplier through banking channel directly to supplier's bank A/c after receipt of the same from the AICL (Nepal) on pro-rata basis i.e. for example if AICL (Nepal) releases 95% of payment to STC then STC will also release 95% of the supplier's payment after deducting STC's cost/expenses towards exchange rate loss, transit loss etc. that may incur in this transaction. Deductions made by AICL (Nepal) from the payment to STC shall also be deducted at actual from the supplier.
- f) The bidder will submit the following documents to STC directly for submitting to AICL (Nepal) for claiming payment from them:
1. ORIGINAL COMMERCIAL INVOICES.
  2. FULL SET OF OCEAN BILL OF LADING MARKED "FREIGHT PREPAID" AND CLEAN ON BOARD ISSUED TO THE ORDER OF "NAME OF THE BANK (AICL'S BANK IN NEPAL)" AND CONSIGNED TO "AGRICULTURE INPUTS CAOMPANY LIMITED, KULESHWOR, KATHMANDU, NEPAL" EVIDENCING THE GOODS CONSIGNED.
  3. ORIGINAL CERTIFICATE OF MANUFACTURER CERTIFYING QUALITY OF GOODS.
  4. ORIGINAL CERTIFICATE OF COUNTRY OF ORIGIN ISSUED OR ENDORSED BY THE CHAMBER OF COMMERCE.
  5. ORIGINAL INSURANCE POLICY INSURANCE CERTIFICATE COVERING ALL MARINE RISKS AND NON-DELIVERY INCLUDING TPND, SRCC, WATER DAMAGE, ETC.
  6. CHARTER PARTY AGREEMENT (IF ANY).
  7. ORIGINAL CERTIFICATE OF QUALITY, QUANTITY ISSUED BY SGS.
  8. PACKING LIST SHOWING GROSS/NET WEIGHT AND NUMBER OF OCEAN BILL OF LADING.
  9. CERTIFICATE OF HOLD AND HATCH CLEANLINESS ISSUED BY SGS.
  10. CERTIFICATE OF NON-CONTAMINATION AND CERTIFICATE OF FIT FOR AGRICULTURAL USE ISSUED BY SGS.
  11. CERTIFICATE OF INSPECTION ISSUED BY SOCIETE GENERAL SURVEILLANCE (SGS) AT THE PLACE OF LOADING.
- g) The bidder's confirmation, on their letterhead, to the following effect must also be given:
- That all terms and conditions including specifications of AICL, Nepal's Tender No. KPN/57/071/72 dated 08.01.2015 due on 23.02.2015 for import of 35,000 MT(+/-5%) of Urea and are acceptable to them in toto.
  - That the offer shall be valid upto 1730 Hrs IST on 23.03.2015.

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- That they will not submit their offer through other Indian Trading Companies like MMTC, IPL, etc against the AICL's above-mentioned tender enquiry if STC submits its bid based on their offer to STC. However, if STC does not submit its bid to AICL, Nepal based on the bidder's offer to STC, the bidder will be free to participate directly, if the bidder so desire, in the aforesaid tender of AICL. STC shall give unsuccessful bidders adequate notice in this regard.
6. All Bidders are required to submit their offers in TWO BID SYSTEM i.e. in two separate envelopes labeled as "Techno- Commercial Bid" and "Price Bid" as per formats attached as per Annexure V and Annexure VI respectively. The Price Bids of only those bidders shall be opened who shall qualify based on their Techno-Commercial Bid. Both the envelopes should be separately sealed and superscribed with STC's Tender No. & Date, Name & address of Bidder and Date of Tender Opening. Both envelopes should thereafter be kept in a bigger envelope and sealed. This envelope should also be superscribed with the Tender No. & Date, Name & address of Bidder and Date of Tender Opening. The bids have to be submitted in Two Bid System latest by **1100 Hrs. IST of 16.02.2015**, physically in a sealed cover by dropping in the tender box conspicuously placed on the Ground Floor (Main Reception) of STC at Jawahar Vyapar Bhawan, Tolstoy Marg, New Delhi-110001. Offers shall be addressed to the Manager (Marketing), Fertilizers Division in sealed cover are to be deposited in the tender box kept at the following address:-

THE STATE TRADING CORPORATION OF INDIA LTD.,  
GROUND FLOOR (MAIN RECEPTION),  
JAWAHAR VYAPAR BHAWAN,  
1, TOLSTOY MARG,  
NEW DELHI -110 001.

Please note that rates should be quoted by the bidder in US\$ on CIF Nepal basis (Biratnagar, Birgunj and Bhairahawa AICL warehouses) showing the following components separately:

1. CIF (Indian Discharge Port) price.
2. Charges/Rates for all activities to be done in India and Nepal till delivery of bagged cargo to designated godowns as per AICL's Tender.

STC's Tender Notice No. **STC/FERT/ UREA EXPORT/2014-15/01 DATED 22.01.2015** and due date 16.02.2015 must be mentioned on the envelope.

7. Additional information/ corrigendum/ addendum regarding the tender shall be posted only on STC's website i.e. [www.stc.gov.in](http://www.stc.gov.in), GOI's websites i.e. [www.tenders.gov.in](http://www.tenders.gov.in) & [www.eprocure.gov.in](http://www.eprocure.gov.in) from time to time. No press advertisement shall be issued for updation/corrigendum/addendum. Prospective bidders are, therefore, advised to regularly visit these websites to update themselves.

**BID BOND PROFORMA**

(To be executed by any first class international Bank through its branch office in New Delhi (India) on stamp paper of Rs.100/-).

M/s. State Trading Corporation of India Limited,  
Jawahar Vyapar Bhavan,  
1, Tolstoy Marg,  
New Delhi —110001

Dear Sirs,

1. WHEREAS M/s \_\_\_\_\_ (offeror) has offered to supply a quantity of \_\_\_MTs of \_\_\_\_\_ to STC of India Limited, and the offeror is required to submit a Bid Bond for US\$ 4,00,000.00 as a guarantee for fulfillment of all the terms and conditions of subsequent sale, we \_\_\_\_\_(Bank with full address) hereby unconditionally and irrevocably guarantee and undertake to pay immediately on first demand by STC of India Limited, New Delhi the amount of US\$ 4,00,000 in case the offeror fails to perform any or all the obligations, undertaken by him as per STC's acceptance without any reservation, protest, demur and recourse to said offeror. Any such demand in writing made by STC of India Limited, shall be conclusive and binding on us irrespective of any dispute or difference raised by the offeror. This Guarantee shall be irrevocable and shall remain valid for a minimum of 150 days from the date of opening of AICL's tender.
2. Notwithstanding anything mentioned herein before, our liability under this guarantee is restricted to US\$ 4,00,000.00 and it will remain in full force upto \_\_\_\_\_(minimum of 150 days from the date of opening of AICL's tender. Unless a claim under the guarantee is filed against us on or before all your rights under the said Guarantee shall be forfeited and we shall be relieved and discharged from all the liabilities there under. We, \_\_\_\_\_(Bank) further agree that the Guarantee hereunder contained shall not be affected by any change in the terms of purchase originally offered by the offeror.
3. This bond will be governed by Indian Laws and will be subject to the jurisdiction of courts at New Delhi in India alone.

DATE  
PLACE

FOR  
BANK

N.B. Bid Bond to be furnished in US Dollars only. Bid Bond in Indian Rupees will not be accepted.

## ANNEXURE-II

### **PERFORMANCE GUARANTEE BOND**

(To be executed by any first class International Bank having Branch office in New Delhi (India) on stamp paper of Rs.100/-)

M/s. State Trading Corporation of India Limited,  
Jawahar Vyapar Bhavan,  
1, Tolstoy Marg,  
NEW DELHI —110001.

1. Against Contract No. \_\_\_\_\_ Dated \_\_\_\_\_ (hereinafter called said LOI/Contract) entered into between the State Trading Corporation of India Limited, New Delhi, (STC) (hereinafter called the buyers) and M/s. \_\_\_\_\_ (hereinafter called the sellers) this is to certify that at the request of the Sellers, We \_\_\_\_\_ (Name and Address of Bank) (hereinafter referred to as “the Bank” which expression shall, unless repugnant to the context or meaning thereof, include all its successors, administrators, executors and permitted assignees) have issued this guarantee in favour of Buyers the amount of US\$ \_\_\_\_\_ (5% of the total delivery price plus STC’s Trading Margin @3% and Rs.261/- PMT (in equivalent US\$) to be paid to STC’s authorized agent in Nepal) and hereby unconditionally and irrevocably guarantee and undertake to pay to the Buyers immediately on first demand without protest or demur or reference to the Sellers if the Sellers fail to perform all or any of their obligations under the said Contract or supply material short than the contracted quantity or if penalties are levied due to quality deviations (nutrient moisture/particle size) from contractual specifications and/or for any other reason. The decision of the Buyers duly communicated in writing to the bank during its currency that the sellers have failed to perform all or any of the obligations under the LOI/Contract or have delivered short quantity or penalties have been levied due to quality deviations (nutrient/moisture/particle size) from contractual specifications and/or for any other reason or have not settled despatch/demurrage, dead freight and other due amounts, shall not be questioned and shall be final and conclusive (irrespective of the stand that may be taken by or on behalf of the sellers). The said amount of US\$ \_\_\_\_\_ will accordingly forthwith be paid without any conditions or proof whatsoever.
2. It is fully understood that this Guarantee is effective up to (at least 60 days from the last date of delivery) at designated destinations in Nepal and that we \_\_\_\_\_ (Bank) undertake not to revoke this guarantee during its currency.
3. We, \_\_\_\_\_ (Bank), further agree that the Buyers shall have the fullest liberty, without affecting in any manner our obligations hereunder to vary any of the terms and conditions of the said Contract or to extend time of performance by the Sellers from time to time or to postpone for any time or from time to time any of the powers exercisable by the Buyers against the said Suppliers and/or forebear to enforce any of the terms and conditions relating to the said Contract

and We, \_\_\_\_\_(Bank) shall not be absolved from our liabilities under this guarantee by reasons of any such variations or extensions being granted to the said sellers or for any forbearance and/or commission on the part of the Buyers, or any indulgence by the Buyers, to the said Sellers or by any matter or thing whatsoever which under the law relating to the sureties would have the effect of releasing us but for this provision under this performance guarantee.

4. We, \_\_\_\_\_(Bank), further agree that the Guarantee herein contained shall not be affected by any change in the constitution of the said Seller/ Buyer/ Bank/ Consignee.
5. The Guarantee will be governed by Indian laws and will be subject to jurisdiction of Competent Courts at New Delhi in India alone.

FOR -----  
BANK ACCEPTED

- N.B. (i) Conditional PBG will not be accepted.  
(ii) PBG to be furnished in US\$ (US DOLLARS) only.  
(iii) PBG in Indian Rupees will not be accepted.

**INTEGRITY PACT**

**Between**

The State Trading Corporation of India Limited, a company incorporated under the Companies Act 1956 and having its registered office at Jawahar Vyapar Bhawan, Tolstoy Marg, New Delhi - 110001 hereinafter referred to as “STC”,

And

....., a company registered under ..... and having its registered office at ....., hereinafter referred to as “The Bidder”.

**Preamble**

STC is an international trading company dealing in purchase, sale, export and import of various commodities.

STC has invited tenders for purchase of ..... and intends to award contract/s for purchase of the same under laid down organizational procedures, STC values full compliance with all relevant laws of the land, rules, regulations, economic use of resources and of fairness/transparency in its relations with its bidders.

In order to achieve these goals, STC has appointed Independent External Monitors (IEMs), who will monitor the tender process and the execution of the contract for compliance with the principles mentioned above.

**Section 1 – Commitments of STC**

- (1) STC commits itself to take all measures necessary to prevent corruption and to observe the following principles:-
  - a. No employee of STC, personally or through family members, will in connection with the tender for or the execution of the contract, demand, take a promise for or accept, for self or third person, any material or immaterial benefit which he/she is not legally entitled to.
  - b. STC will, during the tender process treat all bidder(s) with equity and reason. STC will in particular, before and during the tender process, provide to all bidders/contractors the same information and will not provide to any bidder(s) confidential/additional information through which the bidder(s) could obtain an advantage in relation to the tender process or the contract execution.
  - c. STC will exclude from the process all known prejudiced persons.
- (2) If STC obtains information on the conduct of any of its employees which is a criminal offence under the Indian Penal Code (IPC) or Prevention of Corruption (PC) Act, or if there is a substantive suspicion in this regard, STC will inform its Chief Vigilance Officer and initiate disciplinary actions as per laid down procedures.



## **Section 2 – Commitments of the Bidder.**

- (1) The Bidder commits to take all measures necessary to prevent corruption and to observe the following principles during participation in the tender process and during the contract execution.
  - a. The Bidder will not, directly or through any other person or firm, offer, promise or give to any of STC's employees involved in the tender process or in the execution of the contract or to any third person any material or other benefit which he/she is not legally entitled to, in order to obtain in exchange any advantage of any kind whatsoever during the tender process or during the execution of the contract.
  - b. The Bidder will not enter with other bidder(s) into any undisclosed agreement or understanding, whether formal or informal. This applies in particular to prices, specifications, certifications, subsidiary contracts, submission or non-submission of bids or any other actions to restrict competitiveness or to introduce cartelization in the bidding process.
  - c. The Bidder will not commit any offence under the relevant IPC/PC Act. Further the Bidder will not use improperly, for purposes of competition or personal gain, or pass on to others, any information or document provided by STC as part of the business relationship, regarding plans, technical proposals and business details, including information contained or transmitted electronically.
  - d. The Bidder of foreign origin shall disclose the name and address of its Agents/representatives in India, if any. Similarly the Bidder of Indian nationality shall furnish the name and address of its foreign principals, if any. All the payments made to the Indian agent/representative will be in Indian Rupees only.
  - e. The Bidder will, when presenting the bid, disclose any and all payments made or committed or intended to be made to agents, brokers or any other intermediaries in connection with the award of the contract.
- (2) The Bidder will not instigate third persons/firms to commit offences outlined above or be an accessory to such offences.

## **Section 3- Disqualification from tender process and exclusion from future tenders/contracts**

If the Bidder/Contractor, before award of the contract or during execution thereof commits a transgression through a violation of Section 2 above or in any other form such as to put its reliability or credibility in question, STC shall be entitled to disqualify the Bidder/Contractor from the tender process or to terminate the contract, if already signed, on that ground.

If the Bidder/Contractor commits a serious violation of Section 2 above or in any other form such as to put its reliability or credibility as Bidder/Contractor into question, STC shall also be entitled to exclude the Bidder/Contractor from participating in the future tender processes for duration as may be considered appropriate by it.

## **Section 4 - Compensation for Damages and Forfeiture of EMD**

- (1) If STC disqualifies the Bidder/Contractor from the tender process prior to the award of the contract according to Section 3, STC shall be entitled to demand and

recover the damages equivalent to Earnest Money Deposit/Bid Security, by forfeiting the same as stipulated in the tender.

- (2) If STC terminates the contract according to Section 3, or if STC is entitled to terminate the contract according to Section 3, STC shall be entitled to demand and recover from the Bidder/Contractor liquidated damages as per contract or the amount equivalent to Performance Bank Guarantee stipulated in the tender.

#### **Section 5 – Previous transgression**

- (1) The Bidder/Contractor declares that it did not commit any transgressions in the last 3 years with any Company in any country with regard to any anti-corruption law or practice or with any other Public Sector Enterprise in India that could justify its exclusion from the tender process.
- (2) If the Bidder/Contractor makes incorrect statement on this subject, it may lead to disqualification from the tender process or termination of the contract if already awarded.

#### **Section 6 – Equal treatment of all Bidders/Contractors/Subcontractors**

- (1) The Bidder/Contractor undertakes to demand from all Subcontractor(s) a commitment in conformity with this Integrity Pact, and to submit it to STC before signing of the contract, if awarded in its favour.
- (2) STC will enter into agreements with identical conditions as this one with all bidders, contractors and subcontractors.
- (3) STC will disqualify from the tender process any bidder/contractor who does not sign this Pact with STC or violates its provisions.

#### **Section 7 – Criminal charges against Bidder(s)/Contractor(s) /Subcontractor(s)**

If STC obtains knowledge of conduct of a bidder, contractor or subcontractor or of an employee or a representative or an associate of the bidder, contractor or subcontractor which constitutes corruption, or if STC has substantive suspicion in this regard, STC will inform the same to its Chief Vigilance Officer.

#### **Section 8 – Independent External Monitor /Monitors**

- (1) STC has appointed competent and credible Independent External Monitor(s) (IEMs) for this Pact. The task of the Monitor is to review independently and objectively, whether and to what extent the parties comply with the obligations under this agreement.
- (2) The Monitor is not subject to instructions by the representatives of the parties and performs his functions neutrally and independently. He reports to the CMD, STC.
- (3) Bidders/Contractors accept that the Monitor has the right to access, without restriction, all project documentation of STC including that provided by the Bidder/Contractor. The Bidder/Contractor will also grant the Monitor, upon his request and demonstration of a valid interest, unrestricted and unconditional access to its project documentation. The same will also be applicable to Subcontractor. The Monitor shall treat the information and documents of STC and the Bidder/Contractor/Subcontractor with confidentiality.
- (4) STC will provide to the Monitor sufficient information about all meetings among the parties related to the Project provided such meetings could have an impact on

the contractual relations between STC and the Contractor. The parties offer to the Monitor the option to participate in such meetings.

- (5) As soon as the Monitor notices, or believes to notice, a violation of this agreement, he will so inform the Management of STC and request the Management to discontinue or take correction action or to take other relevant action. The Monitor may in this regard submit non binding recommendations. Beyond this, the Monitor nhas no right to demand from the parties that they act in specific manner, refrain from action or tolerate action.
- (6) The Monitor will submit a written report to the CMD, STC within 8 to 10 weeks from the date of reference or intimation to him by STC and should the occasion arise, submit proposals for correcting problematic situations.
- (7) If the Monitor has reported to the CMD STC a substantiated suspicion of an offence under relevant IPC/PC Act, and the CMD STC has not, within the reasonable time taken visible action to proceed against such offence or reported it to the Chief Vigilance Officer, the Monitor may also transmit this information directly to the Central Vigilance Commission.
- (8) The word Monitor would include both singular and plural.

### **Section 9 – Pact Duration**

This pact begins when both parties have legally signed it. It expires for the Bidder/Contractor twelve months after the last payment under the contract, and for all other bidders six months after the contract has been awarded.

If any claim is made/lodged during this time by either party, the same shall be binding and continue to be valid despite the lapse of this pact as specified above, unless it is discharged/determined by CMD, STC.

### **Section 10 – Other provisions**

- (1) This Integrity Pact is an independent agreement between the parties and is subject to Indian Law. The arbitration clause if any in the tender / contract shall not apply to this agreement. Place of performance and jurisdiction is the Registered Office of STC. i.e. New Delhi.
- (2) Changes and supplements to this Pact as well as termination notices to be issued, if any, shall be made in writing. Side agreements have not been made.
- (3) If the Bidder/Contractor is a partnership firm or a consortium, this agreement shall be signed by all partners or consortium members.
- (4) Should one or several provisions of this agreement turn out to be void, the remainder of this agreement shall remain valid. In such a case, the parties will strive to come to an agreement to their original intentions.

\_\_\_\_\_  
**(For & On behalf of STC)**  
(Office Seal)

\_\_\_\_\_  
**(For & on behalf of The Bidder/Contractor)**  
(Office Seal)

Place :

Date:

Witness 1 : Name & Address

Witness 2 : Name & Address

TENDER FORM

M/s. State Trading Corporation of India Limited,  
Jawahar Vyapar Bhavan,  
1, Tolstoy Marg,  
NEW DELHI —110001.

**Subject: Offer for supply and delivery of Urea-Fertilizer Grade against STC's  
Tender No. STC/FERT/ UREA EXPORT/2014-15/01 DATED 22.01.2015 due  
on 16.02.2015.**

Sir,

In response to your Tender No. **STC/FERT/UREA EXPORT/2014-15/01 DATED 22.01.2015 due on 16.02.2015** for supply and delivery of 35,000 (±5%) MT of Urea chemical fertilizers on CIF Nepal delivery basis;

1. I/We hereby offer to supply and deliver chemical fertilizers as per the specifications and quantity mentioned in the tender and rates are as quoted in attached Appendix.
2. I/We have read the conditions of STC's as well as of AICL's tender document and agree to abide by all the conditions mentioned in these documents.
3. Bid Bond of US\$\_\_\_\_\_ dated issued by\_\_\_\_\_Bank in favor of "The State Trading Corporation of India Limited, New Delhi Limited is attached herewith.
4. I/We agree to the bid bond being forfeited without prejudice to any acts, rights or remedies if I/We fail to submit required Performance Bond within stipulated time, or I/we withdraw our offer before expiry of validity of tender or fail to sign contract within the stipulated time.
5. Until the formal supply and delivery contract is signed, acceptance of this tender shall constitute .a binding agreement between us subject to the restriction as may be mutually agreed to and as indicated in the letter of acceptance of my/our tender.
6. Our offer is valid upto 1730 Hrs IST on 23<sup>rd</sup> March, 2015.

Yours Faithfully,

(Signature of the Bidder)

Designation:

Name of the Bidder:

Address:

Date:

Seal:

**TECHNO-COMMERCIAL BID FORMAT**  
**(ON BIDDER'S LETTER-HEAD)**

**(STC's Tender No. STC/FERT/UREA EXPORT/2014-15/01 DATED 22.01.2015**

**Offer Ref. No.** \_\_\_\_\_ **Date** \_\_\_\_\_

1. Name of Bidder : \_\_\_\_\_  
Address : \_\_\_\_\_  
Contact Person Name : \_\_\_\_\_  
Telephone no: \_\_\_\_\_ : Fax No. \_\_\_\_\_; e-mail ID: \_\_\_\_\_
2. Quantity offered against the Tender (MT): \_\_\_\_\_
3. Country of Origin: \_\_\_\_\_
4. Validity of Offer: UPTO 1730 Hrs. IST on 23.03.2015.
5. Delivery Schedule: \_\_\_\_\_
6. Earnest Money deposited (to be attached in original)

Bid Bond Number	Date	Amount (US\$)	Issuing bank	Validity

7. Signed and stamped Integrity Pact (enclosed):
8. Signed and stamped Tender Form (enclosed):
9. (a) Certificates relating to manufacturer's confirmation (enclosed):  
(b) Analysis Test Report (enclosed)  
(c) Certificate of Agriculture Use (enclosed):
10. Deviations from tender Terms, if any : \_\_\_\_\_  
(Offers with deviations are liable to be rejected at sole discretion of STC)

We have carefully gone through all the terms and conditions of the STC's Tender No. STC/FERT/ UREA EXPORT/2014-15/01 DATED 22.01.2015 as well as AICL's Tender No. KPN/57/071/72 dated 08.01.2015 and hereby agree to abide by the same without any condition/deviation. The basic terms of order received by STC from AICL (Nepal) shall mutatis mutandis apply in the back-to-back contract to be finalized between STC and the lowest bidder except payment terms.

Name & Signature of the Bidder  
With Seal of Designation

Place:  
Date:

ANNEXURE VI

PRICE BID FORMAT

(Tender Notice No. STC/FERT/ UREA EXPORT/2014-15/01 DATED 22.01.2015)

ITEM	WAREHOUSES/ QUANTITY	CIF (INDIAN DISCHARGE PORT) PRICE	CHARGES/RATES FOR ALL THE ACTIVITIES TO BE DONE IN INDIA AND NEPAL	TOTAL CIF (AICL WAREHOUSE) PRICE	COUNTRY OF ORIGIN
UREA (46%N)					
	BIRATNAGAR 7500 MT				
	BIRGUNJ 17,500 MT				
	BHAIRAHAWA 10,000 MT				
Signature of Bidder					
Name:					
Designation:					
Address:					
Seal:					

**Note:**

3. Please note that rates should be quoted by you in equivalent US Dollars on CIF Nepal basis (Biratnagar, Birgunj and Bhairahawa AICL's warehouses) showing the following components separately:
  - (i) CIF (Indian discharge port) price.
  - (ii) Charges/rates for all activities to be done in India and Nepal till delivery of bagged cargo to designated godowns as per AICL's tender.
4. 1.5% spare bags will be supplied free of cost.

**AGRICULTURE INPUTS COMPANY LIMITED  
HEAD OFFICE  
KULESHWOR, KATHMANDU  
NEPAL**

**TENDER DOCUMENT  
FOR SUPPLY AND DELIVERY OF  
CHEMICAL FERTILIZER**

**(UREA 46% N)**

**TENDER NOTICE NO: KPN/57/071/72**

**FIRST PUBLISHED DATE : 8<sup>th</sup> January, 2015**

**LAST SUBMISSION DATE : 23<sup>rd</sup> February, 2015**

**PHONE : 4279715, 4274819  
FAX: 4278790  
E-mail : [aicl@ntc.net.np](mailto:aicl@ntc.net.np)  
Website: [www.aicl.org.np](http://www.aicl.org.np)**



**TENDER NOTICE  
FOR THE SUPPLY AND DELIVERY OF CHEMICAL FERTILIZER**

(First Published Date: 8<sup>th</sup> January, 2015)

1. Agriculture Inputs Company Limited (AICL), Central Office, Kuleshwor, Kathmandu, Nepal invites sealed Tender for the supply and delivery of under mentioned chemical fertilizers. The fertilizer must be delivered at CIF Nepal basis (Biratnagar, Birgunj and Bhairahawa AICL warehouses) with insurance up to Nepal as mentioned in the tender document.

Tender No.	Commodity	Quantity
KPN/57/071/72	UREA 46 % N	35,000 MT

2. Each tender document including tender conditions, tender form, commodity specification and a draft copy of supply contract can be obtained on any working day during office hours on payment of Rs. 10,000/- (Rs. Ten thousand, non-refundable ) or equivalent convertible currency from the Central Office.
3. Fully completed sealed tender must be submitted at the Procurement Division, Central Office and obtain receipt for the same not later than 13:00 hrs. Nepalese time on 23<sup>rd</sup> February, 2015. Tender or any part thereof received after the stipulated time will not be accepted. Submitted sealed envelope should have following superscripting "TENDER FOR THE SUPPLY AND DELIVERY OF UREA FERTILIZERS, TENDER NOTICE NO. KPN....."
- Alternatively, bidders may purchase tender document and submit their bid electronically (as specified in the website) through Tender section of AICL's website: <http://www.aicl.org.np>. In the case bidder choose to download and submit bid electronically, the bidder shall pay the above non-refundable fee as specified below.
- a. Current Account of Prabhu Bank with Account No: 03711600253994000002 or  
b. Current Account of Nepal Investment Bank Limited (NIBL) with Account No: 1175400.
4. Tenders will be opened at the Central Office in the presence of representatives of concerned Government office and tenderers at 14:00 hrs. On 23<sup>rd</sup> February, 2015. The bid price will be read and recorded in the presence of the tenderers or their representatives. However, tenders may be opened even if tenderers or their representatives remain absent at the scheduled time.
5. Bids must be valid for a period of minimum 21 days after the deadline of bid submission and bid bond US \$ 4,00,000.00 must be enclosed with the tender which must be counter guaranteed by first class commercial bank of Nepal and valid for minimum 120 days from the date of opening of tender. Successful tenderer shall be required to furnish a performance bond at 5 percent of total quoted amount before signing the contract. Format is given in the tender document.
6. Tenders shall be considered only if the tenderers fulfill the under-mentioned conditions. Tenders will be rejected if conditions are not fulfilled.
- a) The Fertilizers should be bagged either at manufacturer's plants or load port only.
- b) Total quantity, about 50 percent of the consignment (first ship-load) should be delivered within 90 days and rest of the quantity should be delivered within 110 days at CIF Nepal basis (Biratnagar, Birgunj and Bhairahawa AICL warehouses) from the 7<sup>th</sup> day of the establishment of L/C.
- c) In the event of force majeure declaration in the country of the origin mentioned during the execution of the contract the supplier shall supply the goods from any other origin acceptable to AICL so as to meet delivery schedule.
- d) Tender document must be accompanied by and complied with the tender conditions. Tender will be rejected if conditions mentioned in the tender documents are not fulfilled.
7. Bid price shall be evaluated upon the basis of calculation of three different destinations quoted price by the bidder and the average price will be used for price comparison.
8. Local agent must mention the name of principal supplier in order to purchase tender document. Purchased tender document will be valid only for specified principal supplier.
9. Documents issued by foreign institutions must be expressed in English language.
10. Interested eligible bidders may obtain further information and inspect the bidding document at the Agriculture Inputs Company Limited (AICL), Central Office, Kuleshwor, Kathmandu, Nepal during office hours or may visit Tender section of AICL's website <http://www.aicl.org.np>.
11. The award for an agreement will be made to the tenderer, whose tender has been accepted meeting the requirements in the specification and other terms and conditions set forth in the tender document latest by 21<sup>st</sup> day from the date of tender opening.
12. Agriculture Inputs Company Limited reserves all rights to accept whole or part of any tender or reject any or all tender without assigning any reason whatsoever.

Tel : (+977 1) 4279715, 4274819  
Fax: 42 78 790,  
E-mail: [aicl@ntc.net.np](mailto:aicl@ntc.net.np)  
URL: [www.aicl.org.np](http://www.aicl.org.np)



**कृषि सामग्री कम्पनी लिमिटेड**  
**AGRICULTURE INPUTS COMPANY LTD.**  
Procurement Department, Central Office  
Kathmandu, Nepal



## CONDITION OF TENDER

1. Each tender must be complete in true sense.
2. Incomplete tenders will automatically be disqualified.
3. Ambiguous and/or contradictory statements in the tender shall render the bid liable to disqualification.
4. Each Tender should be furnished along with the original copy of the tender document purchased from the AICL or download tender form from AICL's website <http://www.aicl.org.np>.

**5. Tender:**

Tenders must be complete with the information sought as per the tender forms provided in section D of the tender document in all respects and the product should confirm with the specifications set forth in section C of the tender document.

**a) Sealing/Marking of Tenders:**

Each Tender should be forwarded in sealed envelope and addressed to:

**Procurement Department  
Agriculture Inputs Company Ltd.  
Central Office  
Kuleshwor, Kathmandu  
Nepal.**

**b) The envelope should be marked:**

Tender for the supply and delivery of Urea fertilizer, Tender Notice No. KPN/57/071/72. The back cover of envelope should bear the name and address of tenderer.

**6. Local Agent:**

- a) The tender must be submitted by Nepalese agents for foreign principal/manufacturers or suppliers. The agent shall submit with tender a firm registration certificate and an authorization letter from their principal duly authorizing them as their agent in Nepal for the supply of goods covered by this tender. Furthermore, authorization letter should also authorize the agent to act for and on behalf of the principal in all matters regarding the supply of goods under this tender.
- b) Foreign tenderers submitting the tender through their local representatives or agents in Nepal must declare the name and the address of local agents, the rate of agency commission and benefit offered, mode of payment to the local party etc.; in detail along with tender. Such representative firm must be registered under the law of Nepal and a copy of the relevant registration documents i.e. (a copy of the tax clearance certificate, VAT registration certificate and renewed agency registration certificates from the concerned office of government of Nepal) must be attached along with the tender.

**7. Validity of Tender:**

- a) The tender, including the prices etc. quoted therein should be valid for a period of at least 21 days from the date of opening of the tender. In case 21 days are not enough for the final decision of the tender, the tenderer must be prepared to extend the validity of tender upon intimation of Agriculture Inputs Company Limited.
- b) Tenderer must enclose bid bond of US \$ 4,00,000.00 in favour of AICL. The bid bond should be furnished in the form of Cash deposit in AICL's account in Nepal Rastra Bank A/C. Bai. A. 610016 or a first class unconditional Bank guarantee drawn in favour of AICL by Nepalese Bank. Bank drafts will not be accepted. Bid bonds of unsuccessful tenderers will be released within 15 working days after the date of award of contract. No interest or commission of any kind will be given by AICL. Bid bonds should be valid for at least 120 days after the date of opening of tender. The tender should be accompanied with the original copy of the bid bond; format of the bid bond is annexed herewith. Non-submission of the required bid bond along with the bid will render to automatic disqualification of the tender.

**8. Manufacturer's Confirmation:**

- a) The Tenderer should submit a written confirmation from manufacturer stating the guarantee to supply the goods as per the specification and quantity mentioned in the tender document.
- b) Only those countries of origin will be acceptable which are not restricted by U.S. for which manufacturer analysis and non-contamination certificates have been submitted with the Tender Document

**9. Analysis Test Report:**

Tenderers with their tenders should furnish detail description and specifications of the materials offered together with analysis certificates.

- a) Presented analysis report should be supported by the test report issued or endorsed by government approved independent testing laboratory along with the related documents.
- b) The copy of up to date test report bearing official seal and signature should pertain to the offered materials and should be issued or endorsed by the government approved independent testing laboratories. Non-submission of the proper type of test report for the offered materials along with the tender document shall render the bid liable to rejection.

**10. Certificate of agricultural use:**

The tenderer along with the tender should also submit a certificate issued or endorsed by the government approved testing laboratories that the fertilizer to be supplied under this tender is fit for agricultural use.

**11. Receiving and Opening of Tenders:**

- a) Sealed tenders will be received on or before 13:00 hours of 23<sup>rd</sup> February, 2015
- b) Tenders received on time will be opened in public at 14:00 hours on 23<sup>rd</sup> February, 2015 at Central Office, Kathmandu. Tenderers or their representative may be present at the time of opening of the bids. However tender may be opened even if bidder or their representative remains absent at the scheduled time.

**12. Bid Prices:**

The tenderer should quote CIF Nepal (Biratnagar, Birgunj and Bhairahawa AICL warehouses) basis with insurance up to Nepal destinations in US dollars. AICL will evaluate all bid prices and award will be made in one basis i.e. CIF Nepal.

**13. Bid Comparison:**

- a) Bid price shall be evaluated upon the basis of calculation of three different destinations quoted price by the bidder and the average price will be used for price comparison.
- b) Bid price will be valued in terms of a single currency i.e. Nepalese Rupees for evaluation. The rates of exchange to be used in such evaluation will be selling rates officially prescribed by Nepal Rastra Bank for similar transaction and prevailing on the date of opening of the tender.

**14. Performance Bond:**

Before signing the contract, supplier should submit a Performance Bond at the rate of 5% of total delivery price within 15 (Fifteen) days from the date of receipt of letter of acceptance of Tender. The Performance Bond must be issued by Nepalese Bank. The Performance Bond should be a first class clean irrevocable and unconditional bank guarantee. Format of performance bond is annexed herewith.

**15. Signing of the Contract:**

The successful tenderer shall have to sign the contract within 17 days from the date of receipt of letter of acceptance.



**16. Forfeiture of Bid Bond:**

Bid bond shall be forfeited if:

- a) Tenderer withdraws his offer within the validity period of tender, or
- b) Tenderer fails to submit performance bond as specified in clause 14 or,
- c) Tenderer fails to sign the contract within stipulated time in clause 15 above.

**17. Bid bond will be released after signing of the contract.**

**18. Delivery of Goods:**

Among the total quantity of Urea, about 50 percent of the consignment (first ship-load) should be delivered within 90 days and rest of the quantity should be delivered within 110 days at CIF Nepal (Biratnagar, Birgunj and Bhairahawa AICL warehouses delivery from the 7th day of the establishment of L/C..

**Note:** 1.5 (one and half) percent spare bags should be delivered free of cost.

**19. Prohibition of communication, alterations etc.**

Communication of any kind from the tenderers unless specifically called for by AICL shall not be entertained from the date of the opening of tenders till the time of the award of contract. Any application by the tenderer for increase or decrease in price quoted, or any change in the terms stipulated, or any alterations in the specifications of the goods offered or change in the manufacturer shall not be entertained after the submission of the tenders.

**20. Tenders may be rejected if the conditions stipulated are not fulfilled.**

**21. Payment:**

- a) Payment will be made through letter of credit in US Dollars or relevant currencies agreed upon as per charter of Asian Clearing Unit in a manner stipulated in the clause 4 and 5 of the conditions of contract.
- b) AICL will intimate supplier about the establishment of letter of credit. It shall be the responsibility of the supplier to contact the corresponding bank in the respective country and obtain the same and inform AICL on any major discrepancies and request for amendment within 7 days from the date of establishment of letter of credit. But AICL shall not be responsible if L/C cannot be established due to the poor credit rating of supplier.

**22. AICL's Right:**

- a) Agriculture Inputs Company Limited reserves the right to accept whole or part of any tender. The part tender shall mean any part/parts of total quantity tendered.
- b) The AICL reserves the right to annul the bidding process or reject any or all tenders at any time prior to the award without assigning any reasons whatsoever.

## SPECIFICATION

Product & Grade

Prilled or granular (Urea 46% N)

## 1. Specification of Urea Fertilizer &amp; Quantity Required :

- |      |                                  |   |
|------|----------------------------------|---|
| i.   | Physical Condition               |   |
|      | 1.1 Description                  | : Free flowing, white granules  |
|      | 1.2 Form                         | : Prilled or granular   |
|      | 1.3 Particle Size                | : 90 % of the material shall pass through 2.8 mm sieve and not less than 80 percent by weight shall be retained on 1 mm sieve |
| ii.  | Total Nitrogen Percent by weight | : 46% Minimum   |
| iii. | Biuret Percent by weight         | : 1.5% Maximum  |
| iv.  | Moisture Percent by weight       | : 1.0% Maximum  |
| v.   | Quantity                         | : 35,000 MT ( $\pm$ 5 percent)  |
| vi.  | Packing                          | : Bagged 50 Kg net.   |

## 2. Specification of Bags :

The fertilizer should be packed 50 kg. Net in white polypropylene woven bags with polyethylene inner bags. The weight of outer polypropylene bag and inner polyethylene bag should not be less than 200 gram. Size of the bag should be about 40"×22" and fibre construction outer bag should be not less than 10"×10" per square inch. The bags should be stitched with strong synthetic thread. The Spare bags should also follow same specification.

**Bag marking****ONE SIDE**

<p style="text-align: center;"><b>UREA 46 % N</b>  <b>50Kg. Nett; 50.200Kg Gross</b>  <b>AICL NEPAL</b>  <b>FOR MANURING PURPOSE</b>  <b>USE NO HOOKS</b>  <b>IN TRANSIT TO NEPAL</b></p> <p>Manufacturer's Name:  Year of Manufacturer: .....  Country of Origin: .....</p>
--

**OTHER SIDE**

	<p>औ. खरिद मुल्य रु 1-</p> <p>औ. अनुदान मुल्य रु 1-</p> <p>औ. विक्री मुल्य रु 1-</p> <p>(विराटनगर, विरगञ्ज, भैरहवा)</p>
<p>कृषक युरीया</p> <p>IMPORTED &amp; MARKETED BY</p> <p><b>कृषि सामग्री कम्पनी लिमिटेड</b></p> <p><b>AGRICULTURE INPUTS COMPANY LTD.</b></p> <p>(An Undertaking of Government of Nepal)</p> <p>काठमाडौं, नेपाल</p>	
<p>Contract No:</p>	

Note: Spare bags may be used for any sweeping or repacking. However a certificate from concerned authorities must be submitted showing the number of spare bags so used. For any shortage of spare bags except used in repacking or sweepings US \$ 1.00 for each bag will be realized from the supplier.



## TENDER FORMS

**The Managing Director,**  
Agriculture Inputs Company Limited  
Central Office  
Kathmandu, Nepal

Sub: Tender for Supply and Delivery of Chemical Fertilizer.

Sir,

In response to your Tender notice published in The Rising Nepal dated 8<sup>th</sup> January, 2015 for the supply and delivery of 35,000  $\pm$ 5% Mt of Urea chemical fertilizers on CIF Nepal delivery basis;

- 1) I/We hereby offer to supply and deliver chemical fertilizers to the specifications and quantity as noted in Section 'C' and rates are as quoted in attached Appendix.
- 2) I/We have read the condition of tender included as Section 'B' of the tender document and agree to abide by the said conditions.
- 3) I/We have read the draft contract included as Section 'E' of the tender document and agree to sign the said contract within 17(seventeen) calendar days from the date of receipt of letter of acceptance of this tender.
- 4) A Bank guarantee of ..... date ..... issued by .....Bank in favor of Agriculture Inputs Company Limited is attached herewith.
- 5) I/We agree to the bid bond being forfeited without prejudice to any acts, rights or remedies if I/We fail to submit required Performance Bond within stipulated time, or I/we withdraw our offer before expiry of validity of tender or fail to sign contract within stipulated time.
- 6) Until the formal supply and delivery contract is signed, acceptance of this tender shall constitute a binding agreement between us subject to the restriction as may be mutually agreed to and as indicated in the letter of acceptance of my/our tender.

**Yours Faithfully,**

(Signature of the Tenderer)

Designation:

Name of the Tenderer:

Address :

Date :

Seal :

## BID FORM

(Tender Notice No. KPN/57/071/72)

## B.CIF Nepal (AICL warehouses) basis:

Item	Warehouses/ Quantity	CIF AICL Warehouses basis price (per MT. in US \$).		Country of Origin
		In figure	In words	
UREA (46%N)	Biratanagar: 7,500 MT			
	Birgunj: 17,500 MT			
	Bhairahawa: 10,000 MT			
Local Agent :		Signature of Tenderer:		
Name :		Name:		
Address:		Designation:		
		Address:		
		Seal:		
Commission to local Agent:				
Mode of Commission Payment:				
Payment Currency:				
Price of India origin fertilizers will be paid in Indian currency only.				

Note:

1. The tenderer should quote CIF Nepal basis (Biratanagar, Birgunj and Bhairahawa AICL warehouses) with insurance up to Nepal destinations in US dollars. AICL will evaluate all bid prices and award will be made in one basis i.e. CIF Nepal.
2. 1.5 % spare bags will be supplied free of cost.
3. The local agent must furnish a copy of the tax clearance certificate, VAT registration certificate and renewed agency registration certificates from the concerned office of government of Nepal along with the tender documents.

## LETTER OF ACCEPTANCE

Ms.....  
 .....  
 .....

Dear Sir,

We are pleased to inform you that your Tender dated .....for the supply and delivery of .....mt of.....fertilizer has been accepted as per AICL's tender condition.

1. The total amount of your all inclusive accepted tender price on CIF Nepal (Biratnagar, Birgunj and Bhairahawa AICL warehouses) basis is US\$ ..... (In words.....).
2. You are requested to submit required Performance Bond for the signing of contract as per Tender condition.
3. Kindly note that you have to submit the Performa Invoice within 3 days after the signing of the contract.
4. This letter is sent to you in duplicate. Please return the copy duly signed and witnessed, where indicated, to this office and retain the original.

Sincerely yours,

\_\_\_\_\_  
 (AICLs' Signature)

Name :

Designation:

Seal:

The undersigned hereby acknowledge receipt of the above letter, original of which has been retained, and confirms that no terms, conditions or stipulations additional to those mentioned in the Tender document have been imposed by the issuance of this letter.

\_\_\_\_\_  
 (Supplier)

Name :

Address:

Seal:

Date:

\_\_\_\_\_  
 (Witness)

Name:

Address:

Date:



**CONTRACT FOR SUPPLY AND DELIVERY  
OF ..... CHEMICAL FERTILIZERS  
CONTRACT NO.**

This agreement is signed on this .....day of..... 2015 between Agriculture Inputs Company Limited of Nepal having its registered Office at Kuleshwor, Kathmandu, Nepal (hereinafter called AICL, or the "BUYER" which expression shall unless the context otherwise requires include its successors and assignees) on the one part;

AND

Ms ..... having its registered office at ..... (here in after called "SUPPLIER" which expression shall unless the context otherwise requires include its successors and assignees) on the other part;

Whereas, the Supplier has submitted tender on .....2015 as per attached appendix;

Whereby, the supplier has undertaken to supply and deliver of chemical fertilizers (hereinafter called the "goods") to CIF Nepal (Biratnagar, Birgunj and Bhairahawa AICL warehouses) basis with insurance up to AICL warehouses in Nepal.

Whereas, AICL has accepted the said tender by its letter of acceptance to the Supplier on .....2015.

Now, therefore, both Parties hereby agree and covenant as to honoring the following terms and conditions of this agreement.

1. For the consideration hereinafter mentioned the Supplier will upon and subject to the conditions annexed hereto and within the time stipulated therein, completes the supply of goods and deliver the same at CIF Nepal (Biratnagar, Birgunj and Bhairahawa AICL warehouses) basis with insurance up to AICL warehouses in Nepal.
2. AICL will pay the Supplier at US\$ .....per Metric ton for Urea on CIF Nepal (Biratnagar, Birgunj and Bhairahawa AICL warehouses) basis totaling US\$ ..... (in words..... only) for ..... MT. of .....
3. The term Contract wherever used herein and in all Contract document shall mean the forming and the acceptance thereof, together with the tender referred thereto including the conditions annexed hereto and the specification.
4. The terms Supplier wherever used herein shall mean the person or persons, partnership, firm or company whose tender has been accepted and who has or have signed this Contract shall include his or their executors, administrator, assigned successors and duly appointed representatives.
5. The Supplier will be fully responsible for the execution of this Contract.

The contracting parties in the presence of the witness duly signed this contract.

\_\_\_\_\_  
(Supplier's Signature)

**Name:**

**Designation:**

Date

Seal:

\_\_\_\_\_  
(AICL's Signature)

**Name:**

**Designation:**

Date:

Seal:

**Witness:**

**Name:**

Signature:

Designation:

Date:

Seal:

**Name:**

Signature:

Designation:

Date:

Seal:

## CONDITIONS OF CONTRACT

### **1. Scope of Contract:**

The Supplier shall carry out the supply and delivery of all goods in accordance with this Contract in every respect to AICL.

2. a. The Supplier shall have to provide 5 (five) percent performance bond of the total CIF value before or at the signing of the contract. Such performance bond shall be in the form acceptable to AICL and shall be issued or countersigned by a Commercial Bank of repute in Nepal valid for a minimum of six months from the date of signing of this Contract subject to renewal for an extended period at the request of AICL.

b. The supplier shall have to submit BCI Report before signing of the contract.

### **3. a. Performance Bond may be forfeited if:**

- i. The Supplier fails to deliver the goods in time; or
- ii. The specifications of fertilizer supplied is not in conformity with the contract Agreement
- iii. Any condition stipulated in contract is not complied with.
- iv. If L/C cannot be established due to the poor credit rating of supplier.

### **b. Release of Performance Bond**

Performance Bond will be released only after all the fertilizers under Contract have been delivered at CIF Nepal (Biratnagar, Birgunj and Bhairahawa AICL warehouses)

### **4. Payment:**

The payment as per this Contract will be made through an irrevocable and payable at sight documentary letter of credit issued for ..... MT for the value of USD ..... by a recognized Bank in the Buyer's Country at the expense of the Buyer within 20 working days after signing of this Contract. But if the L/C cannot be established due to the poor credit rating of the supplier AICL shall not be responsible for opening L/C.

All bank charges, commissions at Buyer's bank and local taxes and import duty of Buyer's country will be in Buyer's account. All bank charges and commissions at seller's bank will be borne by the supplier.

The documentary letter of credit is subject to the Uniform Rules and Practice for Documentary Credits, 1993 revision, issued by the ICC, publication 600.

95% of total CIF price will be paid to the Supplier in US Dollars through an irrevocable at sight L/C on presentation of following shipping documents in triplicate, and a copy by fax and DHL to the buyer.

- i. Original commercial invoices:
- ii. Full set of ocean bill of lading marked "freight prepaid" and clean on board issued to the order of "as per terms of letter of credit" and consigned to "as per terms of letter of credit" evidencing the goods consigned.
- iii. Original certificate of manufacturer certifying quality of goods.
- iv. Original Certificate of Country of Origin issued or endorsed by the chamber of commerce.
- v. Original insurance policy insurance certificate covering all marine risks and non-delivery including TPND, SRCC, water damage etc
- vi. Charter party Agreement (if any)
- vii. Original Certificate of quality, quantity issued by SGS.
- viii. Packing list showing gross/net weight and number of ocean bill of lading.
- ix. Certificate of hold and hatch cleanliness issued by SGS.
- x. Certificate of non-contamination and certificate of fit for Agriculture use issued by SGS .
- xi. Certificate of inspection issued by Societe General Surveillance (SGS) at the place of loading.

Balance 5% payment (after necessary deduction, if any) will be made after the submission of custom transit declaration certificate by the supplier and after all the fertilizers are successfully delivered at Biratnagar, Birgunj and Bhairahawa AICL warehouses on instruction of AICL through letter of credit.



Note:

1. L/C confirmation and all other charges outside Nepal will have to be borne by the supplier. AICL will not be responsible for the add confirmation outside of Nepal.
2. AICL will intimate suppliers about the establishment of letter of credit and, it shall be the responsibility of the supplier to contact the corresponding bank in the respective country and obtain the same and inform AICL on any discrepancies and request for amendment within 7 days after establishment of the L/C.

**5. Letter of credit terms**

- i. Partial shipment allowed.
- ii. Shipping documents presented within 21 (twenty-one) days after the date of the bill of lading but within letter of credit validity are acceptable.
- iii. Quantity and amount of letter of credit ( $\pm 5\%$ ) percent allowed.
- iv. Documents wording (pct) or (%) or (0/0) or (percent) is acceptable.
- v. All the documents in languages other than English must be accompanied with and by the official English translation.
- vi. Amendment charges will be at faulty party's account.

**6. Shipment**

- i. The latest date of loading and shipment shall be 35 days for the first shipment and 65 days for the second shipment from the date 7th day of opening of L/C in accordance with this contract. The shipment date shall be counted from the seventh day of the establishment of L/C. unless otherwise proved, the date of the bill of lading shall be considered as the date of shipment.
- ii. Failure to above shall lead to forfeiture of performance bond and cancellation of contract.
- iii. Shipment made less than -5% shall be subject to deduct the 20% of CIF value for the less quantity.

**7. Delivery of Goods**

- i. Final destination: Nepal (Biratnagar, Birgunj and Bhairahawa AICL warehouses).
- ii. Among the total quantity of Urea, about 50 percent of the consignment (first ship-load) should be delivered within 90 days and rest of the quantity should be delivered within 110 days at CIF Nepal (Biratnagar, Birgunj and Bhairahawa AICL warehouses delivery from the 7<sup>th</sup> day of the establishment of L/C.  
Note: 1.5 % spare bags should be delivered at Nepal (Biratnagar, Birgunj and Bhairahawa AICL warehouses).

**8. Vessel discharge & terms of delivery**

Within 3 working days after the vessel's departure from port of loading, the supplier's shipping agent shall advise the buyer by fax and e-mail about the following:

- i. Vessel's sailing date
- ii. Name of the steamship
- iii. Name and registration number of the vessel
- iv. Flags of the vessel
- v. Name of the ship's captain
- vi. Tonnage (DWT) of the vessel
- vii. Ocean Bill of lading number and date
- viii. Net quantity loaded
- ix. Number of hatches on vessel
- x. Estimated time of arrival at the port of discharge

The supplier or the vessel master shall give 20 (twenty) days and 7 (seven) days provisional notice and 72/36/24 hour final of vessel's estimated time of arrival at the port of destination to the buyer and buyer's agent at the port of discharge. Such notice shall be effected during normal business hour and whether in berth or not.

When all the goods are delivered at Nepal (Biratnagar, Birgunj and Bhairahawa AICL warehouses) it will be considered as delivered.



9. **Other contract conditions:**
- a. Shipment shall be in vessels classified Lloyds 100-1A or equivalent. Supplier shall nominate vessel minimum 05 (five) days before ETA for loading.
  - b. The fertilizer should be bagged either at manufacturers plants or load port only. Any offer or indication that bagging shall be done other place then the country of origin will render the bid automatically invalid.
10. **Clearing of Goods:**
- a. The Supplier will be responsible to avail all necessary documents necessary for cleaning of GOODS at Nepal (Biratnagar, Birgunj and Bhairahawa AICL warehouses).
  - b. Supplier should inform three week prior to the departure of the vessel from dispatch port and send one set of dispatch documents by fax & DHL.

11. **Terms of Force Majeure**

Force majeure is defined as situation/condition such as acts of God, storms, fire, war, civil war, military action, government emergency orders, strike as well as transportation accident, earthquake, tidal waves etc. The valid force majeure clause of the ICC is applied to this contract (international provisions of force majeure published by ICC).

Should the effect of the force majeure continue for more than 45 consecutive days, the Buyer and the Supplier shall discuss through friendly negotiation as soon as possible their obligation to continue performance under the terms and conditions of this contract.

In case of force majeure the Supplier is entitled to an extension of the time of delivery provided;

- i. That within 10 days after occurrence of a case of force majeure, the Supplier informs AICL in writing that he considers himself entitled to an extension of the time limit;
- ii. That he produces evidence of the days of occurrence and of the duration of the force majeure in an adequate manner (for example by means of documents approved by the government and local authorities);
- iii. That he proves that the delay occurred is not due to his own action or omission.

However, the Supplier shall be responsible for the delayed delivery of goods due to any Governmental procedure outside Nepal. Such delay in government procedure outside Nepal cannot be construed as force majeure. The cost, which may incur due to such delay, shall be borne by the Supplier.

If any force majeure occurs in the country of origin mentioned in this contract, then supplier will have to deliver goods from any other origin acceptable to AICL so as to meet delivery schedule.

12. **Execution of the contract**

Each of the parties to this contract represents that it has full legal authority to execute this contract and that each party is to be bound by the terms and conditions as set forth herein. This contract represents the entire agreement between the parties and any change will be made in writing, executed by both parties.

13. **Liquidated damage / penalty**

In the event of the Supplier failing to complete the supply of the goods under this contract on or before the date for completion or before any extended date as hereinafter provided, except in such circumstance provided for in clause 11 the Supplier will pay liquidated damage at the following rates which will be realized from the balance payment or any deposit of Performance Bond or any money payable to the supplier.

- i. for delay of 1 to 15 days – 0.5% of CIF value of delayed quantity
- ii. for delay of 16 to 30 days – 1.0% of CIF value of delayed quantity
- iii. for delay of 31 to 45 days – 1.5% CIF value of delayed quantity
- iv. for delay of over 45 days – 5% of CIF value of delayed quantity.

14. **Certificate of Inspection**

Societe Generale De Surveillance (SGS) at sellers cost shall inspect commodity at the place of loading. SGS shall issue an inspection certificate of quality and quantity of the fertilizer to certify that the goods are in good order and condition and being confirm to the specifications herein stated. The certificate of non- contamination should also be issued by SGS based on appropriate test of actual goods. Expenses incurred for such inspection shall be in the Supplier account.



However, on arrival of fertilizer at unloading point at Biratnagar, Birgunj and Bhairahawa AICL warehouses AICL shall inspect the fertilizer by independent surveyor authorized by Ministry of Agriculture Development (MOAD). In case AICL wish to test the goods upon arrival, such test should be completed within 21 days of the delivery of the goods.

In case if the goods are claimed to be not in conformity with required specification, AICL will evidence with reference thereto. In case it is proved, Supplier will be responsible to substitute the said fertilizer by required quality free of cost otherwise payment will be withheld.

**15. Insurance**

Goods should be insured up to final destination i.e. AICL warehouses in Nepal at its total CIF price plus 15% of sum against all risks including TPND, SRCC, water damage etc. The validity of insurance policy must be at least 60 days after final date of delivery of goods at Nepal (Biratnagar, Birgunj and Bhairahawa AICL warehouses). The policy must be in favour of AICL. Any excess limit clause in insurance policy will not be acceptable.

For any shortage / damage / non-delivery ascertained by the surveyors, AICL will deduct its insured value from balance payment / P. Bond. This deducted amount will be refunded upon realization of claim from insurance company. The procedure for insurance claim by the buyer will be supported by the supplier.

Spare bags may be used for any sweeping or repacking. However a certificate from concerned authorities must be submitted showing the number of spare bags so used. For any shortage of spare bags except used in repacking or sweeping US \$ 1.00 for each bag will be realized from the Supplier.

**16. Settlement of Dispute and Contract Arbitration:**

If any dispute happens, the two parties agree to try their utmost to solve it by friendly negotiation. If the dispute proves impossible to settle within a period of 30 days from the date of notice by either party, all disputes arising out of or in connection with the present contract shall be finally settled under UNCITRAL Arbitration Rules as at present in force. The Venue of Arbitration shall be Kathmandu, Nepal. English language shall prevail for arbitration purpose.

The forfeitures of the performance bond as per the conditions of contract shall not be under the jurisdiction of Arbitrator and cannot be arbitrated upon.

**17. Applicable Laws and Definitions**

This Contract shall be governed and interpreted in accordance with the Laws of Nepal.

**18. Miscellaneous**

Upon signing this contract all previous negotiations/correspondence, if any, is to be considered null and void. Changes to the terms and conditions of this contract must be in writing and agreed to in writing by all parties involved. This contract shall be legal and binding upon signature of the hard copies. Carbon copies cannot be used and will not be accepted.

Date : .....

**BID BOND GUARANTEE**

**AGRICULTURE INPUTS COMPANY LIMITED**

Central Office  
Kuleshwor, Kathmandu  
Nepal.

**Ref:**

In consideration of your allowing M/s.....(the bidder) to participate in your Tender for the supply and delivery of Urea Fertilizer Tender Notice No....., we hereby irrevocably and unconditionally guarantee to you that in the event of the bidder being awarded the contract and failing to take up their obligations there under, we will, on your first written demand, pay you a sum of Rs. ....(Rs. .... only) notwithstanding any contestation by the Bidder or any other third party.

This guarantee shall remain effective and in full force form .....until the close of banking hours on ..... Unless a demand in writing by you to us reaches us by such time, all our obligations hereunder shall cease and we shall not entertain any claim, counter-claim or contestation beyond and after our liability under this guarantee is restricted to Rs..... (Rs..... only).

.....  
(Authorized Signature)

For.....Bank .....  
Kathmandu, Nepal

Date : .....

**PERFORMANCE BOND**

**AGRICULTURE INPUTS COMPANY LIMITED**

Central Office  
Kuleshwor, Kathmandu  
Nepal.

**Ref:**

Whereas; M/S.....having its registered office at ..... (herein after called the supplier) have participated in the tender Notice No..... for the supply and delivery of Urea fertilizers and you have accepted their tender and requested for signing the contract, and

Whereas; you require from the supplier, a performance Bond for an amount of Rs. .... (Rupees ..... only) We, ..... Kathmandu, Nepal (the Guarantor) hereby agrees a covenant as follows:

In the event of the supplier failing to perform their obligations under the Contract for any reason whatsoever, the Guarantor shall pay without demur a sum or sums up to Rs. .... only) against your receipt for the sum claimed accompanied by your statement that the Supplier failed to comply with the contract terms, notwithstanding any contestation by the supplier or any other party.

Notwithstanding anything contained herein above, our liability under this guarantee is restricted to Rs..... (Rs..... only) and shall remain in full force until the close of banking hours on .....2014 or on completion of Contract whichever is earlier.

Unless a demand or claim made in writing by you to us under this guarantee reaches us by that date, all our obligations hereunder shall cease and we shall not entertain any claim beyond or after that date.

.....  
(Authorized Signature)

For.....Bank .....  
Kathmandu, Nepal



## SELF DECLARATION FORM

Name of the purchaser .....

Tender Notice No.....

Dear Sir,

I/We for the purpose of supply and delivery of chemical fertilizer in Agriculture Inputs Company Limited, Head office Kuleshwor, Kathmandu.

**Declare that, we**

- are not ineligible for the purposed procurement proceedings.
- don't have conflicts of interest in the proposed procurement proceedings.
- have not been punished by any authority in the related procession.

Date:

Place:

Thanking you!

**Yours faithfully,**

Signature of the Bidder  
With seal

(This form shall be duly filled and signed by the bidder & submitted along with the original copy of the Bid.)