

Ref. No.: STC/FERT/UREA/IMP/1/2013-2014

Date: 16.06.2013

M/s.

Dear Sir,

Sub: **Urea Tender No. STC/FERT/UREA/IMP/1/2013-2014 dated 16.06.2013 closing on 22.06.2013 (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 or www.tenders.gov.in or 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.
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-VIII) 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 22.06.2013**, 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 **1800 hrs. IST on 28.06.2013** 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
(FERTILISER DIVISION)

Tender No. : STC/FERT/UREA/IMP/1/2013-2014 dated 16.06.2013

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 C&F 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 09.08.2013. Bids which are received only on C&F/CFR (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 C&FFO (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 IV.
 - c) Demand Draft of Rs.10,000/- (in favour of STC 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 VIII including attestation of local agent's signatures by the Principals.
 - g) 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.
 - h) Details of quantities being offered as per Annexure X of the Contract.
 - i) Copy of your price bid without showing the prices quoted.
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, STC of India Ltd., Jawahar Vyapar Bhawan, Tolstoy Marg, New Delhi-110001 (India) should be submitted latest by **1100 hrs IST of 22.06.2013**. The offers should be kept valid for acceptance up to **1800 hrs IST of 28.06.2013**. Bid Bonds should be kept valid for a period of one month from the last date of validity of offers i.e. up to **28.07.2013**. 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 or www.tenders.gov.in or 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. STC reserves the right to reject any or all the offers including the lowest offer without assigning any reasons whatsoever.

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

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

Tender No. : STC/FERT/UREA/IMP/1/2013-2014 dated 16.06.2013

Tender Issue Date	16.06.2013		
Tender Closing Time/Date	1100 hrs. (IST)	on	22.06.2013
Tender Opening Time/Date (Techno-Commercial Bids)	1130 hrs. (IST)	on	22.06.2013
Tender Opening Time/Date (Price Bids of qualifying bidders)	After 1500 hrs. (IST)	on	22.06.2013

STC invites offers in Two Bid System on Company's Letter-head for import of Urea Fertilizer Grade, both on FOBT and C&FFO (CIF- for Iranian cargo) basis for shipment from Load ports by **09.08.2013** under Govt. Account. Bids which are received only on C&F/CFR/(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 offers will be opened **at 1130 hours IST on 22.06.2013** in the presence of bidders 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 09.08.2013.
- 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 hours 1800 IST on 28.06.2013.

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\$ only in the prescribed format as at Annexure-IV. Alternatively, EMD in US Dollars can also be submitted by way of Demand Draft in favour of STC 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) will not be accepted in Indian Rupees.

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

		BID AMOUNT
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 XI).	US\$ 4 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.

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-V 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 :-

<u>PBG/PERFORMANCE BOND AMOUNT(In US\$)</u>		
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 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:

- A latest Bank reference report in original.
- Credit rating report issued within six months prior to the date of the bid submission from any of the following International Credit Agencies:-
 - DUN & BRADSTREET
 - MOODY'S
 - STANDARD AND POOR

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 XII).

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 XII).

9. PRE SHIPMENT INSPECTION :

STC reserves the right at its option to have the material inspected before shipment in 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 analysed 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 drawal 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 are 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 VI (FOBT terms) & VII (C&F 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-XII has been read and understood by the bidders.

16. Offers addressed to the General Manager (Marketing), Fertiliser 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 it's

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 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 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 it is signed by an authorized agent, the letter of authority (strictly as per the enclosed proforma at Annexure-VIII) has to be submitted along with the bid.
- 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 C&FFO (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 with 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-VI
 - 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 at the time of making an offer, the option for choosing the load port would rest with STC. Offers with more than one load port at sellers' option would be liable for rejection.
 - k) Cargo size: 25,000 MT plus/minus 10%, at Buyers' option (in case the purchases are made on FOBT terms).
 - l) For C&FFO (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.
 - m) 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).
 - n) STC shall exercise FOB/C&F FO/CIF option within ten working days after the validity of offers as stipulated in this Tender document.
 - o) STC reserves exclusive right to accept bids either on FOBT basis or C&F FO/CIF basis or not to accept any bids at all, at its sole discretion.
 - p) Fixture of Floating shipments for supply of urea shall not be accepted.
- 20.** STC reserves the right without assigning any reason to accept or reject any tender in part or full or to buy any quantity in excess of the tender quantity. STC is not bound to accept the lowest offer.

21. 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)

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

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 C & F 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.
Deficiency beyond above limit.	As decided by the Expert Committee of Deptt. of Fertilizers, Govt. of India.

2. With regard to penalty on excess moisture contents, the penalty will be levied on pro-rata basis. The scale of penalty will be prescribed as “two times the value of Fertilizers equivalent to excess moisture content in entire shipment by weight.”
3. The penalty on account of deviation in particle size will be of two components as under:-
- Penalty on account of deficiency in particle size
 - Penalty on account of excess over-size particle.

The net penalty 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 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 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/1/2013-2014 dated 16.06.2013)

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 in favour of local agent enclosed as per Annexure – VIII (Yes/No) : _____
- 4) 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) : _____
- 5) Quantity offered against the Tender (MTs.): _____
- 6) Load port/Discharge ports and quantities details enclosed as per Annexure X (Yes/No): _____
- 7) Tolerance in offered quantity (+/-) in percentage: _____
- 8) Country of Origin: _____
- 9) Validity of Offer: UPTO 1800 Hrs. IST on 28.06.2013
- 10) Delivery Schedule: Shipment from Load Ports latest by 09.08.2013

11) Earnest Money deposited (to be attached in original)

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

12) 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:

ANNEXURE – III B

PRICE BID FORMAT

(on bidder's letter-head)

(STC's Tender No. STC/FERT/UREA/IMP/1/2013-2014 dated 16.06.2013)

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)

ITEM	COUNTRY OF ORIGIN	QUANTITY (MT)	PORT OF LOADING	PORT OF DISCHARGE	UNIT PRICE PMT(USD)			
					FOBT I	FREIGHT II	C&F FO III	CIF* IV
Urea Bulk				MUNDRA				
				KANDLA				
				JAIGARH				
				PIPAVAV				
				NEW-MAGALORE				
				ROZY				
				KRISHNA-PATNAM				
				KARAIKAL				
				GANGA-VARAM				
				VIZAG				
				KAKINADA DEEP WATER				
				PARADIP				
				TUTICORIN				
				COCHIN				
			CHENNAI					

* (CIF- for Iranian cargo)

Validity of offer : _____
Shipment Period : _____

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 for all the Discharge ports as per details given in Annexure IX.
-

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 C&F/CFR/ (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 C&FFO/CIF basis or not to accept any bid at all.

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 of India Limited, 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 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.
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.

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

4. We, _____(Bank), further agree that the Guarantee herein contained shall not be affected by any change in the constitution of the said Seller/Buyer/Bank/Consignee 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-VII

GENERAL SHIPMENT TERMS IN RESPECT OF C&F FO (CIF- FOR IRANIAN 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 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/one/two safe port/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 & surendrasharma@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 & surendrasharma@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.
9. Vessel to be dry and clean free from residue 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 IX 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 (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 to shift between port and berths 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 with grabs for facilitating discharge and in case of geared vessels, the seller shall guarantee that the vessel is fitted with cargo gear, winches, and derricks capable of handling the rated capacity of minimum 25 MT SWL.

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 for 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 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 consigned to receivers agents at disport 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.

ANNEXURE-VIII

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

Re: Letter of Authority

Tender No. STC/FERT/UREA/IMP/1/2013-2014 dated 16.06.2013

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)

<u>Name of Port</u>	<u>Discharge Rate (MT)</u>
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*

* 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.

QUANTITIES OF UREA BEING OFFERED FOR SHIPMENT FROM LOADPORTS
LATEST BY 09.08.2013

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

(*) 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

<u>S.NO.</u>	<u>NAME OF SUPPLIER</u>
1.	M/S TRANSAMMONIA AG, SWITZERLAND (TRAMMO AG)
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 LIMITED, 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

THE STATE TRADING CORPORATION OF INDIA LIMITED, NEW DELHI
(FERTILISER 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, 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.

The following is agreed :

1. QUANTITY:

The Sellers agree to sell and the Buyers agree to buy a quantity of _____MTs (+/- 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 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 09.08.2013. Shipment of cargo is the essence of the contract and shall be treated as firm.

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 it's 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 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/C&FFO
(US Dollars _____ only PMT FOBT /C&FFO).

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 contract, payment shall be made through an irrevocable and non-transferable letter of credit. 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 as per Clause No.1 above, at a price as per clause 5 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. 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 STC of India Ltd., New Delhi.
- ii. All three original negotiable copies of the clean on board Bill of Lading in long form and three non-negotiable copies thereof to be marked freight payable as per CHARTER PARTY, showing Ministry of Chemicals & Fertilizers as consignee and STC as notified party. 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. B/L signed by freight forwarders not acceptable.

- iii. One or Two original Certificate of origin along with five copies thereof duly signed by Chamber / Ministry of Commerce, Industry or Trade and / or any other competent authority certifying therein the country of origin of goods.
- iv. (a) Original Certificate of Inspection along with three copies showing analysis and weight, method of analysis furnished by beneficiaries and certified by the openers Inspecting Agency with a separate certificate of inspection issued by the Buyer's Inspecting Agency namely M/s. SGS/TCI/INSPECTORATE/MITRA S.K. 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 (original + Three Copies).
- v. 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.
- vi. Certificate to the effect that two negotiable sets of documents along with six non-negotiable sets have been dispatched to the buyers at New Delhi address by reputed first courier. Copy of courier receipts shall form part of negotiable documents, in terms of clause 11.
- vii. Copy of fax/telex advice from beneficiaries to openers giving details of shipping within 24 hours after sailing of vessel from load port giving the following information:-
 - Name of the vessel
 - Date of sailing
 - Quantity shipped
 - Invoice value
- viii. Four Originals each of stowage plan.
- ix. One original and a copy of load port draft survey report issued by Buyers' Inspection Agency.

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 contract, payment will be made on CAD basis for 100% of Invoice value based on load port results in AED at a price as per clause 5 above, within TEN working days after the date of receipt of documents (as listed at Sr.No. i to ix 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.
- 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. The Seller shall make good such recoveries made by Department of Fertilizers 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.

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 representative 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. refusing 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:

- a) Immediately on sailing of vessel, the seller shall advise the buyer by fax/cable the name of the vessel, date of sailing and quantity shipped and also despatch directly to the buyer, two negotiable set with six non-negotiable set each of following documents:
 1. Clean Bill of Lading showing Ministry of Chemicals and Fertilizers, Govt. of India as the consignee; and STC as the notify party.
 2. Signed commercial invoice issued by sellers for 100% of value.
 3. Certificate of Origin.
 4. Certificate of analysis of cargo.
 5. Draft survey certificate issued at loadport.
 6. Quality Certificate.
- b) 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:
 1. Date of negotiation.
 2. Amount negotiated.
 3. Expected date of receipt of documents at opening bank's counter.
 4. 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 against the contract including performance, weight and quality basing on discharge port results, any penalties, despatch/demurrage 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 Buyer shall have the right to forfeit the PBG/PERFORMANCE Bond 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 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.

14. SHIPPING TERMS AND CONDITIONS:

As per Annexure-VI & VII 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.

16. 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.

17. TITLE AND RISK:

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

18. 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 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.

21. ARBITRATION:

Any dispute or difference whatsoever arising between the parties out of or relating to the construction, meaning, operation or effect of this contract or the breach thereof shall be settled by arbitration in accordance with the Rules of Arbitration of the Indian Council of Arbitration, New Delhi and the award made in pursuance thereof shall be binding on the parties. The governing laws shall be laws of India. The venue of arbitration shall be New Delhi, India. The language of arbitration shall be English.

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 and confirmed by the other party in writing.

24. ASSIGNMENTS PROHIBITED:

The seller shall not assign or delegate any of their obligation 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.

19. SPECIAL CONDITIONS

- i. The seller undertakes and agrees to compensate, indemnify, defend and hold harmless STC for all liability, losses, damages and claims, including 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.
- ii. 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.

- iii. 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.

26. 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.

27. 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.

- 28. This contract is in confirmation to our Letter of Intent No. _____ dated: _____.

29. 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/1/2013-2014 dated 16.06.2013 which are not in conflict with or at variance or inconsistent with the terms hereof, shall form an integral part of this contract.

For and on behalf of:

Signature _____
Full Name: _____
Designation: _____

For and on behalf of:

Signature _____
Full Name _____
Designation _____

Stamp of Company_____

Stamp of Company_____

ANNEXURE-XII

LC PROFORMA

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

ANNEXURE TO LETTER OF CREDIT

40 A	FORM OF DOCUMENTARY CREDIT :	IRREVOCABLE
20	TRANSACTION REFERENCE NUMBER DOCUMENTARY CREDIT NUMBER :	XXXXXXXXXX
31 C	DATE OF ISSUE :	[]
31 D	DATE AND: PLACE OF EXPIRY:	----- -----
51	APPLICANT BANK	-----
50	APPLICANT:	STC
59	BENEFICIARY :	-----
32 B	CURRENCY CODE, AMOUNT :	USD -----
39 A	VARIATION ON L/C AMOUNT:	-----
41 D	AVAILABLE WITH/BY :	-----
42A	DRAWEE BIC:	
42C	DRAFTS AT:	SIGHT
43 P	PARTIAL SHIPMENTS :	NOT ALLOWED
43 T	TRANS-SHIPMENT :	NOT ALLOWED
44 A	LOADING ON BOARD/DISPATCH/ TAKING IN CHARGE AT/FROM :	-----
44 B	FOR TRANSPORTATION TO:	-----

44 C LATEST DATE OF SHIPMENT: -----

45 A DESCRIPTION OF GOODS AND/
OR SERVICES: -----MTS +/- 10% BULK UREA 46
PCT MINIMUM NITROGEN
FERTILIZER GRADE AT A PRICE OF
USD -----PMT C&F FO -----,
INDIA.

46 A DOCUMENTS REQUIRED:

1. COMMERCIAL INVOICE IN THREE ORIGINALS AND SEVEN CERTIFIED COPIES IN THE NAME OF STC OF INDIA LTD., NEW DELHI.
2. ALL THREE ORIGINAL NEGOTIABLE COPIES OF THE CLEAN SHIPPED ON BOARD MARKED FREIGHT PREPAID/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.

4. ONE ORIGINAL AND A COPY OF LOAD PORT DRAFT SURVEY REPORT ISSUED BY OPENERS INSPECTION AGENCY-M/s -----.
5. BENEFICIARY/SELLER'S ORIGINAL CERTIFICATE OF INSPECTION ALONGWITH THREE COPIES SHOWING QUALITY, QUANTITY, WEIGHT AND METHOD(S) OF ANALYSIS AS PER ANNEXURE-1 OF THE CONTRACT ADOPTED AND CERTIFIED BY THE OPENERS INSPECTION AGENCY-M/S.-----.
6. (a) ORIGINAL CERTIFICATE OF INSPECTION ALONG WITH THREE COPIES SHOWING ANALYSIS AND WEIGHT, METHOD OF ANALYSIS FURNISHED BY BENEFICIARIES AND CERTIFIED BY THE OPENERS INSPECTING AGENCY WITH A SEPARATE CERTIFICATE OF INSPECTION ISSUED BY THE BUYER'S INSPECTING AGENCY-M/S. ----- 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 (1 ORIGINAL+ THREE COPIES).
7. BENEFICIARY'S CERTIFICATE TO THE EFFECT THAT THE FOLLOWING DOCUMENTS HAVE BEEN DESPATCHED 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.
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, STATING NAME OF VESSEL, QUANTITY SHIPPED, B/L NO. AND DATE, DATE OF SAILING AND INVOICE VALUE.
 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.
 10. CERTIFICATE OF CLEANLINESS OF HOLDS ISSUED BY THE OPENER'S INSPECTION AGENCY – M/S. -----.
 11. BENEFICIARY IS REQUIRED TO FAX ALL NEGOTIABLE DOCUMENTS TO STC 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.
 12. FOUR ORIGINALS OF STOWAGE PLAN.
 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.

47 A ADDITIONAL CONDITIONS:

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.
2. INVOICES TO QUOTE
 - (A) CONTRACT NO.
 - (B) THIS IRREVOCABLE LETTER OF CREDIT NO. AND DATE.
 - (C) IMPORT IS COVERED UNDER NON NEGATIVE LIST OF IMPORT EXPORT POLICY 2009-2014.
3. THIRD PARTY DOCUMENTS EXCEPT INVOICE AND DRAFT ARE ACCEPTABLE.
4. TOLERANCE OF PLUS OR MINUS ----- PER CENT ALLOWED IN QUANTITY AND VALUE.
5. USD 50.00 WILL BE DEDUCTED FOR EACH DISCREPANCY IN THE DOCUMENT.
6. DISCREPANT DOCUMENTS WILL BE SENT STRICTLY ON COLLECTION BASIS.
7. NEGOTIATION UNDER RESERVE IS NOT PERMITTED.
8. ALL DOCUMENTS TO BE IN ENGLISH LANGUAGE HOWEVER DOCUMENTS ISSUED IN ENGLISH TOGETHER WITH OTHER LANGUAGE(S) ARE ALSO ACCEPTABLE.

9. SATURDAY WILL NOT BE TREATED AS A BANKING DAY.
10. 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.
11. 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.
12. 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.
 - I. DATE OF NEGOTIATION
 - II. AMOUNT NEGOTIATED
 - III. EXPECTED DATE OF RECEIPT OF DOCUMENTS AT OPENING BANK'S COUNTER.
13. CONTRACT NO. & DATE AND L/C NO. & DATE MUST BE MENTIONED ON ALL B/Ls, QUALITY CERTIFICATES, CERTIFICATES OF ORIGIN AND COMMERCIAL INVOICES.

71B DETAILS OF CHARGES NARRATIVE: ALL BANKING CHARGES OUTSIDE INDIA ARE TO THE ACCOUNT OF BENEFICIARY.

48 PERIOD OF PRESENTATION:

NARRATIVE DOCUMENTS PRESENTED
LATER THAN 21 DAYS FROM B/L DATE
BUT WITHIN VALIDITY OF LC IS
ACCEPTABLE.

78 INSTRUCTIONS TO THE PAYING/
ACCEPTING BANK NARRATIVE:

DOCS TO BE FORWARDED
BY COURIER TO

57 ADVISE THROUGH BANK:

(AUTHORIZED SIGNATORY)

(AUTHORIZED SIGNATORY)