

PAKISTAN STEEL
(BULK MATERIAL DEPARTMENT)

PRICE ADJUSTMENT FOR DEVIATION FROM SPECIFICATIONS

If the chemical analysis and physical size analysis of any shipment exceeds the guaranteed Max / Min limits as indicated hereunder but are within the absolute limits indicated in Absolute Limit Clause, the following penalties shall apply:

a) CHEMICAL (FINE & LUMP ORE)

For chemical elements in excess of the guaranteed specifications (fractions pro-rata).

Fe	:	A bonus / penalty shall apply which will be calculated on the basis of per "Fe" percent on the CFFO price per DMT for Fe content exceeding / below the guaranteed value.
SiO ₂	:	US\$ 0.04 per dry metric ton for each 1% in excess of _____% Guaranteed Max.
Al ₂ O ₃	:	US\$ 0.05 per dry metric ton for each 0.1% in excess of _____% Guaranteed Max
P	:	US\$ 0.05 per dry metric ton for each 0.01% in excess of _____% Guaranteed Max.
S	:	US\$ 0.03 per dry metric ton for each 0.01% in excess of _____% Guaranteed Max.
Cu	:	US\$ 0.03 per dry metric ton for each 0.01% in excess of _____% Guaranteed Max.
TiO ₂	:	US\$ 0.03 per dry metric ton for each 0.01% in excess of _____% Guaranteed Max.
Alkalis	:	US\$ 0.03 per dry metric ton for each 0.01% in excess of _____% Guaranteed Max.
Other metals	:	US\$ 0.03 per dry metric ton for each 0.01% exceeding _____% excluding Ca, Mg, & Mn.
L.O.I	:	US\$ 0.03 per dry metric ton for each 0.01% in excess of _____% Guaranteed Max.

b) PHYSICAL - IRON ORE FINE

- i) For (+) 10mm US Cents 05 Dry / wet metric tonne for each 1% above guaranteed maximum of _____% fraction pro-rata.
- ii) For (+) 06mm US Cents 05 Dry / wet metric tonne for each 1% in excess of guaranteed maximum of _____% fraction pro-rata.

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- iii) For 100 mesh: US Cents 05 per wet metric tone for each 1% in excess of guaranteed maximum of _____% (max).

PHYSICAL - IRON ORE LUMP

- i. (+) 30 mm to (-) 50 mm : US Cent 05 per wet metric ton for each 1.0% in excess of guaranteed maximum of _____ % (max).
- ii. (-) 06 mm : US Cent 10 per wet metric ton for each 1.0% in excess of guaranteed maximum of _____ % (max).

2) **ABSOLUTE LIMIT**

The absolute limits/deviation which shall make the Iron Ore liable to rejection shall be:

a) Chemical	Lump Ore	Fine Ore
- Iron (Fe)	Below 58 %	Below 58 %
- Silica (SiO ₂)	Exceeding 10 %	Exceeding 10 %
- Alumina (Al ₂ O ₃)	Exceeding 04 %	Exceeding 04 %
- Phosphorous (P)	Exceeding 0.15 %	Exceeding 0.15%
- Sulphur (S)	Exceeding 0.10 %	Exceeding 0.10 %
- TiO ₂	Exceeding 0.30 %	Exceeding 0.30 %
- Alkalies	Exceeding 0.20 %	Exceeding 0.20 %

b) Physical	Lump Ore	Fine Ore
- (-) 06 mm	Exceeding 20 %	-
- (+) 30 mm	Exceeding 20 %	-
- (+) 10 mm	-	Exceeding 10 %
- (+) 06 mm	-	Exceeding 20 %
- (-) 0.15 mm	-	Exceeding 40 %

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