

## QUARTERLY BOOKING SCHEME (QBS) FOR THE YEAR 2023-24

### A. Objective:

The objective of entering into QBS is to tap the maximum market potential of the new mill products of SAIL through tie-up with customers for supply during the year and to estimate the market potential and decide production plan to facilitate SAIL for the supplies.

### B. Eligibility:

PRODUCTS	MINIMUM QUANTITY (T)	WHO CAN BOOK
CR Coils/Sheets (incl. Special Quality)	400	All consumers including SSICs/ NSICs.
Plate Mill Plates (incl. Special Quality)	400	All consumers including SSICs/ NSICs.
Electrical Steel	50	All Customers

### NOTE:

CR Coils processed through CA-SC would also be considered as supplies under QBS for CR Coils.

### C. General Terms and Conditions of QBS:

1. The QBS shall be entered into for individual categories as mentioned above and shall have duration of a calendar quarter (Apr-Jun, Jul-Sept, Oct-Dec & Jan-Mar) starting from 01.04.2023 up to 31.3.2024.
2. Single QBS can be signed with companies/firms having units at different locations operating under the same name and style.
3. SSICs/NSICs can also enter into QBS
4. SAIL may also exercise the option of reducing the QBS quantity upto 90% of the original level at any point of time, before the completion of the quarter.
5. Enhancement of QBS can be done subject to lifting of minimum 80% of the QBS quantity but below 100% of the QBS quantity at the time of receipt of request from the customer for enhancement. The option for enhancement is to be exercised by the customers latest by one month prior to the completion of QBS. Only one enhancement is allowed.

### D. Turnover Discount

Quarterly Lifting (Metric Tonne)	TOD (Rs. per Metric Tonne)
>400 – 700	100
>700-1000	125
>1000	150

- a) TOD will be paid on actual quantity lifted subject to successful completion of QBS but limited to maximum 120% lifting of original / enhanced QBS quantity. The rate of TOD shall correspond to the slab pertaining to the actual quantity lifted but not exceeding the slab pertaining to 120% of original booking quantity.

The payment of TOD will be made at the end of the QBS period and normally within one month after completion of QBS period. TOD shall be paid only after taking into account all the credit notes and debit notes and after realization of all outstanding payments including sales under credit.

- b) TOD will be paid on flat rate and not on incremental basis. However, quantity sold through plant disposals, tender sales, and materials returned under quality complaint will not be taken into account for calculation of TOD.  
In cases where customer falls short of quantity to be eligible for TOD benefit, the tonnage lifted by the customer, but returned under quality complaint, will be considered as a part of actual lifting for the purpose of eligibility. However, TOD will not be paid for such quantity.
- c) In case the option of reducing the original booking quantity is exercised by the customer latest by one month before completion of the quarter, the customers would be entitled to TOD only to the extent of the reduced quantity and not up to 120% of the reduced quantity. The rate of TOD shall correspond to the slab applicable to the reduced quantity.
- d) In case SAIL exercises the option of reducing the QBS quantity, TOD would be admissible up to 120% of the reduced quantity. If quantity lifted is below the minimum slab arising out of reduction in QBS quantity at SAIL's option, the rate of the minimum slab will be applicable for determining the quantum of TOD.
- e) In the case of a Company having units all over the country operating under the same name and style, for calculation of TOD, purchases of all the units will be added, provided they had entered into a single QBS covering requirements of all the units.

#### **E. IFC (Interest Free Credit)**

Interest Free Credit (IFC) up to 10 days may be offered on lifting of material.

- a) IFC will be allowed on actual quantity lifted.
- b) Equivalent cash discount, at rates as applicable from time to time on credit sales, may be allowed against entitled IFC.
- c) Penal interest at rates applicable from time to time would be charged by SAIL for delay in making payment by customers after expiry of entitled period of IFC as per MoU or at the expiry of mutually extended credit period, if any.

#### **F. Other terms and condition of QBS**

1. Normally prices shall be the price prevailing on the date of delivery. However, firm price for supplies against accepted orders can also be considered.

2. Any variation in the statutory duties and levies as well as freight as applicable shall be payable by the customer.
3. If any customer desires to lift materials from different locations, breakup of the quantities to be lifted from each location will have to be provided at the time of signing of the QBS. However, in case of consumers and SSICs/ NSICs / PSUs/ Govt., inter-location adjustment of QBS quantities may be considered by SAIL. For successful completion of QBS, their off take at all locations put together would be considered.
4. Quantity of supply in a month will normally be reckoned with reference to RRs/Challans raised during the month for direct despatch/stockyard deliveries respectively and applicable QBS benefits paid accordingly. In case of direct dispatch by road, date of plant invoice would be reckoned as the date of dispatch.
5. In case SAIL is not able to supply the material against accepted orders of the customer during the last month of the quarter, the backlog as on the first of the following month may be considered by SAIL for servicing.

The price applicable shall be the price prevailing on the date of RR for direct despatch/ date of Challan for stockyard delivery or agreed price as the case may be. Such quantities against backlogs would be deemed to have been supplied against QBS for the particular quarter and associated benefits would be passed on accordingly.

6. SAIL may consider supply against QBS from other branches of the regions at the request of the customer subject to availability.
7. SAIL will have the option to supply the material either through stockyard or through direct dispatch basis or in combination of both.
8. Customers would be required to make financial arrangement(s) for the material supplied by SAIL on direct dispatch basis as per extant guidelines.
9. If the customers do not lift at least 80% of their Quarterly Booking quantity under QBS in any quarter SAIL may not consider for fresh booking for the next (succeeding) quarter under QBS.

**ENCLOSURE-I****QUARTERLY BOOKING SCHEME (QBS)**

(To be signed on plain paper)

This Quarterly Booking Scheme (QBS) is entered into this \_\_\_ day of the month \_\_\_\_\_ and year \_\_\_\_\_ between Steel Authority of India Limited (SAIL) , and \_\_\_\_\_ (Name of the customer) with a view to know the possible market requirement and decide production plan to enable SAIL to make supply of steel materials from time to time.

This QBS is valid for a period of three months with effect from \_\_\_\_\_ to \_\_\_\_\_ and it will continue upto \_\_\_\_\_ (dates to be changed based on quarter) and shall cover the following sizes and quantities with indicative month-wise breakup.

Plant	Category	Special Quality (if any)	Quantity (T)			
			Month I	Month II	Month III	Total

That it is clearly understood between SAIL and \_\_\_\_\_ (Name of the customer) that this QBS is not an enforceable contract and future contract(s) will be entered between the parties to the QBS at the Branch level for supply of above materials through direct dispatch/stockyard delivery.

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Name and designation of  
SAIL officer

( )

Name and designation of  
authorized signatory of Customer