

# Standard General terms & Conditions

## 1. VALIDITY

the offer will be valid for a period of 30 days from the issue date of the offer and thereafter it will be subject to design department's written confirmation on transfer cost revision.

## 2. PACKING AND FORWARDING

Offered equipment will be dispatched suitably packed as per Seller's factory standard.

The fitting/assembling of loose parts/accessories at site is not in Seller's scope. Additional charges for any customised packing.

## 3. TERMS OF PAYMENT

30% interest free advance along with issue of order. Balance 70% together with full GST, price variation amount, freight, insurance as well as testing charges, if any, against proforma invoice before despatch of material.

In case of late payment, the price of each invoice may be increased by 2 % per month from the date of invoice on account of interest

## 4. DELIVERY

The delivery period quoted in the offer is on Ex-Works basis & subject to force majeure conditions mentioned herein. Delivery period will be reckoned from the date of receipt of technically and commercially clear purchase order containing agreed terms, the advance as per the payment term and manufacturing clearance whichever is later. Date of successful completion of agreed tests at Seller's works shall be deemed as the date of delivery for contractual purposes.

These delivery times could be modified as per the load of the Seller's factory.

## 5. DRAWING AND DOCUMENTS APPROVAL

If applicable, Seller will submit the drawing and documents of standard jobs within 4 weeks of receipt of order and for non-standard jobs as per agreement. Buyer has to provide the approval within 2 weeks of receipt of documents. In the event of delay in receipt of approval documents the seller will be compensated as per "Compensated due to buyer's default" clause.

## 6. DELAY IN MANUFACTURING CLEARANCE

In the event of not receiving the manufacturing clearance within three (3) months from the date of PO. The seller shall be compensated as per "compensation due to buyer's default"

## 7. STORAGE

If the Buyer does not take delivery of goods within seven (7) days of notification that they are ready for delivery the Seller shall be entitled on behalf of the Buyer to put the goods into storage at the Buyer's expenses.

## 8. WARRANTY

The equipment to be supplied in accordance with the technical part of the offer shall be warranted for a period of 12 (twelve) months from the date of commissioning, but in no case whatsoever longer than for a period of 18 (eighteen) months from the date of invoice.

## 9. TESTS

Routine tests as per relevant IS/IEC as applicable will be conducted on the equipment before dispatch at Seller's works. Type test/ special test, if agreed, will be carried out on first unit of each rating only at extra cost. All the above tests shall be witnessed at extra cost if agreed at the time of order. For major bought out items, suppliers test certificates shall be furnished, wherever available.

## 10. LIMITATION OF LIABILITY

Notwithstanding anything contained in this AGREEMENT, its Appendices or orders to the contrary, with respect to any and all claims arising out of the performance or non-performance of obligations under this AGREEMENT or purchase orders, whether arising in contract, tort, warranty, strict liability or otherwise, Seller's liability shall not exceed in the 100% of this order value or payments received against this order whatever is lower.

## 11. CONSEQUENTIAL LOSSES

Seller shall in no event be liable for loss of profit, loss of revenues, loss of use, loss of production, costs of capital or costs connected with interruption of operation, loss of anticipated savings or for any special, indirect or consequential damage or loss of any nature whatsoever.

## 12. VARIATION IN QUANTITY

Any Variation i.e. increase or decrease, in the ordered quantity has to be with written confirmation from sales and marketing head.

## 13. COMPENSATION DUE TO BUYER'S DEFAULT

The Seller shall be compensated for any delay or default not attributable to him during the execution of contract. Such compensation shall include but not limited to Price escalation claims. Increase in Freight, Storage & Port handling charges & re-fixation of contractual delivery etc.

The compensation will be calculated based on IEEMA PVC ( one month earlier from the date of PO and from the date of manufacturing clearance) + conversion cost.

## 14. SUSPENSION AND TERMINATION

### 14.1 Suspension:

If the Buyer fails to make any payment when due or perform on time any of its other obligations under the contract:

- The Seller shall be entitled to suspend performance of the contract until the failure is remedied;
- The time for performance of the contract by the Seller shall be extended accordingly;
- Any cost (including financial cost and storage) thereby incurred by the Seller shall be paid by the Buyer.

If performance of the contract is for any reason suspended and such suspension continues for more than 3 months the Seller shall be entitled at any time during that continued suspension by not less than 30 days' written notice to terminate the contract forthwith, in which event the provisions of the termination clause below shall apply.

### 14.2 Termination:

In case of termination of the contract in whole or in part under any sub-clause of these Conditions of Supply the Buyer shall pay to the Seller without prejudice to any other remedy the Seller may have:

- The outstanding balance of the contract value of the goods and services which have been duly delivered or performed;
- The cost incurred by the Seller up to the date of termination in performing work on goods and services which are not then in a deliverable status, plus a reasonable sum to compensate the loss of profit.

## **15. ACCEPTANCE**

The acceptance of the equipment by the Buyer shall be deemed complete on successful testing of the same at the plant of the Seller's or its agents suppliers or subcontractors , before dispatch to the site.

## **16. CHANGE IN SCOPE**

The prices quoted are in accordance with the scope of work specified in our Technical Scope enclosed. If subsequent to the tender evaluation and placement of order, changes in the specification alter the quoted scope of supply and services, seller reserve the right to re-negotiate the price.

Any change in our scope of work shall be compensated by buyer. Seller shall maintain a record of such changes. Any increase or decrease in the price shall be mutually discussed and agreed before seller undertakes the manufacturing of the corresponding equipments.

## **17. LD & RISK PURCHASE**

LD & Risk Purchase are not applicable in any circumstances.

Where ever "time is the essence of PO' is mentioned in customer PO. We need to take deviation from customer

## **18. ORDER PLACEMENT**

In case of order placement from our customer we need to have back to back PO of their customer (End user/OEM/EPC/consultant/contractor/others). For any deviation in case of OEM and EPC kindly get confirmation from Sales and Marketing Head.