

Terms & Conditions of Sales Order

1.0 **General:**

- 1.1 The Terms & Conditions mentioned against Quotation are applicable unless otherwise stated below.
- 1.2 This Sales Order is valid up to the validity date mentioned on the face of the Sales Order unless extended.
- 1.3 For the terms and conditions specified in this Sales Order, the interpretation given by the company, i.e., RINL, VSP shall be final and binding.
- 1.4 The customer has to ensure that all the rules, regulations etc., including the safety rules of the company are complied with at the time of delivery. RINL will not be liable for any loss, damages etc., whatsoever.

2.0 **Price:**

- 2.1 Unless otherwise specified, the prices indicated are provisional and the prices ruling at the time of delivery will be applicable which in case of dispatch by Rail shall be the date of Railway Receipts and in other cases, date of invoice.
- 2.2 The prices are for delivery Ex-works, Visakhapatnam, or stockyard or at conversion agents' works as indicated on the Sales Order.
- 2.3 The Base Prices quoted are exclusive of Goods and Services Tax (GST) unless otherwise specified. Any variation in statutory levies as applicable on date of delivery shall be borne by the customer.

3.0 **Delivery:**

- 3.1 RINL-Visakhapatnam Steel Plant shall make best efforts to meet the delivery schedule. However, the delivery schedule indicated in the Sales Order is tentative and may change due to some unforeseen occurrences/happenings.
- 3.2 The delivery of the material shall be made to the customer or to his authorized representative provided an application in writing is submitted to the company.
- 3.3 The weight recorded as per RINL-Visakhapatnam Steel Plant's (VSP's) weigh bridge or the Conversion Agents' weigh bridge or any other weigh bridge arranged by the Company shall be final unless otherwise specified (for both rail as well as road). However, in case of rail dispatches, RR weight shall be considered for arriving at railway freight only. No dispute regarding the same shall be entertained.
- 3.4 The Base Price quoted are inclusive of delivery charges in to the customer's vehicle / Wagons at the delivery place unless otherwise specified. In case materials have to be bent, cut or bundled to facilitate loading in to the customer's transport / Wagons, all charges applicable for each activity as prescribed by the Company shall be borne by the customer. Efforts shall be made to load Customer's vehicles/wagons within reasonable time. However, the Company is not responsible for any detention/ demurrage/ wharfage etc. for delay during loading the materials in to the customer's vehicle /Wagons for reasons beyond its control.
- 3.5 Company's responsibility ceases and delivery of material shall be completed for all purposes as soon as the material is handed over to Transporter along with Invoice / Railways on handing over of RR. The risk and reward is transferred to the customer from the date and time of issue of Invoice and RR respectively.
- 3.6 Customers if so desired, witness the weighment in case of actual weight items and loading. Customer is advised to have the wagons reweighed, contents checked on

arrival at customer's destination in his own interest if any shortages are suspected. In any case Company shall not be responsible for any loss or shortages on arrival. Customer may lodge claim with Rlys only (even if the Rlys disown their responsibility). Company shall not be responsible for any loss or shortages.

- 3.7 If the dispatch / delivery of goods is delayed due to any reason whatsoever Company shall not be liable.
- 3.8 In case of despatches by Rail, the destination, Consignee address to which RRs to be sent to and invoice to be sent to etc. to be indicated by the Customer at the time of booking. Any demurrage Wharfage or other charges or expenses accrue as a result of delay in receipt of RR's by customer, Company shall not be liable for the same under any circumstances.
- 3.9 Undercharges/under loading charges, if any, shall also be borne by customer.
- 3.10 RINL reserves the right not to deliver any material against this sales order or refund full amount received against this sales order.

4.0 **Quality Complaint & its settlement:**

- 4.1 The customers shall lodge their quality complaint, if any, in writing to the Branch Manager, at the address mentioned in the offer letter with a copy to DGM (Mktg)-CRM , Marketing Department, I floor, Admn Building, RINL- Visakhapatnam Steel Plant, Visakhapatnam-530031 within 30 days from the date of dispatch or the complaint is to be lodged on line at www.vizagsteel.com. (On the Home page, please click on Marketing => Customer Relations => Quality Complaint System (QCS)).
- 4.2 The material shall be offered for inspection to the authorized representative of the Company at a place where the goods were originally consigned. The quality complaint shall be settled by the company as per its standard procedure.
- 4.3 The customer shall not deduct any amount pending settlement of quality complaint either against this sales order or against any other contract or transaction under which the customer owes any amount to RINL-Visakhapatnam Steel Plant.
- 4.4 RINL-Visakhapatnam Steel Plant shall undertake the responsibility for quality of the material where such sale is supported by a test certificate issued by the Company or by their Conversion Agent unless otherwise the sale is on "**AS IS WHERE IS AND NO COMPLAINT BASIS**".

5.0 **Other Terms and conditions:**

- 5.1 Wherever the material offered under this letter is governed by a separate contract, the terms and conditions of such contract shall prevail over the terms and conditions mentioned in this Sales Order to the extent of contradiction between the two.
- 5.2 This Sales order is subject to the jurisdiction of Visakhapatnam courts or subject to the jurisdiction of the concerned courts of the branch from where this Sales Order is issued. Governing law shall be laws of India.
- 5.3 This Sale Order is subject to the force majeure clause which is as follows:
"If at any time during the continuance of sales against this Sales Order the performance in whole or in part by either party of any obligation under this contract shall be prevented or delayed by reasons of any war, hostility, acts of public enemy, civilian commotion, sabotage, fire, floods, explosions, epidemics, quarantine restriction, or acts of God (here in after referred to as eventualities) and provided notice of the happening of any such eventuality is given by either party to the other, within 21 days from the date of occurrence thereof, neither party shall by reasons of such eventuality be entitled to

terminate the contract nor shall either party have any claim for damages against the other in respect of such non performance or delay in performance. Sales against this Sales Order shall be resumed as soon as practicable after such eventuality has come to an end or ceased to exist”.

- 5.4 All disputes and differences, whatsoever, arising between the parties out of or relating to this Sales Order shall be settled amicably. If however, the parties are not able to resolve their disputes and differences amicably, such disputes and differences whatsoever arising between the parties out of or relating to this Sales Order shall be resolved through Arbitration. The said Arbitration proceedings shall be governed by the provisions of the Arbitration and Conciliation Act, 1996 of India and the statutory modifications/amendments thereto. The Claim/s made by any party shall be referred to a Sole Arbitrator to be appointed by Rashtriya Ispat Nigam Limited, Visakhapatnam Steel Plant. The fee payable to the Arbitrator shall be in line with the Fourth Schedule (inserted by Amendment Act No. 3 of 2016) and the Rules framed if any under the Arbitration and Conciliation Act, 1996 in force at the time of invocation, with a maximum ceiling of Rs. 10,00,000/-. The costs towards incidental expenses for conducting the Arbitration proceedings and the fee payable to the Arbitrator shall be borne equally by both parties. The Arbitrator shall make a reasoned award and the award made in pursuance of above arbitration shall be binding on the parties. Both parties agree that no interest shall be awarded by the Arbitrator in any arbitration proceedings pertaining to this Sales Order. The sales against this Sales Order shall continue during the pendency of the arbitration and notwithstanding the existence of any dispute or arbitration in terms hereof or otherwise, each party shall continue and be bound to continue to perform their obligations according to the Sales Order unless the matter is such that sales cannot possibly be continued until the award is pronounced and same as those which are otherwise expressly provided in the Sales Order, no payment due to the company can be withheld on account of such arbitration proceedings. The seat and venue of Arbitration shall be at Visakhapatnam, Andhra Pradesh. The Courts at Visakhapatnam, Andhra Pradesh, India, with the exclusion of all other courts, shall have exclusive jurisdiction over all matters of disputes.

6.0 Sales Order closure & settlement:

- 6.1 The customer's vehicle is allowed to go out of the stockyard/plant on submission of copy of Invoice with due acknowledgement for receipt of material.
- 6.2 The company shall not pay any interest, damages (including liquidated risk purchase) etc for non delivery of material for the reasons beyond its control.
