

General Terms and Conditions of Export Contract (FCA)

Contract No SAIL/ITD/C-100000-----/20-- dated ----

1. Trade Terms

1.1 To interpret all commercial terms and abbreviations used herein and which have not been otherwise defined, the rules of 'INCOTERMS' (latest version) shall be applied.

2. Prices

2.1 Prices as agreed between the Seller and the Buyer are inclusive of the labour charges/material handling charges involved in the work of loading the materials by the Seller on truck(s) placed by the Buyer OR on railway wagons engaged by seller on behalf of the buyer for loading of materials against this contract.

2.2 The Buyer shall arrange at his own costs and expenses to provide truck/lorries at the loading point of the Seller's premises for loading of materials or railway wagons shall be engaged by seller on behalf of the buyer for loading of materials against this contract.

2.3 The Seller shall under no circumstances be liable for any costs, charges, liabilities of whatsoever nature arising subsequent to the delivery/loading of the material on the basis of FCA, such as transportation cost, insurance charges, taxes including income tax, customs duties unloading and handling charges, levies and fees, if any, of whatsoever nature and kind payable or leviable at the time of or by reason of transportation and /or importation of the materials in the country of import.

3. Test Certificate

The materials shall be covered by works Test Certificate issued by Steel Plant of the Seller. The Work Test Certificate shall be furnished showing Heat/Cast Number, Chemical and/or Mechanical properties etc. as required in the specification. These Test Certificates will be provided by the seller to the buyers outside the LC.

4. Delivery/Dispatch

4.1 The period of delivery will be subject to the condition that the Seller is in possession of the letter of credit, within the Time schedule, satisfactory in all respects to the Seller.

4.2 Subject to the placement of truck(s) on by the Buyer or his agent, the Seller will load the material on the truck(s) on FCA basis. The seller may contract for carriage (Railway wagons) on usual terms as per contract at buyers risk and expenses, The Seller will prepare the challan/ dispatch document for release of the loaded truck(s)/Railway Wagons from the Seller's premises. The number of truck(s) to be loaded per day will depend on the availability of the materials and the facilities at the Seller's premises. The Buyer will ensure that the trucks are

placed at the delivery point in the Seller's premises as per schedule which would be given by the Seller after arrival of the materials at the Sellers premises.

4.3 Buyer/ Buyers Representative to report to the offices of SAIL's authorized CHA at Raxaul/Jogbani/Sonauli/Nepalgunj/any other boarder for the purpose of appraisalment and clearance by Indian customs. Buyer should not appoint own CHA for this purpose.

5. Risk and Title

5.1 **Risk:** With respect to each dispatch, the risk shall pass from the Seller to the Buyer as soon as the material is delivered to carrier nominated by the buyer/engaged by seller on behalf of buyer.

5.2 **Title:** The title to the materials shall pass from the Seller to the Buyer only after the Seller has negotiated the documents and received full invoice value payment from the opening bank/Reimbursing bank or seller has raised invoice after having received the full invoice payment in advance.

6. Right of Transfer

6.1 The Buyer shall be entitled to assign or transfer contract resulting from this Agreement to its successor or permitted assignee/s only with the written consent of the seller and in the case of any such assignment or transfer, the contract shall be binding upon such successor or transferee.

7. Modification to the Contract

7.1 This Agreement cancels/ supersedes all previous negotiations/agreements between the parties hereto. There are no understandings or agreements between the Buyer and the Seller which are not fully expressed herein and no statement or Agreement, oral or written, made prior to or at the signing hereof shall affect or modify the terms hereof or otherwise be binding on the parties hereto. No change in respect of the contract covered by this Agreement shall be valid unless the same is agreed to in writing by both the parties hereto specifically stating the same to be an amendment to the Agreement.

7.2 The signed contract transmitted by Fascimile or E-Mail attachment shall be considered as originals.

8. Waiver

8.1 Failure to enforce any condition herein contained shall not operate as a waiver of the condition itself or any subsequent breach thereof.

9. Force Majeure

9.1 If the Seller and/or Buyer be prevented from discharging its or their obligation under this Agreement by reason of arrests or restraint of Princes or Rulers, Government of People , War, Blockade, Revolution, Insurrection, Mobilization,

Strikes, Riots, Civil Commotion, Lock Outs, Accidents, Acts of God, Plague or other epidemics, destruction of materials by fire or floods or other natural calamity, plant breakdown or on account of any other cause beyond the Seller's or Buyer's control and interfering with the production and/or delivery of the materials as herein above contemplated, the time for delivery shall be postponed by the time or times during which production and/or delivery is prevented by any such causes as herein above mentioned, provided that, in event of such delay exceeding Ninety Days, the party other than party which invokes the force majeure may, at their option, cancel this Agreement by Notice in writing to the other party in respect of the undelivered quantity of the materials without however, any right against or being responsible to the other party for such cancellation. The party invoking the force majeure shall within 15 days of occurrence of force majeure causes, put the other party on notice supported by certificate from the Chamber of Commerce or concerned governmental authority and shall likewise intimate the cessation of such causes. If the force majeure condition continues beyond a period of six months, the Seller or the Buyer may, at their option cancel this Agreement by notice in writing to the other party in respect of the undelivered quantity of the material without, however any right against or being responsible to the other party for such cancellation.

10. Legal Interpretation

10.1 This contract shall be governed and construed in accordance with the Laws of India for the time being in force.

11. Settlement of Disputes

11.1 All disputes or differences whatsoever between the parties hereto arising out of or relating to the construction, meaning or operation or effect of this contract or breach thereof shall unless amicably settled between the parties hereto, be settled by arbitration in accordance with Rules of Arbitration of the Indian Council of Arbitration(ICA), New Delhi, India the Arbitration Committee of the Indian Council of Arbitrator, New Delhi, India and the Award made in pursuance thereof shall be binding on both the parties. The venue of arbitration shall be New Delhi, India.

12. QC clause

12.1. In case of any quality complaint, the buyer will give written notice to seller at the e mail address mentioned in the contract within 45 days from the date of arrival of vessel/cargo at discharge port/designated border (duly supported by Bill of entry of vessel/cargo) by listing /specifying individual piece wise number, heat/cast number, nature of defect duly supported by photographs, and the processing parameters undertaken by buyer. Also, while submitting the notice/ quality complaint, it must be supported by an Inspection Report from an internationally reputed/accredited Agency/Surveyor, mutually agreed and accepted by and between the Buyer and the Seller at the time of contracting. The notice/ quality complaint should highlight the deviation, if any, from mutually agreed TDC/specifications/end use as mentioned in the contract. In case there is a mismatch between the material as per individual piece wise number, heat/cast

number supplied by the seller, and the specifications of the material complained of by the buyer, then the complaint is liable to be rejected out rightly. Quality complaint received after 45 days of receiving goods at discharge port will not be entertained. Buyers shall not use or resell goods under complaint and keep them secure for minimum 30 days from the date of receipt of complaint. Seller shall be given an opportunity by the buyer to inspect the goods under complaint.

12.2 After receiving the notice at 13.1 above, the representative(s) of SAIL may either visit within 30 days of receipt of complaint the port/warehouse/factory as the case may be to inspect the material and or ask buyer to send sample(s) of the material complained of, for further investigation. The buyer should send the sample(s) to the address to be specified by seller at buyers cost.

12.3 The complaint will be entertained on its merits only, and from the buyer who has entered into the contract with SAIL. Complaints by consignee, agents, sub-contractor shall not be entertained. Complaints will be settled commercially except in the case of projects undertaken abroad /funded abroad by Public Sector Units / Government of India, where replacement may be given on a case to case basis-. In case it finally emerges that the quality complaint is established and is in order, then the seller shall take into consideration the cost incurred by the buyer in sending the samples.

12.4 The decision of the seller regarding the final settlement of the claim shall be final and binding on the buyer

13. Import/ Export License

13.1 It shall be the responsibility of the Seller to arrange export License(s), if any, required and it shall be the responsibility of the Buyer to arrange for the Import License(s), if required, in the country into which the materials are intended to be imported beyond frontier.

14. General Clause

14.1 It is expressly understood and agreed by and between the Buyer and the Seller that the Seller is entering into this Agreement solely on its own behalf and not on behalf of any other person or entity. In particular, it is expressly understood and agreed that Government of India is not a party to this Agreement and has no liabilities, obligations or rights hereunder. It is expressly understood and agreed that the Seller is an independent legal entity with power and authority to enter into this contract solely on its own behalf under applicable Laws of India and general principles of Contract Law. The Buyer expressly agrees, acknowledges and understand that the Seller is not an agent, representative or delegate of Government of India. It is further understood and agreed that Government of India is not and shall not be liable for any acts, omission, commissions, breaches or other wrongs arising out of the contract. Accordingly, the Buyer hereby expressly waives, releases and foregoes any and all action or claims including cross claims , impleader claim or counter claims against Government of India arising out of this contract and covenants not to sue the Government of India arising out of this contract and covenants not to sue the Government of India as to any manner, claim, cause of action or thing whatsoever arising out of or under this Agreement.

15. Change in Destination

15.1 The contracted Cargo has to be taken to the designated station only. Any change in destination shall be made through a formal amendment to this Agreement, in writing and on mutually agreed terms & conditions.

FOR AND ON BEHALF OF THE SELLER

FOR AND ON BEHALF OF THE BUYER

STEEL AUTHORITY OF INDIA LIMITED
INTERNATIONAL TRADE DIVISION
SCOPE MINAR, 17TH FLOOR, CORE-2,
LAXMI NAGAR DISTRICT CENTRE,
DELHI-110092

M/s

SIGNATURE:

SIGNATURE:

NAME:

NAME:

DESIGNATION:

DESIGNATION:

PLACE:

PLACE:

DATE:

DATE: