

SAIL GTC-SA: 2017

General Terms & Conditions for Sale and Auction **from Plants / Units of SAIL**

1.0 Definitions:

A reference herein to different expressions / abbreviation used shall mean the following:

1.1 "SAIL" shall mean "M/s Steel Authority of India Ltd.," incorporated under the Companies Act, 1956 and having their registered office at Ispat Bhawan, Lodhi Road, New Delhi – 110003, India and their plant / unit, which term or expression unless excluded by or repugnant to the context shall include their successors and permitted assigns.

1.2 AN - Auction Notice

1.3 NIT - Notice inviting Tender

1.4 EMD – Earnest Money Deposit

1.5 DD – Demand Draft

1.6 PO – Pay Order

1.7 BC – Banker's Cheque

1.8 RTGS – Real Time Gross Settlement (an online mode of payment)

1.9 NEFT – National Electronic Fund Transfer (an online mode of payment)

1.10 FA – Forward Auction

(This refers to an online auction conducted through the internet wherein different bidders bid simultaneously from one or more locations for buying the item(s) given in an Auction Notice. In other words, the venue for the auction is an Internet web site / platform which is assigned by the Service Provider engaged by SAIL for the purpose of online bidding)

1.11 Lot – Physical accumulation of similar or other specified materials put up for sale. Sometimes the word "LOT" is also used as an accounting unit.

1.12 SO – Sale Offer

1.13 DO – Delivery Order

1.14 SD – Security Deposit

1.15 DA – Dispatch Advice

1.16 FOT – Free on Truck / Trailer

1.17 FOR – Free on Rail

1.18 AIWIB – As is where is basis

1.19 Bidder – An individual / business entity intending to buy the item(s) from SAIL by participating in an online auction. A bidder needs to secure prior approval of SAIL for participation in an auction by fulfilling the specified requirements in an Auction Notice issued by SAIL.

1.20 Tenderer - An individual / business entity intending to buy the item(s) from SAIL by submitting their offer as per the terms & conditions of Notice inviting Tender (NIT) issued by SAIL.

- 1.21 Permanent Customer – A customer who would like to keep a specified EMD amount as decided by SAIL plant / unit to enable them to participate in all auctions or tenders for sale of material by SAIL.
- 1.22 Temporary Customer – A customer who would submit EMD separately for each lot(s) in an auction or tender to participate in that particular auction or tender for sale of material by SAIL plant / unit.
- 1.23 “The Contract” shall mean and include the following:
- ✓ *SAIL AS1: General Terms & Conditions of Sale from Plants & Units of SAIL*
 - ✓ *Auction Notice (AN) including General Rules & Regulations governing conduct of Online Forward Auction **OR** Notice inviting Tender (NIT) as applicable*
 - ✓ *Acceptance Offer / Sale Order / Offer letter issued by SAIL*
 - ✓ *Delivery Order / Release Order issued by SAIL and amendments, if any.*
 - ✓ *Any other documents issued by SAIL pertaining to the referred sale.*

2.0 Inspection of Material (for material available on ground):

- 2.1 The bidders / tenderers are advised to inspect the materials before offering their price bids. Interested parties will be permitted to inspect the materials as per dates / duration mentioned in the Auction Notice (AN) / Notice inviting Tender (NIT) as applicable. Necessary entry pass / permission can be obtained from concerned Authority at Plant / Unit.
- 2.2 The bidders / tenderers shall be deemed to have inspected the materials they are bidding for, whether they have inspected the materials or not and that the principle of ‘Caveat Emptor’ shall apply. The materials offered for sale are on “AS IS WHERE IS” (AIWIB) and “NO COMPLAINT” basis. The material will be lifted from the site of storage with all faults and errors in description or otherwise, if any. Quantity, quality, size measurement, marks and number stated in the Auction Notice (AN) / Notice inviting Tender (NIT) are approximate and merely indicative. No claim for compensation and warranty or guarantee shall be implied.
- 2.3 If the material under sale is from arising during in the process of production, it may be provided either from the stock or future arising subject to availability.

3.0 Earnest Money Deposit (EMD):

- 3.1 The customers shall be required to deposit a non-interest bearing EMD for the amount prescribed in auction notice / tender document.
- 3.2 It will not be possible to adjust earnest money from any other sum of money due from the plant / unit, on account of pending bill, security deposit or earnest money paid towards another auction / tender.

3.3 Public Sector Undertakings / Govt. Departments may be exempted from submission of earnest money as per prevailing SAIL / Govt. policy.

3.4 EMD will be returned to the unsuccessful temporary bidders / tenderers within seven working days of finalization of H-1 bidder / tenderer. No interest shall accrue on the amount of Earnest Money Deposit.

3.5 It must be ensured that the earnest money deposit is not less than the amount required against each lot / item / auction event, as indicated in Auction Notice (AN) / Notice inviting Tender (NIT). In case the earnest money is found to be less than the total amount required against total offered lots / items, the bidder / tenderer shall confirm the lots / items for which he intends to participate. The bidder / tenderer shall not be allowed to participate in the absence of such confirmation.

4.0 Submission of requisite documents (Participation in tender or auction):

4.1 Participation of a bidder / tenderer shall be based on submission of requisite documents as per the Auction Notice (AN) / Notice inviting Tender (NIT) to the satisfaction of SAIL.

4.2 In case of online forward auctions, the intending customers need to duly sign and stamp each page of:

- ✓ Auction Notice (AN)
- ✓ SAIL AS1: General Terms & Conditions of Sale from Plants/Units of SAIL
- ✓ General Rules & Regulations governing conduct of Forward Auction
- ✓ Definition of key terms,
- ✓ Letter of interest cum undertaking

The intending customers shall submit them to the Service Provider or to the designated branch sales offices of SAIL plant/unit as specified in the Auction Notice along with the proof of online (RTGS/NEFT) remittance of requisite amount of EMD to the SAIL plant/unit as stated in the Auction Notice. Thereupon, the Service Provider will issue a user ID and a password to the customer.

Bidders are also requested to change the passwords allocated to them by the Service Provider to keep their confidentiality. However it would be bidder's sole responsibility to ensure the security and privacy of the same and he / they would not hold the Client / Service Provider responsible in any manner whatsoever for any misuse of these User IDs and / or password.

- 4.3 Before actual participation, the customers should obtain necessary training from the Service Provider so as to enable them to participate in the online forward auction process, without any difficulty.
- 4.4 In case of tenders, the intending customers need to sign and stamp each and every page of the tender documents, terms and conditions of sale, schedule etc. forming part of the terms as token of acceptance thereof. Offers are to be submitted in the prescribed form / format as detailed in the Notice inviting Tender (NIT). The signature on the tender documents shall be deemed to be acceptance of all terms & conditions of sale & schedule and other documents forming parts of the tender. *Tender without earnest money deposit will be summarily rejected.*
- 4.5 Any bidder / tenderer giving false information / particulars may be debarred from any future dealings with SAIL as per prevailing procedures of Plants/Units and EMD shall be forfeited rejecting the bids, if already submitted.
- 4.6 The bidder / tenderer shall not be liable to claim any costs, charges, expenses of and incidental to or occurred by him through or in connection with his submission of bids / offers.
- 4.7 Joint participation in bidding / tender by two or more firms shall not be accepted.
- 4.8 Each intending bidder / tenderer shall submit his declaration as to whether the proprietor or any partner of the firm or Director of their Company, as the case may be, has any relation with any employee working in SAIL; and if so, give the name of the employee and the relationship. Information shall also be provided whether any of them has a relationship within the meaning of Section – 6 of the Companies Act 1956 with any of the Directors of SAIL; if so, give details.

5.0 Submission of Price-bids:

Bidders / tenderers shall submit price-bids in online auction / tender strictly in line with the terms & conditions given in the Auction Notice (AN) / Notice inviting Tender (NIT). The price-bids shall be legally binding on the bidders / tenderers. In case of tender, price indicated by a tenderer in words shall override the price quoted in figures in case there is any mismatch between the two.

6.0 Award of Contract:

Online auction will normally be conducted in a single winner format and only one bidder who puts the highest price bid will normally be awarded the item subject to approval of the H-1 price by the Competent Authority. Similarly, in case of tender, the tenderer who quotes the highest price will normally be awarded the item subject to approval of H-1 price by the Competent Authority. However, in exceptional situations of a tie, decision of SAIL shall be final and binding on all customers.

7.0 Validity of bids:

The price bid / quoted by a bidder / tenderer should remain valid for acceptance by SAIL within the specified number of days from the date of conduct of auction / price-discovery as stipulated in the Auction Notice (AN) / Notice inviting Tender (NIT).

8.0 Withdrawal of Offers:

Bidders / tenderers must be very careful to submit bids / offers. After submitting bids / offers, they shall not withdraw their bids / offers or modify any terms and conditions thereof, without being asked to do so. Should the bidders / tenderers fail to observe the foregoing stipulation, their earnest money deposit shall be forfeited.

9.0 Acceptance / rejection of bids/offers:

9.1 SAIL reserves the right to re-schedule the date for online auction / opening of price bids at its sole discretion.

9.2 SAIL reserves the right to accept or reject any or all the bids / offers and this decision shall be final. Conditional bids / offers will not be considered.

9.3 *SAIL also reserves the right to call the H-1 bidder / tenderer for negotiation post price-discovery either through online auction or by opening sealed price-bids if there is a view that the H-1 price submitted/offered by the H-1 bidder is not reflective of the prevailing market rate for similar items/lots.*

10.0 Sale Offer (SO):

10.1 The successful bidder shall be notified by SAIL through a "Sale Offer" as an acceptance of price-bid. Such sale offer letter will indicate relevant details viz. description of goods, quantity, accepted rates, sale value along with break-up of various taxes & duties applicable on date, amount of Security Deposit (if applicable) to be submitted, etc. Sale offer letter shall mention clear timelines for depositing the value of goods, security deposit (if applicable) and completing other commercial formalities.

10.2 *The sale offer letter will be e-mailed / faxed / dispatched to the customer or handed over to the authorized representative of customer. Sale offer letter may also be downloaded by a Customer from an internet portal, if available and specified by SAIL, by using his Log-in and Password.*

11.0 Payment of Security Deposit / Sale Value:

11.1 The customer shall pay the security deposit and the amount against value of materials including taxes & duties applicable within the stipulated time as per details indicated in the Acceptance of offer / Sale order / Offer letter well.

11.2 The customer shall make full payment of security deposit within the stipulated time as per Sale Offer (SO) letter issued by SAIL. There shall be no adjustment of EMD for the purpose of payment of Security Deposit (SD).

11.3 In the event of failure on the part of temporary customer to make full payment of security deposit as per Sale Offer (SO) letter, SAIL shall cancel the Sale Offer (SO) letter and forfeit the EMD without issuing any prior notice to the customer or assigning any reason thereof. In the event of failure on the part of permanent customer to make full payment of security deposit as per Sale Offer (SO) letter, an amount equal and in addition to security deposit shall be payable as default fee.

11.4 The customer will make full payment of sale value of the material within the stipulated time in the Sale Offer (SO) letter. For making full payment of sale value to SAIL, a customer may be allowed extension of time, maximum up to 2 (two) weeks, if specified in the Auction Notice (AN) / Notice inviting Tender (NIT). However, in such cases, an additional percentage amount per week or part thereof shall be payable by the customer over and above the original amount. The period of delay on any remaining amount due for payment by the customer, will be reckoned from the original date of payment. A customer shall have no claim for such time extension if such a provision is not specified in the Auction Notice (AN) / Notice inviting Tender (NIT).

11.5 EMD of the temporary customer shall be adjusted with the last instalment of Sale Value.

11.6 In the event of failure on the part of any customer to make full payment towards Sale Value of materials, suitable action as deemed fit shall be taken by SAIL plant / unit. Based on merit of the case, SAIL at its sole option may provide another time extension of maximum one week to the customer for which a further additional percentage amount would be payable by the customer over and above the amount already due for payment to SAIL. SAIL shall summarily cancel the Sale Offer (SO) letter and forfeiting the EMD & SD in case of non-payment within the extended time.

11.7 The refund of Security deposit is subject to the satisfactory execution of the sale contract. The security deposit will be refunded within 15 days of completion of lifting and claim by the party.

12.0 Mode of Payment: Unless specified otherwise all the payments to SAIL whether against EMD and / or Security Deposit (SD) and / or value of materials as advance, shall be made in any of the following forms:

- ✓ Online remittance through RTGS / NEFT to the specified Bank A/c of SAIL
- ✓ Demand Draft (DD)
- ✓ Pay Order (PO)
- ✓ Banker's Cheque (BC)
- ✓ *Cheque* from the Customer on a Nationalized / Scheduled bank drawn in favour of "SAIL, concerned Plant / Unit" payable at concerned Plant / Unit branch as mentioned in the auction notice / tender document.*
*(*This facility can be extended at the option of SAIL and cannot be claimed by a participating customer. The intending customers therefore in their own interest shall check their eligibility from SAIL before submitting their own cheque towards any payment.)*

Payment will not be accepted in cash. Electronic mode of payment is allowed.

13.0 Release Order / Delivery Order:

On receipt of full payment from the customer, SAIL will issue a "Release Order / Delivery Order" indicating the last dates within which the goods have to be removed, to enable the customer to take delivery of the goods. *The "Release Order / Delivery Order" will be e-mailed / faxed / dispatched to the customer or handed over to the authorized representative of customer with due verification.* The customers in their own interest, therefore, must intimate SAIL their mail-ID / fax no. / postal address which is valid & in working condition. *If available, Release Order / Delivery Order may also be downloaded by a Customer from an internet portal specified by SAIL by using his Log-in and Password.*

14.0 Re-sale:

Re-sale will not be recognized by SAIL. Acceptance of offers / Sale orders / Offer letters and Release orders / Delivery orders will be made out only in the name of customer.

15.0 Taxes and Duties:

15.1 All taxes and duties whether local, state, central or any other shall be payable by the customer in addition to the sale value as applicable for each item at the prevailing rates as on the date of delivery. For all purposes, the date of invoice shall be deemed to be date of delivery. In case the customer wish to avail of concessional rate of Sales Tax as may be applicable as per statute, then the customer shall have to produce declaration in statutory forms as per rules to avail concessional rate of Sales Tax. Otherwise sales tax at full rate will be charged.

- 15.2 In the event of dispute in regard to Excise Duty and Central Excise authorities levying additional charges for any reasons whatsoever, such duty / charge shall be payable by the customer.
- 15.3 The penalty imposed by the Excise authorities for non-observance of Excise procedure by the customer shall be borne by the customer.

16.0 Delivery:

- 16.1 The goods sold will have to be removed by the customer from the site within the date specified in the release order / delivery order. The delivery of the materials will be effected 'in situ' and as per the actual quantity lifted by the customer, Dispatch Advice (DA) will be issued by the SAIL plant/unit for removal of materials from the site.
- 16.2 Delivery of materials will be made during working hours on all working days on presentation of the release order / delivery order by the customer to the concerned officer in-charge, who may suspend the release order / delivery order for a particular period of time for want of any clarification or other technical / operational reasons.
- 16.3 The customer will make their own arrangement for collection / removal and transportation of items / lots purchased and will not be entitled to claim any facilities or assistance for the transport / removal of the goods / lots from the plant / unit premises.
- 16.4 Subject to availability, SAIL may extend, at its discretion, certain facilities such as cranes etc. on chargeable basis to customer for handling the lot(s).
- 16.5 No picking, sorting, cutting, cleaning or breaking up of goods or materials sold will be permitted except in certain special circumstances where prior permissions have been accorded by the management in writing. Such permission will only be accorded on the quantity for which payment has been made.
- 16.6 Where the material will be sold on 'FOT' basis, the material will be loaded by the company, if required by the use of crane, into trucks to be brought by the customer.
- 16.7 Delivery through proxy will be at the sole risk and responsibility of the customer and no claim shall lie against SAIL on this account, whatsoever, if delivery is effected to wrong persons.
- 16.8 Where goods are sold by weight, delivery will be given on actual weighment. The weight of the empty and full truck / trailer / wagon will be taken on the weighbridge installed in the SAIL Plant / Unit (or in any of the designated weighbridge at the discretion of concerned SAIL Plant / Unit) and the net weight so recorded shall be acceptable and binding on the customer. Complaints regarding the difference in scale weight will not be entertained.

- 16.9 The customer shall arrange for bailing the loose goods into compact units wherever necessary for facilitating weighment and safe transportation. The customer shall not lift or remove any material, which is not conforming to the Release Order / Delivery Order. The customer shall remove the goods / lots only from the area earmarked / specified in the Release Order / Delivery Order and SAIL's decision shall be final and binding on the customer in this regard.
- 16.10 Customer should get acquainted with system and procedure of loading, weighment and dispatch of materials. They should also get conversant with approved route to be followed by trucks / trailers inside the plant.
- 16.11 All loading by customer must only be done in presence of authorized representative of department and plant / unit security personnel.

17.0 Extension of delivery date:

- 17.1 In case, the customer fails to effect complete removal of goods from SAIL premises within the period mentioned in the Release Order / Delivery Order, SAIL, on consideration of the merit of the case and payment of ground rent charges, as applicable, may allow suitable extension of delivery period as per special terms & conditions of the concerned Plant / Unit.
- 17.2 Post Release Order / Delivery Order issued by SAIL, if lot(s) could not be delivered to the customer within the stipulated time, due to reasons attributable to SAIL, the date for removal of the goods may be re-fixed by SAIL without payment of ground rent charges by the customer. Alternatively, SAIL may cancel the Sale Offer (SO) letter without any financial implication.

18.0 Shortage of goods:

- 18.1 In certain cases when "LOT" is used as accounting unit of sale for the physical Lot(s), any reference to the quantity, quality, size, measurement number and weight against the physical Lot(s) given in the Auction Notice (AN) / Notice inviting Tender (NIT) shall be indicative only and the customer shall have no claim against SAIL for refund of whole or any part of the customer's money or for loss of profit, interest, damage or otherwise. SAIL reserves the right to restrict the delivery of such physical Lot(s) only to the estimated weight or number as indicated in the Auction Notice (AN) / Notice inviting Tender (NIT) and there shall be no claim on the excess material.
- 18.2 In some special cases when physical Lot(s) given in the Auction Notice (AN) / Notice inviting Tender (NIT) are sold by SAIL on arising basis by weight or number, directly from a Shop / Dept., the customer shall be entitled to make a claim for the proportionate refund to the sale value of the undelivered quantity in case SAIL fails to deliver the requisite quantity within the time schedule stipulated in the Sale Offer (SO) letter.

18.3 In all other cases when physical Lot(s) given in the Auction Notice (AN) / Notice inviting Tender (NIT) are sold by SAIL by weight or number, the customer shall be entitled to make a claim for the proportionate refund to the sale value of the undelivered quantity in case delivery of whole or a portion of the goods is not effected by SAIL for any reason. In such cases, however, request made by the customer for refund shall be processed by SAIL after due examination of case and the customer shall not be entitled to claim any damages, loss, profit, interest or compensation on any account due to such short delivery.

18.4 SAIL reserves the right to reject any request for refund if:

- a) Such request is not made immediately to SAIL within one month of completion of delivery as per Delivery Order / Release Order.
- b) The customer violates any contractual provisions while lifting of the material e.g. picking, sorting, cutting, cleaning or breaking up of goods or materials sold when the same is not permitted /specified in the Delivery Order / Release Order.
- c) There is any instance of unauthorized / wrongful removal of goods or breach of safety / security rules or misuse of Admit / Area / Gate passes by the customer.

19.0 Withdrawal of goods from sale:

19.1 SAIL reserves the right to withdraw from the sale after advertising or after issue of Sale Offer (SO) letter for any item of any quantity of the materials by number or weight without assigning any reasons thereof to the customer. SAIL will not be responsible for any damages / loss whatsoever to the customer on account of such withdrawal.

19.2 SAIL reserves the right to dispose-off any item by any other means even after inviting bids / offers for sale of such materials by auction / tender.

20.0 Abandoned goods:

20.1 The customer must effect complete removal of the goods from the site within the date specified in the release order / delivery order or as per time extension issued by SAIL. In case goods are not removed in full to the satisfaction of SAIL within the stipulated time, release order / delivery order for the left over quantity will be treated as cancelled. The goods so left over may be treated as abandoned goods at the risk and cost of the customer.

20.2 SAIL will have full right on such abandoned goods and will be entitled to release or dispose-off the same in any manner it deems fit without any reference to the customer. The customer will have no claim on goods treated as abandoned goods. In addition to forfeiting such abandoned goods, the Security Deposit (SD) will also be forfeited. Penal action shall be taken as per special terms & conditions. The customer shall further be held liable for all

commission and other charges and losses suffered by SAIL, which may be recovered from the Security deposit or any other sum due to the customer.

21.0 Quantity Tolerance:

In the event, goods are found in excess of the quantity specified in the release order / delivery order, SAIL may at its sole discretion offer the surplus quantity to the customer on the same rate, terms and conditions. The customer will be allowed to deposit the cost only after an amendment to that effect has been issued by SAIL. SAIL also has the right either to adjust the additional sale value from the Security Deposit or demand the customer to remit the additional amount due and obtain a valid receipt before removing the excess quantity.

22.0 Recovery of due:

In exceptional circumstances, based on merit of case and recorded reasons, SAIL may appropriate any sum of money due and payable to the customer including security deposit (returnable to him under any Sale Contract of SAIL) and/or adjust against any claim / dues recoverable from the customer arising out of or under any other contract auction / tender made by customer with SAIL or any unit of SAIL.

23.0 Payment of Interest:

23.1 No interest shall be payable against any deposit whatsoever whether the same is as EMD or Security Deposit or Advance value of materials, regardless of whether the contract is wholly or partially executed or remain unexecuted.

23.2 No interest will be paid on the amount paid by the customer and subsequently found refundable under any of the condition mentioned herein.

24.0 Damage to plant / unit properties:

The customer shall be fully responsible for any loss / damage that may be caused to the premises, equipment, machinery, and other installations of that plant / unit in the course of removing the lot / lots bought by him, and the customer is fully liable to reimburse to SAIL the cost of such damages. SAIL fully reserves the right to recover the cost of such damages including recovery from any sum due to the customer.

25.0 Entry passes to plant / unit:

25.1 Admit passes / Area passes / Gate passes / Permission in case of Central Marketing Organisation (CMO) will be issued only to the authorized representative of the customer and equipment / handling machinery to be used by the customer by the DIG, CISF / Competent authority of respective plant / unit, on the recommendation of the officer-in-charge, concerned department. The customer and their workers following shortest official route should go to the authorised place of their work. Free movement of customer

and their handling machinery like trucks, cranes etc., and their workers on the strength of the admit pass / area pass / gate pass / permission in case of CMO issued for particular area / place is against security act. Customers are advised to enforce this requirement strictly and restrict their movement to the place / area specified in the admit passes / area passes / gate passes / permission in case of CMO. Strict observance of precautions under the Public Security Act may please be noted and also notified to the staff of the customer and workers. In case of necessity to proceed to an area, other than the one noted in the admit passes / area passes / gate passes / permission in case of CMO, it is invariably necessary to get new area added in the admit passes / area passes / gate passes / permission in case of CMO by the officer of the issue. The equipment / handling machinery will be taken out of SAIL premises by the customer or their representative at his cost either on expiry of Admit / Area / Gate passes / permission in case of CMO or completion of work whichever is earlier. These equipment / handling machinery should not be used for any other purpose except as mentioned in the Admit / Area / Gate passes / Permission in case of CMO for the same. Any breach in the enforcement of safe custody and improper use of the passes / permission in case of CMO would entail termination of the sale at any stage at the risk and cost of the customer.

25.2 In case the customer or his representative is found involved in any unlawful activity and unauthorized or wrongful removal of materials not sold or in case of any attempt for such removal, this shall amount to breach of contract and SAIL shall be entitled to cancel the contract and forfeit the entire Security Deposit. They shall be further liable for all the losses that might be caused to SAIL on account of such unlawful activity and unauthorized / wrongful removal. In such cases SAIL may initiate proceedings for banning of business dealing with such customer as per procedure prevailing in the Plant / Unit.

26.0 Compliance of Labour Laws and Safety Rules:

26.1 During the contract period the customer's workers deputed within the plant / unit premises, will be governed by the labour laws and rules, Factory Act and rules and SAIL Plant / Unit's Security rules and safety rules as applicable and it shall be the responsibility of the customer to ensure that the statutory provisions are complied with fully.

26.2 The customer shall provide and ensure proper use of safety appliances by his personnel. He shall be liable for any damages or compensation payable in respect of or in consequence of any accident or injury to any of the personnel employed by the customer or his sub-contractor. The customer shall at all times indemnify SAIL against all claims, or compensation under the provision of Workman's Compensation Act, 1923 or any other law for the time being in force.

- 26.3 Customer shall take full responsibility and include in his price-bids all costs of ensuring compliance of the safety norms right from the initial stage as well as providing safe working conditions to his workmen and / or any other persons employed by him at site i.e. either inside the plant / unit or outside SAIL's premises within the quoted price. He shall also ensure that the safety and health of the employees, plant / unit and any other property of the company, as well as other contractors working in the vicinity are not affected by his activities. He will also ensure that all equipment and other materials / supply etc. brought by him at site i.e. either inside the plant / unit or outside SAIL's premises as per the terms of the contract are safe to the workmen in accordance with the relevant Act (including its latest amendments).
- 26.4 SAIL has to be indemnified against any accident / injury to the workmen deployed by customer or engaged by SAIL and damage to plant / unit & machinery that may occur in course of loading of materials and customer shall provide safety appliances as required to the workforce at his cost.
- 26.5 Safety Appliances, Training, Precautions: The customer shall supply all types of safety appliances and maintain the same in good working conditions. The customer shall appraise the site personnel in regard to various risk and hazards associated with their job. In addition, customer shall also include safety consciousness amongst his personnel and provide necessary training.
- 26.6 The customer shall take full responsibility for accidents caused due to his / her or his agent's or employee's negligence or carelessness in regard to observance of the safety requirement and pay compensation for injuries / loss of life as per statutory rules promptly.
- 26.7 The customer shall be fully responsible for the safety of his workmen and employees. The customer shall follow all instructions and direction that the Safety Engineering Department of the concerned Plant / Unit may issue from time to time in regard to safety measures and shall be responsible for reporting without delay all accidents, however and where ever occurring in the works to the Safety Engineering Department of the concerned Plant / Unit. The customer shall also assist the said department in regard to the enquiry and implementation of safety measures.
- 26.8 The customer must abide by the security as well as Safety / Fire rules of the Company as may be advised by the competent authority of SAIL plant/unit from time to time.

27.0 Violation of Safety requirements:

- 27.1 In the event of violation of safety requirements, company may direct stoppage of work and direct the customer to remedy the defects or supply the facility / equipment as the case may be. The customer shall not proceed with the work until he has complied with such directions to the satisfactions of the

Concerned Authority / Safety Dept. The above provisions are also without prejudice to any other right that the company may have against the customer for contribution or any other action including recovery of any damage that may be caused to or suffered by the company either under relevant statute or any other law of India as may be applicable, in the facts and circumstances of an individual case in the event of any injury to any person who may be either an employee of the company or a contract labour or any other person within the premises of the company's factory / mines for any act of omission by or on behalf of the customer in relation to the discharge of obligation for the customer under the contract.

27.2 Where applicable and loading / dismantling / processing of the lot is allowed, the customer shall be responsible for security / safety of the workmen like the lifters, labourers, drivers of trucks, loaders etc., engaged by him, for which customer shall have to observe all safety rules inside the company premises and Plant / Unit shall in accordance with this condition accepted by customer, stand indemnified against any accident / injury to the workmen deployed by him, that may occur in course of processing, dismantling, handling, loading, transportation etc. of the material. Customer shall provide safety appliances to the workforce at his cost.

28.0 Third party insurance / Indemnity Bond:

28.1 It shall be the responsibility of the customer for arranging necessary insurance under the Indian Workmen's Compensation Act, Third Party Liability Insurance or any other insurance in accordance with the relevant laws and regulations, at his own cost.

28.2 SAIL shall not be responsible for any damage to the trucks / trailers / other handling equipment etc. suffered by the customer while executing the contract. The customer in his own interest shall obtain suitable and sufficient cover from underwriters and no claim / correspondence on this account shall be entertained by SAIL.

28.3 The customer shall conform in all respects with the provisions of any statute, ordinance or laws and the rules, regulations, bye-laws of any local or other duly constituted authority which may be applicable in carrying out the contract. The customer shall assume responsibility for and shall indemnify and save SAIL of all liabilities, claims, costs, expenses, attorney's fees and Court costs which are or may be required with respect to any breach of any such statute, ordinance, law, rules, regulations or for which the customer has assumed responsibility under the contract.

28.4 The customer must take a third party insurance covering losses / damage to premises, equipment, machinery and other installation of the SAIL Plant / Unit, wherever applicable, as well as any accidents / deaths of either the SAIL Plant / Unit employees or to the customer's workmen. The sum insured / indemnified will depend on cost of equipment, machinery and other installations at the site wherefrom material is to be lifted and / or after

dismantling etc. wherever applicable, the number of employees etc. and will be specified in the acceptance of offer / sale order.

29.0 Communication:

29.1 All important communication with customer shall be through e-mail / / faxes / post / courier as feasible. If available, a letter of communication may also be downloaded by the customer from an internet portal specified by SAIL by using his Log-in and Password. The customers in their own interest, therefore, must intimate SAIL their e-mail ID / fax no. / postal address which is valid & in working condition.

29.2 SAIL plant/unit may post the hard copies of such communication to the given postal address of customer. However, any postal delays in receiving a letter from SAIL shall not be a basis to seek any waiver of delay in payment or action by the customer.

30.0 Illegal gratification:

Any bribes, commission, gifts or advantage given, promised or offered by or on behalf of the bidder / customer or his partner, agent, or servant to any officer, servant, representative, or agent of the company in relation to the obtaining or to the execution of this or any other contract with the company for showing or for bearing to show favour or disfavour to any person shall be resulting into the cancellation of this contract.

31.0 Death, Bankruptcy etc.:

If the customer shall die, dissolve or become bankrupt or insolvent or cause or suffer any receiver to be appointed on his business or any assets thereof or compound with his creditors, or being a corporation commence to be wound up not being a members' voluntary winding up for the purpose of amalgamation or reconstructions, or carry on its business under a receiver for the benefits of its creditors or any of them, the legal successor shall intimate SAIL in writing of such happening within one week from the date of such event and SAIL shall be at liberty to cancel or terminate the contract of sale forthwith upon coming to know of the happening of any such event as aforesaid by notice in writing to the customer or to the receiver, liquidator or any person, in whom the contract may become vested or to give such receiver, liquidator or other person the option of carrying out the contract of sale subject to his providing a guarantee for the due and faithful performance of the contract of sale.

32.0 Conciliation:

All questions, claims, disputes and or differences of any kind whatsoever arising out of or in connection with or concerning a Sale Contract, at any time, whether before or after determination of the contract, shall be

referred by the parties hereto for Conciliation before a Conciliatory Forum / Body:

The Conciliatory Forum / Body will be composed of the following members:

- ✓ Nominee of the Steel Plant / Unit – Independent of officer handling the contract. (to be nominated by the head of the concerned department)
- ✓ Nominee of the Contractor / Customer

The parties in dispute would place their facts in writing before the Body / Forum and the process of conciliation would be completed within the period of three months from the date of reference to the Conciliatory Forum / Body.

On failure of the conciliation, the aforesaid questions, claims, disputes and or differences shall be referred by the parties here to for the decision by a Sole Arbitrator to be appointed as herein after mentioned.

33.0 Arbitration:

Matters in question, claims, dispute and or difference in respect of the contract to be submitted to arbitration as aforesaid shall be referred for decision to a Sole Arbitrator to be appointed by CE of Steel Plant / Head of unit, (SAIL). Before appointing the Sole Arbitrator, CE of Steel Plant / Head of unit, (SAIL) shall nominate three names out of which the contractor / customer shall give his consent for one of them for appointment as Sole Arbitrator, failing which after 30 days of the issuance of the letter informing three names CE of Steel Plant / Head of unit, (SAIL) shall have the power to appoint one of the three notified persons as the Sole Arbitrator.

In case the designation of the Chief Executive of Steel Plant / Unit (SAIL) is changed or his office abolished, the officer who for the time being is entrusted with the functions of the Chief Executive of Steel Plant / Unit (SAIL), by whatever designation such officer is called, shall be the person designated to appoint the Sole Arbitrator. The arbitrator so appointed shall adjudicate upon the disputes between the parties hereto.

The Sole Arbitrator appointed as stated above, shall from the time of his appointment and throughout the arbitration proceedings, without any delay, disclose to the parties in writing any circumstances likely to give rise to justifiable doubts as to his independence or impartiality provided that the mere fact that such Sole Arbitrator is an employee of SAIL or its subsidiary shall not be regarded as such circumstances. The arbitrator shall decide the questions, claims, disputes or differences submitted to him by the parties in accordance with the substantive law for the time being in force in India.

The arbitrator shall hear the cases independently and impartially and shall not represent the interest of any party. Any arbitrator having personal interest in the case at the time of his appointment and at any time subsequently

thereafter must withdraw from his office himself and the parties shall also have the right to ask him to do so. The venue of arbitration shall be _____ (for domestic tenders, the place where Plant / Unit is located; and for global tenders Delhi).

Procedure for conduct of the arbitration proceeding shall be decided by the arbitrator, in consultation with the parties before proceeding with reference. The arbitrator may hold preparatory meeting(s) for this purpose. In the preparatory meeting(s) as aforesaid, the arbitrator/s as the case may be in consultation with the parties shall also determine the manner of taking evidence, the summoning of expert evidence, and all such matters as are necessary for the expeditious disposal of the arbitration proceedings.

The provision of the Arbitration and Conciliation Act, 1996 and the rules framed there under, if any and all modifications / amendments thereto shall deem to apply and / or be incorporated in this contract and when such modifications / amendments to the Act / Rules are carried out.

Work under the contract shall be continued by the contractor / customer, under the contract, during the arbitration proceedings and recourse to arbitration shall not be a bar to continuance for the work unless otherwise directed in writing by the Plant / Unit.

34.0 Legal Jurisdiction:

All suits and legal proceedings by or against SAIL Plant / Unit in any matter arising out of the sale of materials shall be subjected to the exclusive jurisdiction of the court closest to the individual Plant / Unit of SAIL and will be governed in accordance with the laws of India.

35.0 Force Majeure conditions:

35.1 If in the event either or both the parties to the contract is / are prevented from discharging its / their obligation(s) under the contract by reason of one or more of the events such as arrest(s), restraint(s) by Government of people, blockade(s), revolution(s), insurrection(s), mobilization(s), strike(s), civil commotion(s), riot(s), accident(s), Act(s) of God or other natural calamities or on account of any other act(s) beyond the control of the parties to the contract, the time of delivery shall be extended by the period equal to the period of delay / constraints occasioned by one or more of the aforesaid Force Majeure conditions. However in the event of customer invoking the Force Majeure condition(s), SAIL shall have the option to cancel the contract for reasons of any or all of the Force Majeure conditions notified by the customer without being able to pay any compensation whatsoever to the seller.

- 35.2 On the occurrence of any of the above Force Majeure conditions, the party concerned shall notify the other party in writing of such occurrence(s) within 7 days of occurrence(s) stating therein-
- ✓ the date of occurrence(s) of Force Majeure disability; and
 - ✓ a certificate from the appropriate Statutory Authority and / or Chamber of Commerce of the concerned state certifying the fact and nature of the Force Majeure condition during the relevant period.

36.0 Contract closing:

The customer shall ensure removal of workmen, tools, tackles etc. on completion / expiry of the contract at his cost immediately thereafter wherever applicable.

- 37.0** In case there are Special Terms & Conditions attached to any Auction Notice (AN) or Notice inviting Tender (NIT), the Special Terms & Conditions will have overriding effect over SAIL GTC-SA-2017.