



# भारतीय कपास निगम लिमिटेड

## THE COTTON CORPORATION OF INDIA LTD.

(भारत सरकार का उपक्रम)

(A Government of India Undertaking)

कपास भवन, प्लॉट न. 3/ए, सेक्टर-10, सी.बी.डी. बेलापूर, नवी मुम्बई-400614

Kapas Bhavan, Plot No.3-A, Sector 10, CBD-Belapur, Navi Mumbai 400 614

दूरभाष/Phone:022-27579217, फैंक्स/Fax: 022- 27576030, ई-मेल/Email: [headoffice@cotcorp.com](mailto:headoffice@cotcorp.com);

वेबसाइट/Website: [www.cotcorp.gov.in](http://www.cotcorp.gov.in); मंत्रालय की वेबसाइट/Ministry's Website: [www.ministryoftextiles.gov.in](http://www.ministryoftextiles.gov.in)

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### **TERMS AND CONDITIONS FOR PURCHASE OF READY COTTON BALES BY CCI UNDER COMMERCIAL OPERATIONS**

- 1) The ginner who are interested to participate in the e-tender for purchase of ready bales by CCI, has to register itself with the Corporation. Registration Form is placed at **Annexure-1**.
- 2) After getting registered with the Corporation, the party has to obtain Digital Signature from the authorized agency and the same has to be registered with the service provider with whom CCI will go for e-tendering. In case the party is already having the Digital Signature then party has to just register the same with e-tendering agency.
- 3) The agency authorized by CCI for e-tender will, based on digital signature, allot one IP code to each participant of e-tender.
- 4) As and when cotton is required by the Corporation, the tender notice will be displayed on the website of the Corporation and e-mail will be sent to all the registered parties with the Corporation.
- 5) The quotes received from L-1 bidder will be placed before the Purchase & Sales Committee and the decision on the bid will be conveyed to the L-1 bidder on the same day through e-mail / fax. In case the desired quantity is not sufficient of L-1 bidder, L-2, L-3... bidders will be approached to confirm at L-1 bidder's rates and will have the option to accept or reject the bid of Corporation. However, the Corporation reserves its right to accept or reject all or part of the bid without assigning any reason thereof.
- 6) **SELECTION:**
  - i. Cotton has to meet the various quality parameters specified in the tender. The seller would make available sufficient lots (not less than 120% of contracted bales) to enable the Corporation to complete the selection of bales.
  - ii. Bales should be offered for selection within two days from the date of confirmation of purchase of ready bales and such stock should be physically available in the respective State only.
  - iii. 2 samples will be drawn randomly from each lot of 100 bales by Authorized representatives of the Corporation at the factory and another 3 samples will

- be drawn from other bales of the same lot after taking delivery from the ginners in the godown hired by CCI.
- iv. The samples may be drawn in the presence of ginners or his representative.
  - v. The Corporation shall send the samples for testing in its nominated independent lab for testing.
  - vi. The selection of lot shall be based on the test results and grade of 2 samples drawn before taking delivery of bales from ginners. Approval will be conveyed within 5 days from the date of drawing of first 2 samples.
  - vii. Further moisture content would also be verified at the time of drawing samples by CCI in the factory. The moisture content should not exceed 8%. In any case lot containing moisture above 9% shall not be accepted.
  - viii. The final quality parameters shall be based on average test results of 3 samples drawn from the same lot after taking delivery in CCI nominated godown:-
    - a. Moisture contents:

Upto 8% moisture shall be allowed in the ready bales. However;

      - If, moisture exceeds 8%, but upto 9% - 1% amount shall be deducted from the value.
      - Lot containing moisture above 9% will be rejected at the cost of the Seller.
    - a) Staple length:
      - If, the staple length is less between 0.01 to 0.3 mm - Rs.150/- per candy shall be deducted from the value of cotton.
      - If, the staple length is less between 0.31 to 0.50 mm - Rs.200/-per candy shall be deducted from the value.
      - If, staple length is less above 0.50 mm, the lot will be rejected at the cost of the Seller.
    - b) Micronaire value:
      - If, the micronaire values are outside either side the range specified by upto 0.2 mic - Rs.150/- per candy shall be deducted from the value.
      - If, the micronaire values are outside the range on **higher side** between 0.2 to 0.4 mic - Rs. 300/- per candy shall be deducted from the value.
      - If, micronaire values are outside the range (lower by 0.2 and on higher side by 0.4), the lot shall be rejected at the cost of the Seller.
    - c) Weight difference between factory to CCI godown :

The weight of the lot shall be re-checked in the godown of CCI after taking delivery from the factory/godown of the ginner. The weight shortage, if any, shall be debited to the seller.

7) **WEIGHMENT/FREE PERIOD/ DELIVERY TERMS:**

- i). 100% weighment of bales shall be carried out at spot at the time of delivery in the presence of CCI Representative/ Authorized weighment controller.
- ii). All the expenses till weighment of bales at the factory/godown of the ginner would be borne by seller. However, Sample cutting charges of all the 5 samples (2 at factory and 3 at CCI godown) shall be borne by the seller

- iii). Till the physical delivery is taken by the buyer, the F.P. bales would be lying at the risk of the seller and insurance has to be covered by the seller.
- iv). The goods should be free from all encumbrances.
- v). The buyer would be entitled for free period of 30 days from the date of confirmation of purchase order irrespective of quantity.

8) **PAYMENT TERMS:**

- I) CCI will release 85% payment to the seller within 3 days from the date of lifting of bales from factory/godown of the ginner.CCI shall be entitled for cash discount on this amount as per clause 9.
- II) Balance 15% will be released within 30 days from the date lifting of bales by CCI buyer. The interest @ 7% p.a shall be paid on this amount from the date of expiry of free period till release of the payment by the CCI.
- III) In case of any false packing found in the cotton bales, seller will be liable for compensation.

9) **CASH DISCOUNT:**

In case, payment is made earlier than free delivery period, the seller shall pay cash discount @ 12.00 % per annum for un-availed free delivery period.

10) **PHYSICAL CONDITION:**

- i. All the F.P. bales should be in good condition and fully covered with good quality of grey cloth from all sides including top & bottom with iron hoops/plastic straps and should have permanent marking on them stating lot no., PR no., PM, bale no. and name of the party.
- ii. The seller would be responsible for any damages in cotton bales till delivery of bales at the spot.

11) **INVOICE OF THE CONTRACTED QUANTITY:**

The Tax Invoice shall be raised by the seller in the name of the Cotton Corporation of India Ltd. with the address of nearest respective Branch of the Corporation within the State.

12) **ARBITRATION:**

In case of any dispute or difference arising out of or in relation to the contract, it will be referred to an Arbitrator (other than an employee of the CCI) to be appointed by the Director (Marketing) or the Director (Finance) of CCI and the decision of the Arbitrator shall be final and binding upon the parties hereto. The Arbitration will be governed by the provisions of the Arbitration and Conciliation Act, 1996 or any statutory amendments or re-enactment thereof.

13) **FORCE MAJEURE:**

Should any circumstances beyond the control of the Seller such as natural calamity, strike, riot, elements, war, quarantine, fire or any act of circumstances of force majeure, the contract shall be cancelled to the extent of damage/ destruction/ shortfall bales arising due to the above causes. The Seller shall intimate quantum of such bales to the Buyer within 5 days.

