

A. GENERAL TERMS AND CONDITIONS FOR EXPORT (CFR)

1.0 Trade Terms

1.1 To interpret all commercial terms and abbreviations used herein and which have not been otherwise defined, the rules of 'INCOTERMS 2000' shall be applied.

2.0 Prices

2.1 The Seller shall under no circumstances be liable for any costs, charges, liabilities of whatsoever nature arising subsequent to the delivery /loading of the materials on board the vessel on the basis of **CFR (FO/LT) Port**, such as insurance charges, port dues, 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 importation of the materials in the country of import.

3.0 Test Certificate and Inspection

3.1 The materials shall be covered by Works Test Certificate issued by Steel Plant of the Seller. The Works Test Certificate shall be furnished showing Heat/ Cast Number, material, chemistry as per Ladle Sample Analysis, mechanical properties as required in the specification.

3.2 The materials will be inspected at the load port prior to loading by a Pre-shipment Inspection Agency, mutually acceptable to the Seller and the Buyer. The Inspection Certificate shall certify (a) that the materials were inspected at the load port prior to loading and the markings (except for pig iron) were as per the requirements of the Agreement between the Seller and the Buyer (b) total number of pieces/ bundles/ packets/ coils (except for pig iron) and weight in MT and (c) that the materials loaded on board the vessel are without apparent damage, properly lashed and secured (except for pig iron) inside the hatches/ holds of the vessel. The cost of such Pre-shipment Inspection at the load port shall be borne and paid for by the Seller.

3.3 Remarks such as 'materials partly rust stained/ rusty edges/ wet before shipment/rust stained/ some rusty edges' and/or 'stored in open area prior to loading' and/or 'unprotected cargo' appearing in the Pre-Shipment Inspection Certificate and Bills of Lading shall be acceptable to the Buyer.

4.0 Delivery/Shipment

4.1 The shipment schedule 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.

5.0 Risk and Title

5.1 With respect to each shipment, the risk shall pass from the Seller to the Buyer as soon as the materials cross the ship's rails at the port of loading and the title to the materials shall pass from the Seller to the Buyer only after the Seller has negotiated the documents and has received payment of the full invoice value of the materials shipped.

6.0 Right of Transfer

6.1 Neither the Buyer nor the Seller shall be entitled to assign or transfer contract resulting from this Agreement except to its successor or permitted assignee/ s and in the case of any such assignment or transfer, the contract shall be binding upon such successor or transferee.

7.0 Modification of the Contract

7.1 This Agreement cancels/ supersedes all previous negotiations/ agreements between the parties hereto. There are no understandings or agreement 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 this Agreement.

8.0 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.

9.0 Force Majeure

9.1 If the Seller and/or the Buyer be prevented from discharging its or their obligation under this Agreement by reason of arrests or restraints 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 the materials by fire or flood or other natural calamity or on account of any other cause beyond the Seller's or the 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 the event of such delay exceeding ninety days, the party other than the 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 force majeure shall within 15 days of the 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 his 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.

10.0 Legal Interpretation

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

11.0 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 the breach thereof shall unless amicably settled between the parties hereto, be settled by arbitration in accordance with the Rules of Arbitration of the Indian Council of Arbitration (ICA) ,New Delhi, India by a sole Arbitrator appointed by the Arbitration Committee of the Indian Council of Arbitration, New Delhi, India and the Award made in pursuance thereof shall be binding on both the parties. The venue for the arbitration proceedings shall be New Delhi, India.

12.0 Import/ Export Licence

12.1 It shall be the responsibility of the Seller to arrange export licence(s), if any, required and it shall be the responsibility of the Buyer to arrange for the import licence(s), if required, in the country into which the materials are intended to be imported.

13.0 General Clause

13.1 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 the 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 this contract solely in its own behalf under the applicable laws of India and general principles of Contract Law. The Buyer expressly agrees, acknowledges and understands that the Seller is not an agent, representative or delegate of the Government of India. It is further understood and agreed that the Government of India is not and shall not be liable for any acts, omissions, commissions, breaches or other wrongs arising out of the contract. Accordingly, the Buyer hereby expressly waives, releases and foregoes any and all actions or claims including cross claims, impleader claims or counter claims against 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.

**FOR AND ON BEHALF OF
THE SELLER**

STEEL AUTHORITY OF INDIA LTD.
Hindustan Times House, 13th Floor,
18-20 Kasturba Gandhi Marg,
New Delhi - 110121 INDIA

SIGNATURE :

NAME :

DESIGNATION :

COMPANY :

PLACE :

DATE :

**FOR AND ON BEHALF OF
THE BUYER**

M/S -----
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SIGNATURE :

NAME :

DESIGNATION:

COMPANY :

PLACE :

DATE :