

GENERAL TERMS AND CONDITIONS

1. SCOPE OF WORK:

- a. The terms and conditions set forth the entire understanding between the Supplier and Purchaser and supersede all other prior agreements, written or oral, between the Supplier and Purchaser with respect to the subject matter of this Order (except where the parties have expressly agreed in a separate written agreement, in which case the terms and conditions of that written agreement apply and supersede these standard General Terms and Conditions).
- b. Further, the Terms and conditions set forth shall apply to all deliveries and services unless contradictory provisions have been agreed in writing.
- c. Our terms and conditions shall furthermore provide the basis of all future transactions with the Purchaser.

2. STORAGE OF GOODS:

- a. BBM shall take the responsibility of maximum storing 30 days from the date of Inspection Release note and beyond this it would be stored on chargeable basis, which shall be intimated after the readiness of goods depending upon size and area required for storages.
- b. In case of goods needs to be stored after the readiness, then BBM should be allowed to raise the invoices after receipt of IRN.
- c. In case buyer does not take the delivery of the goods after 4 weeks of storage for reasons, not attributable to seller, the buyer and seller shall execute the transfer of title agreement, under which title of goods shall be transferred from seller to buyer and seller shall store goods for further 60 days on chargeable basis as a bailee. Seller shall be responsible for any loss or damage to goods during the bailment period. In case buyer request to extend the bailment period, then price to the extension period shall be mutually agreed between buyer and seller.

3. STORAGE CLASS AT CUSTOMER PREMISES:

All the finished goods shall be stored as per storage class 'C', i.e. under covered shed for protection from rain, dirt and thunderstorms.

4. PACKING OF GOODS:

Finished goods shall be packed as per Standard / agreed packing procedure after final inspection clearance is received. Damages to packing material / finished goods, during transportation, shall be claimed under Transit Insurance by the beneficiary & we shall not be held responsible for such damages.

5. DELIVERY TERMS:

Delivery of goods shall mean Ex works, BBM works, Pirangut, Pune, India unless otherwise specifically agreed at pre-order stage.

6. PAYMENT TERMS:

- a. 10% of the total contract price (excluding Taxes, Duties & Levies) as interest free advance, against submission of reducing balance type Bank Guarantee of equivalent amount, valid till

contractual delivery date. This amount shall be paid within 7 days of submission of Supplier's Proforma Invoice.

- b. 10% of the total contract price (excluding Taxes, Duties & Levies) as interest free advance, against submission of General Arrangement Drawing, Layout Drawing & Project Schedule. This amount shall be paid within 7 days of submission of Supplier's Proforma Invoice.
- c. 30% of the total contract price (excluding Taxes, Duties & Levies) as interest free advance, against submission of unpriced Purchase Order copies of Raw Material & major Bought Out Items. This amount shall be paid within 7 days of submission of Supplier's Proforma Invoice.
- d. 40% of the total contract price (including 100% Taxes, Duties & Levies, as applicable), upon Material Readiness, against submission of Inspection Release Note (IRN). This amount shall be paid within 15 days of submission of Supplier's Proforma Invoice.
- e. 10% of the total contract price (excluding Taxes, Duties & Levies) shall be paid upon receipt of Supplier's final Invoice & Bank Guarantee for equivalent amount, valid till expiry of Warranty Period.

7. Payment of GST

The Buyer shall bear and promptly pay/reimburse applicable Taxes, Duties & Levies (presently GST) on the Goods, as per the law of India. If any rates of GST are altered and / or a new tax is introduced during the contractual delivery period, an equitable adjustment of the contract price shall be made to fully consider any such alteration and / or addition to the contract price therefrom.

8. BANK GUARANTEE:

BBM Shall furnish Advance or Performance Bank Guarantee (inline with PO terms), as per approved draft from Buyer, having validity till end of Warranty Period. However, upon expiry of Bank Guarantees, Buyer shall return the original Bank Guarantees to our registered office address along with discharge letter. Due notice along with justification shall be given by the Buyer to the Seller before encashment of Bank Guarantee. Encashment without reasonable cause or opportunity of representation given to the Seller would amount to fraud entailing legal consequences to the Buyer.

9. Warranty:

BBM offers a Warranty Period of 18 months from the date of delivery (Ex-works), or 12 months from the date of its commissioning (start of operation), whichever is earlier. The extent of warranty during the warranty period shall be limited to manufacturing defect or workmanship issues.

10. Liquidated Damages (LD):

- a. Delay in Delivery – 0.5% of the basic supply price shall be deducted per delay of a complete calendar week, upto a maximum of 5%. The LD towards delay in delivery shall be applied if & only if the delay is occurred due to reasons, solely attributable to Supplier. In case of concurrent delay, LD shall not be deducted from full receivable amount of Supplier.
- b. Performance shortfall – 1% of the basic supply price (excluding Freight, Cost of Spares, Cost of additional items (if any) and Taxes, Duties, Levies) shall be deducted against shortfall of intended performance of the supplied goods (as mentioned in the Technical Contract), upto a maximum of 10%. This risk is however covered under 'Performance Bank Guarantee' valid till expiry of Warranty Period.
- c. Maximum Limit of LD – 10% of the basic supply price (combining LD for Delay in Delivery & Performance shortfall)

11. Force Majeure:

This means an event beyond the control of the Purchaser / Seller, which prevents either of the parties from complying with any of its obligations under the Contract, including but not limited to:

- a. Act of God (such as, but not limited to, fires, explosions, earthquakes, drought, tidal waves and floods)
- b. War & hostilities (whether war be declared or not), invasion, act of foreign enemies, mobilisation, requisition, or embargo
- c. Rebellion, revolution, insurrection, or military or usurped power or civil war
- d. Contamination by radio-activity from any nuclear fuel, or from any nuclear waste from the combustion of nuclear fuel, radio-active toxic explosive, or other hazardous properties of any explosive nuclear assembly or nuclear component of such assembly
- e. Riot, commotion, strikes, go slows, lock outs or disorder, unless solely restricted to employees of the Supplier or of his Subcontractors
- f. Acts or threats of terrorism.

12. Consequences of Force Majeure:

- a. Neither of the parties shall be considered in breach of the Contract to the extent that performance of their respective obligations (excluding payment obligations) is prevented by an Event of Force Majeure that arises after the Effective Date.
- b. The "Affected Party", prevented from carrying out its obligations hereunder shall give notice to the other Party of such an event of Force Majeure, upon its actual occurrence or it being foreseen by or becoming known to, the Affected Party.
- c. If and to the extent, either of the parties is prevented from executing its Services by the event of Force Majeure, while the Supplier is so prevented that, the Supplier shall be relieved of its obligations to provide the Services but shall endeavour to continue to perform its obligations under the Contract so far as reasonably practicable [and in accordance with Good Operating Practices], [PROVIDED that if and to the extent that the Supplier incurs additional Cost in doing so, the Supplier shall be entitled to the amount of such Cost.
- d. If and to the extent that the Supplier suffers a delay during the Execution period, as a result of the event of Force Majeure, then it shall be entitled to an Extension Of Time (EOT) for completion in accordance with Sub-Clause.
- e. If an event of Force Majeure results in a loss or damage to the Product, then Supplier shall rectify such loss or damage to the extent required by the Purchaser, PROVIDED that any such cost of rectification (less any insurance proceeds received by the Supplier for the loss or damage) is borne by the Purchaser.

13. NON-DISCLOSURE:

BBM agrees to treat all information and documents provided by Buyer, us strictly confidential and not to disclose their contents to third parties.

14. Governing Law and Jurisdiction:

The Purchase Order shall be governed by laws of India. The Courts at Pune shall have exclusive jurisdiction on the Purchase Order.

15. Arbitration:

Any dispute, arising out of or in connection with the Contract, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration under the LCIA India Arbitration Rules, which are deemed to be incorporated:

- a. The number of arbitrators shall be [one/three].
- b. The seat / legal place of arbitration shall be Pune, India.
- c. The language to be used in the arbitration shall be English.
- d. The governing law of the contract shall be the substantive law of India.

16. Purchaser's responsibilities:

- a. Timely release of payments
- b. Approval of technical / commercial documents within agreed timeline.
- c. Meeting Supplier's queries, related to but not restricted to the scope of work of Supplier, under the Contract.
- d. Adhering to the standard & specified terms & conditions of the Contract.

17. Termination / Cancellation:

Neither of the parties are entitled to enforce Termination for Convenience in any situation. However, Supplier shall have the right to exit from the Contract, if Purchaser fails to fulfil their Contractual obligations, necessarily but not limited to the financial obligations even after a considerable (mutually agreed) period, over & above the scheduled duration. In such case, Purchaser shall compensate to Supplier suitably (as per mutual agreement at the time of termination).

In case, Purchaser wants to reopen any terminated contract, same can be restarted with fresh schedule for price & delivery, as agreed between the parties.