

Reliance Industries Limited.
PVC Business Group



Attn: All RMs/PVC Heads
Ref.: **PVC/16-17/12**
Title: PVC Pricing Policy
Eff. Date: **1st Jan'17**, 0600 hrs

A. Basic Price:

Grade-wise Ex-Works Basic Prices and Ex-depot prices are as enclosed in **Annexure I and II**.

B. Freight:

- a. For Ex-Works sales, freight will be charged extra as per **Annexure VI**, as per revision made w.e.f. **01/01/2017**.
 - i) Goods will be dispatched on freight to pay basis to be paid directly by the customer to the transporter.
 - ii) In case customer desires RIL to arrange transportation, the freight will be collected in the invoice along with the service tax amount required to be paid thereon. In that case the Consignment note shall be issued showing PLST as "Consignor" and the service tax on freight recovered from the customer will be discharged by RIL accordingly."
- b. These prices are **exclusive** of unloading charges at customers' end for Ex Works sales. Unloading charges at customers' end will be extra and will have to be borne by the customers.
- d. Octroi charges or any other local levy will be borne by customers.
- e. For Ex-stock point sales, Freight from depot to the Customers location will be arranged and paid by the customers themselves. Loading and Unloading charges to be borne by customers.

C. Discounts

1. Cash Discount (CD) & Early Payment Incentive (EPI)
 - a. Rs **600** per MT on all sales both ex -works and ex-depot.. For ex-works sales it shall deducted from basic prices for payment of Excise Duty. CD is applicable on all grades except plant sweepings and waste.
 - b.EPI will be Rs **60**/MT per day for payment received before the due date subject to a maximum of 9 days
2. Trade Discount – Quantity Discount
 - a.Will be extended only after completion of lifting as per slab in **Annexure III**. Disbursement will be done through issuance of credit notes. System of contract/ Order Booking will continue as before in the prescribed format with QD shown as post sales.



b. Applicable on Ex works supplies and all lifting from company depots can be clubbed with Ex-works dispatches for purpose of applicability for the month

c. NO Trade Discount -Quantity Discount would be applicable on sales made through Consignment Agent channel at locations where company depot exists. Trade Discount - Quantity Discount on sales made through Consignment Agent channel at all other locations where company depot does not exist, shall be admissible for entire quantity sold.

d. Trade Discount- Quantity Discount is not applicable for dealer sales.

3. Performance Discount – Annual Procurement Plan Scheme (APPS)

As per annual APP scheme, as and when announced.

4. Payment / adjustment of Discount

The Company reserves the right to pay or adjust the discount, through any financial asset, directly or through any other party/Agent without requiring any reference.

5. Our discounts include Sales Tax / VAT, wherever corresponding sales are taxable.

D. Dealer Sales:

a. Dealers will be entitled for Trade Discount - Dealers @ Rs 350/MT for onward sale to Customers irrespective of invoice quantities.

b. All other terms and conditions remain unchanged

E. Group Companies

Registered Group companies shall be considered for Quantity, APP and any other discounts as per prevailing policy / guidelines

F. Credit Policy

a. 10 days interest free credit for both Customers and Dealers

b. For Deemed Exports

- For LC Supplies: 10 days interest free credit

- For E- Payment Supplies: Invoice Day + 5 days IFC



c. In case of L/C, usance period can be upto 60 days. L/C with usance period > 60day will require prior approval of Business Head / Sector Commercial Head. The usance period interest over IFC will be as under –

	Deemed	Domestic
1) Upto 60 days -	12% PA	19%PA
2) 61-90 days -	15% PA	20%PA (against specific HO approval).

If the payment is not received after the usance period, Delayed payment charges will be recovered @ 23% PA for the delay days after the L/C due date.

d. Overdue interests rates will be as under:

- 1) PDCs / E Payments:
 - a) First 15 days after IFC - 21% P.A.
 - b) 16 days to 30 days - 24% P.A. (from date of invoice)
 - c) > 30 days - 27% P.A. (from date of invoice)
- 2) For deemed exports orders under ET - 25% P .A for delay period
- 3) For Cash Sales - @ 36% per annum for the delayed period from the date of invoice
- 4) No deviation from the above is permitted without specific HO approval.
- 5) Penalty for ET failure
Rs.1000/- as penalty for the 1st day of default in a calendar month
Rs.2500/- as penalty for every subsequent defaults in the same calendar month.

Penalty for Cheque dishonoured
Rs.1000/- as penalty per instrument returned

G. Deemed Exports:

- a. Deemed export supplies will be made under CT3 & AIL route.
Deemed Export Sales will only be Ex-work sales, assisted by DCAs.
- b. Gradewise Ex works Deemed Export prices for HZ, BC & GC are as per **Annex. IV** subject to their complying with the procedures for obtaining supplies with reference to advance licenses.



- c. Deemed exports are not eligible for cash discounts, CD - EPI, Trade discount and any other discounts. The policy of no Trade Discount -Quantity Discount on Deemed Export continues and Deemed export qty shall not be clubbed with Domestic sales.
- d. It is re-emphasized that the full (duly checked) set of deemed export documents should be received at HO for processing as per the guidelines issued.
- e. DE supply under " 44/2001 supplies" & "EOU supplies" will be effected without payment of Excise Duty. CST/ VAT will be charged extra as is applicable at the time of delivery.
- f. Prices are inclusive of standard packing in 25 Kg / 1000 Kg/ 1150 KG bags.

H. Transit Insurance:

H.O. has already circulated detailed procedure to be followed in case of shortage/damage to the material in transit and there is no change in the same.

I. Contract / Order Quantities

Contracts would be accepted on the basis of these prices only with HO approval

J. Stocks at Depots & in Transit

Stocks lying at warehouses as on the date of price change and in transit from the plants may be sold at a price equivalent to the new basic price effective from the date of price change plus actual excise duty paid as per STA. HO may be consulted for any approval in case of exceptions.

K. Packaging

Prices are inclusive of standard packing in 25 Kg / 1000 Kg/ 1150 Kg bags.

L. Cut & Torn bags

Rs 500/MT would be given on actual weight basis whenever such material is sold ex-depots for sale of cut and torn bags.

M Sales Tax / VAT

- a. Sales tax / VAT would be extra as applicable
- b. Octroi charges or any other local levy will be borne by customers.
- c. Customers who are eligible for exemption from MP Entry Tax shall be granted rebate on Ex-Depot Sale Invoice equivalent to Entry Tax amount

R. Janardhan

(Raman Janardhan)

Enc: Annexure I, II, III, IV, IVA, V