

INDIAN POTASH LIMITED



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TENDER NOTICE FOR IMPORT OF GRANULAR/PRILLED UREA FROM PRODUCER/MANUFACTURERS ON LONG TERM BASIS

REF: IPL/UREA/2023/LT/01 DATED: 04/01/2023

- 1 IPL on behalf of Department of Fertilizers (DOF), Ministry of Chemicals & Fertilizers, Government of India invites sealed Bids from Urea producers/manufacturers directly or through their Authorized exclusive marketeer holding a mandate from the producers/manufacturers for supply of **600,000 MTs Granular/Prilled Urea (Agriculture Grade)** for a period of one year under long term arrangement in bulk form conforming to specifications detailed in the Tender Documents.
- 2 Bids (on CFR FO basis) are invited from Urea producers/manufacturers whose name appears in the IFA publication of survey of urea capacities.
- 3 The offtake period shall commence on 1st March, 2023 and shall continue till 29th February, 2024 with more or less even lifting every month.
- 4 **Delivery Schedule:**
 - a) By not later than the 28th day of each calendar month during the Offtake Period (or February 2023 in respect of the first calendar month of the Offtake Period), Seller shall notify Buyer of the number of shipments to be delivered during the immediately following calendar month, the quantity (subject to operational tolerance), delivery port (which shall determine applicable WCI/ECI pricing formula) and estimated delivery window (each a "Monthly Schedule").
 - b) Each Monthly Schedule shall be binding on the Parties (save for the estimated delivery window). Each shipment of Product shall be 40,000 MTs to 60,000 MTs (+/-10% at the Seller's option).
 - c) The quantity of Product comprising each shipment is subject to a tolerance of up to plus or minus ten percent (10%) for shipping purposes, in each case at the Seller's discretion.
- 5 **Price:** The Bidder will quote a discount in percentage terms on the CFR India price WCI/ECI as discovered through a tender floated by Government of India or their authorized agencies like RCF/IPL/NFL or any other agency nominated from time to time.

CFR price Formula for India

WCI CFR Tender L1 price (\$/t) Minus discount in percentage terms

Or

ECI CFR Tender L1 price (\$/t) Minus discount in percentage terms

WCI CFR Tender price (\$/t) = The price per metric ton payable by the Buyer for each lot/delivery will be determined in US Dollars according to the Lowest (L1) CFR price (\$/t) for West Coast of India, under Urea Tenders issued by Government of India or agencies nominated by Govt. of India like RCF/IPL/NFL/or any other agency nominated from time to time.

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ECI CFR Tender price (\$/t) = The price per metric ton payable by the Buyer for each lot/delivery will be determined in US Dollars according to the Lowest (L1) CFR price (\$/t) for East Coast of India, under Urea Tenders issued by Government of India or agencies nominated by Govt. of India like RCF/IPL/NFL/ or any other agency nominated from time to time.

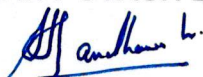
If Buyer has not issued the above mentioned tender for a period of more than sixty (60) days, the following price formula shall apply for WCI, until such time as a price has been determined in accordance with the applicable formula specified above.

Average of Low end & High-end prices of Granular urea in bulk quoted in the weekly reports of "IHS Market Nitrogen Report Urea: Agribusiness/Fertcon" - given in the sub index: Bulk Urea Granular" Middle East fob excl US" and in the weekly reports of " Argus Nitrogen - given in the sub index: Granular Urea – FOB Bulk: Middle East non-US netbacks (hereinafter called the "weekly reports") by calculating the arithmetic average of the weekly reports published during the 2 week immediately prior to Bill of Lading date + \$ 28/t.

For the avoidance of doubt, the foregoing alternative pricing formula shall apply to any shipments where the bill of lading date falls between the last day of such sixty (60) day period and the date on which a price can be determined in accordance with reference to an applicable Urea tender price.

- 6 **Determination of the lowest (on CFR FO basis) bidder:** The successful bidder will be the bidder offering highest discount in percentage terms on the reference price.
- 7 **Pre Bid Meeting:** As it is a tender with slightly amended terms from the standard tenders issued in the past, it is proposed to hold a pre bid meeting at Conference Room, Indian Potash Limited, Potash Bhawan, 10-B, Rajendra Park, Pusa Road, New Delhi 110 060 at **11:30 Hrs (IST) on 12th January 2023** wherein intending bidders could seek clarifications on operationalization of the pricing formula/determination of L1 bidder, shipping terms, pricing in the intervening period between two tenders or any other issue relating to this particular tender.
- 8 Sealed offers on Company's letterhead of urea Producers/Manufacturers complete in all respects addressed to **THE GENERAL MANAGER (PORT OPERATIONS), INDIAN POTASH LIMITED** should reach by **1130 Hrs. (IST) on 23rd January 2023**. The offers received shall be opened at **1230 Hrs (IST) on 23rd January 2023** in the presence of Producers/Manufacturers' representatives.
- 9 The Bids should be valid up to **2000 Hrs. on 5th February, 2023**.
- 10 The terms & conditions governing the import contract are contained in the tender documents which can be obtained from the office of **INDIAN POTASH LIMITED** at the above address on payment of **Rs.10,000/- plus GST applicable (present rate 18%)** by way of demand draft in favour of **INDIAN POTASH LIMITED payable at NEW DELHI**.
- 11 The Company reserves the right to reject any or all the tenders without assigning any reason.

for **INDIAN POTASH LIMITED**



(S.S. SANDHAWALIA)
GENERAL MANAGER (PORT OPERATIONS)

