

Terms & Conditions for Transportation of Furnace Oil

The terms & conditions mentioned in this document is applicable for transportation of furnace Oil (FO) from following locations

- Panipat Refinery to our plants located at **66, Udyog Vihar, Greater Noida (UP) & SEZ Division, 66 B, Udyog Vihar, Greater Noida (UP)**
- Mathura Refinery to our plants located at **66, Udyog Vihar, Greater Noida (UP) & SEZ Division, 66 B, Udyog Vihar, Greater Noida (UP)**

1. MBIL shall pay the carrier based on bid outcome which includes fares or any other expenses incurred in transportation of FO from source location to our plants at Greater Noida. will be applicable both ways (to & fro) inclusive.
2. You will make arrangement for the collection of all documents from our factory and it is your duty to clear all papers at source refinery. Any liability arising out of the above will be to TRANSPORTER account and MBIL will not bear/compensate for any expenses under this head.
3. TRANSPORTER is required to ensure that the vehicles are properly locked by IOCL after filling. The material should reach the factory premises without any damage done to the locks/seal. It is the duty of the carrier to check the seals of tankers for transportation of FO from the petroleum companies. In case of breakage of seal, MBIL reserves the right to accept or reject tankers, subject to checking of quantity and quality. In case there is a discrepancy in quantity or quality, the tankers will be returned and the carrier will have to pay the total cost of FO loaded in the tanker as per the IOCL/HPCL published rates inclusive of duties & taxes as loss recovery to our company or other such monetary adjustments at the discretion of MBIL & the same will be adjusted from the pending outstanding Invoices.
4. Also, MBIL will have the rights to put their own design locking arrangement. Any damage to this arrangement will be viewed seriously & the complete cost of replacement of this system will be to your account.
5. It is compulsory/mandatory that every tanker must accompany a driver having a valid driving license & complete set of documents of the tanker like Registration certificate, Calibration Certificate, Insurance & other statutory documents like Pollution Certificate etc. The helper is a must with every tanker otherwise Rs 500.00 per trip would be deducted from your monthly bills as a penalty.
6. MBIL would always maintain a minimum amount of Rs 5.00 Lacs. The same shall be treated as interest free Security Deposit. In case carrier is debited of

any amount whatsoever as per the present agreement, then the MBIL will inform the carrier & the amount will be adjusted with the outstanding amount.

7. There should not be any shortage of quantity at the time of unloading at our site. Apart from that agreed by IOCL/HPCL. Shortages greater than 0.15% of Invoice quantity are NOT allowed. As the least count of weighbridge is 10 Kgs this has been fixed to 30 Kgs for 25 KL (23.5 MT) tanker. This is on account of weigh bridge tolerance at loading point IOCL/HPCL and receipt locations of MBI (GN & SEZ).. The total monthly shortage will be calculated based on total monthly shortage Vs total monthly excess receipts. If total monthly average is less than above permissible limits, no deductions will be made. If shortages are above permissible limits deductions will be made accordingly. No payments will be made for any excess receipts in the month. Any abnormal shortages beyond 500 Kgs per tanker will not be considered. & deduction will be made for the entire shortages.
9. If the carrier is unable to provide the tankers as per the requirement of the company, the loss if any will be debited to the account of the carrier.
- 10 The carrier will ensure that the tankers used for our material are fully insured and all statutory and other payments are made to avoid any obstruction during transit. Insurance of the material will be undertaken by MBIL. However it would be the responsibility of carrier to insure their tankers & follow all the necessary safety compliances like fixing appropriate fire extinguishers, not keeping any other flammable material in the cabin, follow the MBIL safety norms strictly etc
- 11 The carrier shall provide the entry permit and national permit copy with respect to the tanker before the company issues any advice/invoices to the carrier.
- 12 Quality of FO will be tested at our company as per IOCL/HPCL specifications as per BIS and if any malpractice/adulteration is found we will take legal action against you as well as recover the loss/damages caused to our Generating set and Production.
- 13 We will not be responsible for any accident / breakdown of your tanker and it is completely your responsibility to up keep & maintain your tankers in good condition. In case of breakdown, written information should be provided within 24 hours.
- 14 The carrier shall see that the clearance of papers and documents from the barriers/check post or any other department is looked after and taken care of by responsible employees and not left upon the driver.
- 15 Payments: You will submit bills along with receipt copy of LR once in a month and the payment will be cleared by 15th of the month or within 7 days of

submission of bill whichever is later. That means bills for preceding month's lifting will be paid by 15th of subsequent month. Any dispute/delay will be mutually discussed.

- 16 Safety of documents will be the carrier's responsibility, if any of our important documents given to you for clearance of FO is lost, you will fill the tankers at your own cost and risk.
- 17 Either side giving 30 days written notice may terminate this contract and all documents of our company, lying with you, are to be returned and handed over to us before contract terminates.
- 18 Validity : This contract is valid for 1 year from contract sign date.
- 19 Fluctuation of Diesel Price: Since the Diesel price fluctuates frequently, the contracted rate per MT for each quarter will be reviewed every quarter based on prices prevailing on 1st & 16th of each month of the preceding quarters, unless there is an abnormal change in Diesel Prices. Abnormal change would imply a change +/- Rs.6/Ltr. In such a case, the impact will be considered in the succeeding month instead of quarter end.
- 20 All expenses except for HS Diesel will be reviewed after one year & under Cost Escalation (Other Head), no price escalation will be given by the MBIL to TRANSPORTER, for any other reason whatsoever during the contract period.
- 21 While company will endeavor to unload tankers at the earliest, yet the waiting period of tankers may extend up to 24 hours from its arrival in factory and no waiting charges will be payable by MBIL to TRANSPORTER
- 22 The ideal transportation time for a tanker to move from IOCL Panipat/Mathura to Company's location is 8-10. Any willful or unexplainable delay will subject to fine as decided by the company after a joint investigation. The TRANSPORTER shall ensure that only fit vehicles report for loading. Any major breakdown of the tanker in route should be intimated to us by fax immediately.
- 23 We reserve the right to depute our person at Panipat/Mathura for co-ordination, monitoring, sealing and weighing of tankers and accompany tankers for tracking moment. The sealing of tankers can be done jointly or individually. The seal would be provided by MBIL.
- 24 It will be the responsibility of the carrier to carry and deliver the entire loaded quantity of FO at our site with complete documents (Invoices and ARE3's of IOCL/HPCL) without any loss in transit due to any reason whatsoever as stated in the contract.

- 25 The weight difference taking place between Panipat/Mathura weighment & Noida weighment will be tabulated & reviewed every month and corrective action will be taken by both the parties on mutually agreed basis.
- 26 The weighment charges of empty and loaded tankers if required, at Panipat/Mathura will be borne by MBIL.
- 27 TRANSPORTER will provide certified dipstick with calibration chart for each tanker sent to our factory.
- 28 You will inform on - route checkpoints and stoppage points for tanker movement so that cross verification can be done by our representative as and when required. The route the tankers will take to come to our plant locations Noida/Greater Noida will be informed to us and any change in the same should be highlighted to us well in advance by letter/fax.
- 29 TRANSPORTER would provide the MBIL the list of drivers who are qualified and certified with the calibration chart of each and every tanker. Staff blacklisted by MBIL should not be sent to MBIL without consent of MBIL
- 30 Dispute / Arbitration: In case of any dispute arising between the two parties, relating to the various terms and conditions at forth in the contract, the two parties undertake to resolve the differences by mutual consultation. In the event of their inability to resolve the disputes, all questions, disputes and differences arising under or in relation to this agreement shall be referred to two arbitrators. Each party to appoint his own Arbitrator by giving notice to other party. Two appointed Arbitrator with consent of each other will appoint the third arbitrator who will act as an umpire. The award of the Arbitrator so appointed shall be final, conclusive and binding on all parties to the Agreement and provision of the arbitration & conciliation act, 1966 or any statutory modification or re-enactment thereof and the rules made there under and for the time being in force shall apply to the arbitration proceedings under the clause . Venue of the arbitration shall be New Delhi
- 31 Jurisdiction : The parties hereby agree that the court at New Delhi alone shall have jurisdiction to entertain any application or any awards made by the sole arbitrator or other proceedings in respect of any thing arising under this agreement .