Rajasthan State Mines & Minerals Ltd.

(A Government of Rajasthan Enterprise) 4 - Meera Marg, UDAIPUR 313 001

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Ref: RSMM:CO:MKT:2014-15: 03 Dated: April 1, 2014

APPOINTMENT OF DEALERS FOR SALE OF RAJPHOS FOR DIRECT APPLICATION IN ACIDIC SOILS

Rajasthan State Mines & Minerals Ltd.,a premier state owned enterprise of Govt. of Rajasthan engaged in mining & marketing of Industrial Minerals namely Rockphosphate, Gypsum, SMS Grade Limestone and Lignite now invites proposals from marketing agencies dealing in fertilizer trade duly registered as per The Fertiliser (Control) Order, 1985 for sale of its product **RAJPHOS** (18% P2O5 Rockphosphate), a direct application fertilizer used in Tea /Coffee/ Rubber plantation etc. specially for acidic soils. Interested marketing agencies having requisite competence and resources may submit their proposal as per our detailed terms and conditions with following details to the undersigned.

- 1. Attested Copy of valid registration as per FCO, where the party is presently operating.
- 2. Keenness Money (Refundable) of Rs.50,000/- only by DD in favour of RSMM Ltd. payable at Udaipur.
- 3. Copy of Audited Balance Sheets and Profit & Loss Account for last three Financial Years including all Annexure & Schedules, if available.
- 4. Note on proposed plan to execute the sales and expand the niche of market alongwith the details of existing infrastructure like dealers network, warehouses/godown etc, if available.

Proposal as per enclosed terms and conditions may be submitted to the office of DGM (Marketing), Corporate Office. Offers without keenness money and signed and stamped terms and condition document shall not be considered. RSMML shall not be responsible for any postal misplacement of the offers sent through post. RSMML reserves right to reject any or all proposals without assigning any reason. For further details you may contact office of DGM (Marketing), RSMML, 4 Meera Marg, Udaipur.

Dy. General Manager (Marketing)

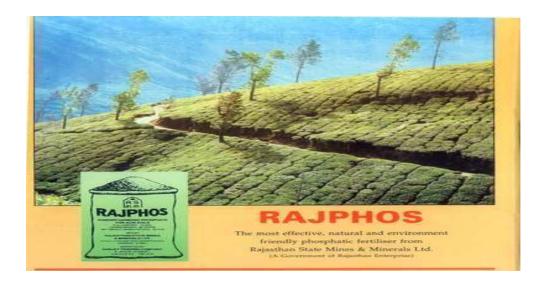


RAJASTHAN STATE MINES AND MINERALS LTD (A GOVERNMENT OF RAJASTHAN ENTERPRISE) 4, MEERA MARG, UDAIPUR-313001 (Rajasthan) Web Site: www.rsmm.com

TERMS & CONDITIONS

FOR SALE OF RAJPHOS

(Each page to be signed and stamped and submitted with the proposal



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1.0 INTRODUCTION OF RSMML:

Rajasthan State Mines & Minerals Limited (RSMML) is one of the premier public sector enterprises of the Government of Rajasthan, primarily engaged in mining and marketing of industrial minerals in the State. The very objective of the company is to achieve cost effective technological innovations in the mining of minerals and to diversify into mineral based downstream projects. It occupies a place of pride in production and marketing of non metallic minerals in India. RSMML is multi mineral and multi location enterprise engaged in mining of Rock Phosphate, Lignite, SMS grade Limestone and Gypsum. RSMML is the leader in Mining & Selling of Rock Phosphate, Gypsum across the country and mineral beneficiation of Rock Phosphate.

2.0 ABOUT THE PRODUCT- RAJPHOS:

Low grade 18% P2O5 ground rock phosphate is produced and marketed by R.S.M.M. Ltd under the brand name of RAJPHOS. It is a natural, organic, non-toxic and eco friendly fertilizer. It has been approved by the Govt. of India for use in acid soils since 1992 as a direct application Phosphatic Fertilizer and has today become the most popular and reputed brand amongst the farmers.

2.1 PRODUCT RESEARCH:

"RAJPHOS" has also been approved by the UPASI, Valparai, TOCKLAI (Tea Research Association), Jorhat, Indian Council of Agricultural Research (ICAR), major Research Stations and State Departments of Agriculture 'RAJPHOS' as direct application fertilizer. It also found a place in the "Package of Practice Recommendation 1995" of Kerela Agriculture University as an ideal phosphatic fertilizer for direct application.

2.2 <u>COMPOSITION OF 'RAJPHOS'</u>:

COMPOSITION OF RAJPHOS			
Phosphorous (P2O5)	18%		
Calcium (CaO)	38-48%		
Magnesium (MgO)	3.3-5.8%		
Size	Minimum 90 percent minus 100 mesh		
Packing	50 Kg HDPE bags		

2.3 MARKET OF 'RAJPHOS'

"RAJPHOS' finds exhaustive usage as a direct application fertilizer for Tea, Coffee, Rubber, Cardamom, Coconut, Paddy, & Pepper etc. The major use is in Rubber & Tea and the brand has been a planters' delight.

'RAJPHOS' is the most effective, reactive, natural and environment and soil friendly phosphatic fertilizer from RSMML for use in acidic soils in the country. It has been acclaimed as direct nutrient in acidic soil which is low in Calcium and Phosphate.

'RAJPHOS' is an indigenously mined natural mineral having no toxic effect or polluting properties and is most economic in price and highly rated in quality.

'RAJPHOS' contains 38-48% of Calcium and 3.3 to 5.8% of Magnesium. 'RAJPHOS' can be used directly or along with Urea or Ammonium Sulphate and Muriate of Potash which is most economical combination for plantation crops.

3.0 SCOPE OF WORK:

Selected selling agency/dealer shall be required to sell RAJPHOS as direct application fertiliser in **acidic soils only**. The selling agency/dealer would also be required to put in efforts in order to develop new areas and application to other crops. For this purpose, placement of order, making requisite payment arrangement in advance and dealing with various Govt. bodies / agencies shall be the responsibility of the selected marketing agency

4.0 PREREQUISITE DOCUMENTS TO BE SUBMITED WITH PROPOSAL OFFER:

Interested marketing agencies having requisite competence and resources may submit their proposal as per our detailed terms and conditions with following details to the office of DGM (Marketing), Corporate Office, Udaipur.

- 4.1. Attested Copy of valid registration as per FCO, where the party is presently operating.
- 4.2. Keenness Money (Refundable) of Rs.50,000/- only by DD in favour of RSMM Ltd. payable at Udaipur.
- 4.3. Copy of Audited Balance Sheets and Profit & Loss Account for last three Financial Years including all Annexure & Schedules, if available.
- 4.4. Note on proposed plan to execute the sales and expand the niche of market along with the details of existing infrastructure like dealers network, warehouses/godown etc, if available.

5.0 VALIDITY OF CONTRACT:

The validity of this contract shall be effective from the date of agreement till March 31, 2015. The period can be further extended for one year on mutual consent

6.0 USAGE OF RAJPHOS:

RAJPHOS shall be sold for use as Direct Application Fertiliser only. RSMML shall be free to call for reports and supportive documents as and when required to ascertain that the product has been sold for use as direct application fertilizer.

7.0 PRICE:

Price as declared by RSMM from time to time and the price prevailing on the date of dispatch shall be applicable.

Prices shall be F.O.R. Railway Siding/Ex-Grinding Unit Including Royalty & Excise Duty but Sales Tax extra as applicable).

8.0 PAYMENT TERMS:

Sales shall be executed on cash / credit basis. For cash sales, payment for cost of material shall be made in advance in the form of Demand Draft/RTGS in RSMML's bank account at Udaipur and for credit sales, Letter of Credit/Bank Guarantee from any PSU Bank/ICICI/HDFC/Axis Bank having its branch office at Udaipur shall have to be established in favor of RSMML as per the given proforma. Credit shall be available for a maximum period of 120 days with interest @ 12.5% per annum.

9.0 SELECTION PROCESS/CRITERIA OF THE AGENCY:

Each offer received against the advertisement shall be evaluated on the basis of desired information provided by the party. The interested selling agency of Rajphos shall be as defined in Chapter 1, clause 2 (f) & (w) with due registration etc. as defined in Chapter IV, Clause 7 of The Fertiliser (Control) Order (FCO) 1985. Copy of the registration should be enclosed.

10.0 SECURITY DEPOSIT:

Security Deposit shall be deposited in two parts:-

- a) An amount of Rs 200000/- in cash shall be retained till the validity of the agreement as Cash Security which has to be deposited along with signing of the agreement. The keenness money of Rs 50,000/- shall be appropriated towards Cash Security and the balance amount of Rs 1,50,000/- may be deposited by Demand Draft/Bank Transfer.
- b) Security Deposit shall be deposited in form of a Bank Guarantee/Cash equivalent to 2% of the value of the contract i.e. total qty ordered x sale price of Rajphos excluding Rail/road freight, in favour of RSMML. The Bank Guarantee/cash security deposit shall be valid for the entire period of the agreement, including extended period if any, plus an additional period of three months.

11.0 FORCE MAJEURE:

The terms of this contract shall also be subject to standard force majeure conditions, which shall cover acts of God, fire, cyclone, riots, wars and acts of government, notified restrictions on production and sale of RAJPHOS, non-placement of rake by Railways etc. In case any party is hindered in completing its obligations, it will inform the same in writing at the earliest to the other party. However, if the period of Force Majeure is more than two months, either party can terminate the contract by giving notice.

12.0 AGREEMENT:

Selected selling agency/dealer would enter into an agreement with RSMML as per proforma provided by RSMML.

13.0 QUALITY & QUANTITY

The Quality of the Rockphosphate will be determined as per the analysis carried out at our Laboratory / Laboratory authorised by RSMML which is final and binding.

The Quantity of the Rockphosphate for billing and all other purposes will be determined as per net weight recorded at Grinding Unit/ Railway Receipt for Road/Rail despatch respectively.

Claims on account of Quality or Quantity beyond despatch points shall not be entertained.

14.0 DISPUTE & JURISDICTION:

- i. In case of any dispute, it shall be the endeavor of both the parties to resolve it through mutual discussions.
- ii. No courts other than the courts located at Udaipur-Rajasthan shall have jurisdiction over any matter concerning any aspect of the work under this contract.
- iii. The agency shall not stop or abandon the work due to and during the pendency of such disputes or differences.

15.0 TERMINATION OF THE CONTRACT:

- i. In case of failure to perform the job as required under this contract or observe any of the terms and conditions by the agency, the company shall give a notice to rectify the default or breach within 15 days. Failure to rectify such default/breach may result in termination of the contract and forfeiture of security deposit without any prejudice to the company's rights to claim damages/costs/loss etc caused by such default/breach. Such termination shall not absolve the agencies of the liabilities accruing till the date of such termination.
- ii. The contract may also be terminated in the event the agency being adjudged insolvent or going into Liquidation or Winding up of their business, or making arrangement with their creditors.
- iii. Notwithstanding anything contained herein above, the company in its absolute discretion may at any time terminate the contract without assigning any reason thereof by giving Thirty days' notice to the agency at their last notified address. In such an event the agency shall not be entitled to raise any claim or demand for compensation, loss of profit and/or damages and/or losses or costs by reason of such earlier termination on any ground whatsoever.

16.0 OTHER TERMS:

- 1. Rajphos can be dispatched both by Road as well as Rail. However in case of road it shall be on ex-factory basis and in case of rail it shall be on FOR siding basis.
- 2. The Railway Freight shall be paid to the Railways directly by the selling agency/dealer as per Railway rules and to the transporter in case of road despatches.
- 3. RSMML shall regularly monitor the performance of the selling agency/dealer and in case of poor performance shall give 30 days notice to improve. In case the agency fails to show improvement then RSMML shall be free to terminate the selling arrangement.
- 4. RAJPHOS shall be packed in 50 kg. HDPE bags printed with RSMM's logo and brand. Selling agency/dealer shall not temper with the bags in any way.
- 5. Selling agency/dealer may depute their authorized representative for pre-inspection of the material prior to its dispatch.
- 6. RSMML shall provide 100 empty bags for a rake load of BG wagons in case of rail dispatches only for replacement of the torn bags in transit.
- 7. Selling agency/dealer shall intimate quarterly schedule for their lifting of material in advance and shall lift evenly during the agreement period.
- 8. RSMML will provide Rajphos to the selling agency/dealer as per the specifications mentioned in the FCO. Pursuance for all matters and clearance regarding compliance of FCO, Weights & Measurement Act, Package of Practices Act, and the requirements of Agriculture Department etc falling under their market territory, shall be the sole responsibility of the selling agency/dealer.
- 9. Presently, there is no subsidy given by any government agency, in case subsidy is granted, the same will be retained by RSMML.
- 10. Transit Insurance if applicable from loading point of RSMML shall be the responsibility of the selling agency/dealer at their cost.
- 11. Selling agency/dealer shall take up all matters relating to Railways regarding claim etc at their cost and shall also bear transhipment charges, if any.
- 12. In case it is required to stock Rajphos, the arrangement of the same shall be made by the selling agency/dealer at their cost.
- 13. RSMML shall be free to sell RAJPHOS to any Govt./semi Govt. or other bodies for experimental, research, trial, commercial purpose etc in any state on priority basis.

- 14. Any undercharges as and when imposed by Railways shall be borne by the selling agency/dealer.
- 15. The selling agency/dealer shall separately stock RAJPHOS in godowns so that it does not gets mixed/contaminated with other similar products

For and on Behalf of Authorised Signatory Name and Seal

17.0 ORDERED QUANTITY STATE WISE (MT):

S.N.	STATE	QUANTITY IN MT PER ANNUM
1	Tamil Nadu	
2	Karnataka	
3	Andhra Pradesh	
4	Pondicherry	
5	Kerela	
6	Assam	
7	Tripura	
8	Arunachal Pradesh	
9	Meghalaya	
10	Mizoram	
11	Manipur	
12	Nagaland	
13	West Bengal	
14	Orissa	
15	Others (Pls specify the state)	
	Grand Total	

For and on Behalf of Authorised Signatory Name and Seal