

## **B. SHIPPING TERMS AND CONDITIONS (CFR)**

### **A. FOR EXPORT SHIPMENT ON CFR (LINER TERMS)**

#### **1.0 Fixing of Vessel for Shipment**

1.1 After fixing the vessel for shipment, the Seller shall intimate to the Buyer by cable / telex/ fax (i) Name of the vessel and (ii) quantity planned to be loaded in the vessel. In the event of shipment of materials by overage vessel/s, overage insurance, if any, incurred by the Buyer shall be to the Seller's account up to a maximum of 1 % of the value of the materials shipped, subject to the Buyer furnishing necessary documentary evidence.

1.2 The Seller shall, within 5 working days from the date of B/L (s), send by cable/ fax/telex, to the Buyer, the details of shipment made, viz. the name of the vessel, B/L No. (s) with date(s) , details of materials loaded, and destination port (s).

1.3 Owner/master of the vessel shall serve notice of arrival at discharge port(s)to the buyer(s) prior to 7/5/3/2/1 days of arrival of the vessel at discharge port(s).

### **B. FOR EXPORT SHIPMENT ON CFR ( FREE OUT TERMS)**

#### **1.0 Fixing of Vessel for Shipment**

1.1 The Seller shall endeavor to effect shipment of the materials in suitable geared vessel/s. In the event of shipment of materials by overage vessel /s ,overage insurance, if any, incurred by the Buyer shall be to the Seller's account up to a maximum of 1 % of the value of the materials shipped, subject to the Buyer furnishing necessary documentary evidence.

1.2 After fixing the vessel for shipment, the Seller shall intimate to the Buyer by cable / telex/fax (i) Name of the vessel (ii) Length Overall (LOA),Beam, Draft (iii) Flag (iv) Year of built (v) Number of hatches / derricks and (vi) quantity planned to be loaded in the vessel.

#### **2.0 Service of Notice of Readiness of the vessel for discharging of the materials (i.e. Master's Notice of Readiness)**

2.1 The Buyer shall intimate to the Seller by a e mail/cable/ Fax latest by .....(Date) the name and address of the party on whom the Notice of Readiness of the vessel for discharge of cargo shall be served by the Master of the vessel at the Destination Port.

2.2 The Notice of Readiness of the vessel to discharge the materials at the destination port shall be served by the Master of the vessel on the Buyer/ their representatives, during the normal office working hours from 9.30 AM to 4.30 PM from Monday to Saturday, when the vessel is within the port limits or in roads and in free pratique whether in berth or not. The Master's NOR shall not be served on Sundays/Port holidays/Charter Party holidays.

#### **3.0 Berthing of the vessel**

3.1 The Buyer shall arrange safe berth for the vessel for unloading the materials at the destination port at their own cost. Time lost in waiting for berth shall count as lay time.

3.2 In the event of the vessel not being able to take berth due to the arrival draft at the destination port being less than the Guaranteed Minimum Arrival Draft in the Agreement, the Buyer shall arrange at his own expenses for lightening the vessel and time used therefor shall count as lay time.

#### **4.0 Lay time and excepted period**

4.1 Lay time shall commence at 1300 Hrs. the same day if NOR is served by the Master of the vessel before noon, and at 0800 Hrs. the next working day if NOR is served in the afternoon. Time between noon on Saturday and 0800 Hrs on Monday, or between noon on the last working day preceding Port / Charter Party holiday and 0800 Hrs on the first working day thereafter shall not count as lay time unless used. If used, actual time used shall count as lay time. The Buyer shall however be free to unload the materials even during the excepted period. If any time is used for unloading the materials during the excepted period as indicated above, the actual time used shall count as lay time.

4.2 Any time lost due to shifting of the vessel within the port area or in the opening/ closing of the hatches shall be treated as time used and all expenses including the overtime of the crews and officers of the vessel /s arising out of this shall be to the account of the Buyer.

4.3 The time taken by the vessel for proceeding from anchorage to the berth shall not be treated as transit time and shall be to the account of the Buyer even when the vessel is not on demurrage.

4.4 Time lost by reason of any or all the following causes preventing discharge of the cargo from the vessel shall not be computed as lay time unless the vessel is already on demurrage.

- a) War, rebellion, tumult, political disturbance, insurrection.
- b) Lockout, strikes, riots, civil commotion.
- c) Epidemics, quarantine, land slips, floods, frost or snow, bore tides, bad weather.
- d) Stoppage of work, whether partial or general, by workmen, long shore men ,tug boat men or other hands essential to the working of the vessel or discharge of cargo from the vessel.
- e) Accidents at the wharf.
- f) Intervention of sanitary, Customs and/or other constituted authorities.

4.5 In the event of breakdown of gears/ cranes/ winches of the vessel by reason of disablement or insufficient power, the period of such inefficiency shall not count as lay time.

4.6 Discharge rate and demurrage-Despatch rate at discharge port(s) shall be as per governing charter party signed between SAIL and vessel owner.

#### **5.0 Documents concerning Discharge of vessel**

5.1 The Buyer shall forward to the Seller within 15 (fifteen) days from the date of completion of discharge of the materials (i) copy of the NOR of the vessel for discharge of cargo served by the Master of the vessel duly accepted by the Buyer / their Agents;

(ii) Statement of facts duly signed by the Master/ Agent of the vessel and the buyer/ their agents (the Buyer shall ensure that the Statement of Facts is signed by all concerned immediately but not later than 72 (seventy two) hours after completion of discharge of the materials) and (iii) Time Sheet.

#### **6.0 Settlement of Demurrage / Despatch Money Account**

6.1 Demurrage/ Despatch money at the destination port shall be calculated as per the governing Charter Party subject to the maximum amount mentioned in the Agreement. Despatch money, if any, earned by the Buyer shall be calculated on the basis of working time saved. The Seller shall endeavor to remit despatch money ,if any, earned by the Buyer at the destination port within 60 (sixty) days from the date of receipt of the claim from the Buyer.

The Buyer shall endeavor to remit the demurrage, if any, incurred on the vessel at the destination port within 60 (sixty) days from the date of the Seller's claim.

**7.0 Contamination/ Damages**

7.1 The Seller shall not be responsible for any contamination of the materials after the same have passed the ship's rails.

7.2 Damages, if any, caused to the vessel by the Buyer's stevedores, and claims for such damages are to be settled directly between the Buyer/their stevedores and the vessel owners. Such claims shall be lodged by the Master of the vessel on the Buyer's stevedores promptly after the damage has been sustained and then confirmed in writing to the Buyer/ their stevedores duly supported by third-party damage report.

**8.0 Charter Party conditions**

8.1 In the event of variation between the terms and conditions of Charter Party and the terms and conditions of this contract, the latter shall prevail.

**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 :