



**भारतीय कपास निगम लिमिटेड**  
**THE COTTON CORPORATION OF INDIA LTD.**

(भारत सरकार का उपक्रम)  
(A Government of India Undertaking)

प्रशासकीय एवं पंजीकृत कार्यालय : कपास भवन, प्लॉट नं. 3 ए, सेक्टर 10, सीबीडी, बेलापुर, नवी मुंबई - 400 614.  
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मंत्रालय की वेब साइट : <http://www.ministryoftextiles.gov.in>

**TERMS & CONDITIONS FOR SALE OF COTTON IN EXPORT**  
**FOR COTTON SEASON 2010-11**

1. The indicative price quotations are displayed on CCI's website [www.cotcorp.gov.in](http://www.cotcorp.gov.in) daily in the afternoon and bids are accepted upto 5.30 p.m. on all working days from Monday to Friday.
2. The buyers can submit their offers/bids directly. However, if submitted through an authorized agent then the authorization letter of the principal buyer is to be given in advance or alongwith the offer/bid. Proforma of authorization letter is given at Annexure-III.
3. Agents interested in buying cotton for international merchants/mills situated in Bangladesh, Pakistan, Thailand and Turkey may submit their firms profile as per Annexure-VI, in addition to the authorization letter of the principal buyer as per Annexure-II.
4. Acceptance of the offers/counters is E-mailed/faxed/intimated over phone on same day. In case of counters, buyers have to revert to these counters latest by 13.00 hrs (IST) the next day.
5. On acceptance of buyer's bids/counter rates by the principal buyer, contract is raised listing all the standard terms and conditions including variety/grade, quantity, price in US Cents/lb as well as shipment period. A copy of contract is sent to the buyer for his signature and returning of one signed copy.
6. All sales are on FOB basis through JNPT/NSICT/GTI Ports in Navi Mumbai and sales to Bangladeshi buyers through road route are on CNF Benapole basis.
7. After sales, CCI shall arrange to complete offering of actual lot samples for approval within 25 / 40 days, as the case may be, either in part or in full to the extent of 120% of the contracted quantity and buyer or his authorized agent shall confirm minimum 80% approval from the samples given at any time, within 5 working days from the date of samples made available for approval. The buyer or his authorized representative shall complete approval of contracted quantity within 30/45 days from the date of contract.
8. If buyer has completed all formalities to facilitate shipment through opening of L/c but shipment is delayed due to delay in offering of bales then Corporation shall consider extension in free shipment period on proportionate basis on the quantities offered late, beyond stipulated 25 / 40 days.

9. **Free period:** The buyer shall be entitled to the following free shipment period from the date of contract:

<b>Qty (In bales)</b>	<b>Free period from date of contract</b>
Upto 49999	45 days
50,000 & above	60 days

The buyer could be allowed shipment beyond this free period subject to payment of carrying charges @ 1.0 % p.m. for the first 60 days and thereafter, @ 1.10 % p.m. on monthly rest basis till date of Bill of Lading. The maximum carry over of cotton is restricted to 150 days from the date of contract.

10. In case of delay in shipment exceeding 105 days from the date of contract buyer shall be required to make payment of 5% value of the unshipped quantity including due amount of carrying charges within 10 days after expiry of 105 days from the date of contract.

11. **Deposit:**

(a) All buyers who have purchased minimum 15,000 bales or more in the last five cotton seasons on FOB basis, shall be required to pay @ 3.0 US Cents/lb and other buyers shall be required to pay 5.0 US Cents/lb as deposit money within 30 days from the date of contract. In case the buyer do not wish to pay above deposit money then they shall have to open and submit L/C for full contracted value within the aforesaid period of 30 days from the date of contract.

(b) In respect of above advance deposit, the buyer shall be entitled for interest benefit @ 6.5% p.a. from the date of realization of deposit till the date of Bill of Lading.

(c) The above advance deposit @ 3.0 US Cents/lb or 5.0 US Cents/lb as the case may be, shall be in addition to the 5% advance deposit which the buyer has to make for unshipped quantities after expiry of 105 days from the date of contract.

12. In pursuance of Notification No. 58/2009-14 dated 17<sup>th</sup> August 2010 issued by Government of India, Ministry of Commerce & Industry, Department of Commerce and subsequent Memorandum-I No. 1/162/2010/Cotton/Vol.VIII/14 dated 7<sup>th</sup> September 2010 issued by Ministry of Textiles, Office of the Textile Commissioner, Mumbai regarding registration of export contracts prior to shipments, the exporter has to submit the Export Authorization Registration Form within 45 days prior to the date of actual shipment along with the copy of i)-Export Contract; ii)- L/C (Duly authenticated by the confirming bank) or Advance payment receipt (FIRC) mentioning contract no. & date.

In view of the above notification and clause no.11 (a), buyer or his authorized representative shall submit L/C of full contracted value within 30 days from the date of contract to enable CCI to arrange Export Authorization Registration Certificate from the Office of Textile Commissioner to facilitate shipment within 45 days.

13. The buyer shall make all arrangement for timely shipment and send the shipping instructions well in time and in any case, 15 days before the expiry of contracted shipment period.

14. Taking into account the shipment period and opening of L/c/Shipping Instructions from the buyer, the approved bales are transported to CCI Kalamboli Godowns/Kolkata for arranging shipments. Bale to bale – 100% weighment and country damage inspection is carried out by an independent internationally recognized controller at port of shipment.

15. Shipments are effected only after establishment of irrevocable confirmed L/C with first class international bank. In case of shipments beyond the permissible shipment period, provision for payment of carrying charges will have to be provided in the L/C itself.

16. Kalamboli Complex godowns are approved by the Customs for house stuffing of bales and all bales are shipped through containers only under the supervision of Custom's Officials who put their seals after stuffing of containers.

17. After shipments, the documents are prepared and presented to the Bank for payments, while one set of documents is sent to the buyer.

18. **Note:** The Buyers can access following information through CCI website [www.cotcorp.gov.in](http://www.cotcorp.gov.in): -

- i. Daily indicative price quotations
- ii. Procedure for daily offers/bids against global tender for staple cotton.
- iii. Proforma for authorization letter to be submitted by the buyer.
- iv. A copy of contract with all standard terms and conditions.
- v. Buying CCI Cotton - An Edge.

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