

General Terms and Conditions of Contract for Purchase
(October 2023)

SAIL- P1

1.0 Definitions:

- a) “Contract/ Agreement” means the Contract agreement entered into, signed by the Company and the Supplier or the Letter of Acceptance (LOA)/ Purchase Order (PO) issued by the company together with all the contract documents from the tender to issue of LOA/ PO.
- b) “Company” means Steel Authority of India Limited (SAIL), a Company registered under Indian Companies Act 1956 and having its registered office at Ispat Bhawan, Lodhi Road, New Delhi –110003, India, its Plants / Units / Mines / Offices and includes its legal successors and assignees.
- c) Purchaser” shall mean the “Plants / Units / Mines / Offices” of Steel Authority of India Limited, and includes its successors and assignees
- d) Bidder” or “Tenderer” means the individual, firm or company who has submitted a valid Bid /Tender.
- e) Supplier/Vendor/Contractor” means the “Successful Bidder”/ “Successful Tenderer” i.e. the individual, firm or company etc. whose Bid has been accepted and on whom LOA/Purchase Order has been placed OR who enters into the Contract/ Agreement to supply the material. The term includes the Supplier’s authorized representatives, legal successors and permitted assigns.
- f) “Stores” shall mean the materials contracted for supply as per quantities and specifications indicated in the contract.

1.1 Terms / Conditions & expressions not herein defined shall have the same meaning as assigned to them in the Indian Contracts Act 1872 & Sales of Goods Act 1930, as amended from time to time.

1.2 **General Disclaimer:** Unless otherwise specified in the RFQ, the terms and conditions stipulated herein shall be applicable. In case of any mismatch between clauses stated herein and that appearing in RFQ/ contract, the clauses appearing in the RFQ/ contract shall prevail.

2.0 Authority of person signing documents:

- a) A person signing the Tender Form or any document forming part of the contract on behalf of the supplier shall be deemed to warrant that he has authority to sign such documents.

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- b) In case of e-procurement, the submission of On-Line Quotation / Bid through the e-Procurement System by any authorized representative of the Tenderer who logs on to the system with the valid ID and password and/or uses digital signature to sign tender or submitted documents shall be taken as valid and the Tenderer shall be fully responsible for the execution of the Contract arising therefrom.

3.0 Rejection of bid / tender: In case of any specific adverse report received against a tenderer by SAIL, in respect of capabilities and / or performance of the tenderer, the bid of such tenderer is liable to be rejected.

4.0 Reverse Auction: In case price discovery through reverse auction has been envisaged in a tender, SAIL may or may not resort to reverse auction as a part of its procurement strategy, or for any other reason. Decision of SAIL, in this regard, will be final & binding.

5.0 Responsibility for Performance of Contract:

- a) The Supplier shall be entirely responsible for the performance of the contract in all respects in accordance with the terms and conditions as specified in the Contract.
- b) Wherever, the supplier is an authorized dealer / representative of the manufacturer, both the authorized dealer/ representative and the manufacturer will be jointly & severally responsible for the performance of the contract in all respects in accordance with the terms and conditions as specified in the Contract.
- c) The Supplier shall not sublet, transfer or assign the contract without the prior written permission of the Purchaser. In case permission is given by the Purchaser, Supplier shall be liable for any loss or damage which the Purchaser may sustain in consequence or arising out of such subletting of the contract.
- d) The Supplier may assign the receivables, revenues or proceeds under the Contract/Agreement in connection with any financing or other financial arrangement (without relieving itself from liabilities under the Contract / Agreement).
- e) In case the scope of work includes supply of material along with application, then the vendor must comply with all relevant safety norms of SAIL Plants/ units and applicable statutory provisions.

6.0 Samples and testing:

- a) **Samples:** Samples, wherever required for examination & testing, shall be supplied by the tenderer free of cost.
- b) **Testing:** Wherever the materials involve testing for acceptance, Tenderers shall clearly indicate the availability of testing facilities in their premises and confirm testing free of charge. In case material is tested at Purchaser's premises, no charges need to **be paid** by the Supplier.
- c) If item is required to be tested at outside laboratory (not in the Purchaser's premises), testing charge will be borne by Purchaser. However, only in case of testing of Umpire

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Sample in an outside lab, if the Umpire sample fails, the Supplier shall bear the expenses of the Umpire sample testing.

7.0 Inspection

- a) **Inspection:** Inspection, if required may be carried out by the Purchaser or his authorized agent at destination, or at the Supplier's premises or at any other place as the Purchaser may deem fit as stipulated in the Contract during different stages of manufacture including final Pre-dispatch inspection and accordingly Inspection Certificates shall be issued.
- b) **Notification by Supplier** -In case of inspection at the Supplier's premises, notice in writing shall be sent by the Supplier, sufficiently in advance, to the Purchaser when the stores to be supplied are ready for inspection. In case of third party inspection, notice shall be given directly to the third party inspection agency under intimation to purchaser; all charges for third party inspection shall be borne by the Supplier unless specified otherwise.
- c) **Removal of Rejection**—Any stores inspected and rejected at Purchaser's premises must be removed by the Supplier within 30 days from date of receipt of intimation of rejection of supplies in case of indigenous suppliers & 45 days in case of foreign suppliers. In case of dangerous, infected or perishable stores, Supplier will be asked to remove the material within 48 hours and the decision of the Inspecting Officer in this regard shall be final in all respects.
If the rejected goods have already been paid for (partly or fully), the Supplier shall before removal of rejected goods, either deliver correct replacement goods at Purchaser's premises completely free of cost (including cost of goods , freight, taxes, duties etc.) or refund the payment received as well as make full compensation for freight taxes , duties etc. Such rejected Stores shall lie at Supplier's risk from the time of such rejections and if not removed within the above time limit, the Purchaser shall have the right to dispose off the said rejected materials as he may deem fit without any financial obligation to the Supplier.
In case the payment of rejected material has already been made by the Purchaser (partly or fully) and such rejected materials are disposed off by the Purchaser due to non removal of the same by the Supplier, then the Supplier shall be liable to make good the loss incurred to the Purchaser. To make good of such loss, the Supplier also agrees that the said loss may be recovered from any outstanding amount lying with the Purchaser from any contract with the Supplier.

8.0 Suppliers responsibility:

The Supplier should undertake to be responsible for the delivery of the goods in satisfactory condition and without any loss or damage at the final destination and until the same is actually receipted by the Purchaser at its works or other place of final destination. For this purpose goods carried by the railway or other carrier shall be deemed to be carried at the risk of the Supplier). If on inspection at final destination

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the Purchaser discovers any discrepancy, the Purchaser will be entitled (not-withstanding that the property of goods shall have passed on to the Company) to refuse acceptance of the goods altogether and claim damages and/or cancel the Contract and buy its requirement in the open market at the risk and cost of the Supplier, reserving always to itself, the right of forfeiture of any amount found due and payable or the deposit, if any, placed by the Supplier for the due fulfillment of the Contract as also to recover any amount, if already paid.

9.0 Packing:

- a) **Responsibility for proper packing** – The Supplier shall be responsible for the stores being sufficiently and properly packed, for transport by rail/road/sea/air/ or any combination of above, so as to ensure their being free from loss or damage on arrival at the destination. Packing material shall not be returned to the Supplier, unless stated otherwise. The extant government guidelines with regard to packing material , wherever applicable, shall be adhered to by the supplier
- b) **Marking of Packages, Packing, etc.** - Each package delivered under the Contract shall bear the following:-
- Name of the Supplier & address
 - Contract Number & date
 - Consignee's name and address
 - Brief Description and quantity of contents
 - Wherever applicable the following should be indicated:
 - ✓ Gross weight, net weight
 - ✓ Distinctive number or mark / identification which is also to be shown, for the purpose of identification, on the Supplier's packing list.

10.0 Test and Fitment Certificate:

The Supplier must furnish test certificate for the material shipped showing the details of test results. Fitment certificate is required in case of proprietary spares / components.

11.0 Delivery:

- a) Timely delivery is the essence of the Contract & must be completed as per the dates specified therein.
- b) The Supplier shall deliver items preferably on F.O.R. Stores basis of the Purchaser indicated in the Contract and in accordance with the delivery terms indicated therein.
- c) Notification of delivery or dispatch in regard to each and every consignment shall be made to the authorities named in the Contract.

11.1

The Purchaser shall be entitled to the benefit of any decrease in price on account of reduction in or remission of GST, customs duty or on account of any other Tax or

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duty or any other ground as stipulated in the price variation clause or foreign exchange rate variation or any other variation clause which takes place during the stipulated delivery period in the contract.**Extension of Delivery Period:** If at any time during the currency of the Contract, the Supplier/ Contractor encounters conditions hindering timely delivery of the Goods and performance of incidental Works/ Services, he shall promptly inform SAIL in writing about the same and its likely duration. The Supplier/ Contractor must make a request to SAIL for an extension of the delivery schedule. On receiving the Supplier/ Contractor's communication, the Purchaser shall examine the situation and, at its discretion, may agree to extend the delivery schedule, with or without liquidated damages by issuing an amendment to the Contract.

A) Conditions for Extension of Delivery Period with Liquidated damages: When the period of delivery is extended due to unexcused (i.e., where the delay is not attributable to Purchaser) delay by the Contractor, the amendment extending the delivery period shall, inter- alia be subject to the following conditions:

- i) SAIL shall recover from the Supplier/ Vendor/Contractor, under the provisions of this clause, liquidated damages on the such supplied Goods and incidental Works/ Services, which the Supplier/ Vendor/Contractor has failed to deliver within the delivery period stipulated in the Contract.
- ii) No increases in price on account of any statutory increase in or fresh Imposition of GST, customs duty or on account of any other taxes/ duty/ cess/ levy, leviable in respect of the Goods and incidental Works/ Services stipulated in the said Contract which takes place after the original delivery date, shall be admissible on such part of the said Goods, as are delivered after the said date, however the same shall be admissible to the extent for which Input Tax Credit (ITC) is admissible against these levies; and
- iii) Notwithstanding any stipulation in the Contract for an increase in price on any other ground, including price variation clause or foreign exchange rate variation, or any other variation clause, no such increase after the original delivery date shall be admissible on such goods delivered after the said date.

B) If the delay in completion of supplies is attributable to Purchaser or Force Majeure conditions then Liquidated Damages will not be levied.

12.0 Failure of Delivery:

In case the delivery is delayed beyond the prescribed delivery period, the material can only be supplied with prior consent of the purchaser. Should the Supplier fail to deliver the stores or any consignment thereof, within the period prescribed for such delivery, the Purchaser shall be entitled at his option, to the following:

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a) Liquidated Damages:

In event of supply not being effected within the contractual delivery schedule liquidated damages @ 0.5%, not by way of penalty, of the value of the materials without taxes, duties & freight, per week or part thereof of delay, subject to maximum of 10%, (or as applicable in the case of MSE as per extant SAIL MSE guideline) is recoverable from the Supplier without prejudice to the rights of Purchaser to procure the balance material at the risk and cost of the Supplier. The payment or deduction of such damages shall not relieve the Supplier from the contractual obligations to complete the supply or balance portion thereof in time as stipulated in the Contract.

b) Risk Purchase :

Subject to the terms and conditions of this Agreement, if the Supplier neglects or fails to perform the Agreement by the time or times agreed upon, for any reason other than Force Majeure, the Purchaser after having come to know of such negligence or non-performance, after giving 14 to 30 days notice or any such extended period that the Supplier and Purchaser may mutually agree, to the Supplier to rectify, shall take such action as it considers fit including but not limited to taking risk purchase action for supply of the material, mitigating any losses, at the risk and cost of the Supplier as far as the undelivered quantity in that Delivery Period is concerned. The Right of the Purchaser for Risk Purchase Action is in addition to the Right of Purchaser to terminate the Contract due to the fault of the Supplier.

The price differential in case of higher cost to SAIL, if any, shall have to be borne by the defaulting Supplier. Moreover, the defaulting Supplier shall have no claim over the quantity, which they failed to supply.

13.0 Freight:

- a) For road dispatches, the Stores are to be dispatched through the Purchaser's authorized Transporters unless otherwise specified.
- b) In the case of "dispatch by Rail and F.O.R. Station of Dispatch" contract the Stores should be booked at full rake load in case of bulk materials and full wagonload for others, wherever applicable, through the most economical route. Failure to do so will render the Supplier liable for the whole or part of any avoidable expenditure, caused to the Purchaser.

The specified goods / items shall be dispatched by Railways at Public Tariff Rate. Railway Material Concession Rate and Railway/Carrier's Risk as may be specified in the Contract.

14.0 Weighment:

For bulk material to be accepted by weight, all the trucks / wagons / trailers / tankers etc. shall be weighed at the destination at the Purchaser's weighbridge(s).

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Supplier's challan weight for each truck / wagon / trailer / tanker etc. shall be accepted as final, if the weighment at Purchaser's premises for that truck / wagon / trailer / tanker etc. is within the tolerance range indicated in the Contract. If the weighment at Purchaser's weighbridge(s) is found to be more than the challan weight, the payment shall be restricted to the challan weight.

In case the weighment at Purchaser's weighbridge(s) is found to be less than challan weight even after allowing the tolerance range indicated in the Contract, the weighment at Purchaser's premises shall be final for the purpose of payment.

15.0 Taxes, Duties & Levies:

- a) Tenderers must clearly mention their E.C.C No. and GST Registration No. as applicable on supplies in their offers and invoices.
- b) GST, Excise Duty, and Countervailing Duty (CVD), etc. shall be clearly mentioned in the offer indicating the applicable rates. In case order is placed on the tenderer, fresh imposition or variation in statutory taxes / duties / levies, if imposed beyond the contractual delivery period, shall be admissible / availed of, provided it is Cenvat/ ITC/ setoff is admissible against these levies to SAIL.
- c) **TCS/TDS under Income Tax:**
Tax Collection at Source/ Tax Deduction at Source (TDS) shall be made towards Income Tax from all the Invoices of the Vendor/Supplier/Contractor at applicable rates as per Income Tax Act and Rules.

15.1 GST :

- a) For the purposes of levy and imposition of GST, the expressions shall have the following meanings: a) GST –means any tax imposed on the supply of Goods and/or Services under GST Law. b) Cess–means any applicable Cess, existing as on date or applicable in future on the supply of Goods and Services as per Goods and Services Tax (Compensation to States) Act, 2017. c) GST Law - means IGST Act 2017, CGST Act 2017, UTGST Act, 2017, SGST Act, 2017, GST (Compensation to States) Act, 2017 and all related ancillary Rules and Notifications issued in this regard from time to time.
- b) The rates quoted by the Vendor/Supplier/Contractor shall be inclusive of all taxes, duties, levies and Cess except GST and Compensation Cess. Vendor/Supplier/Contractor has to clearly show the amount of GST/Compensation Cess separately in the Tax Invoices raised by them. Further, it is the responsibility of the Vendor/Supplier/Contractor to make all possible efforts to make their Accounting/IT system GST compliant in order to ensure timely availability of Input Tax Credit (ITC) to SAIL.

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- c) In cases where GST is leviable on any facilities/supplies provided by SAIL and used by Vendor/Supplier/Contractors in the execution of Purchase Order/Work Order/Contract and the consideration for which is recovered by SAIL in the form of reduction in the value of invoice raised by Vendor/Supplier/Contractor, then SAIL will raise GST Invoices on such transactions and the same will be borne by Vendor/Supplier/Contractors.
- d) Evaluation of L-1 prices shall be done based on landed cost net of Input Tax Credit (ITC) of GST, if ITC is available to SAIL. SAIL shall evaluate the offers on the basis of the quoted rates only and any claim subsequently by the Vendor/Supplier/Contractor for additional payment/liability shall not be admitted and has to be borne by the Vendor/Supplier/Contractor. The supplier under Composition Scheme should carefully understand the implication of Input Tax Credit (ITC) before quoting the rates.
- e) For the purpose of the tender / Purchase Order/Work Order/Contract issued pursuant to the tender, it is agreed between the parties that if any new taxes, duties or levies other than GST is introduced subsequent to the final date of submission of tender or reverse auction by the Central/State Government/Local Authorities and such new taxes, duties or levies become payable, then an equitable adjustment on account of new taxes, duties or levies in the contracted price shall be made which shall be subject to the production of documentary evidence by the Vendor/Supplier/Contractor. This provision shall be applicable only during the original period of Contract. However, during the extended period of Contract, if any, this provision shall be applicable as follows:
 - i. If Input Tax Credit (ITC) is available, the adjustment in contract price for such new tax shall be made.
 - ii. In other cases (i.e., where Input Tax Credit (ITC) is not available), adjustment in contract price shall be made only if the new tax is enacted during the period of extension arising out of reasons attributable to SAIL.
- f) In case of variation (increase/decrease) in the rate of GST after the final date of submission of tender or reverse auction, the said revised rate shall be reimbursed or recovered on production of relevant statutory documentary evidence. This provision shall be applicable only during the original period of Contract. However, during the extended period of Contract, if any, this provision shall be applicable as follows:
 - i. If Input Tax Credit (ITC) is available, the said revised rate shall be reimbursed or recovered.
 - ii. In other cases (i.e. where Input Tax Credit (ITC) is not available), the said revised rate shall be reimbursed or recovered only if the reasons for extension of the contract is attributable to SAIL. In any case, recovery shall be made in case of a downward variation in the rate of tax.

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- g) Vendor/Supplier/Contractor agrees to do all things not limited to providing GST compliant Tax Invoices/e-invoices/ GST Debit notes or other documentation as per GST law relating to the supply of Goods and/or Services, payment of taxes on timely basis, timely and correct filing of valid statutory Returns (including FORM GSTR-1 and FORM GSTR-3B) for the tax period on the Goods and Service Tax Network (GSTN), submission of general information as and when called for by SAIL in the customized format shared by SAIL in order to enable SAIL to update its database etc. that may be necessary to match the Invoices on GSTN Common Portal and enable SAIL to claim Input Tax Credit in relation to any GST payable under this Contract/Purchase Order/Work Order. GST charged on Debit notes shall be reimbursed only if such Debit notes are issued within the prescribed time limit (given at clause h below) for availment of Input Tax Credit.
- h) In the event Supplier issues a Credit note to the SAIL, such Credit note shall include GST component only in circumstances set out under Section 34 of CGST Act, 2017 and upon mutual agreement between Supplier and SAIL. This shall be subject to the condition that Supplier shall comply with the procedural requirements relating to issuance of Credit notes under the GST law. For scenarios other than those provided in Section 34 of CGST Act, 2017, a commercial credit note may be issued (without any GST component) instead of a GST credit note upon mutual agreement between Vendor/Supplier/Contractor and SAIL.
- i) The Vendor/Supplier/Contractor is required to ensure that the original copy of the Invoice/Debit Note/Credit Note is submitted to the SAIL within 15 (Fifteen) days of issuance of such document.
The Vendor/Supplier/Contractor is required to provide and separately intimate the details of any amendments done on GST Portal in respect of any Invoice/Debit Note/Credit Note earlier uploaded by them to SAIL, on real time basis.
- j) W.e.f. 09.10.2019, with the introduction of Rule 36(4) of CGST Rules and the corresponding restriction of eligible ITC, it is important that the respective Vendor/Supplier/Contractor reports the details of outward supplies in its FORM GSTR-1, on timely basis, to facilitate auto-population of details in FORM GSTR-2A at SAIL's end.
- k) In case, such details do not auto-populate in FORM GSTR-2A of SAIL, due to fault/mistake/ delay at Vendor/Supplier/Contractor's end, SAIL will not disburse the GST component to the respective Supplier. In other words, only when the Vendor/Supplier/Contractor discloses the details of outward supplies in its FORM GSTR-1 and the corresponding ITC gets auto-populated in FORM GSTR-2A, SAIL will be in a position to avail ITC and consequently disburse the tax component to the Suppliers. Any GST component, even if disbursed by SAIL, would be recoverable by SAIL as a deduction from future bills or by any other means as per the contractual terms.

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- l) In case Input Tax Credit (ITC) of GST paid on input supplies is denied or demanded/recovered from SAIL by the Central/State Tax Authorities on account of any non-compliance by Vendor/Supplier/Contractor, including the non-compliance of e-invoicing provisions by the Vendor/Supplier/Contractor or non-payment of GST charged and recovered, the Vendor/Supplier/Contractor shall indemnify SAIL in respect of all claims of tax, penalty and/or interest, loss, damages, costs, expenses and liability that may arise due to such non-compliance. SAIL, at its discretion, may also withhold/recover such disputed amount from the pending payments of the Vendor/Supplier/Contractor with SAIL and also from any dues payable or deposit refundable by any other Plant/Unit of SAIL to such Vendor/Supplier/Contractor.
- m) Vendor/Supplier/Contractor shall maintain high GST compliance rating track record at any given point of time. In case, where the GST e-invoicing provisions are applicable to a Vendor/Supplier/Contractor, but he fails to issue-invoice, SAIL would not be in a position to avail ITC of input supplies provided by the Vendor/Supplier/Contractor. Under such circumstances, any loss of ITC in the hands of SAIL due to non-compliance of e-invoicing provisions at Supplier's end, shall be directly recovered from such Vendor/Supplier/Contractor.
- n) **Anti-Profitteering:**
Vendor/Supplier/Contractor is required to pass on the benefit arising out of introduction of GST, including seamless flow of Input Tax Credit, reduction in Tax Rate on inputs as well as final Goods and/or Services by way of reduction of price as contemplated in the provision relating to Anti-Profitteering Measure as per CGST Act, 2017.
- o) Vendor/Supplier/Contractor shall avail the most beneficial Notifications, abatements, exemptions etc., if any, as applicable for the supplies under the Goods and Service Tax Act.
- p) SAIL shall charge the applicable GST over and above on the forfeiture of deposit due to violation of terms and conditions of the Contract by Vendor/Supplier/Contractor as well as on the liquidated damages deducted from the price payable to the Vendor/Supplier/Contractor against supply of Goods or Services. Similarly, for recovery under the Contract/Purchase Order/Work Order for shortfall in guaranteed performance or deviation in quality in terms physical or chemical or other specified norms or for underloading or overloading of wagons while dispatching contractual production to SAIL Steel Plant or any other entity as per direction of SAIL or any other recovery as per the terms of Contract/ Purchase Order /Work Order, SAIL shall also charge the applicable GST on all such recoveries.
- q) Bidder is required to provide the self-attested copy of his GST Registration certificate and complete address of his principal place of business and branches if any.

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- r) In case the Bidder is registered under Composition Scheme, then they should clearly mention in the offer that they are covered under Composition Scheme and no GST will be charged separately against execution of the Contract.
- s) SAIL shall deduct Tax Deducted at Source (TDS) under GST as applicable as per the provisions of GST law while making payment to the Vendor/Supplier/Contractor

16.0 Bank details: The vendors shall be required to submit details of their bank account in the enclosed ECS mandate form in the tender for enabling SAIL to make payment in e-mode.

17.0 Guarantee / Warranty: Unless specified otherwise, the Supplier must repair or replace free of charge or reimburse the amount to the Purchaser as the sole remedy for any stores & spares which owing to defect in design, material or workmanship fail or show signs of failure at any time within 12 months from date of putting them to use / operation or 18 months from date of delivery, whichever is earlier.
In case of any rectification of a defect or replacement of any defective Goods during the warranty period, the warranty for the rectified/ replaced Goods shall remain till the original warranty period

18.0 Settlement for discrepant material: After receipt of material at purchaser's premises, if it is found that the material does not conform to order specification but material is found useable, intimation in this regard shall be given to supplier within 45 days of receipt of such material. Supplier shall depute his representative within 20 days of receipt of such intimation for inspection/assessment if so desired.

Purchaser shall decide the amount to be recovered from the supplier and supplier shall remit the same to the purchaser on receipt of such intimation. All costs associated with above shall be borne by supplier. Intimation by way of an e-mail in the Authorized e-mail address of the supplier without the "failure notification" shall be considered to be a valid service receipt of the intimation in case no acknowledgment of the receipt of e-mail is provided by the supplier.

19.0 Recovery of Sums due: Whenever under this Contract any sum of money is recoverable from and payable by the Supplier, the Purchaser shall be entitled to recover such sum by appropriating, in part or whole the security deposited by the Supplier, if a security is taken against the Contract. In the event of the security being insufficient or if no security has been taken from the Supplier, then the balance or the sum recoverable, as the case may be, shall be deducted from any sum due or which at any time thereafter may become due to the Supplier under this or any other Contract with the Purchaser / Company. Should this sum be not sufficient to cover the full amount recoverable the Supplier shall pay to the Purchaser / Company on demand the remaining balance due.

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20.0 Indemnity:

- a) The Supplier shall at all times indemnify the Purchaser against all claims which may be made in respect of the stores for infringement of any right protected by Patent, Registration of Design or Trade Mark. The Supplier shall be entirely responsible for the sufficiency of all the means used by them for the fulfillment of the Contract.

20.1 Limitation of Liability: Except in cases of criminal negligence or willful misconduct,

- a) The Supplier shall not be liable to the Purchaser, whether in Contract, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs and
- b) The aggregate liability of the Supplier to the Purchaser, whether under the Contract, or otherwise including the cost of repairing or replacing defective equipment, shall not exceed 100% of the contract price plus escalation, provided that this limitation shall not apply to any obligation of the Supplier to indemnify the Purchaser with respect to copyright, patent infringement, workman compensation etc.

21.0 ForceMajeure:

- a) If, at any time, during the currency of this Contract, the performance in whole or in part, by either party, or any obligation under this Contract, is prevented or delayed by reason(s) of war, hostility, acts of public enemy, civil commotion, sabotage, fires, floods explosions, epidemic, quarantine restrictions, Acts of State or other Acts of God, hereinafter referred to as eventualities, then, provided notice of the happenings of any such eventuality is given by either party to the other, within 15 days from the date of occurrence thereof , neither party shall by reason of such eventuality be entitled to terminate this Contract, nor shall either party have any claim for damages against the other, in respect of such non-performance or delay in performance and work under this Contract shall resume as soon as practicable but within 15 days after such eventuality has come to an end or ceased to exist and the decision of the Company as to whether the work has to be resumed shall be final and conclusive.
- b) The Notice of declaration of Force Majeure must be supported by the Certificate of relevant Railway / Port Authority/Chamber of Commerce/Government or Quasi Government body. If the said certificate is not available, the Affected Party must provide a certificate signed by the Affected Party's Company Secretary and one of the Directors on the Board of the Affected Company. In addition, the Affected Party shall also intimate the cessation of such Force Majeure. The said intimation of cessation of Force Majeure shall be accompanied by a certificate, from the authorities as stated hereinabove.
- c) In case one or both parties are prevented from fulfilling their contractual obligations by state of Force Majeure lasting continuously for a period of three months, the parties may consult each other regarding further continuation of the Contract.

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22.0 Conciliation:

In the event of any conflict or dispute arising out of or in connection with the Contract, the Parties shall endeavor to settle such disputes amicably. If a dispute is not resolved within 30 (thirty) days after a written notice of any dispute by one Party to the other, the same shall then be resolved through the mechanism of Conciliation through Dispute Resolution Committee which shall comprise representatives/nominee of:

- a. **Buyer:** wherein the nominee of the buyer shall be an officer other than the officer who handled the Contract. The said nominee shall be nominated by the Head of the concerned department.
- b. **Supplier/ Service Provider.**

The said Conciliation shall be chaired by the Nominee of the Buyer.

If the Dispute Resolution Committee is not able to resolve the matter within 30(thirty) days of its formation, the Conciliation shall be deemed to have failed. It is further provided that Arbitration shall only be resorted to after the failure of Conciliation. The venue of the Conciliation shall be the concerned Plant/Unit of the buyer organization.

If the Supplier/Service Provider is MSME registered party, then conciliation shall be held as per the provisions of the MSME Act if the MSME firm does not choose to abide by the process given herein above.

23.0 Arbitration

a) For Domestic Contracts(where Supplier/Service Provider is an Indian Party):

In the event of any dispute arising out of or in connection with the Contract in question , which has not been resolved through Conciliation in accordance with the procedure laid down in Clause above, the aggrieved Party may invoke Arbitration by sending a written notice to the other Party. The procedure for appointment of the Arbitral Tribunal shall be as follows.

- i. In cases where the total value of the Contract is less than or upto INR 1, 00, 00,000/- (Indian Rupees One Crore only) the same shall be referred to a Sole Arbitrator to be mutually appointed by both the Parties.
- ii. Where the total value of the Contract exceeds INR 1,00,00,000/- (Indian Rupees One Crore only), the arbitration shall be conducted by a quorum of three arbitrators. Each party shall nominate an arbitrator and the two party-appointed arbitrators shall within 30 (thirty) days from their nomination, nominate a third arbitrator i.e., the Presiding Arbitrator.
- iii. In case of failure to nominate the Presiding Arbitrator within a period of 30 (thirty) days from the date of nomination of the two arbitrators who has been nominated later in time by the respective parties, the aggrieved party shall approach the High Court (under whose jurisdiction the principal place of business of the Buyer

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- department/ organization is located) to appoint the Presiding Arbitrator as per the provisions of the Arbitration and Conciliation Act, 1996 (as amended up to date).
- iv. The arbitration shall be conducted in the English language. Arbitration proceedings can also be conducted online, as per the discretion of the Arbitral Tribunal.
 - v. The cost of the Arbitration shall be equally borne by both the Parties.
 - vi. The arbitration shall be governed by the Arbitration and Conciliation Act, 1996, as amended from time to time. The seat of arbitration shall be at the place where the concerned Plant/Unit of the Buyer department / organization is located.
 - vii. The Contract shall be interpreted and governed in all respects in accordance with the laws of India. All disputes in connection with or arising out of the Contract, shall be subject to the exclusive jurisdiction of the Court within the local limits of whose jurisdiction concerned Plant/Unit of the Buyer Department/Organization is located.
 - viii. Where the arbitral award is for the payment of money, no interest shall be payable on whole or any part of the money for any period till the date on which the award is made.
 - ix. The Courts at the location of concerned plant/unit of the buyer organization shall have exclusive jurisdiction in relation to any dispute arising out of such Contracts.

If the Supplier/Service Provider is MSME registered party, then Arbitration shall be held as per the provisions of the MSME Act if the MSME firm does not choose to abide by the process given herein above.

b) International Contracts (where Supplier/Service Provider is a foreign party):

- i. For such Contracts, where the dispute has not been resolved through Conciliation in accordance with the procedure laid down in Clause 22.0 above, the aggrieved Party may invoke Arbitration as per the procedure laid down in rules of International Chamber of Commerce(ICC) and the rules of ICC shall apply in relation to such Arbitration.
- ii. The seat and venue of such Arbitrations shall be New Delhi and the Arbitration shall be governed by the Laws of India. The language of the Arbitration shall be English.
- iii. The Courts at New Delhi shall have the exclusive jurisdiction in relation to disputes arising out of such Contracts.

23.1 Settlement of Disputes other than taxation between SAIL and another Central Public Sector Enterprise (CPSE) or SAIL and Govt Department(s)/Organization(s) including State Government shall be as per the prevailing guidelines of Government of India. In event of any dispute or difference in interpretation and application of the provisions of commercial contract(s) between CPSE/ Port trusts inter se and also between CPSEs and Government Departments/ Organizations (excluding disputes relating to Railways, Income Tax, Customs& Excise Departments), such disputes or difference shall be taken up by either party for

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its resolution through AMRCD as mentioned in DPE OM No. 05/0003/2019-fts-10937 dated 14th December 2022 and decision of AMRCD on the said dispute will be binding on both the parties.”

24.0 Declaration by the Tenderer:

By participation in this tender the Bidder / Tenderer is deemed to have solemnly affirmed / certified / declared / warranted / undertaken / understood the following:

A. Non-collusion:

- I. That their bid was developed genuinely, independently and made with the intention to accept the Contract if awarded;
- II. That their bid was not prepared with any agreement, arrangement, communication, understanding, promise of undertaking with any person (including any other tenderer or competitor) regarding:
 - i) prices;
 - ii) methods, factors or formulas used to calculate prices;
 - iii) an intention or decision to submit a bid;
 - iv) an intention or decision to withdraw a bid;
 - v) the submission of bid that does not conform with the requirements of the tender;
 - vi) the quality, quantity, specifications or delivery particulars of the products or services to which this tender relates; and
 - vii) the terms of the bid,
- III. **That they will not, prior to the award of the Contract, enter into or engage in any of the foregoing.**

Note:

This para is not applicable to Agreements, arrangements, communications, understandings, promises or undertakings with:

- a. the Plants/ Units, Steel Authority of India Limited*
- b. a joint venture partner, where joint venture agreements, arrangements, relevant to the bid exist and which are notified to Steel Authority of India Limited;*
- c. consultants or sub-contractors, provided that the communications are held in strict confidence and limited to the information required to facilitate that particular consultancy arrangement or sub-contract;*
- d. professional advisers, provided that the communications are held in strict confidence and limited to the information required for the adviser to render their professional advice in relation to the Tender;*
- e. insurers or brokers for the purpose of obtaining an insurance quote, provided that the communications are held in strict*

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confidence and limited to the information required to facilitate that particular insurance arrangement; and

- f. Banks for the purpose of obtaining financing for the contract, provided that the communications are held in strict confidence and limited to the information required to facilitate that financing.*

B. That they have duly disclosed all intended sub-contracting arrangements relating to the Tender and will continue to disclose such arrangements to the Plants/ Units after the Contract is awarded.

C. Authenticity of documents:

- i. That they have carefully read the contents of the tender
- ii. They have not made any misleading or false representation anywhere in the tender submitted including annexures thereto
- iii. That they understand that their offer will be evaluated based on the documents / credentials submitted along with the offer and the same shall be binding upon them
- iv. That the information and documents submitted by them along with the tender documents are complete and correct and they are fully responsible for authenticity and correctness of information and documents submitted
- v. That at any time during the process for evaluations of tenders, if any information / document submitted by them is found to be suppressing facts / forged / false / fabricated / fudged or incorrect, it shall lead to forfeiture of the EMD, if submitted, besides banning under the extant Guidelines for Banning of Business Dealings of SAIL and initiating any legal action as deemed fit by SAIL. Further, that their offer shall be summarily rejected.
- vi. That at any time after award of the contract, if the certificates submitted by them are found to be suppressing facts / false/ forged/ fabricated / fudged or incorrect, it may lead to termination of the contract, along with forfeiture of EMD/ SD and Performance Guarantee, if submitted, besides any other action provided in the contract including banning under the extant Guidelines for Banning of Business Dealings of SAIL and initiating any legal action as deemed fit by SAIL

D. Anti-Bribery: That they shall not give or take, any financial or non-financial bribe, to or from anyone during the tender or during the execution of the contract thereafter and if they notice any such incident happening, they shall report it to SAIL Vigilance.

24.1 In case of non-compliance of para 24.0 above , SAIL may at its discretion, invalidate their bid, exclude them from future tenders, pursue damages or other forms of redress from them (including but not limited to damages for delay, costs and expenses of re-tendering and other costs incurred), and /or (in the event that they are awarded the Contract) terminate the Contract.

24.2. The Tenderer shall be required to declare whether the proprietor or any partner of the firm or Director of their company as the case may be has any relation with any

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employee working with the Purchaser and if so, give the name of the employee and the relationship and also whether any of them has a relationship within the meaning of Section 6 of the Companies Act, 2013 with any of the Directors of Steel Authority of India Limited

25.0 Language: Offer submitted by the Tenderer and all correspondence and documents relating to the offer exchanged between the Tenderer and the Purchaser shall be written in the English Language. Any printed literature furnished by the Tenderer may be written in another language so long as it is accompanied by a duly signed English translation in which case, for the purposes of interpretation of the offer, the English translation shall govern.

26.0 Termination:

- a) The Company (Purchaser / Executing Authority) shall have the option to cancel / terminate the PO / Contract at any time due to non-performance / any other activity detrimental to the interests of SAIL and its brand image or in the event of the Supplier's failure to discharge the duties stipulated in the Purchase Order / Contract to the satisfaction of Company (as certified by Purchaser/ Executing Authority); by giving 30 days' notice (cure period) in writing and without payment of any compensation. The Supplier shall have to settle the account within the notice period and no material of SAIL shall lie with the Supplier at the conclusion/ Termination of the Contract.
- b) Purchaser will be entitled to terminate the Agreement by giving prior notice of at least 2 months to the other party if the other party goes into voluntary liquidation or is ordered to be wound up or is declared bankrupt, insolvent etc., by a court of law and is unable to pay its debts as they become due, and in the event of such termination, all sums due under the Agreement to either party on the date of the notice shall be immediately payable upon demand.
- c) Termination of the Agreement shall not affect obligations of either Party that may have accrued prior to the effective date of termination.
- d) Termination of the Agreement shall be in addition to, and shall not be exclusive of or prejudicial to, any other grounds for termination or rights or remedies at law or in equity which either Party may have on account of any default of the other Party.
- e) If the Agreement does not meet the objective set out herein and the parties mutually agree, the Agreement can be terminated.
- f) Upon receipt of the notice of termination, the Supplier shall either immediately or upon the date specified in the notice of termination, cease all further work except for such as the Purchaser may specify in the notice of termination. In the event of

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termination of the Contract the Purchaser shall only pay to the Supplier, the Price for the parts executed by the Supplier as on the date of termination.

27.0 Banning of Business Dealings: On arising of any situation or occurrence of any event as mentioned in the SAIL Guidelines on Banning of Business Dealings the Tenderer/Bidder or Supplier under the tendering process or Contract with SAIL, as the case may be, shall be liable for action under and in accordance with the aforementioned Guidelines. The “Guidelines on Banning of Business Dealings” as applicable on the date of tender opening shall form part of the Tender/Contract. These guidelines are available on SAIL tender website.

28.0 Waiver: Failure to operate or to enforce any condition under this GCC / Contract shall not operate as a waiver of the condition itself or any subsequent breach thereof.

29.0 Governing Law: The Contract entered into between the Company and the Supplier shall be governed by and interpreted in accordance with the Laws of India. The place of **exclusive** jurisdiction shall be the place where the Purchaser is located unless otherwise specified.

30.0 Additional Terms & Conditions – Specific to Import

30.1 Tenderers should quote as per INCOTERMS latest version as may be revised from time to time, clearly indicating applicable commercial terms and conditions basis which price has been quoted. Evaluation shall be done on Landed Cost Net of Set Off (Door delivery basis). However, Purchaser reserves the right to place order on Ex-W,FOB, FCA or CFR, CIF, CPT basis.

30.2 Guidelines for Indian Agents of Foreign Suppliers:

- i) There shall be compulsory registration of agents for all Global (Open) Tender and Limited Tender. An agent who is not registered with SAIL Plants/Units shall apply for registration.
- ii) Registered agents will file an authenticated Photostat copy duly attested by a Notary Public/Original certificate of the principal confirming the agency agreement and giving the status being enjoyed by the agent and the commission/remuneration/salary/ retainer ship being paid by the principal to the agent before the placement of order by SAIL Plants/Units.
- iii) Wherever the Indian representatives have communicated on behalf of their principals and the foreign parties have stated that they are not paying any commission to the Indian agents, and the Indian representative is working on the basis of salary or as retainer, a written declaration to this effect should be submitted by the party (i.e. Principal) before finalizing the order.
- iv) One agent cannot represent more than one Supplier / Principal/ OEM or quote on their behalf in a particular tender. In case one agent represents two suppliers or quotes on their behalf in the tender, all them are liable to get rejected.

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30.3 Disclosure of Particulars of Agents/ Representatives in India. If Any.

- I) **Tenderers of Foreign nationality shall furnish the following details in their offer:**
- a) The name and address of the agents/representatives in India, if any and the extent of authorization and authority given to commit the Principals. In case the agent/representative be a foreign Company, it shall be confirmed whether it is real substantial Company and details of the same shall be furnished.
 - b) The amount of commission/remuneration included in the quoted price(s) for such agents/representatives in India.
 - c) Confirmation of the Tenderer that the commission/ remuneration if any, payable to his agents/representatives in India, may be paid by SAIL in Indian Rupees only.
- II) **Tenderers of Indian Nationality shall furnish the following details in their offers:**
- a) The name and address of the foreign principals indicating their nationality as well as their status, i.e, whether manufacturer or agents of manufacturer holding the Letter of Authority of the Principal specifically authorizing the agent to make an offer in India in response to tender either directly or through the agents/representatives.
 - b) The amount of commission/remuneration included in the price (s) quoted by the Tenderer for himself.
 - c) Confirmation of the foreign principals of the Tenderer that the commission/remuneration, if any, reserved for the Tenderer in the quoted price (s), may be paid by SAIL in India in equivalent Indian Rupees on satisfactory completion of the Project or supplies of Stores and Spares in case of operation items .
- III) In either case, in the event of contract materializing, the terms of payment will provide for payment of the commission /remuneration, if any payable to the agents/representatives in India in Indian Rupees on expiry of 90 days after the discharge of the obligations under the contract.
- IV) Failure to furnish correct and detailed information as called for in paragraph 2.0 above will render the concerned tender liable to rejection or in the event of a contract materializing, the same liable to termination by SAIL. Besides this there would be a penalty of banning business dealings with SAIL or damage or payment of a named sum.

30.4 Inspection at Purchaser's premises: After inspection at destination, if it is found that the stores do not conform to the ordered specifications, discrepancy in this regard will be intimated to Supplier within 60 days from date of receipt of the material at stores. On receipt of such discrepancy letter Supplier will have the option to inspect the material jointly at destination, if they so desire. In case the Supplier does not exercise this option

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within 4 weeks from the date of receipt of intimation, the discrepancy will be treated as final conclusion & materials will be replaced by correct supply on DDP Purchaser's Store basis (even in FOB contracts) and all charges, duties, freight, insurance etc., up to Purchaser's Stores, will be borne by Supplier.

30.5 Shipping arrangement: Necessary intimation by Supplier shall be given to the Purchaser / his authorized agent, as stated in the Contract, after shipment. In case of Air freighting by Purchaser, the air consolidating agents name will be specified in the order.

30.6 Negotiable Shipping Documents: Following documents are to be submitted by Supplier:

- Clean Bill of Lading/ Airway bill /Telex Bill of Lading
- Invoice
- Packing List
- Certificate of country of origin
- Certificate of Conformance
- Third party Test certificate / Works Test Certificate (as applicable)
- Guarantee/ warranty certificate.
- Phyto-Sanitary certificate (wherever applicable)
- Any inter govt. agreement wherever applicable for availing concession on import duties.
- Other specific documents as per Special Terms & Conditions of Contract etc.

30.7 Test and Fitment Certificate: The Supplier must furnish test certificate for the material shipped showing the details of test results. Fitment certificate is required in case of proprietary spares / components.

30.8 Country of origin: This must be indicated in Tenderer's offer along with manufacturer's name and address.

30.9 Packing: Supplier shall arrange Phyto-Sanitary Certificate from authorized Agency for packing materials made of wood/wood products, wherever applicable. Hazardous chemicals should be packed as per MSDS guidelines.

30.10 Preferred mode of payment is Cash against Documents (CAD). However, if payment through Letter of credit (L/C) is agreed to, then following shall be applicable

- a) **All charges including Letter of Credit confirmation charges outside India,** shall be borne by Supplier and those in India will be borne by Purchaser. In case Letter of Credit is extended for reasons attributable to Supplier, the extension charges will be borne by the Supplier.
- b) The Letter of Credit shall be valid for delivery period for shipment plus negotiation period, which will be 21 days.

30.11 Weighment: The weight mentioned in the third party inspection certificate or the Bill of Lading, whichever is less, shall be final for all the payment purposes.

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30.12 Legal interpretation:

- a) The Contract shall be governed by & construed according to the Laws of India for the time being in force.
- b) To interpret all commercial terms & abbreviations used herein, which have not been otherwise defined, latest INCOTERMS , may be referred.
- c) Only the competent courts of India will have jurisdiction over any dispute arising out of and in relation to this Contract.

31.0 Purchase Preference: (Both for Indigenous and Import Tenders)

- a) Any purchase preference to Make in India Suppliers and MSE Suppliers, shall be based on the extant guidelines of Govt. of India and guidelines of SAIL Plants / Units.
 - i) **Micro and Small Enterprises (MSEs):** In line with the Public Procurement Policy (PPP) for Micro & Small Enterprises (MSEs) Order 2012, issued vide Gazette Notification dated 23.03.2012 and amendments thereof the tenderer who is registered as Micro/small Enterprises must submit valid self certified copy of Udyam Registration Certificate (URC) issued after registering on the Udyam Registration Portal i.e,<https://udyamregistration.gov.in>

In case Udyam Registration Certificate (URC) is not provided, they shall not be eligible to the benefits admissible under the Act.

- ii) **Public Procurement (Preference to Make in India), Order 2017:** Procurement against this tender will be governed by the provisions enumerated in Govt. of India order no. P-45021/2/2017-PP(BE-II) dt. 15.06.2017 duly amended dt 28.05.2018, 29.05.2019, 04.06.2020 and 16.09.2020. Any subsequent modification / guidelines issued further from time to time shall also be applicable.

The Bidders shall provide self-certificate / certificate from the statutory auditor or cost auditor of the Company (in the case of companies) / from a practicing cost accountant or practicing chartered accountant (in respect of suppliers other than companies), as applicable, indicating whether they are class-I local supplier / class-II local supplier as per Annexure A (i) or A (ii) to be submitted along with Techno-Commercial

32.0 Restriction on procurement from a bidder of a country which shares a land border with India:

- A. Any Bidder from a country which shares a land border with India will be eligible to bid in any procurement whether of goods ,services (including consultancy services and non consultancy services) or works (including turnkey projects) only if the bidder is registered with the competent authority. Further, any bidder (including bidder from

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India) having specified transfer of technology (ToT) arrangement with any entity from a country which shares a land border with India , shall also require to be registered with the same competent authority. as per DoE Order dated 23.07.2020 and subsequent amendments thereto from time to time.

- B. "Bidder" (including the term 'tenderer', 'consultant' or 'service provider' in certain contexts) means any person or firm or company, including any member of a consortium or joint venture (that is an association of several persons, or firms or companies), every artificial juridical person not falling in any of the descriptions of Bidders stated hereinbefore, including any agency branch or office controlled by such person, participating in a procurement process.
- C. "Bidder(or entity) from a country which shares a land border with India" for the purpose of this Order means: -
- a. An entity incorporated, established or registered in such a country; or
 - b. A subsidiary of an entity incorporated, established or registered in such a country; or
 - c. An entity substantially controlled through entities incorporated, established or registered in such a country; or
 - d. An entity whose beneficial owner is situated in such a country; or
 - e. An Indian (or other) agent of such an entity; or
 - f. A natural person who is a citizen of such a country; or
 - g. A consortium or joint venture where any member of the consortium or joint venture falls under any of the above
- D. The beneficial owner for the purpose of (C) above will be as under:
1. In case of a company or Limited Liability Partnership, the beneficial owner is the natural person(s), who, whether acting alone or together, or through one or more juridical person, has a controlling ownership interest or who exercises control through other means.

Explanation

- a. "Controlling ownership interest" means ownership of or entitlement to more than twenty-five per cent, of shares or capital or profits of the company;
 - b. "Control" shall include the right to appoint majority of the directors or to control the management or policy decisions including by virtue of their shareholding or management rights or shareholders agreements or voting agreements;
2. In case of a partnership firm, the beneficial owner is the natural person(s) who, whether acting alone or together, or through one or more juridical person, has ownership of entitlement to more than fifteen percent of capital or profits of the partnership;
 3. In case of an unincorporated association or body of individuals, the beneficial owner is the natural person(s), who, whether acting alone or together, or through one or more

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juridical person, has ownership of or entitlement to more than fifteen percent of the property or capital or profits of such association or body of individuals;

4. Where no natural person is identified under (1) or (2) or (3) above, the beneficial owner is the relevant natural person who holds the position of senior managing official;
 5. In case of a trust, the identification of beneficial owner(s) shall include identification of the author of the trust, the trustee, the beneficiaries with fifteen percent or more interest in the trust and any other natural person exercising ultimate effective control over the trust through a chain of control or ownership.
- E. An Agent is a person employed to do any act for another, or to represent another in dealings with third person.
- F. Only for Works Contracts including Turnkey Contract): The successful bidder shall not be allowed to sub contract works to any contractor from a country which shares a land border with India, unless such contractor is registered with the competent authority
- G. The registration should be valid at the time of submission of bid and at the time of acceptance of bid.
- H. If the bidder was validly registered at the time of acceptance/ placement of order, registration shall not be a relevant consideration during contract execution
- I. Certificate of Conformance : By submitting their offer the bidder is deemed to have:
- "Read the clause regarding restrictions on procurement from a bidder of a country which shares a land border with India; To have certified that they are not from such a country or, if from such a country, have been registered with the Competent Authority.: to certify that they fulfill all requirements in this regard and are eligible to be considered."
- If subcontracting is applicable, the Bidder by submitting their offer is deemed to have
- “ Read the clause regarding restrictions on procurement from a bidder of a country which shares a land border with India and on sub-contracting to contractors from such countries; certified that they are not from such a country or if from such a country, have been registered with the Competent Authority and will not sub-contract any work to a contractor from such countries unless such contractor is registered with the Competent Authority; certified that they fulfill all requirements in this regard and are eligible to be considered."
- J. In case bidder is registered for this purpose, evidence of valid registration by the competent authority should be attached and should be valid at the time of bid submission and at the time of price discovery.

33.0 Immunity to Government of India :It is expressly understood and agreed to by and between the Purchaser and Supplier that the Purchaser is entering into the Contract solely

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on its own behalf and on behalf of its wholly owned subsidiaries 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 the Contract and has no liabilities, obligations or rights hereunder. It is expressly understood and agreed that Purchaser (SAIL) is an independent legal entity with power and authority to enter into contracts solely in its own behalf under the applicable laws of India and general principles of contract law. The Supplier expressly agrees, acknowledges and understands that Purchaser 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 and commissions, breaches or other wrong arising out of the Contract. Accordingly, the Supplier hereby expressly waives, release and forgoes any and all actions or claims including cross claims, impleader or counter claims against the Government of India arising out of the Contract and covenants not to sue the Government of India in any manner, claim cause of action or take any action whatsoever arising out of or under the Contract.

34.0 Intellectual Property Rights Indemnity:

- i) The Supplier shall indemnify and hold harmless the Purchaser and its employees from and against all losses, liabilities, and costs (including losses, liabilities, and costs incurred in defending a claim alleging such a liability), that the Purchaser or its employees may suffer as a result of any infringement or alleged infringement of any Intellectual Property Rights by reason of copying of the Software, Technology in respect of products supplied by the Supplier under the said contract.
- ii) If any proceedings are brought or any claim is made against the Purchaser arising out of the matters related to Infringement or alleged Infringement of Intellectual Property Rights, the Purchaser shall promptly give the Supplier notice of such proceedings or claims. The Supplier shall have sole control and responsibility on the conduct of such proceedings or claims and any negotiations for the settlement of any such proceedings or claims. The Purchaser shall provide the Supplier only with the assistance, information, and authority reasonably necessary to perform the above.

35.0 Confidentiality: All documents, drawings, samples, data, associated correspondence or other information furnished by or on behalf of the Purchaser to the contractor, in connection with the contract, whether such information has been furnished before, during or following completion or termination of the contract, except what is in public domain are confidential and shall remain the property of the Purchaser and shall not, without the prior written consent of Purchaser neither be divulged by the contractor to any third party, nor be used by him for any purpose other than the design, procurement, or other services and work required for the performance of this Contract. If advised by the Purchaser, all copies of all such information in original shall be returned on completion of the contractor's performance and obligations under this contract.

36.0 Backing out by bidder / withdrawal of offer: If the bidder withdraws or modifies their bid during the period of validity or if they are awarded the contract and fail to submit

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performance security as per the deadline defined in request for bid documents, they will be suspended from being eligible to participate in future tenders as per the prevalent guidelines of SAIL.

37.0 Code of Integrity

A) By participation in this tender, Bidders, Suppliers, Contractors, and Consultants are deemed to have declared that they shall observe the highest standard of ethics and shall not indulge in the following prohibited practices, either directly or indirectly, at any stage during the Tender Process or during the execution of resultant contracts:

- 1) “Corrupt practice” - making offer, solicitation or acceptance of a bribe, reward or gift or any material benefit, in exchange for an unfair advantage in the Tender Process or to otherwise influence the Tender Process;
- 2) “Fraudulent practice” - any omission or misrepresentation that may mislead or attempt to mislead so that financial or other benefits may be obtained or an obligation avoided. Such practices include a false declaration or false information for participation in a tender process or to secure a contract or in the execution of the contract;
- 3) “Anti-competitive practice” - any collusion, bid-rigging or anti-competitive arrangement, or any other practice coming under the purview of the Competition Act, 2002, between two or more bidders, with or without the knowledge of the Purchaser, that may impair the transparency, fairness, and the progress of the Tender Process or to establish bid prices at artificial, non-competitive levels;
- 4) “Coercive practice” - harming or threatening to harm persons or their property to influence their participation in the Tender Process or affect the execution of a contract;
- 5) “Conflict of interest” –participation by a bidding firm or any of its affiliates who are either involved in the Consultancy Contract to which this procurement is linked; or if they are part of more than one bid in the procurement; or if their personnel have a relationship or financial or business transactions with any official of Purchaser who are directly or indirectly related to tender or execution process of contract; or improper use of information obtained by the (prospective) bidder from the Purchaser with an intent to gain unfair advantage in the Tender Process or for personal gain;
- 6) “Obstructive practice” - materially impede Purchasers investigation into allegations of one or more of the above mentioned prohibited practices either by deliberately destroying, falsifying, altering; or by concealing of evidence material to the investigation; or by making false statements to investigators and/ or by coercive

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practices mentioned above, to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation; or by impeding the Purchaser's rights of audit or access to information;

B) Obligation of Proactive Disclosure

- 1) Bidders, suppliers, contractors, and consultants are obliged under this Code of Integrity to suo-moto proactively declare any conflict of interest (coming under the definition mentioned above - pre-existing or as and as soon as these arise at any stage) in any Tender Process or execution of the contract. Failure to do so shall amount to a violation of this code of integrity.
- 2) Bidder must declare, whether asked or not in a bid-document, any previous transgressions of such code of integrity with any Procuring entity during the last three years or of being debarred by the any other Organisation Failure to do so shall amount to a violation of this code of integrity.
- 3) Such declarations would not mean automatic dis-qualification for the bidder making such declarations. The declared conflict of interest shall be evaluated for taking mitigation steps, where possible. Similarly voluntary reporting of previous transgressions of code of integrity elsewhere shall be evaluated barring cases of various grades of debarment; an alert may be kept on the bidders actions in the tender and subsequent contract.

C) Punitive Provisions:

Without prejudice to and in addition to the rights of the Company to other penal provisions as per the bid documents or contract, if the Company comes to a conclusion that a Bidder/Supplier, directly or through an agent, has violated this code of integrity in competing for the Contract or in executing a contract, the Company may take appropriate measures including one or more of the following:

- i) If his bids are under consideration in any procurement:
 - a) Forfeiture or encashment of bid security
 - b) Calling off of any pre-contract negotiations, and;
 - c) Rejection and exclusion of the bidder from the procurement process
- ii) If a contract has already been awarded:
 - a) Cancellation of the relevant contract and recovery of compensation for loss incurred by the Company;
 - b) Forfeiture or encashment of any other security or bond relating to the procurement;
 - c) Recovery of payments including advance payments, if any, made by the Company along with interest thereon at the prevailing rate;
- iii) Provisions in addition to above:

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- a) Removal from the list of registered suppliers and banning/debarment of the bidder from participation in future procurements of the Company
- b) In case of anti-competitive practices, information for further processing may be filed with the Competition Commission of India;
- c) Initiation of suitable disciplinary or criminal proceedings against any individual or staff found responsible.

38.0 Business responsibility and sustainability

At SAIL, we deeply value the vital role that companies can play in safeguarding and promoting human rights in the long term. We recognize our responsibility to uphold the spirit of human rights, as outlined in existing international standards, such as the Universal Declaration and the Fundamental Human Rights Conventions of the International Labour Organization. SAIL expects its suppliers to develop and implement policies and procedures to ensure all human rights in their business and to encourage their suppliers to do likewise. Our Human Rights Charter is available at <https://sail.co.in/sites/default/files/2023-09/Human-Rights-Charter.pdf>.

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Annexure- A(i)
Format for Declaration to be given by a Make In India Supplier
To be submitted on the Letter head of the Bidder
Self-Certification (for Procurement values equal to/less than Rs 10 crs)

Certificate for M/s. Steel Authority of India Ltd.,
With reference to SAIL-.....RFQ No.dt..... and our offer no.
.....

In line with the revised Public Procurement (Preference to Make In India), Order2017 dated 16-09-2020, as amended from time to time and as applicable on the date of submission of tender, we hereby certify that weM/s_____ (Bidder name) are local suppliers and item wise local content as defined in above orders for the material to be supplied by us against abovementioned Tender No_____is furnished as below:

Item No.	Item Description	Local Content (%)
1.		
2.		
3.		
4.		
5.		

Details of location at which local value addition will be made is as follows:

We also understand, false declaration will be in breach of the Code of Integrity under Rule 175(1)(i)(h) of the General Financial Rule for which a bidder or its successors can be debarred for up two years as per Rule 151 (iii) of the General Financial Rules along with such other actions as may be permissible under law.

Note: entries to be made separately for all items as per tender)

Seal and Signature of Authorized Signatory

General Terms and Conditions of Contract for Purchase
(October 2023)

Annexure- A(ii)

Format for Declaration to be given by a Make In India Supplier
To be submitted on the letterhead of the Statutory/ cost Auditor/ cost Chartered
Accountant as applicable.

Certificate from Statutory Auditor / Cost Auditor of the Company (In case of companies) or from a practicing Cost Accountant / Chartered Accountant (in respect of suppliers other than companies) for Procurement value more than Rs 10 crs

Certificate for M/s. Steel Authority of India Ltd.,
With reference to SAIL-.....RFQ No. and M/s.
..... offer no.

I/ We , having a registered officehave verified the records & documents produced before me/ us by the management of M/s. having regd. Office & having their manufacturing facility at, I/We hereby certify that the company has produced during (6 months period – half of Financial year) with domestic / local value addition of and we hereby certify that in the event of placement of order, M/s.....shall supply material description with local content of%.

Local content has been calculated as below:

Item No.	Item Description	Local Content (%)
1.		
2.		
3.		
4.		

Details of location at which local value addition will be made is as follows:

“Local content is the total value of the item procured (excluding net domestic indirect taxes and duties) minus the landed cost of imported input materials at the manufacturing plant in India (including all customs duties) as a proportion of the net selling price, in per cent.”

This certificated is being issued for classifying M.s as a Class -1 or Class –II Local supplier, as per revised Public Procurement (Preference to Make In India), Order2017 dated 16-09-2020of Ministry of Commerce and Industry, Department for Promotion of Industry and Internal Trade (Public Procurement Section), Government of India.

Statutory / Cost Auditor of M/s _____ (For companies)

Or

Cost Accountant / Chartered Accountant (in respect of suppliers other than companies)

Sign & Stamp