

## Terms and conditions

1. Delivery: Naphtha shall be supplied after placement of order in staggered manner as and when required by IPRC for a period of two years from the date of P.O. The requirements will be informed 7 days in advance.
2. Each load shall be delivered along with quality certificate analyzed from bulk storage of supplier, meeting the specification.
3. Transportation of Naphtha by road tankers to IPRC, Mahendragiri and freight charges shall be mentioned separately.
4. If the tanker reaches morning (10.00 am) on any working day at IPRC it can be released on the same day after completion of transfer operations.
5. Typical Pricing Formula being used for price of naphtha:  
Basic Naphtha price per MT shall be worked out as per the pricing formula given below:
  - $(M-1 \text{ Average FOB AG Naphtha price} + \text{Handling charges } \$/\text{MT}) \times (M-1 \text{ RBI Average Exchange rate})$ .
  - It is calculated based on the average Naphtha price of one month period (26<sup>th</sup> – 25<sup>th</sup>) and fixed for subsequent one month period.
  - Invoicing pattern:
 

Basic price	: A (as arrived based on above pricing formula)
Freight rate	: B
Assessable value for GST	: A+B
GST @18%	: (A+B) X 18%
Quantity	: C
Total invoice value	: (A+B+GST) X C
6. After placement of purchase order, Party shall inform the naphtha price including transportation cost for every month in the first week of the month after applying pricing formula.
7. Payment terms: 100% payment of Invoice value including freight charges through RTGS after receipt and acceptance of each load at IPRC, Mahendragiri.
8. Acceptance for 5% of Concessional GST shall be mentioned and necessary certificate will be provided by IPRC.