**BID EVALUATION RESULT FOR AUCTION SALE**

**CRUDE PALM OIL (CPO) /CRUDE PALM KERNEL OIL (PKO)**

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# CHAPTER 1 - AUCTION PARAMETERS

## Authority

Sellers authorized by NCDFI may put up Auction Sale when Crude Palm Oil (CPO)/Crude Palm Kernel Oil (PKO) quantities are available for sale with them.

## Unit of Trading

The unit of trading shall be in Metric Ton (MT).

## Bid and Offer Parameters

The CPO/PKO manufactured by the sellers / their Units are allowed to sell on the NCDFI portal. The seller will specify values of the parameters for the stock to be sold.

## Trade Parameters

The following Parameters of the product need to be provided by the seller.

Product Type

Details of manufacturing unit

Delivery Location

Delivery Mode (Ex-Factory/Warehouse mode allowed at present) Contract Period Date

Date of Produce (Oldest stock)

## Quotation Price and Tick Size

Unit of Price Quotation shall be Rs. /MT. The tick size of the price of CPO/PKO shall be Rs.50/MT.

## Unit for Quantity Quotation and Quantity Tick

The unit of quantity quotation for CPO/PKO shall be in Metric Ton and Quantity Tick shall be bidded quantity therein.

## Auction Calendar

The auctions will be conducted periodically as intimated to members through newsletter.

The eAuction time is pre-configured as 15 minutes while all subsequent extensions are pre-configured as 5 minutes. Any price bid prior to 3 minutes of eAuction time conclusion will result in extensions. Maximum numbers of bidding extensions are pre-defined as 3. Bidding extensions will not exceed this number under any circumstances.

The sellers have to specify the quantity and quality parameters for the auction to enable the portal to display the auction details on the NCDFI eMarket on the auction date.

All the prices mentioned on the portal would be on ex-factory basis and exclusive of applicable taxes, transportation, insurance, etc.

The auction calendar may be changed at the discretion of NCDFI. All timings are as per Indian Standard Timings (IST).

## Pre-Requisites for Bidding

All registered members of the NCDFI eMarket are eligible to Bid. Bidders may contact NCDFI for any clarifications regarding membership & terms and conditions of NCDFI eMarket.

## Auction Method (Auction Sale)

1. Quantity, other parameters of the products offered for auction by respective sellers shall be provided 1 day prior to the auction date.
2. The auction duration is 15 minutes while all subsequent extensions are of 5 minutes each. Any price bid prior to 3 minutes of eAuction time conclusion will result in extensions. A total of 3 extensions are permitted.
3. During the auction, bidders have to bid for both quantity and price. Seller may specify a minimum bid quantity, in which case bid quantity has to be greater than or equal to seller defined minimum bid quantity.
4. Bidder may maintain the same quantity and increase the price or reduce the quantity and increase the price. Any such changes will be accepted only if there is increase in total traded value.
5. Bidders may modify their bids any number of times during round subject to bid quantity rules. Only the latest bid in each round will be considered if acceptable as per the rule.
6. Clearing Price would be determined, based on the results of the auction. Multiple clearing prices could be reached subject to the seller’s decision of accepting multiple prices.
7. If the highest quoted price bid is not acceptable to the seller, then the auction will fail.
8. The final results of the eAuction are binding on all bidders and any requests for cancellation received after the conclusion of an auction session shall result in the forfeiture of the Bid Bond.
9. Any bid placed using the bidder’s username and the password shall be deemed to be an unconditional binding of the bidder to whom such username and the password has been allotted, inter-alia, for the purpose of the eAuction 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 eAuction and is advised not to reveal it to anyone else so as to prevent misuse of the same.

## Margin Requirements

EMD defined in Rs/MT or a % of total trade value would have to be deposited for the quantity intended to bid by the buyer.

1. The bidders shall be allowed by NCDFI to bid only if the requisite EMD amount is available with NCDFI. The amount deposited as Bid Bond would determine the bidding capacity of the bidder.
2. Only the Margin of the successful bidders would be blocked by NCDFI. Margins of the unsuccessful Bidder(s), including those whose bid(s) are not accepted due to non-fulfillment/not meeting the conditions attached to the bid(s), shall be returned by NCDFI.

## Contract Period

The contract period for effecting delivery and payment shall be within the specified Contract Period Date mentioned for the auction.

## Penalty for default and Cancellation of trade

In case the buyers and sellers mutually agree to cancel the trade and provide a written consent to NCDFI, the trade will be annulled. NCDFI annulment charges of 0.1% of the trade value i.e. quantity x price will be applicable to both bidder and seller.

In case the successful bidder fails to lift the stocks or fails to pay within the stipulated contract period the seller will be free to rescind the contract and dispose of the stock. In this case, the margin deposited by the buyer will stand forfeited and passed on to the seller after recovering the applicable transaction fees.

## Arbitration

Any dispute or difference in respect of any matter relating to or arising out of the Contract would be first brought to the Market Oversight Committee of NCDFI eMarket. If the parties do not agree to the resolution proposed by Market Oversight Committee, the parties are free to appeal to the National Dairy Development Board (NDDB). The decision of the NDDB shall be final and binding on all parties.

Subject to the aforesaid, the Courts at Anand alone shall have jurisdiction in respect of any matter arising from or related to the present agreement including any matter arising from or related to the arbitration referred to hereinabove.

## 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 nature 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 three 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.

# CHAPTER 2 - DELIVERY PROCEDURES

## Delivery Size

A quantity variation of +/- 5% is permitted as per contract specification.

## Delivery and Payment

The delivery, payment and supply terms are uploaded on ‘Sellers’ page at www.ncdfiemarket.com.

Delivery and payment will be handled between buyer and seller directly within the contract period. However, NCDFI shall be intimated of the fulfillment of the contract obligations through the Post Trade system.

Only on successful intimation of the payment receipt, margins of the buyer will be released. In case no intimation is received from buyer and seller within one month of specified contract period mentioned for the auction, it will be presumed that the contract obligations were fulfilled and accordingly margins of buyer would be released.

The Seller’s responsibility shall cease once the goods leave the warehouse premises and no claim of quality, quantity and or any other nature, from the buyer will be entertained thereafter.

## Quality Standards and Specifications

The Crude Palm Oil (CPO)/Crude Palm Kernel Oil (PKO) traded at NCDFI eMarket shall be in conformance with the specifications uploaded by the seller.

The quantity offered for sale by respective sellers will be published and provided to all prospective buyers.

## Quality Assurance

Sellers would maintain the quality certificate for stocks being sold and copies of the certificates shall be made available to the buyer on demand.

## Transaction Charges

NCDFI shall collect transaction charge of the contract value from the Buyer, at 0.3% of the total traded value exclusive of applicable GST. These transaction charges shall be deducted from margin money of the buyer.