

NUMALIGARH REFINERY LIMITED
General Purchase Conditions (Imports)

Definition :

- 1) NRL means Numaligarh Refinery Limited.
- 2) “Vendor” means a Person or Firm or Company, to whom the order is addressed, for supply of goods and/or services.
- 3) Bankers : Unless otherwise specified, NRL’s banker at Guwahati, Assam (India), shall be : State Bank of India, GMC Branch, Bhangagarh, Guwahati, Pin : 781005, **Bank Code : 0077**.
- 4) NRL’s banker at Numaligarh, Assam (India), shall be : State Bank of India, NRL Complex, P.O. NR Project, Pin : 785699, Dist. Golaghat, Assam. **Bank Code : 5377**.
- 5) NRL's banker for currencies of other countries : [State Bank of India, Commercial Branch, Bee Kay Tower, Ganeshguri, Guwahati, Assam, India, PIN - 781006, Fax No. +91 361 2231825 Tel. No. +91 361 2231745.](#)

1.	Price Basis	Prices shall be quoted on FOB (FAS in case of USA) Port/Airport of Despatch, The quoted prices must be inclusive of sea/air-worthy packing and forwarding charges, inland freight, loading, insurance and all taxes, duties, levies, bank charges, stamp duties etc. upto FOB Port/Airport of despatch. Ocean/Air freight upto India, transit insurance, all taxes, duties, levies, bank charges, stamp duties etc. payable in India shall be borne by NRL.
2.	Firm Price	The price quoted shall remain firm and fixed till complete execution of the order.
3.	Payment Term	Unless otherwise agreed, the payment term shall be - 100% through irrevocable Letter of Credit against despatch documents through bank.
4.	Performance Bank Guarantee (PBG)	PBG for 10% of Total Order Value (if required as per enquiry documents), shall be furnished as per proforma enclosed and shall be either through the branches of Indian Public Sector Banks operating in your country or counter guaranteed by the branches of these banks in your country. The PBG shall be furnished alongwith acceptance copy of the Purchase Order and shall be valid till expiry of the guarantee period. Letter of Credit shall be established only after receipt of the acceptance copy of the Purchase Order alongwith the PBG (if applicable).
5.	Delivery Period & Delayed Delivery	The delivery period quoted/agreed shall be strictly followed. Failing supplies in time, NRL reserves the right to cancel the order and take alternative procurement action solely at the risk and cost of the vendor. In case of delay in execution of the order, NRL may at its option, recover from the vendor a price reduction of 0.5% of the value of delayed goods per week of delay or part thereof subject to a maximum of 5% of the total order value of goods.
6.	Force Majeure	“Force Majeure” shall mean and be limited to the following : “War/Hostilities, Riot or Civil Commotion, Earthquake, Flood, Tempest, Lightning or other natural physical disaster, Strike or Lock-out (only those exceeding 10 continuous days in duration) affecting the performance of the vendor’s obligations, Restrictions imposed by the Government or other statutory bodies which prevents or delays the execution of the order.
7.	Weights & Measurements	All weights and measurements recorded by NRL on receipt of materials shall be treated as final and binding.
8.	Packing, Marking Shipping & Documentation	All consignments must be securely and appropriately packed and should conform to Standard Material Transport Regulations. The vendor will be held liable for any damages to the goods due to insufficient or defective packing as well as for corrosion due to insufficient protection. Each package shall be clearly marked with indelible paint with the <i>Purchase Order No., From (Name & Add.), To (Name & Add.), Port of Destination, Item Net & Gross Weight, Case No. (Sl. No. of Total Cases) & Dimensions</i> , and shall contain copies of despatch documents and packing list. Details given in the “ <i>Packing, Marking, Shipping and Documentation Specification for Imported Materials</i> ” – enclosed with a Purchase Order, shall be strictly followed.

9.	Inspection & Testing	<p>The goods are to be inspected throughout the phases of production from raw material to finished product by vendor's own Works Inspector. Shipping documents in respect of each consignment should be accompanied by a certificate issued by Works Inspector indicating the tests conducted with results thereof as required under the relevant specifications as indicated in the Purchase Order.</p> <p>In addition, NRL or NRL's authorised representative/agency shall have rights to thoroughly inspect and test the goods at every stage of progress till such time as the inspector may deem fit and to reject any or all goods which donot conform to the specification of the Purchase Order and the inspector's decision on every question of intent and meaning of specification shall be final and conclusive. The certificates issued by the said inspector to this effect shall form part of shipping documents and clearly indicate the tests conducted with the results thereof as required under the relevant specifications.</p>
10.	Guarantee	<p>Vendor shall guarantee NRL against any defects in design, workmanship of the supplied goods and performance for a period of 12 months from the date of commissioning/installation or 24 months from the date of last despatch, whichever expires first. Should any defects develop during the guarantee period, it should be remedied promptly free of cost by the vendor and all expenses for transportation of goods necessitated for such repairs or replacement shall be borne by the vendor. The guarantee period for such repaired/replaced goods shall again be 12 months from the date of commissioning/installation.</p>
11.	Bill of Lading (BL)/Airway Bill (AWB)	<p>BL/AWB shall be 'clean' made in favour of Numaligarh Refinery Limited or order of the bank (and not order of shipper) and the notify column should indicate Numaligarh Refinery Limited, Numaligarh, Assam, India.</p> <p>Immediately after shipment, two non-negotiable copies of BL/AWB shall be air-mailed to 'The Shipping Co-ordination Officer, Ministry of Shipping & Transport, New Delhi – 110001.'</p>
12.	Statutory Requirements	<p>The following paragraph must be incorporated in the BOL/AWB and Invoices :</p> <p><i>"The imports are covered under the Export and Import Policy 2004-2009. The items donot fall under the 'RESTRICTED ITEMS' of the Policy and hence no Import Licence is required. The items being imported also donot fall under the 'NEGATIVE LIST OF IMPORT' of the Policy."</i></p>
13.	Port/Airport Consignee	<p>M/s Balmer Lawrie & Co. Ltd., A/c Numaligarh Refinery Limited, 21, Netaji Subhas Road, Calcutta – 700 001. (Fax No. 091-033-22134698, 22225282). NOTE : Vendor shall send two copies of shipping documents immediately after shipment by air-mail courier to the port consignee also apart from those sent to NRL.</p>
14.	Ultimate Consignee	<p>M/s Numaligarh Refinery Limited, Numaligarh Refinery Project Site, Numaligarh, Dist. Golaghat (Assam), INDIA.</p>
15.	Shipping Documents	<ol style="list-style-type: none"> Negotiable BL or AWB, as the case may be, evidencing shipment. Invoice for Shipment. Country of Origin Certificate from the Local Chamber of Commerce. Packing List. Certificate of Quality including Inspection Reports & Works Test Certificates. Shipping Release from Inspector or Quality Surveillance Agency nominated by NRL for the purpose of Inspection (if applicable). Certificate from the vendor certifying that in case of delay in delivery, price reduction for same have been applied in the invoices submitted for payment. <p>The vendor shall be responsible for making available to NRL the documents which are essential for arranging Customs Clearance in India. The vendor shall arrange through his banker to have the documents air-mailed to NRL's banker without any delay.</p>

		If NRL incurs extra expenditure by way of penalty payable to the Port Trust Authorities in India or any other such expenditure due to delay in receipt of shipping documents, the vendor shall be responsible for making good such extra expenditure incurred by NRL.
16.	Distribution of Documents	Invoices and other original despatch documents in case of direct payment by NRL or, advance copies of despatch documents in case of thro' Bank payments, shall be sent to the <i>Finance, Commercial & Materials Deptt.</i> of NRL .
17.	Submission of Drawings/ Documents	<p>In all drawings/documents sent for NRL's approval before delivery, the nominal value must be declared in the invoices alongwith the following certification :</p> <ul style="list-style-type: none"> i) The drawings/documents have no commercial value. ii) Value declared is for customs purposes only. iii) Drawings are sent for checking and shall be returned back. <p>In all drawings/documents sent subsequently, either of the following actions are to be taken :</p> <ul style="list-style-type: none"> i) All final drawings/documents to be sent alongwith consignments and incorporated in the packing list/invoices alongwith a declaration that the value of the documents are included in the value of the equipment. ii) All final drawings/documents to be sent separately after the delivery of equipment with nominal value declared in the invoices alongwith the following certification : <ul style="list-style-type: none"> a) Drawings/documents have no commercial value. b) Value declared is for customs purposes only.
18.	Repeat Order	Repeat Order shall be acceptable to the vendor within 6 months from the date of the Basic Order at the same prices, terms & conditions as that in the Basic Order.
19.	Part Order	Part Order shall be acceptable to the vendor. However, the quantity mentioned in the enquiry documents for each item shall be ordered on one vendor. All applicable lumpsum charges, if any, shall be pro-rata on value basis.
20.	Changes in Terms & Conditions	NRL reserves the right to make changes at any time in quantities of items ordered or in specification and drawings. If such changes cause an increase or decrease in the amount due or in the delivery period , an equitable adjustment shall be made. Any claim for adjustment under this provision must be assessed within 10 days from the date when the changes are ordered by NRL.
21.	Conflict among other Terms and Conditions	In case of conflict between these General Terms & Conditions and any other special or typed conditions agreed to for a particular order, the latter shall prevail to the extent applicable.
22.	Non Assignment	The Purchase Order shall not be assigned by the vendor to any other party without prior written permission from NRL.
23.	Arbitration	<p>In case of any question, dispute or difference whatsoever arising between NRL and vendor, it shall be endeavoured to settle the same amicably, failing which either party may forthwith give to the other notice in writing on the existence of such question, dispute or difference and the same shall be referred to the adjudication of two arbitrators – one to be nominated by NRL and the other by the vendor or, in the case of the said arbitrators not agreeing, then to the adjudication of an Umpire to be appointed by the arbitrators. The award of the arbitrators, or in the event of their not agreeing that of the Umpire shall be final and binding on the parties and the provisions of the Indian Arbitration and Conciliation Act, 1996 and the Rules thereunder and any statutory modification thereof shall be deemed to apply and be incorporated in the order. The venue of such Arbitration shall be Guwahati, Assam, India.</p> <p>Upon every such reference, the cost of and incidental to the reference and award respectively shall be at the discretion of the Arbitrator or of the Umpire as the case may be, who may determine the amount thereof and direct the same to be taxed as between solicitor and client, or as between party and party and shall direct by whom and to whom and in what manner the same shall be borne and paid.</p>

		Work under the order shall be continued by the vendor during the Arbitration proceedings, unless otherwise directed in writing by NRL or unless the matter is such that the work cannot possibly be continued until the decision of the arbitrators or by the Umpire as the case may be, save as those which are otherwise expressly provided in the order, no payment due payable by NRL shall be withheld on account of such arbitration proceedings unless it is the subject matter thereof.
24.	Spare Parts	<p>Before going out of production of the spare parts, the vendor shall give adequate advance notice to NRL so that NRL may order requirements, if it so desired.</p> <p>Further, the vendor shall guarantee that in the event of going out of production of spare parts, the blue prints, drawings of spare parts and specification of materials shall be furnished at no extra cost to NRL in order to enable NRL fabricate or procure the spare parts from other sources.</p> <p>The provision of the above clause shall remain effective and binding upon the vendor till the plant/machinery/equipment/instrument supplied under the order is in use by NRL.</p>
25.	Offer Validity	The vendor's offer shall be valid for acceptance for a period of 4 months from the final due date of the enquiry.
26.	Service applicable with procurement	Service portion like Erection/Installation/supervision/Testing/Trial Run/Commissioning/Training/ after sales service etc. wherever applicable with the procurement, shall be quoted separately by overseas vendor. If the service portion is to be done by any Indian counterpart, it shall be quoted only in Indian Rs. A separate service PO shall be placed on the Indian Counterpart for the service portion.
27	Indian Agent	<p>An Indian Agent cannot represent two foreign suppliers or quote on their behalf in a particular tender.</p> <p>Agency Commission if applicable, should be mentioned separately and will be paid only after registration with DGS&D, New Delhi. The commission payable to the Indian agents of foreign suppliers should be made only in Indian Currency.</p>

NUMALIGARH REFINERY LIMITED

Packing, Marking, Shipping and Documentation Specifications for IMPORTED Materials

1.0 GENERAL :

This specification forms an integral part of the Purchase Order in addition to specifications drawings and instructions explicitly listed in the Purchase Order. These details shall be strictly adhered to & any loss to NRL arising out of non-compliance (unless authorised differently) shall be to vendor's account.

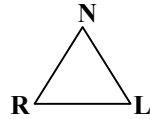
2.0 PACKING :

- 2.1 Packing shall withstand hazards normally encountered with the means of transport for the goods of the Purchase Order including loading/unloading operation both by crane and by pushing off. All packaging shall be done in such a manner as to reduce volume & weight as much as possible, without jeopardising the safety of the material. All packing materials shall be new and unless otherwise specified, shall be packer's standard for export shipments.
- 2.2 Fragile articles should be adequately packed with special packing materials depending on type of materials.
- 2.3 Chemicals in powder form, Catalysts, Refractories and like materials shall be packed in drums only.
- 2.4 The hazardous materials shall be packed in accordance with the applicable rules, regulations and tariff of all cognizant Governmental Authorities and other Governing bodies. It shall be the responsibility of the vendor to designate the materials as hazardous and to identify each material by its proper commodity name and its hazardous material class code.
- 2.5 Pipes shall be packed as under:
 - a) Up to 50mm NB in wooden cases/crates.
 - b) Above 50mm NB and up to 100 mm NB in bundles and the bundles should be strapped at minimum three places.
 - c) Above 100mm NB in loose.Individual cases/bundles must contain the pipes of same size and length. End should be capped.
- 2.6 Pipes/tubes made of stainless steel, copper etc. shall be packed in wooden cases irrespective of sizes.
- 2.7 All delicate surface on equipment/material should be carefully protected and painted with protective paint /compound and wrapped to prevent rusting and damage.
- 2.8 All mechanical & electrical equipment and other heavy articles should be securely fastened to the bottom of the case and shall be blocked and braced to prevent movement and damage.
- 2.9 All packages requiring handling by crane should have sufficient space at appropriate place to put sling of suitable dia (strength). Iron/steel angle should be provided at the place where sling markings are made to avoid damage to package/equipment while lifting.
- 2.10 All threaded fittings and pipes should be greased and provided with plastic caps.
- 2.11 Attachments and Spare Parts of equipments and all small pieces shall be packed separately in wooden cases with adequate protection inside the case and wherever possible should be sent along with the main equipment. Each item shall be tagged so as to identify it with the main equipment and part number and reference number shall be indicated.
- 2.12 All protrusions shall be suitably protected and openings shall be blocked by wooden/steel covers as may be required.
- 2.13 Wherever required, equipments/materials shall be packed in polythene bags and silicagel or similar dehydrating compound shall be put inside the bags to protect them.
- 2.14 The vendor shall be held liable for all damages or breakage to the goods due to the defective or insufficient packing as well as for corrosion due to insufficient protection.
- 2.15 Detailed casewise packing list in waterproof envelope shall be inserted in each package together with equipment/material. One copy of "Detailed packing list" shall be fastened outside of the package in waterproof envelope and covered by metal cover. In case of bigger dia. pipes and large equipments, documents contained in the envelope shall be fastened inside a shell connection with an identifying arrow sign – "Documents" applied with indelible paint.

- 2.16 Packaged equipments or materials showing damage, defects or shortages resulting from improper packaging materials or packing procedures or having concealed damages or shortage at the time of unpacking, shall be subject to rejection and replacement at no additional cost to NRL.

3.0 **MARKING** :

- 3.1 Each package shall be marked on three sides with proper paints/indelible waterproof ink as follows :



VIA (Name of Port) INDIA

Purchase Order No.

Net Wt. *Kgs.* *Gross Wt.* *Kgs.*

Dimensions

Package No. (Sl. No. of Total Packages)

Tag / Item No.

Country of Origin

Shipper's Name

- 3.2 A distinctive colour splash in three strips of Green, Yellow and Red around each package and on corners of pipes and plates shall be given to facilitate identification.
- 3.3 Additional marking such as 'HANDLE WITH CARE', 'THIS SIDE UP', 'FRAGILE' or any other additional indications for protection and safe handling shall be added depending on the type of the materials. All cases shall bear warning sign on the outside denoting 'CENTRE OF GRAVITY' and 'SLING MARKS'.
- 3.4 Letters, figures, marks etc. used for marking shall be stencil printed. Handwriting should be avoided as far as possible. Size of letter shall be optimum for each package dimensions.
- 3.5 In case of bundles or other packages wherever marking cannot be stenciled, the same shall be embossed on metal or similar tag and wired securely at minimum two convenient points and both ends shall be protected/covered with gunny bags upto 18 ". In case of loose pipes, sticker of above markings should be pasted on inner wall corner of each pipe on both sides.

4.0 **SHIPMENT** :

All shipment of materials shall be made by First class direct vessels. All shipments shall be under deck unless carriage on deck is unavoidable.

5.0 **DOCUMENTATION** :

- 5.1 All documents shall be in English Language

5.2 **DOCUMENTS REQUIRED BEFORE SHIPMENT** :

Two months before the contractual delivery date, proforma packing lists and sketches of Over Dimensional Cargo (two sets) shall be air-mailed to NRL

The Over Dimensioned Cargo shall mean any package exceeding any of the following limits :

WEIGHT	:	20 MT
LENGTH	:	10 METERS
WIDTH	:	2.5 METERS
HEIGHT	:	2.5 METERS.

5.3 DOCUMENTS REQUIRED AFTER SHIPMENT :

- 5.3.1 Vendor shall air-mail the shipping documents stated here-in-below after the shipment has been made so that the same are received at least two weeks prior to the arrival of vessel at destination Port. Copies to Port Office must be sent immediately through International Courier.

The vendor shall be fully responsible for any delay and/or demurrage that may become payable at destination Port on account of delay in transmittal of shipping documents.

Copy of Documents	NRL Site	NRL Guwahati	NRL Kolkata
Bill of Lading	2	-	1
Commercial Invoice	2	-	1
Detailed Packing List	2	-	1
Freight Memo	1	-	1
Test Certificate	1	-	1
Country of Origin Certificate	1	-	1
Certificate of Measurement & Weight	1	-	1
Catalogue and/or Drawing	1	-	1
Payment Certificate (as per proforma appended below)	1	-	1

- NOTE : I) In addition to above, complete set of original documents are required to be sent to NRL through Bank in terms of Credit.
II) Proforma for payment certificate.

TO WHOM IT MAY CONCERN

THIS IS TO CERTIFY THAT AGAINST PURCHASE ORDER NO.
DATED WHICH INCLUDES AMENDMENT ORDER (IF ANY) NO.
..... DATED..... PLACED BY M/S NUMALIGARH REFINERY
LIMITED WE HAVE RECEIVED (*) PART/FULL PAYMENT OF
THROUGH LETTER OF CREDIT NO..... OPENED BY
.....(*) PLUS EQUIVALENT OF IS
PAYABLE TO OUR INDIAN AGENT M/S IN INDIAN
RUPEES AS PER PURCHASE ORDER.

(*) DELETE WHICHEVER NOT APPLICABLE.

- 5.3.2 In case of air shipment, one set of non-negotiable documents consisting of Commercial Invoice (ink signed), Packing List, Country of Origin Certificate, Technical Literature shall be handed over to Airlines with the instructions that the same should be handed over alongwith cargo arrival notice and copy of airway bill to destination Airport notify party.

5.4 BILL OF LADING

Bill of Lading shall be "Clean on Board". Ocean Bill of Lading shall be made in favour of Numaligarh Refinery Ltd. or order of the bank (and not order of the shipper).

5.5 COMMERCIAL INVOICE

Commercial Invoice shall inter-alia, indicate (i) PO No. & Date (ii) Import Licence Number (iii) Customs Contract Registration Reference (to be intimated later) and (iv) Country of Origin Certificate. Besides, the description of goods in the invoice, shall be in conformity with the description of goods given in the Purchase Order. Invoice value shall be for the materials actually shipped. In case of chemicals/hazardous cargo, Flash-Point should be indicated in all documents and separate certificate giving composition and Flash-Point shall be sent.

5.6 PACKING LIST

Packing list must show, apart from other particulars, actual contents in each case, net and gross weights and dimensions and the total number of packages.

In case of Pipes and Plates in bundles, number of Pipes/Plates with individual length in each bundle must be indicated.

6.0 SHIPPING ADVICE

6.1 Within 24 hours after shipment, the vendor shall send shipping advice by way of fax to NRL giving particulars of the shipment, Vessel's name/Airlines, Flight number and date on which material actually left (and not tentative flight number and date), Port of Shipment, Bill of Lading number and date, contents in brief, Purchase Order number, total FOB value, number of packages, total gross weight, ETD & ETA of vessel. In case of air shipment through consolidation services, information must contain both Master Airway Bill No. and House Airway Bill No..

6.2 In case free replacement/supply of Components/Parts, the vendor shall advise by fax above despatch particulars along with specific statement 'Free Supply', Value for Customs purposes only and particulars of original shipment i.e. Vessel's name, Bill of Lading No. and date, Invoice Number etc. and send to NRL.

7.0 TRANSIT RISK INSURANCE

All equipment/material shall be insured against all marine and transit risks on warehouse-to-warehouse basis by NRL. However, the vendor shall ensure that the effecting shipments clean Bill of Lading is obtained and carriers responsibility is fully retained on the carrier so that consignees interests are fully safeguarded and are in no way jeopardise.

8.0 SHORT SHIPMENTS

Vendor should thoroughly check all items packed before shipment. If any item(s) are found short packed in sound boxes on examination at NRL site by NRL, vendor shall be responsible to supply short packed items free of charge on receipt of advise from NRL. Vendor shall also be responsible to bear the import duty levied by Indian Customs on such short packed items.

9.0 Vendor shall advise freight forwards to indicate on the bill of lading/airway bill that the subject import into India is as per provision under para 80 of Hand Book of Procedures (April 1990 - March 1993) of Import & Export promotion.
