

The State Trading Corporation of India Ltd.,

Jawahar Vyapar Bhawan, Tolstoy Marg, New Delhi-110001

Tel. No. (91-11)- 23701125 Fax No. (91-11)- 23701203

AGRICULTURAL COMMODITIES DIVISION

TENDER FOR IMPORT OF WHITE RICE

TENDER NO: STC/AC-RICE/IMP/01/2009-10

DT: 30.10.2009

Tender Closing Time & Date: 16:00 hours Indian Standard Time (IST) on 09.11.2009

The State Trading Corporation of India Ltd., (STC) New Delhi invites offers from internationally reputed foreign suppliers for import of White Rice as per terms and conditions given below.

1. COMMODITY

White Rice (25% Broken) fit for human consumption of latest/current crop year of any country of origin.

2. QUALITY SPECIFICATIONS

The detailed quality specifications of White Rice for import are given in **Annexure- I-A & I-B.**

3. QUANTITY

10, 000 MTs (+/-2%) (Ten Thousand MTs Plus Minus Two Percent)

4. COUNTRY OF ORIGIN (C.O.O)

Bidders shall indicate the country of origin of rice to be supplied. Where more than one country of origin is quoted, STC shall reserve the right to choose the country of origin for the whole supply.

5. PACKING

The rice shall be packed in uniform, new strong polypropylene bags of international export standard (colour White), with minimum weight of 120 g containing not less than 50 kgs net per bag, securely double machine stitched/ sealed at the mouth.

About 15-20 bags of silica gel of at least 1 kg each should be placed in each container of 20FT size and/or proportionate basis in case of vessel load in order to absorb moisture. In addition craft paper should be laid all side of the holds. Any bags that are identified by the Buyer or his representative at the time of loading, collection or delivery as being weak, old, torn, or unserviceable or with poor quality stitching/sealing shall be replaced by the supplier, at the supplier's expense.

The supplier shall provide additional two (2%) percent empty spare bags printed with the requested marking to be shipped along with the cargo. The packing material costs and packing charges shall be borne by the Supplier.

6. ARRIVAL SCHEDULE

Shipment to be completed by December, 2009.

7. PRICE

- a) **BREAK BULK (VESSEL LOAD)** : White Rice to be quoted in US Dollars PMT on CFR Vizag/Chennai/Tuticorin Port at Buyer's option.
- b) **CONTAINERISED CARGO**: White Rice to be quoted on CFR CYCY Vizag/Chennai/Tuticorin basis at Buyer's option with terminal handling charges (THC) at port of destination to sellers' account (liner terms) in US Dollars PMT for specific discharge port.

8. QUALITY & WEIGHT INSPECTION AT LOAD PORT

As per certification by a reputed International Surveyor nominated by STC at Seller's cost at STC's option.

9. PHYTOSANITARY CERTIFICATE

Seller shall arrange to furnish a valid Phytosanitary Certificate (PSC) in conformity with the accepted international convention issued by concerned NPPO in the exporting country for each shipment. Such certificate may also be issued by the NPPO on the basis of inspection done by an agency accredited to the said NPPO. The said valid PSC shall be as per note (a), (b), (c) and (d) of Annexure I-A.

10. PAYMENT

By irrevocable, non-transferable Letter of Credit USANCE 120 Days from the date of Bill of Lading. (**Annexure-V**).

11. BID BOND/EARNEST MONEY DEPOSIT

The offer shall be accompanied by a BID BOND in US Dollars only, as per STC's standard format (**Annexure-II**) or Bank Draft made out in favour of “ **The State Trading Corporation of India Limited**” payable at New Delhi, of a value of USD 150,000 or 3% value of the bid, whichever is higher. In case of unsuccessful bidders, the EMD/BID BOND shall be refunded/returned without interest. Bid Bond shall be valid upto **09.12.2009**.

12. PERFORMANCE BANK GUARANTEE

In case of confirmation of business, successful supplier shall provide a valid Performance Bank Guarantee (PBG) equivalent to 5% value of the contract within 5 working days

from the date of finalization of business, as per STC's standard format (**Annexure-III**), failing which STC reserves rights to forfeit/invoke the EMD/Bid Bond. The PBG shall be valid for a period upto six months from the date of issue of PBG.

The bid bond will be released or EMD refunded after acceptable PBG has been received within the prescribed time. Bid bond will not be adjusted against PBG. PBG will be released after successful implementation of the contract and after settlement of all dues under the contract(s) have been made by the seller.

13. SHIPPING TERMS

Shipment terms as per STC's standard Tender terms as contained in **Annexure-IV**.

14. OTHER TERMS

As per **Annexure-V**

15. INSPECTION BY PHYTOSANITARY & HEALTH AUTHORITIES

The cargo on arrival at discharge port is subject to inspection by Indian Phytosanitary and Health authorities. In case the cargo is rejected by Indian Phytosanitary and Health authorities at discharge port for not meeting the quality regulations (already covered in tender specifications), the seller shall be responsible for all cost and consequences whatsoever, including refund of payment received from STC along-with losses and damages incurred.

- 16.** Offers from bidders who have been blacklisted by STC are liable to be rejected.
- 17.** Offers incomplete or deficient, received late and not accompanied by valid BID BOND/EMD are liable to be rejected. STC reserves the right to reject any offer without assigning any reasons. Offer received by fax shall not be entertained.
- 18.** Bidders to certify as per **Annexure-VII**, that the offer is in complete conformity with tender terms and specifications without any deviations, whatsoever. Offers with deviations are liable to be rejected.

19. SUBMISSION OF OFFER & VALIDITY

The offer complete in all respects addressed to Mr. S. Sarkar, Chief General Manager, The State Trading Corporation of India Limited, Jawahar Vyapar Bhawan, Tolstoy Marg, New Delhi-110001 (India), should be deposited in sealed envelope in Tender Box at ground floor (Reception), at the above address **latest by 16:00 hours IST on 09.11.2009.**

The tender shall be opened at **16.30 hours IST on 09.11.2009** in STC office at above address. Bidders or their authorized representatives may attend the opening of the tender.

OFFERS SHOULD BE TENDERED ONLY AS PER PRICE BID FORMAT PROVIDED AT ANNEXURE-VI

The offers must be valid for acceptance by STC till 24.00 **hours IST on 12.11.2009** failing which offer will be treated invalid.

22. This tender is subject to the Policy of the Government of India for import of White Rice as applicable from time to time.

(S. SARKAR)
Chief General Manager

SPECIFICATION FOR IMPORT OF WHITE RICE

Rice shall be in sound merchantable condition, sweet, dry, clean, wholesome, of good food value, uniform in colour and size of grains and free from moulds, weevils, obnoxious smell, admixture of unwholesome poisonous substances, *Argemone mexicana* and *Lathyrus sativus* (khesari) in any form, or colouring agents and all impurities except to the extent in the schedule below. It shall also conform to Prevention of Food Adulteration Act, 1954 standards in respect of all parameters including the mycotoxins and insecticide residues.

SCHEDULE OF SPECIFICATIONS

- (A) The white rice shall have average length of unbroken (un cooked) grains 6.0 mm and above and Length Breadth Ratio 2.5 and above (Indian Grade-A raw rice).
- (B) Constituent of refractions shall be as follows:

| S.No. | Refractions | Maximum Limit (%) |
|-------|---------------------------------|------------------------|
| 1. | Brokens* | 25.0 |
| 2. | Foreign Matter | 0.5 |
| 3. | Damaged/Slightly Damaged Grains | 3.0 |
| 4. | Discoloured Grains | 3.0 |
| 5. | Chalky Grains | 5.0 |
| 6. | Red Grains/Red Streaked Kernels | 3.0 |
| 7. | Admixture of lower class | 6.0 |
| 8. | Moisture content | 14.0 |
| 9. | Degree of milling | Reasonably well milled |
| 10 | Crop year | Current |

* Including 1% small brokens.

(C) Definitions:

Brokens: Those pieces of rice kernel which are equal to or smaller than three-fourth but bigger than one-half of the average length of the unbroken kernel.

Small brokens: Those pieces of rice kernel which do not exceed one-quarter the average length of the unbroken kernel and are not less than 1/8th of the size of full kernels of rice.

Foreign Matter: Materials other than rice grains. It also includes pieces of rice kernels that are less than 1/8th of the size of full kernels and paddy grains (unhusked rice).

Chalky Grains: Kernels or pieces of kernels of which at least half the portion is opaque, milky white in colour and brittle in nature.

Red Grains: Kernels or pieces of kernels having more than one-fourth of the surface covered with red cuticle.

Discoloured grains: Kernels or pieces of kernels that have changed the colour as a result of deteriorative changes.

(D) Phyto-sanitary requirements for import of rice for consumption.

| Plant Species | Category of plant material | Additional declarations required to be incorporated into phyto sanitary certificate | Special conditions of import |
|---------------------|----------------------------|---|---|
| Rice (Oryza sativa) | Grain for consumption | Free from Granary weevil (Sitophilus granaries) | Fumigation with Methyl bromide @ 32gm/cu.m at 21° C and above under NAP and the treatment to be endorsed on phyto sanitary certificate by any other fumigant/substance in the manner approved by the plant protection advisor for this purpose. |

PREVENTION OF FOOD ADULTERATION ACT (PFA) 1954 STANDARDS OF RICE

Rice shall be the mature kernels or pieces of kernels of Oryza sativa Linn. Obtained from paddy as raw or parboiled. It shall be dry, sweet, clean wholesome and free from unwholesome poisonous substance. It shall also conform to the following standards namely:

| | | |
|--|------------------------------------|---|
| (i) | Moisture | Not more than 16.0 per cent by weight obtained by heating the pulverized grains at 130 degree C – 133 degree C for two hours) |
| (ii) | Foreign Matter (Extraneous matter) | Not more than 1 per cent by weight of which not more than 0.25 per cent by weight shall be mineral matter and not more than 0.10 per cent by weight shall be impurities of animal origin. |
| (iii) | Damaged grains | Not more than 5 per cent by weight |
| (iv) | Weevilled Grains | Not more than 10 per cent by count |
| (v) | Uric Acid | Not more than 100 mg. Per kg |
| (vi) | Aflatoxin | Not more than 30 micrograms per kg |
| Provided that the total of foreign matter, other edible grains and damaged grains shall not exceed 6 per cent by weight. | | |

Note:

- (a) White Rice to be officially certified at the time and place of loading aboard vessel(s), free of live weevils and other insects injurious to stored grains.
- (b) The Seller shall arrange to furnish a valid Phytosanitary Certificate(PSC) in conformity with the accepted International Convention, issued by the concerned NPPO for each shipment. Such certificate may also be issued by the NPPO on the basis of inspection done by an agency accredited to the said NPPO.

- (c) The cargo should be fumigated with Methyl Bromide @ 32 gm./cu.m at 21° C and above 24 hours under normal air pressure(as per temperature-time sliding scale) before export (to be endorsed on PSC) .
- Fumigation to be carried out by the accredited fumigation company at anchorage for a minimum period of 24 hours with prescribed dosage. The seller shall submit, in original the certificate issued in the prescribed proforma by the fumigating agency.
 - The fumigation is to be carried out under technical supervision of the Indian Plant Quarantine personnel.
- (d) The seller shall furnish with the consignment(s) a certificate from the competent accredited laboratory that:
- the residues of none of the pesticides listed in Annexure-IB exceeds the MRLs indicated therein;
 - the residues of pesticides other than those listed in Annexure-IB, if present, do not exceed the Codex MRLs for that pesticide(s), and in such cases shall indicate the method(s) used for estimation.

ANNEXURE – I-B

Maximum permissible limits for Pesticide Residues in Foodgrain including rice prescribed under rule 65 of the Prevention of Food Adulteration Rules, 1955

| Sl.No. | Name of Insecticide | Tolerance limit mg/kg(ppm) |
|---------------|---|---------------------------------------|
| 1. | Aldrin dieldrin, (The limits apply to aldrin and dieldrin singly or in any combination and are expressed as dieldrin) | Nil |
| 2. | Carbaryl | 2.50 |
| 3. | Chlordane (residue to be measured as cis plus trans chlordane) | Nil |
| 4. | Diazinon | Nil |
| 5. | Dichlorvos (content of dichloroacetaldehyde (D.C.A.) be reported where possible) | 0.25 |
| 6. | Fenitrothion | 0.005 |
| 7. | Heptachlor (Combined residues of heptachlor and epoxide to be determined and expressed as heptachlor) | 0.002 |
| 8. | Hydrogen cyanide | 3.0 |
| 9. | Hydrogen phosphide | Nil |
| 10. | Inorganic bromide (determined and expressed as total bromide from all sources) | 25.0 |
| 11. | Alfa-HCH | 0.10(Unpolished) 0.05(Polished) |
| | Beta-HCH | 0.10(Unpolished) 0.05(Polished) |
| | Gamma-HCH | 0.10(Unpolished) 0.05(Polished) |
| | Delta Isomer | 0.10(Unpolished) 0.05(Polished) |
| 12. | Malathion (malathion to be determined and expressed as combined residue of malathion and malaxon) | 1.0 |
| 13. | Phosphamidon residues (expressed as the sum of Phosphamidon and its desethyl derivative) | Nil |
| 14. | Pyrethrins (Sum of pyrethrins I and II and other structurally related insecticidal ingredients of pyrethrum) | Nil |
| 15. | Chlorfenvinphos (Residues to be measured as alpha and beta isomers of chlorfenvinphos) | 0.006 |
| 16. | Chlorpyrifos | 0.01 |
| 17. | 2, 4D | 0.003 |
| 18. | Ethion (Residues to be determined as ethion and its oxygen analogue and expressed as ethion) | 0.006 |
| 19. | Monocrotophos | 0.006 |
| 20. | Paraquat-Dichloride (determined as paraquat cations) | 0.025 |
| 21. | Trichlorfon | 0.0125 |
| 22. | Thiometon (Residues determined as thiometon its sulfoxide and sulphone expressed as thiometon) | 0.006 |
| 23. | Carbendazim | 0.12 |
| 24. | Benomyl | 0.12 |
| 25. | Carbofuran (sum of carbofuran and 3-hydroxy carbofuran expressed as carbofuran) | 0.03 |
| 26. | Cypermethrin (sum of isomers (fat soluble residue) | 0.01 |

| | | |
|-----|---|---------------|
| 27. | Decamethrin/Deltamethrin | 0.05 |
| 28. | Edifenphos | 0.02 |
| 29. | Fenthion (sum of fenthion, its oxygen analogue and their sulphoxides and sulphones, expressed as fenthion) | 0.03 0.003 |
| 30. | Dithiocarbamates(the residue tolerance limit are determined and expressed as mg/CS2/Kg and refer separately to the residues arising from any or each groups of dithiocarbamates (a) Dimethyl dithiocarbamates residue resulting from the use of ferbam or Ziram and Ethylene bis-dithiocarbamates resulting from the use of mancozebmane or Zineb (including zinch derived from nabam plus zinc sulphate) | 0.05 |
| 31. | Phenthoate | 0.01 |
| 32. | Phorate (sum of phorate, its oxygen analogue and their sulphoxides and sulphones, expressed as phorate) | 0.01 |
| 33. | Pirimiphos-methyl | 0.50 |
| 34. | Cataphydrochloride | 0.50 |
| 35. | Methyl Chlorophenoxyacetic Acid (MCPA) | 0.05 |
| 36. | Oxydiazon | 0.03 |
| 37. | Quinolphos | 0.01 |
| 38. | Triazophos | 0.05 |
| 39. | Iprodione | 10.0 |
| 40. | Ethoxysulfuron | 0.01 |
| 41. | Oxyfluorfen | 0.05 |
| 42. | Carbosulfan | 0.2 |
| 43. | Tricyclazole | 0.02 |
| 44. | Imidacloprid | 0.05 |
| 45. | Butachlor | 0.05 |
| 46. | Pendimethalin | 0.05 |
| 47. | Pretilachlor | 0.05 |
| 48. | Cyhalofop-butyl | 0.5 |
| 49. | Thiamethoxam | 0.02 |
| 50. | Fenobucarb | 0.01 |
| 51. | Anilphos | 0.1 |
| 52. | Kitazin | 0.2 |
| 53. | Isoprothiolane | 0.1 |
| 54. | Ethofenprox | 0.01 |
| 55. | Benfuracarb | 0.05 |
| 56. | Flufenacet | 0.05 |
| 57. | Buprofezin | 0.05 |
| 58. | Carpopamid | 1.0 |
| 59. | Oxadiagryl | 0.1 |
| 60. | Pyrazosulfuron ethyl | 0.01 |
| 61. | Clomazone | 0.01 |
| 62. | Thioclorprid | 0.01 |

Note – To be tested by the standard methods of analysis prescribed in the AOAC/ISO/Pearsons/JACOB/IUPAC/Food Chemical Codex Method of analysis/BIS/Woodmen/Winton-Winton/Joslyn.

ANNEXURE II

Tender for Purchase of White Rice

BID BOND PROFORMA

(To be executed by any First Class International Bank and issued by their Correspondent Bank in India)

M/s State Trading Corporation of India Ltd.,
Jawahar Vyapar Bhawan,
1, Tolstoy Marg,
NEW DELHI-110 001.

Dear Sirs,

WHEREAS M/s _____ (offeror) has offered to supply a quantity of _____ MT of WHITE RICE to The State Trading Corporation of India Limited, hereinafter referred to as "STC" and the offeror is required to submit a Bid Bond value of USD 150,000 or 3% value of the BID whichever is higher as a guarantee for fulfillment of all the terms and conditions of offer, 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 offeror wants to withdraw the offer or fails to execute any term of bid or fails to perform any terms of the obligations after the acceptance of the bid, without any contestation, reservation, protest, demur and recourse to said offeror. Any such demand in writing made by STC shall be conclusive and binding on us irrespective of any dispute or difference raised by the offeror. On receiving the demand from STC the payment shall be made immediately failing which interest @ 15% p.a. on monthly rest basis shall be payable by the Bank from the date of demand to the date of payment. This Guarantee shall be irrevocable and shall remain valid till **09.12.2009** at New Delhi.

2. Notwithstanding anything mentioned herein before, our liability under this Guarantee is restricted to US\$ _____ (US Dollar _____ only) and it will remain in force upto **09.12.2009** in India till midnight unless a claim under the Guarantee is filed against us on or before midnight in India till 09.12.2009 all your rights under the said Guarantee shall be forfeited and we shall be relieved and discharged from all the liabilities thereunder. We, _____ Bank further agree that the Guarantee hereunder contained shall not be affected by any change in the terms of the bid originally made by the offer or and any change in the constitution of said offeror/STC.

DATED:

FOR

PLACE:

BANK

N.B. : Bid bond to be furnished in US\$ only. Bid bond in Indian Rupees will not be accepted.

PERFORMANCE GUARANTEE FORMAT

Tender for Purchase of White Rice

(To be executed by any first class International Bank and issued by their correspondent Bank in India)

M/s State Trading Corporation of India Ltd.,
Jawahar Vyapar Bhawan,
1, Tolstoy Marg,
NEW DELHI-110 001.

1. Against Contract No./LOA _____ Dated _____ entered into between the STC (hereinafter called the Buyer) and M/s _____ (hereinafter called the Seller) this is to confirm that at the request of the Seller, we _____ Bank unconditionally and irrevocably guarantee to pay to the Buyer immediately on its first demand, the amount of US\$ _____ without any protest or demur, contestation or reference to the Seller, if the Seller fails to perform all or any of its obligations under the said contract/LOI. The decision of the Buyer in writing to the bank that the seller have failed to perform all or any of its obligations under the contract shall not be questioned and be final and conclusive. The said amount of US\$ _____ will accordingly forthwith be paid without any conditions or requirement of any proof whatsoever failing which interest @ 15% p.a. on monthly rest basis shall be payable by the Bank to Buyer from the date of demand to the date of payment.

2. It is fully understood that this guarantee is effective for the period (upto six months from the date of issue of PBG) and that we _____ Bank undertake not to revoke this guarantee during its currency without the consent in writing of the Buyer.

3. We, _____ Bank, further agree that the Buyer shall have the fullest liberty, without affecting in any manner or obligations hereunder to vary any of the terms and conditions of the said contract/LOI or extend time of performance by the Seller from time to time or to postpone for any time or from time to time any of the powers exercisable by the Buyer against the said seller and/or forebear to enforce any of the terms & conditions relating to the said contract and we, _____ Bank shall not be released from our liabilities under this guarantee by reasons of any such variations or extension being granted to the said seller or for any forbearance and/or commission on the part of the buyer, or any indulgence by the buyer to the Seller or by any other matter or thing whatsoever which under the law relating to the sureties would, but for this provision have the effect of so releasing us from our liability under this performance guarantee.

4. We _____ Bank further agree that the guarantee herein contained shall not be effected by any change in the constitution of the said Seller/Buyer.

5. The Guarantee will be governed by Indian Laws and will be subject to the jurisdiction of courts in India alone.

6. Our liability under this Bank Guarantee shall not exceed USD _____.

7. This Bank Guarantee shall be valid upto _____.

This Guarantee will be valid for invocation in India upto one month from the date of expiry of validity of PBG.

FOR _____ BANK

ACCEPTED

Tender for Purchase of White Rice
Shipping Terms for CFR Contracts

1. The Seller shall endeavour to ship the White Rice as far as possible in Indian flag vessels.
2. They shall nominate seaworthy vessels at least 10 days prior to loading, giving all particulars of the vessel including:
 - Name of the vessel; ex-name(s) if any
 - Classification
 - GRT/NRT/DWT
 - Holds/hatches
 - Type of vessel
 - Flag of vessel
 - Year & month of built/Age of vessel
 - Type, condition and capacity of gear/derricks/cranes
 - LOA
 - Beam
 - Name of Charterer/Disponent owners with full name & style
 - Details of P&I club for owners/charterers for cargo indemnity cover current and validity of planned voyage
 - Hull insurance particulars and validity of cover
 - Particulars of performance of vessel's previous two voyages in immediate past under same ownership and operation, if preformed.
 - The seller should ensure that the outreach of the vessel's gear/crane is suitable to discharge the cargo at the discharge port smoothly.
3. Loading to commence only after nomination of vessel has been accepted by Buyer. Only vessels suitable for carrying grain in break bulk shall be nominated. Twin decker vessels are not acceptable. Vessel(s) should be of such length and beam as to permit their easy entry to designated discharge ports/docks.
4. Vessels chartered/used should be of highest Class equivalent to Lloyds 100-A1 and registered with an approved classification society mentioned in Institute Classification Clause. In case of vessels above 15 years of age and upto 25 years, overage insurance premium based on rates fixed by London Underwriters Association shall be applicable.
5. Vessels used should be geared vessels only.
6. Sellers to ensure nomination of Vessels not over 25 years of age under any circumstance. In case vessels above 15 years of age but not exceeding 25 years, the Overage Insurance Premium (OAP) due to age and flag of the vessel shall be to the account of the Seller

calculated on the basis of 105% of the invoice value of particular shipment. Sellers shall pay the OAP to the buyers within 7 days of receipt of invoice from Buyer, failing which compensatory interest at the rate of 20% p.a. shall be chargeable.

7. For the purposes of OAP, the rates fixed by London Underwriters Association shall be applicable and acceptable to the seller.
8. Seller shall ensure that vessels fixed have full marine insurance cover for Hull and Machinery and P&I insurance with P&I club in the International Group of Clubs or in case of Chinese flag vessels, with China Ship Owners Mutual Insurance Brokers and Protection and Indemnity Club to the effect that on the date of fixture, the vessel possesses Hull and Machinery insurance and full P&I insurance cover liability of the owners and/or the charterers.
9. In any event, the Sellers must obtain a Certificate from the vessel owners and Charterer (if relevant) or their representative that the vessel owners and Charterers (if relevant) undertake to continue the Hull and Machinery and P&I insurance unaltered until completion of the discharge at the final destination ports as per Charter party.
10. Charter Party should provide that the owners of the vessel shall not change the ownership and/or the name of the vessel till completion of the voyage and discharge of the cargo and that the vessel is not intended for break up till the voyage is completed and cargo discharged.
11. Ships on completion of loading at last port of loading, shall sail directly for nominated port(s) in India. Combining/co-loading of Buyers cargo with any other cargo is prohibited. Vessel to carry exclusively STC's cargo.
12. All cargo loaded shall be in cargo holds. Transshipment and Shipment on deck is prohibited. Part shipment allowed.
13. Buyers have the right to unload vessels on one safe berth/ one safe ports on the same coast of India.
14. Shifting time to the (i.e. first shifting) second berth in the discharge port used to count as lay time. All expenses for first shifting at the port including bunker, crew charges, tug charges, port charges to Seller's account.
15. After completion of loading at each port of loading (in case of more than one port of loading) within two working days, Sellers shall inform the Buyer by E-mail/fax, complete details of cargo loaded, date of commencement and completion of loading, Bill of Lading No. & date and Invoice value. It shall also contain the ETA at the next port of loading or at the discharge port as the case may be.
16. Buyer shall, have the right to change the discharge port nomination if the vessel gets delayed beyond 10 days from the earlier notified ETA, on the basis of which the discharge port(s) had been earlier declared by the Buyer.
17. Arrival draft of the vessel(s) should not exceed permissible draft limit for berthing at designated Indian ports. If arrival draft exceeds permitted draft at the nominated port as above, the responsibility of arranging lighterage and all lighterage expenses including time lost, transit and handling loss, insurance charges and other costs & incidental

expenses etc. shall be to Sellers/Ship's account. All time lost before vessel reaches said draft is not to count as laytime used. It shall be the responsibility of the Seller to check the relevant details of the discharge port prior to shipment.

18. Vessel shall give 15 days notice to Buyer at their New Delhi office (Tel No.++ 91-11-23701125 Fax: +91-11-23701203, E-mail: ssarkar@stc.gov.in to enable Buyer nominate discharge port(s). Thereafter 7 days followed by 5, 3 & 2 days and lastly 24 hours firm notices should be given.
19. Written Notice of Readiness to discharge/deliver cargo (NOR) can be tendered at the discharge port only after the vessel has arrived at the port of discharge, completed required port formalities and filed application for berthing, obtained Free Pratique, filed Customs and Import General Manifests, secured prior entry at Customs, completed required fumigation/fumigation period, etc. and is ready in all respects for discharging cargo. Thereafter the samples shall be collected by Customs/PHO/PPQ Authorities for analysis. NOR is to be tendered to the Buyer/Receiver's port office and its nominated agent signed by the Master and/or Vessel owner/Seller' agent.
20. NOR is to be tendered between 1000 hours and 1700 hours IST on weekdays excluding Sundays, Charter Party holidays, port holidays and local holidays and between 1000 hours and 1200 hours on Saturdays.
21. Laytime to commence to count 72 hours after tendering NOR in-terms of **clause 19 & 20** above. In the event of 72 hours period ending between
 - (A) 1200 to 2400 hours on Saturday ,
 - (B) Sunday Charter Party Holidays/Port holidays/local holidays,
 - (C)Between 1700 hours to 2400 hours on any working day,
 the laytime to commence 0800 hours the next working day.
22. Vessel to discharge at the average rate indicated below for each port or as per Charter Party, whichever is lower, calculated on the Gross weight as per Bill of Lading, per weather working day of 24 consecutive hours SHEXEIU based on 5 working hatches being made available at the commencement of discharge.

| PORT | DISCHARGE RATE(PWWD SHEXEIU) |
|-----------|-------------------------------|
| Chennai | 1,000 Tonnes |
| Tuticorin | 1,000 Tonnes |
| Vizag | 1,000 Tonnes |

If less than workable 5 hatches are made available discharging rate to be reduced pro-rata. Vessel having less than 5 hatches but with any hatch exceeding 15 meters length and able to work/accommodate two gangs simultaneously with ship's gear shall have such hatch counted as two hatches.

23. Seller shall ensure that vessel supplies at each discharge port at all time ropes and net slings free of charge. In case these are to be supplied by Buyer or its agent, same shall be at Sellers costs.

24. Demurrage rate shall be as per Charter Party but shall not exceed **US\$ 6,000** per day or pro rata. Despatch to be at least half rate of demurrage WTS. Demurrage/despatch to be settled by respective parties within 60 days of receipt of invoices and supporting documents. Statement of Facts to be signed by both parties or their agents and the Master of the vessel immediately upon completion of discharge.
25. At discharge port the vessel shall be confined to Buyers agent/nominee, with owner paying customary fees.
26. Seller to submit duly signed copy of Charter Party to STC before arrival of the vessel at the discharge port.
27. The details of crop year of the cargo shipped to be provided by the seller.

SHIPMENT IN CONTAINERS

28. Supplier to ship the cargo on CFR CY CY (Liner Terms) with Terminal Handling Charges (THC) at the destination port to Sellers' account basis in seaworthy 20/40' containers allowing for 14 days free detention time. The supplier to take all care and precautions to effect shipment in seaworthy containers that should withstand the sea voyage without any loss or damage to the cargo.
29. Supplier to load cargo in containers after these have been duly inspected and certified by the surveyors nominated for load port.
30. Documentary requirements and other details shall be appropriately worded in the contract/Letter of Credit.
31. In case of shipment by containers Seller to specify maximum quantity and No. of containers with arrival period at each discharge port. The shipper to supply clean on board bill of lading with terminal handling charges to sellers' account.

Other Terms

PAYMENT :

- A) The “Buyer” shall open an irrevocable, without recourse Letter of Credit in favour of the Seller for an amount equal to full CFR value of the each shipment(s) of the White Rice. The Letter of Credit shall be payable by USANCE 120 Days in US\$ upon presentation of the following shipping documents at the counter of L/C opening Bank:
- I) “Seller’s” signed commercial invoice in three (3) original with ten (10) copies.
 - II) Clean on Board Bill of Lading made “To Order” showing the name of the consignee, in three (3) signed originals with eight (8) non-negotiable copies. Bill of Lading must show that the goods have been “Shipped on Board” and “freight pre-paid as per Charter Party” Bill of Lading to be signed by the Master of the vessel or by a named agent for and on behalf of the Master or the Owner. In case of containerized cargo the shipping line to issue “Clean on board Bill of Lading. The B/L also to specify name and no. of containers, seal no., net qty., 14 days free detention time allowed for discharge and other relevant details.
 - III) Load port Analysis Report issued by independent Surveyor nominated by Buyer in three (3) original with ten (10) copies thereof certifying that the White Rice shipped is, inter-alia, in accordance with quality and specifications stipulated in the Contract and is fit for human consumption.
 - IV) Certificate issued by independent Surveyor in three (3) original with ten (10) copies thereof certifying net quantity shipped in metric tonnes along with draft survey report of the vessel at the load port.
 - V) Certificate of Origin in three (3) Originals and ten (10) copies issued by Chamber of Commerce in Exporting country.
 - VI) Phytosanitary Certificate issued by concerned NPPO in the exporting country for each shipment, in one (1) original with ten (10) copies to be issued in conformity with accepted international convention.
 - VII) Fumigation Certificate issued by reputed independent agency in three (3) original and ten copies certifying that goods were fumigated with Methyl Bromide @ 32 gm./cu.m at 21° C and above 24 hours under normal air pressure(as per temperature-time sliding scale) before export (to be endorsed on PSC). Independent Surveyor Certificate in three (3) original and ten (10) copies certifying that White Rice is free from live weevils and other insects injurious to stored grains aboard vessel(s).
 - VIII) The seller shall furnish with the consignment(s) a certificate from the competent accredited laboratory that
 - the residues of none of the pesticides listed at **Annexure-I B** exceeds the MRLs indicated therein;

- the residues of pesticides other than those listed at **Annexure I B**, if present do not exceed the codex MRLs for that pesticide(s), and in such cases shall indicate the method(s) used for estimation.
- IX) Certificate issued by competent authority in Exporting country certifying that White Rice is safe from levels of radiation under international acceptable standards that may be harmful.
- X) Certificate of Inspection issued by nominated surveyor regarding inspection of vessel holds/hatches, hatches cleanliness and its fitness certifying that holds/hatches were found thoroughly cleaned, dry and odourless and in every respect ready to receive the cargo (food grain). In case of containerized cargo, loadport surveyors to issue similar certificate covering each container.
- X) Certificate from the Seller that three (3) non-negotiable complete set of all shipping documents, have been couriered to the buyer within 5 (five) working days of date of B/L along with the proof of such despatch having been made. The Seller to use internationally reputed courier service.
- XI) Certified copy of Fax and E-mail indicating that the complete particulars of each shipment i.e., name of vessel, expected date of departure, quantity loaded, the date of commencement and completion of loading and invoice value have been sent by the Seller to the Buyer within 2 working days after completion of each shipment.

All bank charges in India for the establishment of Letter of Credit shall be borne by the Buyer. All foreign bank charges and foreign bank's reimbursement commission shall be borne by the Seller

Non-transferable Letter of Credit to be opened in favour of Seller, vessel-wise, at least 10 days prior to the loading of the respective vessel. The Letter of Credit amendment/extension charges, if any, shall be borne by the party responsible for occasioning the amendment/extension.

- B) In case the Seller fails to negotiate shipping documents within 15 days from the date of shipment and the original documents are not received by the buyer before arrival of the ship at the nominated discharge ports, due to any reason whatsoever, the Seller shall have necessary instructions issued to the Ship/Ship's agent at the discharge port to deliver the cargo to the Buyer and/or their nominee(s) against a simple letter of Indemnity without insisting for original Bill(s) of Lading or Bank Guarantee.
- C) Third Party documents acceptable except Commercial Invoice and Bill of Lading.
- D) LC to be opened at least 10 days prior to ETA of the vessel at the load port

The above documentary requirements, however, shall be appropriately worded in the letter of credit.

2. INSPECTION/SURVEY AT LOAD PORT(S)

The quality and quantity at load port(s) shall be supervised and certified by a Customary Govt. nominated official agency in the country of origin and/or an independent surveyor

nominated by buyer at Seller's cost. The report of such Agency/Surveyor shall, inter-alia, cover the following:

- I. Cleanliness and fitness of the holds and hatches of the vessel/ containers for receiving White Rice prior to commencement of loading.
- II. Quality & specifications, Origin & Crop year;
- III. The draft survey of the vessel
- IV. Weight in metric tonnes;
- V. Date of commencement and completion of loading and sailing of the vessel.
- VI. The shipped quantity conforms to all specifications as specified in **Annexure-I A & Annexure-I B.**

3. SELLER'S RESPONSIBILITY:

The cargo on arrival at discharge port is subject to inspection by Indian Phytosanitary and Health authorities. In case the cargo is rejected by Indian Phytosanitary and Health authorities at discharge port for not meeting the quality regulations (already covered in tender specifications), the seller shall be responsible for all cost and consequences whatsoever, including refund of payment received from STC along-with losses and damages incurred.

However, In case the variance is within 10% of the prescribed limits on any specification, an additional sample drawn along with the sample tested earlier can be tested, if appeal is made by the supplier. In such cases, the time lost shall be to the seller's account.

4. INSURANCE:

A) Insurance to be arranged by the Buyer for 105% of the Invoice Value. Seller shall intimate to the Buyer within 2 working days after completion of each shipment, the complete particulars of shipment giving name of the vessel, expected date of departure, quantity loaded, the date of commencement and completion of loading and invoice value etc. The Seller will also fax and E-mail this information to the Buyer's Insurance company. Name/Address/E.Mail/Fax Nos to be provided by the buyer. Buyers to provide contact details.

B) The Seller shall provide vessel particulars at least 10 days prior to loading vessel to enable STC get the vessel approved by their Underwriters. STC shall convey approval or otherwise within two working days.

5) FORCE MAJEURE:

- I) If at any time during the continuance of this contract either party is unable to perform whole or in part any obligation under this contract because of war, hostility, civil commotion, quarantine restrictions, act of God or act of Government (including but not restricted to prohibition of export or import), fires, floods, explosions, epidemics, strikes, then the date of fulfillment of any engagement shall be postponed during the time and when 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 remaining deliveries.

- III) If operation of such circumstances exceeds 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 engagement due to circumstances beyond its control under terms of this clause must within 15 days of occurrence of any of the causes mentioned in the clause, give notice to the other party of the existence or termination of the circumstances preventing the performance of the contract, duly endorsed by the appropriate authority/Chamber of Commerce in the country of the party giving notice.

6) TAXATION :

All taxes, duties, levies, charges, cess or penalty, etc. which may be imposed outside India will be to the account of the Seller.

All taxes, duties or levies or cess which may be imposed in India on White Rice imported, shall be to the account of the Buyer.

7) ARBITRATION :

Any dispute or difference arising between the parties out of or relating to the construction, meaning, scope, operation or effect of this Contract or the validity or the breach thereof shall be settled by arbitration in accordance with the Rules of Arbitration of the Indian Council of Arbitration and the Award made in pursuance thereof shall be binding on the parties.

8) LIQUIDATED DAMAGES :

The date of arrival at outer anchorage of discharge port shall be deemed as “arrival date of the vessel”, subject to vessel having completed required fumigation/fumigation period. Seller shall pay liquidated damages for delayed arrival of vessel/vessels as per following ratio:

- 1 to 4 additional days : 0.50%;]
- 5 to 6 additional days : 1%] of the gross value of the delayed quantities
- 7 to 8 additional days : 1.50%]
- Beyond 8 days : 4%

In case of delay beyond 8 days, the buyer at its own option may either extend the Contract on the terms & conditions as may be decided by buyer or may cancel the same, in that event all the legal consequences will follow.

9) SHORT SHIPMENT:

The supplier to ensure supply of the contracted quantity (+/- 2%) White Rice as per the schedule specified. In case of short supply outside the purview of tolerance limit, a penalty of 100% of the value of short shipped quantity to be imposed on the supplier.

10) OTHER CONDITIONS:

Buyers shall arrange to obtain the relative Import Licence/Import Permit (as applicable) and get them revalidated whenever necessary. Similarly, the Sellers shall arrange to obtain Export Licences, if needed, for the export of the goods from their country. The goods shall not be loaded/shipped till the Import Licences number and the date are communicated in writing to the Sellers and all shipping documents shall bear the relative contract number and date. Seller to abide by the provisions of Import Permit. All levies, taxes, duties etc. in the Sellers/Buyers countries shall be to their respective accounts.

ANNEXURE-VI

TENDER NO: STC/ AC-RICE/IMP/01/2009-10 Dtd.30.10.2009

PRICE BID
(to be completed by foreign supplier)

Name of Bidder _____

Address : _____
Tel No. _____ **Fax** _____ **E.Mail** _____

Contact Person _____

DETAILS OF EARNEST MONEY DEPOSIT/BID BOND

| Demand Draft/Bid Bond No. | Date | Drawn on | Amount (US\$) |
|----------------------------------|-------------|-----------------|----------------------|
| | | | |

Product : _____

Country of Origin : _____

Qty.: In MTs.

(A) In Vessel Load

| Arrival Schedule | Vizag | | Chennai | | Tuticorin | |
|-------------------------|--------------|--------------|----------------|--------------|------------------|--------------|
| | Qty. | Price | Qty. | Price | Qty. | Price |
| Nov'09 | | | | | | |
| Dec'09 | | | | | | |

Price: PMT In US Dollars on CFR basis

(B) **In Container Loads**

| Arrival Schedule | Vizag | | Chennai | | Tuticorin | |
|------------------|-------|-------|---------|-------|-----------|-------|
| | Qty. | Price | Qty. | Price | Qty. | Price |
| Nov'09 | | | | | | |
| Dec'09 | | | | | | |

PRICE: PMT In US Dollars on CFR CY CY basis (Liner terms) with Terminal Handling Charges (THC) at destination port to Sellers' account, allowing 14 days free detention time.

**Name & Signature of the Bidder
With seal of Designation**

ANNEXURE-VII

STC/ AC-RICE/IMP/01/2009-10 Dtd.30.10.2009

CERTIFICATE

Certified that the offer is in total conformity with tender terms and schedule of specifications without any deviation, whatsoever.

Signature of the Bidder_____

Full Name of Authorized Representative_____

Designation_____

Company Seal