

No: QFI/2023/063

PURCHASE MEMORANDUM

Date : 26-Mar-2023

BASIC DETAILS		IF CAPEX, NATURE OF CAPEX		LAST PURCHASE	
Item / Asset Title	: RBD Sunflower Oil	a) Expansion	<input type="checkbox"/>	Supplier name	: Alfa Trading Ltd.
Type of Item / Asset	: Raw Material	c) Cost reduction	<input type="checkbox"/>	Total value	: USD 1,225,000/-
Department	: Production	e) Office equipments	<input type="checkbox"/>	Total Qty	: 1,000 MT (Crude SFO)
Type of expenditure	: Capital <input type="checkbox"/> Revenue <input checked="" type="checkbox"/>	g) Others (specify)	<input type="checkbox"/>	Pur. Memo. No	: OFI/2023/063
		Note: PIs attach feasibility study if a P/I is/are applicable.		Date	: 7/3/2023

REASON/OBJECTIVE OF THIS PURCHASE

- 1-Ordering RBD Sunflower Oil in bulk packing (flexitank) required for processing Sunflower Oil in our refinery to maintain stock for selling in local market.
- 2-Quality approved based on Specifications.
- 3-Product origin is Ukraine, however, same will be shipped from Poland or Romania Port and accordingly War risks will be covered under marine insurance.
- 4-We are buying refined to considering more load on refinery due to Tawneen corn oil supply. Further, differential premium is also very low as against internal refining.
- 5-There is cost advantage (on purchase of Crude Oil) of USD 90,000/MT x 1000 MT = USD 90,000/- equivalent QAR 331,200/- as compared to last purchase
- 6-Stock coverage report attached.
- 7-Purchase price comparison & approval document attached.

RISKS/CONCERNS/NON-COMPLIANCE OF SOPs or POLICY

- 1-Payment - 100% TT against copy of shipping documents without BG.
- 2-Original documents are mandatory required for customs clearance. However, we can clear the shipment on copies of documents as the special approval was obtained for shipments from Ukraine given the war situation. But, we may have to pay the penalty of 1% of the invoice value as the non-attested invoice will be issued by the 3rd party supplier from Malaysia.

		QUOTED SUPPLIER(S) DETAILS										
No	Party Name	Country of Origin	Shipment Term	Currency	Quoted rate/MT	Negotiated rate/MT	Exchange rate	Quantity MT	Amount FC	Total - Qty.	Payment Term / Mode	Remarks
1	Alfa Trading Ltd, Malaysia (Hill Sun Services Pte Ltd, Singapore)/ RBD Sunflower Oil	Ukraine	CFR	USD	1,260	1,235	3.68	1,000	1,235,000	4,544,800	100% TT against copy of shipping documents without BG	1-Cost QAR 4,000/container (approx.) for clearance, insurance, legalisation, transportation, delivery order etc. any other port / shipping line charges is not included in this PM. 2-The above cost is indicative only. However actual will be paid by us at the time of clearance. 3-Quantity Tolerance +/- 10 % acceptable. 4-Partial delivery & payment is acceptable. 5-Insurance will be taken care by Business Unit. 6-RBD Oil (Refined Oil) is not duty exempted, hence 5% duty on landed cost will be paid by us at the time of clearance. However we will try for exemption if possible.
2	Alfa Trading Ltd, Malaysia (Hill Sun Services Pte Ltd, Singapore)/ Crude Sunflower Oil	Ukraine	CFR	USD	1,240	1,240	3.68	1,000	1,240,000	4,503,200		Offer was for Crude oil, equivalent Refined price is shown adding our refining premium Price advantage in buying RBD Sunflower oil from same supplier.
3	Emirates refining CO. Ltd UAE / Crude Sunflower Oil	Ukraine	CFR	USD	1,280	1,280	3.68	1,000	1,280,000	4,710,400	10% advance, balance against copies of documents	Offer was for Crude oil, equivalent Refined price is shown adding our refining premium Price advantage in buying RBD Sunflower oil from Alfa Trading.
4	Emirates refining CO. Ltd UAE / RBD Sunflower Oil	Russia	CFR	USD	1,235	1,235	3.68	1,000	1,235,000	4,544,800		Offer was for 500mt only. Price quoted is same as Alfa Trading, however, Payment terms are better with Alfa Trading.
5	Rusagro (Trans Euro Group, UAE / RBD Sunflower Oil	Russia	CFR	USD	1,330	1,330	3.68	1,000	1,330,000	4,894,400	CAD / LC	Offer was for 500mt only. Product specifications was not received and pending for evaluation War risks will not be covered by Local Marine insurer at usual premium. Price advantage in buying RBD Sunflower oil from Alfa Trading.

\* All the supported quotations are attached

RECOMMENDED SUPPLIER DETAILS													
No.	Party Name	Country of Origin	Shipment Mode	Shipment Term	Negotiated rate/mt	Exchange rate	Quantity MT	Amount FC	Total - Qty.	Payment Mode	Date of shipment	Date of arrival	Remarks
1	Alfa Trading Ltd, Malaysia (Hill Sun Services Pte Ltd, Singapore)/ RBD Sunflower Oil	Ukraine	Sea	CFR	1.235	3.68	1,000	1,235,000	4,544,800	As mentioned above	Partially during April 2023	Approx. One month from dispatch	N/A
TOTAL QAR								4,544,800					

Supplier selection criteria(s) :

Better quality	Lowest bidder	Reputed supplier	Others (specify )	Approved product quality & Better payment terms
----------------	---------------	------------------	-------------------	---

BUDGET DETAILS		AUTHORIZATION/ APPROVAL	
Particulars	Amount (QAR)		
Budgeted value for the requested Capex/expense			
Budget utilised till last purchase			
Balance available for this purchase			
Proposed as per this purchase memorandum			
Surplus/(Deficit)			

Michael Mascarenhas  
Assistant Manager -  
Senior Officer -

Faziz Ahmed  
Asst. Manager - Purchase

Faziz Ahmed  
Senior Manager -

Fahim Rasmy  
Senior Manager • Finance

Hamed Bushra  
General Manager

Fahim Rasmy  
Senior Manager • Finance

Khaja Bahaudin  
Asst. Vice President -

Tarique Mohammad  
Chief Executive Officer

Shahidul Haque  
Sheth Mansoor  
Band Member