

<p><b>ಕೆಐಒಸಿಎಲ್ ಲಿಮಿಟೆಡ್</b> (ಭಾರತ ಸರ್ಕಾರದ ಉದ್ಯಮ) ಎರಡನೇ ಹಂತ, ಕೋರಮಂಗಲ, ಸರ್ಜಾಪುರ ರೋಡ್, ಬೆಂಗಳೂರು- ೫೬೦ ೦೩೪</p> <p><b>ಖರೀದಿಯ ಇಲಾಖೆ</b></p> <p>ದೂರವಾಣಿ: ೦೮೦-೨೫೫೩೧೪೬೧-೭೦ ಇ ಮೇಲ್: <a href="mailto:bpurchase@kioclltd.com">bpurchase@kioclltd.com</a> ಫ್ಯಾಕ್ಸ್: ೦೮೦-೨೫೫೩೧೪೬೩/೨೫೬೩೦೯೮೪ ವೆಬ್ ಸೈಟ್: <a href="http://www.kioclltd.in">www.kioclltd.in</a></p>	<p><b>केअइओसीएल लिमिटेड</b> (भारत सरकार का एक उध्यम) II ब्लॉक कोरामंगला, सरजापुर रोड बैंगलूर-560 034</p> <p><b>क्रय विभाग</b></p> <p>टेलिफोन: ०८०- २५५३१४६१ - ७० ईमैल: <a href="mailto:bpurchase@kioclltd.com">bpurchase@kioclltd.com</a> फैक्स: ०८०-२५५३२१५३/२५६३०९८४ वेबसाइट: <a href="http://www.kioclltd.in">www.kioclltd.in</a></p>	<p><b>KIOCL LIMITED</b> (A Government of India Enterprise) II Block, Koaramangala, Sarjapura Road Bangalore – 560 034</p> <p><b>PURCHASE DEPARTMENT</b></p> <p>Telephone: 080 – 25531461 to 70 Email: <a href="mailto:bpurchase@kioclltd.com">bpurchase@kioclltd.com</a> Fax: 080 - 25532153/25630984 Website: <a href="http://www.kioclltd.in">www.kioclltd.in</a></p>	 <p>KUDREMUKH ಐಎಸ್ಒ 9001, 14001 ಮತ್ತು ಓಹೆಸ್‌ಎಸ್‌ಎಸ್ 18001 ಸಂಸ್ಥೆ अई एस ओ 9001, 14001 तथा ओएचएसएसएस 18001 कम्पनी ISO 9001, 14001 &amp; OHSAS 18001 COMPANY</p>
--	--	---	--

No. KIOCL/MTLS/CS/10

DATED: 16.12.2015

**NOTICE INVITING EXPRESSION OF INTEREST (EOI) FOR EMPANELMENT AS SHIP BROKERS.**

KIOCL Limited, an Export Oriented Unit (EOU) under Govt. of India, Ministry of Steel, invites Expression of Interest (EOI), from domestic companies/agencies for empanelment as ship brokers for coastal shipment as per the guidelines / requirements for empanelment as Shipbroker and in line with the Proforma Format.

The applicant companies, who are interested to empanel themselves as “**Empanelled Ship brokers**” are requested to respond and furnish the information/details as per guidelines/requirements for empanelment as Shipbroker and in line with the Proforma Format.

Jt.GM I/c (Materials)  
Tel: +91 80 25532023  
Fax: +91 80 25630984/25532153  
Mail: [bgmm@kioclltd.com](mailto:bgmm@kioclltd.com) , [bpurchase@kioclltd.com](mailto:bpurchase@kioclltd.com)  
web: [www.kioclltd.in](http://www.kioclltd.in)

**The following documents are attached herewith:**

- Annexure-I: Guidelines/ requirements for empanelment as shipbrokers, together with Proforma format.
- Annexure-II: Chartering methodology No.KIOCL/MTLS/CS/10 dated 16.12.2015.
- Annexure-III: KIOCL draft enquiry format
- Annexure-IV: Shipping Terms and Conditions.

**Note:**

**Interested parties are requested to visit our company website periodically from time to time to take note of any future revisions made to the empanelment procedure.**

## **Annexure-I**

### **GUIDELINES/ REQUIREMENTS FOR EMPANELMENT AS SHIPBROKERS.**

- (a) All applicants have to be Domestic Companies equipped with adequate modern infrastructure and qualified supporting staff.
- (b) No broker shall offer a vessel unless they are duly authorized by the owners or their authorized representatives to do so nor shall they counter offer to ship-owners unless actually authorized.
- (c) The Broker shall correspond directly with their foreign associate in all matters relating to tonnage offers. They shall render necessary post fixture services in an efficient and diligent manner to ensure smooth performance of the contract, always creating an environment of mutual cordiality between owners and Charterers.
- (d) The shipbroker shall conclude and execute fixtures with KIOCL to the entire satisfaction of KIOCL Limited.
- (e) The applicant company should furnish communications from at least one foreign ship owners/ shipbrokers on their letterhead confirming
  - (i) That they will offer tonnage through the applicant;
  - (ii) If Ship Owners to attach list of tonnage owned.
- (f) Along with the application form, the applicant company is required to furnish the following documents / information with documentary proof:
  - (i) An original copy of Memorandum of Association and Article of Association which should enable the company to undertake ship broking as one of the activities and should not include owning/operating of the ships.
  - (ii) Brief write up about the firm giving details of activities
- (g) Registration Fees: Each applicant has to submit non-refundable Registration fee of Rs 5,000/- (Rupees Five Thousand only), for empanelment, in the form of demand draft from Nationalized bank/scheduled bank in favor of “KIOCL Limited”, payable at Bangalore. Demand drafts from Co-operative and Gramin Banks will not be accepted. Empanelment request sent without the Registration fee will not be considered and will be summarily rejected. Registration fee can also be made through RTGS transfer/ cash deposit at KIOCL, Bangalore counter.
- (h) The applicant firm shall furnish details as per Proforma attached herewith.

Note: The Applicant firm should satisfy all the criteria specified at (a) to (h) given above. If the applicant firm fails to qualify in any one of the above criteria, the empanelment request of such applicant firm will be summarily rejected. It shall be the sole responsibility of the applicant firm to ensure that the supporting staff employed by them is possessing the requisite qualification/ experience in the field of Shipping /Chartering.

**PROFORMA**

(To be furnished on the letter head of the applicant firm in accordance with the guidelines/requirements for empanelment in hard copy along with enclosures/ documents indicated)

1. Name of the Firm :
2. Address of the Registered Office :  
with contact person & contact details including Fax/ e-mail
3. Details of contact persons indicating their mail id and contact numbers  
(Both mobile and land line)
4. PAN No :  
(A copy of the Income Tax Return to be attached)
5. Full Style of Foreign Associate(S) :  
(Confirming tonnage support as per clause (e) of Annexure-I)
6. Details of trained man power :
7. Past experience in shipping/ Ship Chartering/ Ship Broking :  
(A copy of Articles of Association etc to be attached)
8. Particulars of Demand Draft for Rs.5,000/-,towards non-refundable registration fee.
9. Brief write up about the firm giving details of activities :
10. Any other relevant information which may support claim :  
of applicant for empanelment.
11. A request letter for empanelment on the letter head of the :  
Applicant firm

Signature of the Authorized Person.

Date:

**CHARTERING METHODOLOGY ADOPTED BY KIOCL**

No: KIOCL/MTLS/CS/10

DATED: 16/12/2015

1. On empanelment, whenever need arises, for the specific requirement, KIOCL Enquiry covering the main re-cap of shipment required will be circulated among all Empanelled ship brokers/ Indian vessel owners by e-mail on a working day inviting offers for reply by ---hrs the next working day. In the event of insufficient lead time for chartering a vessel KIOCL may decide to invite firm offers the same working day by ---- hrs.
2. The offers received should have the validity of minimum 48 working hours, i.e., two working days.
3. Only those firm offers which conform to enquiry and are received within the due date and time as stipulated in the enquiry (Time is as per KIOCL computers) as the case may be will be considered. Any offer which does not meet the enquiry terms will be rejected irrespective of the freight rate/ terms quoted. No late offers will be entertained irrespective of attractive freight rate / demurrage/ dispatch rate /terms.
4. L1 offer fulfilling the enquiry parameters will be accepted **without negotiations subject to approval of KIOCL Management**. Owners of L1 offer will be informed regarding acceptance of their vessel and will be conveyed all approvals within the validity of offer. If necessary, validity of the offer may be extended to such additional period as may be mutually agreed upon.
5. The owners of L1 offer will be required to provide all mandatory certificates and other documents immediately.
6. In case of a tie between two or more offers as L1, i.e., same freight rate, the L1 offer will be decided by considering the following in the order given hereunder:
  - i) Lower demurrage rate
  - ii) Actual owner of the vessel
  - iii) Despondent owner of the vessel
  - iv) Named Vessel
  - v) Named vessel with vessel owner's option to substitute
  - vi) Lesser age of the offered vessel.
7. The policy of **extending first right of refusal to the participating Indian Ships is followed as per Govt. norms**. The offers of Indian vessels will be considered separately. If L1 foreign offer is less than the L1 Indian offer, the L-1 Indian Vessel will be asked to match the L1 foreign offer on the basis of "take it or leave it" within two hours. Preference will be given to Indian vessels in the order of freight rate/ demurrage offered by them initially. If the L-1 Indian vessel refuses to match the L-1 foreign offer, next preference will be given to L-2, L-3 etc of Indian vessels, if any.
8. If none of the offers received conform to enquiry lay days (loading window) or quantity, KIOCL to reject all the offers received and seek firm offers again by --- hrs on the next working day or by----- hrs the same day, after announcing flexibility in lay days or quantity if available otherwise to continue in market on the basis of original enquiry.



## Annexure-III

### KIOCL DRAFT ENQUIRY FORMAT

No: KIOCL/MTLS/SC/...../--

DATED .....

Reply date and time: ..... by .....:00 hrs

Please note that offers are requested in line with KIOCL methodology of chartering vessels reference No. KIOCL/MTLS/CS/10, dated 16.12.2015. L-1 offer meeting enquiry requirements to be accepted for charterer's consideration. Need firm offers with validity of 2 working days for lifting sub in line with methodology of chartering and with owner's authority of offer. Firm offers to be received by ..... hrs on .....

#### Suppliers/ receivers approvals basis as under:

1. Cargo: Iron Ore Fines in bulk.
2. Quantity: .....
3. Lay days: .....
4. Load port: Gangavaram Port (GPL)
  - 4.1 Beam: .... meters max & ... meters min
  - 4.2 LOA: ..... meters max
  - 4.3 Draft available: Max Draft ..... meters AFT
  - 4.4 Load rate: ..... MT PWWD SHINC
- 5 Disport: New Mangalore Port.
  - 5.1 Discharge rate: ..... MT PWWD SHINC
  - 5.2 Draft Available: ..... meters.
- 6 Load port/ disport restrictions: Vessel should be suitable to load and discharge as per requirements / restrictions of load port and disport (.)
- 7 Agents: (a) load port: owners (b) disport: owners (.)
- 8 Dispatchers' fee: Not Applicable
- 9 Notice of fixing followed by 3/2/1 days arrival notices.
- 10 Load Port NOR/LT:
  - (A) The notice of readiness at load port is to be served during normal working hours i.e. 9:30 am to 4:30 pm on all working days i.e., Monday to Saturday, excluding Sunday and Port closed holidays, to Gangavaram Port/agent nominated by the charterers at Gangavaram.
  - (B) The master of the vessel shall submit a Notice Of Readiness (NOR) after arrival within port limits at load port whether in berth or not and in free pratique, provided the vessel is in all respects ready to receive cargo. If the vessel is not granted free pratique, notice of

readiness to be valid and any time lost for the vessel to get free pratique not to count as lay time.

- (C) Commencement of lay time: Time for loading to count 12 (Twelve) hours after Notice of Readiness (NOR) is served on arrival of the vessel within port limits at port of loading and whether in berth or not and in free pratique and ready in all respect to load the cargo. If the turn time of 12 hours expires on after office hours on Saturday, Sunday or holidays, lay time shall commence at 0900 hours on the first subsequent working day. If the loading operations begin before commencement of lay time, the period so used shall be deemed as free time.

11 Discharge Port NOR/LT:

(A) Notice of Readiness to be served at discharge port during normal working hours i.e. 09:30 am to 04:30 pm on all working days (Monday to Friday) and between 09:30 am to 12:00 noon on Saturday, excluding Sunday and port closed holidays to the New Mangalore Port Office / KIOCL at Panambur Mangalore after arrival of the vessel within port limits and in every respect ready to discharge and in free pratique whether in berth or not. If the vessel is not granted free pratique, notice of readiness to be valid and any time lost for the vessel to get free pratique not to count as lay time.

(B) Time to count 12 (twelve) hours after NOR is served on arrival of the vessel within port limits, at port of discharge and whether in berth or not and in free pratique and ready in all respects to discharge the cargo. If the turn time of 12 hours expires on Saturday afternoon, Sunday or holiday, lay time will commence at 08:00 hours of first subsequent working day. If the discharge operation begins before commencement of lay time, the period so used shall be deemed as free time.

12 Other conditions:

- 13 Shipment shall be done in a sea worthy vessel classified as 100 A1 by Lloyds or equivalent classification society and approved by General Insurance Corporation of India. Owners to confirm that the vessel is single deck with sufficient width of hatch openings to facilitate loading of Iron Ore and to be Sea Worthy Classified as 100 A1 by Lloyds or equivalent Classification Society and approved by General Insurance Corporation of India. Owners confirm vessel is able to meet all load/discharge port limitations/requirements/conditions and is suitable to load fixture quantity basis load port restrictions and available draft.

Vessel to be suitable for grab discharge and no cargo is to be loaded in between decks, deep tanks or bunker spaces or other inaccessible place. The Master to have the liberty of loading in such spaces for the purpose of stability of the vessel, but any extra time used and additional expenses incurred in loading into and/or discharging from such spaces to be Owners' account.

The vessel should hold a valid Gear Certificate in accordance with the international dock safety convention, covering the duration of the voyage and same shall have been tested and in good working condition. Vessel nominated should have its own hydraulic cranes fitted with Grabs of

capacity 10 to 12 Cubic Metres (CBM) and with 4/5 cranes with a capacity of 25/30 MT to achieve the discharge Rate of ..... MT PWWD SHINC. Vessel should have minimum of 5 workable hatches. Grabs to be derated in keeping with grab/crane manual and capacity to be adjusted as per cargo stowage / density and SWL of crane under grab operation.

DG Shipping Approvals are to be done by Vessel Owners. KIOCL (as Charterers) are willing to provide assistance for the same. All coastal conversions/ re-conversions to be for owners cost and time. Vessel to tender NOR at Load Port, only after vessel is converted to coastal status. In case owners are unable to convert the vessel at last port and on arrival at Load Port, then vessel is to be allowed to give NOR on arrival but any physical time lost after berthing on account of delay to commencement of loading due to foreign status (due to non-conversion to Coastal) of the vessel not to count as lay time. Actual time and cost for coastal conversion, if any, will be on Owners' account.

Owners to declare exact quantity to be loaded at the time of tendering definite notice and to maintain the same. Though KIOCL maintains much more than the requisite cargo for loading ship, in view of the constraints faced at loading Ports, during final trimming operations the exact quantity indicated by the Master of the vessel cannot be loaded. Charterers have the option to load up to 1,000 MT less than the declared quantity without any dead freight claim. It will be owner's responsibility to ensure loading of the indicated quantity as per the hatch plan. The owners/owners agents at loading port have to suitably co-ordinate with the loading port authorities on the above.

- 14 CP Proforma: As adopted by KIOCL based on standard shipping terms and conditions with logical changes wherever necessary. 2.5 % address commission and 1.25% brokerage commission /1 % Chartering Service Fee (As applicable) on freight, dead freight and demurrage, if any, plus service Tax thereon to be on owners account and the same to be deducted from the freight.
- 15 Indian Income Tax on the freight, if any, shall be for Vessel Owners account and Charterers shall be in no way concerned with its assessment, collection or payment.

In case of Indian Flag vessels, Charterers will deduct the TDS as applicable while releasing the payment. Necessary certificate would be provided for the amount deducted.

In case of foreign flag vessels, it will be the responsibility of the Vessel Owners to obtain necessary Port clearance from the Office of the Commissioner of Customs, (Load Port). The Vessel Owner shall ensure that the Port clearance so obtained shall be based on the clearance towards freight Tax received from the Income Tax authority (International Taxation). The clearance received from the Income Tax authority should be submitted to KIOCL without which KIOCL will deduct Income Tax on freight payment as per Income Tax rules.

- 16 90% of the freight is payable on Bill of Lading quantity (less 1% chartering Fee/ 1.25% brokerage on 100% freight plus service tax thereon, whichever is applicable plus 2.5% address commission on 100% freight), within five (5) working days of completion of loading / sailing of vessel and

signing/releasing bill(s) of lading and on submission of freight bill in triplicate by Vessel Owners to Charterers. Freight is payable by the charterers in any case prior to breaking bulk.

The balance 10% of the freight together with demurrage (if any) or less dispatch (if any) is payable by Charterers within 30 days (thirty days) of completion of discharge and on production of (i) copy of bill(s) of lading, (ii) copy of charter party, (iii) receipt of payment of dispatchers fee at the loading port (if applicable) and (iv) owners lay time calculations along with supporting documents.

- 17 To enable KIOCL to consider vessel, please indicate vessel's present position-her best ETA at load port along with full particulars of vessel including vessel's owners/ despondent owners/operator details. Year of built and hatch dimensions, cranes, LOI, Beam, ISM/SMC/DOC and vessel's itinerary, P&I club, class of vessel etc (.) Owns/Vessel to comply with ISPS Code/requirements (.)
- 18 Penalty for Non-performance of this agreement, proved damages, not exceeding the estimated amount of freight.
- 19 Firm offers to be recd for covering above requirements by 1.....:00 hrs IST on .....
- 20 Authority from head/despondent owner also to be enclosed along with offers.
- 21 Need offers in line with KIOCL chartering methodology dated **16/12/2015**.
- 22 L1 complete offer meeting enquiry requirements to be accepted for charterers consideration
- 23 Offers with deviation(s) will not be considered and rejected.
- 24 Offer (S) received after the stipulated time ....:00 hrs IST on ..... will not be considered.
- 25 Only those firm offers which conform to enquiry and are received within the due date and time as stipulated in the enquiry (Time is as per KIOCL computers) as the case may be will be considered. Any offer which does not meet the enquiry terms will be rejected irrespective of the freight rate/terms quoted. No late offers will be entertained irrespective of attractive freight rate / demurrage/ dispatch rate /terms. **Conditional offers shall be rejected without assigning any reasons thereof.**
- 26 The owners of L-1 offer will be required to provide all mandatory certificates and other documents immediately.
- 27 Offers to be sent only on e-mail, id: [bpurchase@kioclltd.com](mailto:bpurchase@kioclltd.com), [bgmm@kioclltd.com](mailto:bgmm@kioclltd.com), [dc@kioclltd.com](mailto:dc@kioclltd.com).

**Note: The enquiry terms are subject to changes/ modifications on case to case basis to suit KIOCL requirements.**

KIOCL Limited  
Date:



## ANNEXURE-IV

### SHIPPING TERMS & CONDITIONS

**Owners/Steamers: Vessel Owners**

**Charters/Buyers: KIOCL Limited**

1. The vessel nominated shall be warranted tight, staunch and strong, and in every way fitted for the Voyage, shall after delivery of her outward cargo, proceed with all convenient speed to 1-2 safe Berth(s) 1 Safe Port (Visakhapatnam/ Gangavaram or any other Port within India) subject to available water arrival draft and there load always afloat in the customary manner, when, where and as soon as ordered by Shipper's agent a full and complete Cargo of Bulk Iron Ore Fines. Quantity ..... However, the Owners to ensure that the final quantity loaded should not exceed ..... MT, not exceeding what she can reasonably stow and carry over and above her Tackle, Apparel, Provisions and Furniture and being so loaded, shall with all convenient speed proceed to 1/2 Safe Berth(s) 1 Safe Port New Mangalore, subject ..... M draft and there deliver the same as customary, when, where and as directed by Consignee, to whom written notice is to be given during office hours, of the vessel being ready to discharge.

2. Freight is to be payable in US\$ per metric ton ..... basis 1/1, on B(s)/L quantity as per draft survey.

Freight payment as per Bill of Lading (B/L) quantity (No other deductions on freight/ cargo), intake in full Port charges, pilotages, consulages, light dues and all other dues usually paid by Steamers related to the vessel at both the ports. Cargo to be loaded trimmed and discharged free of risk and expense of Owners.

3. The cargo to be shipped at the loading rate of (see clause 4) and discharged at the rate of (see clause 5). Time lost by reason of all or any of the following causes shall not be computed in the loading or discharging time, viz: War, Rebellion, Tumults, Civil Commotions, Insurrections, Political disturbances, Epidemics, Quarantine, Riots, Strikes, Lock-outs, stoppage of miners, Workmen, Lightermen, Tug-boatmen, or other hands essential to the Working, Carriage, Delivery, Shipment or Discharge of the said Cargo whether partial or general, or Accidents at the Mines, at Receiver's Works or Wharf, Landslips, Floods, Frost or Snow, Bad Weather, Intervention of Sanitary, Customs, and/or other constituted Authorities, Partial or Total Stoppage on Rivers, Canals or on Railways, or any other cause beyond control of Charterers, unless steamer is already on demurrage.

4. **Loading Rate**

At load port, the Shippers shall load the iron ore fines on board the vessel at an average rate of .....metric tons per weather working days basis 5 or more hatches prorata if less per weather

working day of 24 consecutive hours Sundays and holidays included, with available draft up to 16 meters for entire quantity.

SHINC PROVISIONS TO BE APPLICABLE AFTER COMMENCEMENT OF LAYTIME.

**5. Discharging Rate**

At Discharge port, charterers guarantee to discharge the cargo at the average rate of ..... metric tons per weather working days, basis 5 or more hatches prorate if less per weather working day of 24 consecutive hours Sundays and Holidays included.

Draft available ..... M.

SHINC PROVISIONS TO BE APPLICABLE AFTER COMMENCEMENT OF LAYTIME.

**6. Demurrage/Dispatch:**

At load port, demurrage, if any, incurred by the vessel in the event Charterers fail to maintain the loading rate guaranteed here-in-above shall be at the rate of US\$... (US dollars ..... only) per day or pro rata for part of a day. Dispatch, if any, earned by the Charterers at the load port, as a result of completion of loading into the vessel earlier than here-in-above provided, shall be calculated at half the demurrage rate on the basis of 'working time saved'.

At discharge Port, demurrage, if any, incurred by the vessel in the event Charterers fail to maintain the discharging rate guaranteed here-in-above shall be at the rate of US\$... (US dollars ..... only) per day or pro rata for part of a day. Dispatch, if any, earned by the Charterers at the discharge Port, as a result of completion of discharge into the vessel earlier than here-in-above provided, shall be calculated at half the demurrage rate on the basis of 'working time saved'.

Lay time allowed for loading and discharging to be non-réversible.

**7. LOAD PORT:**

(A) The Notice of Readiness at load port is to be served during normal working hours i.e. 9:30 AM to 4:30 PM on all working days i.e., Monday to Saturday, excluding Sunday and port closed holidays, to Visakhapatnam Port/Agent nominated by the Charterers at Visakhapatnam.

(B) The Master of the vessel shall submit a Notice of Readiness (NOR) after arrival within port limits at load port whether in berth or not and in free pratique, provided the vessel is in all respects ready to receive cargo. If the vessel is not granted free pratique, Notice of

Readiness to be valid and any time lost for the vessel to get free pratique not to count as Lay time.

- (C) Commencement of lay time: Time for loading to count 12 (Twelve) hours after Notice of Readiness (NOR) is served on arrival of the vessel within port limits at port of loading and whether in berth or not and in free pratique and ready in all respect to load the cargo. If the turn time of 12 hours expires on after office hours on Saturday, Sunday or holidays, lay time shall commence at 0900 hours on the first subsequent working day. If the loading operations begin before commencement of lay time, the period so used shall be deemed as free time.

Any time used in closing and opening of hatches and hatch inspection not to count as lay time.

Any time used for shifting the vessel from anchorage to loading berth not to count as lay time.

Time for draft check (initial & interim draft survey) and waiting for tide shall not count as lay time unless the vessel is already on demurrage.

Lay time to count at actuals when worked on Charter Party (C/P) holidays. For stoppages if any, during intervening C/P holidays, lay time not to count if the vessel is not on demurrage. If the vessel is already on demurrage, full time to count as lay time during the intervening C/P holiday.

- (D) However, if the vessel is prevented from proceeding to the loading berth due to her inefficiency, tidal conditions, bad weather, strike of tugs or pilots or mandatory regulations, then the Notice of Readiness to be valid and any time lost not to count as Lay time.
- (E) Lay time will cease on completion of loading the vessel.
- (F) Any time necessarily required by a vessel to wait for tide for completion of loading shall not be counted as lay time. Lay time shall cease to count from the time of completion of loading.
- (G) Shifting time shall not count as lay time, unless, the vessel is already on demurrage.
- (H) Charterers/Shipper shall have no obligation to do trimming other than spout trimming. Charters/Shipper shall also not have obligation to load the cargo in place inaccessible to the ship loader.

- (I) The Master of the vessel shall allow the Charterers and his representatives and agents to inspect the condition of the hatches before loading and supervise the loading and trimming of the Iron Ore inside the vessel.

8. **DISCHARGE PORT:**

Notice of Readiness to be served at discharge port during normal working hours i.e. 09:30 AM to 04:30 PM on all working days (Monday to Friday) and between 09:30 AM to 12:00 noon on Saturday, excluding Sunday and port closed holidays to the New Mangalore Port office / KIOCL at Panambur, Mangalore, after arrival of the vessel within port limits and in every respect ready to discharge and in free pratique whether in berth or not. If the vessel is not granted free pratique, Notice of Readiness to be valid and any time lost for the vessel to get free pratique not to count as Lay time.

Time to count 12 (Twelve) hours after NOR is served on arrival of the vessel within port limits, at port of discharge and whether in berth or not and in free pratique and ready in all respects to discharge the cargo. If the turn time of 12 hours expires on Saturday afternoon, Sunday or Holiday, lay time will commence at 08:00 hours of first subsequent working day. If the discharge operation begins before commencement of lay time, the period so used shall deemed as free time.

However, if the vessel is prevented from proceeding to the discharging berth due to her inefficiency, tidal conditions, bad weather, strike of tugs or pilots or mandatory regulations, then the Notice of Readiness to be valid and any time lost not to count as Lay time.

Shifting time shall not count as lay time, unless the vessel is already on demurrage.

9. Lay time non-reversible.
10. In the event of discharging/Loading cargo being impossible due to inefficiency or any other cause attributable to the vessel, her Master, her crew of the Owners and such impossibility continuing for more than three consecutive hours, the buyers shall have the right to order the vessel to vacate the berth and shifting from and back to berth shall be at Owner's expense and time.

If the vessel due to above mentioned reasons has to vacate the discharging berth/ loading berth, notice time or lay time, if on demurrage, shall not count from that time until she be in all respects ready to discharge and notification has been given to the buyers accordingly. If, due to above matters, vessel loses her turn, time shall count again when discharging recommences.

11. If through congestion at the Port of Discharge/ Loading, if steamer is kept waiting off the Port lay days are to commence to count as per clause 7 and 8, above.

12. Time used in shifting berth at loading and/or discharging port, not to count as lay time and any additional expenses incurred to be for Owners' account. Vessel to be left in seaworthy trim to Master's satisfaction to shift between berths.
13. Any time lost by the vessel after serving the NOR, waiting for berth at loading and/or discharging port shall also count as lay time.
14. Anytime lost due to breakdown of winches/ derricks/cranes not to count and expenses incurred to be for owner's account.
15. If any willful misrepresentation be made in respect of the size, position and/or should the Steamer not be in Loading Port and ready to load on or within the lay days agreed, it shall be at the option of the Charterers whether or not he will load the vessel.
16. The Act of God, the Queen's enemies, Arrest and/or Restraints of Rulers, Princes and people, Quarantine, Fire on Board, in Hulk or Craft of on shore, Ice, Barratry of the Master and Crew, Enemies, Pirates, Robbers by land or sea, accidents to and damage and detention from Boilers, and of machinery, Collisions, Stranding, Jettison, or from any act, neglect, default or error in judgment whatsoever of the Pilot, Master, Crew or other servants of the Ship-owners in the management and/or the navigation of the Steamer, and every other Dangers and Accidents of the Seas, Rivers and Canals of whatever nature and kind what-so-ever, before and during the said voyage always excepted. Steamer has liberty to call at any port or ports, in any order, or places, to places, to bunker, or to deviate for the purpose of saving life or property, with leave to sail without Pilots, and tow or to be towed and assist vessels or to be assisted in all situations whatsoever. Salvage and/or towage for Owner's sole benefit. Ship not answerable for losses through explosion, bursting of boilers, breakage of shafts, or any latent defect in the machinery or Hull not resulting from want of due diligence by the Owners of the Ship or any of them or by the Ship's Husband or Manager.
17. The Captain shall cover the hatch of each hold as soon as the loading into same has finished and also all hatches when the loading or discharging has finished for the day, if the weather be wet or threatening; he shall also, during rain and snow, cover up all hatches by which loading or discharging is not actually going on. It is agreed that the Captain may send someone to check the weight of the cargo on delivery so as to avoid dispute, and weight as ascertained as per draft survey to be conclusive and be the Bill of Lading figure.
18. In the event of any general strike, riot, insurrection, revolution or war, which may prevent the Shipment of Iron Ore under this Charter, the Owners in the event of no cargo having being loaded, have the option of canceling this Charter or if any cargo has been loaded they have the right to proceed on the voyage with the cargo so loaded. In the latter case the time to count as lay time to be mutually agreed between Owners and Charterers
19. All disputes arising under this Charter Party shall be settled in India in accordance with the provisions of the Arbitration & Conciliation Act, 1996 (No.26 of 1996) or any further

amendments thereof, and under the Maritime Arbitration Rules of the Indian Council of Arbitration. The arbitrators to be appointed from out of the Maritime panel of Arbitrators of the Indian Council of Arbitration. The Arbitrators shall be Commercial Men.

**20. Freight payment:**

Freight to be paid basis FIOT basis 1/1.

US\$... per metric ton basis ..... load quantity.

Freight payment as per bill of lading quantity (no other deductions on freight /cargo).

90% of the freight is payable on Bill of Lading quantity (less 1% chartering Fee/1.25% brokerage on 100% freight plus service tax thereon, whichever is applicable plus 2.5% address commission on 100% freight), within five (5) working days of completion of loading / sailing of vessel and signing/releasing bill(s) of lading and on submission of freight bill in triplicate by Vessel Owners to Charterers. Freight is payable by the charterers in any case prior to breaking bulk.

The balance 10% of the freight together with demurrage (if any) or less dispatch (if any) is payable by Charterers within 30 days (thirty days) of completion of discharge and on production of (i) copy of bill(s) of lading, (ii) copy of charter party, (iii) receipt of payment of dispatchers fee at the loading port (if applicable) and (iv) owners lay time calculations along with supporting documents

Owners to confirm receipt of funds within ten (10) days of remittance of initial and final payment.

Freight is deemed to be earned upon arrival of the vessel and the cargo at the first or sole discharge port. The entire freight shall at all times be at the risk of the vessel owner.

**21. Bill(s) of lading to be issued in strict conformity with Mate's receipts and no change is permitted. Copy of the original Bill of Lading to be attached with Letter of Indemnity and also one copy of original Bill of Lading to be released to owners through agents immediately on release at load port (Visakhapatnam Port or any other Port in India).**

**22. The Owners/Master to serve notices on fixing followed by 3/2/1 days arrival notices**

**CHARTERERS:**

KIOCL Limited, Bangalore

Tel: +91-80-25531461 / 70

Fax: +91-80-25630984 / 25532153

Email: bpurchase@kioclltd.com/bgmm@kioclltd.com.

**SHIPPERS:**

Authorized Agents nominated by KIOCL

(Details will be furnished after Fixture confirmation).

**KIOCL Limited, Visakhapatnam Office.**

Fax: +91-891-2739530

Tel: +91-891-2739530

E-mail: [kioclvizag@kioclltd.com](mailto:kioclvizag@kioclltd.com) ,

**BROKERS:**

(Details based on Fixture confirmation).

Indicating expected arrival of the ship at the port of loading, together with exact quantity of cargo required in metric tons (MT).

On sailing from Load Port, the owners/ Masters to inform, the charterers on the above mentioned address and also to,

**CONSIGNEE**

KIOCL Limited, Mangalore

Tel: +91-824-2407362161

Fax: +91-824-2407422

E-mail: [mstores@kioclltd.com](mailto:mstores@kioclltd.com)

indicating the quantity loaded as well as ETA at the Discharge Port and also give 3/2/1 day notice before arrival at Discharge Port, Mangalore.

23. Vessel to be dry and clean before tendering notice and to be free from rest of previous cargo to Charterers satisfaction, duly supported by certificate from recognized agency at Owner's expense. Should the vessel not be ready to load in accordance with definite notice, the Owners to be responsible at loading port for any expenses incurred there-by, such as demurrage on canal barges, railway wagons, warehousing and extra transport charges in this connection, such expenses to be paid by Owners. Cost of opening and closing of hatches to be for Owner's account and time occupied not to count as lay time.
24. Indian Income Tax on the freight, if any, shall be for Vessel Owners account and Charterers shall be in no way concerned with its assessment, collection or payment.

In case of Indian Flag vessels, Charterers will deduct the TDS as applicable while releasing the payment. Necessary certificate would be provided for the amount deducted.

In case of foreign flag vessels, it will be the responsibility of the Vessel Owners to obtain necessary Port clearance from the Office of the Commissioner of Customs, (Load Port). The Vessel Owner shall ensure that the Port clearance so obtained shall be based on the clearance towards freight Tax received from the Income Tax authority (International Taxation). The clearance received from the Income Tax authority should be submitted to KIOCL without which KIOCL will deduct Income Tax on freight payment as per Income Tax rules.

25. Overtime to be for account of party ordering same, but overtime for Ship's officers and crew to be for Owner's account. Overtime ordered by Port Authorities to be shared equally by the Owners and the Charterers.
26. The Master to sign Bills of Lading with quantities as ascertained by the Port Authorities, but the Master not to sign Bills of Lading for quantity in excess of that which he believes to be aboard his vessel.
27. The Owner/Master/Agent shall ensure release of Bill(s) of Lading immediately and in any case not later than 24 hours of completion of loading. Quantity determined by draft survey conducted at the loading port shall be declared in the Bill(s) of Lading.

Bill(s) of Lading shall be signed by the Master of the vessel.

Master should sign as many sets of Bill(s) of Lading as presented by Shippers.

28. In case of claim for damage to vessel done during the loading and/or discharging, each claim has to be presented in writing by the master immediately after damage sustained, failing which, Charterers are not responsible, with a view to establishing damage, if any solely attributable to the operation of loading and discharging, fair wear and tear excepted, Charterers' Agents to be immediately notified by the vessel at the time of occurrence and such damage is to be agreed by Surveyors appointed by each party.

Charterers are not responsible for damage to cargo battens. Any dispute regarding stevedoring damage to be settled between Owners and Stevedores. In the event stevedores refuse to settle cost of such damage, Charterers to remain responsible for eventual payment.

29. It is understood that the New Jason Clause, Both to Blame Collision Clause, War Risk Clause 1 and 2 and General Clause paramount, as attached are deemed to be incorporated in this Charter Party.
30. Vessel to be consigned to Owners Agents at loading port and discharging port. The charterers shall appoint their own stevedores at the Port of loading and Buyers (Consignee) appoint their own stevedores at the discharging Port.



Agents:

Load port: Owners

Discharge port: Owners

31. Owners to be Members of P & I Club.
32. Receivers and/or Charterers are entitled to work during the excepted periods and at night, if required and the steamer to supply free of charge sufficient electric light for night work, including Sundays and holidays.
33. Owners confirm that performing vessel to be Classed Lloyd's Highest + 100 A1 Strengthened for Ore cargoes, or equivalent which shall be maintained until completion of cargo.
34. If Special Provisions, as attached, conflict with the printed provisions of the Charter Party, then Special Provisions to apply.
35. On sailing from load port, Master to telegraph to KIOCL Bangalore, and KIOCL Mangalore (Buyers) giving the quantity loaded. Master also to wireless to the above parties 3/2/1 day definite notices of ETA prior arrival discharge port.
36. Charterers liability under this Charter to cease on cargo being Shipped and the freight, dead freight and demurrage in loading (if any) are paid, the owner having a lien on the cargo for freight, demurrage and average.
37. The Charterers shall arrange for a safe loading berth at load port and shall load, stow and trim cargo on board the vessel free of risk and expense to vessel, but always under the supervision of the Master.
38. The Ship owners shall pay and bear all port charges (except port loading and unloading charges), tonnage due, light dues and other taxes, assessments and charges, which are customarily payable on or with respect to the vessel at load port and discharge port.
39. The Ship owners shall ensure that, the vessel shall provide to the Charterers/Shippers free use of all gear also all lights, as on board, for working the vessel at no cost to the Shippers or Charterers.
40. The Shippers shall load the cargo in accordance with the Master's or Chief Officer's instruction and shall arrange to trim the cargo to the Master's satisfaction.
41. On completion of loading, a Statement of Facts shall be made out at the load port duly signed by the Master/Agents of the vessel and the Suppliers/their representatives.

42. Owners/Master/their Agents shall allow representatives of Inspecting Agency nominated by Shippers/Charterers on board to carry out draft survey and to inspect/supervise at all stages of loading/storage/discharging of cargo at loading / discharging ports. Time used not to count as Lay time.
43. Any dues and/or taxes on cargo to be for Charterers' account but customary vessel's port charges including berthing expenses and any dues and/or taxes on vessel/freight even if measured by quantity of cargo on board to be for Owners' account.
44. Shipment shall be done in a sea worthy vessel classified as 100 A1 by Lloyds or equivalent classification society and approved by general Insurance Corporation of India. Owners to confirm that the vessel is single deck with sufficient width of hatch openings to facilitate loading of Iron Ore and to be Sea Worthy Classified as 100 A1 by Lloyds or equivalent Classification Society and approved by General Insurance Corporation of India. Owners confirm vessel is able to meet all load/discharge port limitations/requirements/conditions and is suitable to load fixture quantity basis load port restrictions and available draft.

Extra Insurance if any due to Vessel's Age/ Class/ Flag to be Owners account.

45. Owners to confirm vessel possesses valid statutory certificates and complies with all directives of Government/ DG (Shipping) reg. suitability and/or acceptability of vessel in respect of class/age/other technical parameters in Indian waters/ports.

DG Shipping Approvals are to be done by Vessel Owners. KIOCL (as Charterers) are willing to provide assistance for the same. All coastal conversions/ re-conversions to be for owners cost and time. Vessel to tender NOR at Load Port, only after vessel is converted to coastal status. In case owners are unable to convert the vessel at last port and on arrival at Load Port, then vessel is to be allowed to give NOR on arrival but any physical time lost after berthing on account of delay to commencement of loading due to foreign status (due to non-conversion to Coastal) of the vessel not to count as lay time. Actual time and cost for coastal conversion, if any, will be on Owners' account.

46. Vessel to be suitable for grab discharge and no cargo is to be loaded in between decks, deep tanks or bunker spaces or other inaccessible place. The Master to have the liberty of loading in such spaces for the purpose of stability of the vessel, but any extra time used and additional expenses incurred in loading into and/or discharging from such spaces to be Owners' account.

The vessel should hold a valid Gear Certificate in accordance with the international dock safety convention, covering the duration of the voyage and same shall have been tested and in good working condition. Vessel nominated should have its own hydraulic cranes fitted with Grabs of capacity 10 to 12 Cubic Metres (CBM) and with 4/5 cranes with a capacity of 25/30 MT to achieve the discharge Rate of..... MT PWWD SHINC. Vessel should have minimum of 5

workable hatches. Grabs to be derated in keeping with grab/crane manual and capacity to be adjusted as per cargo stowage / density and SWL of crane under grab operation.

47. The cargo shall be loaded free on Board, spout trimmed, any additional trimming and/or leveling if required to be for Owner's account.

Trimming of vessel's cargo by Shippers shall be limited to spout trimming or by such mechanical trimmer, as may be available at the load port but under supervision of the Master of the vessel.

48. Owners to undertake that the vessel has not been sold nor will be sold for scrapping or otherwise during the currency of this Charter Party.

49. Loading always according to IMO.

50. 2.5 % address commission and 1.25% brokerage commission /1 % Chartering Service Fee (As applicable) on freight, dead freight and demurrage, if any, plus service Tax thereon to be on owners account and the same to be deducted from the freight.

2.5% address commission and 1% chartering service fee as above is payable to KIOCL (charterers).

1.25% brokerage commission plus applicable service tax on brokerage commission as above is payable to vessel owner's Indian brokers.

51. Vessel Details:

Vessel owners to confirm vessel possesses valid statutory Certificates and complies with all directives of Govt./ DG Shipping regulations. Suitability and / or acceptability of vessel in respect of class/ age/other technical parameters in Indian waters/ Ports.

Owners to furnish the complete details of the vessel as under:

Name of the Vessel: MV

FLAG:

BUILT :

DWAT:

GRT

NRT

DRAFT

LOA:

BEAM:

HOLDS / HATCHES:

HATCH SIZES:

TYPE OF HATCH COVERS:

GEARS (NO. OF CRANES):  
DISTANCE BETWEEN EACH VESSEL'S GEARS:  
GRAIN CAPACITY:  
CALL SIGN:  
CLASS:  
PORT IOF REGISTRY  
IMO No.:  
OFFICIAL No.:  
FLAG NO:  
HEAD OWNERS AND DISPONDENT OWNERS DETAILS:  
P&I CLUB:  
PERFORMING SPEED:  
**BANKING DETAILS:**  
**INTERMEDIARY BANK**

52. Vessel's crew not to drive cranes/ Grabs. (The stevedores will be arranged by the ship per/ receiver.

In case of grabs use, grab capacity to be adjusted derated as per cargo stowage/density and SWL of crane under grab operation without any change in load and discharge rates. Vessel's grabs are not rubber lipped and leakage if any would be as customary for fine cargoes.

Cargo to be always loaded across all holds or as per vessel grain stability norms and always within vessel's restrictions as per Master's sole satisfaction. All loading/discharging to be done within vessel's restrictions.

53. Surf days not to count as weather working days, unless used and when used actual time used to count.
54. Vessel Owners to comply with ISPS Code/requirement. ISPS Compliance.
55. Owners to declare exact quantity to be loaded at the time of tendering definite notice and to maintain the same. Though KIOCL maintains much more than the requisite cargo for loading ship, in view of the constraints faced at loading Ports, during final trimming operations the exact quantity indicated by the Master of the vessel cannot be loaded. Charterers have the option to load up to 1,000 MT less than the declared quantity without any dead freight claim. It will be owner's responsibility to ensure loading of the indicated quantity as per the hatch plan. The owners/owners agents at loading port have to suitably co-ordinate with the loading port authorities on the above.
56. Penalty for Non-performance of this agreement, proved damages, not exceeding the estimated amount of freight.
57. Service Tax including cess ( as applicable) on freight and demurrage to be on charterers

account and to be invoiced along with freight and demurrage and paid by charterers along with the freight/ demurrage.

58. If on arrival of vessel at discharge port at Mangalore the vessel's draft exceeds 12.5M and it becomes necessary to do lightening to be able to go alongside the berth nominated by the charterers the Owners to arrange the lightening up to 12.5M at their risk and expenses and time used for same not to count as lay time.
59. Charterers will arrange for covering the transit insurance of the cargo loaded.
60. Load Port/ Discharge Port restrictions:  
**( Subject to variations from time to time )**  
Owners to ensure vessel meets all load/ discharge Port requirements/ restrictions and is suitable to load fixture quantity basis load port restrictions and available draft

**Load Port:**

**Visakhapatnam Port:**

LOA: No restriction  
Beam: Minimum 32.2 meters  
Draft available:

At outer harbor (OB) of VPT: Available draft up to 16 Meters  
At Western Quay (WQ): Available draft up to 11 Meters.

**Gangavaram Port:**

BEAM: 40 METERS MAXIMUM & 30 METERS MINIMUM  
LOA: 270 METERS MAXIMUM  
DRAFT AVAILABLE: MAXIMUM DRAFT 16 METERS AFT

**Discharge Port:**

New Mangalore Port  
At Berth No 8: Available draft up to 12.5 Meters.  
LOA: No restriction

61. The steamer is to be addressed for the Custom House business to Owners or their agents at Ports of loading and discharging.
62. General Average to be settled in London in accordance with the York/ Antwerp Rules 1974.
63. Master to telegraph "Charterers "at Port of Loading, should he have to put in at any Port or Ports.

64. In case of Jettison, the Captain to report the same to Consignee immediately on arrival.
65. Ship to apply to charterers stevedoring agents at the Port of loading and KIOCL office at Load Port for cargo and wire them on leaving the last port of discharge.
66. Dispatchers fee not applicable.
67. IRON ORE LOADING CLAUSE: Charterers surveyor will furnish relevant analysis certificates for TML / FMP and moisture contents of the cargo as per requirement of port/MMD-DG SHIPPING. Owners have option to appoint their PNI surveyor at their own cost.
68. LOI Clause:  
  
Owners to allow discharge of cargo to receivers against presentation of a fully completed and executed LOI (in owners P&I club format) in case of non- presentation of original B/L at discharge Port. The LOI to be prepared on charterer's letterhead as per P&I Club proforma duly signed and stamped by Charterers.

**For and on behalf of Owners:**

M/s:

**For and on behalf of Charterers**

M/s KIOCL Limited, Bangalore.