



## **PEC LIMITED**

(A Govt. Of India Enterprise)

"HANSALAYA", 15-BARAKHAMBA ROAD, NEW DELHI-110 001

**TENDER FOR PURCHASE OF EDIBLE OILS**  
**TENDER NO : PEC/EOIL/TDR/GOV/D/11-12/09**  
**DATED: 23.01.2012**

**CLOSING AT 12.00 HRS. IST ON 27.01.2012**

### **TERMS & CONDITIONS OF TENDER**

#### **1. INVITATION FOR BIDS:**

PEC LIMITED (A GOVT OF INDIA ENTERPRISE), HANSALAYA, 15 Barakhamba Road, New Delhi - 110 001, India invites bids, for import of Crude Degummed Soyabean Oil (CDSO) as per the terms and conditions prescribed hereunder:-

#### **2. SPECIFICATIONS:**

As per Annexure - I

#### **3. QUANTITY**

Quantity of Crude Degummed Soyabean Oil, to be imported for **Kandla Port** for **3000 MT (+/- 2%)** at Buyer's option. PEC reserves right to reduce or increase the quantity

#### **4. SHIPMENT PERIOD**

**3000.000 MT at Kandla Port for floating vessel January - February 2012 Shipment.**

Requests for extension in shipment period will not generally be entertained. The Buyer may at his discretion, grant extension in shipment period under special circumstances subject to a rebate of USD 1 per MT per day payable by the Seller to the Buyer. Rebate should be provided in the Commercial invoice. In any case, such extension in shipment period would not exceed a maximum of 3 days; thereafter the Buyer shall have option to cancel the contract without any liability on his part and claim liquidated damages from the Seller. FOSFA contract terms would not apply to this extent.



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**5. PRICE**

Price to be quoted in Annexure-II in US Dollars PMT CIF (landed weight) one safe Indian port one safe berth basis.

**6. PACKING:**

In Bulk

**7. COUNTRY OF ORIGIN:**

Argentina

**8. VALIDITY:**

Bid must remain valid upto 1430 hrs (IST) on 30.01.2012.

**9. DEVIATIONS:**

Bidder should submit a separate statement along with the Bid giving deviations, if any, (as per Annexure-III) with respect to the terms of this tender which, inter-alia, should also include any deviation with respect to the quality parameter(s). Acceptance of the deviation shall be at the sole discretion of the Buyer.

**10. SUBMISSION OF BIDS:**

The offer complete in all respects addressed to The Director (Agro), PEC Limited, HANSALAYA, 15 Barakhamba Road, New Delhi -110 001, India should be submitted by fax (+91 11 23736287)/sealed envelope/E-mail at [ravi@peclimited.com](mailto:ravi@peclimited.com) and [kavi@peclimited.com](mailto:kavi@peclimited.com) latest by 12.00 hrs IST on Friday, 27.01.2012 at the above address. In case the bid is sent by fax or e.mail, the bidder is required to inform us immediately on +91 11 23316397/23713932.

The tender shall be opened at 12:30 hrs. IST on same day i.e 27.01.2012 in the Board Room of PEC on 13<sup>th</sup> floor of their office premises at the above address. Bidders or their authorized representatives may attend the opening of the tender, if they wish to do so.

Offers should be submitted as per price bid format provided at Annexure-I.

The following may also be complied with



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(a) The local agent of the bidder duly authorized by his principal, may submit offers, negotiate and sign contracts and other documents. In case of any litigation and/or arbitration between buyer and the bidders, summons or any other legal process served on the local agent, shall be admitted and held as valid as if served upon the principal/bidder.

(b) The Buyer reserves the right to split the quantity and ask for additional quantity.

(c) Letter(s) of acceptance will be issued by Fax or E-mail or Courier to the successful bidder(s) and/or his/their Agents(s) in India within the validity of offer.

(d) The Buyer reserves the right to accept or reject any or all bids wholly or partially or counter the bid(s) without assigning any reason there for.

#### **11. DOCUMENTS CONSTITUTING CONTRACT**

The Invitation of Bids, the terms and conditions of Tender, Offer of the Bidder/Supplier and Letter of Acceptance issued by the Buyer along with any amendment issued prior to signing of contract shall constitute the Contract between the Buyer and the Seller.

#### **12. LETTER OF CREDIT (DOCUMENTARY CREDIT)**

The Buyer shall establish in favour of the Seller an Irrevocable 180 days usance Letter of Credit in US Dollars for 100% value of the contracted quantity through a scheduled bank in India within 7 Banking days or earlier, after issue of Letter of Confirmation along with the complete information required from the Seller for opening of the L/C. The delay in furnishing the information will be on Seller's account. All other Bank charges outside India except usance interest will be on Seller's account. **Confirmation Charges to be strictly on the Seller's account.**

#### **13. INSPECTION**

1. Shipped Weight/Quality by independent surveyor, appointed by buyer at the sellers cost, to be final and binding on both the buyer and the seller.

**2. Weight as ascertained by calibrated shore tanks at the time of shipment and duly certified by the independent surveyor shall be final.**



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3. If supplier fails to perform as per the agreed contract terms, the supplier would be debarred for future participation and other Public Sector Undertakings would be informed of their default and to take similar actions.

#### **14. SHIPMENT**

1. Afloat cargo and cargo under loading shall be accepted.
2. A tolerance of 2 pct more or less at seller's option is acceptable.
3. Commingling with other cargoes of same grade is allowed.
4. Partial shipments not allowed.

#### **15. INSURANCE**

Insurance policy on SG Policy Form covering the consignment for 110% of the invoice value with underwriter of international repute having local representative and claim settling agent in India, in the currency of the contract (US DOLLARS) covering following for discharge at any Indian port(s).

“Against ‘All Risks’ from whatsoever cause or nature as per the Institute Cargo Clause (All Risks) including the risk of War and SRCC Risks as per Institute War Clauses (Cargo)-11-3-80 and Institute, Strikes, Riots and Civil Commotions Clause 1-1-63 both applicable to SG Policy Form irrespective of percentage including the risk of leakage and contamination, loss in weight resulting from reconditioning in the vent of contamination will be paid irrespective of percentage. The insurance Cover is from storage tanks of the Sellers to the storage tanks of buyers in India. Policy issued by more than one underwriter with or without indicating their percentage of interest is not acceptable.”

#### **16. POST LANDING SURVEY**

1. Landed Weight certified by an independent surveyor, appointed by Buyer at their cost, to be final and binding on both the buyer and seller. Weight as ascertained by calibrated shore tanks at the time of discharge and duly certified by the independent surveyor shall be final for this purpose.
2. The discharging shall be allowed to commence by Buyer's surveyor on completion of formalities under intimation to the Buyer.



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3. Seller to settle the short-landing claim with one month of lodging the claim and beyond that it will attract interest @ LIBOR + 500 basis.

## 17. PAYMENT

- a. 100% payment by irrevocable non-transferable letter of credit.
- b. The letter of Credit shall be negotiable against the following documents:
  - i) Seller's signed Commercial Invoice in three (3) originals with three (3) copies for goods shipped on the basis of shipped weight showing inter alia quantity/description, quality of Crude Degummed Soyabean Oil shipped, price and net Invoice value..
  - ii) Complete set of Original charter party Bill of Lading, marked "FREIGHT PREPAID" in made out to order of opening bank and blank endorsed, notify party "APPLICANT". Bill of Lading(s) to be signed by Master of the Vessel or by a named agent for and on behalf of the Master or the Owner of the Vessel.
  - iii) Certificate of Weight and Quality by the inspection agency nominated by the Buyer.
  - iv) Certificate of origin issued by Chamber of Commerce in Country of Origin.
  - v) Health Certificate in original and three copies issued by Government nominated official agency in the country of origin that Crude Degummed Soyabean Oil shipped is fit for human consumption.
  - vi) Official stowage Certificate in original and three copies issued by independent surveyor of International repute stating that the vessel tanks were duly examined prior to commencement of loading and found clean, dry and suitable for loading of the Crude Degummed Soyabean Oil.
  - vii) **A Certificate from the shipping company or its agent stating that the vessel is classified by an approved classification society as per Institute classification clauses and classified as Lloyds100A1 or its equivalent classification stating that the vessel is not more than 25 years old and is seaworthy. Invoice to certify that vessel is seaworthy.**
  - viii) Copy of Fax advising shipment particulars to the Buyer.
- c. Negotiation of documents under reserve is not acceptable.

If L/C is required to be confirmed by any bank, such confirmation can also be arranged provided the bank charges involved are paid by the Seller.



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Documents presented within the validity of L/C shall be acceptable.

Third Party documents, except commercial invoice and signed draft, is acceptable.

Documents issued prior to the opening of the L/C are acceptable subject to prior approval of the buyer.

L/C to be valid for negotiation for 21 days after shipment.

### **18. DOCUMENTS**

The Seller shall send by fax/email, followed by courier, to the buyer, three sets of non-negotiable documents prior to the arrival of vessel. The Seller shall also ensure that original shipping documents presented to the negotiating bank are received by the L/C opening bank in India before arrival of the cargo. If these documents are not received by Buyer's bank before the cargo arrival, the Seller shall instruct the shipper to deliver the consignment to the Buyer against Buyer's own Letter of Indemnity and instruct the Shipping Agent accordingly.

### **19. DISCHARGE TERMS**

Buyer to guarantee minimum discharge rate of 80 MT per running hour SHINC. Before tendering NOR, vessel is to comply with all port formalities inclusive of obtaining Gas Free Certificate if required. NOR to be tendered only after vessel called, within the limits of contracted port. Laytime to start 6 hours after NOR is tendered or on immediately on berthing of the vessel which ever is earlier. NOR to be tendered by facsimile, telex, telegraph, wireless letter or telephone is acceptable and deemed to be received at the time of transmission.

### **20. DEMURRAGE**

Demurrage, if any at the discharge port shall be for buyer's account as per charter party terms within 30 days after receipt of the seller's demurrage invoice.

The above demurrage rates will be paid on proportionate basis in case there is any other cargo on board other than contracted cargo and both cargoes are for discharge at the same port. Discharge rates to be 80 MT per hour.



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## 21. ARBITRATION

**Any dispute or difference in respect of any matter relating to or arising out of the Contract, if the same is not resolved amicably, will be settled at New Delhi by the Arbitration in accordance with the Rules of Arbitration of Indian Council of Arbitration, Delhi and the award made in pursuance thereof shall be final and binding on the parties. Indian laws will apply. The venue of the Arbitration will be New Delhi.**

**No deviations against the above Red Inked clauses will be accepted.**

All other terms and condition, when not in contradiction to the above mentioned terms and conditions shall be governed by FOSFA Rules.

Import of edible oils under this tender is subject to Government of India policies and guidelines from time to time. PEC is importing edible oil solely on its own behalf and Government of India is not a party to these imports.

**(RAVI KUMAR)  
DIRECTOR**



## ANNEXURE - I

| Crude Degummed Soyabean Oil (CDSO)                               |  |
|--|--|
| GRADING FACTORS  | SPECIFICATIONS   |
| FREE FATTY ACID<br>(EXPRESSED AS OLEIC,<br>MOLECULAR WEIGHT 282) | BASIS 1.00%, UPTO MAX 1.25%<br>(FFA BELOW 1.00% ALSO<br>ACCEPTABLE)        |
| MOISTURE AND VOLATILE<br>MATTER                                  | 0.20 % MAX   |
| IMPURITIES (INSOLUBLE IN<br>PETROL ETHER)                        | 0.10 % MAX   |
| LECITHIN(EXPRESSED AS<br>PHOSPHORUS)                             | BASIS 0.020% UPTO MAX 0.025%<br>(LECITHIN BELOW 0.020% ALSO<br>ACCEPTABLE) |
| SEDIMENT (GARDNER BREAK<br>TEST)                                 | 0.10% MAX  |
| UNSAAPONIFIABLE MATTER(TEST<br>AS PER NSPA)                      | 1.50% MAX  |
| COLOUR (LOVIBOND CELL 1<br>INCH)                                 | NOT DARKER THAT 50 YELLOW<br>AND 5 RED                                     |
| FLASHPOINT   | MIN 250 DEG. F (121 DEG.C)   |

The contracted goods shall be of good merchantable quality, solvent extracted, guaranteed unbleached, produced from sound yellow soybeans.

Oil with a flashpoint below 250 degrees Fahrenheit is rejectable.

Only following deviations are allowable with the discounts to apply as shown:

**Free fatty acids:**

1.01% to 1.05% to be 0.6% of contract price

1.06% to 1.15% to be 0.9% of contract price

1.16% to 1.25% discount to be 1.2% of contract price

Above 1.25% rejectable

1.00 % or less free to Buyer

**Phosphorus:**

Shipment up to 0.025% permitted with the following discounts for excess over 0.02%

Upto 0.021% discount to be 0.2% of contract price

Upto 0.022% discount to be 0.4% of contract price

Upto 0.023% discount to be 0.6% of contract price

Upto 0.024% discount to be 0.9% of contract price

Upto 0.025% discount to be 1.2% of contract price

0.02% or less free to Buyer



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ANNEXURE - II

PRICE BID

Name of Bidder:

\_\_\_\_\_

Address :

\_\_\_\_\_

Tel No. \_\_\_\_\_ Fax No. \_\_\_\_\_ Email \_\_\_\_\_

Contact Person

\_\_\_\_\_

PRODUCT: Crude Degummed Soyabean Oil

| Country of Origin | Port Discharge | of | Quantity (MT) | Unit Price/MT USD |
|-------------------|----------------|----|---------------|-------------------|
|                   |                |    |               |                   |
|                   |                |    |               |                   |
|                   |                |    |               |                   |
|                   |                |    |               |                   |
|                   |                |    |               |                   |

We have carefully gone through the terms and conditions of the Tender Documents and hereby agree to abide by the same for the fulfillment of the contract.

Name, Designation & Signature of the Bidder



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ANNEXURE-III

**DEVIATIONS FROM TENDER TERMS**

**(A) TECHNICAL SPECIFICATIONS**

| AS PER TENDER | DEVIATION |
|---------------|-----------|
|               |           |

**(B) COMMERCIAL TERMS :**

| AS PER TENDER | DEVIATION |
|---------------|-----------|
|               |           |

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