



TENDER DOCUMENT FOR CONTAINER SEA-FREIGHT RATES.

TENDER NO. MSA/SF/-003
PERIOD 2019-2020

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Interpretations

- i. ALL-IN- Shall mean all Inclusive Total Freight Charged and collected by the Shipping line.
- ii. ARIBA- Shall mean the Web based electronic tender portal used by TCML
- iii. BAF -Bunker adjustment factor
- iv. DTHC- Destination port Terminal Handling Charges
- v. FOB- Free-on Board
- vi. IHL- Inland Haulage charge
- vii. Line- Shipping line, carrier, or her Agents
- viii. LTHC- Load port Terminal Handling Charges
- ix. Ocean Freight- Freight charged for the Sea-leg carriage
- x. OFAC- Office of Foreign Asset control
- xi. SDN - Special designate nationals listing of USA OFAC
- xii. TCML- Tata Chemicals Magadi Limited
- xiii. THC- Terminal Handling charges
- xiv. USA- United States of America
- xv. VDS - Vessel delay surcharge
- xvi. WRS -War risk surcharge
- xvii. Shipper- Tata Chemicals Magadi

Invitation to Tender

This is an invite by Tata Chemicals Magadi to Sea Carrier Liner Shipping lines for Container Sea freight rate bids for year 2019/2020. The offered rates shall be operative from 1st September 2019 to 31st August 2020. Please see attached destinations of interest in Appendix: 1, with a schedule of Table: 1 “TCML EXISTING MARKETS”, and Table: 2 “TCML PROSPECTIVE NEW MARKETS”

Instructions to Tenderers

1. This Invitation for Tenders is open to all tenderers eligible as described in the Invitation to Tender.
2. Tender documents detailing the requirements of the above tenders in English may be obtained from Tata Chemicals Magadi E-Procurement portal available on website www.tatachemicals.com.
3. Prospective bidders should register for E-Procurement to enable them access the Tata Chemicals Ariba portal.
4. For any assistance, kindly contact the Tata Chemicals Procurement office via email: procurement@tatachemicals.com.
5. Submission should strictly be done to Tata Chemicals E-Procurement Portal. Bids will be opened electronically promptly after closing time.
6. Any canvassing or giving of false information will lead to automatic disqualification.
7. The online Freight bids shall strictly be made on an ALL-IN basis, and shall include all Prepaid freight charges (Ocean Freight + LTHC+DTHC+ IHL(where applicable) + Any other prepaid freight surcharges as depicted in Section 2.1 below.
8. The bidders shall subsequently fill a Schedule of Bifurcated ALL-IN freight charges as per appendix 1: Table: 1 and Table: 2, as depicted above in Invitation to tender.
 - 8.1. This bifurcation will be done offline from ARIBA platform, and submitted via email tcmltenders@tatachemicals.com within 2 days after closure of the online bids.
 - 8.2. For all destinations that you quote for, the shipping line must indicate approximate Transit Times.
 - 8.3. Two separate sets of volume projections, for New and Existing Markets respectively are shown in the Tables.
 - 8.4. For New markets, the volumes are expected to grow as we partner with you to penetrate and gain market share in prospective markets.

9. Alongside item 8.1, the following documents and information shall be provided via email to tcmltenders@tatachemicals.com to be received on or before 11th July 2019 5pm EAT.

9.1. Current month vessel schedule as proof of regular liner service

9.2. Details whether tenderer is a carrier or Agent

9.3. Name and Title of Company Signatory

9.4. Registered office physical address

9.5. Tax Compliance Certificate

9.6. Certificate of Registration

9.7. Any suitable Professional Membership in Maritime business.

The technical evaluation will be awarded as per the below criteria;

Factor/Attributes	% weightage TOTAL	Criteria/Attributes	Remarks
Regular Liner container carrier	40%	At least 2 ship calls at Mombasa Load port per Month.	Proof vessel schedule for one current month.
Tax compliance	20%	Proof of Good standing on Tax obligations	Tax compliance certificate
Certificate of Registration	20%	Legal presence in Kenya	1. Proof of company Registration 2. Valid CR12 Certificate
Registered Physical	10%	Local representation in Kenya	Proof of Local Registration
Suitable professional Membership in Maritime Business	10%	Valid professional membership	Proof of Membership & details whether tenderer is a carrier or Agent
Contact details of contact person in charge of the bidding and contracting process			
Total	100%		

PROCUREMENT MANAGER
TATA CHEMICALS MAGADI LTD
P.O BOX 1, 00205 MAGADI

Requirements for the Container Sea Freight Tender

1. Preamble to Sea Carriage Service offer

- 1.1. In preamble to Freight service offer, Kindly note that M/s Tata chemicals Magadi Ltd and its affiliate companies strictly adhere to USA sanctions, and requires their trade partners to equally comply with terms and conditions against restricted Ships, ship owners and any such sanctioned entities under the SDN (special designate nationals) listing of USA OFAC (office of Foreign Asset control). This includes sanctions that are either comprehensive or selective, using the blocking of Assets and trade restrictions to accomplish foreign policies and or international security goals.
- 1.2. The shipping line shall NOT nominate or offer to TCML a sea carrying vessel that is registered or flying an Iranian Flag, call any port of Iran or any other port that is or may be sanctioned by European Union (E.U.) or United States of America (U.S.).
- 1.3. The shipping line shall not nominate or offer to TCML, or otherwise involve in any shipment on behalf of TCML, any Restricted Parties designated by the United States and/or the EU, including vessels, carriers or agents identified in the U.S. government's Specially Designated Nationals List, Entity List, Denied Persons List, or Unverified List; and the E.U. Consolidated List of Persons, Groups and Entities Subject to E.U. Financial Sanction. It is the obligation of the shipping line to screen all parties to shipment against the Restricted Parties lists.
- 1.4. The shipping order that shall be issued by the shipping line will be a confirmation that the vessel or any other party to the transaction nominated by the shipping line is not subject to any U.S., E.U. or other government trade/economic sanctions, and as per Clause 1.1 above.

2. Bidding Criteria

- 2.1. This tender is eligible to Liner container shipping Carriers, or their Agents.
- 2.2. The bidders must Secure prior registration in TCML ARIBA online platform.
- 2.3. The freight Bid shall be done On-line as per Clause 3, 4, 5, and 7 below.
- 2.4. TCML shall notify the Shipping lines on applicable Bidding dates, and the bidding shall be done strictly online during the nominated period.
- 2.5. The Rates offered shall strictly be as per 'instructions to bidders', and also as per clause 3 & 4.

3. The Container Sea Freight Tender terms and conditions

3.1. Instructions for offer of Container Sea freight

The Online bid rates will be ALL-IN rates inclusive. This should factor in any such freight charges as;

- 3.1.1. LTHC (Loading Terminal handling charge)
- 3.1.2. DTHC (Discharge Terminal handling Charge)
- 3.1.3. BAF (Bunker adjustment factor)
- 3.1.4. VDS (Vessel delay surcharge)
- 3.1.5. WRS (War risk surcharge)
- 3.1.6. Inland Haulage charges for ICD destinations
- 3.1.7. Any other charges at Load and destination.

3.2. The Inclusive terms of shipment

This shall include the following;

- 3.2.1. No container cleaning charges at all disports
- 3.2.2. No container deposits at all disports

- 3.2.3. Allowed Destination free time of 21 days of Line container demurrage to clear cargo
- 3.2.4. Rates subject to Lump sum Bill of Lading fee per set

3.3.Avaling of Shipping Equipment

- 3.3.1. Shipping line will avail Shipping equipment e.g containers etc required for the shipments as and when Tata Chemicals Magadi has orders for shipment.
- 3.3.2. In cases where such shipping equipment are not sufficient, you will advise Magadi in advance to avoid any inconveniences to TCML/our intended Consignees.
- 3.3.3. Tata Magadi will endeavor to provide advance shipping projections for purposes of shipping line planning for availing of the required Shipping equipment.
- 3.3.4. The shipping line will provide heavy duty container for export stuffing of Cargo of payload 27 metric tonnes (mts) per twenty foot (20ft) box container; except for such destinations with weight limitation such as Bangladesh (21.50 mts), Vietnam (20 mts)

4. Freight Payment

- 4.1. Freight is generally pre-paid at Load port of Mombasa, where TCML has entered on freight agreement.
- 4.2. Occasionally, TCML has FOB shipments and the buyers will make freight agreements and settlement directly. In such cases, TCML will be liable and responsible for Load port local charges only.
- 4.3. Post the ALL-IN freight agreement, TCML shall take the option for DTHC to be Collected at Destination and payable by the consignees.

5. Credit Period to payable Sea Freight

- 5.1. Allowed credit period of Sea Freight due is Minimum 30 days from the date of issued bill of Lading.
- 5.2. Where Longer credit period is offered, this shall be an advantage factor while evaluating the freight bids.

6. Value added services

- 6.1. Based on your expertise and knowledge of the shipping business, TCM will appreciate any additional Logistics proposals on any other services that you could offer to add value.
- 6.2. Such proposals/value-add services may include but not limited to- Port/Inland Distribution network (infrastructure), Inland destinations delivery options, Other optional Ports to the requested schedule that the line may call on but not included in requested container freight tender.
- 6.3. Any Suggestions of mutual benefit on how to reduce "Total Cost of Delivery"

7. No Sea Carriage Service destinations

- 7.1. If the shipping line is not able to provide services in any of the listed lanes/destinations, same should be marked left blank. However, we encourage you to participate in as many destinations as you can handle.

8. Clarification of Tenders

- 8.1. To assist in the examination, evaluation and comparison of tenders TCML may, at its discretion, ask the tenderer for a clarification of its tender. The request for clarification and the response shall be in writing, and no change in the prices or substance of the tender shall be sought, offered, or permitted.

9. *Validity of the Container Sea freight offer*

- 9.1. The rates offered will be maintained for the period of agreement or one year, whichever is longer. The effective for period shall be starting 1st September 2019 to 31st August 2020.
- 9.2. Any adjustment thereof shall be notified three (3) months in advance and agreed upon.
- 9.3. Sudden Sea freight changes on any destination will void the agreement in wholesome, and will be to Tata Chemicals Magadi's discretion to maintain.

10. *Notification of Award*

- 10.1. Prior to the expiration of the period of current freight tender agreements of 2018/2019 validity, TCML will notify the successful freight bidders in writing on the destinations they are competitive and awarded.
- 10.2. The notification of award will constitute the formation of the Contract but will have to wait until the contract is finally signed by both parties.

11. *Signing of Contract*

- 11.1. At the same time as TCML notifies the successful shipping line on the successful schedule of destinations accepted, TCML will send the Carrier the Contract agreement document, incorporating all the terms and conditions between the parties.
- 11.2. TCML and the Shipping shall have the freight agreement signed within 60 days from the date of notification of freighting award, unless there is an administrative review request.

12. *Rights of the shipper*

- 12.1. Tata Chemicals Magadi reserves the right to accept or reject any of the quotations and is not obliged to assign reasons for its decision thereof.

Yours Faithfully,
For Tata Chemicals Magadi Ltd

**PROCUREMENT MANAGER
TATA CHEMICALS MAGADI**