

TERMS OF REFERENCE (ToR)

FOR

ENTERING INTO LONG TERM IMPORT
CONTRACT WITH MANUFACTURERS OF
Complex Fertilizers /NPK

NPK Grades	NPK	12:32:16
	NPK	10:26:26
	NPK/APS	20:20:0:13

Document for inviting Request for Proposal (RFP)



Closing Date
26th December, 2017
Up to 1500 Hrs.

General Manager
Central Marketing Office
National Fertilizers Limited, A-11, Sector-24, Noida-201301
District :- Gautambudh Nagar, Uttar Pradesh, INDIA



(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: 00-91-120-2412397,2411057e-mail: imports@nfl.co.in

TERMS OF REFERENCE (ToR) FOR ENTERING INTO IMPORT AGREEMENT / MoU WITH PROSPECTIVE MANUFACTURERS OF NPK/NPS

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, three Zonal Offices at Bhopal, Lucknow & Chandigarh, 13 State Offices and 39 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.7663 Crores (approx. USD 1188 Million) in 2016-17. With respect to NPK/NPS imports and sale, NFL, through tendering system imported 27005 MT in the year 2017-18 (till date).

In order to increase its revenue as well as to strengthen its product line, NFL has decided to use its marketing network optimally through Import & sale of NPK/NPS too also. NFL has plans to become one of the major players in trading of P&K fertilizers and therefore has kept ambitious targets to import about 1.0 million MT of DAP, 0.3 Million MT of MOP and 0.3 Million MT of NPK/NPS by the year 2019-20. 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 annual import requirement of NPK/NPS with one or more reputed manufacturer/s through Long Term Purchase contract commencing 01.04.2018.

B. TERM OF REFERENCE

Through these Terms of Reference (**ToR**), NFL is inviting NPK/ NPS manufacturers to enter into Purchase contract for supply of Complex Fertilizers as specified in clause 2. The eligibility criteria for participation in Request for Proposal (RFP) are:

1. Only manufactures (for definition, refer clause 13a of ToR) of respective fertilizers can participate. The NPK/NPS must be manufactured through chemical process.
2. That Manufacturer's product NPK/NPS have 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



(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: 00-91-120-2412397,2411057e-mail: imports@nfl.co.in

the limit specified in Fertilizers (Control) Order 1985, of India (FCO), in last 5 years i.e. from calendar year 2013 - 2017 or for the period of supplies to India during last 5 years.

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

Part-1

- a) 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 ToR and GTC terms and conditions.
- b) Manufacturers to submit a self-certification by CEO or Director or Marketing head that Complex Fertilizers 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 i.e. from calendar year 2013 to 2017 or for the period of supplies to India in last 5 years.
- c) Documents required under clause 13.0
- d) Manufacturer to submit the complex products being offered by them as per product specifications given at clause 2.0 below.

Part-2

- a) 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.
- b) NFL reserves the right for entering into MoU/ Purchase Contract for NPK/NPS import with one or more manufacturers.

Part-3

The terms and conditions for entering into long term contract for purchase of NPK/NPS are as detailed below:

1. **PRODUCT AND PACKING** : As per 2 below - in loose bulk.
2. **SPECIFICATIONS OF DIFFERENT GRADES OF COMPLEX FERTILIZERS NPK/NPS** : As per Indian FCO latest amendments

a) **N.P.K. (12-32-16) in Loose Bulk**

Sr	Details	Parameter
(i)	Moisture per cent by weight maximum	1.5
(ii)	Total nitrogen (ammoniacal and urea) per cent by weight minimum	12.0
(iii)	Ammoniacal nitrogen per cent by weight, minimum	9.0
(iv)	Available phosphorous (as P ₂ O ₅) per cent by weight, minimum	32.0
(v)	Water soluble phosphorous (as P ₂ O ₅) per cent by weight, Minimum	27.5
(vi)	Water soluble potassium (as K ₂ O) per cent by weight, minimum	16.0
(vii)	Particle size- Minimum 90 per cent of the material shall be between 1 mm and 4 mm IS sieve	



(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: 00-91-120-2412397,2411057e-mail: imports@nfl.co.in

b) NPS: Ammonium Phosphate Sulphate (20-20-0-13) in Loose Bulk

Sr	Details	Parameter
(i)	Moisture per cent by weight, maximum	1.0
(ii)	Total nitrogen (ammoniacal + urea) per cent by weight, minimum	20.0
(iii)	Ammoniacal nitrogen per cent by weight, minimum	18.0
(iv)	Available phosphorus (as P ₂ O ₅) per cent by weight, minimum	20.0
(v)	Water soluble phosphorus (as P ₂ O ₅) per cent by weight, minimum	17.0
(vi)	Sulphate Sulphur (as S) per cent by weight, minimum	13.0
(vii)	Particle size – minimum 90 per cent of the material shall be retained between 1mm and 4 mm IS sieve	

c) N.P.K. (10-26-26) in Loose Bulk

Sr	Details	Parameter
(i)	Moisture per cent by weight, maximum	1.5
(ii)	Total nitrogen (ammoniacal and urea) per cent by weight minimum	10.0
(iii)	Ammoniacal nitrogen per cent by weight, minimum	7.0
(iv)	Available phosphorous (as P ₂ O ₅) per cent by weight, minimum	26.0
(v)	Water soluble phosphorous (as P ₂ O ₅) per cent by weight, Minimum	22.5
(vi)	Water soluble potassium (as K ₂ O) per cent by weight, minimum	26.0
(vii)	Particle size- Minimum 90 per cent of the material shall be retained between 1 mm and 4 mm IS sieve	

The product **loaded in each vessel under this contract** must be supplied from your own manufacturing facility. 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, 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 **April 1, 2018 up to March 31, 2019.**

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.**



(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: 00-91-120-2412397,2411057e-mail: imports@nfl.co.in

4. CONTRACT QUANTITY:

a) Quantity under MoU

SR	Product	Quantity in MT	Tentative Shipment Period
1	NPK/12:32:16	2,00,000 +/-10%	April 2018
			July 2018
			Aug 2018
2	NPS/20:20:0:13	50,000 +/-10%	April /June 2018
3	NPK/10:26:26	50,000 +/-10%	April/June 2018

- b) SELLER shall deliver the above contract quantity in bulk to be scheduled and shipped during the period from April 2018 till March 2019 as per the shipment schedule mutually agreed between the parties based on tentative shipping schedules given above.
- c) **Purchase Order (PO):** NFL shall issue a Purchase order 40 days prior, to each shipment, once price and terms are finalized after negotiation, as per clause 7 Of ToR with the Supplier.
- d) The firm quantity mentioned above is subject to settlement of price terms and conditions, for each vessel/shipment. In case, either of the party, does not reach for price settlement (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 price shall not affect the quantity discount payable on yearly 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 lading 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. In case seller fails to remit the penalty amount promptly on buyer's first demand, the buyer shall make good such recoveries made by buyer directly within 15 days of notification 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 6.
- b) **UNIT Price:** The unit price in US Dollar per Metric Tonne shall be mutually negotiated 40 days prior to shipment taking into account the prevailing market price and conditions at the time of procurement of material.
- c) SELLER shall bear all Seller's costs and expenses in accordance with Incoterms 2010 for CFR.



(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

d) The Buyer shall bear all Buyer's costs and expenses in accordance with Incoterms 2010 for CFR.

8. DESTINATION PORTS:

Product to be discharged in India with Discharge rate PWWD SHEX EIU as 10000 MT as under

a) For West Coast India: Kandla, Mundra, Tuna, Pipavav, Dahej ports or any other Safe Port in West Coast

b) For East Coast: Vizag, Kakinada, Gangavaram, Krishnapatnam, Dhamra Ports or any other Safe Port in East Coast

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 tender documents. Details regarding Integrity Pact can be viewed on NFL's website viz. www.nationalfertilizers.com.

The Independent External Monitors (IEMs) for this tender shall be Sh. Pramod Deepak Sudhakar e-mail- sudhakarpd2@gmail.com and Sh. Ajai Kumar, e-mail: ajai.kumar3@gmail.com. Any tender related complaint, for tenders covered under Integrity Pact having value of Rs.1 (one) crore and above, may be addressed to these Independent External Monitors (IEMs).

10. DISPUTES / ARBITRATION:

All disputes arising out of or in connection with the present contract shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce, India by one or more arbitrators appointed in accordance with the said Rules."

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 of Purchase Contract.

The above terms and conditions and the General Terms and Conditions will constitute the entire agreement of sale between the Parties and shall collectively be referred to as the "Purchase Contract".

13. DOCUMENTATION TO BE SUBMITTED:

a) In Case manufacturer is nominating its subsidiary company for MoU process participation then manufacturing company should submit all the relevant documents at the time of Submission of Terms of reference and GTC to NFL showing/establishing relations to prove nominated company as their 100% subsidiary or sole marketing company. In case the bidder is a Joint stock company (JSC) having exclusive marketing rights in production equivalent to their equity investment in manufacturing company/ plant/ unit then JSC should submit all the relevant documents along with the technical bid to support their claim. They shall be considered as manufacturer with their manufacturing capacity equivalent to percentage of their contribution of equity of the company.



(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: 00-91-120-2412397,2411057e-mail: imports@nfl.co.in

- b) Duly self-certified (by authorized representative not less than head of marketing) certificate, certifying the total supplies of NPK/ NPS/ Complexes in India during 2016.
- c) Submission of acceptance of Quality & Quantity as per clause 5 & 6 of ToR.
- d) Details of Indian Agent, if any, as per clause C-10.00 of General Terms & Conditions.
- e) Submission of signed and stamped copy of Integrity Pact as per annexure - III.

14. OTHER CONDITIONS:

NFL reserves the right to verify the manufacturer's production, quality control and testing facilities before signing of MoU.

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



(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: 00-91-120-2412397,2411057e-mail: imports@nfl.co.in

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 proforma attached as **Annexure-II** through any Bank listed in **Annexure-I** equivalent to US Dollar 5 PMT of Purchase order quantity.

The Performance Bank Guarantee shall be kept valid till 90 days of completion of discharge of the shipment under the Purchase order.

The PBG shall cover the performance of the contract, quantity short landed including the equivalent amount of custom duty and CVD 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 Purchase Order. The PBG shall not be released till supplier has settled all claims under the contract.

If, for any reason whatsoever, Supplier has committed breach of the term(s) and/or condition(s) contained in the Purchase Order and/or failed to comply with the terms and conditions as stipulated in the Purchase Order 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 Products,.

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.



(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

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/ Lol 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 (plant) 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., General Manager (Mktg.), 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/ Lol 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/Purchase Order. The supplier shall intimate NFL's



(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

underwriters/ General Manager(Mktg.), 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-III

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:



(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

- 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 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(plant/mine) and is free flowing , uniform in prill size and colour as per NIT.
- 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 MUTUALLY AGREED DAMAGES:

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:



(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: 00-91-120-2412397,2411057e-mail: imports@nfl.co.in

- 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, epidemics, 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.



(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

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.

<><><><>



(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: 00-91-120-2412397,2411057e-mail: imports@nfl.co.in

Annexure-I

List of Banks for Bank Guarantees

A) Nationalized Banks	
1. State Bank of India and its Associated Banks	2. Indian Overseas Bank
3. Andhra Bank	4. Oriental Bank of Commerce.
5. Bank of Baroda	6. Punjab & Sind Bank
7. Bank of India	8. Punjab National Bank
9. Bank of Maharashtra	10. Syndicate Bank
11. Canara Bank	12. UCO Bank
13. Central Bank of India	14. Union Bank of India
15. Corporation Bank	16. United Bank of India
17. Dena Bank	18. Vijaya Bank
19. Indian Bank.	20. Allahabad Bank

B) Other Banks:	
1. The Karur Vyasa Bank Ltd	2. The Federal Bank Ltd
3. Catholic Syrian Bank Limited	4. The Jammu & Kashmir Bank Ltd
5. Kotak Mahindra Bank	6. The Karnataka Bank Ltd
7. South Indian Bank Limited	8. City Union Bank Ltd.
9. Tamilnadu Mercantile Bank Ltd	

C) Foreign Banks	
1. ABN AMRO Bank N.V	2. Standard Chartered Bank
3. Mashreq Bank	4. Calyon Bank
5. Bank of America National Trust & Saving Association	6. Citi Bank N.A.
7. Bank of Tokyo Limited	8. Deutsche Bank A.G.
9. Barclays Bank Plc	10. Development Bank of Singapore(DBS)
11. BNP Paribas	12. Hongkong & Shanghai Banking Corporation
13. ING Vysya Bank Limited	14. JP Morgan Chase Bank
15. Societe Generale	

D) Private Sector Banks	
1. Axis Bank Limited	2. HDFC Bank Limited
3. ICICI Bank Limited	4. IDBI Bank Limited
5. ING Vysya Bank Ltd	6. YES Bank Ltd





(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: 00-91-120-2412397,2411057e-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



(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: 00-91-120-2412397,2411057e-mail: imports@nfl.co.in

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:

<><><><><><><><><><>



(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: 00-91-120-2412397,2411057e-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 _____. 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



(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

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).



(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

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.



(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

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: 00-91-120-2412397,2411057e-mail: imports@nfl.co.in

Annexure-IV

EVALUATION CRITERIA OF NPK/NPS

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

Sr	Details	Points to be considered for evaluation	Points qualified
I	Quantity supplied to India (All type of NPK/NPS) in MT in the calendar year 2016 (Directly or through trader)	Maximum Points = 10	
	A ≥ 0.1 Million MT and above	10	
	B $\geq 0.05 - < 0.1$ Million	8	
	C Others	6	
II	Quantity Rebate _____USD/PMT (shall be converted to points based on rebate offered by individual manufacturer/ Highest rebate received among all participant manufacturers for _____ MT) X 40	Maximum Points = 40	
	Total Points		
Indian Agency Commission, if any in USD/MT _____			

Note:-

1. In case two or more parties qualified with equal highest points, then party who has supplied maximum total quantity in India during last year shall be preferred.
2. Documents in support of Sr I above to be submitted as per clause no. 13 of Terms of Reference

Signatures 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: 00-91-120-2412397,2411057e-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.
 - b. Name & full address of the voyage charterers, if any.
 - iv)
 - a. Name & address with telephone & fax numbers of the agents at loading port.
 - b. 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,



(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: 00-91-120-2412397,2411057e-mail: imports@nfl.co.in

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 10.00 of NIT 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 (WWDSHEXIEU).

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



(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

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 10.00 of NIT 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 are not available 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 per day and prorata for part of a day for all working time saved 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.