

MMTC Limited, SCOPE Complex, Lodi Road,
New Delhi – 110 003. India.

NOTICE INVITING TENDER NO. T-2/UREA/2013-14 Dated 19.09.2013

1. MMTC invites offers for the supply of Prilled Urea/granular urea (fertilizer grade), 46% nitrogen minimum **in bulk**. Offers may be made on both FOBT and C&FFO bases in US Dollars per metric tonne of Urea or on FOBT basis alone (indicating the name of the loading port with facilities available and restrictions, if any) at 1/2 safe berths, one safe Indian port for **shipment from loadports latest by 11th NOVEMBER 2013**. Bidders to ensure that quantities offered against the tender are shipped on evenly spread basis over the entire period of shipment to avoid bunching at discharge ports. C&F FO offers should indicate the discharge rate basis **PWWD SHEX EIU**, for five or more workable hatches, pro rata if less, indicating *inter alia* the despatch /demurrage rate at disport and firm freight from loading port to discharging port in India. **MMTC reserves the right to reject such offers which are made only on C & F FO basis.**
2. Accredited suppliers are required to submit bid bond of US \$ 4 PMT and others are required to submit bid bond of US \$ 10 PMT from any scheduled bank along with the offer. Urea producers are exempted from submitting the bid bond.
3. The bids are to be submitted only through electronic mode for which bidders may log on to website **www.tenderwizard.com/MMTC**. The bid bonds in original and the credit rating (as required) are required to be submitted physically in sealed envelopes to be dropped in tender box placed at **MMTC Limited, Fertilizer Division, 7th Floor, Core-1, Scope Complex, Lodhi Road, New Delhi**, before the closing time of receipt of tenders as above. Offers submitted without original bid bond shall not be considered. The offers in the prescribed format should be submitted by 1400 **Hours IST** on 26th September 2013. The offers should be kept valid for acceptance up to 1700 Hours IST on 7th October 2013. Bid bonds should be kept valid for a minimum period of one month from the last date of validity of offer i.e. up to 6th November 2013.
4. Marine insurance shall be arranged by MMTC or its receivers. MMTC and / or its receivers reserve the right to appoint any reputed independent inspection agency at discharge port for determining quality and quantity, whose report shall be treated as final. Detailed terms and conditions for import of urea would be as per MMTC's tender terms which are an integral part of this Notice Inviting Tender. **All bidders are required to enclose a payment of Rs. 10,000 (by way of DD/PO drawn in favour of 'MMTC Ltd.' and payable at New Delhi) towards tender documents cost at the time of participation.**
5. MMTC reserves the right to reject any or all the offers without assigning any reasons whatsoever.
6. **Please note that the portal for receiving electronic bids is <https://mmtc.eproc.in>**



MMTC LIMITED

(A Govt. of India Enterprise)
Fertilizers Division, 7th Floor,
Core-1, SCOPE Complex, 7 Institutional Area, Lodi Road,
New Delhi - 110 003 (India)

Phone No. 24362200 (Extn. 1490), Fax No. 24365808 Website: www.mmtclimited.com

REF NO.T-2/Urea/2013-14

Dated 19.09.2013

M/s.

Sir,

Sub : UREA TENDER NO.T-2/UREA/ 2013-14 Dt. 19.09.2013

With reference to your request/enquiry, we enclose herewith a set of Tender documents along with MMTC's Standard Contract Proforma and MMTC's L/C Proforma.

2. We wish to state that in case of Category II & III Bidders a Bank reference to show credit worthiness of Bidder is to be submitted alongwith the bid. Category III bidders are also required to submit a Credit Rating report from any of the following International Credit Rating agencies for direct submission to MMTC by the concerned agency in a sealed cover, before due time/date of the Tender. Ratings need to be minimum satisfactory or equivalent.

- Dun & Bradstreet,
- Moody's
- Standard & Poor

3. The bidders must submit a fresh Bid Bond alongwith 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 the enclosed proforma at Annexure-VII) has to be submitted alongwith the bid.

5. **The bids are to be submitted through the electronic mode, for which you may log on to our website <https://mmtc.eproc.in>. Only the bid bonds in original are required to be submitted physically in sealed envelopes to be dropped in tender box placed at **MMTC Limited, Fertilizer Division, 7th Floor, Core-1, Scope Complex, Lodhi Road, New Delhi**, before the closing time of receipt of tenders as above.**

6. The offers should be kept valid till 1700 Hrs. IST on 7th October 2013. This letter forms an integral part of the Tender Documents.

Thanking you,

Yours faithfully
For **MMTC Limited**

General Manager

NOTICE INVITING TENDER

SUB: IMPORT OF PRILLED/GRANULAR UREA (BULK) 46% NITROGEN (FERTILISER GRADE)

MMTC Limited, proposes to purchase prilled Urea (Bulk) 46% Nitrogen minimum (fertilizer grade) on FOBT/C&FFO basis for earliest arrivals into India.

Interested suppliers may please note the terms and conditions of supply, as detailed hereunder, and may send their offers in sealed covers, addressed to General Manager (Fertilisers), MMTC Limited, 7th Floor, Core 1, Scope Complex, 7, Institutional Area, Lodhi Road, New Delhi-110 003.

1. CLOSING DATE	Offers, made only in the prescribed proforma (Annexure-VIII) alongwith Bid Bond in US dollars only against this enquiry should be submitted latest by 1400 Hrs. IST on 26 th September 2013 through electronic mode as mentioned in the NIT. Offers once made cannot be withdrawn by the party during its validity.
2. SPECIFICATIONS	As per Annexure-I.
3.PACKING	In bulk
4. PRICE	Offers may be made on both FOBT and C&FFO basis in US Dollars or on FOBT basis alone (indicating the name of the loading port with facilities available and restrictions, if any) per Metric Tonne of Urea for payment against L/C as per para 7 below. While submitting offers on both FOBT and C&F FO firm freight from loading port to discharging port in India must also be quoted separately. Bidders are requested to make price offers on Per Metric Tonne basis in US Dollars on cash basis. MMTC reserves the right to reject such offers which are made only on C&F FO basis.
5.SHIPMENT	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 “suppliers option” are liable to be rejected.
6.SHIPMENT TERMS	As per Annexure-III and III (A)
7.PAYMENT	Payment will be effected through Letter of Credit payable at sight. MMTC does not provide transferable, divisible and

	assignable L/C. Only unconfirmed L/C shall be established by MMTC as per L/C proforma attached, on receipt of PG Bond & signed contract and vessel nomination.
8.STANDARD CONTRACT	It is expected that MMTC's standard contract for purchase of Urea and the L/C proforma which are annexed herewith would be read and understood by the bidders.

9. GENERAL CONDITIONS:

a) Bidders will be categorized as follows:-

CATEGORY-I All producers. The producers whose names are appearing in the IFA Publication "Survey of Urea Capacities 1995" or any updated edition of same will only be considered as producers.

CATEGORY-II Accredited suppliers who have performed satisfactorily at least for two years out of past five years. A list of accredited suppliers is enclosed (Annexure-VI).

CATEGORY-III All other suppliers not covered under Categories I & II above.

(i) **BID BOND**

CATEGORY- I "Producers" who submit the bids directly (or through authorized representative/agent in India) and offering Urea from their own production units are exempt from submission of Bid Bond. Only those producers will be treated as "producers" whose names are listed in IFA publication "Survey of Urea capacities 1995" or any updated edition.

CATEGORY - II "Accredited Suppliers" as recognized by MMTC shall submit a Bid Bond at the rate of US \$ 4.00 PMT of the quantity offered. They shall also submit a latest bank reference along with the offer.

CATEGORY- III All other bidders who are not covered above shall submit a Bid Bond @ US \$ 10.00 PMT of the quantity offered.

Tenderers should furnish alongwith their offer, Bid security in US dollars (Not in Rupees) by means of a bid bond issued by a Scheduled Bank in New Delhi in original, for values as mentioned above strictly in the prescribed proforma (Annexure IV) in favour of MMTC Limited and **kept valid until 6th November 2013**. No deviations in the format of bid bond are acceptable. Bids are liable to be rejected in case of conditional Bid Bonds.

ii) PERFORMANCE GUARANTEE BOND

In the event of an offer being accepted, Performance Guarantee Bond shall have to be submitted by the offerer or strictly as per MMTC's format only (Annexure-V) within 10 days from the date of issuance of acceptance of offer. Conditional PG bonds are not acceptable. The PG Bond should be established through any Indian nationalised bank in New Delhi. The value of the PG bond in US Dollars shall be as follows:

CATEGORY -I	Producers	1% value of the Contract
CATEGORY -II	Accredited Suppliers	3% value of the Contract
CATEGORY- III	other Bidders	10% value of the Contract

In case the PG Bond is not submitted within 10 days from acceptance of offer by MMTC, the Bid Bond amount shall be forfeited. The PG Bond shall cover the performance of the contract, quantity short landed, quality penalties based on discharge port results, LP/DP despatch/demurrage etc.

iii) ADDITIONAL DOCUMENTS FOR 'ACCREDITED SUPPLIERS' AND OTHER BIDDERS

Accredited suppliers are required to submit an original latest Bank reference.

Other Bidders are required to submit the following documents alongwith the original offer/bid :

1. A latest Bank reference report in original.
2. Credit rating issued within six months prior to the date of the bid from any of the following International Credit Agencies for direct submission to MMTC by the concerned agency in a sealed cover.

- DUN & BRADSTREET
- MOODY'S
- STANDARD AND POOR

b) Tenderers are required to indicate the country of origin of the material offered, loading port and facilities at loading port with restrictions, if any

c) IMPORTANT POINTS FOR CAREFUL CONSIDERATION

- i) Offers to be strictly made in the format as in Annexure-VIII. Offers not received in the prescribed format are liable for rejection.

- ii) Incomplete offers / offers not conforming strictly to specifications as well as to tender conditions prescribed with the tender documents are liable to be rejected.
- iii) Offers received with original bid bond only to be considered. Intimation of advice regarding opening of bid bond will not suffice.
- iv) Loading Rate – As per Clause 24 of Shipping Terms for FOB contracts at Annexure III.
- v) Schedule of shipment for the entire contracted quantity will be declared within 10 days of award of Contract and L/C shall be established only after receipt of (a) acceptable P.G. Bond and (b) signed contract.
- vi) PG Bond to be released by Buyers only after receipt of discharge port draft survey and analysis reports, and recovery of penalties, shortlanding, settlement of dispatch/demurrage, dead freight and any other recoveries from suppliers, if any.
- vii) Firm freight from loading port(s) to discharging port(s) in India (Kandla/Mundra/Pipavav/Rozi/Jaigarh) may be indicated separately.
- viii) Bidders offering more than one loadport at the time of making an offer, the option for choosing the loadport would rest with MMTC. Offers with more than one loadport at sellers' option would be liable for rejection.

d) MMTC is not bound to accept the lowest tender and reserves the right without assigning any reason, to accept or to reject any Tender and reserves the right without assigning any reasons, to accept or to reject any Tender in part or in full or to buy any quantity.

e) Prices quoted should be inclusive of Indian Agents Commission, if any, to be indicated separately. It will be deducted out of Invoice value and will be paid by MMTC Ltd., to the agents in India in Indian Rupees. The conversion will be made only at the rate of exchange at which payment is made to the sellers. In case the Indian Agents are foreign controlled companies and commission is payable in US Dollars, certificate/permission from the Reserve Bank of India/Government of India, as the case may be, that they are entitled to do the agency business and receive commission from MMTC should be enclosed with the Tender.

i) In a tender, either the Indian agent on behalf of the Principle/OEM or Principle/OEM itself can bid but both cannot bid simultaneously for the same item/product in the tender.

ii) If an agent submit bid on behalf of the Principle/OEM, the same agent shall not submit a bid on behalf of another Principle/OEM in the same tender for the same item/product.

f) In respect of business concluded against this Tender Notice, the following conditions will apply.

Delivery is the essence of the contract and shall be treated as firm. Any delay in effecting contracted shipments, will render the Sellers liable for liquidated damages at the rate of 2% of the value of the goods, shipments of which is delayed beyond the contractual period, per month or part thereof. In addition the Buyers reserve the right to claim all the losses/damages due to breach of contract by the Sellers.

g) 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 obligations under this contract because of war, hostility, civil commotions, 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/extensions of time in respect of the delivery of any instalment or part of the goods occasioned due to reason in (i) above shall not be deemed to be waiver/extension of time in respect of the remaining deliveries.

iii) If operations of such circumstances exceeds 3 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.

The party which is unable to fulfil its engagements under the present contract may within 15 days of occurrence of any of the cause mentioned in this clause shall inform the other party of the existence or termination of the circumstances preventing the performance of the Contract. Certificate issued by a Chamber of Commerce in the country where material was to load or the Buyers country shall be sufficient proof of the existence of the above circumstances and their duration. Non-availability of raw material will not be an excuse to the Sellers for not performing their obligations under the contract.

h) ARBITRATION

In the event of any dispute/disputes under or out of or relating to the construction, meaning, operation or effect of this contract or breach thereof, the matters in dispute shall be referred to two arbitrators – one each to be nominated by the parties contracting herein and in case of the said arbitrator not agreeing then an Umpire to be appointed by the arbitrators in writing. The decision of the arbitrators or in the event of their not agreeing of the umpire, shall be final and binding on the parties to the contract.

The provisions of the Indian Arbitration Act and Rules made thereunder shall govern the proceedings. The Arbitrators or the Umpire, as the case may be, shall be entitled with the consent of the parties to enlarge the time, from time to time, for making and publishing the Award. The venue of the arbitration shall be New Delhi (India). The award shall be reasoned award.

The party invoking the arbitration clause shall do so by serving the other party a notice by registered post specifying the disputes and qualifying its claims in categorical terms addressed to General Manager (Law), MMTC Limited, Core-I, SCOPE Complex, 7, Institutional Area, Lodhi Road, New Delhi-110 003, if the claim is against MMTC and _____ of the suppliers, if the claim is against the other party. The other party shall have the right to submit its counter claim, if any.

i) FINAL WEIGHT

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 through an independent internationally reputed surveyor at the discharge port shall be treated as final. This clause is to be read along with clause (k) (i) and (iv) given below.

j) INSPECTION BEFORE SHIPMENT

MMTC 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 MMTC 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 specifications laid down in the contract shall accompany the shipping documents.

- k) i)** The weight determined by Joint Draft Survey at discharge port would be final and binding on the supplier for the purpose of payment of shortages as compared to B/L weight.
- ii)** 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 or may opt for the mandatory inspection from Central Fertilizer Quality Control and Training Institute, Faridabad 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 Fertiliser Quality Control and Training Institute at Faridabad (India) or any of its regional branches.

- iii) The Seller should nominate its representative to supervise the draft survey and drawal of samples at discharge port at their own expense. MMTC will advise the port of discharge at the time of finalizing the contract.
- iv) 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 (b) 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 MMTC directly within 15 days of notification by MMTC.
- v) 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 dispatch / demurrage / dead freight / detention charges etc. also as performance would be deemed 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 have to extend the validity of P/G Bond at the request of the Buyers.

I) UMPIRE ANALYSIS

- i) The Buyer's and/or its receiver's representative and the supplier's representative will be present at the time of sample collection at discharge port. The receivers will organize entry passes for the representatives of suppliers. A part of the discharge port sample will be kept by the Buyers and / or its receivers' representative, for future reference in case of dispute.
- ii) In case of dispute about quality, the suppliers have right for umpire analysis. In such circumstances, reference samples will be sent to the umpire laboratory and the results of umpire laboratory will be binding on both supplier and buyer. For umpire analysis, reference sample will be the ones retained by the independent inspection agency nominated by the buyer and/or its receivers. Supplier will be ineligible for asking for umpire analysis, in case, he/his representative does not sign the sample slip/relevant documents at the time of collecting the representative sample drawn by representative of surveyor nominated by MMTC and /or its receivers. The cost of umpire analysis will be borne by the losing party. The Umpire analysis shall be done by a reputed international agency nominated by MMTC and /or its receivers. The umpire will be one other than the loadport/discharge port inspecting agency.
- iii) The penalties for deviations in specifications found at discharge port will be recovered on the basis of scales given in Annexure – II.

iv) In the event of disagreement in the discharge port draft survey results, an umpire surveyor shall be nominated by MMTC and/or its receivers, whose decision shall be final and binding and the cost shall be equally borne by the parties.

J) 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.

DRAFT CONTRACT PROFORMA

CONTRACT NO.

Date:

SELLER :

hereinafter called the Sellers (which expression shall unless repugnant to the context mean and shall include its successors and assigns)

BUYER : MPMC LIMITED,
CORE -1, SCOPE COMPLEX,
7, INSTITUTIONAL AREA, LODI ROAD,
NEW DELHI-110 003. INDIA.

FAX NOS: + 91-11-24365808

hereinafter called the Buyers (which expression shall unless repugnant to the context mean and shall include its successors and assigns).

The following is agreed to:

I. The Sellers agree to sell and the Buyers agree to buy a quantity of _____MTs Plus Minus 10% Bulk Urea prilled/granular under the terms and conditions set out hereunder:

DESCRIPTION OF MATERIAL	QUANTITY IN MTS	PORT(S)OF LOADING	PRICE PER MT C&F/ FOBT in USD
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BULK UREA
46%NITROGEN
FERTILIZER
GRADE

II. SHIPMENT SCHEDULE:

III. QUALITY SPECIFICATIONS AND METHOD OF ANALYSIS:

As per Annexure-I.

In the event of any consignment not conforming to the contractual specification the Buyers have the right to reject the same.

NOTE:

- (1) 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
- (2) Sampling to be performed 250/500 MT at prescribed intervals and preferably to be done during loading aboard the vessel.

IV. PRE-SHIPMENT INSPECTION FOR QUALITY & WEIGHT:

Buyers shall have a right to inspect the fertilizer at all reasonable times prior to shipment thereof by appointing their own Inspection Agency.

1. Inspection will be carried out before shipment by the Buyers or their authorised representative/appointed inspection agency at the factories of the suppliers/manufacturers and/or at any other place at their discretion.

2. At least ten days clear notice in writing shall be given by the Sellers before loading the cargo into container/barges or directly into the ship at the producing factory to the Buyers Authorised Inspection Agency with Fax/Cables intimation to Buyers. The notice to the Inspection Agency and intimation to the Buyers shall contain the following information:

- a) Location of producing factory;
- b) Contract number and description of fertilizers;
- c) Date of loading/despatch from factory;
- d) Quantity to be shipped, name of the vessel and port of loading.

3. (I) For purposes of determining quality, the Inspection agency may at their discretion draw samples of the 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 conforms to the contractual specifications. A clear inspection note will be released by the Inspection Agency only if they are satisfied with the contractual specifications of the cargo.

(ii) Samples so drawn shall be sent to the laboratory nominated by the Inspecting Agency.

4. The Sellers will provide free of cost facilities to the inspecting agency for taking samples.

5. 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 content, etc.

6. 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 vessels Bill of Lading shall also be provided as evidence of quantity loaded in good conditions, i.e. clean. All documents

regarding shipment shall be airmailed immediately to avoid delay in the issue of the Inspection certificate of claiming payment for the suppliers.

7. 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 supplied cargo for same vessel, a factory analysis report shall be provided for each of the factories.

8. 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.

V. CHECK WEIGHTMENT AND QUALITY AT THE INDIAN PORT OF DISCHARGE:

(a) The Buyers 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. This would be decided by buyer and/or its receivers and communicated to seller before the arrival of the vessel.

(b) The port of discharge would be any one safe port nominated in West/East Coast of India. Buyers and/or its receivers shall also arrange Draft Survey at discharge port by reputed surveyor. The Seller may nominate their representative at their own expense to be present to associate themselves with the Draft Survey and drawl of samples at discharge port. Such representative surveyor nominated by sellers used by surveyor appointed by MMTC and or its buyer. The draft weight as reported in Joint Draft Survey Report at discharge port shall be treated as final.

(c) The quality and quantity as determined at (a) & (b) above at discharge Port will be treated as final and binding for both Buyers and Sellers.

(d) 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 on account of deviations in quality (nutrients, moisture and particle size) on the basis of discharge port analysis as per (a) above vis-a-vis specifications in the contract will be paid by the Seller within 30 days from the date of claim failing which MMTC shall have recourse to the PG Bond executed by the Sellers.

(e) The penalties for deviations in specification found at discharge port will be recovered on the basis of scales given in Annexure II. In case the cargo is rejected at the discharge port and / or declared unfit for direct application as fertiliser as evidenced by the quality report of the independent inspection agency nominated by the buyer and/or its receivers, seller shall refund the landed cost of the cargo found unfit as well as all the 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 17.26% per annum shall be payable upto the date of actual remittance by the seller.

VI. UMPIRE ANALYSIS:

1) The Buyer's and/or its receiver's representative and the supplier's representative be present at the time of sample collection at discharge port. The receivers will organise entry passes

for the representatives of suppliers and Faridabad Laboratory. A part of the discharge port sample will be kept by the buyer's and/or its receivers representative, for future reference in case of dispute.

2) In case of dispute about quality, the suppliers have right for umpire analysis. In such circumstances, reference samples will be sent to the umpire laboratory and the results of umpire laboratory will be binding on both supplier and buyer. For umpire analysis, reference sample will be the ones retained by the independent inspection agency/CFQC&TI, Faridabad nominated by the buyer and/or its receivers. Supplier will be ineligible for asking for umpire analysis, in case, he/his representative does not sign the sample slip/relevant documents at the time of collecting the representative sample drawn by representative of surveyor nominated by MMTC and/or its receivers. The cost of umpire analysis will be borne by the losing party. The Umpire analysis shall be done by a reputed international agency nominated by MMTC and/or its receivers. The umpire will be the one other than the loadport/discharge port inspecting agency.

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

4) In the event of disagreement in the discharge port draft survey results, an umpire surveyor shall be nominated from the panel drawn by the Department of Fertilizers whose decision shall be final and binding and the cost shall be equally borne by the parties.

VII. SHIPPING

(a) Immediately on sailing of vessel, the Sellers shall advise the Buyers by Fax the name of the vessel, date of sailing and quantity shipped and also despatch directly to the Buyers by DHL/UPS/FED EX/TNT courier, one negotiable set with one non-negotiable set each of following documents by first & second airmail to reach within 7 days from the date of sailing of vessel :

- (1) Clean Bill of Lading showing -----as the consignee; and MMTC Limited and ----- as the notified party
- (2) Signed commercial invoice issued by sellers for 100% of value (less agency commission, if any) and
- (3) Certificate of Origin
- (4) Certificate of analysis of cargo
- (5) Draft survey certificate issued at loadport.

(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.

- (i) Date of negotiation
- (ii) Amount negotiated
- (iii) Expected date of receipt of documents at opening bank's counter
- (iv) DHL/UPS/FED EX/TNT courier receipt no. and date.

VIII. PAYMENT

(a) Without prejudice to Buyer's right to damage under terms of the contract, payment less agency commission, if any, shall be made through an irrevocable commercial letter of credit. Reimbursement shall be made after five days of receipt of documents at the counters of the LC opening bank. The letter of credit shall be established for the full value of the shipment in favour of the Sellers on receipt of Performance Guarantee in acceptable form, signed contract and on nomination of vessel, payable for 100% of the invoice value based on loadport results and against presentation of the following documents:

- (i) One of the three original negotiable copies of the clean on board Bill of Lading in long form and three non-negotiable copies thereof, showing _____ as consignee and MMTc Ltd., Core No. 1, Scope Complex, 7, Institutional Area, Lodi Road, New Delhi-11003 (India) as notified party. Charter Party Bill of Lading acceptable provided it bears on endorsement that all terms and conditions of the relevant charter party are deemed to have been incorporated therein;
- (ii) One original and three copies of certified commercial invoice;
- (iii) Original certificate of origin duly signed by Chamber/Ministry of Commerce;
- (iv) Original certificate of Inspection showing analysis and weight furnished by Sellers and certified by the Buyers Inspection Agency with a separate certificate of Inspection issued by the Buyer's inspection agency showing analysis and weight and method of analysis adopted.
- (v) Certificate from the sellers that the material supplied under the contract are correct as to quantity, rate, total value and the payment is due in accordance with the terms of the contract at the time of presentation;
- (vi) Certificate to the effect that two negotiable sets of documents along with six non-negotiable sets have been despatched to the buyers at New Delhi address by DHL courier. Copy of DHL courier receipts shall form part of negotiable documents, in terms of clause VIII above;
- (vii) Copy of the fax from Sellers to Buyers giving details of shipment;
- (viii) Four copies each of stowage plan;
- (ix) Original loadport Draft Survey Report issued by the buyer's inspection agency;

The charges for establishing letter of credit and bank charges in the country of Buyers shall be to the buyer's account. All bank charges in the Sellers country shall be to the account of the Sellers. The letter of credit extension and amendment charges will be to the account of the party responsible for occasioning the extension/amendment. On the date of negotiation, sellers will inform the buyers 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- 11-24365808/24362072).

IX. INDIAN AGENTS

M/s. _____ will be acting as the local agent of the sellers and all correspondence, discussions etc., carried out by M/s. _____ would be binding on the sellers.

X. WHARFAGE/DEMMURAGE

If any wharfage or demurrage results at the port of discharge due to negligence of the Sellers or their nominee including negligence of sending correct document in time connected with the shipment of material under this contract and if in consequence thereof, clearance of the consignment by the Buyers or delivery of goods to it is delayed resulting in wharfage or demurrage such wharfage or demurrage shall be to the account of the Sellers. Similarly any wharfage or demurrage resulting from the negligence or default on the part of Buyers shall be to the Buyers account.

XI. ASSIGNMENT PROHIBITED

The sellers shall not assign or delegate any of their obligations under this contract to any party without prior written consent of the Buyers. The provisions of this paragraph shall apply to:

- a) Sub-contracting for the procurement of its commodity purchased hereunder; and
- b) A sale or encumbrance of substantially all of the Sellers shares or assets, a merger of Sellers' business or insolvency or receivership proceedings in respect of sellers business.

XII. TITLE AND RISK

Title to the goods and risk shall pass from sellers to the Buyers on material crossing the ships rail at loading port.

XIII. 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.

XIV. SHIPMENT TERMS

As per Annexures III for FOB & III A for C&F shipments.

XV. FREIGHT FORWARDERS

Buyers shall appoint their own freight forwarders after signing of this contract and shall intimate the same to the sellers in due course. As soon as the Sellers are in a position to load the vessel, they shall intimate the Freight Forwarders appointed by the Buyers about the same.

XVI. OTHER CONDITIONS

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

XVII. SETTLEMENT OF DESPATCH AND DEMURRAGE

The Sellers guarantee to prepare the laydays statement on the basis of the certified statement of facts and send it to the buyers within 15 days of the date of sailing of the vessel. After the laydays statement has been accepted by the Buyers, the monetary settlement of despatch/demurrage shall be effected by the respective parties within one month of the date of acceptance of the laydays statement. In case SOF is not given by the suppliers within 15 days from shipment date, buyers shall have the right to invoke PG and receive loadport demurrage/ disport despatch basing on buyer's calculations.

XVIII. FORCE MAJEURE

If at any time during the existence of this contract either party is unable to perform in whole or in part any obligations under this contract because of war, hostility, civil commotions, sabotage, quarantine restrictions, acts of God and acts of Government (including but not restricted to prohibition of exports or import), fires, floods, explosions, epidemics, strikes, embargoes, then the date of fulfillment of engagement shall be postponed during the time when such circumstances are operative.

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. 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.

The party which is unable to fulfill its engagements under the present contract must within 15 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 the performance of the contract. Certificate issued by a Chamber of Commerce in the country of Sellers or the Buyers shall be sufficient proof of the existence of the above circumstances and their duration. Non-availability of raw-material will not be an excuse to the Sellers for not performing their obligations under this contract.

XIX. ARBITRATION

(a) All disputes or differences whatsoever arising under or out of or relating to the construction, meaning and operation or effect of this contract or the breach thereof shall be settled by arbitration in accordance with the rules of arbitration of Indian Council of Arbitration and the award made in pursuance thereof shall be binding on the parties. The governing law shall be laws of India. The venue of arbitration shall be New Delhi, India. The language of arbitration shall be English.

(b) The party invoking the arbitration clause shall do so by serving the other party a notice by registered post specifying the disputes and qualifying its claims in categorical terms addressed to General Manager(Law), MMTC Limited, Core-1, SCOPE Complex, 7, Institutional Area, Lodi Road, New Delhi - 110003 if the claim is against MMTC and _____ of the suppliers, if the claim is against the other party, the other party shall have the right to submit its counter claims, if any.

XX. PERFORMANCE GUARANTEE BOND:

The Seller shall establish an unconditional, irrevocable PERFORMANCE GUARANTEE BOND (PGB) as per prescribed format enclosed with tender documents by any scheduled bank having its branch office in New Delhi (India) for _____% of the total contract value of the maximum guaranteed quantity to be shipped under the contract including plus tolerance as set forth by _____.

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.

Further, it is clearly understood that in the event of any default in the fulfilment of any of the obligation of the seller, the seller's liability will not be limited to the extent of the value of the PGB.

XXI. It is expressly understood and agreed by and between the Buyer and Seller that MMTC is entering into this agreement solely in 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 not liabilities, obligations or rights hereunder. It is expressly understood and agreed that MMTC 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 law. The Sellers expressly agrees, acknowledges and understands that MMTC is not an agent, representatives 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 of or other wrongs arising out of the contracts. Accordingly MMTC hereby expressly waives, releases and foregoes any and all actions or claims including cross-claims, impleader claims or counter claims against the Govt. of India arising out of this contract and covenants not to sue the Govt. of India as to any manners, claim, cause of action or things whatsoever arising out of or under this agreement.

XXII. SPECIAL CONDITION

It is expressly understood and agreed by and between the buyer/seller that MMTC is making the purchases on behalf of M/s. ._____. In case of any deductions are made from the bills of MMTC by M/s. _____ on account of deviations in the specifications or due to short-landing at discharge port vis-a-vis Bill of Lading Quantity or on any other account, the amount will be reimbursed by the seller. Despatch/demurrage in case of load port for FOB shipments and discharge port in case of C&FFO shipments as settled by the MMTC, NEW DELHI shall be binding on Sellers.

XXIII. PREVIOUS NEGOTIATIONS AND OBLIGATIONS :

All previous negotiations and correspondence, connected with this contract shall be considered as null and void. No modifications, waiver or discharge of this contract or any of its terms shall bind either party unless in writing and signed by both the parties.

SELLERS

FOR AND ON BEHALF OF THE
M/S.

BUYERS

FOR AND ON BEHALF OF
MMTC LIMITED, NEW DELHI

ANNEXURE-I

SPECIFICATIONS FOR PRILLED/GRANULAR UREA (BULK) FERTILIZER GRADE

DESCRIPTION: The material shall be in the form of white 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 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 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:-

Sl. No.	Characteristics	Requirements
1.	Moisture percent by weight maximum	0.50
2.	Total Nitrogen per cent by weight (on dry basis) minimum	46.00
3.	Biuret per cent by weight, maximum	1.50

METHODS OF ANALYSIS

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

PARTICLE SIZE (PRILLED/GRANULAR)

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 mm IS SIEVE.

NOTE: 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 prescribed will apply.

In case of Granular urea, IS sieve size to read as 4mm instead of 2.8 mm and 2mm instead of 1 mm

SCALES OF PENALTIES

NUTRIENT LOSSES

- I) Any deficiency upto a maximum of 1% beyond the tolerance limits prescribed under FCO. 5 times of the C&F value (established on the basis of transchart freight) of deficiency nutrient. In a non-standard Fertiliser, 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 DOF, Govt. of India.
- II). 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 Fertiliser equivalent to excess moisture content in entire shipment by weight.”
- III). The penalty on account of deviation in particle size which will be of two components:
- a) Penalty on account of deficiency in particle size.
 - b) Penalty on account of excess over-size particle

The net penalty on account of particle size deviation would be total of its two components (a+b) 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 material equivalent to “deficiency” in particle size (defined above) in entire shipment.

- ii) Percentage of over-size material = Percentage of material above 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 fertilizer determined as over-size in entire shipment”.

ANNEXURE-III

GENERAL SHIPMENT TERMS IN RESPECT OF FOBT CONTRACTS

1. Within 7 days of the conclusion of the contract, the Sellers will give to the Buyers and the Chief Controller of Chartering, Ministry of Shipping & Transport, New Delhi a firm schedule showing the quantities available and the dates from which they would be available in each month. Sellers shall make available a minimum of 15,000 tons of fertilizer 5% 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 ¾,000 Mts to enable them to Charter full loaders (subject to approval of MMTC).
2. The Chief Controller of Chartering, Ministry of Shipping and Transport will arrange and co-ordinate shipment of Fertilizer and will charter or arrange to charter a ship to move the fertilizers 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 the costs of demurrage of the vessel, and dead freight, if any, due to incomplete loading because of the unreadiness of either part or whole of the goods, when the vessel has been in port at due time, and the notice of readiness has been served will be for sellers/shippers account.
3. Sellers to give approximate 10 days advance notice prior to commencement of laydays in respect of each parcel to buyers/TRANSCHART, New Delhi for finalising/nominating suitable vessels to sellers in required laydays.
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 berth(s) 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 laytime. Cost and time of more than one shifting is to be on Sellers account.
7. If cargo has to be loaded into deep tanks or places not easily accessible for stability of the vessel, any extra costs for stowage shall be borne by the Sellers.
8. Vessels to be fully fitted with winches and derricks in good working order, capable of being worked simultaneously and to their full capacity. The vessel shall give free use of winches and steam or power for same if required, but not exceeding their ordinary capacity and all available power for loading and discharging, also light for night work, on board

winchmen from crew to be used if permitted, otherwise shores winchmen will be for seller's account.

9. The sellers will load, stow and trim the vessel at the port of loading at the rate of _____MT per weather working day of 24 consecutive hours, Thursday (Saturday for non Arab Gulf origin) afternoon, Friday (Sunday for non Arab Gulf origin) and holiday excepted, at their own cost. Time shall not count between noon Thursday (Saturday for non Arab Gulf origin) and 8 AM Saturday (Monday for non Arab Gulf origin). Nor between 5 PM (1200 hours on Thursday – to read as Saturday for non Arab Gulf origin) on the last working day preceding a legal holiday upto 8 AM on the first working day thereafter, unless used and if used actual time used to count unless the vessel is already on demurrage.
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.
11. Buyers to be responsible towards Sellers for despatch money on all working time saved at loading port.
12. First opening and last closing of hatches to be for owners expense and time 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 hrs, if notice of readiness to load is tendered during office hours before noon- and 8.00 AM 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, and holidays excluded unless used, in which case actual time used to count as laytime. If loading starts before commencement of time counting, only half of such time used to count.
15. Any lighterage required for loading 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's draft.
17. Owners to give Seller/Buyers 7 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 Representative. 5 running days definite notice of vessel 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 LOADPORT” MEANS
- a) Loaded, stowed and trimmed on board overseas vessels at named port of export free of expense of buyer:
 - 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 the 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.
 - iii) Render Buyers or his authorised Agents assistance in obtaining the required documents issued in the country of origin or shipment or of 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, 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 and shall be maximum US\$ 6000 PD/HDWTS for Handimax and maximum US\$ 12000 PD/HD WTS for Panamax vessel..
21. Sellers will be responsible for dead freight, if any and other related charges at load port, in case they fail or neglect to load the full cargo.
22. Seller/shipper to keep advised buyers/Transchart, New Delhi of berthing/loading prospects on arrival of vessel at loadport and also keep buyers/Transchart New Delhi regularly informed about loading progress/status.
23. Loading Rate
- | | | | |
|-----|---|---------|-------------------------|
| (a) | For Middle East ports | 6000 MT | PWWD FHEXUU |
| (b) | For Yuzny/Odessa/Novo | 8000 MT | PWWD SHEXUU (Panamax) |
| (c) | For Constanza/Varna | 3500 MT | PWWD SHEXUU |
| (d) | For all other ports
(incl. Yuzhny/Odessa/Novo) | 6000 MT | PWWD SHEXUU/PWWD FHEXUU |
- IUATUTC in all above cases.
24. Once the vessel is fixed during the laydays offered by seller, berthing/loading of vessel at loadport shall be seller’s responsibility.

ANNEXURE-III (a)

GENERAL SHIPMENT TERMS IN RESPECT OF C&F CONTRACTS

1. The Sellers will arrange for chartering suitable vessels to load the agreed quantity in full ship loads and the Sellers are responsible for fulfilling the conditions of the Charter Party at the loading port and the Buyers 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 utilised, 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: TRANSHART, 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 or two safe port/ berth/ anchorage on W.C.I. or ECI.
4. The Master to give 24 hours notice of ETA at each discharge port to the nominated regional office of MMTC and MMTC New Delhi (Fax No. 011-24365808 / 24364105).
5. A sailing telegram is to be sent by the Master to KRISHKHAD, NEW DELHI / MMTC, NEW DELHI (Fax No. 011-24365808/24364105) 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 KRISHKHAD, NEW DELHI / MMTC, NEW DELHI (Fax No. 24365808/24364105) and fifteen days after sailing from loading port, giving latest expected time of arrival at port of discharge.
6. Master to give expected dates of arrival to KRISHKHAD, NEW DELHI / MMTC NEW DELHI (Fax No. 24365808/ 24364105) 96 hours before vessel is due to arrive off Aden/Singapore and Master to again wireless to _____her latest expected date of arrival 72 hours after passing Aden / Singapore.
7. Cost of shifting to second berth (if used) including fuel, to be for Owners account and time used in shifting not to count as laytime.
8. Vessel to have Test Certificate covering vessel's gears in accordance with International Dock Safety Convention valid for the duration of the Charter.

9. The cargo shall be discharged at the average discharge rate fixed for various ports as per Annexure X for single decker vessel basis five or more available workable hatches 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, provided vessel can receive and deliver at these rates. Time shall not count between noon on Saturday and 8 AM on Monday, and not between 5 PM (noon if Saturdays) on the last working day preceding a legal holiday and 8AM 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 notice of readiness tendered and accepted during official working hours at each discharging port reported in free pratique whether in berth or not, but not between the hours of 5 PM (1200 hours on Saturdays) and 8AM on a week day or during any of the periods 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.
10. Surf days not to count as weather working day, unless used, and when used, actual time used to count for which Buyers shall prove to Sellers the relevant certificate issued duly signed by port authorities or any other competent authority.
11. Rigging gangs employed at discharging port to be on the Owners/owners account.
12. Vessel chartered should be suitable for grab discharge and no cargo is to be loaded in twin decks, deep-tanks, wings tanks or bunker spaces or other place 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 laytime.
13. Vessel to be left in sea-worthy trim to shift between port and berths to Master's satisfaction at Seller's expense.
14. Cost of first opening and last closing of hatches to be for Sellers' account, and time used not to count for all opening and closings.
15. Owners undertake that vessel's arrival draft at the first discharging port in India not to exceed 33 feet salt water. In case of any lightening over 33 feet draft arrival, same will be on Owner's/Seller account and time used not to count as laytime.
16. The Owners guarantee that the vessel is fitted with cargo gear, winches and derricks capable of handling lifts of not less than 5.0 tons of 2240 lbs. in Single Purchase or 2.5 tons of 2240 lbs. In Union Purchase Single Wires, all hatches working simultaneously with the necessary certification as provided under tackle regulations prevalent at the loading port(s) concerned.

17. Discharging port stated in Bills of Lading is not necessarily discharging port. Final discharging port is to be declared by 'KRISHKHAD NEW DELHI/MMTC NEW DELHI' latest on vessel passing Aden/Singapore in response to Master's telegram to Buyers giving 96/48 hours' notice of ETA/Singapore.
18. The vessel shall give free use of all available gear for discharging and also lights for night work as on board winchmen from crew to be used if permitted otherwise, shore winchmen to be for Buyers' account. Buyers' privilege discharging overside, Owners allowing free use of gear, winches and derricks.
19. Owners are to give name of agents at discharging port(s) to KRISHKHAD NEW DELHI/MMTC NEW DELHI (Fax No. 011-24365808/24364105), by telegram/telex within 48 hours of receipt of discharging port orders.
20. The Sellers shall pay to the Buyers or their nominee – MMTC, New Delhi at the rate as mentioned in the Charter Party per day and pro-rata for part of a day for all lay time saved at discharge port. Demurrage/Despatch rate shall not exceed equivalent to US\$ 6000/3000 per day. In case such rates are higher than US\$ 6000/3000 per day, prior approval of the buyers should be obtained.
21. Lighterage, if any, at the discharging port(s) to be at Receivers' risk and expense subject to Clause 15.
22. It is agreed that Receivers shall have to sign the statements of facts and other customary documents together with the Master of the Vessel and ships agents.
23. The Sellers undertake, to advise the Buyers and KRISHKHAD/ Buyers by 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 of the owners of the vessel and name and postal address of their agents in India within 48 hours of the sailing of the vessel.
24. 12 copies of the Charter Party to cover each shipment should be air-mailed to the Buyers by Sellers within seven days of the sailing of the vessel.
25. Overtime for the account of the party ordering it. Officers' and Crews' overtime to be always on Owners' account. Overtime if ordered by disport authorities to be shared equally between shipowner or sellers and Receivers.
26. 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 Sellers shall take the prior approval of the Buyers and overage insurance premium would be on Seller's account.

27. Vessels which are to be chartered by suppliers should not ordinarily exceed 525 feet LOA and 85 feet in beam length. Vessel should be single decker and should have Macgrover type steel hatch cover. Vessel should be suitable for grab discharge. For any relaxation of the above conditions, prior approval of buyers should be obtained.
28. Before, finally confirming the vessel, approval from MMTC will be obtained giving full details of the vessel and other relevant details as per GIC proforma for obtaining GIC approval and others like despatch/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 names 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.
29. Overage insurance premium if any, due to vessel's age, class and flag shall be to suppliers account.
30. 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.
31. Vessel to consigned to receivers agents at disport for entry with port and customs. Owner paying customary agency fee.
32. All vessel related charges including composite berth hire charges to be on owners account.
33. The terms as per contract would override terms of individual charter party unless deviations are specifically accepted.

ANNEXURE-IV

BID BOND PROFORMA

(On a Stamp Paper of Rs. 100/- to be executed by a Delhi/New Delhi Branch of an Indian Nationalised Bank)

M/s. MMTC Ltd.,
PO Box 7051, Core No.1
“SCOPE COMPLEX”
7- Institutional Area, Lodi Road,
NEW DELHI-110 003. INDIA.

Dear Sirs,

WHEREAS M/s. _____ (offeror) has offered to supply a quantity of _____ MTs of UREA to MMTC and the offeror is required to submit a Bid Bond in US Dollars at the rate of USD PMT for the quantity offered alongwith the offer as a guarantee for fulfillment of all the terms and conditions of subsequent sale, we (Bank with full address) hereby guarantee and undertake to pay immediately on first demand by MMTC Ltd., New Delhi the amount of US\$ _____ in case the offeror fails to perform any or all the obligations, undertaken by him as per MMTC's acceptance without any reservation, protest, demur and recourse to said offeror. Any such demand in writing made by MMTC shall be conclusive and binding on us irrespective of any dispute or difference raised by the offeror. This Guarantee shall be irrevocable and shall remain valid till _____ in New Delhi.

4. Notwithstanding anything mentioned herein before, our liability under the Guarantee is restricted to US\$ _____ (US Dollars _____ only) and it will remain in full force upto _____ 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 thereunder. We, _____ Bank further agree that the Guarantee hereunder contain shall not be affected by change in the terms of purchase originally offered by the offeror. This bond shall be governed by Indian Laws and will be subject to the jurisdiction of courts at New Delhi in India alone.

Dated: _____ For _____

Place: _____ Bank _____

ANNEXURE V

PERFORMANCE GUARANTEE BOND PROFORMA

(To be issued by an Indian Scheduled bank on stamp paper of appropriate value)

M/s. MMTC Ltd.,
Core No.1,
SCOPE COMPLEX,
7, Institutional Area,
Lodi Road,
NEW DELHI-110 003 (INDIA)

1. Against Contract No. _____ dated _____ (hereinafter called the said "Contract") entered into between the MMTC Ltd., (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 the Buyers, the amount of US\$ _____ payable to the Buyers on demand immediately 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 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 and despatch/demurrage not settled. The decision of the Buyers duly communicated in writing to the Bank that the Seller have failed to perform all or any of the obligations under the contract or have delivered short quantity at the discharge port as per 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 one year from the date of this guarantee and that we _____ Bank undertake not to revoke this Guarantee during its currency without the consent in writing of the Buyers.

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 released from our liabilities under this Guarantee by reason of any such variations or extension being granted to the said Sellers or for any forbearance and/or omission 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, but for this provision have the effect of so releasing us from our liability under this Performance Guarantee.

4. We, _____ Bank, further agree that the Guarantee herein contained shall not be affected by change in the constitution of the said supplier/ importer/consignee.

FOR _____ BANK

ACCEPTED

.....

APPROVED LIST OF ACCREDITED SUPPLIERS

<u>S.NO.</u>	<u>NAME OF SUPPLIER</u>
1.	M/S HELM DUENGEMITTEL GMBH, GERMANY
2.	M/S TRANSAMMONIA AG, SWITZERLAND
3.	M/S KEYTRADE AG, SWITZERLAND
4.	M/S AMEROPA AG, SWITZERLAND
5.	M/S TOEPFER INTERNATIONAL-ASIA PTE LTD., SINGAPORE
6.	M/S GAVILON FERTILIZER, LLC, USA
7.	M/S SWISS SINGAPORE OVERSEAS ENTERPRISES PTE LTD., DUBAI
8.	M/S DREYMOOR FERTILIZERS OVERSEAS PTE LTD., SINGAPORE
9.	M/S RARE EARTH COMMODITIES DMCC, DUBAI
10.	M/S AMBER FERTILIZERS LIMITED, HONGKONG
11.	M/S BARY CHEMICALS PTE LTD., SINGAPORE
12.	M/S TRANSGLOBE DMCC, DUBAI
13.	M/S QUANTUM FERTILIZERS LTD., HONGKONG
14.	M/S KISAN INTERNATIONAL TRADING FZE, DUBAI
15.	M/S CONTINENTAL TRADERS PTE LTD, SINGAPORE
16.	M/S MMTC TRANSNATIONAL PTE LTD, SINGAPORE
17.	M/S AGORA INTERNATIONAL TRADING PTE LTD, SINGAPORE
18.	M/S FERTISUL INTERNATIONAL LTD, HONG KONG
19.	M/S EMMSONS GULF DMCC, DUBAI
20.	M/S LIVEN AGRICHEM PTE. LTD., SINGAPORE

ANNEXURE-VII
(ON THE LETTERHEAD OF THE MANUFACTURER / PRINCIPALS)

M/s. MMTC Limited,
Core-1, SCOPE Complex,
7, Institutional Area,
Lodi Road,
NEW DELHI -11003 (INDIA)

RE: LETTER OF AUTHORITY

TENDER NO. DT.

Dear Sir,

We _____ (Name of the Tenderer) organised 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 hereinunder concerning the above noted tender for supply of urea to MMTC Limited:

1. To sign and submit bid on our behalf and participate in the above noted tender.
2. To receive letter of intent/order from MMTC on our behalf and to sign relevant documents in connection therewith.
3. 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 MMTC .

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)

ANNEXURE- VIII

PRICE BID

(To be completed by foreign suppliers or their authorised local agents)
(Letter of Authority in favour of Agents to be enclosed strictly as per Annexure-VII including attestation of Indian agent's signatures by the Principals)

Name of Bidder : _____

Address of Bidder : _____
with Tel./Fax No. _____

Name of authorised : _____
Local Agent, with _____
Address, Tel./Fax No. _____

Item	Country of Origin	Quantity (MT)	Port of loading	Price in US\$ PMT (inclusive of Col.7)	Price in US\$ FOBT PMT C&F (ECI/WCI) (inclusive of Col.7)	Agency Commission payable to Indian Agents	Firm Freight PMT (US\$) (ECI/WCI)
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1 2 3 4 5 6 7 8

PRILLED/GRANULAR
UREA BULK
FERTILIZER
GRADE
46%N _____

SHIPMENT PERIOD :

1. We have carefully gone through the terms & conditions of the Tender and hereby agree to abide by the same.
2. Bid Bond for US \$ _____ is enclosed. The same is valid till _____
or
- 2(a). This is to certify that we are Producers and hence no bid bond is given.
3. The agency commission indicated above is inclusive in the Price.
4. Quantity rebate, if any

Name & Signature of the Bidder : _____

Place _____ Date _____

NOTE: Furnish the following:
Facilities at port of loading viz., Permissible Draft, LOA, Beam, Loading rate, Restrictions, if any.

ANNEXURE IX

L/C PROFORMA

FROM: CANARA BANK/INDIAN BANK/IOB/SBI,
(ANY BANK) OVERSEAS BRANCH, NEW DELHI, INDIA

TO _____

TEST DATED FOR USD

We hereby establish our irrevocable letter of credit
number _____/MMTC/_____/ dated _____

IN FAVOUR OF
M/s _____

BY ORDER OF M/S MMTC LIMITED, CORE NO. 1, SCOPE COMPLEX, LODHI ROAD,
NEW DELHI - 110 003, INDIA
FAX NO. 91 – 11-24365808/24364105

VALUE: USD _____
(Say USD _____ only)

EXPIRY: LC EXPIRES IN _____ (COUNTRY) ON
_____(DATE).

PRICE: USD _____PMT, FOBT LESS AGENCY COMMISSION @ _____PMT (IF
APPLICABLE).

COMMODITY: PRILLE UREA (BULK) FERTILIZER GRADE

PART SHIPMENT ALLOWED

TRANSHIPMENT NOT ALLOWED

PORT OF LOADING _____

LATEST DATE FOR SHIPMENT _____

Beneficiaries are permitted to ship _____MTs
plus/minus _____PCT of quantity of merchandise.

Available by drafts at sight drawn on applicants for hundred percent of invoice value duly marked with our LC no. and date and accompanied by the following documents:

Documents Required

1. One of three original negotiable copies of the clean on board B/L and three non negotiable copies thereof showing _____ as consignee and notifying party as M/s MMTC Limited, Scope Complex, 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. B/L to indicate the beneficiaries as shippers.

2. One original and three beneficiary's signed copies of commercial invoice in the name of MMTC Limited, New Delhi certifying that the goods shipped are as per contract no. MMTC/ /FZ(U)/_____ dated _____.

Invoices are to be drawn for net value after deducting Indian agent's commission at the rate of _____PMT which is payable to Indian agent i.e. M/s _____(NAME & ADDRESS) IN INDIAN RUPEES.

3. ONE ORIGINAL AND ONE COPY OF CERTIFICATE OF ORIGIN ISSUED/CERTIFIED BY A CHAMBER OF COMMERCE.

4. (a) Beneficiary/Sellers original certificate of inspection alongwith two copies showing analysis and weight and methods of analysis adopted and the same is counter signed by the openers _____ inspecting _____ agency i.e _____ M/s

(b) Inspection certificate issued by the opener's inspecting agency M/s. _____ certifying the following.

i) Method of analysis adopted.

ii) The specification of material shipped vis-a-vis contract specification in the following format.

Sl. No.	Characteristics	Required Specification As per Contract	Actual results as per Analysis
1.	Moisture percent by weight maximum	0.50	
2.	Total Nitrogen per cent by weight (on dry basis) minimum	46.00	
3.	Biuret per cent by weight, maximum	1.50	

iii) Particle Size distribution as per limits below:

2.8 MM to 1 MM Min. 90% by Weight
Less than 1 MM Max. 5% by weight

iv) Shipment is in bulk

METHODS OF ANALYSIS

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

PARTICLE SIZE

Distribution	IV A, TFI (1982)
Sampling	2.1.01. AOAC (1995) or IC 1, IC 2, (TFI-1 or Schedule II A of FCO,1985

5. Beneficiary's certificate to the effect that the following documents have been despatched to the openers at New Delhi by first air mail/courier.
 1. 2/3 Original Bills of Lading
 2. 2 Original Invoices
 3. 2 Copies of original Certificate of Origin
 4. 2 Photocopy each of documents no. 4,5,7,8 and 9 of LC
6. Beneficiary's certificate to the effect that the following documents have been despatched to the openers at New Delhi by second airmail/courier.
6 sets of non-negotiable documents listed at 5 above.
7. Certified copy of cable and / or telex issued by beneficiaries/sellers to the openers (Telegraphic address: EMTICIFERT NEW DELHI) sent within 2 working days after the departure of the vessel, stating name of vessel, date of sailing, quantity shipped and invoice value.
8. Four copies each of stowage plan.
9. Original and a copy of load port draft survey report duly signed by openers inspection agency M/s. _____

ADDITIONAL CONDITIONS

- A) 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 which is responsible for occasioning the extensions amendment and the decision of buyers in this regard will be final.
- B) Invoices and all other shipping documents including B/L to quote import licence No. Part III Para 157 canalised item Sl.No. 2 of the ITC 1997-2002 dated as amended from time to time, Contract No. MMTC/____/ FZ(U)/____ dated _____ and irrevocable letter of credit no. and date.
- C) Third party documents are not acceptable.
- D) Documents are to be negotiated within twenty days from the date of Bill of Lading.

INSTRUCTIONS TO NEGOTIATING BANK

- A) Negotiating bankers are required to telex/inform the following details to us on our direct telex nos. _____ by a tested telex, on the date of negotiations.
 - . amount negotiated
 - . date of receipt of credit confirming documents at negotiating bank counters.
 - . negotiating bank certificate that documents strictly comply all terms and conditions of the credit.
 - . negotiating bank intimation of DHL courier receipt number and date evidencing despatch of negotiating documents to opening bank
- B) Provided that all the terms and conditions of the credit are strictly complied with and swift message as per (A) above is sent to us, negotiating bankers are authorized to negotiate the drafts. We shall remit the proceeds to the negotiating bank after five days after receipt of L/C complying documents at our counters. Documents are to be despatched to us in two sets first set by the couriers and second set by consecutive registered air mail. Second set should consist of one copy each of all documents.
- C) This credit is subject to uniform customs and practice for documentary credits (1993 revision) ICC Publication number 500.
- D) Advising bank to deliver the L/C immediately to the beneficiary.

NOTE : THE ABOVE L/C PROFORMA IS APPLICABLE ONLY FOR FOBT SHIPMENT. FOR C&F SHIPMENTS, THE L/C WILL BE OPENED BY MMTC AFTER MAKING NECESSARY CHANGES TO SUIT C&F REQUIREMENTS.

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.

