



NeML

NCDEX Group Company

NCDEX e MARKETS LIMITED

(Formerly known as NCDEX SPOT Exchange Limited)

Circular no:	NEML/TRADING/DECEMBER/2019/4852
Date:	December 26, 2019
Subject:	Contract Specifications & Special terms and conditions for Export of HPCL Bio Fuels Ltd (HBL), Sugar from Sugauli & Lauriya (Bihar) locations.

Trading & Clearing members are hereby requested to take a note of the contract specifications & special terms and conditions for the HPCL Biofuels Ltd Sugar Export Contracts

The Sugar Export auction, the Special terms and conditions are given in below annexures. The contract and the transactions therein will be subject to any changes being made by HPCL Bio Fuels Ltd (HBL) and shall be governed by the General as well as Special terms & conditions, circulars, directives & notices which NeML issues from time to time. All market participants are requested to take note of the same.

For and on Behalf of
NCDEX e Markets Limited.

Praveen Hiremath

Executive Vice President - Products & Business Development Group

For Further Information / Clarifications, Please Contact:
Customer Service Group on Phone: 022 - 6647 3154/3153.

Annexure 1:

SPECIAL TERMS & CONDITIONS FOR EXPORT OF SUGAR OF HBL

1. SPECIAL TERMS & CONDITIONS
 - 1.1. HPCL Biofuels Limited (hereafter called HBL) whose registered office is at 1st Floor , Shree Sadan , Nr Indian Overseas Bank, Pataliputra Colony Golambar, Opposite Ruban Hospital ,Patna- 800 013, A wholly subsidiary of Hindustan Petroleum Corporation Limited, Govt. of India Enterprise has Integrated Sugar Plants at Sugauli, East Champaran & Lauriya, West Champaran, Bihar.
 - 1.2. Directorate of Sugar, Department of Food and Public Distribution, Govt. of India has vide its Notification no. 1(14)/2019-SP-I dated 12/09/2019 decided to allow all grades of sugar namely raw, plantation white as well as refined under MAEQ (Maximum Admissible Export Quantity) vide which 6947 MT (from Lauriya Unit) and 6319 MT (from Sugauli Unit) of sugar has been allotted to HPCL Bio Fuels Ltd. (HBL) for export.
 - 1.3. The sugar has to be taken from the HBL Sugar Units Godown, viz. Sugauli, East Champaran District, Bihar and Lauriya, West Champaran, Bihar. The quantity details of the sugar are as per **Annexure 4**.
 - 1.4. HBL (Hereinafter referred to as "Seller") shall offer and the Exporter (Hereinafter referred to as "Buyer") shall agree, respectively, to sell and to export sugar of quality as specified in the Annexure 4 through the NeML automated trading system and the Buyer shall be bound by all the terms and conditions stated herein along with the General Terms and Conditions or directives notified by HBL.
 - 1.5. Forward e-auction would occur on NeML trading platform whereby buyers will place buy bids which will be accepted by the platform on price-time priority.
 - 1.6. All trade position shall have to be settled by giving and taking delivery of the commodity traded at ex-mill once the H1 price bid is accepted by HBL.
 - 1.7. Buyers shall not be permitted to cancel their bids during the auction.
 - 1.8. Buyers who are not registered as members of NeML can trade after becoming a registered member of NeML.

- 1.9. Existing NeML members who meets the eligibility criteria have to submit the required documents before they are allowed to participate in the export auction.
- 1.10. Buyers shall be permitted to improve the buy bids till the time of e-auction concludes on NeML trading platform.
- 1.11. Notwithstanding anything contained in this contract note, the Buyer shall be bound by and abide by all the rules, regulations, notifications and/or guidelines issued by Government of India, State Government, or any other statutory, Regulatory or Law Enforcement Agencies from time to time, from the day of trade of sugar till the entire traded sugar stock is lifted.
- 1.12. EMD Requirements: Interested Buyers needs to deposit Rs 10 Lakhs in their respective NeML escrow Account as margin money, well in time, to participate in the bidding process. Requisite EMD deposit will be the sole responsibility of buyers and NeML cannot be held responsible under any circumstances. Buyers cannot participate in the bidding process if the requisite amount is not available into their respective escrow A/c.
- 1.13. Auction Timings:
1. 13.1. The auction timings for all trades shall be as per Contract Specifications as mentioned at Annexure 3.
1. 13.2. All timings are as per Indian Standard Time. No auction shall take place on any day which is declared as holiday by NeML at its absolute discretion. NeML in consultation with HBL reserve the right to suspend, stop auction or modify/alter/change auction timing at any time at its absolute discretion.
- 1.14. Unit of Trading & Unit for Price Quotation:
The Lot size for purchase of HBL sugar for exports from both locations are fixed and lot size cannot be changed during e-auction process. The unit of price quotation shall be in Indian Rupees/QT for each bid.
- 1.15. Submission of Bids:
- 1.14.1. Bidders have to bid for the whole lot size and the allocation would be on Price — Time (PT) priority basis.
- 1.14.2. The highest valid bid(s) shall be declared as H1. However, H1 will be awarded contract note only if HBL management approves H1 within stipulated time. In case HBL management feel that the rates of H1 Bid(s) is not competitive, HBL can reject the H1 Bid(s) at their

sole discretion without giving any reason. In case of rejection no further communication will be entertained.

- 1.16. If H1 fails to deposit the requisite Pay-In as per settlement schedule after awarding contract note to H1 by HBL management, trade will be treated as cancelled and HBL is free to reschedule the e-auction of same stock. In such cases margin money of buyers will be forfeited.
- 1.17. Interested bidders will not be allowed to participate in the Bidding process without submission of the EMD of Rs 10 Lakhs.

2. Eligibility of participants to register as Exporter Buyers –

- 2.1. Applications are invited from experienced Export House, Govt./Cooperative Institutions and such institutions having valid Importer/ Exporter code and experience of sugar export in last 3 years (2016-2019) to purchase the quantity of sugar from HBL units and arrange its export as per above mentioned notification under MAEQ and stipulated norms on the basis of 'as is where is basis'.
- 2.2. Attested Copy of valid Export Import Code certificate issued by Government of India
- 2.3. Original credit worthiness certificate for Rs 1crore (One Crore) issued by nationalized bank or scheduled bank excluding cooperative banks.
- 2.4. Attested copy of company PAN card
- 2.5. Attested copy of company GST
- 2.6. In case bidder is body incorporate, company is required to furnish Letter of incorporation/registration of company issued by registrar of company.
- 2.7. Copy of Memorandum and Article of associations, Partnership deed, whichever is applicable.
- 2.8. Details of directors or partners or proprietor of the company along with their PAN No, DIN No, Email ID and Phone Numbers
- 2.9. Experience certificate of Sugar export from India or certified copies of executed purchase order over last 3 years.
- 2.10. Self-attested Copies of Balance Sheet, P&L A/c along with turnover and net worth certificate of last 3 financial years duly certified by the Chartered accountant Copy of Income tax return submitted for the last 3 years.
- 2.11. Authorized signatory details
- 2.12. For participation in the Sugar export auction, registration of exporter with NeML as HBL Sugar Participant Member is mandatory. The existing HBL

Sugar Members of NeML who have submitted the above documents and signed and sealed copy of this terms and condition document shall also be eligible for participation. However, new participants can enroll themselves as Member of NeML by submitting the following documents:-

2.13.1. Duly filled Commodity Participant application form along with the relevant documents as per the HBL Membership requirements

2.13.2. Membership Payment details of relevant membership fees (Rs. 5000+ GST = Rs. 5900/-).

2.13.3. Any other document as may be required by NeML.

2.13. No membership fees will be charged from the existing NeML members registered for HBL sugar. However, they need to submit the sign and sealed copy of this notice along with the required documents.

2.14. The last date of receiving of all relevant documents is 04th October 2019. The documents should reach to:

Customer Service

NCDEX e Markets Ltd

1st Floor, Ackruti Corporate Park

LBS Road, Kanjur Marg (W)

Mumbai – 400078

Ph: **(022)48810555/528; Email ID: askus@nemi.in**

2.16. The interested applicants may visit website www.nemi.in for any relevant information and application form for registration with relevant Annexures. Requests for forwarding application form through post / couriers will not be entertained. Regarding enrollment as Member interested participants can also contact the Customer Service Group on phone number **(022)48810555/528; Email ID: askus@nemi.in**

3. PROCESS OF ELECTRONIC BIDDING SYSTEM

3.1. NeML after scrutiny of application for registration will enroll the Members on the NeML platform as Buyers. For the purpose of trading, registered members will be allotted with user ID and password by NeML.

3.2. The registered member with such member ID and password are only eligible to participate on HBL Sugar Forward auction.

- 3.3. NCDEX e-Market Ltd (NeML) in consultation with HBL will schedule the e-auction on NeML trading platform and such details viz., e-auction calendar will be published on www.neml.in.
- 3.4. The registered buyer members will not be intimated individually regarding the e-auctions. However, the registered buyer members may contact NeML/HBL office for obtaining details of schedule of e-auction(s).
- 3.5. Alternatively, the registered buyer members may contact the Customer Service Group of NCDEX e Markets Ltd on phone numbers (022) 48810555/58 for information on schedule of e-auction market trade. The registered members shall take adequate care and are solely responsible to obtain details of the schedule through the website www.neml.in in their own interest, rather than depending on other mode of information sources.
- 3.6. HBL shall ensure availability of sugar free from all encumbrances including but not limited to pledges and/or any type of litigation on the stocks to be traded prior to entering sell bid through the trading platform. By entering the sell bids, HBL confirms that the requisite stocks are available in the respective designated mill go-downs free from all encumbrances.
- 3.7. The bidders shall place their bids online on NeML Platform www.market.neml.in . The online trading system made available by NeML as per following terms and conditions of the e-auction: -
- a. Terms & conditions of e-auction will include but not limited to
 - i. Date and Time of e-auction
 - ii. Start and End time with allowed extensions
 - iii. e-auction type
 - iv. Quantity (Lot size) v. Base Price (if any) vi. EMD Details etc.
 - b. Following Lot Details shall be visible by the members on the English e-auction platform:
 - i. e-auction No.
 - ii. Commodity Name
 - iii. e-auction Descriptor
 - iv. e-auction Type
 - v. Quantity (in MT)
 - vi. Unit of Measurement (UOM)
 - vii. e-auction Start Time & End Time
 - viii. Best Bid Price

ix. No. of Extensions

- 3.8. HBL may decide, if desired, a base price below which no bids may be accepted by NeML platform.
- 3.9. The minimum tick size shall be Rs.1/- (Rupee one only) and No. of Ticks shall be 100.
- 3.10. The increasing tick size shall be Rs.1/Qt.
- 3.11. During the bidding session, a bidder may modify his bid forwards to a higher value than the existing highest bid. No cancellation of bids shall be allowed during the e-auction session.
- 3.12. The price quoted shall be on net weight basis per 100 Kgs (or per QT) on (Ex-Mill) on "as is where is basis" for each lot and are:
 - 3.11.1. For Ex-Mill Delivery
 - 3.11.2. Exclusive of NeML transaction charges.
 - 3.11.3. Inclusive of all incidental expenditures at the Mill
 - 3.11.4. Exclusive of Applicable GST. The quotation basis shall be exclusive of any tax and levies as may be applicable. The buyer has to bear all such expenses as per actuals. In case of any change in GST by GOI during the contract period, the same will be applicable to the buyer exporter.
 - 3.11.5. Once the bid is accepted by the HBL, the H1 bidder needs to submit the applicable GST rates to HBL and NeML within 1 day of declaration of the auction result. Failing to do so in time, 5% GST would be considered as buyer obligation.
 - 3.11.6. The buyer accepts full and exclusive liability for the payment of any and all applicable taxes (CGST, SGST, IGST, UTGST), levies and statutory payments payable under all or any of the prevailing Central/State statutes. Vendor shall be responsible to indemnify the Corporation for any loss, direct or implied, accrued to the Company on account of supplier/service provider failure to discharge his statutory liabilities like paying taxes on time, filing appropriate returns within the prescribed time etc.
 - 3.11.7. The delivery shall be ex-mill basis.

3.11.8. All costs outside the HBL Sugar Units, e.g. Insurance, transportation, etc. will be borne by buyer separately as per actuals; excluding loading charges in mill which will be borne by seller.

3.12. e-auction will be scheduled for 30 minutes, with extensions:

- (1) **First Extension:** If a valid bid is received during the last 3 minutes of the e-auction (i.e. initial 30 min. schedule), an extension of 5 minutes kicks as 1st Extension.
- (2) **Second Extension:** If a valid bid is received during the last 3 minutes of the 1st extension, an extension of 5 minutes kicks as 2nd extension.
- (3) **Third Extension:** If a valid bid is received during the last 3 minutes of the 2nd extension, an extension of 5 minutes kicks as 3rd extension.
- (4) On completion of 3rd extension, no further extension is provided and e-auction concludes for that particular lot/contract and the prevailing price shall be declared as H1.

3.13. The evaluation and finalization of bids received shall be made on the basis on highest price quoted by the bidders in respect to each lot.

3.14. The bids of H1 bidder will remain valid for minimum period of seven consecutive/calendar days from the date of e-auction.

3.15. The highest bid of each lots as declared by HBL are binding on all bidders. Any requests for cancellation of bids received either during the trading session or after the conclusion of the trading session shall not be accepted. Failure to accept award of purchase by the successful bidder shall result in the termination of the e-auction and declare it null and void. The EMD will be forfeited in such case.

3.16. Any bid placed using the bidder's user Id and the password shall be deemed to be an unconditional binding of the bidder to whom such username and the password has been allotted, for the purpose of the bidding and the bidder shall be solely and fully responsible for all the activities that occur under such username and password. The user is therefore advised to check the username and the password before the trading in e-auction market and is advised not to reveal it to anyone else so as to prevent misuse of the same.

3.17. The bid of the highest bidder of online bidding session (online bidder) may or may not be declared as the successful bidder by HBL within 07 consecutive/calendar days of close of auction subjected to necessary scrutiny. HBL shall evaluate the highest bid after conclusion of e-auction and has the right to reject the highest bid, if found not competitive. The

confirmation of acceptance or rejection of highest bid will be intimated by NeML to H1 through the registered e-mail ID of the registered Buyer.

- 3.18. NeML shall not be responsible for any failure of power, network, server, bandwidth problems, hosting server, internet connectivity, ISP or otherwise or the slowness to access NeML Trading Platform www.market.neml.in . In case the e-auction market trading is not concluded/completed as scheduled for any reason whatsoever including technical reasons, HBL may, in consultation with NeML, reschedule the trading on the same or on different date on same or modified terms and conditions, details of which shall be published on NeML website.
- 3.19. In case of successful e-auction (acceptance of H1 bid by HBL), transaction charges @ 0.4 % of the traded value and applicable GST on transaction charges will be charged on traded value/sale value and shall be deducted from the Pay-In by the buyer. The same will be in accordance with the terms and conditions of this contract note and subject to completion of the clearing and settlement process by NeML.

4. Signing of Contract and Security Deposit

- 4.1. The bidder will examine and satisfy himself about the quality of sugar before entering into auction process. The bidder is advised to visit the godown locations and check quality of sugar at both locations and satisfy himself before auction. No claim on account of non-familiarity of godown location or quality will be entertained after the conclusion of the auction.
- 4.2. The bidder will check the quality of sugar before dispatch from mill. Mill will not be responsible after dispatch of sugar from mill gate as far as quality is concerned.
- 4.3. Mill will not be responsible for non-compliance of any act, related to Central and State govt., in connection to dispatch of sugar from concerned sugar mill.
- 4.4. The bidder will be responsible to make sugar available at export point including insurance and accidental formalities.

- 4.5. The bidder will ensure the credit of subsidy amount by providing all the necessary documents for availing the subsidy, as fixed by the central government. Failing which the subsidy amount will be deposited by the bidder.
- 4.6. The successful bidder will serve as an agent of HBL on whose quota the sugar is being exported. Therefore, the relationship between the HBL and exporter will be like principal and agent.
- 4.7. Once the bidder is confirmed the winner, the HBL will sign a contract with the successful bidder incorporating all terms and condition of the contract between the parties i.e. Sugar Mill and successful bidder.
- 4.8. The agreement needs to be signed within 7 working days of declaration of the result.
- 4.9. The EMD will be converted to Security deposit of the H1 Bidder.
- 4.10. In addition to EMD a Performance Bank Guarantee of Rs 13.86 Crores (Rs Thirteen Crores Eighty Six Lakhs Only) from a nationalized banks or corporate guarantee duly supported with postdated cheques equal to the subsidy amount of Rs 13.86 Crores to be received from Govt. of India will be deposited by the successful buyer within 15 Days from award of contract. However, cooperative institutions and sugar industry body are exempted for performance BG / Corporate Guarantee as they need to furnish postdated cheques equal to subsidy amount (Rs Fifteen Crores) to be received from Govt of India.
- 4.11. The security deposited shall be subjected to timely & satisfactory Export of ordered quality of sugar & on full & final adjustment of claims/dues of the units recoverable from the bidder or any after deducting penalty if any, under these terms.
- 4.12. Bidder shall be responsible to abide by all the terms and conditions and time schedule fixed by the Directorate of Sugar. If the entire allotted quantity for export is not exported within the stipulated time limit, the earnest money deposit, will be forfeited.
- 4.13. The earnest money deposit of the bidder will be forfeited and the work order will be cancelled, if the stipulated norms of the export are not fulfilled to the

satisfaction of The Directorate of Sugar and HBL will be at liberty to get the work done by successive bidders and difference of premium rate (if any) shall be borne by the bidder.

- 4.14. Earnest money / Security Deposit shall be released after getting clearance from Directorate of Sugar, on the basis of successful completion of export of sugar and submission of all requisite documents and certificate regarding export completion to HBL by the successful bidder/exporter.
- 4.15. No interest on EMD/SD will be given to the winner/bidder.
- 4.16. The successful bidder/exporter shall ensure that if the Govt. of India allows any export benefit and subsidy against this sugar export order the same shall be passed on to the HBL.
- 4.17. If any recovery is imposed on HBL due to any conduct of the exporter, the same shall be recovered from earnest money deposit and if the amount of recovery exceeds the earnest money deposit, the excess amount after adjustment of earnest money/SD deposit shall be recovered as arrears of land revenue in respect of this agreement.
- 4.18. If any legal dispute arises, the same shall be under the jurisdiction of District Court, Patna only.

5. Payment and Delivery Mechanism

- 5.1. The buyer has to make full purchase consideration within 30 working days of the day of the award of the quantity to the buyer. DO will be issued by NeML on receipt of the payment even in staggered manner not exceeding 30 days from the award of contract.
- 5.2. Purchase of the sugar is made on ex-mill basis against which 100 % of buy proceed and GST amount has to be deposited within stipulated time period as defined in Clause No 5.1 by means of NEFT/RTGS or online payment into the Escrow Account provided by NCDEX e Markets Ltd. Time is the essence of the contract and the stipulated time for taking delivery must be complied with. Delivery Orders can be generated from NeML only upon depositing of the entire buy obligations.

- 5.3. Weighment shall be done at Mill/Factory weigh bridge during mill working hours on all working days except in case of exigencies for the mill.
- 5.4. The delivery order will be generated by the buyer only to the extent of amount deposited duly taking into account the traded value of the goods and GST as applicable
- 5.5. The lifting time period is 30 working days from the date of the award of the auction.
- 5.6. The delivery order will be issued online from the post trade settlement system subject to following conditions:
 - a. Timely Deposit of 100 % of trade value plus applicable TAX and Transaction Charge by buyer into their designated escrow Account provided by NCDEX e Markets Ltd.
 - b. The delivery order will be generated by H1 only to the extent of amount deposited duly taking into account the traded value of the goods and GST as applicable.
- 5.7. The profile of the Buyer representative will have to be created by Buyer in the www.cst.neml.in in the manner provided, prior to taking physical delivery of traded commodity from the notified Mill go-downs. The vehicle details for taking delivery has to be entered by buyer during preparation of the delivery order.
- 5.8. Buyer (H1), on his/her own or through his authorized representative, while taking delivery of traded stocks shall submit delivery order issued online to Mill officials who will facilitate the delivery of stocks from the Mill go-downs. Buyer or his representative is required to furnish photo identity proof to the Mill authorities.
- 5.9. Seller will be able to view the delivery order generated by Buyer online in the www.cst.neml.in. Sellers shall deliver the quantity of stocks as mentioned in the delivery order in front of authorized representative(s) of buyer(H1).
- 5.10. Seller will issue relevant documents like Invoice, transport permit etc. to the authorized representative of buyer(H1).
- 5.11. After successful completion of the delivery, the seller has to update the delivered quantity against the delivery order in the www.cst.neml.in

- 5.12. Seller will ensure the delivery of sugar stocks as per delivery order subject to given terms and conditions as stipulated in this RFP. Upon receiving online delivery order, for reasons whatsoever, including any third-party claims and/or disputes, in case the Seller refuses/is unable/fails to give delivery of the traded stocks to the Buyer H1 or the delivery is delayed beyond permissible time period except for any force majeure events, the trade shall be treated as cancelled by buyer H1 and any other amount deposited by buyer H1 shall be returned back without interest.
- 5.13. It shall be the responsibility of the seller to verify the delivery order generated and produced by H1 while taking the delivery of the traded stocks. The seller shall check the delivery order to be verified using the Login ID and Password provided by NeML and ensure that the traded stocks are released only to the extent of and in accordance with the verified delivery order as per NeML CS A/c. NeML shall not be responsible for any disputes relating to delivery of stocks which are not in conformity with the delivery orders as available in NeML CS system.
- 5.14. Delay or refusal in taking delivery of traded stocks by H1 beyond the permissible time frame as per the e-auction document shall result in termination of the trade/ balance quantity un-lifted, followed by forfeiting of the 100% of SD & trade value deposited by the buyer.
- 5.15. The buyer after generating the delivery order, shall intimate the seller the date of taking delivery of traded stocks from Mill within allocated delivery timelines to enable the seller to make necessary arrangements for delivery of stocks.
- 5.16. Buyer will not be allowed to segregate/sort the stocks during lifting.
- 5.17. Upon successful completion of the daily lifting quantity and confirmation of the same from the seller on www.cst.neml.in , the amount equivalent to the lifted quantity towards the trade obligations, shall be released by NeML after deducting applicable Transaction Charges + GST to the seller on a daily lifting quantity confirmation basis, within same day or next bank working day.

6. **Transaction Charge:** Following transaction charges are applicable:

Buyer: 0.4% of total trade value + Applicable GST

7. **Contract Fulfilment**

- 7.1. The successful bidders has to submit following documents after the completion of the export of sugar:
- 7.1.1. Self-Certified copies of GSTR Form-1, of source sugar mill, shipping bill with LEO date, name of MAEQ holder sugar mill and Export Proceed Realization (BRC).
- 7.1.2. Bill of lading indicating port of discharge and port of destination along with exporter and importer name.
- 7.1.3. A bi-partite/tri-partite agreement between/amongst quota holder sugar mill, merchant/manufacturer exporter and the source sugar mill, i.e. from which, sugar have been source for export.
- 7.1.4. An undertaking on a non-judicial stamp paper from the source sugar mill indicating the factory-wise MAEQ utilized for export of sugar from its factory.
- 7.1.5. An undertaking from the exporter indicating the shipping bill-wise quantity utilized for export against MAEQ of applicant sugar mill.
- 7.1.6. Any other document specifically sought by DFPD in this regard.
- 7.1.7. Successful bidder has to comply with all the conditions mentioned in the MAEQ Notification No:-1(14)/2019-S.P.-I Dated 12.09.2019, and shall ensure the receipt of total Govt subsidy of Rs 10,448 Per MT to HBL under this scheme.
- 7.2. The documents referred above shall be submitted by the Exporter to HBL within 30 Days of the last consignment of export.
- 7.3. In case of any change in rules and regulations of Govt. of India policy pertaining to export of sugar, the HBL reserves the right to call upon the successful bidder for further discussion and take necessary action in this regard.
- 7.4. It shall be the responsibility of the successful bidder/exporter to ensure and fulfill all the formalities and standard norms required for export of sugar by Govt. of India.
- 7.5. The successful bidder/exporter has to bear all the expenses related to export of sugar which include cost of sugar, taxes and duties, transportation, insurance and all other related expenses.
- 7.6. If any penalty or recovery is imposed on HBL units due to any act or misconduct or violation of any law by the successful bidder, the same shall be borne by the successful bidder/exporter. The HBL will not be responsible for any such penalty or recovery.
- 7.7. In case the export is not taking place for whatever be the reason within the time limit permitted by the Govt. of India, successful bidder shall be responsible all the damage/Loss except change in government policies with respect to MAEQ export.
- 7.8. Bidder shall abide by all the terms and conditions and time schedule fixed by the HBL. If the entire allotted quantity for export is not exported within the stipulated time limit, the earnest money deposit and Security Deposit of the bidder will be forfeited.

- 7.9. Earnest money/Security Deposit will be released after getting clearance from Directorate of Sugar, GOI on the basis of successful completion of export of sugar and submission of all requisite documents and certificate regarding export completion to HBL by the successful bidder/exporter.
- 7.10. The successful bidder/exporter shall ensure that if the Govt. of India allows any export benefit and subsidy against this sugar export order the same shall be passed on to the HBL.
- 7.11. H1 Bidder shall lift the allotted quota of 13,266 MT of Sugar of season 2018-19 on cumulatively from both the plants as per the available stock indicated in Annexure 4, necessary agreement in this regard shall be done by the H1 bidder.
- 7.12. HBL intends to claim the maximum claimable amount of subsidy declared by Govt. of India vide its Notification no. 1(14)/2019-SP-I dated 12/09/2019, i.e Rs 10,448 Per MT on the allocated quantity of 13,266 MT, hence the bidder should confirm and declare that the bidded quantity is meant for destination countries through **ocean freight only**.
- 7.13 HBL reserves the right to deliver the tendered sugar of this RFQ under MAEQ scheme from either of its units at Sugauli and Lauriya as per HBL discretion.

8. RESOLUTION OF DISPUTES

- 8.1. Any dispute arising from the performance or non-performance of this contract between the Seller and the Buyer shall be mutually resolved between the Parties.
- 8.2. In case the dispute is not resolved by mutual consent within a period of 30 days from the date of dispute, the dispute shall be referred to a sole arbitrator appointed by HBL at its sole and absolute discretion on behalf of the both the Parties. The Arbitration shall be conducted as per the Arbitration and Conciliation Act, 1996 along with its amendments from time to time. The language of Arbitration shall be English and seat of Arbitration shall be Patna (Bihar). The decision of the Sole Arbitrator shall be final and binding on both the Parties.
- 8.3. The Courts situated at Patna shall have exclusive jurisdiction over any disputes arising by and between the parties concerned.

9. NEML DECLARATION

- 9.1. NeML is only acting as a service provider for the purpose of the e-auction market trade and shall not take any responsibility whatsoever relating to profit or loss suffered by any Buyer or Seller on account of Member's

participation in e-auction market trade process including but not limited to any notional and opportunity losses. NeML shall not be held responsible or liable by Buyer and Seller in this regard along with seller's failure in giving delivery of commodity within-in the timeline.

9.2. NeML will be providing e-auction platform for the purpose of price discovery and shall not take any responsibility whatsoever in connection with any disputes that may arise during the tenure of the e-auction/contract except if such dispute is directly or proximately connected to the acts of omission and/or commission of NeML. Both seller and buyer shall completely absolve NCDEX e Markets Ltd from any consequences resulting out of this e-auction if such consequence is not due to act of omission and/or commission of NeML and further any disputes between buyer and seller shall have to be resolved by them.

9.3. Both Buyer and Seller agree and acknowledge that NeML shall not be made party to any litigation, suit, petition, application, arbitration or appeal arising from the dispute interested between buyer and seller or its Clients except in case of NeML gross negligence and willful default. Both the buyer and the seller agree and accept to indemnify and keep NeML indemnified from all the claims, losses or expenses that NeML may incur/suffer as a result of inclusion of NeML as a party to any dispute between buyer and seller.

10. FORCE MAJEURE

Should any of the force majeure circumstances, namely act of God, natural calamity, fire, Government of India Policy, restrictions(excluding any stock limits), strikes or lock-outs by workmen, war, military operations of any natural and blockades preventing the Seller/Buyer from wholly or partially carrying out their contractual obligations, the period stipulated for the performance of the Contract shall be extended for as long as these circumstances prevail, provided that, in the event of these circumstances continuing for more than two months, either party shall have the right to refuse to fulfill its contractual obligations without title to indemnification of any losses it may thereby sustain. The party unable to carry out its contractual obligations shall immediately advise the other party of the commencement and the termination of the circumstances preventing the performance of the contract. A certificate issued by the respective Chamber of Commerce shall be sufficient proof of the existence and duration of such circumstances.

11. SELLER AND BUYER DECLARATION

11.1. The Seller and Buyer jointly, severally and individually declare that they have read and understood the above referred Special Terms and Conditions and unconditionally and unequivocally agree and accept to abide by the same. By participating in the trading process, the Buyer and Seller agree, acknowledge and accept all the terms and conditions contained herein above.

11.2. The seller and buyer acknowledge that all commercial/contractual terms are offered by and agreed to between buyers and sellers alone. The seller and buyer agree and acknowledges that NeML is only facilitators and are not and cannot be a party to or control in any manner any transactions on the NCDEX e market post conclusion of trade. Accordingly, the contract of sale of products on the NCDEX e-Market Platform shall be a strictly bipartite contract between sellers and the buyers on NCDEX e-Market.

Annexure 2:

Allocation of Sugar Factory wise minimum indicative export quota (MAEQ) of
Sugar for export sugar season 2017-18

Name	District	Crop Season	Quality	Qty for Export (MT) as per MAEQ
HBL Sugauli	East Champaran, Bihar	2018-19	As is where is Basis	6319
HBL Lauriya	West Champaran, Bihar	2018-19	As is where is Basis	6947

Annexure 3:

E-Auction Schedule

Name	Qty for Export (MT) as per MAEQ	E-Auction Date	Start Time	End Time
HBL Sugar	13266	27/12/2019	12:00 pm	12:30 pm

Annexure 4:

Available Sugar stock of Season 2018-19 (Approx.)

Location	Sugar of Season 2018-19 (MT)
Sugauli	18,868.80
Lauriya	7,683.00
Total	26,551.80