

SHORT-TERM BOOKING SCHEME (STBS) FOR DEC'2024 – MARCH'2025

A. Objective:

The objective of entering into STBS is to estimate the market potential and decide production plan to facilitate SAIL to supply Steel materials.

B. Eligibility:

PRODUCTS	MINIMUM QUANTITY (T)	WHO CAN BOOK
HR Coils / HR Sheets / HSM Plates (including HRC processed through CA/SC/Contract Manufacturing route, HRPO Coils, SSP HR Coils)	1200	All customers including SSICs/ NSICs.

C. General Terms and Conditions of STBS :

1. The STBS shall have duration of **minimum one calendar month**, starting from **01.12.24, 01.01.25, 01.02.25 & 01.03.25** and will be valid up to 31.3.2025.
2. Single STBS can be signed with companies/firms having units at different locations operating under the same name and style.
3. SAIL may exercise the option of reducing the STBS quantity upto 90% of the original level at any point of time, before the completion of the quarter.
4. Enhancement of STBS can be done subject to lifting of minimum 75% of the STBS quantity but below 120% of the STBS 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 STBS period. Only one enhancement is allowed.

D. Turnover Discount

Products	Lifting (T) during STBS period	TOD (Rs./T)
HR Coils / HR Sheets / HSM Plates	1200-4800	100
	>4800-12000	125
	>12000-20000	150
	>20000-28000	175
	>28000-40000	200
	>40000	225

1. TOD will be paid on actual quantity lifted subject to successful completion of STBS but limited to maximum 120% lifting of original / enhanced STBS 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. TOD shall be paid only after taking into account all debit notes, and after realization of all outstanding payments including sales under credit.
2. 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.

3. In case SAIL exercises the option of reducing the STBS 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 STBS quantity at SAIL's option, the rate of the minimum slab will be applicable for determining the quantum of TOD.
4. 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 STBS covering requirements of all the units.
5. SAIL reserves the right to not enter into STBS at locations where Tier-1 distributorship is in place for the product categories covered under this scheme.

E. IFC (Interest Free Credit)

Products	Monthly lifting (T)	No of days of IFC
	100-1000	10
HR Coils /	>1000-3000	15
HR Sheets /	>3000-6000	20
HSM Plates	>6000-9000	25
	>9000-12000	30
	>12000	35

1. IFC will be allowed on actual quantity lifted.
2. Equivalent cash discount, at rates as applicable from time to time on credit sales, may be allowed against entitled IFC.
3. 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 this scheme, or at the expiry of mutually extended credit period, if any.

F. Consistency Incentive

1. Consistency Incentive will be payable subject to successful completion of STBS quantity anytime during the STBS period, and shall be paid along with TOD at the end of the STBS period and normally within one month after completion of STBS period. Consistency Incentive shall be paid on actual quantity lifted limited to maximum 120% lifting of original/ enhanced STBS quantity.
2. The rates and the terms and conditions for payment of Consistency Incentive are as follows:

Product	Minimum monthly lifting (as % of STBS quantity)		Consistency rate(Rs/t)
	4-month STBS	3-month STBS	
HR Coils / HR Sheets / HSM Plates	15% 20% 24%	20% 26% 32%	75 100 125

3. Consistency Incentive shall not be payable for STBS period less than 3 months.
4. In case of non-fulfilment of the condition of consistent lifting in any one month during the period of STBS on account of the customer due to valid reasons, SAIL may consider condoning of the same. If on account of SAIL's inability to supply despite the customer having released the orders in time, SAIL may not consider this as an inconsistency.

G. Other terms and condition of STBS

1. Any variation in the statutory duties and levies as well as freight as applicable shall be payable by the customer.
2. If any customer desires to lift materials from different locations, tentative breakup of the quantities to be lifted from each location will have to be provided at the time of signing of the STBS. However, in case of consumers and SSICs/ NSICs / PSUs/ Govt., inter-location adjustment of STBS quantities may be considered by SAIL. For successful completion of STBS, their offtake at all locations put together would be considered.
3. 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 STBS benefits paid accordingly. In case of direct dispatch by road, date of plant invoice would be reckoned as the date of dispatch.
4. In case SAIL is not able to supply the material against accepted orders of the customer during the last month of the STBS period, the backlog as on the first of the following month may be considered by SAIL for servicing, till the end of that month. The price applicable shall be the price prevailing on the date of RR for direct dispatch by Rail/ date of Plant invoice (for direct dispatch by road)/date of Challan for stockyard delivery. Such quantities against backlogs would be deemed to have been supplied against STBS, and associated benefits would be passed on accordingly.
5. SAIL may consider supply against STBS from other branches of the regions at the request of the customer subject to availability.
6. The applicable rate of cash discount, rate of interest (IBC), penal rate of interest, etc, may be obtained by customers from SAIL's branch office concerned.
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.

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SHORT-TERM BOOKING SCHEME (STBS)

(To be signed on plain paper)

This Short Term Booking Scheme (STBS) 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 STBS is valid for a period of _____ months with effect from _____ to _____ and it will continue up to _____ (dates to be mentioned accordingly) and shall cover the following sizes and quantities:-

Plant	Category	Special Quality (if any)	Quantity (T)
			Total

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

That this STBS does not authorise the customer to represent SAIL for participation in any tender/auction/negotiation.

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Name and designation of
SAIL officer

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Name and designation of
authorized signatory of Customer