



**IndianOil**

**GLOBAL PUBLIC TENDER FOR EXPORT SALE OF  
MONO ETHYLENE GLYCOLS (MEG)  
REFERENCE NO: PC-M/ EXPORTS/23-24/MEG/02**

**Documents Download/Upload period: 14<sup>th</sup> June 2023, 1800 Hrs to 22<sup>nd</sup> June 2023, 23:55 Hrs**

**TENDER DOCUMENT**

---

**INDIAN OIL CORPORATION LIMITED  
BUSINESS DEVELOPMENT,  
CORPORATE OFFICE  
INDIAN OIL BHAVAN, 7TH FLOOR,  
NO. 1, SRI AUROBINDO MARG  
YUSUF SARAI, NEW DELHI 110016**

## NOTICE INVITING TENDER

### **A. Tender is invited from buyers for export sale of MEG IndianOil**

IndianOil is India's highest rank Energy PSU in Fortune-500 list (Rank 142). IndianOil recorded Revenue from Operations of ₹7,28,460 Crores and a net profit of ₹24,184 Crores for the financial year 2021-22. IndianOil's core business has been refining, transportation and marketing of petroleum products. In line with India's growing energy demand, the Company has over the years expanded its operations across the hydrocarbon value chain - upstream into oil & gas exploration & production and downstream into petrochemicals, besides diversifying into natural gas and alternative energy resources. IndianOil also operates Glycols plants with installed capacity of 457 KTA at Panipat and 357 KTA at Paradip.

#### **1. Buyer**

The buyers are required to be registered with Indianoil's Petrochemicals department for participating in this tenders. In case of the buyer is not registered, they shall get them self-registered **within 4 days of closure of offer else their offer would be not considered for further evaluation.**

The registration criteria as mentioned in the tender documents **Annexure 1**. The key points of the criteria have been reiterated below:

***“Customers who have traded/consumed a minimum quantity\* of 1200MT/Annum of Olefins (PP/HDPE/LLDPE) and/or Aromatics (PTA, Glycols, LAB and Para xylene) in any 2 calendar years of the previous 3 calendar years preceding the year in which the party has requested for customer registration, would be eligible for registration.”***

Complete details of Buyer to be given in Registration format attached at **Annexure 1** along with enclosures/annexures as indicated (Registration would be a onetime exercise and registered parties need not repeat this for future tenders). IOCL reserves the right to reject any party without assigning any reason whatsoever. Please note that Letter of Credit towards payment against this contract must be opened by the said named Buyer only.

#### **2. Seller**

Address for Communication, Documentation & LC Opening:

Indian Oil Corporation Limited.  
Petrochemical Marketing Group  
7th Floor, Indian Oil Bhavan,  
1, Aurobindo Marg, Yusuf Sarai,  
New Delhi – 110016  
India.

#### **3. Quantity**

**Shipment: The product shall be** lifted as per the specified lot and time, **the offer for MEG is as under:**

**MEG:**

<b>Quantity</b>	<b>Quality</b>	<b>Tolerance</b>	<b>Tentative Schedule timeline</b>
5000MT	off spec	+/- 10%	Before 31 <sup>st</sup> July 2023
10000MT	On spec	+/-5%	

\*Tolerance is as per seller's agreement.

**The mentioned time schedule is indicative, exact time schedule would be confirmed at the time of issuance of Proforma invoice.**

**4. Quality: As per Annexure 2**

**5. Evaluation.**

5.1.1. Buyer has to quote **mandatory for entire offered quantity of MEG**. The lifting can be separate within the specified timeline. In case of **staggered lifting, off spec material** has to be lifted first.

5.1.2. Buyer shall **quote single blended discount/Premium as per the formula (\$/MT) for entire MEG quantity comprised of off-spec and on-spec materials.**

5.1.3. **Price for MEG as per the mentioned formula.**

5.1.3.1. Price formula for MEG:

**(Average of last 4 weeks (Weeks before commencing of loading) of Weekly average PLATTS CFR CMP quote and ICIS CFR CMP quote) +/- Premium/Discount in (USD/MT) + Adjustment factor (AF) in (USD/MT)**

**Adjustment Factor (AF)** is difference between Average of last 4 weeks (Weeks before commencing of loading) ICIS CFR China and Platt's CFR China i.e ( Avg ICIS- Avg PLATTS)

**Buyer to Quote only Premium/ Discount in \$/MT terms.**

**6. Payment/Pricing and Delivery terms**

6.1. Shipment: The product shall be **as per the specified lot size.**

6.2. Exports will be made on FOB Paradip basis since evacuation is planned in bulk tankers Payment for the product is proposed only by way of Irrevocable, **confirmed LC at sight/Advance Payment** from an acceptable bank in an acceptable format.

6.3. **All port charges, Pilotage, berthing charges** are to be paid by the Buyer in advance or on completion of work as per the need.

6.4. **The buyer shall hire the shipping agent** at their own charge for coordination with Port Authority and IndianOil who would suitably coordinate with IOCL's nominated officers and ensure seamless arrival, loading and departure of the vessel. They would also provide necessary documents/assist IOCL in completing the necessary documentation required for the shipment of cargo.

6.5. Vessels to be arranged by the buyer. All the port handling charges related to vessel would be paid by the buyer.

6.6. The buyer will be required to evacuate the product from our plant as per the delivery schedule indicated in the tender document.

6.7. In case of delay/deviation in evacuation of product from IOCL storage, if Buyer doesn't lifted the product beyond 15 days of scheduled timeline as indicated in Proforma Invoice, they would be blacklisted for 3 year from all the exports of Petrochemical product from BD-PC group, except the conditions mentioned in the section Force Majeure in tender documents or as decided by IOCL on case to case basis.

IOCL reserves the right to reject any party without assigning any reason whatsoever to cancel the part of tender and/or full tender before and/or after finalisation of the tender and/or award of work

IOCL shall have the option to short close the quantity of MEG at any point of time without any liability on either side.

Title and risk of loss to the product shall pass to the Buyer at Paradip Port.

Notwithstanding anything contained above, other terms and conditions relating to the subject Clause would be as per General Terms and Conditions attached herewith at **Annexure 3.**

**7. Pricing Basis**

The bidder would quote the Premium/discount in % of the Quote as mentioned in above. Acceptance of the above Clause shall be given in totality.

## **8. Shift in Delivery Period**

The essence of this contract is to upliftment of the product during the agreed delivery period. However, if Seller, at buyer's request, accepts a shift in delivery period at its sole discretion, the following clause shall apply:

**USD 10/MT as delivery period shift charge shall be applicable for delayed upliftment.**

Please note in case of unavailability of product charges would not be applicable.

The above is without prejudice to Seller's right to claim other liquidated and non-liquidated damages for delay in arrival of Buyer's vessel.

## **9. Payment**

Payment shall be through advance payment or an irrevocable Letter of Credit (L/C) at Sight, without recourse to Buyer/Drawer payable in US Dollars. L/C to be established in Sellers Format as available at **Annexure 4** through an acceptable bank as listed in **Annexure 5**. Letter of Credit to be opened as per UCP 600 latest revision.

In cases where Buyer opens L/C through a bank not listed in **Annexure 5** then the Letter of Credit to be **confirmed at Buyer's cost**.

The Letter of Credit duly confirmed, if so required by the Seller, shall be furnished within 7 days of Award of work. Letter of Credit to remain valid for presentation of documents within 21 days after Latest Shipment date.

All charges in connection with establishing, advising and amendment of the Letter of Credit including confirmation, if so required by the Seller, whether in India or outside India shall be to the account of the Buyer. All Charges incurred in India for realizing the payments under the Letter of Credit shall be to the Seller's account.

Notwithstanding anything contained above, other terms and conditions relating to the subject Clause would be as per General Terms and Conditions attached herewith at **Annexure 3**.

## **10. Other Terms & Conditions**

Notwithstanding anything contained in this Tender document, the General Terms and Conditions available at **Annexure 3** to apply where they are not inconsistent with the above conditions.

The General Terms and Conditions are part of the subject tender. Hence submission of the bids against the subject tender would be considered to be acceptance of this Clause.

The said Tender is exempted from Tender fee and Earnest Money Deposit.

## **11. Destination/End User**

Kindly advise us of your intended Destination for the Product 7 days prior to commencement of the loading. Buyer must subsequently submit a certificate of discharge specifying the port of discharge within 45 days of discharge.

Product shall not be shipped to such countries, which are specifically prohibited from receiving goods of Indian Origin by the Government of India/US & EU sanctioned destinations.

**Buyer shall indicate the requirement any specific certificate/COO in the bid in advance.**

## **12. Total Offer, Process for Evaluation & Time Schedule**

- 12.1. Bids are requested for subject item in complete accordance with our Tender Document and its attachments single System ie Price bid. The credential and details for registration shall be submitted as separate document pax in same mail/different mail with clear heading as "Price Bid" and/or "Documents for registration" as the case may be.

- 12.2. Tender document can be downloaded from IOCL website.
- 12.3. Tender Document would include a One-Time Registration format, which would give all the details of the prospective Supplier.
- 12.4. Incomplete tenders and those, not in conformity with our prescribed specifications, terms and conditions will be rejected. Seller will not be responsible for any delay for submission of tender documents/Bids. All activities shall be performed strictly as per the time specified for the activity.
- 12.5. Complete and unconditional Total Offer received within the closing period (as specified in the subject tender) by the Seller shall constitute a Binding Offer as referred to hereinafter. All incomplete or conditional offers are liable to be rejected without further reference to Bidders/Buyers.
- 12.6. **Price offer shall be valid for 10 days after closure of bid** for evaluation of the offers by the Seller. Seller shall have the right to evaluate the Binding Offers and convey their acceptance to the bidders during such period.
- 12.7. **Bids complete in all respects should be mail to email id [ioclpolytenders@indianoil.in](mailto:ioclpolytenders@indianoil.in) only. Bid received in any email id is liable for rejection. Please don't mark CC to any other email id of IndianOil.**

**12.8. Process for Evaluation of Bids**

- 12.8.1. Bidders shall submit Price offers in the format enclosed at **Annexure 6** without deviations or exceptions. If however, during scrutiny of bids, it is observed that there are points in bids which need to be clarified, a clarification mail would be issued to Bidders, requesting for clarification on the required points within a prescribed time indicated in the Clarification mail.
- 12.8.2. Non-response or part-reply clarification or maintaining the offer, initially submitted or reply after the prescribed time, would lead to outright rejection of offer without any further communication. However if the reply/clarification is received before the prescribed time and it is observed that the bidders have not replied/clarified in totality, as requested, or have maintained their initial offer, they would be requested again to reply/clarify within prescribed time. Unless otherwise specified, prescribed time as indicated in Clarification Letter would however be final.
- 12.8.3. The Tender Committee would analyse the offers received and would then recommend the award of the tender to the lotwise Highest Bidder (H1) basis the highest netbacks to IOCL.
- 12.8.4. Bidders can quote for one or multiple lot for any of the lot of any of the listed product.
- 12.8.5. IOCL reserves the right to accept or reject any tender in Part or full without assigning any reason whatsoever. IOCL also reserves its right to allow purchase preference to Public Sector undertakings as per laid down procedures.
- 12.8.6. Indian Oil Corporation Limited will not be responsible for any delay or non-receipt of documents through mail.
- 12.8.7. The prices shall be indicated in figures and in words. In case of any discrepancy between the prices indicated in figures and words, the price indicated in words shall be deemed as correct.
- 12.8.8. Notwithstanding the above, further clarifications as regards to Price Bids can be sought by Buyers within the Time Schedule for submission of Part II Bid.
- 12.8.9. Sellers may also seek further clarifications with regard to Price Bids from Buyers within the Period of Validity. Bidders may also be requested to extend the Period of Validity if required.

**12.9. Lay can/berthing time**

S.No	Description	timeline	Remarks
1	Lay Can	1 <sup>st</sup> -31 <sup>st</sup> July 2023	Tentative
2	Berthing time	25 Hrs	Tentative

- 12.9.1. The timelines are tentative and exact time would be informed at the time of issuance of Performa invoice/ shipping instruction as the case may be. The timelines can change on sole discretion of IndianOil.

- 12.9.2. Average pumping capacity of IndianOil is 700-1000 Cu M/Hr. for discharging 10 TMT cargo and completion of documentation 25 hrs berthing time is required. The berthing time would change basis the discharge plan of cargo and vessels rated capacity. the buyer shall plan the berthing time accordingly, without any additional cost to IndianOil.
- 12.9.3. Laytime to commence from commencement of loading at load port. The nominated vessel can take berth only as per its turn after awaiting turn of the other vessels awaiting berth and subject to port regulations in force.
- 12.9.4. The party to pay floating expenses, if any, at actual.
- 12.9.5. The party to pay inventory holding charges for the period from 24:00 hrs of the last day of the contractual laycan till commencement of loading.
- 12.9.6. The party to amend L/C to allow recovery of the above charges
- 12.9.7. Details of the NOR and shioment is as per GTC attached at **Annexure 7**

#### **1.1. Other Terms & Conditions Regarding Submission of Offers**

- 1.1.1. All correspondence including clarifications subsequent to issue of Tender would be carried out by email only unless otherwise specifically agreed.
- 1.1.2. If not clearly denoted otherwise, Buyers will be deemed to have accepted all conditions of this tender.
- 1.1.3. No amendments or modifications shall be made to the submitted offers after closing Period. Seller can at their specific request require such modification on a need basis. No withdrawal of the Binding Offer shall be permissible during the period of validity of the Binding Offer. Seller shall be entitled to accept the Binding Offer made within the Closing Period without modifications unless amendments or modifications were specifically requested for by the Seller. Any withdrawal/modification of a Binding Offer by the Bidder shall entail removal of Bidder from future tenders of IOCL. This is in addition to the other rights of the Seller in this regard.
- 1.1.4. The contents of this tender document are strictly confidential and non-transferable.

#### **1.1.5. Contacts for Assistance:**

Should any clarifications be required regarding the subject tender or any assistance is required in submission of offers, kindly contact **Rakesh Kumar Pandey, Senior Manager (Petrochemicals Marketing) at the Telephone Number +919899888410, email: Pandeyrakeshk@indianoil.in** Alternatively, please contact N N Mahato, **General Manager (Petrochemicals Marketing at the telephone no +919910298772. Email: mahatonn@indianoil.in**

Seller reserved the right in its absolute discretion to accept/reject offers without assigning any reasons whatsoever.

Offers not in line with Tender Conditions shall be rejected.

#### **Annexures:**

- 1.Registration Form for Buyers**
- 2.Product Quality Guaranteed Specifications**
- 3.General Terms & Conditions**
- 4.Format of Letter of Credit**
- 5.List of Banks**
- 6.Format for Price Bid**

**Registration form**

To be submitted along with a covering letter on the Letter Head of Company seeking Registration and scanned and emailed along with supporting documents in Adobe PDF format to the email ID [ioclchemtenders@indianoil.in](mailto:ioclchemtenders@indianoil.in)

**I. APPLICANT'S COMPANY DETAILS**

A.	COMPANY DETAILS	
(I)	Name of the company	:
(II)	Nationality/country of incorporation	:
(III)	Corporate headquarters	:
(IV)	Date of incorporation <i>(Please enclose copy of Certificate of Incorporation)</i>	:
(V)	Core business activity of the company <i>(Please state your core business area along with number of years of experience in petrochemicals including polymers (PP/HDPE/LLDPE any other petrochemicals) procurement for own consumption/trading.)</i>	<i>In case of trader, details of the traded quantity required. In case of manufacturer end application use required.</i>
(VI)	Type of company	: Private/public
(VII)	Name and details of the chairman/ president/managing director	Name : Email Contact no:
(VIII)	Dept. and contact person(s) and their telephone numbers	Name: Designation: Telephone no: office : mobile: Email id: Postal mailing address:
(IX)	Overseas offices <i>(With name of contact official and telephone/fax/telex nos.)</i>	:
(X)	Parent/Holding Company, if any <i>(Please give latest shareholding pattern of the applicant company and its parent/holding company, along with documentary support.)</i>	:
(XI)	Subsidiary, if any <i>(Please give name(s) of subsidiaries and percentage of share holdings.)</i>	:
B.	Is the company facing at the time of seeking registration any known legal disputes that are likely to adversely affect the performance of contracts/meeting its financial commitments?	Yes/No

C.	Please confirm whether applicant company or its group/ subsidiary/ affiliate/ parent company was earlier or currently registered on any other IndianOil panel/mailling lists <i>If yes, Pls provide details as under</i> (A) On which Panel/mailling list (Import/Export). (B) Date of Registration (C) Period of Registration (D) Whether any cargo (es) were/are awarded during such period. (E) Date/ Reasons of deletion	
D.	List of banks (from which LCs are expected to be opened) <i>(Buyer shall provide the complete list of banks from which they are expected to open the LCs as per annexure 2.)</i>	

## II. FINANCIAL DATA/PERFORMANCE (PREVIOUS THREE CALENDAR YEARS)

S.No	Description	In Million USD		
		Preceding Year 1	Preceding Year 2	Preceding Year 3
1	Net sales/turn over from operations			
2	Other sales/ activities			
3	Net profit			
4	Capital			
5	Reserves			
6	Any other relevant and known information of the company that is likely to impact profitability of the company in the short term			
7	Annual financial report			

## III. Volume of physical trade/consumption of Petrochemicals globally

S. NO	Description( Grades)	Qty* in MT			Value in Million USD		
		Preceding Year 1	Preceding Year 2	Preceding Year 3	Preceding Year 1	Preceding Year 2	Preceding Year 3
1	PP						
2	HDPE						
3	LLDPE						
4	Aromatics						
	Total						

Place:

Date:

Name:

Designation:

Signature:

Seal

### Important Note:

- To be submitted along with a covering letter on the Letter Head of Company seeking Registration and scanned and emailed along with supporting documents in Adobe PDF format via email. The mere submission of an application by party doesn't guarantee registration with IndianOil. IndianOil reserves the right to reject any application without assigning any reason thereof)
- Declaration as per Annexure A and Bank details as per Annexure B**



**(CERTIFICATE FROM APPLICANT COMPANY CEO/CMD/AUTHORISED SIGNATORY ON THE LETTER HEAD OF COMPANY SEEKING REGISTRATION)**

We confirm and undertake that the products of IndianOil as mentioned in the registration form, would not be destined to any country/source under international sanctions or prohibited by the Indian Government. We shall be solely responsible in respect of breach of these conditions. In case of breach of any of these conditions under import/export contract with IndianOil, we shall directly bear all cost & consequences, losses, penalties etc with no liability whatsoever, on IndianOil.

**Place:**

**Date:**

**Name:**

**Designation:**

**Signature:**

**Seal**

(LIST OF BANKS FROM WHICH LC ARE EXPECTED TO BE OPENED)

Preferred Delivery Term:

Preferred Payment Mode: LC/Advance Payment: IN case of LC, pls share the tentative list of bank from which LC would be issued in format below.

S.No	Bank Name	Swift Code	Address	Country	Preference order according to buyer

Name:

Place:

Designation:

Date:

Signature:

Seal

**Declaration by buyer for submission of Registration documents within 4 days after closure of bid period to be eligible for award of work**

GUARANTEED SPECIFICATIONS**Mono Ethylene Glycol  
Product Specifications**

<b>Sr. No</b>	<b>Property</b>	<b>Unit</b>	<b>Specifications</b>
1	Appearance	-	Clear Colourless
2	MEG Content	Wt % min	99.9
3	DEG Content	Wt. % Max.	0.04
4	Specific Gravity	@20/20 Deg C	1.1151-1.1156
5	Distillation Range @ 760 mm Hg IBP End Point 5 - 95 vol% range	Deg C Min. Deg C Deg C Max	196 199 1.0
6	Water	Wt. % max.	0.04
7	Colour (before heating)	Pt-Co Units	5
8	Acidity (as acetic acid)	Wt.ppm Max.	10
9	Chlorides (as CL)	Wt.ppm Max.	0.1
10	Sulphates		Nil
11	Iron	Wt.ppm Max.	0.1
12	Ash	Wt.ppm Max.	10
13	Aldehydes (as formaldehyde)	Wt.ppm Max.	10
14	Transmission in UV Wavelength(nm) 220 Transmittance 275 Transmittance 350 Transmittance	% min.	80 95 99

### Off Spec Specification (tentative)

Parameter	Method	Off Spec
Physical Appearance		Presence of suspended particle
Specific gravity@ 20°C	D4052	1.115-1.1156
MEG	E2409	Min 99.7 wt%
DEG	E2409	Max.400mg/kg
TEG	E2409	
Distillation : IBP	D1078	Min.196°C
FBP	D1078	Max.199°C
5-95% range	D1078	Max.1.0°C
Water	E203	Max 1000 (mg/kg)
Acidity as CH <sub>3</sub> COOH	D1613	Max.0.0010wt%
Color pt-CO Before Heating	D1209	Max.5.0
Color pt-CO After 4 hours Heating	D1209	Max.10
Refractive Index @ 20°C	D1218	1.4310-1.4320
Chloride	E2469	Max.0.10mg/kg
Sulphate	DC336SD	Max.0.00
Iron(Fe)	E394	Max.0.05mg/kg
Ash content	D482	Max.0.0010wt%
Aldehyde(as formaldehyde)	E2313	Max.10.0mg/kg
UV Trans @ 220nm	E2193	Min.80%
UV Trans @ 275nm	E2193	Min.95%
UV Trans @ 350nm	E2193	Min.99%
UV Trans @ 420nm	E2193	
Density @ 20°C	D4052	1.0000g/cm <sup>3</sup>

**General Terms & Conditions**

**1. Quality**

**The quality of product to be supplied under the Contract shall be the grade/quality as mentioned in Annexure 2 on quality. Quality determination shall be as per Seller's Laboratory Test results of loading terminal, samples taken prior to loading. The IOCL's nominated Surveyor of international repute, shall witness sampling and/or laboratory test.**

**The detailed GTC is attached at Annexure 7**

**2. Payment**

- 2.1. Payments shall be received as per the agreed conditions in LC.
- 2.2. Unless otherwise agreed, the payment of any other costs, expenses or charges if any, that arise under the terms of the Contract shall be made against presentation of Seller's invoice and shall be for immediate settlement by Buyer or by the date advised thereon. All other payments should be made quoting Seller's invoice number and Buyer's name, by telegraphic transfer, free of all charges, in United States Dollars to the Sellers Bank. The amount shall be credited to Seller's Bank account by 1000 Hrs Indian Standard Time.
- 2.3. Payment falling due on a Sunday or Monday bank holiday in New York shall be made on the first banking day following in New York, payments falling due on Saturday or any other bank holiday in New York except Monday shall be made on the last banking day prior in New York.
- 2.4. Unless otherwise agreed in writing any amount due by Buyer on any account whatsoever, which is not paid within agreed credit period shall bear interest from the date on which it became due up to and including the date of payment and shall be calculated at the rate of 3% over 180 day LIBOR from the date of default and for each day for which overdue exists. The foregoing shall not be construed by the Buyer as an indication of willingness on the part of Sellers to provide extended credit as a matter of course and shall be without prejudice to any rights and remedies which Seller may have under this Contract or otherwise.

**3. Delivery & Title**

- 3.1. Exports will be made on FOB Paradip in case of MEG in bulk tankers, ICC Incoterms 2020 with latest amendments to apply.
- 3.2. Title and risk of the product shall pass to the Buyer at Paradip Port in case of FOB, once the product is loaded on the Buyer's nominated Carrier at which point buyer assumes all risks in respect of each delivery including loss, damage, deterioration, contamination or evaporation in respect of the product, provided further that any loss or damage to the Product during loading caused by fault of the vessel shall also be to Buyer's account.
- 3.3. The measurement of quantity of the product shall be based on calibrated Flow meters at the loading location. The determination of quantity of the product delivered shall be made in accordance with accepted practice of the loading port by the Independent Surveyor.
- 3.4. The seller shall not be liable for any damage to the buyer's nominated carrier during the course of loading the Product into the vessel, unless such damage is attributable to the gross negligence of the Seller and is brought to the notice of the Seller in writing immediately on its occurrence, duly supported by a certificate issued by internationally recognized surveyors.

**4. Inspection**

Seller would appoint Seller's Nominated Surveyor as independent acceptable surveyor. The survey would be done to ascertain the quality and quantity at the loading terminal and fitness of buyer's

Nominated Carrier to load the intended cargo. The findings of the survey report at the loading terminal shall be final and binding on both the parties except in cases of fraud and manifest error. The Charges for survey of the tanks and survey of the buyer's Nominated Carrier at the loading terminal would be borne by the Seller.

#### **5. Claim for Quality & Quantity**

**Provided that the surveyor's loading terminal report shows the cargo to meet the agreed specifications, no claim shall be entertained from the Buyer regarding quality of the product at a subsequent date.**

Similarly, no claim from the Buyer shall be entertained for shortage in quantities once surveyor's report has established the loaded quantity.

#### **6. Insurance on Product**

The responsibility for securing insurance, whether against marine or other risks shall rest wholly with the Buyer from the point of delivery of the product.

#### **7. Force Majeure**

- 7.1. Neither party shall be deemed in breach of this contract as a result of, and be liable to the other for any failure, omission or delay in its performance in whole or in part of any of the terms and conditions of this Contract to the extent that such failure, omission or delay arises from any cause beyond the control of a party including but not limited to:
  - 7.1.1. Strike or labour difficulty from whatsoever cause arising, even though it could be settled by acceding to the demands of a labour group.
  - 7.1.2. Natural calamity, fire, explosion, accident; major breakdown at the port of loading or at the seller's plant.
  - 7.1.3. Compliance, voluntary or involuntary with a direction or request of any international, national, port, transportation or local government authority.
  - 7.1.4. War, hostilities declared or undeclared, embargo, blockades, civil unrest, sabotage, revolution and any consequence thereof.
  - 7.1.5. Perils of the sea, storms, floods, typhoons, earthquakes, hazardous weather or other Acts of God.
  - 7.1.6. Closing or restriction on the use of a Port or Pipeline.
- 7.2. Prompt written notice of any situation of force majeure and so far as possible of its extent and duration as well as of its suspension in full or part shall be given by the party so affected to the other party within 48 hours of such occurrences.
- 7.3. If, by any reasons of any cause beyond the control of the Seller, there is curtailment or suspension of availability of the Product then Seller shall be at liberty to withhold, reduce or suspend deliveries hereunder to the extent that Seller considers reasonable and equitable and Seller shall not be bound to acquire by purchase or otherwise additional quantities from other suppliers for meeting the supplies under this Contract.
- 7.4. If any failure, omission or delay in performance of this Contract under this clause continues for more than 60 days after the day of notice of force majeure has been sent then either party shall be entitled after said duration to terminate this Contract by written notice to the other party without any liability on either side, save that such termination shall be without prejudice to any other accrued rights.

#### **8. Performance**

**Should Buyer fail to take delivery of Products deliverable under the terms of the Contract and such failure is not excused under any provision of the Contract, Seller shall in addition to other legal remedies it may have, be entitled to sell the product comprised in such delivery for**

**Buyer's account in a private or public sale after 15 days' notice to Buyer and the price so obtained shall be deemed conclusively the best price which Seller could obtain.**

From such price shall be deducted Sellers expenses incurred through Buyer's failure to take delivery and the remainder shall be applied towards the price mentioned in the Agreement and Buyer shall pay to Seller the balance, if any, of such price within 30 days of date of Seller's invoice.

The essence of this contract is to place the containers for loading of the product within 15 days of establishment of clean Letter of credit. However, if Seller, at buyer's request, accepts a shift in delivery period at its sole discretion, USD 10/MT as penalty shall be applicable capped to maximum value of 10% of the contract value.

## **9. Waiver & Assignment**

- 9.1. No waiver or omission by either party to require performance by the other party of any of the terms of this contract, or other forbearance or indulgence granted or shown by either party to the other shall release, discharge or in any manner or effect prejudice the right of a party at any subsequent time to require strict and full performance by the other of any or all of the provisions of obligations of this Contract.
- 9.2. This Contract shall be binding upon and shall inure to the benefit of the parties hereto and their successors and assigns. It shall not be assigned by either party without the other's written consent, which shall not be unreasonably withheld.

## **10. Governing Laws**

The construction, validity and performance of this Contract shall be governed by and construed in all respects in accordance with the laws of India to the exclusion of any other law, which may be imputed in accordance with the choice of law rules applicable in any jurisdiction. The United Nations Convention on Contracts for the International Sale of Goods of Vienna, 11<sup>th</sup> April 1980, shall not apply to this Contract. The courts of New Delhi shall have exclusive jurisdiction.

## **11. Arbitration**

- 11.1. If any disputes, differences, controversies or claims of any kind arising between the parties in connections with or arising out of this contract including any question regarding its existence, or validity, the parties shall seek to resolve any such dispute or difference by mutual consultation.
- 11.2. If the parties fail to resolve such dispute or difference, controversy or claim by mutual consultation within a period of thirty (30) days, then either party may give the other a formal notice in writing that the dispute, controversy or claim exists, specifying its nature, the point (s) in issue and its intention to refer the dispute, controversy or claim to arbitration under the Indian Arbitration and Conciliation Act, 1996.
- 11.3. It is agreed between the parties that each party shall have the right to nominate one arbitrator each, and the nominated arbitrators shall appoint the arbitrator who shall act as the Presiding Officer of the Arbitration Tribunal.
- 11.4. The venue of Arbitration shall be New Delhi and the proceedings shall be conducted in English language.
- 11.5. The award of the arbitrator so appointed shall be final, conclusive and binding on the parties to this contract, subject however to the provisions of the Arbitration and Conciliation Act, 1996 or any statutory modification or reenactment thereof if any and the rules made thereunder and for the time being in force shall apply to the arbitration proceedings under this clause.
- 11.6. Notwithstanding the presence of any dispute, question or controversy, the services under this Contract shall continue even during the Arbitration proceedings and the Buyer shall not withhold the payments due or payable to the Seller on account of the continuance



of such services unless such payment is directly the subject matter of one of the matters of arbitration.

11.7. All the parties to the proceedings shall bear their own cost.

## **12. Miscellaneous**

12.1. The Buyer hereby warrants that; he has not been prohibited any time in past or present to enter into any contract in accordance with the laws of India or any other directions issued by the Government of India.

12.2. In no event shall either party be liable in tort, contract or otherwise for prospective profits or for special, indirect or consequential damages in relation to performance or non-performance under this Contract.

12.3. No modification or amendment to this Contract shall be binding unless agreed in writing by both parties hereto.

12.4. The headings of various clauses herein are inserted for convenience of reference and are not deemed to affect the construction of the relative provisions.

## **13. Communications**

13.1. In matters pertaining to following clauses of General Terms and Conditions (GTC), Buyer shall send to Seller all communications and notifications among the parties in performance of the Contract in writing by email, to the addresses stated below, unless otherwise agreed in writing:

Senior Manager (Petrochemicals Marketing-Exports)

Indian Oil Corporation Ltd.,

7012, 7<sup>th</sup> Floor,

Indian Oil Bhavan,

1, Aurobindo Marg, Yusuf Sarai,

New Delhi – 110016

India.

Mobile: +91 9899888410

Email: [pandeyrakeshk@indianoil.in](mailto:pandeyrakeshk@indianoil.in)

cc to: [mahtonn@indianoil.in](mailto:mahtonn@indianoil.in)

13.2. Notices: All other notices required to be given and approvals required to be obtained from the Seller shall be obtained in writing. All notices required to be served by either party hereto upon the other shall be deemed properly served if delivered to the Seller to:

General Manager (Petrochemicals Marketing)

Indian Oil Corporation Ltd.,

8<sup>th</sup> Floor

Mob: +91 9910298772

Email: [mahatonn@indianoil.in](mailto:mahatonn@indianoil.in)

## **14. Termination**

If either party fails to perform any material obligation undertaken by it hereunder, and fails to remedy such non-performance within 30 days of receiving notice of non-performance from the other party, unless such non-performance is excused under Force Majeure, other party may terminate this Agreement forthwith by written notice to the non-performing party. The right of termination shall be in addition to such rights and remedies as the aggrieved party may otherwise have.

Obligations of either party to the other accrued prior to termination or expiration of this Contract, shall survive such termination or expiration.

## **15. Limited Liability**

The Seller shall not be responsible in any case for the damages caused directly or indirectly by the buyer to third parties due to the performance or non-performance of the Contract

**16. Severability**

The nullity, illegality or lack of application of one more of the clauses foreseen herein do not affect or reduce the validity, legality or applicability of the remaining articles.

**17. Indemnity**

The Buyer shall indemnify and keep indemnified the Seller against any liability, claim or proceeding arising out of or in connection with any failure whatsoever to comply with the obligations set out in this Contract.

The Seller shall not be responsible in any respect whatsoever for any loss, damage or injury resulting from any hazards inherent in the nature of the product delivered hereunder.

**18. Entire Agreement**

The tender enquiry, bidders binding offer and the award of the tender by the Seller to the successful Bidder will form an integral contract and supersede all other communications either written or oral.

## LC FORMAT

**Draft letter of credit for Overseas Exports via Sea Route**

Clause: 40A: Form of documentary credit

**Irrevocable**

Clause: 20: Documentary credit number

-----

Clause: 31C: Date of issue

-----

Clause: 40E: Applicable rules

**UCP latest version**

Clause: 31D: Date and place of expiry

.....**at the counter of confirming bank/Advising Bank in India**  
**(Confirming bank detail shall vary for each transaction)**

Clause: 50: Applicant

**(Applicant details as per Proforma invoice issued by IOCL)**

Clause: 59: Beneficiary

**Indian Oil Corporation Ltd.,  
Petrochemicals Marketing Group,  
Corporate Office, Indian Oil Bhavan  
1, Aurobindo Marg  
1st Floor, Yusuf Sarai  
New Delhi 110016, India**

Clause: 32B: Currency code, amount

**(As per Proforma invoice issued by IOCL)**

Clause: 41D: Available with .... by

\_\_\_\_\_ **(To be advised later by IOCL)**

Clause: 42C: Drafts

**30 days from LR (Lorry Receipt) Date**

Clause: 42D: Drawee

\_\_\_\_\_ **(To be advised later by IOCL)**

Clause: 43P: Partial shipments

**Allowed**

Clause: 43T: Transhipment

**Allowed**

Clause: 44E: Port of loading/ Airport of departure

**PARADIP, INDIA**

Clause: 44F: Port of discharge/ airport of destination

**Actual discharge port, Destination Country**

Clause: 44C: Latest date of shipment

.....

Clause: 45A: Description of goods and/ or services

**Qty: ..... Grade.....**

**At the rate US Dollar ..... per MT**

**FOB Paradip Port as per beneficiary's pro forma invoice no and dtd: -----**

---

Clause: 46A: Documents required

**(1) Beneficiary signed commercial invoices in.... original +... copies  
not exceeding this credit amount showing H.S. Code no. ....,  
letter of credit no. and certifying goods are of Indian origin.**

**(2) Bill of lading indicating total net and gross weight.**

**(3) Packing list in ... original + ... copies showing Quantity, Total  
Gross weight and Total Net Weight.**

**(4) Certificate of Origin issued by the Beneficiary.**

Clause: 47A: Additional conditions

- (1) All typing, spelling and transmission error would not constitute as discrepancy except total amount and quantity.
- (2) All discrepancies are acceptable except quantity, quality, unit price of goods and shipment date.
- (3) Documents dated prior to the date of this credit are not acceptable.
- (4) Invoices exceeding this LC amount not acceptable.
- (5) Third Party Documents acceptable except Commercial Invoice.
- (6) All Banking Charges outside India are on the account of Applicant

Clause: 49: Confirmation instructions

**May Add/ Confirm**

Clause: 51 A: Applicant Bank

.....

Clause: 53 A: Reimbursing Bank

.....

Clause: 57 D: Advising Through Bank (Usually same as confirming bank/advising bank in India refer to PI/Email sent in this regard)

.....

Clause: 59: Beneficiary – name and address

**INDIAN OIL CORPORATION LTD**

**Petrochemicals Marketing Group**

**Corporate Office, Indian Oil Bhavan**

**1, Aurobindo Marg, 1st Floor**

**Yusuf Sarai, New Delhi – 110016, INDIA**

Clause: 48: Period for presentation

**21 days from the date of BL but within the validity of the credit.**

Clause: 71B: Charges

**All bank charges outside India are on account of Applicant.**

Clause: 78: Instructions to the paying/accepting/negotiating bank

**(1) Negotiating bank is authorized to reimburse themselves in USD for the amount of their negotiation on reimbursing bank confirming that all terms and condition and credit are strictly complied with value 5 banking days after authenticated swift intimation to opening bank. Copy of such intimation message must accompany the original shipping documents.**

**(2) The amount of each drawing must be endorsed by overleaf of this credit.**

**(3) Complete set of documents is to be despatched to ----- (issuing bank) by courier.**

**(4) Upon receipt of documents strictly complying in with the terms of this credit and amendments we shall provide reimbursement as per instructions of the negotiating bank.**

**(5) T/T reimbursement is allowed.**

**Additional Clause:**

**1. Reimbursing bank**

**2. Issuing bank**

List of Empanelled Banks for LC Operations, LC to be advised to SCB India.

	ISSUING BANKS	SWIFT CODE
1	STANDARD CHARTERED BANK SINGAPORE;	SCBLSGSG;
2	SOCIETE GENERALE SINGAPORE	SOGESGSG
3	AXIS BANK LIMITED, DIFC BRANCH (REGULATED BY DFSA),	AXISAEAD;
4	STATE BANK OF INDIA, DUBAI	SBINAEAD
5	NATIONAL BANK OF FUJAIRAH, DUBAI	NBFUAEAFDXB
6	RABO BANK;	RABONL2U;
7	DEUTSCHE BANK	DEUTNL2A
8	DBS BANK;	DBSSSGSG;
9	UNITED OVERSEAS BANK	UOVBSGSG
10	KEB HANA BANK;	KOEXKRSEXXX;
11	KOOKMIN BANK;	CZNBKRSEXXX;
12	SHINHAN BANK;	SHBKKRSEXXX;
13	INDUSTRIAL BANK OF KOREA	IBKOKRSEXXX
14	BANK OF BARODA;	BARBAEADDUB;
15	NATIONAL BANK OF FUJAIRAH	NBFUAEAFDXB
16	MASHREQ BANK;	BOMLAEAD;
17	FIRST ABU DHABI BANK PJSC;	FGBMAEAA;
18	DUBAI ISLAMIC BANK;	DUIBAEAD;
19	EMIRATES NBD BANK PJSC;	EBILAEAD;
20	NATIONAL BANK OF KUWAIT	NBOKAEAD
21	CITIBANK NA;	CITIGB2L;
22	BYBLOS BANK EUROPE S.A;	BYBBGB2L;
23	BANK OF BEIRUT (UK) LTD	BRBAGB2L
24	INDUSTRIAL BANK OF KOREA	IBKOKRSE
25	HSCB BANK USA N.A	MRMDUS33
26	BANCO BILBAO VIZCAYA ARGENTARIA S.A.;	BBVAESMMXXX;
27	UNICREDIT SPA;	UNCRITMMXXX;
28	STANDERD CHARTERED BANK	SCBLAEAD
29	WELLS FARGO BANK USA	WFBIUS6S
30	ABN AMRO BANK NV	ABNANL2A
31	BANK FOR INVESTMENT & DEVELOPMENT OF VIETNAM	BIDVVNVX;
32	VIETNAM JOINT STOCK COMMERCIAL BANK FOR INDUSTRY	ICBVVNVX;
33	JOINT STOCK COMMERCIAL BANK FOR FOREIGN TRADE	BFTVVNVX;
34	BANGKOK BANK HANOI VIETNAM	BKKB VN VX HAN
35	Vietnam Prosperity Joint Stock Commercial Bank	VPBKVVNVX
36	CREDIT SUISSE (SCHWEIZ) AG;	CRESCHZ80A;
37	ING BELGIUM GENEVA BRANCH	BBRUCHGT
38	THE SUMITOMO MITSUI BANKING CORP SINGAPORE	SMBCSGSG;
39	MIZUHO BANK LTD SINGAPORE BRANCH;	MHCBSGSG;
40	JP MORGAN CHASE BANK N.A	CHASU33
41	KEB HANA BANK;	KOEXKRSE;
42	WOORI BANK	HVBKKRSE
43	SHINHAN BANK;	SHBKKRSE;
44	KEB HANA BANK	KOEXKRSE
45	SUMITOMO MITSUI BANKING CORPORATION (SMBC);	SMBCJPJTXXX
46	MITSUBISHI UFJ FINANCIAL GROUP (MUFG);	BOTKTHBXXXX
47	MIZUHO BANK	MHCBJPJTXXX
48	STANDERD CHARTERED BANK KOREA	SCBLKRSE
49	DBS BANK (HK) LTD	DHBKHKHH
50	KEB HANA BANK;	KOEXKRSE;
51	SHINHAN BANK	SHBKKRSE
52	CREDIT LYONNAIS;	CRLYFRPP;
53	NATEXIS BANQUE POPULAIRE;	CCBPFRRPPAR;
54	BNP PARIBAS;	BNPAFRPPIFN;
55	SOCIETE GENERALE	SOGEFRPP
56	WOORI BANK	HVBKKRSEXXX
57	BNP PARIBAS FORTIS;	GEBABEBB18A;
58	BELFIUS BANK NV	GKCCBEBB
59	KOOKMIN BANK;	CZNBKRSE;
60	SHINHAN BANK	SHBKKRSEXXX

61	WELLS FARGO BANK USA	WFBIUS6S
62	CITIBANK, N.A;	CITISGSG;
63	STANDARD CHARTERED BANK;	SCBLSG22XXX;
64	HSBC	HSBCSGSG
65	BANQUE CANTONALE DE GENEVE;	BCGECHGG;
66	SOCIETE GENERALE CORPORATE & INVESTMENT BANKING;	SGABCHZZTCF;
67	RAK BANK	NRAKAEAK
68	Mashreq Bank PJSC	BOMLAED
69	DEUTSCHE BANK AG	DEUTUS33XXX
70	STANDARD CHARTERED BANK	SCBLGB2LXXX
71	BANK OF CHINA	BKCHCNBJ110

**TENDER FOR Ex-PARADIP EXPORT SALE OF MEG**

Offer Ref. No. TENDER NO: PC-M/Exports/23-24/MEG/02

Date:

To  
**Senior Manager (PC-Mktg),  
 Indian Oil Corporation Limited (Petrochemical Marketing),  
 7th Floor, Indian Oil Bhavan,  
 1,Sri Aurobindo Marg, Yusuf Sarai,  
 New Delhi - 110016 (India).**

Subject: Export of Mono Ethylene Glycol (MEG) against Global Tender No. PC-M/Exports/23-24/02 due on 22.06.2023 (2355 Hrs. - IST)

**Applicable Price formula:**

**(Average of last 4 weeks (Weeks before commencing of loading) of Weekly average PLATTS CFR CMP quote and ICIS CFR CMP quote)) +/- Premium/Discount in (USD/MT) + Adjustment factor (AF) in (USD/MT)**

**Adjustment Factor (AF)** is difference between Average of last 4 weeks (Weeks before commencing of loading) ICIS CFR China and Platt's CFR China i.e( Avg ICIS- Avg PLATTS). It would be applicable at the time of finalisation of price. **Not required to be quoted.**

**The bidder would quote the Premium/discount in \$/MT of the Quote**

- Please quote absolute numeric value and affix + or – sign before the number to indicate Premium or discount else mention clearly. The following quote would be an accepted value like:  
 For quoting premium: +5\$/MT or 5 \$/MT Premium,  
 For quoting discount: -5 \$/MT or 5\$/MT discount
- For formula absolute value of quoted premium/discount shall be used with suitable prefix like (+) for premium and (-) for discount

Quantity	Quality	Tolerance	Tentative timeline	Schedule	Discount/Premium
5000MT	off spec	+/- 10 %	Before 31 <sup>st</sup> July 2023		
10000MT	On spec	+/-5%			

**\*Tolerance is as per seller's agreement.**

- Buyer has to quote** mandatory for entire offered quantity of MEG. **The lifting can be separate within the specified timeline. In case of staggered lifting, off spec material has to be lifted first.**
  - Buyer shall quote single blended **discount/Premium as per the formula in (\$/MT)** for entire MEG quantity comprised of off-spec and on-spec materials.
- b. Reply shall be submitted to mail id [ioclchemtenders@indianoil.in](mailto:ioclchemtenders@indianoil.in) only.

Yours faithfully,  
 For and on behalf of

**Signature & Seal of the Bidder**



**INDIAN OIL CORPORATION LIMITED**  
**GENERAL TERMS AND CONDITIONS**  
**FOR**  
**EXPORT OF MEG**



## CONTENTS

<b>Clause Nos.</b>	<b>Description</b>	<b>Page nos.</b>
1.	Delivery	1
2.	Loading Laydays and quantity nomination	1
3.	Vessel nomination	1
3.1	Nomination of Vessel	1
3.2	Vessel substitution	3
3.3	Rejection of Nomination and Vessel	3
3.4	Liability	4
3.5	ISPS compliance	4
3.6	Arrival of Vessel	5
4.	NOR, Vessel berthing, loading, laytime and demurrage	6
4.1	NOR / Berthing of Vessel	6
4.2	Cargo loading	6
4.3	Laytime, running hours, delays	6
4.4	Shifting of Vessel	7
4.5	STS / Lightering	8
4.6	Part lot loading	8
4.7	Vacation of berth	9
4.8	Demurrage	9
5.	Verification, Measurement, Sampling & Inspection	10
6.	Product Quality	11
7.	Taxes and governmental charges at port of loading	11
8.	Title and risk	11
9.	Destination restrictions	12
10.	Payment	12
11.	Documentation	13
12.	Bid Bond	13
13.	Claims	14
14.	Force Majeure	14
15.	New and Changed regulations, etc.	16
16.	Termination	17
17.	Assignment	17
18.	Governing law and arbitration	17
19.	Modification and waiver	18
20.	Notice	18
21.	Entire Agreement	18
22.	Confidentiality	18
23.	Other conditions of the contract:	19

23.1	No liability of Government of India	19
23.2	Facilitation payments and Anti-Corruption	19
23.3	Miscellaneous:	20
23.3.1	Warranties	20
23.3.2	Third Party Rights	20
23.3.3	Severability	20
23.3.4	Survivability	20
23.3.5	Consents, etc.	20
23.3.6	Conflicts	21
23.3.7	Submission of Tax documents	21
23.3.8	Other charges	21
23.3.9	Principal-to-Principal dealings	21
23.3.10	Sovereign Immunity	21
	Definitions	22
<b>Annexure-A</b>	Conditions applicable in case of NOR prior to Contractual Laydays	25
<b>Annexure-B</b>	Conditions applicable in case of NOR beyond Contractual laydays	26
<b>Annexure-I</b>	Format for Letter of Indemnity (LOI)	28

## GENERAL TERMS AND CONDITIONS FOR EXPORT OF PETROLEUM PRODUCTS

### 1. Delivery:

**Delivery shall be made FOB by Seller to Buyer in bulk, into Buyer's Vessel at Seller's Loading Terminal or from a floating Vessel on ship-to-ship transfer basis at high seas or alongside the Berth.**

### 2. Laydays and Quantity nomination:

- 2.1 Buyer shall notify Seller of the quantity of Product that Buyer expects to lift within the quantity range (as specified in the Agreement) and plus/minus operational tolerance. Buyer shall give such notification, not less than seven (7) days prior to commencement of the Broad Laydays. In case time gap is less than seven (7) days between date of Letter of Award and commencement of Broad Laydays, the same shall be notified by the Buyer within 24 hours SHINC from the receipt of Letter of Award.
- 2.2 A three (3)-Day narrowed down Laydays within the Broad Laydays shall be proposed by the Seller to the Buyer at least seven (7) days prior to the first day of such narrowed down Laydays (as hereinafter defined) or as much in advance as possible in case the time gap between the date of Letter of Award and commencement of Broad Laydays is less than seven (7) days.
- 2.3 Buyer to confirm acceptance of the Seller's proposed three-Day Laydays within two Working days or within such time as advised by the Seller, after receipt of such notice. In case mutual agreement on the three-Day Laydays is not possible, the midpoint of the Laydays proposed by the Buyer and Seller shall prevail as three-day Laydays. Such narrowed down three (3)-Day Laydays will be a condition of the Agreement.
- 2.4 The three-Day Laydays also referred to as Loading Date Range (hereinafter referred to as "Laydays" or "Loading Laydays") as arrived in pursuance of Clause 2.3 above shall be the day or range of days, in which the Buyer's Performing Vessel must tender a valid NOR at the Loading Terminal.

### 3. Vessel Nomination:

**Each Vessel shall be nominated in writing by the Buyer to the Seller in accordance with the conditions specified below.**

#### 3.1 Nomination of Vessel:

- 3.1.1 Buyer represents that they are familiar with the draft, size, limitation of the Loadport(s) and will not nominate a Vessel exceeding such limitations. Buyer also represents that Vessel nominated by the Buyer must confirm to comply with all the guidelines / regulations promulgated by the Directorate General of Shipping, Government of India and any other statutory/port authorities from time to time with respect to the acceptability /eligibility of Vessels in Indian water/ports/Loading Terminals.

**Further, the Vessel nominated by the Buyer should be suitable for berthing at all berths / loading at the loadport(s) during the Loading Laydays as determined in accordance with the Agreement.**

**If Buyer's Vessel does not confirm to said regulations/ requirements, Seller may refuse to berth or load the Vessel.**

- 3.1.2 Not less than seven (7) days prior to Vessel's expected date of arrival, or within 24 hours SHINC from the time of Letter of Award in case of inadequate time between date of Letter of Award and commencement of Broad Laydays, Buyer shall give notice to the Seller in writing through fax/e-mail specifying –
- 3.1.2.1 Name of the Vessel, arrival draft and all other details in 'Form Q88' as prescribed by INTERTANKO
  - 3.1.2.2 That the Vessel is insured by a recognized first class P&I club belonging to International group of P&I Clubs.
  - 3.1.2.3 ETA/Itinerary of the Vessel
  - 3.1.2.4 Destination(s) of the Vessel including disport(s) name.
  - 3.1.2.5 Demurrage rate in US Dollars PDPR as per the C/P that the Buyer may enter into
  - 3.1.2.6 Previous three cargoes carried by the Vessel
  - 3.1.2.7 Documentation Instructions regarding the making up and disposition of the Bill of Lading so as to enable the Seller to confirm acceptance of the said nomination and advise the Loadport.
  - 3.1.2.8 Details of any cargo on board or to be laden on board if loading a part cargo.
  - 3.1.2.9 Such other information as Seller may reasonably require, that could have direct or indirect effect on loading operations.
- 3.1.3 Buyer's nominated Vessel must meet the latest MARPOL regulations in force. All Vessels calling at Indian ports should have valid ISM certificate and all other safety certificates as may be required by the port authorities / Loading Terminals.
- 3.1.4 The Vessel should be capable to flush the shore lines, if required by the Seller.
- 3.1.5 The nominated Vessel must comply with the latest shipping guidelines issued by the Government of India regarding acceptability of the product tankers as under:
- 3.1.5.1 All product tankers shall be with SBT / Pipelines and will be below 25 years of age or as specified from time to time.
  - 3.1.5.2 All such tankers must be classified either with a full member of the International Association of Classification Society (IACS) or Indian Register of Shipping (IRS).
  - 3.1.5.3 All product tankers above 20 years must have at least CAP-2 rating (for hull, machinery and cargo equipment) either with a full member of the International Association of Classification Society (IACS) or Indian Register of Shipping (IRS).

- 3.1.6 In case of Ship-to-Ship (STS) transfer, the Vessel nominated by the Buyer should be suitable for the double banking with the Seller's Vessel. Buyer will obtain such confirmation from the Seller's Shipping Department at the time of Vessel nomination.
- 3.1.7 Buyer shall reasonably consider the possibility of uplifting the Product in Indian flag Vessel.
- 3.1.8 If the Buyer nominates a 'single' Vessel for upliftment of two or more cargoes under the same Agreement with different loading laydays/loadports, then the Performing Vessel shall tender NOR on arrival at first loadport for the first cargo and NOR for the subsequent cargo(es) shall be tendered after completion of loading of the first/previous cargo under the Agreement and/or arrival at the next loadport.

**In such cases, if the tendering of NOR for any of the subsequent cargo(es) is delayed beyond its contractual laycan, due to delay in loading of the previous cargo(es) under the Agreement, due to Seller's fault, then such delay shall not be treated as delayed arrival for the subsequent cargo(es), provided that the Vessel arrives at the first loadport within its contractual laycan. However, if the tendering of NOR for any of the subsequent cargo(es) is delayed beyond its contractual laycan due to reasons attributable to Vessel/Buyer, the same shall be to Buyer's account. Such cases would be considered as Delayed Arrival of Vessel for subsequent cargo(es) and, accordingly, delayed arrival conditions shall be applicable.**

**All other cases shall be covered by their respective Agreements.**

### **3.2 Vessel Substitution:**

**Buyer, after having nominated a Vessel, may, or if necessary to perform its obligations under the Agreement must, substitute another Vessel of similar class, type, size, capacity and position provided always that:**

- 3.2.1 Buyer shall give written notice through fax/email thereof to the Seller, not less than three (3) days before the First day of Loading Laydays and shall ensure that all provisions of Clause 3.1 are complied with.
- 3.2.2 The Loading Laydays which would have applied in respect of the Vessel originally nominated shall apply to the substitute Vessel.

### **3.3 Rejection of Nominations and Vessels:**

**Seller has right to reject Buyer's nominated Vessel for loading -**

- 3.3.1 In case of failure to comply with Clauses 3.1 or 3.2, ; or
- 3.3.2 In case Buyer fails to establish the reasonability of the Charter Party demurrage rate for the nominated Vessel. If so required by the Seller, then for this purpose, a demurrage rate award from London Tanker Brokers Panel Ltd. (or its successors in title), shall be considered as benchmark. Cost of obtaining such award shall be borne by the Buyer; or
- 3.3.3 on any other reasonable ground.
- 3.3.4 Notwithstanding anything to the contrary express or implied elsewhere herein, the Seller shall have the right to reject the nominated Vessel in question, notwithstanding any prior acceptance of such Vessel on any reasonable ground if such nominated Vessel is involved in any incident or more recent information regarding such nominated Vessel becomes available to the Seller at any time after such acceptance indicating that the information relied upon by the Seller in accepting the nominated Vessel was materially incorrect or incomplete.

### **3.4 Liability:**

**The Seller shall not be liable for any consequences arising out of rejection or delay (including but not limited to demurrage) of the nominated Vessel or other restriction suffered in respect of the nominated Vessel by virtue of the application of any regulations or other requirements of this Agreement and the Buyer shall be liable for any costs or damages incurred by the Seller arising out of any such rejection of, delay to or restriction of the nominated Vessel.**

### **3.5 ISPS Compliance:**

**The following shall be applicable:**

3.5.1 From the date of coming into force of the International Code for the Security of Ships and of Port Facilities and the relevant amendments to Chapter XI of SOLAS (ISPS Code) in relation to the Vessel, the Buyer shall procure that both the Vessel and the Owner (as defined by the ISPS Code) shall comply with the requirements of the ISPS Code relating to the Vessel and the Owner. The Buyer shall provide a copy of the relevant International Ship Security Certificate (or the Interim International Ship Security Certificate) to the Seller, while nominating the Vessel. The Buyer shall provide the Seller with the full style contact details of the Company Security Officer (CSO) of the Owner.

3.5.2 Loss, damage, expense or delay, excluding consequential loss, caused by failure on the part of the Vessel/owner to comply with the requirements of the ISPS Code or this clause shall be to the Buyer's account.

3.5.3 The Seller shall provide their full style contact details and any other information the Buyer / owner/Vessel may reasonably require to comply with the ISPS Code.

**Except as otherwise provided in this GTC, loss, damage, expense, excluding consequential loss, caused by failure on the part of the Seller to comply with this clause shall be on Seller's account and any delay caused by such failure shall be compensated at the demurrage rate.**

3.5.4 Provided that if the delay is not caused by the Buyer's/owner's failure to comply with their obligations under the ISPS Code, and that the measures imposed by the port facility of relevant authorities applies to all the Vessels in that port and not solely to the Buyer's/Owner's Vessel, the following shall apply:

3.5.4.1 Notwithstanding anything to the contrary provided in this GTC, the Vessel shall be entitled to tender Notice of Readiness, even if not cleared due to applicable security regulations or measures imposed by a port facility or any relevant authority under the ISPS Code.

3.5.4.2 Any delay resulting from measures imposed by a port facility or by any relevant authority under the ISPS Code shall count as half -Laytime or half - time on demurrage, if the Vessel is on Laytime or demurrage.

3.5.5 Notwithstanding anything to the contrary provided in this GTC, any additional cost or expenses whatsoever solely arising out of or related to the security regulations or measures required by the port facility or any relevant authority in accordance with the ISPS Code including, but not limited to, security guards, launch services, tug escorts, port security fees or taxes and inspections, unless such costs or expenses results solely from the Buyer's/owner's negligence, shall be shared equally between the Buyer and the Seller. All measures required by the Buyer/Owner to comply with the Ship Security Plan shall be on Buyer's account.

3.5.6 If either Party makes any payment, which is for the other Party's account according to this clause, the other Party shall reimburse the paying Party with such amounts.

### **3.6 Arrival of Vessel:**

3.6.1 The tendering of NOR by the Performing Vessel within the Loading Laydays is the essence of the contract. Hence, the Buyer must, under all circumstances, ensure that the NOR is tendered during the Loading Laydays.

- 3.6.2 Buyer shall arrange for Performing Vessel to report ETA of the Vessel by radio/fax/e-mail to the Seller at loadport(s) 96, 72, 48 and 24 hours before arrival there at, stating the expected date and hour of arrival. Delay, if any, caused in berthing the Performing Vessel as a result of non-receipt of any one of the above notices, will be on Buyer's account.

**NOR prior to contractual Laydays**

- 3.6.3 If Performing Vessel tenders NOR for loading on a date earlier than the contractual range of Laydays determined in Clause 2.3, the Performing Vessel shall await the proper turn and Laytime shall not commence until loading commences or at 06:00 hrs local time on the first day of the Laydays range, whichever first occurs.
- 3.6.4 The Seller shall not be under any obligation to commence loading prior to 06:00 hrs local time on the first day of the Laydays. However, the Seller may at its sole discretion, accept Buyer's request to berth Buyer's Performing Vessel for Cargo loading before commencement of Loading Laydays, subject to conditions as per **Annexure-A**, which shall be applicable on the Buyer to safeguard Seller's interest.

**NOR beyond contractual Laydays**

- 3.6.5 If the Buyer's Performing Vessel tenders NOR at Loadport, later than the Loading Laydays range, the Seller may at its sole discretion grant extension of delivery period, subject to conditions as per **Annexure-B**, which shall be applicable on the Buyer to safeguard Seller's interest. Further, the Performing Vessel shall be loaded as soon as possible in its proper turn with such other Vessels and Laytime shall commence when Cargo loading commences.

#### **4. NOR, Vessel Berthing, Loading, Laytime and Demurrage:**

##### **4.1 NOR / Berthing of Vessel:**

- 4.1.1 Upon arrival of the Performing Vessel at Loadport, the Master or his agent shall tender the Seller, Notice of Readiness (NOR) by letter/radio/fax/e-mail that the Performing Vessel is ready to load the Product.
- 4.1.2 In case night navigation is not permitted by Loadport authorities / Govt. Regulations, NOR if tendered after 17:00 hrs local time and up to 06:00 hrs local time of the following day, shall be deemed to have been tendered at 06:00 hrs local time of the following day.
- 4.1.3 Subject to compliance by the Buyer and its Performing Vessel with all requirements of the Loading Terminal, the Seller shall provide a safe Berth or wharf, or alongside Vessels or lighters where Buyer's Vessel may proceed thereto, lie at and depart from always safely afloat.

##### **4.2 Cargo loading:**

**Performing Vessel may be loaded either partly or fully, from shore tanks and/or from the floating Vessel(s), the relevant proportions of which shall be at Seller's option. The Cargo from the floating Vessels(s) can be loaded on the Buyer's Performing Vessel either through shore pipelines from one jetty to other or by Ship-to-Ship transfer operation either at Berth or at an anchorage point in sea/river.**

##### **4.3 Laytime, Running hours, Delays:**

- 4.3.1 Seller shall be allowed Laytime as specified in the Agreement for loading a full cargo. A full Cargo represents a cargo quantity offered by the Seller in accordance with the Agreement irrespective of the size of the Performing Vessel employed for transportation of the said Cargo.
- 4.3.2 Berth or no Berth, Laytime shall commence upon the expiry of six (6) hours after tendering of NOR, in accordance with Clause 4.1.1 and 4.1.2 above, or upon the Vessel's arrival at Berth (i.e. finished mooring when at sea-loading and all fast when loading alongside a wharf/floating Vessel), whichever first occurs. However, where delay is caused to the Performing Vessel getting into Berth, after tendering NOR for any reason over which the Seller has no control, such delay shall not count as used Laytime. Laytime shall cease upon disconnection of hoses/arms.
- 4.3.3 Any delay due to the Performing Vessel's condition or breakdown or inability of the Vessel's facilities to load Cargo within the time allowed shall not count as used Laytime. If regulations of the Performing Vessel owner or port authorities prohibit loading of the Cargo at night; time so lost shall not count as used Laytime.
- 4.3.4 For the purposes of calculating running hours, loading shall be deemed to be completed upon disconnection of loading hoses / arms.
- 4.3.5 Time consumed in loading Seller's cargo(es), from one or more ports, in respect of the following activities shall not count as used Laytime or time on demurrage, whether or not the Performing Vessel is on demurrage:



- 4.3.5.1 Delay due to awaiting pratique, Customs or Immigration clearance of the Vessel, tugs, tides, pilot or Daylight.
  - 4.3.5.2 Performing Vessel's proceeding from anchorage to the Berth.
  - 4.3.5.3 Performing Vessel's placing of gangway.
  - 4.3.5.4 In handling slops or ballast or other substances or bunkering unless concurrent with Cargo loading operations.
  - 4.3.5.5 Any delay by Performing Vessel in the commencement of loading after the Seller's conveying of readiness to load Cargo.
  - 4.3.5.6 Delay in berthing and interruption in loading due to bad weather.
  - 4.3.5.7 Delay in berthing due to non-declaration/ delayed declaration of the Performing Vessel to the port authorities by the Vessel agent.
  - 4.3.5.8 Delay in berthing due to non-compliance of any governmental/port rules & regulations by the Performing Vessel.
  - 4.3.5.9 Inspection of Performing Vessel tanks by independent surveyors and time consumed in awaiting independent surveyors.
  - 4.3.5.10 Receipt by the Seller of the confirmed L/C in acceptable form, if payment against a confirmed L/C is stipulated in the Agreement.
  - 4.3.5.11 Delay in berthing due to late receipt of Documentation Instructions (D.I.) from the Buyer, resulting in delay in customs clearance.
- 4.3.6 In case of loading / discharge at the same Berth for other parties, the time spent for any common activities like approaching the jetty, gangway placement, etc. shall be apportioned in the ratio of the respective Bill of Lading quantities.
- 4.3.7 In the event of any delay of any kind or from any reason whatsoever whether in connection with the scheduling of the Performing Vessel's turn to load (including any change in such scheduling), provision of a Berth for the Performing Vessel, berthing or loading of the Performing Vessel or otherwise howsoever without limitation, any rights of the Buyer against the Seller, howsoever the same may arise and whether or not arising under the Agreement, shall be limited in all circumstances whatsoever to a claim for the payment of demurrage, and the Buyer shall not be entitled to complain directly or indirectly of any delay except for the purpose of founding a claim to such demurrage.

#### **4.4 Shifting of Vessel:**

**Seller shall have the right of shifting the Buyer's Performing Vessel from one safe Berth to another on payment by the Seller of all towage and pilotage for shifting to another Berth, charges for running lines on arrival at and leaving that Berth, wharfage and dockage charges at that Berth, additional agency charges and expenses, custom overtime and fees, and any other extra port charges or port expenses incurred by reason of using more than one Berth.**

**Time consumed on account of shifting shall count as used Laytime but, if it is necessary to shift the Vessel from the Berth because of breakdown of machinery or other deficiency of the Performing Vessel or its crew, the resulting expenses shall be for the Vessel's/Buyer's account and the time consumed for such shifting shall not be counted as used Laytime and the Vessel shall lose her regular turn in Berth and laytime shall recommence from the next Berthing.**

#### **4.5 STS / Lightering:**

**The Seller shall have the option to load the Performing Vessel from lighters, when the cost of such lighterage (together with any additional expense reasonably incurred by the Vessel in respect thereof) shall be for the Seller's account. Any lightering operations shall be carried out in accordance with the procedures set out in the ICS/OCIMF Ship-to-Ship transfer guides. The suitability of the lightering Vessel shall be the Seller's sole responsibility. The Seller shall be obliged to notify the place of lightering to the Vessel when NOR is tendered. The place of lightering so notified shall be deemed the Berth and all references therein to the Berth shall be construed accordingly.**

#### **4.6 Part-lot loading:**

**Subsequent to the finalization of Agreement for uplifting the Cargo in one lot,**

- 4.6.1 if Buyer desires to uplift the cargo in more than one lot, Seller may at its option, allow loading of cargo in more than one lot subject to the following conditions:
  - 4.6.1.1 Buyer's Performing Vessels must tender NOR before expiry of the Loading Laydays.
  - 4.6.1.2 The Performing Vessels for the lots can take Berth only as per its turn after awaiting turn of the other Vessels awaiting Berth and subject to port regulations in force.
  - 4.6.1.3 Laytime for first lot to commence as per the conditions specified in Clause 4.3 above and to cease upon completion of loading of cargo in first lot. Laytime for rest of the lots to commence from commencement of loading of respective lot and to cease upon disconnection of loading hoses/arms for that particular lot.
  - 4.6.1.4 The combined Laytime hours under all the lots shall not exceed the total Laytime hours for Cargo(es) as per the Agreement. Accordingly, delay, if any, for loading of the cargo beyond contractual Laydays would be on Buyer's account. No demurrage shall be paid by the Seller for the subsequent liftings.
  - 4.6.1.5 Payment terms including L/C for all the liftings shall be as per contractual conditions.
  - 4.6.1.6 Late arrival of Performing Vessel for subsequent lifting(s) may have price implication. Therefore, pricing basis for the subsequent lots would be as per actual B/L basis or notional B/L basis, whichever is higher. The actual loading time shall be the time from completion of connection of hoses till the time the hoses are disconnected after completion of entire loading.
  - 4.6.1.7 The total volume proposed to be uplifted in more than one lot shall not exceed the maximum contractual Cargo quantity.
  - 4.6.1.8 All other terms and conditions including delayed arrival conditions for any of the lots, shall be as per the Agreement. In case of delayed

**arrival of the Vessel beyond the contractual Laydays for any of the lots, provisions contained under Clause 3.6.5 above shall apply.**

- 4.6.2 Seller shall endeavor to load full cargo quantity in accordance with the Agreement, in one lot. However, if the cargo loading in more than one lot is necessitated for the Seller's requirement, following conditions shall be applicable.
- 4.6.2.1 Laytime shall be as per the provisions in Clause 4.3 above.
- 4.6.2.2 For the purpose of price determination and payment due date, the individual B/L date shall be used.
- 4.6.2.3 Inspection/Survey costs for loading all lots to be shared equally between the Buyer and the Seller.

**4.7 Vacation of Berth:**

- 4.7.1 The Performing Vessel shall vacate the Berth as soon as loading hoses have been disconnected, provided that such Vessel's departure is not delayed awaiting production of Loading Terminal documents unless such documents can be delivered to the Performing Vessel at a suitable anchorage. If the Vessel fails to vacate the Berth, unless for reasons attributable to the Seller or the Loading Terminal operator, any loss or damage suffered by the Seller resulting from such failure shall be paid by the Buyer to the Seller.
- 4.7.2 Notwithstanding the provisions of this Clause, if at the Loading Terminal, the Seller's supplier, port authorities or any other agency (whether or not an Associate of the Seller) imposes on the Seller, in respect of the Buyer's Performing Vessel, an excess Berth utilization charge in accordance with the Loading Terminal regulations or a contractually agreed or otherwise established scale for any hours of Berth utilization in excess of a specified period of hours, but does not impose such charge directly on the Buyer's Performing Vessel itself, such charge shall be for the Buyer's account. For the avoidance of doubt, it is agreed that for the purposes of this Clause, any technical failure or breakdown on the part of the Performing Vessel shall be a cause within the control of the Vessel and the Buyer.

**4.8 Demurrage:**

**Any demurrage, if recoverable from the Seller, shall be in accordance with the below terms applicable to the supply of the Product.**

- 4.8.1 The Charter Party (C/P) should not contain any Onerous Condition. The C/P should indicate rate(s) for freight differential/demurrage and the same should be declared to the Seller at the time of Vessel nomination.
- 4.8.2 Seller shall pay demurrage per running hour and pro-rata for a part thereof for all time by which used Laytime exceeds the allowed Laytime as elsewhere specified. The appropriate rate of demurrage shall be according to the relevant terms of the C/P that the Buyer may enter into (Copy of relevant page specifying demurrage rate to be submitted along with demurrage claim). If Vessel used for lifting is on time charter, the demurrage rate will be the daily

**charter hire rate plus cost of idle bunker consumption. For ascertaining the daily cost of idle bunker consumption, the Buyer shall provide the C/P terms specifying daily idle bunker consumption. Bunker rate shall be as per last bunker purchase invoice, prior to loading.**

- 4.8.3 If the Buyer loads less Product in a Vessel than specified pursuant to the Clause 2.1 above with the specific written consent of the Seller, or presents a Vessel larger in size than required to carry Product stipulated in Clause 2.1 above, except for operational reasons attributable to the Seller or port limitations, the basic demurrage rate shall be as calculated in Clause 4.8.2 above, which shall be charged proportionate to the cargo quantity loaded as against full demurrage rate for Summer DWT of the Vessel.
- 4.8.4 In the event of the Seller's inability to provide a full cargo as specified in Clause 2.1 above, the basic rate of demurrage shall be as calculated in Clause 4.8.2 above, which shall be limited to the maximum contractual quantity, as per the Agreement.
- 4.8.5 If, however, the Vessel is not loaded within the Laytime in accordance with Clause 4.3 above, the Seller shall pay to the Buyer demurrage in respect of the excess time. The Seller's liability for demurrage shall be absolute and not be subject to the provisions of Clause 14 hereunder, but in the event of delay, directly attributable to reasons specified under Clause 14 below, the rate of demurrage shall be reduced to one-half of the amount of rate stated in Clause 4.8.2 above.

**Notwithstanding anything herein above, the Seller shall not be liable for any demurrage for delay caused by strike, lock-out, stoppage or restraints of labour for Master, Officers and crew of the Performing Vessel or Tug boat or pilots. The Seller shall also not be liable for any demurrage for delay caused by fault or failure of the Performing Vessel or if loading is suspended for Performing Vessel's purposes, or if the departure is delayed for Performing Vessel's and/or Buyer's purpose.**

- 4.8.6 Any demurrage attributable to (or arising from acts, deeds or delays attributable to) other parties or to the Buyer shall not be payable by the Seller.

## **5. Verification, Measurement, Sampling & Inspection:**

**Measurement of the quantities and the taking of samples and analysis thereof for the purposes of determining the compliance of the Product with the quality and quantity provisions shall be carried out in the following manner:**

- 5.1 The determination of the quantity and the quality of the Product delivered hereunder shall be made in accordance with prevalent practice of the Loadport(s) by an internationally recognized independent surveyor to be appointed by the Seller, who will prepare and sign certificates as to the quantity and the quality of the product delivered hereunder. The determinations set forth in such certificates shall be final, conclusive and binding upon the Parties save for manifest error or fraud.
- 5.2 The quantity of Product loaded shall be measured according to individual shore tank measurements taken immediately before and after loading or as per prevalent practice  
**at the Loadport. Correction for variation in temperature shall be made in accordance with the latest applicable ASTM-IP Petroleum Measurement Tables and quantity determination shall be by volume at 60 Degree Fahrenheit. Corresponding quantity in Litre and/or Metric Ton will be incorporated in the Bill of Lading.**
- 5.3 In case of loading from a floating Vessel (STS transfer), the quantity will be assessed by the independent surveyor, to be appointed by the Seller and mutually acceptable to both the Buyer and the Seller, based on the ullages of the Seller's Vessel (without taking account of Vessel's experience factor), and quality will be assessed based on a composite sample drawn from the Seller's Vessel.

- 5.4 Seller shall draw three composite samples (of minimum 2 liters each) of the product from the shore tank(s) or from the Seller's floating Vessel from which the tanker is being loaded or from the Vessel connection hose while loading and jointly seal the same along with the Master of the Vessel. Two of the jointly sealed samples shall be handed over to the Master of the Vessel and one retained by the Seller.
- 5.5 For pricing and payment purposes, quantity of Product at Loadport shall be calculated in air and not in vacuum.

## 6. Product Quality:

- 6.1 Seller's obligation with regard to the quality of the Product supplied is limited solely to supplying Product which corresponds with the description and guaranteed specifications set out in the Agreement. Whether set out in these General Terms and Conditions or elsewhere, neither typical nor any stipulation as to the time of delivery shall form part of the Product's description, quality or fitness.
- 6.2 All statutory or other conditions or warranties, express or implied, with respect to the description or satisfactory quality of the Product or its fitness for any particular purpose or otherwise are hereby excluded.

## 7. Taxes and governmental charges at port of loading:

- 7.1 All duties, fees, charges (including without limitation, pilotage, mooring and towage expenses), dues and other charges on the Performing Vessel shall be borne by the Buyer.
- 7.2 All duties and other charges on the Product loaded, till the time Title & Risk of Product passes to the Buyer, shall be borne by the Seller. After the Title & Risk of the Product has passed onto Buyer, the Buyer shall bear all duties, taxes, fees, charges and dues, if any, imposed on the Product by an applicable authority.

## 8. Title and Risk:

- 8.1 Delivery shall be deemed as completed and title shall pass at the Loadport(s) as the Product reaches the flange connecting the Seller's pipeline or other delivery facilities to the Performing Vessel's intake pipe, at which point Seller's responsibility shall cease and Buyer shall assume all risk of loss, damage, deterioration or evaporation as to the Product so delivered.
- 8.2 Any loss of or damage to the Product, any property of the Seller or of any other person during loading, caused by Performing Vessel's/its officer's or crew's fault, shall, as between the Parties hereto, be borne by the Performing Vessel owner. In case of its

**non-payment, the Buyer shall keep the Seller indemnified in respect of the same and shall be responsible for the discharge of all amounts not paid by the Vessel Owner.**

## 9. Destination restrictions:

- 9.1 Buyer shall ensure that the Product lifted under this Agreement will not be exported to countries prohibited by Government of India from time to time in its absolute discretion. Buyer shall submit to the Seller, discharge port customs landing certificate within 90 Days of the date of Bill of lading.
- 9.2 Buyer shall indicate the specific destination while nominating the Vessel. Seller reserves the right to appoint independent Surveyor at the destination/disport declared by the Buyer/ mentioned in the bill of lading to ensure export as intended and the Buyer must inform the Seller well in advance of discharge port(s) and any possible subsequent changes to enable the Seller to appoint such independent Surveyor before the actual discharge starts. In any event, the Buyer must submit to the Seller disport survey report/discharge certificate duly signed by the disport port authorities / any other statutory authorities of disport within 90 Days of the date of bill of lading.

## 10. Payment:

- 10.1 Payment shall be made in US Dollars by irrevocable and confirmed Letter of Credit (L/C) without recourse to the Buyer/drawer, to be established through a first class international bank acceptable to the Seller, payable at sight, at the counters of State Bank of India (SBI), Mumbai.
- 10.2 The Buyer shall establish L/C sufficiently in advance, as agreed with the Seller, covering 110% of the value for maximum contracted quantity, in a format acceptable to the Seller, well ahead of the commencement of the Lay days.
- 10.3 All charges for opening, amendment, confirmation( if not from bank list attached in Annexure), advising of L/C and negotiation of draft and any other charges on L/C whether in India or outside India shall be for the Buyer's account.
- 10.4 The Selection of banks for opening of L/C would be in line with requirements as advised by Seller from time to time.
- 10.5 Seller reserves the right to demand an enhancement in the value of L/C, if required, in case there is an increase in the international prices of the concerned petroleum product and the Buyer shall without any demur and protest promptly enhance the value of the L/C.
- 10.6 If the original payment documents are not available for presentation to the Buyer on or before the payment due date, the Buyer shall pay the Seller upon presentation of the Seller's commercial invoice and Letter of Indemnity as per Seller's format (**Annexure I**) or in a format acceptable to IndianOil, by email.
- 10.7 Any delay in receipt of duly confirmed L/C in an acceptable form resulting in detention of the Buyer's Performing Vessel, will be entirely to the Buyer's account with the **consequential risk/costs. In the event of such delay resulting in lapse of Loading Laydays, the Seller may, at its sole discretion, treat such delay as arrival of Vessel beyond contractual Loading Laydays and provisions contained under Clause 3.6.5 above shall apply, after receipt of duly confirmed L/C in an acceptable form.**
- 10.8 In case of stipulation of any credit in the Agreement, if payment falls due on non-banking day either in India (Mumbai) or at New York, then the payment shall be effected on the preceding banking day by the Buyer.
- 10.9 If the Product is loaded in one or more parcels/lots, at the same port or more than one ports, for the purpose of price determination and payment due date, the individual B/L dates shall be used.

## 11. Documentation:

- 11.1 The Seller shall advise by fax/e-mail, quantity loaded and the sailing date of the Performing Vessel, to the Buyer within 48 hours after completion of loading of Performing Vessel and shall furnish the following documents, as per the Buyer's requirement, for each shipment:
  - 11.1.1 Copy(ies) of signed invoice and letter of indemnity, in case of non-availability of original documents on payment due date. Invoice to indicate final contractual price.
  - 11.1.2 Original plus non-negotiable copies of clean onboard Bill of Lading prepared to order of the Buyer or the L/C issuing bank with the Buyer as notifying party. The B/L to be duly signed by the Master or his representative under his official seal.
  - 11.1.3 Copy(ies) of Certificate of Quality and Quantity issued by the Loadport(s) refineries/terminal and countersigned by mutually appointed independent surveyor.
  - 11.1.4 Signed Copy(ies) of Loadport independent surveyor's full survey report covering inter-alia, quality, quantity and tanker cleanliness.
  - 11.1.5 Master's receipt for sealed samples, original B/L, Copy(ies) of non-negotiable Bill of Lading, Certificate of Quality and Quantity.
  - 11.1.6 Copy(ies) of Ship's Ullage Report along with indication of quantity of bunkers and water on board the Vessel at the time of arrival and departure. This document should be signed jointly by Master/Chief Officer of the tanker and independent surveyors/supplier's loading supervisors.
  - 11.1.7 Copy(ies) of Loadport Time Sheet signed by Master.

- 11.2 In the case of payment against a regular L/C, one set of the above documents with Copy(ies) of the non-negotiable Bill of Lading should be sent directly to the Buyer and the rest of the documents should be presented to the Bankers at the appropriate time.

## 12. Claims:

- 12.1 All claims (including claims for demurrage) which either Party may have against the other Party under and/ or pursuant to this Agreement, shall be filed with that other Party within 90 Days from the date of receipt of Product by the Buyer along with all supporting documents. Where this claim is not filed within 90 Days with all the supporting documents, then any claim thereof shall be deemed waived and absolutely barred and any liability on the part of non claiming Party shall be extinguished.

**Further, all arbitration proceedings shall be initiated within 365 Days from the B/L date.**

- 12.2 In the event of the Seller's inability to deliver the product as per the agreed quantity for reasons attributable solely to the Seller, the Seller shall reimburse to the Buyer the cost of dead-freighting involved i.e. the difference between the agreed quantity and the actual quantity loaded at C/P rate or WS100 rate escalated to the AFRA applicable for DWT of Vessel employed, whichever is lower, from Loadport to the declared disport. The Parties agree that such amounts shall constitute the sole and exclusive remedy of the Seller in respect of such failure of the Seller to deliver the Product.
- 12.3 To the extent permissible by law, the Seller shall not be responsible in any respect whatsoever for any loss, damage or injury resulting from any hazards inherent in the nature of the Product delivered hereunder.

## 13. Force Majeure:

- 13.1 Notwithstanding anything herein contained, neither the Seller nor the Buyer shall be liable to the other Party for any demurrage, loss or damage (including indirect and consequential damage) of any nature whatsoever incurred or suffered by such other Party due to delays or defaults in performance under the Agreement caused by circumstances beyond their control and without their fault or negligence including but not restricted to (each an event of Force Majeure);
- 13.1.1 acts of God and natural disasters such as cyclones, tidal waves, tsunami, destruction by lightning, epidemics, frosts, storms, earthquakes, floods, fire, war (declared or undeclared), civil war, revolution, acts of public enemy, peril of navigation, act of piracy;
- 13.1.2 executive or administrative orders or acts of either general or particular application of any *de jure* or *de facto* Government or of any such officer or agent purporting to act under the authority of any such Government, or requests of any officer or agent purporting to so act, illegality arising from applicable domestic or foreign laws or regulations;
- 13.1.3 blockade, labour disturbances, strikes, riots, insurrections, civil commotion, quarantine restrictions, accidents, explosions, breakdown or injury to, producing, manufacturing, selling or delivery facilities;
- 13.1.4 imposition of restrictions or onerous regulations by any Government or Governmental agency (to the extent relief has not been obtained pursuant to Clause 15 below).
- 13.2 The existence or continuation of any events specified in Clause 14.1 shall not relieve the obligation of a Party to pay any amount due, arising out of the Agreement on its due date.
- 13.3 Whenever, due to events described in Clause 14.1 above, delivery of any Product is not made within the period during which it was intended to be delivered, under the terms of the Agreement or the terms of Vessel nominations and acceptance, the quantity not delivered shall, unless the Parties otherwise agree, be cancelled and no makeup delivery need be made.

**It is clarified that in case of the occurrence of any event set out in Clause 14.1, at the Loading Terminal, the Seller shall not be liable to the Buyer for loss or damage (including indirect and consequential damage) of any nature whatsoever incurred or suffered by the Buyer due to delays or defaults in performance of Seller's obligations hereunder.**

13.4 In the event, the Seller, for any reason of the nature described in Clause 14.1 above, does not at any time have available sufficient product to supply to all of the Seller's customers, the Seller shall offer to the Buyer in writing, pro-rata with its other customers then under the contract, such supplies of the product as remain available to it and unless the Buyer within 30 days after receipt of such offer of partial performance, renounces the affected cargo in writing, the Agreement shall continue in full force and effect, but at such reduced volumes.

13.5 a) The party seeking relief (the "Relying Party") shall, as soon as reasonably possible after the impediment becomes known to it, give notice in writing to the other party, of such impediment and the effects, or the reasonably anticipated effects, on its ability to perform in as much detail as possible and the appropriate relief sought. The appropriate relief takes effect from the time the other party receives the notice.

**b) Such notices shall thereafter be supplemented and updated from time to time at reasonable intervals during the period of such Force Majeure and upon the reasonable request of the other Party, specifying actions being taken to remedy the circumstances causing the event of Force Majeure (along with an update of the information provided earlier in respect of such event of Force Majeure) and the date on which such event of Force Majeure terminates. Such updates shall be given at least on a daily basis.**

13.6 The Affected Party shall have the burden of proving that circumstances constitute valid grounds of Force Majeure under this Clause 14 and that he has acted in good faith to mitigate the effects of such Force Majeure event.

13.7 Provide Access

**The Party claiming a Force Majeure shall forthwith, where practicable, give or procure the other Party access to the scene of the event which gave rise to the Force Majeure for inspection, provided that the expense and risk of such access and inspection shall always be that of the requesting Party.**

13.8 During the subsistence of an event of Force Majeure, the Parties shall, discuss in good faith, and take reasonable steps and actions to mitigate the effects of such event of Force Majeure, including by arranging substituted performance of all obligations delayed or prevented by such event of Force Majeure. The Parties shall continue to perform their obligations under an Agreement to the extent not prevented by such event of Force Majeure.

13.9 The appropriate relief under this section shall be as follows:

a) In respect of a Force Majeure event that renders impossible the Relying Party's performance of its obligations, the Parties shall discuss in good faith the further course of action. If the Parties do not reach an agreement on either the manner in which the effects of an event of Force Majeure can be mitigated or on arranging substituted performance of all obligations delayed or prevented by such event of Force Majeure within reasonable time from the date of notice of Force Majeure first given pursuant to Clause 14, either Party shall have the right to terminate the affected delivery/off-take obligation(s) without liability for damages, penalties and other contractual sanctions;

b) In respect of an impediment that delays, hinders, reduces or interferes with the performance of the delivery/off-take obligation(s), the Parties shall discuss in good faith the further course of action which shall include immediate postponement of those obligations without liability for damages, penalties and other contractual sanctions for a period until midnight local time on the last date of the Laydays, or until such time as the impediment is removed, whichever is earlier. The impediment shall not, however, operate to extend the term of the Agreement. Further, should the impediment continue beyond midnight local time on the last day of the Laydays, then it shall be deemed to render the Relying Party's obligations impossible and Clause 14.9 (a) above shall apply thenceforth.



- 13.10 Nothing in this Section shall be taken to limit or prevent the operation of the common law doctrine of frustration (including frustration of the adventure, of purpose of the Agreement).

#### **14. New and changed regulations, etc.**

- 14.1 It is understood by the parties that the Seller is entering into the Agreement in reliance on the laws, rules, regulations, decrees, agreements, concessions and arrangements with governments, government instrumentalities or public authorities and other Applicable Laws ("Regulations") in effect on the date of Letter of Award affecting the Product sold hereunder including, but without limitation to the generality of the foregoing, those relating to the production, acquisition, gathering, manufacturing, transportation, storage, trading or delivery thereof, insofar as such Regulations affect the Seller.
- 14.2 If at any time and from time to time during the currency of the Agreement any Regulations are changed or new Regulations become or are due to become effective, whether by law, decree or regulation or by response to the insistence or request of any governmental or public authority or any person purporting to act therefor, and the material effect of such changed or new Regulations (a) is not covered by any other provision of the Agreement, and (b) has or will have a material adverse economic effect on the Seller, the Seller shall have the option to request renegotiation of the price(s) or other pertinent terms of the Agreement. Such option may be exercised by the Seller at any time after such changed or new Regulations are promulgated by written notice to the Buyer, such notice to contain the new price(s) or terms desired by the Seller. If the parties do not agree upon new price(s) or terms satisfactory to both parties within 15 days after the date of the Seller's notice, either party shall have the right to terminate the Agreement immediately at the end of such 15-day period.

#### **15. Termination:**

**Notwithstanding anything to the contrary expressed or implied elsewhere herein the Seller may terminate the agreement forthwith on giving to the Buyer notice in writing:**

- 15.1 If Buyer goes into liquidation (other than a voluntary liquidation for the purpose of amalgamation or reconstruction) or enter into an agreement or composition with his creditors, or
- 15.2 If Buyer is in arrears of any payment due to the Seller, or
- 15.3 Where as per the terms of the Agreement, a minimum quantity is to be taken by the Buyer within any specified period, the Buyer fails to take delivery of the said minimum quantity during the said period.

**Such termination shall be without prejudice to any other claim or rights of the Seller.**

#### **16. Assignment:**

**The Buyer shall be the company in the name and style as registered in the Seller's system. The contract, if awarded, cannot be assigned to any subsidiary/third party/ bankers/ affiliates/ associates without the prior written consent of the Seller, which consent, if any, shall be provided by the Seller at its sole discretion. In case of such assignment being so permitted by the Seller, the Buyer will guarantee performance of the contract through the Seller's Parent Company Guarantee (PCG) format (in case of assignment to subsidiary or affiliates) (Annexure III) or through Payment and Performance Guarantee (in case of assignment to bankers/third party/ affiliate/associates) (Annexure IV) and coordinate closely with the assignee/Seller and provide all necessary information for implementation of the contract. The PCG or Payment and Performance Guarantee in the specified format has to be submitted, in case assignment is allowed, on contract to contract basis without any condition.**

#### **17. Governing Law and Arbitration:**

- 17.1 The Agreement shall be governed and construed in accordance with the laws of India.
- 17.2 If any dispute or difference of any kind whatsoever shall arise out of or in

connection with the Agreement, including any claims (whether in contract, tort, statutory, or otherwise), and any questions regarding the existence, scope, validity, breach or termination of the Agreement (a "Dispute"), the Parties shall first attempt, for a period of 30 (thirty) Days after the receipt by one Party of notice from the other Party of the existence of a Dispute, to settle such Dispute by mutual discussions between the Parties.

17.3 Any Dispute which is not resolved between the Parties by mutual discussions as provided for in Clause 18.2, shall be finally resolved by arbitration under the Rules of Arbitration of Indian Council of Arbitration (ICA) for the time being in force. The tribunal shall consist of 3 (three) arbitrators. Each Party shall nominate one arbitrator, and the two arbitrators nominated by the Parties shall within 30 (thirty) days of the nomination of the second arbitrator agree upon the nomination of a third arbitrator who shall act as chairman of the tribunal. If the 2 (two) Party-nominated arbitrators cannot agree upon the nomination of a third arbitrator, the ICA shall appoint the third arbitrator. The seat, or legal place, of the arbitration shall be New Delhi. The language to be used in the arbitral proceedings shall be English.

17.4 Subject to the Clause 18.2 above, courts of New Delhi shall have exclusive jurisdiction.

#### **18. Modification and Waiver:**

18.1 The Agreement can only be modified by either exchange of fax/e-mail messages or by a written instrument duly executed by authorized representatives of both the Parties.

18.2 Failure to insist upon strict performance of any provisions of the Agreement shall not constitute a waiver of or estoppel against the right to require such performance, nor shall a waiver or estoppel in one case constitute a waiver or estoppel with respect to a later breach, whether of a similar nature or otherwise.

#### **19. Notice:**

**Unless otherwise provided elsewhere in the Agreement, any communication by either Party to the other shall be sufficiently made if hand delivered, or sent by certified registered mail, e-mail, or by facsimile transmission to the address of the other Party (For the Seller to the address mentioned in the NIT and for the Buyer on address mentioned in the bid). Notice by electronic mail, in the absence of proof to the contrary, including any indication of malfunction on the notifying Party's computer or delivery failure or return electronic mail stating that the intended recipient Party does not have access to email, shall be deemed to be received by the recipient Party on the day on which it was transmitted. Notice by fax shall be deemed to be received by the recipient Party on the day on which it was transmitted, provided that the notifying Party receives a transmission report confirming that such facsimile was successfully transmitted to the recipient Party. Notice by hand delivery shall be deemed to be received by the recipient Party on the day on which it is left at the recipient Party's address. Notice by courier or certified registered mail shall be deemed to have been received three (3) business days after it was sent. A Party may change its address by providing a ten (10) days written notice thereof to the other Party.**

#### **20. Entire Agreement:**

**The Agreement contains the entire agreement between the Seller and the Buyer and supersedes all prior agreements, whether oral or written, in connection therewith.**

#### **21. Confidentiality:**

21.1 The Agreement shall be held strictly confidential and the details of the Agreement shall not be disclosed by either party to any third party without the previous consent in writing of the other party.

21.2 Notwithstanding the provisions of Clause 22.1, a party (the "Disclosing Party") may disclose details of the Agreement without the other party's prior written consent if:

21.2.1 such disclosure is required by law or by any securities exchange or regulatory or governmental body or fiscal authority having jurisdiction over it, wherever situated, and whether or not the requirement has the force of law; or

- 21.2.2 the confidential information is or was already in the public domain other than through the fault or action of the Disclosing Party; or
- 21.2.3 such disclosure is in connection with any legal or arbitration proceedings or pursuant to Clause 18 and the Disclosing Party shall cause all parties in receipt of such information to be bound by the same obligations of confidentiality as contained in the Agreement.

## **22. Other conditions of the contract:**

**The following other conditions would also form part of the contract:**

### **22.1 No liability of Government of India**

**It is expressly understood and agreed by and between the contracting party(ies) that the Seller (Indian Oil Corporation Limited) is entering into this Agreement solely on its own behalf and not on behalf of any other person or entity. In particular, it is expressly understood and agreed that the Government of India is not a party to this Agreement and has no liabilities, obligations or rights hereunder. It is expressly understood and agreed that the Seller is an independent legal entity with power and authority to enter into contract solely on its own behalf under the Applicable Laws of India and general principles of contract law. The contracting party expressly agrees, acknowledges and understands that the Seller is not an agent, representative or delegate of the Government of India. It is further understood and agreed that the Government of India is not and shall not be liable for any act, omission, commission, breach, or their wrongs arising out of the Agreement. Accordingly, the contracting party hereby expressly waives, releases and forgoes any and all actions or claims, including cross claims, impleader claims or counter claims against the Government of India arising out of Agreement and covenants not to sue the Government of India in any manner, claim, cause of action or thing whatsoever arising out of or under this Agreement.**

### **22.2 Facilitation payments and Anti-Corruption**

- 22.2.1 The Buyer and the Seller each agree and undertake to the other that in connection with this Agreement, they will each respectively comply with all Applicable Law(s), rules, regulations, decrees and/or official government orders of the Government of India or any other relevant jurisdiction relating to anti-bribery and anti-money laundering and that they shall each respectively would not act in a manner which would subject the other to fines or penalties under such laws, regulations, rules or requirements.
- 22.2.2 The Buyer and the Seller each represent, warrant and undertake to the other that they shall not, directly or indirectly
- 22.2.2.1 pay, offer, give or promise to pay or authorise the payment of any monies or the transfer of any financial or other advantage or other things of value to:
- a) a government official or an officer or employee of a government or any department, agency or instrumentality of any government;
  - b) an officer or employee of a public international organization;
  - c) any person acting in an official capacity for or on behalf of any government or department, agency, or instrumentality of such government or of any public international organization;
  - d) any political party or official thereof, or any candidate for political office;
  - e) any director, officer, employee or agent/representative of an actual or prospective counterparty, supplier or customer of Buyer or Seller; or
  - f) any other person, individual or entity at the suggestion, request or direction or for the benefit of any of the above-described persons and entities
- 22.2.2.2 engage in other acts or transactions, in each case if this is in violation of or inconsistent with the anti-bribery or anti-money laundering legislation of any government.
- 22.2.3 The Buyer or the Seller may terminate the Agreement forthwith upon written

notice to the other at any time, if in their reasonable judgement the other is in breach of any of the above representations, warranties or undertakings.

## 22.3 Miscellaneous

### 22.3.1 Warranties

The Buyer and the Seller each warrant that, in connection with the Agreement, it has not relied upon any representations, whether written or oral, made by or on behalf of the other party, but has relied exclusively on its own knowledge, judgment and expertise.

### 22.3.2 Third party rights

No term of the Agreement is intended to, or does, confer a benefit or remedy on any third party. A person, company or other legal entity who is not a party to the Agreement shall neither have nor acquire any rights in relation to the Agreement. Further, the parties hereto may rescind or vary the Agreement, **whether in whole or in part, without the consent of any third party.**

### 22.3.3 Severability

If any provision of the Agreement is declared to be illegal, invalid or otherwise unenforceable by a court of competent jurisdiction, the remainder of the Agreement (and of such provision) shall not be affected except to the extent necessary to delete such illegal, invalid or unenforceable provision (or part thereof).

### 22.3.4 Survivability

If for any reason the Agreement shall be terminated then such termination shall be without prejudice to any rights, obligations or liabilities of either party which have accrued at the date of termination but have not been performed or discharged, and any parts of the Agreement having any relevance thereto or any bearing thereon shall, notwithstanding the termination of the Agreement for any reason, continue in force and effect.

### 22.3.5 Consents, etc.

Each party shall be responsible for obtaining all consents, authorisations, approvals and assurances of whatsoever nature necessary to enable it to comply with its obligations under the Agreement.

### 22.3.6 Conflicts

In the event of conflict or inconsistency between these General Terms and Conditions and the tender conditions, the tender conditions shall prevail over these General Terms and Conditions.

### 22.3.7 Submission of tax documents:

In order to comply with the extant applicable tax provisions in India, Seller may be required to submit requisite documents pertaining to the counter party to Indian Taxation Authorities. On award of the contract, the party may therefore, contact and submit such documents to shipping/commercial department of Seller.

### 22.3.8 Other Charges

Unless otherwise agreed, the payment of any other costs, expenses, levies or charges incidental to the Agreement, which have been borne by the Seller, shall be made against presentation of Seller's invoice therefor and shall be for immediate settlement by the Buyer on or before the date specified therein.

### 22.3.9 Principal-to-Principal dealings:

We deal on a principal-to-principal basis for the export of petroleum products. While submitting offers, Buyers shall specifically confirm that services of Indian agents have not been engaged for securing business against their offer.

#### 22.3.10 Sovereign immunity

Each Party hereto warrants that it has entered into the Agreement in a commercial capacity and that with respect to the Agreement it is in all respects subject to civil and commercial law. Each party hereby irrevocably and unconditionally and to the fullest extent permitted by law waives any rights of sovereign immunity which it may have now or which it may subsequently acquire in respect of its position or any property and/or assets (present or subsequently acquired and wherever located) belonging to it.

## DEFINITIONS

### In the Agreement (as hereinafter defined) unless the context otherwise requires:

- (i) "*Affiliate*" means a company or other legal entity which directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with a party. For this purpose "control" means the direct or indirect ownership of fifty per cent or more of the voting rights attached to the issued share capital of such company or other legal entity.
- (ii) "*Agreement*" means the General Terms and Conditions (including, where applicable, the Schedules attached hereto) together with the tender conditions and the Letter of Award (in increasing order of priority);
- (iii) "*Applicable laws*" means, in relation to any party, transaction or event, all applicable provisions, whether now or hereafter in effect, of laws, statutes, rules, regulations, official directives and orders of all central, state, municipal and local governmental bodies (whether administrative, legislative, executive or otherwise) and judgments, orders and decrees of all courts, arbitrators, commissions or bodies exercising similar functions in actions or proceedings in which the party in question is included or by which it is bound or having application or jurisdiction to the transaction or event or Party in question;
- (iv) "*ASTM*" means the American Society for Testing and Materials;
- (v) "*Banking Day*" means a Day other than a Saturday or Sunday on which commercial banks are open for business in Mumbai and/or New York.
- (vi) "*Berth*" means a berth, dock, anchorage, submarine line, single point or single berth mooring facility, offshore location, alongside Vessels or lighters or any other loading or discharge place as may be indicated by the party in question;
- (vii) "*Broad Laydays*" shall mean Laydays as specified in the Agreement.
- (viii) "*Buyer*" means the entity identified in the Letter of Award as a purchaser of the Product.
- (ix) "*Day*" means a Calendar Day;
- (x) "*delivery*" means placing or procuring to place the Product at the disposal of the Buyer at the time and place agreed upon. "*deliver*" includes "procure to be delivered" and the term "*delivery*" shall be construed accordingly, and "*deliverable*" and "*delivered*" shall be similarly construed.
- (xi) "*Due Date*" shall mean the date specified in the Agreement by which payment is required to be made by the Buyer to the Seller for Product sold under the Agreement.
- (xii) "*ETA*", in the case of FOB deliveries, means the estimated time and/or date or range of Days of arrival of the Vessel at the Loading Terminal.
- (xiii) "*FOB*" shall have the meaning ascribed thereto in Incoterms 2010 (as amended from time to time), except as modified by the Agreement; further, if there is any inconsistency or conflict between Incoterms and the Agreement, the Agreement shall prevail.

- (xiv) "*General Terms and Conditions*" or "*GTC*" shall mean the terms and conditions contained in this *GTC*.
- (xv) "*ICS*" means the International Chamber of Shipping.
- (xvi) "*INTERTANKO*" stands for International Association of Independent Tanker Owners.
- (xvii) "*IP*" means Institute of Petroleum.
- (xviii) "*Laydays*", "*loading date range*" and "*Loading Laydays*" in the case of FOB deliveries shall have the meaning ascribed to it in Section 2.4.
- (xix) "*Laytime*" means the time allowed to the Seller for loading the Product.
- (xx) "*Letter of Award*" shall mean the letter issued by the Seller to A party on successful acceptance of his bid in response to the NIT.
- (xxi) "*LIBOR*" means, in respect of any sum due, the one (1) month British Bankers Association London Interbank offered rate for U.S. Dollar deposits as shown on Reuters screen reference page "*LIBOR01*" fixed at 11:00 a.m. London time on the first banking Day of the month in which the sum became due.
- (xxii) "*Loadport*" means the port or terminal at which, or the Vessel to which, the Product to be delivered by the Seller.
- (xxiii) "*Loading Terminal*" means the port or terminal at which the Product to be delivered hereunder is or will be loaded or, where the context requires, the operator, authority or governing body of such port or terminal.
- (xxiv) "*MARPOL*" means the International Convention for the Prevention of Pollution from Ships, as amended from time to time.
- (xxv) "*month*" means a month of the Gregorian calendar.
- (xxvi) "*NOR*" means the valid Notice of Readiness to load or discharge, as the case may be, as given by the Master of the Vessel (or his representative) to the Seller (or its representative) at the Loading Terminal or to the Buyer (or its representative) at the Discharge Port respectively.
- (xxvii) "*Notional B/L date*" refers to B/L date arrived at by adding the actual loading time to 24:00 hrs of the last date of contractual laycan. The actual loading time shall be the time from completion of connection of hoses till the time the hoses are disconnected after completion of entire loading. The term Notional B/L shall be understood accordingly.
- (xxviii) "*OCIMF*" means the Oil Companies International Marine Forum.
- (xxix) "*Onerous Conditions*" means any condition, which the Seller, acting reasonably determines as being not customary in transactions of the nature where such conditions have been imposed or which place a liability or obligation on the Seller, which the Seller deems unreasonable.
- (xxx) "*Party*" means either the Buyer or the Seller and collectively the "*Parties*".

- (xxxix) "*Performing Vessel*" shall mean the Vessel which tenders NOR at the Loadport in Accordance with the provisions of the Agreement..
- (xxxii) "*Product*" shall mean the refined petroleum product or products specified in the Agreement and the word "Cargo" and "cargo" would be understood accordingly.
- (xxxiii) "*safely afloat*" means that the Vessel shall at all times be water-borne in compliance with the port clearance requirements of the Vessel nominating party (including but not limited to underkeel clearance) and shall be able to remain at the Berth without risk of loss or damage from wind, weather or other craft which are being properly navigated.
- (xxxiv) "*Seller*" means the entity identified in the Agreement as Seller of the product or its suppliers or agents.
- (xxxv) "*Shipment*" shall mean a part cargo, a cargo or cargoes of Product lifted by a single Vessel under the Agreement.
- (xxxvi) "*SHINC*" shall mean Saturdays and holidays included
- (xxxvii) "*Third party*" shall mean any party which is neither the 'Seller' nor 'Buyer'.
- (xxxviii) "*Taxes*" means all taxes, duties, imposts, fees and charges whatsoever (including but not restricted to taxes, duties, imposts, fees and charges imposed or levied by any governmental, local or port authority) arising in connection with the Product, its sale, transportation, ownership, delivery, export or use.
- (xxxix) "*Tender*" or "*NIT*" means the tender floated by the Seller for supply of Product (and including all amendments and clarifications thereto). The term "tender conditions" shall be interpreted accordingly;
- (xl) "ton" means a Metric Ton or Tonne (MT).**
- (xli) "Typicals" mean a quality or characteristic often attributable to Product from a particular source, given without guarantee and not amounting to a representation or warranty that such typical quality or attribute will be present in the Product supplied.**
- (xlii) "Vessel" means a tankship or other Vessel which is wholly or mainly constructed or is adapted for the carriage of Product and shall, except where otherwise provided, be deemed to include Barges.**
- (xliii) "Working Day" means a Day on which banks are open for business at the location of the party to whom the relevant obligation of the other party is owed under the Agreement.**
- (xliv) "Worldscale" means the "New Worldwide Tanker Nominal Freight Scale" as current on the Day of commencement of loading of the Vessel in question.**



**Conditions applicable on the Buyer in case Buyer's Performing Vessel tenders NOR prior to contractual laydays**

- 1.1.1 Seller may at its sole discretion, accept Buyer's request to berth Buyer's performing Vessel for cargo loading before commencement of contractual narrowed down laydays. In such case, following conditions shall be applicable:
  - 1.1.1.1 Price for invoicing purpose to be based on actual B/L date or notional B/L date, whichever is higher. The notional B/L date shall be arrived at by adding the actual loading time to 00:00 hours of the first day of the contractual laydays. The actual loading time shall be the time from connection of hoses till the time the hoses are disconnected after completion of entire loading.
  - 1.1.1.2 Payment due date shall be as per the notional B/L date or actual B/L date, whichever is earlier.
  - 1.1.1.3 Laytime shall commence from commencement of loading. Berthing of Vessel shall also be subject to availability of berth at the port.

**Conditions applicable on the Buyer in case Buyer's Performing Vessel tenders NOR beyondcontractual laydays**

- 1.1.2 Upliftment of the Cargo within the stipulated loading laydays (time) is the essence of the contract. If the Buyer's Vessel tenders NOR at loadport beyond the accepted narrowed down delivery date range as per Agreement, the Seller may at their sole discretion, grant extension of delivery period. Such extension of the loading date should not be considered that time is not the essence of the contract. In such case, following conditions shall be applicable:
- 1.1.2.1 The price to be based on actual B/L date or notional B/L date, whichever is higher. The notional B/L date to be arrived at by adding the actual loading time to 24:00 hrs of the last date of contractual laycan. The actual loading time shall be the time from connection of hoses till the time the hoses are disconnected after completion of entire loading.
- 1.1.2.2 Laytime to commence from commencement of loading at the loadport. The nominated Vessel can take berth only as per its turn after, awaiting turn of the other Vessels, awaiting berth and subject to port regulations in force.
- 1.1.2.3 Notwithstanding anything covered to the contrary above, in case due to delayed arrival of Buyer's Performing Vessel, the Cargo is required to be floated by the Seller, then the Buyer to pay floating & transshipment expenses, if any, at actual.

## FORMAT FOR LETTER OF INDEMNITY

To: Name of the Buyer

From: Indian Oil Corporation Limited Date:

Re: Shipment of \_\_\_\_\_ MTs of \_\_\_\_\_ (Product) shipping on \_\_\_\_\_ (B/L date) at \_\_\_\_\_ (Loadport) on board the Vessel \_\_\_\_\_ covered by L/C no. \_\_\_\_\_.

Dear Sirs,

Although, we Indian Oil Corporation Limited, Mumbai have sold the above mentioned cargo to \_\_\_\_\_ (Buyer) we have been unable to provide you with the original shipping documents, including 3/3 original bills of lading and usual shipping documents covering said lifting (hereinafter called 'the Documents') as requested by doc credit no. \_\_\_\_\_ covering said sale.

In consideration of (reimbursing bank) \_\_\_\_\_ paying us dollars \_\_\_\_\_ for account of \_\_\_\_\_ (buyer), being the full purchase price of the above cargo, we hereby transfer title to you and expressly warrant that we have marketable title to such cargo free and clear of any lien or encumbrance and that we have full right and authority to transfer such title to you and to effect delivery of the said Product. We further agree to make all reasonable efforts to locate and surrender to \_\_\_\_\_ (Buyer) as soon as possible the documents and to protect, indemnify and save you harmless from and against any and all damages, costs, expenses (including reasonable attorney fees) which you may suffer by reason of the documents remaining outstanding including but not limited to, any claims and demands which may be made by a holder or transferee of the documents, or by any third party claiming an interest in the cargo or proceeds thereof. Our obligation to indemnify you is, of course, subject to the condition that you shall give us notice of assertion of any claim(s) and full opportunity to conduct the defense thereof and that you shall not settle any such claim(s) without our approval.

This indemnity shall be governed by and construed in accordance with the laws of India and each party expressly submits to the exclusive jurisdiction of the Indian courts in Mumbai. This letter of indemnity shall expire and cease to have any effect upon our tender of the Documents to you.

Authorized signature

