

## General Terms and Conditions of Purchase Order for Goods/ Services

October, 2018

1. The '**Company**' means BSH Household Appliances Manufacturing Pvt. Ltd., Arena House, 2nd Floor, Main Building, Plot No 103, Road No 12, MIDC Andheri (E), Mumbai – 400093.
2. The '**Vendor**' means any person, body corporate, firm or any other entity with whom the Company placed the Purchase Order for supply of the goods or services.
3. '**Purchase Order**' means an agreement between the Company and the Supplier, binding the Supplier to supply the goods/services as per the terms of the Purchase Order placed by the Company. Any change in the terms and condition of the Purchase Order will be binding only if, the same are made in writing and signed by the authorized representative of the Company.
4. '**Services**' means the services provided or to be provided by the vendor to the company as per the terms and conditions of the Company for providing the services under this Purchase Order.
5. '**Goods**' means every kind of moveable property supplied or to be supplied by the vendor to the company as per the terms and conditions of the company for supplying the goods under this Purchase Order.
6. Any special terms and conditions mentioned in the Purchase Order shall be read in conjunction with the general terms and conditions of the Purchase Order. Where any of the general terms and conditions is repugnant to or at variance with the special terms and conditions, the special terms and conditions shall prevail to that extent;
7. The Vendor hereby acknowledges the Purchase Order on its receipt and confirms the acceptance of terms and conditions within 3 days of the Purchase Order in its entirety. These terms and conditions shall form part of the contract for supply of goods and the Supplier hereby waives all and any of the term of its sale or supply of goods. In case, the Vendor fails to reply to the Company within 3 days from the receipt for this PO; it shall be deemed that the Vendor has accepted all the Terms and conditions of the Purchase Order.
8. **Delivery Terms:**
  - a. **Delivery Date:** The date and time of delivery as mentioned in the Purchase Order, shall be the essence of the Contract for supply of goods and no variation shall be permitted, except with prior authorization in writing from the Company;
  - b. **Place of delivery:** The goods shall be delivered strictly as per the instructions given in the Purchase Order.
  - c. **Delay in delivery:** Time is essence of this Purchase Order. In an event the Supplier fails to execute the Purchase Order as per the terms of this Purchase Order, the Company may, without prejudice to the remedy available to it under the law and without being liable to any cost or damage for any reason whatsoever:
    - i). Accept late delivery subject to a deduction in payment of ½% of the total contract price for every week or part thereof of the delay towards liquidated damages, with a maximum deduction of 10% of the total contract price.
    - ii). Cancel the Purchase Order with immediate effect and/or get the balance supplies made by any other agency or person. All cost and expenses that may be additionally incurred by the Company for completing the balance supplies shall be debited to the Supplier's account and shall be recoverable from any money due or that may become due to the Supplier under this Contract.

Under no circumstances the Company shall be liable to pay any cost or compensation to the Supplier whose Purchase Order has been so cancelled.
  - d. It is mandatory for the Vendor to provide the Purchase Order number on the invoice raised by the Vendor. The Company has the right to reject the payment of the invoice which does not have the Purchase Order number.
  - e. **Delays due to "force majeure" event;** In case of delay occurring due to any 'force majeure' event within the agreed delivery terms, the delivery date(s) may be extended by the Company at its option on receipt of request from the Supplier. Only those event which are due to natural calamities, civil wars and national strikes, which have duration of more than seven consecutive calendar days, are considered as the 'force majeure' event.
  - e. The goods delivered shall comply with the description or samples or specifications of the Company, failing which the Company shall have the option to reject the goods and the Supplier shall be deemed to have wrongfully neglected to deliver the goods according to the Purchase Order. The Company shall, in that event, at its sole discretion, be entitled to either purchase the goods from other sources on Supplier's account after due notice to Supplier in which case the Supplier shall be liable to pay to the Company, difference between the price at which such goods have been purchased by the Company and the price calculated at the rate set out in this Purchase Order or to hold the Supplier liable to pay the Company damages for non-delivery of goods for such wrongful negligence.
  - f. **Packing:** The Goods supplied against this Purchase Order must be suitably and properly packed to avoid any damage to the goods in the transit.
  - g. **Compliance** - The Supplier shall abide by all the rules and regulations of the Company including Occupational Health and Safety Rules and Environmental Regulations (HSE). The Supplier alone shall be responsible for the compliance of the applicable laws for the manufacture, transport or supply of goods to the Company under this Purchase Order.

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- 9. Examination of goods:** Irrespective of the fact that the goods are delivered as per Company's instructions, the goods shall always be subject to detailed inspection by the Company for ascertaining whether the goods are in conformity with the contract or not, and until then the Company shall be deemed to have not accepted such goods and upon any rejection of goods, the Supplier shall be deemed to have failed to deliver the goods in accordance with this Purchase Order.
- 10. Removal of rejected goods and replacement:** Within 15 days from the receipt of the intimation from the Company of rejection of the goods, the Supplier shall remove at its own cost and efforts the rejected goods from the place of delivery as mentioned in the Purchase Order or wherever such goods are lying. The Company shall not be responsible for, or be held liable to, any loss, damage or deterioration of the rejected goods whatsoever and such goods shall be entirely at the Supplier's risk. The Supplier shall pay to the Company reasonable storage charges and other expenses for storing such rejected goods, if any, incurred by the Company.
- 11. Bills & Invoices:** At the time of making delivery of goods, the Supplier shall send all the related documents like challans, tax invoices and other documents pertaining to each consignment, as per the applicable laws, to the Company's location mentioned in the Purchase Order. The original bills enclosing the complete consignment note and other requisite documents, as required under the applicable laws, must be sent to the Company's authorised representative in the purchase department at the location stated in the Purchase Order. Disregard any of these instruction(s) will invariably involve delay in the payment of bills. The Company shall make the payment of the bills of the Supplier as per the terms agreed with the Supplier, unless otherwise agreed in writing with the Supplier.
- 12. Warranty:** The Supplier shall ensure that the goods confirm the quality standard and specification of Supplier, in respect of materials and workmanship, and are suitable for the purpose for which the same is intended to be used. The Company may, at any time, depute its personnel to visit the establishment of Supplier to inspect the Goods. The Supplier agrees that the goods shall be repaired, at the cost and efforts of the Supplier, in case the same have been found to be defective or of substandard in quality or not conforming with the specifications of Supplier, within a period of 24 months from the date the goods are put to use, unless otherwise agreed by the Company with the Supplier in writing.
- 13. Right to set off:** The Company has the right to set off any amounts that the supplier owes to the company against / from any outstanding payments that the company is liable to pay to the supplier. The company has the right to set off any amounts that the supplier owes to the company against / from any outstanding payments that the company is liable to pay to the supplier.
- 14. Cancellation:** The Company reserves the right to cancel this Purchase Order or any part thereof and shall be entitled to rescind the Contract wholly or in part after a written notice to the Supplier if (i) the Supplier fails to supply the goods in accordance with the terms of the Purchase Order; (ii) any legal proceedings are initiated against the Supplier for liquidation or bankruptcy; (iii) the Supplier fails to deliver the goods on time and/or replace the rejected goods promptly; (iv) the Supplier makes general assignment for the benefit of the creditors; (v) Receiver is appointed in respect of property of the Supplier; and (vi) any other reason which in the absolute discretion of the Company warrants the termination of the Contract. On such termination or cancellation, the Company shall not be liable to pay any cost or damage to the Supplier, for any reason whatsoever.  
  
The Company shall not be liable for non-performance of any part of the Purchase Order on account of any strike, shortage of labour, lockout, break down of machinery or any other force majeure event or for any other reason beyond the control of the Company.
- 15. Waiver:** Failure of the Company to insist upon any of the terms of the Purchase Order or failure or delay to exercise any rights or remedies herein or under law, or failure to notify any breach of the terms of the Purchase Order, shall not be deemed to be a waiver of any of rights by the Company.
- 16. Contractual Obligation:** The specifications, designs and drawings etc. ('Specifications') provided by the Company for the manufacture and/or supply of goods under this, are Company's exclusive property. It shall be obligatory on the Supplier's part not to divulge or disclose or cause to divulge or disclose such Specifications to any third party without the written permission of the Company. The Supplier shall not manufacture or cause to be manufactured the goods for or on behalf of any third party, as per these Specifications of the Company. The Supplier shall not enter into, any direct or indirect, Contract to the extent of these Specifications for sales of these goods, nor solicit or entertain any enquires for sale of these goods from any third party. Moreover, any enquiry received by the Supplier for goods pertaining to these Specifications, howsoever, shall be sent to the Company forthwith by the Supplier. The Supplier's failure to carry out its obligations herein shall amount to a breach of Contract which shall entitle the Company at any time to take steps to prevent the Supplier from continuing the breach and also to claim damages for such breach, without prejudice to any other remedy available to it under the law.
- 17. No Assignment:** This Purchase Order shall not be assigned to any other person by the Supplier without obtaining prior written consent of the Company.
- 18. Independent status:** The Parties agree that each party is acting as an independent Contractor with respect to the other and nothing contained in this Agreement is intended, or is to be construed, to constitute the Company and the Supplier as partners or

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the Company or Supplier as an agent of the other. Neither Party hereto shall have any express or implied right or authority to assume or create any obligations on behalf of or in the name of the other Party or to bind the other Party to any Contract, agreement or undertaking. Without limiting the foregoing, the Supplier agrees that it will not, during or after the term of this agreement, represent to any person that they act for, or on behalf of, the Company. The Supplier shall not make use of Company's name or advertise its relationship with the Company without Company's written consent in each instance.

- 19. Severability:** If any provision of this Agreement is held to be illegal, invalid or unenforceable under any present or future Law, and if the rights or obligations of any Party hereto under this Agreement will not be materially and adversely affected thereby, (a) such provision will be fully severable, (b) this Agreement will be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part hereof, and (c) the remaining provisions of this Agreement will remain in full force and effect and will not be affected by the illegal, invalid or unenforceable provision or by its severance here from.
- 20. Indemnity:** The Supplier agrees to indemnify, defend and hold harmless to the Company, its directors, officers and representatives from and against any and all losses, liabilities incurred, claims, damages, costs and expenses in connection therewith ("Losses") asserted against or incurred by the Company, its directors, officers and representatives which arise out of, result from or payable by virtue of any breach of any covenant, undertaking, indemnity, commitments, representation or warranty made by the Supplier under this Agreement, or due to any event which results or may result in any of the same being untrue, inaccurate or misleading.
- 21. Dispute Resolution:** In the event any dispute arises between the parties out of or in relation to the Contract for supply of goods, the parties shall attempt in the first instance to resolve such dispute through friendly and amicable consultations within 30 (thirty) days from the date of arising of the dispute. The disputes, which cannot be settled by friendly negotiation and agreement, shall be referred to and finally resolved at the court / Tribunal in Mumbai.
- 22. Jurisdiction:** Subject to clause 21, above, the Parties submits to the exclusive jurisdiction of the courts at Mumbai alone.