

**Ref. No.: STC/FERT/UREA/IMP/2/2014-2015**

**Date: 22.10.2014**

To,  
M/s.

Dear Sir,

Sub: **Urea Tender No. STC/FERT/UREA/IMP/2/2014-2015 dated 22.10.2014 closing on 29.10.2014 (in Two Bid System).**

1. With reference to your request/enquiry regarding STC's above Urea tender, we enclose herewith a set of Tender documents along with STC's Standard Contract for submission of your offer under Two Bid System. These can also be downloaded from STC's websites i.e. [www.stc.gov.in](http://www.stc.gov.in) or [www.tenders.gov.in](http://www.tenders.gov.in) or [www.eprocure.gov.in](http://www.eprocure.gov.in). **Corrigendum/Addendum, if any shall be published only on these websites.** Offer is to be submitted on your company's letter-head. The entire Tender document would form part of the Contract.
2. Category III bidders are required to submit a Bank reference to show credit worthiness of Bidder. They are also required to submit a satisfactory Credit Rating Report from any of the following International Credit Rating agencies along with their Techno-Commercial Bid.
  - Dun & Bradstreet
  - Moody's
  - Standard & Poor
3. The bidders must submit a fresh Bid Bond in original of requisite amount or Demand Draft for the equivalent amount considering plus tolerance in quantity (in US Dollars) along with the bid.
4. Price bid must be signed by the foreign supplier in the prescribed format. In case it is signed by an authorized agent, the letter of authority (strictly as per enclosed proforma at Annexure-IX) has to be submitted along with the bid.
5. 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- NOT TO BE OPENED". Both the envelopes should be separately sealed and superscribed with 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 29.10.2014**, physically in a sealed cover by dropping in the tender box conspicuously placed on the Ground Floor (Main Reception) of STC at Jawahar Vyapar Bhavan, Tolstoy Marg, New Delhi-110001.
6. The offers should be kept valid till **1930 hrs. IST on 07.11.2014** failing which they may be liable for rejection. This letter forms an integral part of the Notice Inviting Tender (NIT).

Thanking you,

Yours faithfully,

(Authorised Signatory)

**THE STATE TRADING CORPORATION OF INDIA LIMITED : NEW DELHI**  
**CORPORATE IDENTITY NUMBER L74899DL1956GOI002674**  
**(FERTILIZERS DIVISION)**

**TENDER FOR PURCHASE OF PRILLED/GRANULAR UREA (BULK) FERTILISER GRADE**

**Tender No. : STC/FERT/UREA/IMP/2/2014-2015 dated 22.10.2014**

**Notice Inviting Tender for purchase of Urea**

1. STC invites sealed offers on Company's letter head of bidders for purchase of Prilled/Granular Urea (Fertilizer Grade) 46% Nitrogen minimum, in bulk, both on FOBT and CFR FO (CIF- for Iranian cargo) basis at one/two safe berths, one safe Indian port (excluding Haldia and Kolkata ports) for shipment from Load ports **latest by 10.12.2014**. Bids which are received only on CFR FO (CIF- for Iranian cargo) basis shall not be considered for evaluation and rejected, in case FOB option and rates are not simultaneously quoted by the bidder. STC reserves the right to accept bids either on FOBT basis or CFR FO (CIF- for Iranian cargo) basis or not to accept any bid at all.
2. 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 – NOT TO BE OPENED". Both the envelopes should be separately sealed and superscribed with 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., Item Description, Name & address of Bidder and the date of Tender Opening. No oral, telephonic, fax, telegraphic or Email offers will be entertained.
3. The "Techno- Commercial Bid" sealed envelope must contain the following : -
  - a) Duly filled in Techno- Commercial Bid Format on Bidders letter head as per Annexure - III A.
  - b) EMD in form of either Demand Draft or Bid Bond (considering plus tolerance in quantity) in prescribed format as per Annexure-V.
  - c) Demand Draft of Rs.10,000/- (in favour of State Trading Corporation of India Ltd., New Delhi and payable at New Delhi) towards Tender Document fee.
  - d) Latest Bank Reference Report (Category III suppliers) in original.
  - e) Credit Rating Report (Category III suppliers).
  - f) Letter of Authority in favour of local agents (as per Annexure-IX) on principal foreign company's letter head, duly signed and stamped by the 'Authorised Representative (AR)' of the principal foreign company, including attestation of local agent's signatures by the Principals.
  - g) Board's Resolution/Letter of Authorisation on principal foreign company/firm's letter head duly authorising the AR.
  - h) Complete set of STC's Tender Document duly signed and stamped on each page as token of your acceptance of all terms and conditions of tender without any deviation.
  - i) Details of quantities being offered as per Annexure-XI of the Contract.
  - j) Copy of price bid without showing the prices quoted.

- k) Integrity Pact as per Annexure-IV on plain paper duly signed and stamped by Authorized person of the Bidder and their witness.
4. The “Price bid” sealed envelope must contain your Price Bid showing prices quoted strictly in the format as per Annexure III B of Tender document. The Price Bid must be on your Company’s Letter head duly signed and stamped.
  5. Offers having conditions/deviations are liable to be rejected at the sole discretion of STC. The Price Bids of only those bidders shall be opened who shall qualify based on their Techno-Commercial Bid.
  6. The Bids may be submitted physically by dropping in a tender box kept conspicuously on the Ground floor (Main Reception) of STC. The offers in prescribed format in sealed covers duly supported by applicable Bid Bonds addressed to General Manager, Fertilizer Division, State Trading Corporation of India Ltd., New Delhi, Jawahar Vyapar Bhawan, Tolstoy Marg, New Delhi-110001 (India) should be submitted latest by **1100 hrs IST of 29.10.2014**. The offers should be kept valid for acceptance up to **1930 hrs IST of 07.11.2014**. Bid Bonds should be kept valid for a period of one month from the last date of validity of offers i.e. up to **07.12.2014**. In case of Producers, offers should be submitted on their own letter-head only.
  7. Marine Insurance (for Other than Iranian origin Cargo) shall be arranged by STC or its receivers. Premium paid, if any, for Overage vessel will be to the account of supplier  
  
Marine Insurance (for Iranian origin cargo) shall be arranged by the supplier at their own cost.
  8. Detailed terms and conditions for import of Urea shall be as per the tender terms which are integral part of this Notice Inviting Tender (NIT). Detailed tender with terms & conditions can be downloaded from STC’s websites i.e. [www.stc.gov.in](http://www.stc.gov.in) or [www.tenders.gov.in](http://www.tenders.gov.in) or [www.eprocure.gov.in](http://www.eprocure.gov.in). For tender forms so downloaded, all bidders should enclose a payment of Rs. 10,000/- (by way of DD/PO drawn in favor of STC and payable at New Delhi) along with their offers.
  9. Interested Bidder(s) are required to enter into an Integrity Pact with STC as per prescribed format (Annexure–IV). This can also be downloaded from STC website link, <http://stc.gov.in/corporate-commitments/integrity-pact.aspx>). Only those Bidders who sign an Integrity Pact with STC in the prescribed format and submit the same along with other tender documents in Techno-Commercial Bid, shall qualify to participate in the tender process.

The implementation of Integrity Pact under this tender shall be monitored by Independent External Monitors (IEMs) appointed by STC for this purpose, namely, Mr. Ashok Sinha and Mr. Kaushlesh K Sinha whose contact details are provided at Serial No. 20 of Tender document.

**THE STATE TRADING CORPORATION OF INDIA LIMITED : NEW DELHI**  
**(FERTILIZERS DIVISION)**

**TENDER FOR PURCHASE OF PRILLED/GRANULAR UREA (BULK) FERTILISER GRADE**

**Tender No. : STC/FERT/UREA/IMP/2/2014-2015 dated 22.10.2014**

<b>Tender Issue Date</b>			<b>22.10.2014</b>
<b>Tender Closing Time/Date</b>	<b>1100 hrs. (IST)</b>	<b>on</b>	<b>29.10.2014</b>
<b>Tender Opening Time/Date (Techno-Commercial Bids)</b>	<b>1115 hrs. (IST)</b>	<b>on</b>	<b>29.10.2014</b>
<b>Tender Opening Time/Date (Price Bids of qualifying bidders)</b>	<b>1500 hrs. (IST)</b>	<b>on</b>	<b>29.10.2014</b>

STC invites offers in Two Bid System on Company's Letter-head for import of Urea Fertilizer Grade, both on FOBT and CFR FO (CIF- for Iranian cargo) basis for shipment from Load ports by **10.12.2014** under Govt. Account. Bids which are received only on CFR FO/(CIF- for Iranian cargo) basis shall not be considered for evaluation and rejected, in case FOB option and rates are not simultaneously quoted by the bidder.

Detailed tender terms and conditions are as under. The techno commercial offers will be opened **at 1115 hours IST on 29.10.2014** in the presence of bidder's representatives desirous to be present.

**1. ITEM/SPECIFICATIONS:**

Urea Fertilizer Grade (in bulk) as per specifications given in Annexure-I.  
Acceptable deviations with scale of penalties are given in Annexure-II.

**2. DELIVERY SCHEDULE:**

- Schedule of deliveries for Shipment from Load ports latest by **10.12.2014**.
- In case of multiple Bills of lading for one vessel, the date of Bill of lading issued in the last shall be treated as shipment date for the total cargo loaded in that vessel.

Timely Shipment is the essence of the contract and shall be treated as firm. Any delay in effecting contracted shipments will render sellers liable for breach of contract and shall be dealt as per serial no. 18 below i.e. Default.

**3. PACKING:**

Loose in bulk.

**4. VALIDITY:**

Offers should be valid for acceptance up to **1930 hours IST on 07.11.2014**.

5. **BID BOND/EARNEST MONEY DEPOSIT:**

Bidders, whether producers, accredited suppliers and other suppliers including traders with sole selling rights from the producers/trader(s) will be required to furnish unconditional Bid Bond in US Dollars only in the prescribed format as at Annexure-V. Alternatively, EMD in US Dollars can also be submitted by way of Demand Draft in favour of State Trading Corporation of India Ltd., New Delhi payable at New Delhi and Demand Draft should be issued by any first class International Bank through its Branch office in New Delhi.

Bid Bond/Earnest Money Deposit (EMD) to be furnished are as per following scale:-

**BID AMOUNT (In US\$)**

Category I	All producers whose names are appearing in the IFA Publication "Survey of Urea Capacities 1995" or any updated edition of same and submitting bids directly or through their authorized representatives/ agents in India and offering their own produce.	NIL
Category II	Accredited suppliers who have successfully supplied to India for at least two years in the last five years as per list attached (Annexure XII).	US\$ 3 PMT
Category III	All other bidders not covered under Category I & II above.	US\$ 10 PMT

The Bid Bond value should be calculated on the basis of total quantity (plus tolerance) of Urea, which has been offered by the Bidder under this tender.

Bid Bond/Earnest Money Deposit (EMD) will not be accepted in Indian Rupees.

Bid Bond/Earnest Money Deposit (EMD) shall not carry any interest.

Bid Bonds should be kept valid for a period of one month from the last date of validity of offers i.e. up to **07.12.2014**.

6. **PERFORMANCE BANK GUARANTEE(PBG)/PERFORMANCE BOND:**

Successful bidders will have to submit **UNCONDITIONAL PERFORMANCE BANK GUARANTEE(PBG)/PERFORMANCE BOND** in US\$ strictly as per STC's format at Annexure-VI within 10 days from acceptance of offer (i.e. issuance of LOI) by the Buyer, failing which Bid Bond/EMD shall be forfeited. PBG/Performance Bond in equivalent Indian Rupees will not be acceptable. The quantum of PBG/Performance Bond for different categories of Bidders shall be as follows :-

**PBG/PERFORMANCE BOND AMOUNT (In US\$)**

Category I	All Producers	@ 1% of the value of the Contract including plus Tolerance
Category II	Accredited suppliers	@ 3% of the value of the Contract including plus Tolerance
Category III	All other bidders not covered under category I and II above	@ 10% of the value of the Contract including plus tolerance

Bid Bond of the successful bidders will be released only after acceptable PBG has been received within the prescribed period. Bid Bond will in no case be adjusted against PBG. It shall be the responsibility of the sellers to ensure that prescribed PBG/Performance Bond is received by the buyer within 10 (ten) days from the acceptance of offer (i.e. issuance of LOI) failing which Bid Bond amount shall be forfeited. No deviations whatsoever in the PBG/Performance Bond proforma are acceptable. PBG/PERFORMANCE Bond will be released only after receipt of discharge port Joint Draft Survey and Analysis Reports and recovery of penalties, settlement of despatch/ demurrage, liquidated damages and dead freight/any other claim etc. if any.

The Buyer shall have the right to forfeit the PBG/PERFORMANCE Bond in case Seller fails to perform all or any of their obligations under the Contract or supply material short than the contracted quantity as revealed by the Joint Draft Survey at the discharge port or if penalties are levied due to quality deviations (nutrients/moisture/particle size) from contractual specifications as revealed by discharge port analysis report or liability towards dead freight, despatch/demurrage, liquidated damages due to delay in shipments and/or other recoveries are not settled by the Seller.

Buyer's decision in this regard shall be final and binding on the sellers.

#### **7. ADDITIONAL DOCUMENTS FOR CATEGORY III BIDDERS:**

Category III Bidders are required to submit the following documents along with Techno-Commercial bid :-

- i. A latest Bank reference report in original.
- ii. Credit rating report from any of the following International Credit Agencies :-
  - DUN & BRADSTREET
  - MOODY'S
  - STANDARD AND POOR

The report shall not be more than six months old in case of new supplier. In respect of supplier(s) who have supplied Urea under Government account to STC, the report shall not be older than one year from the date of the bid submission.

Credit Rating has to be minimum satisfactory or equivalent Credit Rating has to be minimum satisfactory or equivalent.

#### **8. PAYMENT TERMS:**

Without prejudice to Buyer's right to recover the damages, payment shall be made through sight L/C. STC shall establish sight L/C (**Irrevocable, non-transferable and non-assignable**) after receipt of signed contract and acceptable Performance Bank Guarantee in the prescribed proforma as provided in the standard contract. The L/C covering 100% value of the contracted quantity including plus tolerance will be established by the buyer within 7 (seven) days of receipt of acceptable PBG as well as signed contract but not earlier than 15 days prior to the commencement of the shipment period.

Payment against LC shall be regulated as per Clause 7 (A) as detailed in Draft contract annexed hereto (Annexure XIII).

Payment against shipment on CAD basis (For Iranian origin cargo only) for 100% invoice value shall be regulated as per clause 7(B) as detailed in the draft contract annexed here to (Annexure XIII).

**9. PRE SHIPMENT INSPECTION :**

STC reserves the right at its option to have the material inspected before shipment with regard to quality and specifications. The Seller shall tender the material for inspection to the agency to be nominated by STC and shipment shall be effected only after the material is inspected.

Certificate of Inspection so obtained by the Sellers to the effect that the material is in accordance with the quality specifications laid down in the contract shall accompany the shipping documents.

**10. FINAL WEIGHT & QUALITY OF CARGO:**

- (a) Sellers & receivers at the discharge port will appoint, at their own cost an independent surveyor for conducting joint draft survey. Final weight as determined by Joint draft Survey conducted at the discharge port shall be treated as final.
- (b) The weight of cargo shipped determined by joint draft survey at discharge port would be final and binding on the Seller for the purpose of payment of shortages as compared to B/L weight. Quantity declared as damaged cargo shall be treated as quantity delivered short and shall be treated accordingly.
- (c) Buyers and/or its receivers' representative shall draw samples for determining the quality of the cargo at the port of discharge through an independent reputed Inspection Agency and/or opt for the mandatory inspection from Central Fertilizer Quality Control and Training Institute (CFQC&TI), Faridabad or any of its regional laboratory which will be informed to supplier before the arrival of the vessel. The quality so determined at discharge port shall be final and binding on the Seller. The cargo shall also conform to 'standard' as analyzed by Central Fertilizer Quality Control and Training Institute (CFQC&TI), Faridabad (India) or any of its regional laboratory.
- (d) The Seller should nominate its representative to supervise the draft survey and draws of samples at discharge port at his own expenses. STC will advise the port of discharge at the time of finalizing the contract/after sailing of Vessel.
- (e) The Seller would be liable for shortage in quantity as revealed by the Joint Draft Survey at discharge port vis-à-vis the Bill of Lading quantity and the amount of penalties levied by receivers on account of deviations in quality (nutrients, moisture and particle size) on the basis of discharge port analysis as per (c) above vis-à-vis specifications in the contract would be recovered, without any demur or reference to

the seller from the value of the PG Bond executed by the Seller in case the Seller fails to remit the amount promptly. The Seller should make good such recoveries made by receivers through payment to STC directly within 15 days of written intimation by STC.

- (f) Performance Guarantee Bond to be executed by the Seller will be required to be kept valid till discharge port results, in respect of weight and quality, and amount of penalties and despatch/demurrage/dead freight/detention charges or any other claim etc. are settled and performance would be deemed to be completed only after that. All efforts will be made to finalise the accounts within 180 days from the date of completion of discharge of the cargo of last shipment of the contract. In case of any delay due to unforeseen circumstances, sellers expressly undertake to extend the validity of P/G Bond beyond 12 months at the request of the Buyers.

**11. REJECTION OF CARGO:**

In case the entire cargo is rejected at the discharge port and/or declared unfit for direct application as fertilizer, as evidenced by the quality report of Central Fertilizer Quality Control & Training Institute, Faridabad or any of its regional laboratory. The Seller shall refund landed cost of the cargo found unfit as well as all consequential handling and distribution costs thereof immediately on Buyers first demand with value date being the date of initial payment to the seller, failing which penal interest at the rate of 18% p.a. shall be payable up to the date of actual remittance by the Seller.

**12. UMPIRE ANALYSIS:**

- (a) The Buyer and/or receivers' representative and the Seller's representative be present at the time of sample collection at discharge port. The STC's receiver will organize entry passes for the representative of Faridabad Laboratory or any of its regional laboratory and Seller's representative. A part of the discharge port sample will be kept by the Seller's representative and one part by Faridabad Laboratory or any of its regional laboratory for future reference in case of dispute. In case it is required, the reference sample for umpire analysis will be the sample retained by Central Fertilizer Quality Control & Training Institute, Faridabad or any of its regional laboratory only.
- (b) In case of dispute about quality, the Seller has right for umpire analysis. In such circumstances reference sample will be sent to the umpire laboratory and the result of umpire laboratory will be binding on both Seller and Buyer. The cost of umpire analysis will be borne by the losing party. The umpire analysis will be done by a reputed Inspection Agency nominated by STC and/or its receiver. The umpire agency shall be one of the laboratories notified for the referee analysis in the Fertilizer Control Order 1985 (as amended upto the date of tender closing) and will be the one other than the load port/discharge port Inspection Agency. The seller shall have the right to select atleast 3(three) eligible laboratories for umpire analysis, out of which STC and/or receivers shall nominate one agency.

Seller will be ineligible for asking for Umpire analysis in case, he/his representative does not sign the sample slip/ relevant documents or is not present at the time of



collecting the representative sample drawn by representative of surveyor/ inspection agency nominated by STC or its nominee.

- (c) In the event of disagreement in the discharge port draft survey results, about quantity at discharge port and any of the parties representing the ship-owners/foreign suppliers and receivers etc. refusing to sign or signs under protest the Joint draft survey report, STC and/or its receiver may at its discretion go in for recalculation of quantities by Umpire Survey. The Umpire Surveyor shall be nominated from the panel drawn by the Department of Fertilizers (GOI). The Umpire agency will be the one other than the load port Inspection Agencies as well as discharge port inspection agencies nominated by ship owners, sellers and receivers. The decision of Umpire Surveyors will be binding on both seller and buyer. The cost of Umpire agency survey shall be equally borne by the parties.
- (d) The penalties for deviations in specifications found at discharge port will be recovered on the basis of scale given in Annexure-II.

**13. SHIPPING TERMS:**

As per Annexure VII (FOBT terms) & VIII (CFR FO and CIF- for Iranian cargo) of Standard Contract.

**14. INDIAN AGENTS COMMISSION:**

No agency commission to be paid by STC. However, if any, shall be paid by the suppliers directly including commission payable to foreign controlled companies.

**15. STANDARD CONTRACT:**

It is presumed that STC's standard contract for purchase of Urea at Annexure-XIII has been read and understood by the bidders.

- 16.** Offers addressed to the General 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.

Offers deficient / incomplete / conditional / received late and/or not accompanied by unconditional BID BOND/EMD or not in conformity with tender conditions are liable to be summarily rejected. STC reserves the right to reject or accept all or any offers including the lowest offer without assigning any reason(s).

- 17.** Offer once made cannot be withdrawn by the party during its validity.

**18. DEFAULT:**

The supplier must note that timely shipment /delivery of the material is essence of the contract and shall be treated as firm. However, under any circumstances if the supplies get delayed and the supplier fails to effect shipment/deliver the material within the time stipulated in the contract, the same shall be treated as breach of contract. Under such situation, it is agreed that the Buyer shall have the following options to safeguard its interest:-

(a) To accept late shipment (Full or part) with any one of the following conditions:

To recover as liquidated damages and not by way of penalty, for the period after the material was due, until actual delivery or until the Buyer secures the material or other material of similar description from other sources, a sum equivalent to 2% of the contract value of the undelivered material per month, or part thereof.

**OR**

To accept the supplies (full or part) of the delayed shipments, subject to seller's confirmation of the revised lower prices intimated by the Buyer, based on the prevailing import prices in India, established through subsequent tender(s) by State Trading Enterprises (STEs).

(b) To not accept the late shipment with any one of the following conditions:

Buyer with notice to seller shall source the delayed quantities (full or part) of the likely similar description of material (readily available in the market) at the sole risk and cost of the seller and claim all the related losses/damages from the seller towards breach of the contract.

**OR**

To cancel the contract or a portion thereof for supply of full or part quantities without any further notice and to forfeit the PBG/Performance Bond submitted for the successful performance of the contract.

(c) Further in addition to (a) and (b) above, the buyer reserves the right to debar the seller from participating in one or more future tenders invited by the Buyer and/or other canalizing agencies in India.

Decision taken by the Buyer in this regard will be conclusive and shall be binding on the Seller.

**19. IMPORTANT POINTS FOR CAREFUL CONSIDERATION:**

(a) Price bid must be signed by the foreign supplier. In case the principal bidder authorise a local agent to sign the offer/price bid on their behalf, 'Letter of Authority' (strictly as per the enclosed proforma at Annexure-IX), on principal foreign company's letter head, duly signed and stamped by the 'Authorised

Representative (AR)' of the principal foreign company must be submitted along with the Techno-commercial Bid.

In addition to above, Board's Resolution/Letter of Authorisation on principal foreign company/firm's letter head duly authorising the AR should also be submitted.

- (b) Supplier must also indicate the name, designation, telephone (office/residence/mobile) fax nos. etc. of the person who is authorised to negotiate the business.
- (c) Offers to be made in US\$ Per Metric Tonne (PMT) on FOBT and CFR FO (CIF-for Iranian cargo) basis, strictly in the prescribed format as at Annexure-III A and III B. Offers not received in the prescribed format are liable for rejection. For Iranian origin cargo, prices quoted should be in AED only and marine Insurance has to be arranged by suppliers at their own cost.
- (d) Incomplete offers/offers not conforming strictly to specifications as well as to tender conditions prescribed within the tender documents will not be considered.
- (e) Offers received with EMD in the form of original bid bond/Demand Draft only to be considered. Intimation of advice regarding opening of bid bond will not suffice.
- (f) Loading Rate- As per Clause 9(b) of Shipping Terms for FOB contracts at Annexure-VII.
- (g) Schedule of shipment for the entire contracted quantity will have to be declared within 7 days of award of Contract and L/C shall be established only after receipt of (a) acceptable P.G. Bond and (b) signed contract.
- (h) PG Bond to be released by Buyers only after receipt of discharge port joint draft survey and analysis reports, recovery of quality penalties, short landing, settlement of LP/DP dispatch/demurrage, liquidated damages, dead freight and other recoveries, if any.
- (i) Firm freight from loading port(s) to discharging port(s) in India (WCI/ECI) may be indicated separately.
- (j) In case of Bidders offering more than one load port/discharge port at sellers' option at the time of making an offer, the option for choosing the load port/discharge port would rest with STC. Offers with more than one load port/discharge port at sellers' option would be liable for rejection at the sole option of STC.
- (k) Bidders should quote only the firm quantities in the offer. In case optional quantities are offered, STC reserves the right to consider only firm quantities for placement of orders. In addition, offers giving optional quantities are liable to be rejected at the sole option of STC.

- (l) The Bidder should not quote multiple rates for one discharge port. In case lot wise, multiple rates are offered for the same discharge port, the total firm quantity offered for a particular discharge port shall be treated to be offered at the lowest price quoted in that offer for that particular discharge port.
- (m) It may be noted that shipping tolerance of (+/-) 10% is already provided in the Tender Document. The seller should therefore quote a fixed quantity for each discharge port and should not mention range in quantity offered like 100,000-110,000 MT (+/-) 10% in the offer. However in the event the offers are submitted giving range in quantity in addition to (+/-) 10% tolerance, the same shall only be considered based on minimum quantity of range with allowed shipping tolerance of (+/-) 10% at the sole discretion of STC.
- (n) Cargo size: 25,000 MT plus/minus 10%, at Buyers' option (in case the purchases are made on FOBT terms).
- (o) For CFR FO (CIF- for Iranian cargo) purchase, if shipment is done in Panamax vessels, all expenses on account of pre-berthing delays, shall be to buyers account and time to count on NOR Tendered valid.
- (p) Supplier must indicate the origin of the material, the name of load port and facilities at loading port with restrictions, if any, along with firm lay days and firm freight from load port to discharge port in India (all India range).
- (q) STC shall exercise FOB/CFR FO/CIF option within two working days after receipt of communication/approval from TRANSCHART, Ministry of Shipping and Transport, Government of India.
- (r) STC reserves exclusive right to accept bids either on FOBT basis or CFR FO/CIF basis or not to accept any bids at all, at its sole discretion.
- (s) Fixture of Floating shipments for supply of urea shall not be accepted.
- (t) Vessels appearing in Sanction List as per OFAC's updated SDN List of US Department of Treasury may not be accepted by STC for shipment of ordered cargo. Suppliers to accordingly arrange suitable vessels to avoid problems in release of payment.
- (u) Trading Arms/Divisions (registered as separate company) of Producers will not be treated as Producers. Offers submitted by such Trading Arms/Divisions will be treated as Category-III suppliers unless they qualify as Category-II suppliers and are notified accordingly by including their name in Category-II list of Tender Document (Annexure-XII).
- (v) One agent cannot submit a bid on behalf of more than one Principal/OEM in the same tender.

**20. EVALUATION CRITERIA:**

The offers received in the tender shall be evaluated on overall lower to higher basis (L1 upwards) for each coast separately and quantity shall be allocated to the bidders for each port as per the requirement of DOF, from L1 upwards coast-wise without considering port wise lowest bids from the suppliers.

Note:- The coast-wise i.e. ECI and WCI wise percentage (%) requirement will also be incorporated in the tender if informed verbally by DOF.

**21. SYSTEM FOR CALLING BIDDERS FOR MATCHING COUNTER OFFER PRICES :**

In order to meet the demand, the required quantities may be imported from more than one supplier through various discharge ports in India. For contracting the required quantities, bidders shall be called for matching prices as per counter offers as under:-

- (a) The comparative statements (CST) indicating hierarchy of bidders shall be prepared on the following basis:-
  - (i) **CST (COAST WISE i.e. separately for ECI & WCI):-** Coast wise i.e. East coast of India (ECI) and West coast of India (WCI) CST for various discharge ports on each coast showing hierarchy of various bidders.
  - (ii) **CST (CONSOL):-** Consolidated CST for all discharge ports irrespective of East coast of India (ECI) or West coast of India (WCI) showing hierarchy of various bidders.
- (b) Based on discharge port-wise quantity requirements on each coast, counter-offers (based on coast wise L-1 prices or port-wise negotiated L-1 prices) shall be first given to bidders in order of their hierarchy as per the respective CST (COAST WISE). In case requirement of full quantity at a particular discharge port are not met, for sourcing the balance left over quantity counter offers will be then given to various other bidders in order of their hierarchy as per CST (CONSOL).
- (c) For discharge port for which no offer is received, counter offers will be decided by STC and shall be given in order of hierarchy in CST (CONSOL).
- (d) In case any bidder has quoted prices only on FOB basis, STC at its sole discretion may add the estimate freight and suitably place him in all the comparative statements.
- (e) The bidders shall have to intimate within a stipulated time their acceptance to counter offers indicating quantities and discharge ports.
- (f) STC's decision in this regard shall be final and binding on all bidders.

**22. INTEGRITY PACT:**

- (a) Signing of Integrity Pact (IP) is mandatory for every bidder participating in this tender. A copy of the IP is enclosed (Annexure- IV), which may be deemed to have been signed by STC. A downloadable format of IP is available on the STC website under the link <http://www.stc.gov.in/corporatecommitments/Integrity-pact.aspx>. The Bidder(s) and STC shall be bound by the provisions of IP in case any complaint relating to the tender is found substantiated.
- (b) The IP shall be executed on a plain paper and duly signed on each page by the same signatory who signs the bid document.
- (c) Any bid not accompanied by duly signed IP by the bidder shall be summarily rejected.
- (d) All sub-contractors/associates whose contribution in the tender is above 5 crore shall sign IP with STC after the tender is awarded to the successful bidder. All bidders shall inform their sub-contractors/associates accordingly.
- (e) The Independent External Monitors (IEMs) for this tender shall be Mr. Ashok Sinha and Mr. Kaushlesh K. Sinha. All correspondence to them regarding implementation of IP should be addressed to : Mr (Name of IEM), IEM, C/o Chairman & Managing Director, State Trading Corporation of India Ltd., Jawahar Vyapar Bhawan, Tolstoy Marg, New Delhi – 110 001.

- 23.** STC reserves the right to accept or reject any bid including the lowest offer, and/or to annul the bidding process and reject all bids, at any time prior to award of contract, without thereby incurring any liability from the affected bidder or bidders nor shall STC have any obligation to inform the affected bidder or bidders of the grounds for STC's action.
- 24.** This tender is subject to the policy and guidelines of the Government of India for import of Urea, as applicable from time to time.

**(AUTHORISED SIGNATORY)**

## ANNEXURE-I

### SPECIFICATIONS FOR PRILLED/GRANULAR UREA (BULK) FERTILISER GRADE

**DESCRIPTION:** The material shall be in the form of white free flowing granules, prills or pellets or shots, shall be free from visible impurities and dust. The material must be chemically treated and coated to reduce Hygroscopicity.

**NOTE:** The material shall be considered free flowing at the time of unloading, if the prills/granules are separate from each other, the lumps or crust formed in the hatches of vessels are broken with slight pressure of fingers into separate prills/granules and if the cliffs formed near the walls of the hatches can be broken by slight pressure with bamboo sticks/or iron rods.

**THE MATERIAL SHALL ALSO COMPLY WITH THE REQUIREMENTS SPECIFIED IN THE TABLE BELOW:-**

S.NO.	CHARACTERISTICS	REQUIREMENTS
1.	Moisture percent by weight maximum	0.50%
2.	Total Nitrogen percent by weight (on dry basis) minimum	46.00%
3.	Biuret percent by weight, maximum	1.50%
4.	<u>PARTICLE SIZE (PRILLED)</u>	The portion of the material passing through 2.8 mm IS SIEVE (Tyler Sieve 7) and retained on 1 mm IS SIEVE (Tyler Sieve 16) shall not be less than 90% by weight, and not more than 5% by weight shall pass through 1.00 mm IS SIEVE.
	OR <u>PARTICLE SIZE (GRANULAR)</u>	90% of the material shall pass through 4 mm IS SIEVE and be retained on 2 mm IS SIEVE. Not more than 5% shall be below 2 mm IS SIEVE.

#### METHOD OF ANALYSIS

- A. Nitrogen - 2.4.03 AOAC (1995)
- B. Biuret - 2.4.23 AOAC (1995)
- C. Moisture - D.4 (TFI, 1982)

#### PARTICLE SIZE

- D. Particle - Size IV A, TFI, (1982)  
Sampling - 2.1.01., AOAC (1995) OR  
IC 1, IC 2, (TFI - 1982) OR  
Schedule II A of FCO, 1985

#### NOTES :

- i) The arrival of the material in white free flowing condition at Indian ports will be guaranteed by the suppliers. For any deviation from the above specifications, scale of penalties as per Annexure-II will apply.
- ii) Urea supplied shall be either in prilled or in granular form but no mix-up will be allowed cargo-wise.

**SCALE OF PENALTIES / DAMAGES**

1. **NUTRIENT LOSSES**

Any deficiency up to a maximum of 1% beyond the tolerance limits prescribed under Fertilizer Control Order (FCO).	5 times of the CFR value (established on the basis of TRANSCHART freight, in case of FOB Contracts) of the deficient Nutrient. In a non-standard fertilizer, the total deficiency beyond FCO specifications has to be counted for the purpose of computing penalty/damages.
Deficiency beyond above limit.	As decided by the Expert Committee of Deptt. of Fertilizers, Govt. of India.

2. With regard to penalty/damages on excess moisture contents, the penalty/damages will be levied on pro-rata basis. The scale of penalty/damages will be prescribed as “two times the value of Fertilizers equivalent to excess moisture content in entire shipment by weight.”

3. The penalty/damages on account of deviation in particle size will be of two components as under:-  
i. Penalty/damages on account of deficiency in particle size  
ii. Penalty/damages on account of excess over-size particle.

The net penalty/damages on account of particle size deviation would be total of its two components (i + ii) which will be determined as under:-

i. Deficiency in particle size = Percentage of material below the lower sieve in the sample minus Maximum permissible material below the lower sieve.

The penalty/damages on account of deficiency will be 30% of the value of the material equivalent to “deficiency” in particle size (defined above) in entire shipment.

ii. Excess of over size material = Percentage of material above upper sieve in the sample minus Maximum permissible percentage above upper sieve.

The penalty/damages on account of over-size will be 15% of the value of Fertilizers determined as over-size in entire shipment

4. In case the entire cargo is rejected at the discharge port and/or declared unfit for direct Application as fertilizer, as evidenced by the quality report of CFQC&TI, Faridabad or any of its regional laboratory. the Seller shall refund landed cost of the cargo found unfit as well as all consequential Handling and distribution costs thereof immediately on buyers first demand with value Date being date of initial payment to the seller, failing which penal interest at the rate of 18% p.a. on quarterly rest basis shall be payable up to the date of actual Remittance by the seller.



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

**(STC's Tender No. STC/FERT/UREA/IMP/2/2014-2015 dated 22.10.2014)**

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

- 1) Name of Bidder : \_\_\_\_\_  
Address : \_\_\_\_\_  
\_\_\_\_\_  
Contact Person Name : \_\_\_\_\_  
Telephone no: \_\_\_\_\_; Fax No. \_\_\_\_\_; e-mail ID: \_\_\_\_\_
- 2) Name of the authorised Local agent : \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Telephone no: \_\_\_\_\_; Fax No. \_\_\_\_\_; e-mail ID: \_\_\_\_\_
- 3) Letter of Authority (as per Annexure-IX) on principal foreign company's letter head, duly signed and stamped by the Authorised Representative (AR) of the principal foreign company in favour of local agent enclosed (Yes/No): \_\_\_\_\_
- 4) Board's Resolution/Letter of Authorisation on principal foreign company/firm's letter head duly authorising the AR enclosed (Yes/No): \_\_\_\_\_
- 5) Category of Bidders:
  - (a) If the bidder is producer or supplier: : PRODUCER/SUPPLIER (Please Tick as applicable)
  - (b) If accredited supplier, (Yes/No) : \_\_\_\_\_
  - (c) If other than (a) and (b) bank reference report and credit rating report as per Tender document enclosed (Yes/No) : \_\_\_\_\_
- 6) Quantity offered against the Tender (MT): \_\_\_\_\_
- 7) Load port/Discharge ports and quantities details enclosed as per Annexure XI (Yes/No): \_\_\_\_\_
- 8) Tolerance in offered quantity (+/-) in percentage: \_\_\_\_\_
- 9) Country of Origin: \_\_\_\_\_

- 10) Validity of Offer: UPTO 1930 Hrs. IST on 07.11.2014
- 11) Delivery Schedule: Shipment from Load Ports latest by 10.12.2014
- 12) Earnest Money deposited (to be attached in original)

Bid Bond Number/DD No.	Date	Amount (US\$)	Issuing bank	Validity

- 13) Signed and stamped of Integrity Pact (enclosed):
- 14) 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 tender documents and hereby agree to abide by the same without any condition/deviation.

Name & Signature of the Bidder  
 With Seal of Designation

Place:  
 Date:

**PRICE BID FORMAT**  
**(on bidder's letter-head)**

**(Tender No. STC/FERT/UREA/IMP/2/2014-2015 dated 22.10.2014)**

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

Name of Bidder : \_\_\_\_\_

Address : \_\_\_\_\_

Telephone no: \_\_\_\_\_; Fax No. \_\_\_\_\_; e-mail ID: \_\_\_\_\_

Name of the authorised Local Agent with address, telephone, \_\_\_\_\_

Fax nos. and e-mail ID : \_\_\_\_\_

**PRODUCT – UREA FERTILISER GRADE 46% N (PRILLED/GRANULAR) IN BULK**

S.NO	COUNTRY OF ORIGIN	PORT OF LOADING	PORT OF DISCHARGE	OFFERED FIRM QUANTITY (MT)	UNIT PRICE PMT(USD)			
					FOBT I	FREIGHT II	CFR FO III	CIF* IV
<b>EAST COAST OF INDIA</b>								
1			KRISHNAPATNAM					
			GANGAVARAM					
			KARAIKAL					
2			VIZAG					
3			KAKINADA DEEP WATER					
			PARADIP					
			TUTICORIN					
4			COCHIN					
			CHENNAI					
<b>WEST COAST OF INDIA</b>								
5			MUNDRA					
			JAIGARH					
6			KANDLA					
7			PIPAVAV					
8			ROZY					
			NEW-MANGALORE					
			HAZIRA JETTY (ANCHORAGE OF MAGDALLA PORT)					

\* (CIF- for Iranian cargo)

**Validity of offer :** Upto 1930 Hrs. IST on 07.11.2014  
**Shipment Period :** Shipment from Load Ports latest by 10.12.2014

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**NOTES:**

1. Please indicate the facilities/restrictions, if any, at port of loading including the LOA, Width, Beam, Draft available, loading rate etc.
  2. Please quote prices separately for all Serial Nos. of the above table.
  3. ONE Price to be quoted for ALL DISCHARGE PORTS mentioned against common Serial No. e.g. against Serial No. 1 – One Price to be quoted which shall be applicable for all the three discharge ports i.e. Krishnapatnam, Gangavaram and Karaikal, in case the bidder is offering separate quantities for these discharge ports.
- 

We have carefully gone through the terms and conditions of the tender documents and hereby agree to abide by the same without any deviation/condition.

Name & Signature of the Bidder  
With Seal of Designation

Place:

Date:

**NOTES:**

1. Bids which are received only on CFR FO/ (CIF- for Iranian cargo) basis shall not be considered for evaluation and rejected, in case FOB option and rates are not simultaneously quoted by the bidder.
2. Bids shall be evaluated on the basis of landed price in India.
3. For Iranian origin cargo, the price quoted should be in AED basis only. Also for Iranian Origin cargo, Marine Insurance has to be taken by suppliers at their own cost. STC reserves the right to accept bid either on FOBT basis or CFR FO/CIF basis or not to accept any bid at all.

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)**

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

(Office Seal)

(Office Seal)

Place :

Date:

Witness 1 : Name & Address

Witness 2 : Name & Address



**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 \_\_\_\_\_(BIDDER) has offered to supply a quantity of \_\_\_\_\_MTs of Urea to STC, and the bidder is required to submit a Bid Bond at the rate of US\$ \_\_\_\_\_PMT along with the offer 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 the amount of US\$ \_\_\_\_\_in case the bidder 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 bidder. Any such demand in writing made by STC, shall be final, conclusive and binding on us irrespective of any dispute or difference raised by the bidder. This Guarantee came into force on \_\_\_\_\_ & shall be irrevocable and shall remain valid till \_\_\_\_\_ in New Delhi.
2. Notwithstanding anything mentioned herein before, our liability under this guarantee is restricted to US\$ \_\_\_\_\_(US\$ \_\_\_\_\_only) and it will remain in full force up to (one month from the last date of validity of offer). 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 bidder and any change in the Constitution of said Bidder/ STC/ Bank.
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

FOR

PLACE

BANK

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

**ANNEXURE-VI**

**PERFORMANCE GUARANTEE BOND**

(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.

1. Against Contract No. \_\_\_\_\_ dated \_\_\_\_\_ (hereinafter called said LOI/Contract) entered into between STC (hereinafter called the buyers) and M/s. \_\_\_\_\_ (hereinafter called the sellers) this is to certify that at the request of the Sellers, We \_\_\_\_\_ (Bank) are holding in trust in favour of Buyers the amount of US\$ \_\_\_\_\_ and hereby expressly 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 as revealed by the Joint Draft Survey at the discharge port or if penalties are levied due to quality deviations (nutrients/moisture/particle size) from contractual specifications as revealed by discharge port analysis report or liability towards dead freight, despatch/demurrage and/or Liquidated Damages and/or other recoveries not settled . The decision of the Buyers duly communicated in writing to the bank that the sellers have failed to perform all or any of the obligations under the LOI/Contract or have delivered short quantity at the discharge port as per joint draft survey report at the discharge port/or penalties have been levied due to quality deviations (nutrients/moisture/particle size) from contractual specifications as per analysis report at the discharge port or have not settled despatch/demurrage and dead freight, 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 for a period of **12 months** from the date of issue of the guarantee i.e. upto \_\_\_\_\_ and that we \_\_\_\_\_ (Bank) undertake not to revoke this guarantee during its currency, without express consent from the Buyer.
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 forbear 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 other matter or thing whatsoever which under the law relating to the sureties would have the effect of releasing us but for the 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 or for any other reason whatsoever.
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. Conditional PBG will not be accepted.  
PBG to be furnished in US\$ (US DOLLARS) only.  
PBG in Indian Rupees will not be accepted.

GENERAL SHIPMENT TERMS IN RESPECT OF FOBT CONTRACTS

1. Within 10 days of the conclusion of the contract, the sellers will give to the buyers and the Chief Controller of Chartering, Ministry of Surface Transport (TRANSCHART), New Delhi a firm schedule showing the quantities of urea available and the dates from which they would be available in each month. Sellers shall make available the parcel size of the shipment at a minimum of 25,000 MTs of urea, 10% more or less at Buyer's option, at a time to enable the buyers to Charter the vessel. The buyers/Chief Controller of Chartering have also the option to call the additional parcel of 3/4,000 MTs (subject to approval of STC).
2. The Chief Controller of Chartering, Ministry of Shipping, (TRANSCHART) will arrange and coordinate shipment of urea and will charter or arrange to charter a ship to move the urea according to the schedule given by the sellers or within 15 days after that date. If cargo is not available after ship has arrived in the port of loading according to schedule, the sellers shall be responsible for demurrage to the vessel, 'dead freight' if any and all other consequential liabilities, due to incomplete loading because of the un-readiness of either part or whole of the goods, when the vessel has been in port at due date & time, and the notice of readiness has been served valid in terms of the governing Charter Party, will be for sellers/shippers account.
3. Sellers to give approximate 15 days advance notice prior to commencement of lay days in respect of each parcel to buyers/TRANSCHART, New Delhi for finalizing/nominating suitable vessels to sellers in required lay days.
4. Seller to expedite stem confirmation/clean acceptance of nominated vessel within 24 hours of receipt of nomination of vessel by buyers/TRANSCHART, New Delhi.
5. Vessels nominated by buyers to be dry and clean.
6. The sellers agree to load from one/two safe port, safe berth(s)/ anchorage, always accessible from the port. In case, two berths are used for loading, shifting expenses including bunker oil consumed, tugs hire and crew's overtime will be to vessel's account and time for shifting not to count as lay time. However, vessel to be left in seaworthy trim to shift between berths/ports to master's satisfaction at seller's time and expense. Cost and time of more than one shifting is to be on sellers account.
7. No cargo is to be loaded in between deck, deep tanks, wing tanks, bunkers spaces. The Master to have the liberty of loading in such spaces for the purpose of stability of vessel but any extra time used and additional expenses incurred in loading into and/or discharging from such spaces (duly supported by the stowage plan) to be for Owners' account and lay time admissible will be calculated at half the specified rates for loading/discharging.
8. Owners guarantee that the vessel is fitted with cargo cranes capable of handling lifts of not less than 15 tons in union purchase, single wires, and all hatches working simultaneously with the necessary certification as provided under tackle regulations prevalent at the

loading port concerned / Dock Safety Inspectorate. The vessel shall give free use of all available gears, cranes and power for same if required, but not exceeding the ordinary capacity for loading and discharging also lights for night work as on board. Crane-men/Winch-men to be for Charterers' account. Charterers' privilege discharging over side, Owners allowing free use of all gears. Any time lost due to breakdown of cranes not to count and expenses incurred to be for Owners' account.

9. (a) The sellers will load, stow and trim the vessel at the port of loading at the minimum rate as per clause 9 (B) per weather working day of 24 consecutive hours. Thursday (Saturday for Non-Arab Gulf origin) afternoon, Friday (Sunday for Non Arab Gulf origin) and holidays excepted, at their own cost. Time shall not count between noon on Thursday (Saturday for Non Arab Gulf origin) and 8.00 a.m. on Saturday (Monday for Non Arab Gulf origin) nor between 5.00 p.m. (1200 hours on Thursday- to read as Saturday for Non Arab Gulf origin) on the last working day preceding a legal holiday upto 8.00 a.m. on the first working day thereafter, unless used and if used actual time used to count unless the vessel is already on demurrage (wherever above days not applicable, then days to be taken as per load port regulations).  
  
(b) Loading Rate to be taken as 6000 MT PWWDSHEX UU for all ports.
10. Port charges, quay dues and similar dues on ship for owner's account. The seller shall pay all dues and duties on the cargo in the country of origin/shipment, including taxes on cargo. Freight tax, if any, on owner's account.
11. Buyers to be responsible towards sellers for despatch money on all working time saved at loading port as per Charter Party terms.
12. First opening and last closing of Hatches to be for owner' account and time used for the same not to count.
13. The cargo shall be loaded by seller/shipper free of expenses and risk to the vessel but under the supervision of the Master. Overtime to the account of the party ordering it. Officer/crew's overtime to owner's account. Overtime, if ordered by port authorities, same to be shared equally between owners and sellers at loading port.
14. Time to commence at 1300 hours, if notice of readiness to load is tendered during office hours before noon and 8.00 a.m. next working day if notice of readiness is tendered during office hours afternoon whether in port or in the roadstead, whether in berth or not, whether free pratique granted or not, or notice of readiness accepted or not, FRIDAYS/SUNDAYS and holidays excluded unless used, and, if used, actual time used to count as lay time. If loading starts before commencement of time counting, only half of such time used to count. Logistical changes depending upon load port.
15. Any lighterage required, at loading port will be on seller's account.
16. Buyers to ask for sellers/shippers stem before fixing vessel definitely, stating at the same time the vessel' draft. Transchart shall nominate vessel with all available details including draft. Supplier should indicate load port restrictions/requirements.

17. Owners to give seller/buyer seven running days approximate notice of vessel's expected readiness to load, stating approximate quantity required in metric tons or cause such notice to be served on shipper's port representatives. Five running days definite notice of vessel's load readiness at loading port will be given to buyer/sellers or their representative. Time of arrival to be telegraphically confirmed by the Master not later than 72/48/24 hours in advance.
18. THE TERM "FOB AT LOAD PORT" MEANS
  - a) Loaded, stowed and trimmed on board overseas vessels at named port of export free of expenses of buyers.
  - b) That it shall be responsibility of the sellers to do the following;
    - i. Provide for, and pay and bear all charges incurred in placing goods actually on board the vessel designated and provided by or for the buyers on the date of within period fixed. The cost of any extra cargo battens, dunnage required and rigging of the same will be to vessel's account.
    - ii. Provide "clean ON BOARD" Ocean Bill of Lading marked 'Freight payable' as per CP".
  - c) Render buyers or his authorized agents assistance in obtaining the documents issued in the country or origin, shipment or both, as may be required for purpose of exportation or of importation of Urea at destination country.
19. In case of two ports of loading preferred by the sellers, all expenses including the freight difference of additional port of loading will be to sellers account.
20. Demurrage at the loading port will be on seller's account and it will be paid by sellers to the buyers at the rate stipulated in the Charter Party.
21. Demurrage rates will be as per the relevant Charter Party & shall be maximum US\$ 6,000PD/HD WTS for Handimax vessel and maximum US\$ 12000 PD/HD WTS for Panamax vessel.
22. Sellers will be responsible for dead freight, if any and other related charges, including consequential liabilities at load port, in case they fail or neglect to load the full cargo.
23. Seller/shipper to keep advised buyers/TRANSCHART, New Delhi of berthing/loading prospects on arrival of vessel at load port and also to keep buyers/TRANSCHART, New Delhi regularly informed about loading progress/status.
24. Once the vessel is fixed during the lay days offered and agreed by the sellers, berthing/loading of vessels at load port shall be seller's responsibility.

## ANNEXURE-VIII

### GENERAL SHIPMENT TERMS IN RESPECT OF CFR FO/ CIF FO (Iranian origin cargo) CONTRACTS

1. The sellers will arrange for chartering suitable vessels to load the agreed quantity in full ship loads and sellers are responsible for fulfilling the conditions of the Charter Party at the loading port and the Buyer or their nominees are responsible for fulfilling the conditions of the Charter Party at the discharging port. Vessels will be chartered on BIMCO Ferticon Charter Party.
2. In case chartered ships are utilized, the maximum use of Indian ships shall be made by the sellers subject to Indian vessels being available at competitive freight rates. Availability of Indian vessels shall be ascertained from the Chief Controller of Chartering, Ministry of Surface Transport (CABLE ADDRESS: TRANSCART, NEW DELHI, FAX NO. 91-11-23718614) sufficiently in advance. It is further agreed that specific enquiries for offer of Indian tonnage shall be replied within three clear days of receipt of enquiry by the Chief Controller of Chartering, New Delhi.
3. Vessels will be chartered on the basis of one/two safe berth(s)/one/two safe port(s)/Anchorages on WCI or ECI.
4. The master to give 24 hours notice of ETA at each discharge port to the STC.
5. A sailing telex/fax is to be sent by Master to STC, Fax: 91-11-23462337 / 23701011, Email: rkgoel@stc.gov.in & klmalhotra@stc.gov.in and to KRISHKHAD, New Delhi Fax: 24365808/24362072 on vessel leaving loading port, giving sailing date, speed, commodity, total quantity loaded and estimated time of arrival at discharge port. Master to also wireless STC and KRISHKHAD, NEW DELHI fifteen days after sailing from loading port, giving latest expected time of arrival at port of discharge.
6. Master to give estimated dates of arrival to, Email: rkgoel@stc.gov.in & klmalhotra@stc.gov.in Fax Nos. 91-11-23462337 / 23701011 and to KRISHKHAD, New Delhi Fax: 011-23384763/ 011-23063324, 96 hours before vessel is due to arrive off Aden/Singapore and Master to again wireless to KRISHKHAD, New Delhi and STC her latest estimated date of arrival 72 hours after passing Aden/Singapore.
7. Cost of shifting to second berth/anchorage (if used) including fuel, to be for Owners account. Risk, expenses and time used in shifting not to count as lay time.
8. Vessel to have all the necessary Test certificate covering vessel's gears in accordance with International Dock Safety Convention valid for the duration of the Charter. Vessel to be properly manned, equipped & supplied during entire navigation, fully and in every way fitted and suitable for the entire loaded cargo.
9. Vessel (its holds, hatches, hatch covers, tank tops, coamings, tracks, overheads etc.) to be dry and clean free from residue, odour, rust etc. of previous cargo duly certified so by a reputed recognized inspection agency.

10. The cargo shall be discharged at the average discharge rate fixed for various ports as per Annexure- X for single Decker vessel basis, five or more available, workable hatches/holds and pro-rata for less number of available, workable hatches/holds per weather working day of 24 consecutive hours. Saturday afternoon, Sundays and holidays excepted, even if used, provided vessel can receive and deliver at these rates. Time shall not count between noon on Saturday and 8.00 A.M. on Monday and not between 5.00 P.M. (Noon if Saturdays) on the last working day preceding a legal holiday and 8.00 A.M. on the first working day thereafter even if used unless the vessel is already on demurrage.

Time shall begin to count from 24 running hours after vessel's arrival within port limits and valid notice of readiness (NOR) i.e. ready in all respects tendered and accepted during official working hours (i.e. 1000 hrs to 0500 hrs on week days and 1000 hrs to 1200 hrs on Saturdays) at each discharging port reported in the free pratique whether in berth or not but not between the hours of 5.00 P.M (1200 hrs. on Saturdays) and 8.00 A.M. on a week day or during any of the period above exempted even if used unless (at discharging port) the vessel on arrival already on demurrage. Charterers have the right to work during excepted periods, such time used not to count as lay time.

11. Surf days not to count as weather working days, unless used and when used actual time used to count for which Buyer shall prove to sellers that relevant certificate issued duly signed by port authorities or any other competent authority.
12. Rigging gangs employed at discharging port to be on the owners/sellers/ship's crew account.
13. Vessel chartered shall be suitable for grab discharge and no cargo is to be loaded in twin decks, deep tanks, wing tanks or bunker spaces or other places inaccessible to grabs. The Master to have liberty of loading in such spaces for the purpose of stability of the vessel but any extra time used and additional expenses incurred by Reason of loading into and/or discharging, from such spaces not easily accessible are to be for owners account and the discharge rate for this cargo will be reckoned at half of the specified rate of loading/discharge for the purpose of working of lay time. Vessel to provide power to shore grabs, if required.
14. Vessel to be kept/remain in seaworthy trim while navigating to shift between ports and berths at both ends to Master's satisfaction at Seller's expense.
15. Cost of first opening and last closing of hatches to be for owners/sellers account and time used not to count for all opening and closings.
16. The owners/sellers shall ensure that the vessel offered at the named discharge port, is suitable to match with the specifications of the port, including LOA, Beam and permissible draft, for berthing and discharge operations. In case the vessel's specifications do not match with the port specifications, the owners/seller will be liable and responsible for all cost as to consequences, including lightening of the vessel and lay time to commence only from berthing of the vessel after lightening. Accordingly the quantity lightened from the vessel for berthing to be excluded from the B/L quantity for working out the lay time allowed (LTA).



17. The offered vessel shall be fitted/ loaded with grabs/ holds suitable for facilitating discharge and in case of geared vessels, the seller shall guarantee that the vessel is fitted with cargo gear, cranes, ropes, slings, winches, and derricks in good working condition, capable of handling the rated capacity of minimum 25 MT SWL. Master also to give free use of vessel's lighting/ power as on board, if required.
18. Discharging port stated in Bills of Lading is not necessarily final discharging port. Final discharging port suitable for the vessel, is to be declared by KRISHIKHAD, New Delhi/STC latest on vessel passing Aden/Singapore in response to Master's telegram to Buyers giving 96/48 hours notice of ETA/Singapore.
19. The vessel shall give free use of all available gear for discharging, also lights for night work, as on board winch men from crew to be used if permitted otherwise, shore winch men to be on Buyers account. Buyers privilege for discharging over side, owner allowing free use of gear, winches, and derricks.
20. Owners are to give name of agents at discharging port(s) to KRISHIKHAD, New Delhi and STC, by telegram/telex/fax within 48 hours of receipt of discharging port orders.
21. Demurrage/despatch rates shall not exceed US \$ 12,000/6,000 per running day. The sellers shall pay to the buyers or their nominee despatch money at the rate as mentioned in the Charter Party, not exceeding US\$ 6000 per day and pro-rata for part of a day for all working time saved in discharging. Rates higher than these shall be subject to specific acceptance of buyer.
22. Lighterage, if any at the discharge port(s) to be at Receiver's risk and expense subject to clause 16.
23. It is agreed that receivers shall have to sign the statements of facts and other customary documents together with the Master of Vessel and ship's agents.
24. The sellers undertake to advise the buyers and KRISHIKHAD, New Delhi by FAX/CABLE/TELEX the name of vessel, total quantity loaded, the date of vessel's departure, speed, estimated draft before and after, expected date of arrival at the Indian port(s), full name and postal address, fax no. of the owners/sellers of the vessel and name and postal address of their agents in India within 48 hours of the sailing of the vessel.
25. Twelve copies of the Charter Party to cover each shipment should be air-mailed to the Buyers by the sellers within seven days of the sailing of the vessel.
26. Overtime to be for the account of party ordering it. Officers and crews overtime to be always on owners account. Overtime if ordered by the disport authorities to be shared equally between ship-owners or sellers and receivers.
27. Sellers are to ensure that liberties, victories and other war built vessels are avoided for the shipment of the cargo. They should also not seek vessels of more than 15 years age. In case of necessity of booking vessels older than 15 years the seller shall take the prior written

approval of the buyers and overage insurance premium would be on sellers' account. It may be noted that vessels older than 25 years shall not be accepted for shipment.

28. Vessels which are to be chartered by the suppliers, should be as per discharge port restrictions/requirements. Vessel should be single Decker and should have Macgregor type/folding type steel workable hatch cover. Vessel should be suitable for grab discharge. No cargo is allowed to be loaded in between decks, deep/wing tanks, bunker space etc. For any relaxation of the above conditions prior approval of buyer should be obtained.
29. Before finally confirming the vessel, approval from Department of Fertilizers and STC will be obtained giving full details of the vessel and other relevant particulars like Despatch/Demurrage rate etc.
30. Sellers shall be responsible to Buyers for any/all acts of omission and commission by or on behalf of ship-owners.
31. Before, finally confirming the vessel, approval from STC will be obtained giving full details of the vessel and other relevant details as per GIC proforma for obtaining GIC approval and others like dispatch/demurrage etc.
  - Whether ISM regulation has been complied with and validity period
  - Name of Hull Underwriters, if vessel not insured
  - Reasons therefore
  - Name & full address of the Disponent owners, if any
  - Name of the vessel with ex-name, if any
  - Flag
  - Classification
  - Year Built/GRT/NRT
  - Name of the Registered owners
  - Name of the Manager, if any
  - Name of the P&I club of the vessel operator named above
  - Name of the Characters, if any
  - Whether voyage charter or time charter
  - Loading port/discharging port
  - Nature of cargo
  - Name & address with Tel. No. & Fax No. of the agent at loading port
  - Name of the supplier
  - On whose behalf Bill of Lading is to be signed (name of the company to be mentioned)
  - Name of the underwriters.
32. Overage Insurance premium if any, due to vessel's age, class and flag shall be to suppliers account.
33. Sellers would be liable to furnishing all relevant vessel particulars/ classification to enable the buyer to obtain General Insurance Corporation (GIC) approval before the vessel is finally accepted. Any extra premium charged by the insurance company towards non-approval of vessel would be to Seller's account.

34. Vessel to be consigned to receivers agents at discharge port for entry with port and customs. Owner paying customary agency fee.
35. All vessel related charges including composite berth hire charges to be on owners account.
36. The terms as per contract would override terms of individual charter party unless deviations are specifically accepted in writing.

**(To be given on Principal foreign company's Letter Head)**

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

**Date** \_\_\_\_\_

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

**Sub : Letter of Authority**

**Tender No. STC/FERT/UREA/IMP/2/2014-2015 dated 22.10.2014**

Dear Sir,

We \_\_\_\_\_ (Name of the Tenderer) against and existing under the Laws of \_\_\_\_\_ (Name of the Tenderer's country) having its registered/principal office at \_\_\_\_\_ hereby appoint \_\_\_\_\_ Agency (Name of the agent) at \_\_\_\_\_ as our agent to do in our name all or any of acts mentioned herein under concerning the above noted tender for supply of Urea to STC:

- i. To sign and submit bid on our behalf and participate in the above noted tender.
- ii. To receive letter of intent/order from STC on our behalf and to sign relevant documents in connection therewith.
- iii. To do all other acts in connection with the above tender as our agent.

We do hereby agree to ratify and confirm whatsoever our said agent shall do or cause to be done by virtue of this Letter of Authority.

This Letter of Authority comes into effect on and after \_\_\_\_\_ (mention date, month and year) and shall remain in full force and effect until revoked by our further notice in writing to STC.

Thanking you,

Yours faithfully,

(Signature of Authorised Representative of  
Manufacturer/Principals with name and full address)

Signature of Authorised  
Person(s) of Local Agent

1. \_\_\_\_\_
2. \_\_\_\_\_

Signature of local agent's authorized person is duly attested  
(to be signed by the representative issuing this letter of authority)

**DISCHARGE RATE FOR DIFFERENT INDIAN PORTS**

(Basis five or more available workable hatches and prorata for less number of workable hatches per weather working day of 24 consecutive hours, Saturday afternoon, Sundays and holidays excepted, even if used)

<b><u>Name of Port</u></b>	<b><u>Discharge Rate (MT)</u></b>
Kandla	6000
Pipavav	5000
New Mangalore	4000
Tuticorin	5000
Kakinada Deep Water	5000
Vizag	6000
Paradip	5000
Mundra	7500*
Rozy	3000
Chennai	3000
Krishnapatnam	7500*
Gangavaram	7500*
Cochin	4000
Karaikal	7500*
Jaigarh	7500*
Hazira Jetty (Anchorage of Magdalla port)	4000**

\* The discharge rate will be 10000 MT per day for the vessels fixed for shipment equal to or more than 50000 MT +/- 10%

Discharge rate for shipment of small parcel i.e. equal to or less than 20000 MT +/- 10% shall be 50% of the normal prescribed discharge rate.

\* Vessels fixed for these ports should be capable to achieve prescribed discharge rates by ship cranes. Gearless PANAMAX vessels can only be considered for Mundra, Krishnapatnam, Karaikal and Gangavaram Ports.

\*\* Hazira Anchorage will be open for discharge during 16 October to 14 May but shall remain closed from 15 May to 15 October.

**QUANTITIES OF UREA BEING OFFERED FOR SHIPMENT FROM LOADPORTS**  
**LATEST BY 10.12.2014.**

MONTH	QUANTITY (MT) ON LOAD PORT BASIS (SPECIFY PORT)	QUANTITY ON DISCHARGE PORT BASIS (MT)*	
		EAST COAST OF INDIA (ECI) (SPECIFY PORT)	WEST COAST OF INDIA (WCI) (SPECIFY PORT)

(\*) Quantities being offered to be indicated discharge port wise.

Bidders must clearly indicate specific quantity offered for arrival as indicated above. Bidders are also required to furnish specific tonnage offered from each port of shipment indicated by them. Such quantities shall be clearly mentioned as “firm quantities”. Offers mentioning “supplier’s option” are liable to be rejected.

Please also indicate the facilities/restrictions, if any, at port of loading including the LOA, Width, Beam, Draft available, loading rate etc.

Date:  
Place:

(Signature of Authorised Person)

**APPROVED LIST OF ACCREDITED SUPPLIERS**

<b><u>S.NO.</u></b>	<b><u>NAME OF SUPPLIERS</u></b>
1	M/S TRAMMO AG, SWITZERLAND
2	M/S KEYTRADE AG, SWITZERLAND
3	M/S AMEROPA AG, SWITZERLAND
4	M/S TOEPFER INTERNATIONAL-ASIA PTE LTD., SINGAPORE
5	M/S GAVILON FERTILIZER, LLC, USA
6	M/S SWISS SINGAPORE OVERSEAS ENTERPRISES PTE LTD., DUBAI
7	M/S DREYMOOR FERTILIZERS OVERSEAS PTE LTD., SINGAPORE
8	M/S RARE EARTH COMMODITIES DMCC, DUBAI
9	M/S AMBER FERTILIZERS LTD., HONGKONG
10	M/S BARY CHEMICALS PTE LTD., SINGAPORE
11	M/S TRANSGLOBE DMCC, DUBAI
12	M/S QUANTUM FERTILIZERS LTD., HONGKONG
13	M/S KISAN INTERNATIONAL TRADING FZE, DUBAI
14	M/S CONTINENTAL TRADERS PTE LTD., SINGAPORE
15	M/S MMTC TRANSNATIONAL PTE LTD., SINGAPORE
16	M/S AGORA INTERNATIONAL TRADING PTE LTD., SINGAPORE
17	M/S FERTISUL INTERNATIONAL LTD., HONG KONG
18	M/S EMMSONS GULF DMCC, DUBAI
19	M/S LIVEN AGRICHEM PTE. LTD., SINGAPORE
20	M/S AGRI COMMODITIES AND FINANCE FZE, DUBAI
21	M/S QATAR CHEMICAL AND PETROCHEMICAL MARKETING AND DISTRIBUTION COMPANY (MUNTAJAT), DOHA, QATAR

**ANNEXURE-XIII**

**THE STATE TRADING CORPORATION OF INDIA LIMITED : NEW DELHI**  
**CORPORATE IDENTITY NUMBER L74899DL1956GOI002674**  
**(FERTILIZERS DIVISION)**

**DRAFT CONTRACT FOR IMPORT OF PRILLED/GRANULAR UREA (BULK)**  
**FERTILISER GRADE**

CONTRACT No. STC/FERT/UREA/IMP/-----

DATED: \_\_\_\_\_

BETWEEN

SELLER'S NAME: \_\_\_\_\_

FULL ADDRESS: \_\_\_\_\_

TELEPHONE NOS: \_\_\_\_\_

FAX NO: \_\_\_\_\_

E.MAIL: \_\_\_\_\_

Hereinafter called the Seller (which expression shall in so far as the context admits, include its successors and assigns) of the first part.

AND

The State Trading Corporation of India Limited, (a Govt. of India Enterprise) having its registered office at Jawahar Vyapar Bhavan, Tolstoy Marg, New Delhi-110001 (India) Fax No.91-11-23462337/23701011 E. Mail co@stc.gov.in hereinafter called the Buyer (which expression shall in so far as the context admits, include its successors and assigns) of the other part.

It is mutually agreed and declared by and between parties hereto as follows:-

**1. QUANTITY:**

The Sellers agree to sell and the Buyers agree to buy a quantity of \_\_\_\_\_ MT (+/-) 10% Bulk Urea prilled/granular under the terms and conditions set out hereunder:

DESCRIPTION OF MATERIAL	QUANTITY IN METRIC TONNE (MTs)	PORT(S) OF DISCHARGE
BULK UREA 46% NITROGEN FERTILIZER GRADE		

Total quantity to be supplied shall be \_\_\_\_\_ MT (+/-)10% in \_\_\_\_\_ or more lots.



2. **QUALITY, SPECIFICATIONS AND METHODS OF ANALYSIS:**

As per Annexure-I attached.

In the event of any consignment not conforming to the contractual specifications, the Buyers have the unfettered right to reject the same and/or levy penalties and/or recover damages as per Annexure-II (attached).

**NOTES:**

- i. Samples to be taken, held and composited by such procedure as will produce a truly representative final sample with particular care being taken to preclude moisture changes, and
- ii. Sampling to be performed per 250/500 MTs at prescribed intervals and preferably to be done during loading aboard the vessel.

3. **SHIPMENT/DELIVERY SCHEDULE:**

Shipment from Loadports latest by **10.12.2014**. Timely shipment of cargo is the essence of the contract and shall be treated as firm.

In case of multiple Bills of lading for one vessel, the date of Bill of lading issued in the last shall be treated as shipment date for the total cargo loaded in that vessel.

Any delay in effecting contracted shipments will render sellers liable for breach of contract and shall be dealt as per serial no. 4 below i.e. Default.

4. **DEFAULT:**

The supplier must note that timely shipment /delivery of the material is essence of the contract and shall be treated as firm. However, under any circumstances if the supplies get delayed and the supplier fails to effect shipment/deliver the material within the time stipulated in the contract, the same shall be treated as breach of contract. Under such situation, it is agreed that the Buyer shall have the following options to safeguard its interest:-

- (a) To accept late shipment (Full or part) with any one of the following conditions:

To recover as liquidated damages and not by way of penalty/damages, for the period after this material was due, until actual delivery or until the Buyer secures the material or other material of similar description from other sources, a sum equivalent to 2% of the contract value of the undelivered material per month, or part thereof.

**OR**

To accept the supplies (full or part) of the delayed shipments, subject to seller's confirmation of the revised lower prices intimated by the Buyers, based on the prevailing import prices in India, established through subsequent tender(s) by State Trading Enterprises (STEs).

- (b) To not accept the late shipment with any one of the following conditions:

Buyer with notice to seller shall source the delayed quantities (full or part) of the likely similar description of material (readily available in the market) at the sole risk and cost of the seller and claim all the related losses/damages from the seller towards breach of the contract.

**OR**

To cancel the contract or a portion thereof for supply of full or part quantities without any further notice and to forfeit the PBG/Performance Bond submitted for the successful performance of the contract.

- (c) Further in addition to (a) and (b) above, the buyer reserves the right to debar the seller from participating in one or more future tenders invited by the Buyer and/or other canalizing agencies in India.

Decision taken by the Buyer in this regard will be conclusive and shall be binding on the Seller.

**5. PRICE :**

In Bulk Trimmed PMT nett. weight:

**For other than IRANIAN origin cargo: US\$\_\_\_\_\_ PMT FOBT/ CFR FO**  
(US Dollars \_\_\_\_\_ only PMT FOBT/ CFR FO).

**For IRANIAN origin cargo (If applicable): AED\_\_\_\_\_ PMT FOBT/ CIF**  
(AED \_\_\_\_\_ only PMT FOBT/ CIF).

**6. ORIGIN/NAME OF PRODUCERS:**

Of \_\_\_\_\_ origin, produced by M/s \_\_\_\_\_.

**7. PAYMENT:**

(A) For Non-Iranian Origin cargo

Payment without prejudice to Buyer's right to damages under terms of the Agreement, payment shall be made through an irrevocable and non-transferable letter of credit through a prime bank of international repute. Reimbursement shall be made after five days of receipt of documents at the counters of the LC opening bank. The L/C covering 100% value of the contracted quantity including plus tolerance will be established by the buyer within 7 (seven) days of receipt of acceptable PBG as well as signed Agreement but not earlier than 15 days prior to the commencement of the shipment period. The letter of credit shall be payable for 100% of the invoice value based on load port results and against presentation of the following documents:-

- i. Commercial invoice in three originals and seven certified copies in the name of State Trading Corporation of India Ltd., New Delhi.

- ii. All three original negotiable copies of the clean shipped on board marked freight payable (as per charter party) Bill of Lading and three non-negotiable copies thereof, showing Ministry of Chemicals and Fertilizers (Department of Fertilizers) Govt. of India as consignee and notify party as the State Trading Corporation of India Limited, New Delhi. Charter party bill of lading acceptable provided it bears an endorsement that all terms and conditions of the relevant charter party are deemed to have been incorporated therein. BL signed by freight forwarders not acceptable.
- iii. One or Two original Certificate of origin along with five copies thereof duly signed/ issued by Chamber/ Ministry of Commerce, Industry or Trade and/ or any other competent authority certifying therein the country of origin of goods. For Chinese origin cargo, Certificate of Origin issued by 'China Council for the Promotion of International Trade' is acceptable.
- iv. One original and a copy of load port draft survey report issued by buyers' Inspection agency.
- v. Beneficiary/seller's original certificate of inspection along with three copies showing quality, quantity, weight and method(s) of analysis as per Annexure-I of the contract adopted and being certified by the buyers' Inspection agency.
- vi. (a) One original along with three copies certificate of inspection thereof issued by the buyer's inspecting agency showing the analysis and weight and the method of analysis adopted, strictly as per Annexure-I.  
 (b) A separate quality certificate issued by the designated inspection agency (One original + Three Copies).
- vii. Copy of STC's letter confirming receipt of two original Quality Certificate (issued by designated Inspection agency at loadport) despatched by the beneficiary within 72 hours of sailing of vessel.
- viii. Copy of STC's letter confirming receipt of approval of Transchart, Ministry of Shipping & Transport (in case of CFR FO/ CIF) contracts.
- ix. Certificate from the Beneficiary to the effect that the following documents have been dispatched to STC, New Delhi address mentioned above by international recognized courier. Copy of courier receipts to form part of negotiable documents.
  - (a) 3 Non Negotiable copies of Bill of Lading.
  - (b) 2 Copies of Commercial Invoices.
  - (c) 3 Copies of Certificate of Origin.
  - (d) 2 Photo copies each of all documents mentioned in this clause.
- x. Copy of fax message sent by beneficiary to STC on fax no. 91-11-23462337/ 23701011 sent within 24 hrs. after departure of the vessel from loadport giving following information:-
  - (a) Name of the vessel
  - (b) Date of sailing

- (c) Quantity shipped
  - (d) BL No. & date
  - (e) Invoice No., date and value
- xi. Certificate from the beneficiaries/manufacturers that the material supplied under the contract is correct as to quantity and quality and specifications as per Annexure-I, rate, total value and the payment is due in accordance with the terms of the contract at the time of presentation of documents.
- xii. Certificate of Cleanliness of holds issued by the buyer's Inspection agency.
- xiii. Beneficiary is required to fax copies of all negotiable documents to State Trading Corporation of India Limited, New Delhi on fax no. +91-11-23462337 or +91-11-23701011 before negotiation of this LC. Beneficiary's certificate to this effect forms part of negotiable documents.
- xiv. Two Original along with two copies each of stowage plan.
- xv. A Certificate from the Master of the vessel or its agent certifying that the shipment is by seaworthy vessel and Classified 100 A-1 by Lloyds or Equivalent Class.
- xvi. In case of CFR FO/ CIF-(Iranian origin cargo) contract, a certified copy of NOR (Notice of readiness) tendered and accepted by receivers or their agents at the nominated Indian discharge port (Applicable only for Category-III suppliers only).

**Contract No. & Date and Letter of credit No. & Date must be mentioned on all Bills of Lading, Certificates of origin, Quality Certificates and Commercial Invoices.**

All Bank charges in India for the establishment of letter of credit shall be borne by the Buyer. All Bank charges outside India shall be to the account of the Seller. In case confirmation of the Letter of Credit is required by the seller the same shall be at the cost and expenses of the seller. The Letter of Credit amendment/extension charges, if any, shall be borne by the party responsible for occasioning the amendment/extension. On the date of negotiation, sellers will inform the buyer's details of negotiation such as contract no., vessel's name, date of sailing, amount of invoice negotiated, name of bank and date of negotiation by fax (Fax No. 91- 11-23462337/23701011).

(B) For Iranian Origin cargo

Payment without prejudice to Buyer's right to damages under terms of the Agreement, payment will be made on CAD basis for 100% of Invoice value based on load port results in AED within TEN working days after the date of receipt of documents (as listed at Sr. No. I to xvi of 7(A) at the counter of STC's nominated Bank in India (details of bank to be intimated separately to successful bidder).

**8. PRE-SHIPMENT INSPECTION FOR QUALITY & WEIGHT:**

Buyer shall have the right to inspect fertiliser at all reasonable times prior to shipment thereof by appointing their own Inspecting Agency.

- i. Inspection will be carried out before shipment by the buyer or their authorized representative/appointed Inspecting Agency at the factories of the supplier/manufacturer and/or at any other place including at the port of loading at their discretion.
- ii. At least 10(Ten) days clear notice in writing shall be given by the Seller before loading the cargo into container/barges or directly into the ship at the producing factory to the buyer's authorised Inspecting Agency with fax/cable intimation to buyer. The notice to the Inspecting Agency and intimation to the buyer shall contain the following information;
  - a. Location of producing factory;
  - b. Contract Number and description of fertilisers;
  - c. Date of loading/despatch from factory;
  - d. Quantity to be shipped, name of the vessel and port of loading.
- iii. (a) For purposes of determining quality, the Inspecting Agency may at their discretion draw samples of material at the producing factory as specified in the contract but shall draw samples in all cases during the loading of the vessel with a view to ensure that the material loaded conforms to the contractual specifications. A clear inspection note will be released by the Inspecting Agency only if they are satisfied with the contractual specifications of the Cargo loaded.  
  
(b) Samples so drawn shall be sent to the laboratory nominated by the Inspecting agency.
- iv. The Seller will provide free of cost facilities to the Inspecting Agency for taking the samples.
- v. Factory production analysis records shall be made available for the scrutiny of the Inspecting Agency for checking whether the material produced is in conformity with the contractual specification. This will include distribution of particle size and coating as well as nutrient contents etc.
- vi. After inspection and sampling, the analysis report, weight records and other data required by the Inspecting Agency shall be forwarded to them. A copy of the vessel's Bill of Lading shall also be provided as evidence of quantity loaded in good condition i.e. clean. All documents regarding shipment shall be couriered/ airmailed immediately to avoid delay in the issue of Inspection certificate for claiming payment by the Sellers.
- vii. Analysis report should specify the nutrients and other requirements of the contract specification. The report shall specify the methods of analysis used, type of sieve used for determination of particle size and also the contract number, the quantity loaded and the name of the vessel. If more than one factory supplies cargo for same vessel, a separate factory analysis report shall be provided for each of the factories.
- viii. The weight should be determined by conducting draft survey before loading of the cargo and after completion of the loading of the cargo through an independent

internationally reputed surveyor at buyer's cost. Bill of Lading and Invoice will show draft survey weight.

**9. CHECK WEIGHMENT AND QUALITY AT THE INDIAN PORT OF DISCHARGE:**

- i. Sellers & receivers at the discharge port will appoint, at their own cost an independent surveyor for conducting joint draft survey. Final weight as determined by Joint draft Survey conducted at the discharge port shall be treated as final and binding on the Seller.
- ii. The weight determined by Joint Draft Survey at discharge port would be final and binding on the Seller for the purpose of payment of shortages as compared to B/L weight. Quantity declared as damaged cargo shall be treated as quantity delivered short and shall be treated accordingly.
- iii. Buyer and/or its receivers shall draw samples for determining the quality of the cargo at the port of discharge through an independent reputed Inspection Agency or may opt for the mandatory inspection from Central Fertilizer Quality Control and Training Institute (CFQC&TI), Faridabad (India) or any of its regional laboratory. The quality so determined at discharge port shall be final and binding on the Seller.
- iv. The Seller, shall nominate its representative to supervise the draft survey and drawal of samples at discharge port at his own expenses. STC will advise the port of discharge immediately on its nomination by the Department of Fertilizers. The names of such representatives with their telephone no., fax nos. and full address shall be advised by the Sellers to STC within two working days. All the authorised representatives will sign at the time samples are sealed without exception. Two such sealed samples will be kept by the representatives of Central Fertilizer Quality Control & Training Institute or any of its regional laboratory and the third sealed sample will be handed over to the representative of the Seller.

In case the Seller's representative for whatever reason does not associate himself at the time of drawl of samples etc., it is clearly understood that the drawl of sample by the representative of CFQC&TI or any of its regional laboratory shall be final and binding.

- v. The payment for shortage in quantity, as revealed by the joint draft survey at discharge port vis-a-vis the Bill of Lading quantity, and the amount of penalties levied on account of deviations in quality (Nutrients, Moisture and particle size) on the basis of discharge port analysis as per (c) above vis-a-vis specifications in the contract would be paid by the seller within 30 days from the date of claim failing which STC shall have recourse to the PG Bond executed by the sellers. Further, the Seller shall also make good such other incidental recoveries made by Department of Fertilizers arising out of such short delivery through payment to STC directly within 15 days of notification by STC.
- vi. In case the entire cargo is rejected at the discharge port and/or declared unfit for direct application as fertilizer, as evidenced by the quality report of Central Fertilizer Quality Control & Training Institute, Faridabad or any of its regional laboratory, the Seller

shall refund landed cost of the cargo found unfit as well as all consequential handling and distribution costs thereof immediately on Buyers first demand with value date being the date of initial payment to the seller, failing which penal interest at the rate of 18% p.a. shall be payable up to the date of actual remittance by the Seller.

- vii. In the event of supply of short or damaged cargo, in addition to cost of such cargo, losses on account of exchange rate fluctuation, pro rata bank charges & insurance charges and other incidental charges as recovered/deducted by DOF from STC shall be to the account of Seller.

#### **10. UMPIRE ANALYSIS:**

- i. The Buyer and/or receivers' representative and the Seller's representative be present at the time of sample collection at discharge port. The receiver will organize entry passes for the representative of Faridabad Laboratory or any of its regional laboratory and Seller's representative. A part of the discharge port sample will be kept by the Seller's representative and one part by Faridabad Laboratory or any of its regional laboratory for future reference in case of dispute. In case it is required, the reference sample for umpire analysis will be the sample retained by Central Fertilizer Quality Control & Training Institute, or any of its regional laboratory only.
- ii. In case of dispute about quality, the Seller has right for umpire analysis. In such circumstances reference sample will be sent to the umpire laboratory and the result of umpire laboratory will be binding on both Seller and Buyer. The cost of umpire analysis will be borne by the losing party.

The umpire analysis will be done by a reputed Inspection Agency nominated by STC and/or its receiver. The umpire agency shall be one of the laboratories notified for the referee analysis in the Fertilizer Control Order 1985 (as amended up to the date of tender closing) and will be the one other than the load port/discharge port Inspection Agency. The seller shall have the right to select atleast 3(three) eligible laboratories for umpire analysis, out of which STC and/or receivers shall nominate one agency.

Seller will be ineligible for asking for Umpire analysis in case, he/his representative does not sign the sample slip/ relevant documents or is not present at the time of collecting the sample drawn by representative of surveyor/ inspection agency nominated by STC or its nominee.

- iii. In the event of disagreement in the discharge port draft survey results, about quantity at discharge port and any of the parties representing the ship owners/foreign suppliers and receivers etc. refused to sign or signs under protest the Joint draft survey report, STC and/or its receivers may at its discretion go in for recalculation of quantities by Umpire Survey. The Umpire Surveyor shall be nominated from the panel drawn by the Department of Fertilizers (GOI). The Umpire agency will be the one other than the load port Inspection Agencies as well as discharge port inspection agencies nominated by ship owners, sellers and receivers. The decision of Umpire Surveyors will be binding on both seller and buyer. The cost of Umpire survey shall be equally borne by the parties.

- iv. The penalties for deviations in specifications found at discharge port will be recovered on the basis of scales given in Annexure-II.

**11. SHIPPING INTIMATION / ADVICE:**

- (a) Immediately on completion of loading and sailing of vessel, the seller shall advise the buyer by e-mail/ fax the name of the vessel, date of sailing, quantity shipped, BL No. & date, Invoice No., date & value.
- (b) Suppliers must send scanned copy of Bill of Lading, Invoice, Certificate of Inspection and separate Quality Certificate issued by designated Inspection agency on e-mail within 72 hours of sailing of the vessel from loadport.
- (c) In addition to above, suppliers are also required to despatch directly to buyer two sets of Originals of Certificate of Inspection and separate Quality Certificate issued by designated Inspection agency at loadport appointed by buyer within 72 hours of sailing of the vessel from loadport.
- (d) Suppliers are also required to despatch directly to the buyer three non-negotiable sets along with three photocopies of negotiable sets each of following documents through Internationally reputed courier within 7 days from the date of sailing of the vessel :-
  - i. Clean on Board Bill of Lading showing Ministry of Chemicals and Fertilizers, Govt. of India as the consignee and STC as the notify party.
  - ii. Signed commercial invoice issued by sellers for 100% of value.
  - iii. Certificate of Origin.
  - iv. Certificate of analysis of cargo issued by STC's nominated Inspection agency at loadport.
  - v. Quality Certificate issued by STC's nominated Inspection agency.
  - vi. Draft survey report/ certificate issued at loadport showing quantity loaded.
- (e) Sellers are required to inform the following details to the buyers by fax immediately on negotiation of documents under buyer's L/C to facilitate the buyers to provide necessary funds in their bank account to honour their documents :-
  - i. Date of negotiation.
  - ii. Amount negotiated.
  - iii. Expected date of receipt of documents at opening bank's counter.
  - iv. Courier receipt no. and date.

**12. WHARFAGE/DEMURRAGE:**

If any wharfage or demurrage results at the port of discharge due to negligence of or any cause attributable to the Seller or their nominee including negligence of sending correct and complete documents in time connected with the shipment of material under this contract and if in consequence thereof, clearance of the consignment by the buyer or delivery of goods is delayed resulting in wharfage or demurrage such wharfage or demurrage shall be to the account of the seller. Similarly any wharfage or demurrage



resulting from the negligence or default on the part of Buyer shall be to the Buyer's account.

**13. PERFORMANCE BANK GUARANTEE/BOND:**

The Seller shall establish an unconditional irrevocable Performance Bank Guarantee (PBG) as per STC format enclosed with tender documents in favour of the Buyer by any first class international bank through its branch office in New Delhi (India) for a value of \_\_\_% (as applicable) of the total contract value of the maximum guaranteed quantity to be shipped under the contract including plus tolerance as per clause no.1 above, within 10(Ten) days of the conclusion of business covered by this contract. Performance Guarantee Bond executed by Sellers will be required to be kept valid till all claims/ dues payable by Seller to Buyer against the contract including performance, weight and quality basing on discharge port results, any penalties/damages, despatch/ demurrage etc. are settled. It is clearly understood that in the event of the claim amount of Buyers being more than the PBG value, the Seller shall enhance the value of the PBG immediately to cover such claim amount. Further, it is clearly understood that in the event of any default in the fulfillment of any of the obligation of the Seller, the seller's liability will not be limited to the extent of the value of the PBG. The decision of Buyer shall be binding on the Seller.

The Buyer shall have the right and fullest liberty to exercise its right to forfeit/enforce the PBG/PERFORMANCE Bond for the purpose of this Contract and buyers' decision shall be binding on the Seller in case Sellers fails to perform all or any of their obligations under the Contract or supply material short than the contracted quantity as revealed by the Joint Draft Survey at the discharge port or if penalties/damages are levied due to quality deviations (nutrients/ moisture/ particle size) from contractual specifications as revealed by discharge port analysis report or liability towards dead freight, despatch/demurrage, liquidated damages due to delay in shipments and/or other recoveries are not settled by the Seller. Any bank charges/ commission on account of furnishing PBG shall be borne by Seller.

**14. SHIPPING TERMS AND CONDITIONS:**

As per Annexure-VII & VIII attached.

**15. FREIGHT FORWARDERS:**

Buyer shall appoint their own freight forwarders after signing of this contract and shall intimate the same to the Seller in due course. As soon as the Seller is in a position to load the vessel they shall intimate the freight forwarders appointed by the Buyer about the same.

**17. SETTLEMENT OF DESPATCH & DEMURRAGE:**

The Seller guarantees to prepare the lay days statement on the basis of the certified statement of facts and send it to the Buyer within 15 (Fifteen) days of the date of sailing of the vessel. After the lay days statement has been accepted by the Buyer, the monetary

settlement of despatch/demurrage shall be effected by the respective parties within one month of the date of acceptance of the lay days statement. In case SOF is not given by the suppliers within 15 days from shipment date, buyers shall have the right to invoke PBG and receive loadport demurrage/disport dispatch basing on buyer's calculations.

**18. TITLE AND RISK:**

Title to the goods and risk shall pass from Seller to Buyer on material crossing the ship rails at loading port.

**19. NO LIABILITY/OBLIGATION OF GOVT. OF INDIA UNDER THIS CONTRACT:**

It is expressly understood and agreed by and between the Seller and STC that STC is entering into this agreement solely on its own behalf and not on behalf of any other person or entity. In particular, it is expressly understood and agreed that the Govt. of India is not a party to this agreement and has no liabilities, obligations or right hereunder. It is expressly understood and agreed that STC is an independent legal entity with power and authority to enter into contracts, solely on its own behalf under the applicable laws of India and general principles of contract laws. The Seller expressly agrees, acknowledges and understands that STC is not an agent, representative or delegate of the Govt. of India. It is further understood and agreed that Govt. of India is not and shall not be liable for any acts, omission, commission, breaches or other wrongs arising out of the contract. Accordingly, STC hereby expressly waives, releases and foregoes any and all actions on claims including cross claims, impleader claims or counter claims against the Government of India arising out of this contract and covenants not to sue the Govt. of India as to any manner, claim, causes of action or thing whatsoever arising out of or under this agreement.

**19. TAXATION:**

All taxes, duties, levies, charges, cesses, etc. in the nature of taxes or penalty/damages which may be imposed outside India on Urea will be to the account of the Seller.

Any taxes, duties or levies in the nature of taxes which may be imposed on the quantity of urea discharged in India, shall be to the account of the Buyer.

**20. FORCE MAJEURE:**

- i. If at any time during the existence of this contract either party is unable to perform in whole or in part any obligation under this contract because of war, hostility, civil commotion, sabotage, quarantine restrictions, acts of God and acts of Government (including but not restricted to prohibition of exports or imports) fires, floods, explosions, epidemics, strikes, embargoes then the date of fulfillment of engagement shall be postponed during the time when such circumstances are operative.
- ii. Any waiver /extension of time in respect of the delivery of any installment or part of the goods shall not be deemed to be waiver/extension of time in respect of the remaining deliveries.

- iii. If operation of such circumstances exceed three months, each party shall have the right to refuse further performance of the contract in which case neither party shall have the right to claim eventual damages.
- iv. The party which is unable to fulfill its engagements under the present contract must within 15 (fifteen) days of occurrence of any of the causes mentioned in this clause shall inform the other party of the existence or termination of the circumstances preventing performance of the contract. Certificate issued by the Chamber of Commerce in the country of Seller or the Buyer or the country where the Load port is located shall be sufficient proof of existence of the above circumstances and their duration. Non-availability of raw material will not be an excuse to the Seller for not performing their obligation under this contract.
- v. The failure of any party to fulfill any of its obligations shall not be considered to be a breach of, or default under, the Contract in so far as such inability arises from an event of Force Majeure, provided that the party affected by such an event has taken all reasonable precautions, due care and reasonable alternative measures, all with the objectives of carrying out the terms and conditions of the Contract.

**21. ARBITRATION:**

In the event of any dispute arising between the Parties in relation to or under this Agreement/ EOI, the same shall be settled by arbitration conducted in accordance with the Rules of Arbitration of the Indian Council of Arbitration, New Delhi. The decision of the arbitration tribunal shall be final and binding. The venue of the arbitration shall be New Delhi, India. The language of arbitration shall be English. The governing laws shall be laws of India. The arbitral award shall be enforced in accordance with the provisions of the Arbitration and Conciliation Act, 1996 or any of its amendments thereof.

**22. INDIAN AGENTS COMMISSION:**

If any, shall be paid by the suppliers directly including commission payable to foreign companies.

**23. AMENDMENTS:**

Any amendments and additions to this contract shall be valid only if made in writing duly signed and stamped by both the parties.

**24. ASSIGNMENTS PROHIBITED:**

The seller shall not assign or delegate or transfer any of their duties, rights, interest, obligation due here under this contract in full or part to any party without prior written consent of the Buyer. The provisions of this paragraph shall also apply to:

- (a) Sub-contracting for the procurement of commodity purchased hereunder; and

- (b) A sale or encumbrance of substantially all of the Seller share or assets, a merger of Seller's business or insolvency or receivership proceedings in respect of Seller business.

**25. INDEMINITY**

The seller undertakes and agrees to compensate, indemnify, defend and hold harmless STC for all liability, losses, damages and claims, including but not limited to fines, penalties, interest, legal or consultant fees and other loss and costs etc. arising out of or relating to its liability or breach of its obligations in accordance with the provisions of this contract and/or any misrepresentation or breach of its representations or warranties set out in this contract etc.

**26. SPECIAL CONDITIONS**

- i. Any claim, dispute, or controversy arising out of, or in relation to, this contract, the interpretation thereof, the activities performed hereunder, or the breach thereof, which cannot, within a period of 30 days from receipt of notice by the Defaulting Party, be satisfactorily resolved by mutual understanding between the Parties, shall be finally settled through arbitration. Failing resolution of the dispute within the above period of 30 days, aggrieved Party may commence arbitration proceedings in order to resolve the dispute.
- ii. A waiver, whether oral or in writing, expressed or implied, by any Party of any failure by a Party in the observance and performance of any of the terms, conditions, obligations, responsibilities, or duties set forth in this contract shall not constitute or be construed as a waiver of any subsequent or other failure.

**27. INTEGRITY PACT:**

M/s \_\_\_\_\_ (Bidder) and STC agree that Integrity Pact is a part of this contract and both the parties are bound by its provisions.

**28. OTHER CONDITIONS:**

Buyer shall arrange to obtain the relative import licenses and get them revalidated whenever necessary. Similarly, the Seller shall arrange to obtain export license, if needed, for the export of goods from their country. The goods shall not be shipped till the import license number and date are communicated in writing to the Sellers and all shipping documents shall bear the relative contract number and the import license number and date. All taxes, duties, levies, cesses etc. in the Sellers and Buyers countries shall be to their respective accounts.

**29. GENERAL:**

All communication/notices required to be given by the Seller to the Buyer under this contract, should reach the Buyer in New Delhi (India) latest by 1600 hours (IST) on the dates specified in this contract. All other important communications are to be sent by the Sellers so as to reach by 1600 hours (IST) only on working days of STC.

Seller shall courier through a reputed international express courier service two copies each of non-negotiable bills of lading, nominated load port surveyor's signed certificate(s), signed invoice and certificate of origin within 7 (Seven) days of the date of last Bill of Lading of each cargo to the Buyer. Seller shall advise the particulars of such despatch of documents by fax/telex to the Buyer immediately after despatch thereof.

30. This contract is in confirmation to our Letter of Intent No. \_\_\_\_\_ dated: \_\_\_\_\_.

31. **SEVERABILITY:**

Seller and Buyer agrees that if any of the provision of this Contract becomes invalid, illegal or unenforceable, the validity, legality or enforceability of the remaining provisions of this Agreement shall not in any way be affected or impaired. Notwithstanding the foregoing, the parties shall thereupon negotiate in good faith in order to agree to the terms of a mutually satisfactory provision, achieving as nearly as possible the same commercial effect, to be substituted for the provision so found to be invalid, illegal or unenforceable.

32. **APPLICABLE LAWS/ JURISDICTION OF COURTS**

This Tender document/ Contract shall be interpreted in accordance with Laws of India and Courts at New Delhi shall have exclusive jurisdiction.

33. **PREVIOUS CORRESPONDENCE:**

- i. After the signing of this contract, all previous correspondence and negotiations pertaining thereto shall stand superceded by the terms and conditions of this contract which shall prevail.
- ii. Terms and conditions of Tender No. STC/FERT/UREA/IMP/2/2014-2015 dated 22.10.2014 which are not in conflict with or at variance or inconsistent with the terms hereof, shall form an integral part of this contract.

IN WITNES WHEREOF the parties hereto have signed this agreement on \_\_\_Day of \_\_\_

For and on behalf of:

Signature\_\_\_\_\_

Full Name:\_\_\_\_\_

Designation:\_\_\_\_\_

Stamp of Company\_\_\_\_\_

For and on behalf of:

Signature\_\_\_\_\_

Full Name\_\_\_\_\_

Designation\_\_\_\_\_

Stamp of Company\_\_\_\_\_

PROFORMA FOR LETTER OF CREDIT

From SBI/SBP/IndusInd/IOB/Canara Bank/other Indian Banks (at the option of Buyer)

40 A	FORM OF DOCUMENTARY CREDIT :	IRREVOCABLE
20	TRANSACTION REFERENCE NUMBER DOCUMENTARY CREDIT NUMBER :	XXXXXXXX
31 C	DATE OF ISSUE :	[                    ]
31 D	DATE AND: PLACE OF EXPIRY:	_____ _____
51	APPLICANT BANK	_____
50	APPLICANT:	THE STATE TRADING CORPORATION OF JAWAHAR VYAPAR BHAWAN, TOLSTOY MARG, NEW DELHI - 110 001.
59	BENEFICIARY :	_____
32 B	CURRENCY CODE, AMOUNT :	_____
39 A	VARIATION ON L/C AMOUNT:	_____
41 A	AVAILABLE WITH/BY :	_____
42 A	DRAWEE BIC:	
42 C	DRAFTS AT:	SIGHT
43 P	PARTIAL SHIPMENTS :	NOT ALLOWED
43 T	TRANS-SHIPMENT :	NOT ALLOWED
44 E	LOADING ON BOARD/	

	DISPATCH/ TAKING IN CHARGE AT/FROM  44 F FOR TRANSPORTATION TO:  44 C LATEST DATE OF SHIPMENT:  45 A DESCRIPTION OF GOODS AND/OR SERVICES:  46 A DOCUMENTS REQUIRED:	    _____MTS +/- 10% BULK UREA 46 PCT MINIMUM NITROGEN FERTILIZER GRADE AT A PRICE OF USD _____PMT CFR FO _____, INDIA.  1. COMMERCIAL INVOICE IN THREE ORIGINALS AND SEVEN CERTIFIED COPIES IN THE NAME OF STATE TRADING CORPORATION OF INDIA LIMITED, NEW DELHI.  2. ALL THREE ORIGINAL NEGOTIABLE COPIES OF THE CLEAN SHIPPED ON BOARD MARKED FREIGHT PAYABLE (AS PER CHARTER PARTY) BILL OF LADING AND THREE NON-NEGOTIABLE COPIES THEREOF, SHOWING MINISTRY OF CHEMICALS AND FERTILIZERS (DEPARTMENT OF FERTILIZERS) GOVT. OF INDIA AS CONSIGNEE AND NOTIFY PARTY AS THE STATE TRADING CORPORATION OF INDIA LIMITED, NEW DELHI. CHARTER PARTY BILL OF LADING ACCEPTABLE PROVIDED IT BEARS AN ENDORSEMENT THAT ALL TERMS AND CONDITIONS OF THE RELEVANT CHARTER PARTY ARE DEEMED TO HAVE BEEN INCORPORATED THEREIN. BL SIGNED BY FREIGHT FORWARDERS NOT ACCEPTABLE.  3. ONE OR TWO ORIGINAL CERTIFICATE OF ORIGIN ALONG WITH FIVE COPIES THEREOF DULY SIGNED/ISSUED BY CHAMBER/ MINISTRY OF COMMERCE, INDUSTRY OR TRADE AND/OR ANY OTHER COMPETENT AUTHORITY CERTIFYING THEREIN THE COUNTRY OF ORIGIN OF GOODS. FOR CHINESE ORIGIN CARGO, CERTIFICATE OF ORIGIN ISSUED BY 'CHINA COUNCIL FOR THE PROMOTION OF INTERNATIONAL TRADE' IS ACCEPTABLE.  4. ONE ORIGINAL AND A COPY OF LOAD PORT DRAFT SURVEY REPORT ISSUED BY OPENER'S INSPECTION AGENCY_____.
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5. BENEFICIARY/ SELLER'S ORIGINAL CERTIFICATE OF INSPECTION ALONG WITH THREE COPIES SHOWING QUALITY, QUANTITY, WEIGHT AND METHOD(S) OF ANALYSIS ADOPTED, ACCORDING TO SPECIFICATIONS AND METHOD OF ANALYSIS MENTIONED BELOW AND THE SAME BEING CERTIFIED BY THE OPENER'S INSPECTION AGENCY:

S.NO.	CHARACTERISTICS	REQUIREMENTS
1.	Moisture percent by weight maximum	0.50%
2.	Total Nitrogen percent by weight (on dry basis) minimum	46.00%
3.	Biuret percent by weight, maximum	1.50%
4.	<u>PARTICLE SIZE (PRILLED)</u>	The portion of the material passing through 2.8 mm IS SIEVE (Tyler Sieve 7) and retained on 1 mm IS SIEVE (Tyler Sieve 16) shall not be less than 90% by weight, and not more than 5% by weight shall pass through 1.00 mm IS SIEVE.
	OR <u>PARTICLE SIZE (GRANULAR)</u>	90% of the material shall pass through 4 mm IS SIEVE and be retained on 2 mm IS SIEVE. Not more than 5% shall be below 2 mm IS SIEVE.

METHOD OF ANALYSIS

- A. Nitrogen - 2.4.03 AOAC (1995)
- B. Biuret - 2.4.23 AOAC (1995)
- C. Moisture - D.4 (TFI, 1982)

PARTICLE SIZE

- D. Particle - Size IV A, TFI, (1982)  
Sampling - 2.1.01., AOAC (1995) OR  
IC 1, IC 2, (TFI - 1982) OR  
Schedule II A of FCO, 1985

6. (a) ONE ORIGINAL ALONG WITH THREE COPIES OF CERTIFICATE OF INSPECTION ISSUED BY OPENER'S INSPECTING AGENCY \_\_\_\_\_ SHOWING THE ANALYSIS AND WEIGHT AND THE METHOD OF ANALYSIS ADOPTED, STRICTLY AS PER SPECIFICATIONS AND METHOD OF ANALYSIS MENTIONED AT SERIAL NO. 5 ABOVE.

(b) A SEPARATE QUALITY CERTIFICATE ISSUED BY THE DESIGNATED INSPECTION AGENCY- \_\_\_\_\_ (1 ORIGINAL+ THREE COPIES).



		<p>7. COPY OF STC'S LETTER CONFIRMING RECEIPT OF TWO ORIGINAL QUALITY CERTIFICATE (ISSUED BY DESIGNATED INSPECTION AGENCY AT LOADPORT) DESPACHED BY THE BENEFICIARY WITHIN 72 HOURS OF SAILING OF VESSEL.</p> <p>8. COPY OF STC'S LETTER CONFIRMING RECEIPT OF APPROVAL OF TRANSCART, MINISTRY OF SHIPPING &amp; TRANSPORT (IN CASE OF CFR FO/ CIF) CONTRACTS.</p> <p>9. CERTIFICATE FROM THE BENEFECIARY TO THE EFFECT THAT THE FOLLOWING DOCUMENTS HAVE BEEN DESPACHED TO STC, NEW DELHI ADDRESS MENTIONED ABOVE BY INTERNATIONAL RECOGNIZED COURIER. COPY OF COURIER RECEIPTS TO FORM PART OF NEGOTIABLE DOCUMENTS.</p> <p>A) 3 NON NEGOTIABLE COPIES OF BILL OF LADING  B) 2 COPIES OF COMMERCIAL INVOICES  C) 3 COPIES OF CERTIFICATE OF ORIGIN  D) 2 PHOTO COPIES EACH OF ALL DOCUMENTS MENTIONED IN THIS CLAUSE.</p> <p>8. COPY OF FAX MESSAGE SENT BY BENEFICIARY TO STC FAX NO. 91-11-23462337 / 23701011 SENT WITHIN 24 HRS AFTER DEPARTURE OF THE VESSEL FROM LOADPORT GIVING DETAILS OF NAME OF VESSEL, DATE OF SAILING, QUANTITY SHIPPED, B/L NO. AND DATE, AND INVOICE NO., DATE &amp; VALUE.</p> <p>9. CERTIFICATE FROM THE BENEFICIARIES/ MANUFACTURERS THAT THE MATERIAL SUPPLIED UNDER THE CONTRACT IS CORRECT AS TO QUANTITY AND QUALITY AND SPECIFICATIONS AS PER ANNEXURE-I, RATE, TOTAL VALUE AND THE PAYMENT IS DUE IN ACCORDANCE WITH THE TERMS OF THE CONTRACT AT THE TIME OF PRESENTATION OF DOCUMENTS.</p> <p>10. CERTIFICATE OF CLEANLINESS OF HOLDS ISSUED BY THE OPENER'S INSPECTION AGENCY _____.</p> <p>11. BENEFICIARY IS REQUIRED TO FAX ALL NEGOTIABLE DOCUMENTS TO STATE TRADING CORPORATION OF INDIA LIMITED, NEW DELHI, FAX NO. +91-11-23462337 OR +91-11-23701011 BEFORE NEGOTIATION OF THIS LC. BENEFICIARY'S CERTIFICATE TO THIS EFFECT FORMS PART OF NEGOTIABLE DOCUMENTS.</p> <p>12. TWO ORIGINAL ALONG WITH TWO COPIES EACH OF STOWAGE PLAN.</p>
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47 A	ADDITIONAL CONDITIONS:	<p>13. A CERTIFICATE FROM THE MASTER OF THE VESSEL OR ITS AGENT CERTIFYING THAT THE SHIPMENT IS BY SEAWORTHY VESSEL AND CLASSIFIED 100 A-1 BY LLOYDS OR EQUIVALENT CLASS.</p> <p>14. IN CASE OF CFR FO/ CIF-(IRANIAN ORIGIN CARGO) CONTRACT, A CERTIFIED COPY OF NOR (NOTICE OF READINESS) TENDERED AND ACCEPTED BY RECEIVERS OR THEIR AGENTS AT THE NOMINATED INDIAN DISCHARGE PORT (APPLICABLE ONLY FOR CATEGORY-III SUPPLIERS ONLY).</p> <p>1. ALL BANK CHARGES AND OTHER CHARGES INCLUDING LEVIES, TAXES ETC. OUTSIDE INDIA ARE FOR BENEFICIARY'S ACCOUNT. L/C AMENDMENT AND EXTENSION CHARGES WILL BE TO THE ACCOUNT OF THE PARTY RESPONSIBLE FOR OCCASIONING THE EXTENSION/ AMENDMENT AND THE DECISION OF THE OPENER IN THIS REGARD WILL BE FINAL.</p> <p>2. INVOICES TO QUOTE  (A) CONTRACT NO. _____ DATED _____.  (B) THIS IRREVOCABLE LETTER OF CREDIT NO. &amp; DATE.  (C) IMPORT IS COVERED UNDER NON NEGATIVE LIST OF IMPORT EXPORT POLICY 2009-2014.</p> <p>3. THIRD PARTY DOCUMENTS EXCEPT INVOICE AND DRAFT ARE ACCEPTABLE.</p> <p>4. TOLERANCE OF PLUS OR MINUS 10 PER CENT ALLOWED IN QUANTITY AND VALUE.</p> <p>5. USD 50.00 WILL BE DEDUCTED FOR EACH DISCREPANCY IN THE DOCUMENT.</p> <p>6. DISCREPANT DOCUMENTS WILL BE SENT STRICTLY ON COLLECTION BASIS.</p> <p>7. NEGOTIATION UNDER RESERVE IS NOT PERMITTED.</p> <p>8. ALL DOCUMENTS TO BE IN ENGLISH LANGUAGE HOWEVER DOCUMENTS ISSUED IN ENGLISH TOGETHER WITH OTHER LANGUAGE(S) ARE ALSO ACCEPTABLE.</p> <p>9. SATURDAY WILL NOT BE TREATED AS A BANKING DAY.</p> <p>10. TYPOGRAPHICAL AND APPARENT SPELLING MISTAKES ON DOCUMENTS EXCEPT OF INVOICE AMOUNT, QUANTITY AND UNIT PRICE ARE ACCEPTABLE FOR NEGOTIATION UNLESS IT CHANGES THE MEANING OF THE TEXT.</p>
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		<p>11. NEGOTIATING BANK WILL BE PROVIDED WITH THE REIMBURSEMENT AUTHORIZATION WITHIN 5 (FIVE) INTERNATIONAL BANKING DAYS AFTER RECEIPT OF DOCUMENTS AT THE COUNTER OF THE LC OPENING BANK IF THE DOCUMENTS ARE STRICTLY AS PER LC TERMS.</p> <p>12. EXCEPT AS OTHERWISE EXPRESSLY STATED THIS DOCUMENTARY CREDIT IS SUBJECT TO UNIFORM CUSTOMS AND PRACTICES FOR DOCUMENTARY CREDIT 2007 REVISION, INTERNATIONAL CHAMBER OF COMMERCE PUBLICATION NO. 600.</p> <p>13. SELLERS ARE REQUIRED TO INFORM THE FOLLOWING DETAILS TO THE BUYERS BY FAX IMMEDIATELY ON NEGOTIATION OF DOCUMENTS UNDER BUYER'S LC TO FACILITATE THE BUYER'S TO PROVIDE NECESSARY FUNDS IN THEIR BANK ACCOUNT TO HONOUR THEIR DOCUMENTS.</p> <p>I. DATE OF NEGOTIATION</p> <p>II. AMOUNT NEGOTIATED</p> <p>III. EXPECTED DATE OF RECEIPT OF DOCUMENTS AT OPENING BANK'S COUNTER.</p> <p>14. CONTRACT NO. &amp; DATE AND L/C NO. &amp; DATE MUST BE MENTIONED ON ALL B/Ls, QUALITY CERTIFICATES, CERTIFICATES OF ORIGIN AND COMMERCIAL INVOICES.</p> <p>15. L/C MAY BE CONFIRMED AT THE REQUEST AND COST OF THE BENEFICIARY.</p>
71 B	DETAILS OF CHARGES NARRATIVE:	ALL BANKING CHARGES OUTSIDE INDIA ARE TO THE ACCOUNT OF BENEFICIARY.
48	PERIOD OF PRESENTATION:	DOCUMENTS PRESENTED LATER THAN 21 DAYS FROM B/L DATE BUT WITHIN VALIDITY OF LC IS ACCEPTABLE.
49	CONFIRMATION INSTRUCTIONS:	MAY ADD AT THE REQUEST AND COST OF THE BENEFICIARY
78	INSTRUCTIONS TO THE PAYING/ ACCEPTING BANK:	DOCS TO BE FORWARDED BY COURIER TO _____
57 A	ADVISE THROUGH BANK:	_____

Note: This is a draft L/C, however, STC may make necessary changes as per specific requirement of supplier/ STC.