(A Government of India Undertaking) [CINL74899DL1974GOI007417]
NATIONAL FERTILIZERS LIMITED
Corporate Office : A-11, Sector-24, Noida-201 301
Dist. Gautambudh Nagar (UP) (India)
Phone: 00-91-120-2412294, 2412445, 3292201to 08
Fax: 00-91-120-2412397,2411057 e-mail: imports@nfl.co.in

TERMS OF REFERENCE (ToR)

FOR

ENTERING INTO LONG TERM PURCHASE CONTRACT WITH MANUFACTURERS OF

MOP(0:0:60)

(Document for inviting Request for Proposal (RFP))

DILEEP KUMAR

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Date: 2021.08.06 15:28:03 +05'30'

Closing Date
27th August 2021 - 1730 Hrs. IST

Executive Director (Marketing)
Central Marketing Office
National Fertilizers Limited, A-11, Sector-24, Noida-201301
District : Gautam Budh Nagar, Uttar Pradesh, INDIA

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TERMS OF REFERENCE (ToR) FOR ENTERING INTO PURCHASE CONTRACT WITH PROSPECTIVE MANUFACTURERS OF MOP

Introduction:-

A. About National Fertilizers Limited (NFL)

National Fertilizers Limited (NFL) is a Public Sector Undertaking under administrative control of Ministry of Chemicals and Fertilizers, Government of India and has its Registered Office at SCOPE Complex, Core III , 7 Institutional Area, Lodhi Road, New Delhi-110003 and Corporate Office/ Central Marketing Office located at A-11, Sector -24, Noida 201301.(UP).

NFL is the 2nd biggest manufacturer of Urea in India. The company has five gas based Urea plants at Nangal & Bathinda in Punjab, Panipat in Haryana and two at Vijaipur in Madhya Pradesh. Company produces and sells around 3.8 Million MT of Neem Coated Urea.

NFL's Marketing Network comprises of a Central Marketing Office at Noida, four Zonal Offices at Bhopal, Lucknow, Chandigarh & Hyderabad, 19 State Offices and 34 Area Offices spread across the country. The company has a strong dealership network and all the fertilizers are marketed through dealers appointed from both the government and private sector.

NFL is engaged in marketing its Neem Coated Urea, Bio-Fertilizers (solid & liquid), DAP, MOP, Seeds, Compost, Bentonite Sulphur and other Agro-Chemicals under its brand "Kisan". NFL also manufactures and sells other allied Industrial products like Ammonia, Nitric Acid, Ammonium Nitrate, Sodium Nitrite, Sodium Nitrate etc.

NFL earned a sale revenue of Rs.12781 Crores (approx. USD 1727 Million) in 2019-20. With respect to MOP imports, NFL, in the year 2020-21 has issued LOI for 128000 MT MOP and imported 115082 MT MOP .

In order to increase its revenue as well as to strengthen its product line, NFL is using its marketing network optimally through Import & sale of DAP, MOP, NPKs, WSF, etc. To ensure assured receipt of a quality product at the right time and at a transparently arrived competitive price, NFL desires to tie-up its and other Central Public Sector Undertakings yearly import requirement of MOP with one or more reputed manufacturer(s) through Long Term Purchase Contract commencing from date of signing of agreement.

B. TERM OF REFERENCE

Through these Terms of Reference (ToR), NFL is inviting MOP manufacturers to enter into purchase contract for supply of MOP. The eligibility criteria for participation in Request for Proposal (RFP) in the matter are that :

1. Only Manufacturer or their 100% marketing arm or their 100% subsidiary can apply (Refer clause 13-b of TOR).
2. They must have supplied minimum 200,000 MT of MOP in Indian market during any of the last 3 years from date of publication of this RFP.

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3. That Manufacturer's product MOP has not been declared non-standard by Central Fertilizer Quality Control & Training Institute (CFQC&TI), Faridabad (India) or any of its regional labs at discharge port, for deficiency in nutrients, moisture or particle size beyond the limit specified in Fertilizers (Control) Order 1985, of India (FCO), in last 5 years from date of publication of this RFP.

Request for proposal (RFP): The Request for Proposal (RFP) shall be submitted in two parts

Part-1

i) Manufacturers to submit their detailed proposal covering all the clauses of ToR. Manufacturer must clearly mention the clauses of ToR which they propose differently. Alternatively manufacturer should submit signed and stamped copies of ToR and GTC along with annexures thereto as a token of acceptance of all terms of ToR and GTC.

ii) Manufacturers to submit a self-certification by CEO or Director or Marketing head that MOP supplied by them in India, has not been declared non-standard by Central Fertilizer Quality Control & Training Institute (CFQC&TI), Faridabad (India) or any of its regional labs at discharge port, for deficiency in nutrients, moisture or particle size beyond the limit specified in Fertilizers (Control) Order 1985, of India (FCO), in last 5 years from date of publication of this RFP Documents required under clause 13.0

Part-2

i) Bidders shall be required to **submit Bids in Annexure-IV in a separate sealed cover** put in a bigger sealed cover containing their proposal along with other requisite documents as required in ToR/ GTC and annexures etc. Annexure-IV, to be opened only for those who have submitted the requisite documents for meeting eligibility criteria and their proposal is accepted by NFL. Evaluation of bids shall be made as per annexure IV.

ii) NFL reserves the right for entering into MoU/ Purchase Agreement for MOP import with one or more manufacturers.

Part-3

The terms and conditions for entering into long term contract for purchase of MOP are as detailed below

1. **PRODUCT AND PACKING** : Muriate of Potash (MOP) - in loose bulk.
2. **SPECIFICATIONS**:

a. Muriate of Potash (MOP): **As per Indian FCO with latest amendments**

1	Moisture per cent by weight, maximum	00.50%
2	Water soluble potassium content (as K_2O) per cent by weight, minimum	60.00%
3	Sodium as NaCl per cent by weight, (on dry basis), maximum	03.50%
4	Particle Size - Minimum 65 per cent of the material shall be retained between 0.25mm and 1.7mm IS sieve	

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MOP should be, free flowing, **pink/ red in colour** and free from visible contamination/ clay/ grit. The product ***loaded in each vessel*** must be supplied from a single source/ mine. The colour & particle size of the product should be uniform and free flowing. A certificate in this regard from independent inspecting agency, confirming the same, must be sent to NFL.

In case the cargo is declared as non-standard by Central Fertilizer Quality Control & Training Institute (CFQC&TI), Faridabad (India) or any of its regional labs at discharge port, for deficiency in nutrients, moisture or particle size beyond the limit specified in Fertilizers (Control) Order 1985, of India (FCO) with latest amendments or the cargo colour is not as per the colour specified above, the cargo will be rejected. The supplier shall refund the landed cost of cargo found sub-standard (including colour) as well as all the consequential handling and the distribution cost or any loss thereof, immediately on NFL's first demand, with value date being the date of initial payment to the supplier, failing which penalty @ 18% p.a. shall be payable up to the date of actual remittance by the supplier.

3. CONTRACT PERIOD:

This contract shall continue in effect for twelve (12) months from date of signing of contract or period as mutually agreed among NFL and Supplier (In case agreement period is lesser than 1 year)

a. **EXTENSION OF TERM:** Either party may, by written notice given not later than 3 (three) months prior to expiry of term, notify the other party that it wishes to extend the term of this purchase contract. Should the parties mutually agree, the purchase contract shall be extended for another one year ***on the same terms and conditions***.

4. CONTRACT QUANTITY:

a. **Firm:** 100,000 MT (One Hundred Thousand Metric Ton).Quantity tolerance of ± 10% for the full quantity and for each shipment to be at Seller's option

b. SELLER shall deliver the above contract quantity in bulk to be scheduled and shipped during the contract period as per the tentative requirement detailed below:
Shipment schedule shall be mutually agreed upon at the time of signing of MOU/Agreement.

Sr	Product	Colour	Quantity (MT)	Coast	Tentative shipment from loadport
1	MOP (Standard)	Pink/Red	1,00,000	50,000 MT West 50,000 MT East	Latest by 30.11.2021
		Total	100,000		

c. Purchase Order (PO): NFL shall issue a purchase order (PO) 25 days prior to each shipment, once price and terms are finalized after negotiation, as per clause 7 of ToR with the supplier.

d. The tentative quantity mentioned above is subject to settlement of shipment terms, for each vessel/ shipment. In case, either of the party, does not reach for settlement of shipment terms (as per clause 7 of ToR), none of the party can claim any compensation/ damages on account of non-fulfillment of contract quantity. Non-settlement of shipment terms shall not affect the quantity discount payable on annual basis. In that case, agreed quantity rebate shall be applicable on the quantity actually supplied and the same shall be paid upon conclusion of contract.

5. QUALITY DETERMINATION (ANALYSIS & SAMPLING):

Samples for determining the quality of cargo shall be drawn at the port of discharge through Central Fertilizer Quality Control & Training Institute (CFQC&TI), Faridabad (India) or any of its regional labs in India. The quality so determined at discharge port shall be final and binding on both the parties.

6. QUANTITY (WEIGHMENT):

NFL shall prefer to have quantity determination as per discharge port draft survey. The weighment shall be determined by draft survey conducted through an independent surveyor/ inspection agency appointed by NFL at the port of discharge. The material cost shall be based on B/L quantity or draft survey, whichever is less. Quantity declared as damaged cargo shall also be treated as quantity delivered short and shall be treated accordingly. The payment for shortage in quantity including damaged cargo , as revealed by the draft survey at discharge port vis-à-vis the bill of landing quantity would be recovered including the custom duty and other duties paid on such quantity. The claim, if any, on the basis of findings at discharge port will be lodged on seller within 120 days from date of competition of discharge of the cargo. Incase seller fails to remit the claim amount promptly on buyer's first demand, the seller shall make good such recoveries claimed by buyer directly within 15 days of notification given by buyer, including encashment of equivalent amount of Performance Bank Guarantee.

7. PURCHASE PRICE:

a) **Price Basis**: CFR India, to any of the mentioned Indian ports, coast wise, as per clause 8.

b) **UNIT Price**: The unit price in US Dollar per Metric Tonne shall be based on the minimum of the contract prices of MOP with 180 days credit period for India, as published on the date of Purchase Order, in any of international journals like Fertecon/IHS Markit (India CFR contract, including 180 days' credit), FMB/Argus (CFR Standard Bulk India 180 days) and Fertilizer Week/CRU (Standard Bulk CFR India 180 days Contract). For invoicing purposes, the price so derived from above international journals shall be reduced by shrinkage and sight LC discount (if availed). All other discounts shall be payable subsequent to discharge of every vessel.

c) **Other Discounts**: The discounts shall be offered in annexure-IV.

d) SELLER shall bear all Seller's costs and expenses in accordance with Incoterms 2020 for CFR.
e) Buyer shall bear all Buyer's costs and expenses in accordance with Incoterms 2020 for CFR.

8. DESTINATION PORTS:

Product against each vessel to be discharged at both the coast in India with Discharge rate 10,000 PWWD SHEX EIU or more.

a. **West Coast India**: Kandla, Mundra, Tuna, Pipavav ports, or any other Port in West Coast
b. **East Coast India**: Vizag, Kakinada, Gangavaram, Krishnapatnam, Paradip, or any other Port in East Coast

or at any other safe port as agreed to by the parties. Beam/LOA/Draft restrictions shall be as applicable at respective discharge ports.

9. SIGNING OF INTEGRITY PACT:

Seller will sign the Integrity Pact as per enclosed annexure-III which is an integral part of the ToR document. Details regarding Integrity Pact can be viewed on NFL's website viz. www.nationalfertlizers.com.

The Independent External Monitors (IEMs) for this MoU/ tender shall be Shri Ramchander Bagdalkar e-mail- rnbagdalkar@gmail.com and Cmde Rakesh Anand IN (Retd.) e-mail- ansem_2000@yahoo.com.. Any RFP/ ToR related complaint, for MoUs/ tenders covered under Integrity Pact having value of Rs One (1) crore and above, may be addressed to these Independent External Monitors (IEMs).

10. DISPUTES / ARBITRATION:

"Any dispute arising out of or in connection with this contract, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration administered by the Singapore International Arbitration Centre ("SIAC") in accordance with the Arbitration Rules of the Singapore International Arbitration Centre ("SIAC Rules") for the time being in force, which rules are deemed to be incorporated by reference in this clause.
The seat and venue of the arbitration shall be at New Delhi, India.
The language of the arbitration shall be English.
This Contract/LOI/NIT shall be governed by and construed in accordance with the Laws of India."

11. JURISDICTION:

The CONTRACT shall be deemed to have been entered into at New Delhi and all causes of action in relation to the CONTRACT will thus be deemed to have arisen only within the jurisdiction of the Delhi Courts to the exclusion of all other courts.

12. OTHER TERMS AND CONDITIONS OF SALE:

Unless otherwise expressly agreed in writing, all other terms and conditions will fully be incorporated in and be exclusively governed by General Terms and Conditions (GTC) of Purchase Contract.
The above terms and conditions and the GTC will constitute the entire agreement of sale between the parties and shall collectively be referred to as the "Purchase Contract".

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13. <u>DOCUMENTATION TO BE SUBMITTED:</u>

a. Duly self-certified (by authorized representative not less than head of marketing) certificate, certifying that supplier/ manufacturer has supplied 200,000 MT and/ or more of MOP to Indian market during any of the last three years.

b. In case Producer Company nominates its 100% subsidiary company/ sole marketing arm for MoU process participation then the producer should submit all the relevant documents at the time of submission of ToR and GTC to NFL establishing relation to prove that nominated company is its 100% subsidiary or sole marketing company.

c. Submission of acceptance of Quality and Quantity as per clause 5 & 6 of ToR.

d. Details of Indian Agent, if any, as per clause C-10.00 of GTC.

e. Submission of signed and stamped copy of Integrity Pact as per annexure - III.

f. **Following Certificate shall be submitted by tenderers:**

(i) "I have read the clause regarding restrictions on procurement from a bidder of a country which shares a land border with India; I certify that this bidder is not from such a country or, if from such a country, has been registered with the Competent Authority. I hereby certify that this bidder fulfils all requirements in this regard and is eligible to be considered. [Where applicable, evidence of valid registration by the Competent Authority shall be attached".

(ii) The bidders shall submit a certificate, along with their bid, to the effect that they fully comply with the Order F.No. 6/18/2019-PPD dated 23.07.2020 and subsequent amendment, if any, issued by Ministry of Finance, Department of Expenditure, Public Procurement Division, Government of India. If such a certificate given by a bidder, whose bid is accepted, is found to be false, then this would be a ground for immediate termination and further legal action in accordance with law.

14. Restrictions on procurement from a bidder from a country or countries which shares a land border with India:

I. Any bidder from a country which shares a land border with India will be eligible to bid in this tender only if the bidder is registered with the Competent Authority as specified in Annexure-I of Order No. 6/18/2019-PPD dated 23.07.2020 of Ministry of Finance, Department of Expenditure, Public Procurement Division, Govt. of India.
If registered with Competent Authority as above a copy of registration certificate shall be furnished along with the bid failing which the bid shall be rejected.

II. "Bidder" (including the term 'tenderer', 'consultant' or 'service provider' in certain contexts) means any person or firm or company, including any member of a consortium or joint venture (that is an association of several persons, or firms or companies), every artificial juridical person not falling in any of the descriptions of bidders stated hereinbefore, including any agency branch or office controlled by such person, participating in a procurement process.

III. "Bidder from a country which shares a land border with India" for the purpose of this Order means:-

a. An entity incorporated, established or registered in such a country; or
b. A subsidiary of an entity incorporated, established or registered in such a country; or
c. An entity substantially controlled through entities incorporated, established or registered in such a country; or
d. An entity whose beneficial owner is situated in such a country; or
e. An Indian (or other) agent of such an entity or
f. A natural person who is a citizen of such a country; or
g. A Consortium or joint venture where any member of the consortium or joint venture falls under any of the above

IV. The beneficial owner for the purpose of (iii) above will be as under:

1. In case of a company or Limited Liability Partnership the beneficial owner is the natural person(s), who, whether acting alone or together, or through one or more juridical person, has a controlling ownership interest or who exercises control through other means.
   Explanation---
   a. "Controlling ownership interest" means ownership of or entitlement to more than twenty-five per cent of shares or capital or profits of the company;
   b. "Control" shall include the right to appoint majority of the directors or to control the management or policy decisions including by virtue of their shareholding or management rights or shareholders agreements or voting agreements;
2. In case of a partnership firm, the beneficial owner is the natural person(s) who, whether acting alone or together, or through one or more juridical person, has ownership of entitlement to more than fifteen percent of capital or profits of the partnership;
3. In case of an unincorporated association or body of individuals, the beneficial owner is the natural person(s), who, whether acting alone or together, or through one or more juridical person, has ownership of or entitlement to more than fifteen percent of the property or capital or profits of such association or body of individuals;
4. Where no natural person is identified under (1) or (2) or (3) above, the beneficial owner is the relevant natural person who holds the position of senior managing official;
5. In case of a trust, the identification of beneficial owners(s) shall include identification of the author of the trust, the trustee, the beneficiaries with fifteen percent or more interest in the trust and any other natural person exercising ultimate effective control over the trust through a chain of control of ownership.

V. An Agent is a person employed to do any act for another, or to represent another in dealings with third person.

VI. Notwithstanding anything contained herein above, these provisions shall not apply to bidders from those countries (even if sharing a land border with India) to which the Government of India has extended lines of credit or in which the Government of India is engaged in development projects.

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C. GENERAL TERMS & CONDITIONS (GTC) FOR CFR CONTRACTS:

1.00 DEFINITIONS: The terms used in the contract shall have the following meanings:

1.01 The term **"CONTRACT"** shall mean and include the Terms of reference (ToR), Letter of Intent/ Memorandum of Understanding (MoU) in part or full, Special & General Terms & Conditions, directions and comments conveyed in writing, the Purchase Order, and its subsequent variations, if any, or any other authorized contract documents and those general and special conditions that may be added subsequently.

1.02 The term **"SUPPLIER**" shall mean the person(s) firm, or company with whom a CONTRACT/ MoU has been entered into and shall be deemed to include their representatives, heirs, executors and administrators, successors and permitted assignees of such person(s), firm or company.

1.03 The term **"NFL"** shall mean National Fertilizers Limited (CINL74899DL1974GOI007417) having its Registered Office at Scope Complex, Core-III, 7 Institutional Area, Lodhi Road, New Delhi-110003, and its corporate office at A-11, Sector-24, Noida-201301, Uttar Pradesh, India and shall be deemed to include their successors and / or assignees, and shall include the Administrative and Executive Officers authorized to deal with matters relating to the contract.

1.04 The term **"PRODUCT**" shall mean the product specified in Clause 1.00 of ToR.

1.05 The term **"SPECIFICATION**" shall mean the quality of the product as specified in Clause 2.00 of ToR.

1.06 The term **"QUANTITY"** and contract period shall be as specified in **Clause 4.00** of ToR subject to:

a) The quantity mentioned at Clause 4.00 of ToR is indicative and actual shipping schedule will be mutually agreed to by NFL and Supplier. However, NFL reserves the right to order part quantity at its sole discretion.

b) The shipping schedule and the quantity specified therein are tentative and actual shipping details shall be specified at the time of placement of Purchase Order. The product will be shipped to designated discharge port at NFL's option. However, NFL reserves the right to change the discharge port prior to shipment.

c) The quantity indicated above is dependent on normal crop season and circumstances. However, in case of any adverse climatic conditions, adverse market condition, economic non-viability, the quantity may be reduced, which will be intimated separately.

d) Delivery of the product shall be effected within a period as mentioned in Clause 3.00 and 4.00 e of ToR. Detailed delivery schedule / delivery order will however be given subsequently.

e) Should NFL relinquish ownership of the business, whether by sale, cessation, fusion or any other cause, outstanding quantities remaining to be delivered under this contract, shall ipso facto be taken by or transferred to new Owners or successors. Nevertheless, NFL reserves the right in this event to cancel such quantities: the cancellation not giving rise to any right to indemnify.

1.07 Date of Shipment: The date of shipment shall be the date of Bill of Lading. In case multiple Bills of Lading are issued for the vessel, the Bill of Lading date, which is the latest, shall be considered as date of shipment.

2.00 PERFORMANCE BANK GUARANTEE (PBG):

In the event of Purchase order being accepted, the seller shall furnish to NFL within 10 days of issuing Purchase Order (PO), a Performance Bank Guarantee in the prescribed performa attached as **Annexure-II** through any bank listed in **Annexure-I** equivalent to **1%** of PO Value.

The Supplier shall approach their Bank for issuance of Bank Guarantee in favour of NFL.

The supplier shall also arrange to send BG advice (including all BG amendments) by their issuing bank through SFMS platform directly to the NFL Banker, i.e. ICICI Bank Ltd, Kl , Senior Mall, Sector-18, Noida, UP, 201301, IFSC Code ICIC000003I , as per following details:

i. **IFN 760 COV for issuance of bank guarantee.**
ii. **IFN 767 COV for amendment of bank guarantee.**
iii. **Issuing bank shall mention IFSC code as ICIC0000031 in field 7035 of IFN760 COV/ IFN 767 COV.**
iv. **Issuing bank shall mention NFL beneficiary code as "NFLNATIONAL04022015" in field 7037 of IFN 760 COV/ IFN 767 COV.**

The PBG shall be kept valid till 90 days of completion of discharge of the shipment under the PO.

The PBG shall cover the performance of the contract/ LoI/ PO, quantity short landed including the equivalent amount of custom duty and other duties/ taxes deposited on quantity short landed (recoverable), quality penalties based on discharge port results, load-port/ discharge port dispatch money/ demurrage, etc. related to performance of the PO. The PBG shall not be released till supplier has settled all claims under the contract.

If, for any reason whatsoever, supplier commits breach of the term(s) and/or condition(s) contained in the PO and/ or failed to comply with the terms and conditions stipulated in the PO or amendment(s) thereto, the PBG shall be invoked.

3.00 PRICING:

a) The purchase price shall be mutually settled as per clause No. 7 of ToR.
b) The price should be inclusive of Agency Commission, if any. (Agency Commission should be indicated in ToR Performa -annexure IV)
c) **Taxes & Duties:**
Taxes & Duties, if any, payable outside India shall be to supplier's account and in India to buyer's account.

4.00 PAYMENT TERMS:

Without prejudice to Buyer's right to damage under the terms of the contract, payment less agency commission, if any, shall be made through an irrevocable Letter of Credit (in an acceptable form to SELLER) to be established by the Buyer with a bank acceptable to SELLER and made available at a local counter in **NAME OF SELLER COUNTRY** (L/C) and drawn on a reputed local bank in SELLER COUNTRY; which will cover 110% of the Purchase Price subject to other terms of contract.

SELLER shall, no later than fifteen (15) business days prior to the scheduled shipment, receive a clean workable L/C, failing which SELLER shall not be obliged to deliver the particular quantity of product.

The Letter of Credit (L/C) shall not be transferable, divisible and assignable. The L/C shall be opened on receipt of PBG. The payment for agency commission for agents in India, will be made in Indian Rupee only.

The charges for establishing L/C and bank charges in India shall be borne by NFL. All Bank charges outside India and the L/C confirmation charges will be to the account of supplier. The L/C extension and amendment charges will be to the account of the party responsible for occasioning the extension/amendments.

Payment against L/C shall be made on negotiation of documents through bank in India, **on presentation of following documents:**

i) Three original plus three copies of beneficiary signed **COMMERCIAL INVOICE** with complete product specifications (as per latest Indian FCO) for 100 percent shipment value. The commercial invoice must also specify contract/ PO/ LoI No. with date, Country of origin of goods, port of loading, BL number, vessel's sailing date and freight from load port to discharge port.

ii) Three Negotiable Clean **BILL OF LADING** plus three non-negotiable copies. Charter Party (C/P) Bill of Lading (B/L) acceptable provided it bears an endorsement that all terms and conditions of relevant C/P are deemed to have been incorporated therein.

iii) One original plus two copies of **CERTIFICATE OF QUALITY AND INSPECTION** issued by independent international inspection agency who is a member of International Federation of Inspection Agency (IFIA), appointed by seller, mentioning result of analysis, method of analysis adopted and weight of cargo. The certificate must certify about inspection and cleanliness of holds. The certificate must certify that goods conform to the contractual quality specifications. The inspection agency shall also submit one original and two copies of confirmation that the product loaded is from single source/ mine and is uniform in prill size and colour, free flowing and as per NIT/contract/PO/LOI.

iv) One original plus two copies of **CERTIFICATE OF WEIGHT** issued by Seller's Inspection Agency showing weight of cargo shipped.

v) One original and two copies of Load Port **DRAFT SURVEY REPORT**, jointly signed by shippers' agent, vessel's master/ agent and Seller's inspecting agency.

vi) One original plus two copies of **CERTIFICATE OF ORIGIN** issued by either by the Local Chamber of Commerce or by Ministry of Trade/Industry/Commerce of the country of Origin of goods or any competent Govt. Authority of the Country. Certificate of Origin issued by Manufacturer/ Supplier/Shipper/ Inspection Agency /Chamber of Commerce of third Country or anyone else are not acceptable. For Chinese origin cargo, Certificate of Origin issued by 'China Council for Promotion of International Trade" is acceptable.

vii) One copy of **SHIPPING ADVICE** sent via email/ fax, by supplier to buyer i.e., Executive Director(Marketing) **,** National Fertilizers Limited and buyer's underwriters (as provided by NFL) within 24 hrs of sailing of vessel giving consignment details i.e., name of vessel, load port, country of origin, BL number, date of sailing, quantity shipped, contract/ PO/ LoI no. with date, LC No. with date and ETA at the designated discharge port.

viii) One original plus two copies of **SUPPLIER CERTIFICATE** from the supplier that the material supplied under the contract is correct as to quantity, quality, rate, total value and that the payment is due in accordance with the terms of contract at the time of presentation.

ix) One original plus two copies of **STOWAGE PLAN** signed in ink by master of the vessel and bearing his/ vessel's seal/ stamp. In case the stowage plan is issued/ signed by vessel's load port agent; the original letter of authority issued by master of the vessel authorizing vessel's load port agent, for issuance/ signing of stowage plan is to be annexed with the stowage plan.

x) One original plus two copies of **CERTIFICATE OF SAMPLING** certifying that composite samples were drawn during loading as per procedure stipulated in Indian FCO 1985 along with latest amendments.

5.00 INSURANCE:

Insurance for the product shipped shall be arranged by NFL through their underwriters whose detail shall be furnished while issuing the MoU/ PO. The supplier shall intimate NFL's underwriters/ Executive Director (Marketing), NFL immediately on shipping the product informing the name of the ship, quantity value of material, port of loading etc.

6.00 INSPECTION & TESTING:

6.01 The supplier shall ensure that the goods shipped conform to the agreed quality and specifications and shall not ship goods which do not conform to the agreed quality and specification.

6.02 NFL reserves the right, at its option and cost, to have material inspected before shipment in regard to quality and specifications. The supplier / shipper shall tender the material for inspection to the agency to be nominated by NFL and shipment shall be effected only after the material is inspected. The supplier / shipper will provide free of cost facilities to the inspection agency at the load port for taking samples.

6.03 Irrespective of whether NFL appoints inspection agency or not, it will be obligatory on the part of the supplier to obtain Certificate of Inspection from internationally reputed Inspection Agency to the effect that material is in accordance with the specifications laid down in the contract. This shall accompany the shipping documents. The inspection fee shall be borne by supplier.

6.04 For the purpose 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 in the customary manner during the loading of the vessel with a view to ensure that the material conforms to the contractual specifications. Analysis report should specify the nutrients and other requirements of the contractual specifications. 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 name of the vessel. A clear inspection note will be released by the Inspection Agency only if they are satisfied that the cargo meets contractual specifications.

6.05 Analysis / Sampling & Weighment: Analysis / Sampling & Weighment shall be in accordance with Clauses 5.00 & 6.00 of TOR.

7.00 Bill of Lading (B/L) & Invoice:

7.01 The bill of Lading issued for the product will stipulate the name of the port in India. In case of deviation at NFL's request, it is understood that all taxes, conditions, acceptance of the B/L and afreightment contract are automatically extended to the second port without issuing a new B/L. The B/L will also incorporate clause Paramount, Jaison Clause, both to blame, collision clause and general average.

7.02 The Invoice quantity shall be based on weighment as per Clause No.6.00 of TOR.

7.03 SELLER will invoice the Buyer for and in respect of the quantity of Product to be delivered under the Purchase Contract in respect of each individual consignment.

7.04 All amounts due to SELLER shall be payable net of bank charges in India, and free from set-off, deductions or withholdings of whatever kind or nature. All bank charges within India will be borne by the Buyer and all bank charges outside India will be borne by the Seller.

8.00 SHIPPING CONDITIONS IN RESPECT TO CFR CONTRACTS: AS PER ANNEXURE-V

9.00 SHIPPING / DOCUMENTATION:

Immediately on sailing of a vessel, the supplier shall advise NFL by email / courier service and also by fax, the name of the vessel, B/L details, date of sailing, quantity shipped and invoice value.

Simultaneously, supplier shall dispatch directly to NFL, with two non-negotiable sets of following documents through courier:

i) Two of the three negotiable copies of the Clean Bill of Lading showing National Fertilizers Limited., Noida-201301, India as consignee and marked "Freight Payable/Prepaid" as per C/P and two copies of nonnegotiable B/L.

ii) Certified commercial invoice in duplicate.

iii) Certificate of origin in duplicate.

iv) Draft Survey Report in duplicate.

v) Confirmation certificate from independent inspection agency, that the product loaded is from single source/ mine, is free flowing, uniform in prill size and colour as per NIT/ PO.

vi) Analytical report in duplicate.

vii) Certificate from supplier to the effect that the material supplied under the contract is correct as to the quality, quantity, rate and total value.

viii) Fax copy of intimation to our underwriters for insuring the cargo.

ix) Stowage Plan in duplicate.

10.00 INDIAN AGENT:

10.01 The Supplier shall disclose the name & address of their agent / representative along with the following information:

i) Indian Agent's registration numbers and their permanent income tax account number.

ii) Amount and nature of commission / remuneration.

iii) A copy of terms & conditions of the appointment of the **Indian Agents including the commission being paid to them.**

In case there is no agent in India, the Supplier shall certify that they have no agents in India and no remuneration is to be paid to any Indian Party.

10.02 NFL while remitting payment to supplier shall deduct the Indian Agent's commission from the value of the invoice and pay to the Indian Agent in equivalent Indian Rupees.

10.03 In cases where there is no agent but the supplier has any Indian Branch or subsidiary or financially inter-linked concern the same shall be intimated to NFL. This will also include such Indian agent, who is paid general retainer fee and may not have any reference to this particular contract i.e. supplier shall intimate to NFL if they have got any agent / representative by whatsoever name he may be called in India and is receiving in India and / or outside India, any payment or facility in any form in return for any service rendered by him to the supplier.

10.04 Should NFL suffer any loss / losses or penalization by the appropriate authority in India because of the failure or action of the seller in not disclosing the names and other details in respect of their agents in India, NFL shall hold the supplier responsible for such penalties and shall be entitled to claim from them damages for breach of the above provision of the contract and also to resort to such other action which they may consider appropriate.

11.00 QUALITY CLAIMS:

NFL shall lodge claims, if any, for the quality within 30 days of receipt of quality report of the vessel from Central Fertilizer Quality Control & Training Institute (CFQC&TI), Faridabad (India) or any of its regional labs at discharge port in India and the supporting documents shall be sent by NFL to the supplier by air mail within 30 days of lodging the claims.

12.00 Default:

In the event of failure to deliver the material within the time stipulated in the contract/purchase Order it is agreed that NFL shall have the right to exercise any or all of the following options as the case may be:

i) To cancel the contract either entirely or to the extent of non-supplied portion thereof and purchase the material at the risk and cost of the supplier. NFL shall be entitled to recover such additional cost including by invoking the PBG.

ii) To purchase from other source without notice to the supplier at the risk and cost of the supplier, the material not delivered or material of similar description for which NFL shall have unfettered right to decide such option without cancelling the contract in respect of the consignment(s) not yet due for delivery. NFL shall be entitled to recover such additional cost by invoking the PBG.

iii) To recover as mutually agreed damages for the delay in delivering the material for the period of such delay beyond the contractual delivery period until actual delivery or until NFL secures the material from other sources, a sum equivalent to 1% per week for each week or part of week's delay, subject to maximum of 5%. In case of single shipment contract, the mutually agreed damages shall be applicable on the contract value and in case of multiple shipment contract, the mutually agreed damages shall be applicable on the undelivered quantity.

13.00 GOVERNING LAW:

The contract shall be constructed and governed by Indian Law in English only.

14.00 FORCE MAJEURE:

i) If at any time during the continuance of this contract either party is unable to perform the whole or in part any obligation under this contract because of war, hostility, civil commotion,

sabotage, quarantine restriction, acts of God and acts of Government (including but not restricted to prohibition of exports or imports) fires, floods, explosion, e**p**idemics, strikes, embargoes, then the date of delivery of the product shall be extended for the period force majeure condition was operative.

ii) Any waiver / extension of time in respect of the delivery of any installment or part of the goods occasioned due to the reasons in Para (i) above shall not be deemed to be waiver/extension of time in respect of remaining deliveries.

iii) If operation of the force majeure circumstances exceeds three months, each party shall have the right to refuse further performance of the contract, in which case neither party shall have the right to claim eventual damages from each other..

iv) The party, which is unable to fulfill its obligation under the contract, must within 15 days of occurrence of any of the causes mentioned in this clause shall inform the other party of the existence of the force majeure conditions which prevents it from performing the contract. Such occurrence should be accompanied with Certificate issued by the Chamber Of Commerce in the Country of Origin of Supplier in this respect. The Supplier shall also promptly inform the ending of such event enclosing therewith Certificate from Chamber Of Commerce. If NFL is prevented from performing the contract, NFL shall inform the supplier within 15 days of occurrence of such force majeure conditions accompanied by Certificate issued by Chairman & Managing Director of NFL.

v) Non-availability of material shall not be valid ground for non-performance.

15.00 CONFIDENTIALITY AND TRADEMARKS:

Both, parties shall treat and keep confidential any propriety business information of any nature or kind (verbal, written, or soft version) that one party may receive from the other party, and nothing set out in the Purchase Contract shall constitute (or be deemed to constitute) as the granting of a license or similar rights to Buyer of the trademarks or any other intellectual property rights relating to the Products.

16.00 BREACH AND TERMINATION:

Without prejudice to waiver of either Party's right forthwith to determine the Purchase Contract, if a party commits breach or non-observance of the provisions of Purchase Contract and fails to remedy such breach within thirty (30) days after being notified in writing by the party not in breach to do so, the party not in breach shall have the right to terminate the Purchase Contract without prejudice to all other rights, the party not in breach may have.

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(A Government of India Undertaking) [CINL74899DL1974GOI007417]
NATIONAL FERTILIZERS LIMITED
Corporate Office : A-11, Sector-24, Noida-201 301
Dist. Gautambudh Nagar (UP) (India)
Phone: 00-91-120-2412294, 2412445, 3292201to 08
Fax: 00-91-120-2412397,2411057 e-mail: imports@nfl.co.in

Annexure-II

FORMAT FOR BANK GUARANTEE TOWARDS SECURITY DEPOSIT AND PERFORMANCE GUARANTEE

In consideration of M/s. National Fertilizers Limited, [hereinafter referred to as '**NFL**', which expression unless repugnant to the context and meaning thereof shall include its successors and assigns] having agreed to exempt M/s _____ having its registered/principal office at _____ [hereinafter referred to as '**Supplier** / **Contractor**' which expression unless repugnant to the context and meaning thereof shall include its successors and assigns] from depositing with **NFL** a sum of Rs._____ towards security / performance guarantee in lieu of the said **Supplier / Contractor** having agreed to furnish an irrevocable bank guarantee for the said sum of Rs. ____ as required under the terms and conditions of contract / work order / purchase order no. _____ dated _____ [hereinafter referred as the '**Order**'] placed by **NFL** on the said supplier / contractor, we, _____ [hereinafter referred to as '**the Bank**' which expression shall include its successors and assigns] do hereby undertake to pay **NFL** an amount not exceeding Rs. _____ on demand made by **NFL** on us due to a breach committed by the said Supplier **/ Contractor** of the terms and conditions of the **Order**.

1. We _____ **the Bank** hereby undertake to pay the amount under the guarantee without any demur merely on a demand received in writing from **NFL** stating that the **Supplier / Contractor** has committed breach of the term(s) and/or condition(s) contained in the **Order** and/or failed to comply with the terms and conditions as stipulated in the **Order** or amendment(s) thereto. The demand made on **the Bank** by **NFL** shall be conclusive as to the breach of the term(s) and/or condition(s) of the **Order** and the amount due and payable by **the Bank** under this guarantee, notwithstanding any dispute or disputes raised by the said **Supplier** / **Contractor** regarding the validity of such breach and we agree to pay the amount so demanded by **NFL** forthwith and without any demur. However, our liability under this guarantee shall be restricted to an amount not exceeding Rs. _____ (Rupees_____).
2. We, _____ **the Bank** further agree that this irrevocable guarantee herein contained shall remain in full force and effect during the period that would be taken for the performance of the said **Order** and that it shall continue to be enforceable till the dues of **NFL** under or by virtue of the said **Order** have been fully paid and its claim satisfied or discharged or till **NFL** certifies that the terms and conditions of the **Order** have been fully and properly carried out by the **Supplier / Contractor** and accordingly discharge the guarantee.
3. We _____ the **Bank**, undertake to pay to **NFL** any money so demanded notwithstanding any dispute or disputes raised by the said **Supplier / Contractor** in any suit or proceedings pending before any court or tribunal relating thereto as our liability under this present being absolute and unequivocal. The payment so made by us under this Guarantee shall be valid discharge of our liability for payment there under and the said **Supplier / Contractor** shall have no claim against us for making such payment.
4. We _____ **the Bank** further agree that **NFL** shall have full liberty, without our consent and without affecting in any manner our obligation hereunder to vary any of the terms and conditions of the **Order** or to extend time of performance by the said **Supplier / Contractor** from time to time or to postpone, for any time or from time to time, any of the powers exercisable by the **NFL** against the said **Supplier / Contractor** and to forbear or enforce any of the terms and conditions

relating to the **Order** and shall not be relieved from our liability by reason of any such variation or extension being granted to the said **Supplier / Contractor** or for any forbearance, act or omission on the part of **NFL** or any indulgence by **NFL** to the **Supplier / Contractor** or by any such matter or thing whatsoever which under the law relating to sureties would but for this provisions have effect of so relieving us.

5. In order to give full effect to this guarantee, NFL will be entitled to act as if the BANK were the principal debtor and the BANK hereby waives all rights of surety ship.
6. Our liability under this bank guarantee is restricted to Rs. _____ [Rupees _____] and shall remain in force up to _____ and thereafter till the expiry of the extended period, if any, (hereinafter Validity period). Unless a demand is made under this guarantee on us in writing at any time from the date of issue of the guarantee till the expiry of the Validity period, we shall be discharged from all liabilities under this guarantee thereafter.
7. The claim, if any, under this guarantee, shall be lodged at (address of BANK & Branch) _____.
8. This guarantee will not be discharged due to change in the constitution in the **Bank** or the said **Supplier / Contractor** or the provision of the contract between **Supplier / Contractor** and **NFL**.
9. The BANK hereby agrees that the Courts in New Delhi shall have exclusive jurisdiction in any matter of dispute between NFL and the Bank and the **Bank** hereby agrees to address all the future correspondence in regard to this bank guarantee to General Manager, National Fertilizers Limited, Corporate Office, A-11, Sector-24, Noida-201301(UP) INDIA.
10. We have the power to issue this Guarantee in your favour under the Charter of our Bank and the undersigned has full power to execute this Guarantee under the Power of Attorney granted to him by the Bank.
11. We, _____ the **Bank** lastly undertake not to revoke this guarantee during its currency except with the previous consent of the NFL in writing.

SIGNED AND DELIVERED ON THIS _____ DAY OF _____

Yours faithfully,
For and on behalf of _____. (bank)

Signature of Authorized Official of bank
Name of the Official:
Designation of the Official:
Name of Bank:
Branch:
Address of Branch:
Telephone / Mobile No :
Fax No:
Email Id:

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(A Government of India Undertaking) [CINL74899DL1974GOI007417]
NATIONAL FERTILIZERS LIMITED
Corporate Office : A-11, Sector-24, Noida-201 301
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Fax: 00-91-120-2412397,2411057 e-mail: imports@nfl.co.in

Annexure-III

(INTEGRITY PACT)

(**To be executed on plain paper and submitted along with technical bid/tender documents for tenders having a value of Rs.1 crore or more. To be signed by the Seller and NFL.)**

National Fertilizers Limited (NFL) hereinafter referred to as "The Principal".
AND
_____hereinafter referred to as "The Seller/Contractor"

PREAMBLE

The Principal intends to award, under laid down organizational procedures, contract/s for RFP no. IMP-MOPM-2021-22. The Principal values full compliance with all relevant laws of the land, rules, regulations, economic use of and of fairness/transparency in its relations with its Seller(s) and/or Contractor(s).

In order to achieve these goals, the Principal will appoint an Independent External Monitor (IEM), who will monitor the tender process and the execution of the contract for compliance with the principles mentioned above.

Section 1 – Commitments of the Principal.

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

Section 2 – Commitments of the Seller(s)/Contractor(s)

1. The Seller(s)/Contractor(s) commit himself to take all measures necessary to prevent corruption. He commits himself to observe the following principles during his participation in the tender process and during the contract execution.
   a. The Seller(s)/contractor(s) will not, directly or through any other persons or firm, offer promise or give to any of the Principal's employees involved in the tender process or the execution of the contract or to any third person any material or other benefit which

he/she is not legally entitled to, in order to obtain in exchange any advantage or during the execution of the contract.

b. The Seller(s)/Contractor(s) will not enter with other Sellers into any undisclosed agreement or understanding, whether formal or informal. This applies in particular to prices, specifications, certifications, subsidiary contracts, submission or non-submission of bids or any other actions to restrict competitiveness or to introduce cartelization in the bidding process.
c. The Seller(s)/Contractor(s) will not commit any offence under the relevant IPC/PC Act; further the Seller(s)/Contractors will not use improperly, for purposes of competition or personal gain, or pass on to others, any information or documents provided by the Principal as part of the business relationship, regarding plans, technical proposals and business details, including information contained or transmitted electronically.
d. The Seller(s)/Contractor(s) of foreign origin shall disclose the name and address of the Agents/representatives in India, if any. Similarly, the Seller(s)/contractor(s) of Indian Nationality shall furnish the name and address of the foreign principals, if any. All the payments made to the India agent/representative have to be in Indian Rupees only.
e. The Seller(s)/Contractor(s) will, when presenting his bid, disclose any and all payments he has made, is committed to or intends to make to agents, brokers or any other intermediaries in connection with the award of the contract.

2. The Seller(s)/Contractor(s) will not instigate third persons to commit offences outlined above or be an accessory to such offences.

Section 3: Disqualification from tender process and exclusion from future contract

If the Seller(s)/Contractor(s), before award or during execution has committed a transgression through a violation of Section 2 above or in any other form such as to put his reliability or credibility in question, the Principal is entitled to disqualify the Seller(s)/Contractor(s) from the tender process or to terminate the contract, if already signed, for such reasons.

Section 4 : Compensation for Damages

1. If the Principal has disqualified the Seller(s) from the tender process prior to the award according to Section 3, the Principal is entitled to demand and recover the damages equivalent to Earnest Money Deposit/Bid Security.
2. If the Principal has terminated the contract according to Section3, or if the Principal is entitled to terminate the contract according to Section3, the Principal shall be entitled to demand and recover from the Contractor liquidated damages of the Contract value or the amount equivalent to Performance Bank Guarantee.

Section 5 : Previous Transgression

1. The Seller declares that no previous transgressions occurred in the last three years with any other company in any country conforming to the TII's anti-corruption approach or with any other public sector enterprise in India that could justify his exclusion from the tender process.
2. If the Seller makes incorrect statement on this subject, he can be disqualified from the tender process and appropriate action can be taken including termination of the contract, if already awarded, for such reason.

Section 6 : Equal treatment of all Sellers/Contractors/Sub-contractors.

1. The Principal will enter into agreements with the identical conditions as this one with all Sellers, contractors and sub-contractors.
2. The Principal will disqualify from the tender process all Sellers who do not sign this Pact or violate its provisions.

Section 7: Criminal charges against violation Seller(s)/Contractor(s)/Sub-contractors(s).

If the Principal obtains knowledge of conduct of a Seller(s)/ Contractor(s) which constitutes corruption, or if the Principal has substantive suspicion in this regard, the Principal will inform the same to the Chief Vigilance Officer.

Section 8 : Independent External Monitor/Monitors

1. The Principal appoints competent and credible Independent External Monitor for this Pact. The task of the Monitor is to review independently and objectively, whether and to what extent the parties comply with the obligations under this agreement.
2. The Monitor is not subject to instructions by the representatives of the parties and performs his functions neutrally and independently. It will be obligatory for him to treat the information and documents of Sellers /contractors as confidential. He reports to the Chairman & Managing Director, NFL.
3. The Seller(s)/Contractor(s) accepts that the Monitor has the right to access without restriction to all project documentation of the Principal including that provided by the Contractor. The Contractor will also grant the Monitor, upon his request and demonstration of a valid interest, unrestricted and unconditional access to his project documentation. The same is applicable to Subcontractors. The Monitor is under contractual obligation to treat the information and documents of the Seller(s)/Contractor(s)/Subcontractor(s) with confidentiality.
4. The Principal will provide to the Monitor sufficient information about all meetings among the parties related to the Project provided such meetings could have an impact on the contractual relations between the Principal and the Contractor. The parties offer to the Monitor the option to participate in such meetings.
5. As soon as the Monitor notices, or believes to notice, a violation of this agreement, he will so inform the Management of the Principal and request the Management to discontinue or take corrective action, or to take other relevant action. The monitor can in this regard submit non-binding recommendations. Beyond this, the Monitor has no right to demand from the parties that they act in a specific manner, refrain from action or tolerate action.
6. The Monitor will submit a written report to the Chairman & Managing Director,, NFL within 8 to 10 weeks from the date of reference or intimation to him by the Principal and, should be occasion arise, submit proposals for correcting problematic situations.
7. Monitor shall be entitled to compensation on the same terms as being extended to/provided to Independent Directors on NFL Board.
8. If the Monitor has reported to the Chairman & Managing Director, National Fertilizers Limited, a substantiated suspicion of an offence under relevant IPC/PC Act, and the Chairman & Managing Director, NFL has not, within the reasonable time taken visible action to proceed against such offence or reported it to the Chief Vigilance Officer, the Monitor may also transmit this information directly to the Central Vigilance Commissioner.

9. The word "Monitor" word include both singular and plural.

Section 9 : Pact Duration

This pact begins when both parties have legally signed it. It expires for the Contractor 12 months after the last payment under the contract, and for all other Seller 6 months after the contract has been awarded.

If any claim is made/lodged during this time, the same shall be binding and continue to be valid despite the lapse of this pact as specified above, unless it is discharged/determined by Chairman & Managing Director of NFL.

Section 10 : Other Provisions

- This agreement is subject to Indian Law. Place of performance and jurisdiction is the Registered Office of the Principal i.e. New Delhi.
- Changes and supplements as well as termination notices need to be made in writing. Side agreements have not been made.
- If the contractor is a partnership or a consortium, this agreement must be signed by all partners or consortium members.
- Should one or several provisions of this agreement turn out to be invalid, the remainder of this agreement remains valid. In this case, the parties will strive to come to an agreement to their original intentions.

(For & on behalf of the Principal)
(Office Seal)

(For & on behalf of Seller)
(Office Seal)

Place_____
Date_____

Witness 1 :
(Name & Address)
_____
_____
_____
_____

Witness 1 :
(Name & Address)
_____
_____
_____
_____

Witness 2 :
(Name & Address)
_____
_____
_____
_____

Witness 2 :
(Name & Address)
_____
_____
_____
_____

<><><><><>

(A Government of India Undertaking) [CINL74899DL1974GOI007417]
NATIONAL FERTILIZERS LIMITED
Corporate Office : A-11, Sector-24, Noida-201 301
Dist. Gautambudh Nagar (UP) (India)
Phone: 00-91-120-2412294, 2412445, 3292201to 08
Fax: 00-91-120-2412397,2411057 e-mail: imports@nfl.co.in

Annexure-IV

EVALUATION CRITERIA FOR MOP

Evaluation of participating manufacturers shall be carried out based on following criteria;-

Sr. No.	Description	Price in USD/MT (**Standard MOP**)
A.	*The PO price shall be the minimum of MOP CFR India per MT price with 180 days contract price as applicable on the date of Purchase Order/LOI in following three magazine;- 1. CRU/Fertilizer Week (Standard Bulk CFR India 180 days Contract) 2. FMB/Argus (CFR Standard Bulk India 180 days) 3. Fertecon/IHS Markit (India CFR contract, including 180 days' credit).	
B.	**Discounts to be allowed in Invoices upfront**	
i.)	Cash Discount on Sight L/C in %age on minimum price at Sr. No. **A** above (in case sight payment is opted).	
ii.)	Shrinkage Discount in %age on (minimum price at Sr. No. **A** above – Cash discount on sight L/C)	
C.	**Discounts to be given after completion of discharge.**	
i.)	Other discounts (including promotion, LC opening discount, quantity rebate, discharge rate etc.) In percentage of minimum price at Sr. No. **A** above	
D.	Agency Commission, if any in USD per MT included in minimum price at Sr. No. A above.	

Evaluation Criteria:

Following shall be considered for evaluating offers:

1) Discharge rate 10000 MT PWWD SHEX EIU or more
2) Two Coast Two Port Discharge
3) Preference shall be given to suppliers offering higher discounts under above evaluation criteria. ***For calculation of the discounts, minimum CFR India price with 180 days credit i.e. **USD 280 PMT** will be considered. However, PO shall be issued on minimum CFR India price with 180 days price published in CRU/FMB/Fertecon magazine on the date of issuance of PO.

Signature with Stamp

(A Government of India Undertaking) [CINL74899DL1974GOI007417]
NATIONAL FERTILIZERS LIMITED
Corporate Office : A-11, Sector-24, Noida-201 301
Dist. Gautambudh Nagar (UP) (India)
Phone: 00-91-120-2412294, 2412445, 3292201to 08
Fax: 00-91-120-2412397,2411057 e-mail: imports@nfl.co.in

Annexure-V

SHIPPING CONDITIONS IN RESPECT OF CFR FO / CIF CONTRACTS

The supplier shall abide by the following terms for CFR FO contracts:

1. Supplier shall arrange for chartering of suitable vessel fitted/ loaded with hold suitable for facilitating discharge. In case of geared vessels, the seller shall guarantee that the vessel is fitted with, grabs, , ropes, and winches in good working condition capable of handling the rated capacity of minimum 25 MT SWL. Master also to give free use of vessel's lighting/ power as on board if required. Vessel should be single Decker and should have Macgregorr or rolling type steel hatch cover. Vessel should be suitable for grab discharge

2. Vessels shall be chartered on the basis of one / two safe berth, one safe port on West Coast / East Coast of India as required.

3. Extra Port & Port Charges: In case NFL could not receive the vessel at the nominated port, a second port, on the same coast, will be nominated. Extra freight for the additional steaming will be to NFL's account. However, if the nomination of the changed port is done 72 hours in advance, extra freight to the extent of additional distance only shall be paid.

4. NFL shall declare the discharge port at the time of accepting the vessel offered by Supplier.

5. Co-shipment may be considered only with the prior approval of NFL subject to that none of PO/ LoI/ NIT/ GTC terms are breached.

6. **GIC APPROVAL & EXTRA INSURANCE PREMIUM:**

6.1. Only GIC approved vessel should be chartered. Supplier shall furnish following information to NFL immediately on nomination of each vessel for obtaining GIC approval in time:

i) Name of the Vessel, Ex-name, if any.

ii) Details of ship:

- **a.** Flag.
- **b.** Classification as per IACS.
- **c.** Month & Year of built.
- **d.** G.R.T. / N.R.T.
- **e.** DWT
- **f.** Voyage Number.
- **g.** Laycan
- **h.** LOA, LLP, Beam
- **i.** No. of Holds, Hatches & Type
- **j.** No. of gears with capacity
- **k.** No. of Grabs
- **l.** Demurrage / Dispatch Rate
- **m.** Whether ISM regulations have been complied with & validity period.
- **n.** Name of Hull underwriters. If vessel is not insured, reasons thereof.

iii) **a.** Name of the P&I Club of the vessel operator named above.
a. Name & full address of the voyage charterers, if any.

iv) **a)** Name & address with telephone & fax numbers of the agents at loading port.
a. Name & address with telephone & fax numbers of the agents at discharging port.

v) All Valid Ship certificates namely Ship Registry, International Tonnage Certificate, Load Line certificate, International Ship security certificate, Class certificate, Document of compliance certificate, P&I Club Certificate etc.

6.2. The vessels up to 15 years of age are only acceptable to NFL. Vessel should have valid insurance cover from P&I (Protection & Indemnity) club duly approved by the Government of India under "Entry of Vessels into Port rules, 2005 under Indian Port Act, 1908"

6.3. Sellers shall ensure that liberties, victories and other war built vessels are avoided for the loading of the cargo. Vessel so hired should not be of more than 15 years age. In case of necessity of chartering vessels older than 15 years, the seller shall take the prior approval of the buyer and overage insurance premium would be on seller's account. It may be noted that vessels older than 25 years shall not be accepted for shipment. Also vessels more than 20 years age are not allowed entry in Indian ports by Kandla, Vishakhapatnam, Mundra, Tuna, Kakinada Deep Waters, Dhamra and Gangavaram unless it has been cleared by the said ports or any other port of India/ State control Authorities within the preceding six months. In case the ship chartered by supplier is 20 years or more of age, the shipping agent of the suppliers shall obtain necessary clearance from the authorities and the time taken to obtain such clearance shall be to ship owner's/ supplier's account and the same shall be excluded while calculating the lay time.

7. Sellers would be liable to furnishing all relevant vessel particulars to enable the buyer to obtain approval of Insurance Company (General) before the vessel is finally accepted. Any extra premium charged by the insurance company towards approval of vessel of age more than 15 years would be to seller's account.

8. Supplier shall ensure that the owner of the vessel obtains certification by approved surveyor that the ship's hatches, prior to loading of each shipment of the product, are free from any impurity whatsoever, including contaminations if any, which remain in the ship's cargo as residue from earlier shipments. Supplier shall also ensure that cargo owner's (receiver) right of recovery against the ship owners would not be lost or waived in any manner in the charter party. If the recovery rights are not included in the Charter Party by the supplier, against the ship owner for any reason, the receivers shall have the right to recover losses / damages to material during voyage/discharge from the supplier.

9. **PRIOR NOTICE OF EXPECTED TIME OF ARRIVAL (ETA):**
At least 7 days prior to the date of commencement of loading of the ship, supplier shall notify NFL, by fax and email, the quantity of product to be shipped, the value of the product and any other relevant details that may be required by NFL.

As soon as the vessel sails from the supplier's / shipper's jetty, supplier shall notify NFL by fax /email the name of the vessel, date and time of sail and estimated date and the ETA at designated discharge port together with other details as may be required by NFL.

Master shall send a sailing email and fax to NFL on vessel leaving loading port, giving sailing date, speed, commodity, total quantity loaded, estimated draft, fore and aft on arrival at disport and ETA at disport and another email & fax advising the latest estimated date of arrival while passing from Aden / Cape of Good Hope / Suez Canal.

Further, supplier shall either give or arrange with the Master of the vessel to give 96 hours, 72 hours, 48 hours and 24 hours' notice to NFL or their nominee indicating the ETA of the vessel at the port of unloading.

Thereafter, for any change in the ETA of the vessel by more than a period of 24 hours, the supplier shall either advise or arrange with the Master of the vessel so that NFL is advised about the revised ETA of the vessel.

10. **DISCHARGE RATE AND EXCEPTED PERIOD:**
The cargo shall be discharged from the vessel at an average rate as stipulated in Clause 8.00 of ToR basis **four** or more available and workable hatches / holds and pro rata if less, per weather working day of 24 consecutive hours, Sundays and Holidays excepted, even if used (WWDSHEXEIU).

11. **NOTICE OF READINESS & COMMENCEMENT OF LAY-TIME:**
The Master shall give notice of readiness to NFL or nominated agents during official working hours. The time at discharging port shall begin to count from 24 running hours after the vessel's arrival within the port limits and Notice of readiness tendered and accepted during official working hours i.e. 10.00 Hrs. to 17.00 Hrs from Monday to Friday and 10.00 to 12.00 Hrs on Saturdays or during any of the periods exempted (for discharge port) even if used reported and in free pratique, whether in berth or not. Charterers have the right to work during excepted periods, such time used not to count as lay time.

Time shall not be counted between 12.00 noon on Saturday and 8.00 a.m. on Monday and not between 5.00 p.m. (Noon if Saturday) on the last working day preceding a local and legal holiday and 8.00 a.m. on the first working day thereafter even if used, unless the vessel is already on demurrage. Receivers have the right to work during excepted period such time used not to count as lay time.

12. The non-weather / half weather working days as per statement of facts (SoF) not to count as lay time used, even if used, whether the vessel is on berth or in stream, whether discharging or not. However, once the vessel is on demurrage such days will also count as lay time, subject to force majeure conditions.

13. Surf days not to count as weather working days **even if** used.

14. No cargo is to be loaded in twin decks, deep tanks, wing tanks or bunker spaces. The master is, however, to have the liberty of loading in such spaces for the purpose of stability of the vessel but any extra expenses incurred by reasons of discharging from such spaces not easily accessible is to be to the ship owner's / supplier's account and the lay-time admissible will be calculated at half the specified normal rate for discharging.

15. Cost of shifting to second berth (if used) including fuel shall be to the vessel owner's / supplier's account and time used in shifting not to count as lay-time.

16. Cost of first opening and last closing of hatches shall be to ship owner's / supplier's account and time used not to count as lay-time.

17. Supplier / Ship owners to undertake that vessel's arrival draft at the discharging port in India not to exceed the norms as per Clause 8.00 of ToR of designated discharge port. Any lighterage cost over agreed draft on arrival shall be on ship owner's supplier's risk and cost and time used not to count as lay-time.

18. Rigging gangs employed at discharging port to be for owner's / supplier's account.

19. The vessel shall give free use of all available gears for discharging also lights for night work on board. If all gears, as mentioned while accepting the vessel, are not available for operation, discharge rate to be reduced proportionately.

20. **DEMURRAGE / DISPATCH:**
Demurrage / Dispatch rate shall be as per Charter Party. NFL shall be intimated the rate of Demurrage / Dispatch prior to fixing of the vessel. Supplier shall provide the copy of their Charter Party Agreement with the vessel/Shipping agency well before the arrival of vessel at load port.

Supplier shall pay to NFL dispatch money and NFL to pay to supplier demurrage money at the rate and in the currency as mentioned in the Charter Party Agreement or S Dollars per day and pro-rata for part of a day for all working time saved or excess time used in discharging.

However, if demurrage is incurred at the port of discharge by reasons of port problems, fire, explosion, storm or by strike, lock-out, stoppage or restraint of labour of master, officers and crew of the vessel or tug boats or pilots or any other force majeure circumstances, no demurrage will be payable.

21. It will be agreed that NFL or its nominee shall have to sign the Statement of Facts and other customary documents together with the Master of the vessel and ship owner's agent at disport.

22. Overtime to the account of party ordering the same. Officers' / Crews' overtime to be always for supplier's / ship owner's account.

23. **Supplier's / charterer's shall appoint agent at discharge port and the fees shall be payable by the ship owners at usual tariff.**

24. After arrival of the vessel at the customary anchorage at the port of unloading, the master / his agent shall give NFL or their agent notice by letter, telephone, emails, to NFL / their nominees confirming that the vessel is in all respects ready to discharge the product.

25. When delay is caused to vessel getting into berth giving notice of readiness for any reason over which NFL has no control, such delay shall not count as used lay time.

26. **PORT DUES:**
At discharging port, dues on vessel will be for the supplier's/ owner's account but all dues on account of Cargo will be to NFL's account

27. **COMPLETION OF DISCHARGE:**
The vessel shall have the liberty to sail immediately on completion of discharge and final joint draft survey unless obstructed by weather, fog or port conditions, for which NFL shall not be responsible by any manner.

28. The terms as per the Purchase Order (PO) would override terms of individual Charter Party unless the deviations are specifically accepted by the buyer. If a berth is available for the vessel upon its arrival at the port, then, in case the vessel is not ready to proceed to berth when allotted or commence discharge after berthing, the vessel will be considered as "Not Ready" and NOR will be deemed to be accepted when the vessel is ready in all respects to commence discharge.