

## General Terms and Conditions for Delivery

SUHNER INDIA PVT.,TD./ Plot No.50C2 & 50D / Bommasandra Industrial Area/Bangalore-560099



### 1. GENERAL

The General terms and conditions of delivery by SUHNER INDIA PVT.LTD. Are set out hereunder.

**1.1** SUHNER INDIA PVT.LTD. Shall be hereinafter referred to as the "Supplier"

**1.2** Any Person or Company which places an order for purchase of supplies from the Supplier shall be hereinafter referred to as the "Customer"

**1.3** The contract shall be deemed to have been entered upon receipt of the Supplier's written acknowledgement stating its acceptance of the purchase order placed by the Customer

**1.4** The general conditions of supply as enumerated hereunder shall be binding on both the parties. Any conditions stipulated by the Customer which is in contravention to these general conditions of supply shall only be valid if expressly acknowledged by the Supplier in writing.

**1.5** All agreements and legally relevant declarations, entered into between the parties to the contract shall be in writing in order to be valid.

**1.6** These general conditions of supply shall be binding. Any conditions stipulated by the Customer which are in contradiction to these general conditions of supply shall only be valid if expressly acknowledged by the Supplier in writing.

**1.7** Any of the general terms and conditions set out hereunder cannot be waived by the Customer without the prior written consent of the Supplier.

**1.8** Neither of the parties shall assign nor delegate their rights and duties, arising as a consequence of the terms and conditions set out hereunder ;

**1.9** If any of the general terms and conditions set out hereunder is held to be illegal, invalid or unenforceable under the present of future laws effective during the continuance of such terms and conditions, such provisions shall be fully severable; however the remaining provisions shall remain in full force and effect.

### 2. EXTENT OF DELIVERY

**2.1** The acknowledgment of the purchase order by the Supplier forms the basis for execution of deliveries;

**2.2** Reference to any material or performances not contained in the suppliers acknowledge form shall be invoiced distinctly;

**2.3** The terms herein shall also apply to partial delivery of supplies.

**2.4** The Supplier reserves the right to adjust order quantities to standard quantities with the consent of the Customer. However , in case of the difference in the ordered quantity not being more than 10 % the Customer shall not be intimated.

### 3. PRICES

**3.1** All supplies are invoiced on the basis of the price-list in force at the date of quotation subject to the conditions as contemplated under Clause 3.2.

**3.2** The Supplier reserves the right to adjust its price due to fluctuations and changes in wage rates, cost of the materials, between the date of submitting quotation and the date of delivery.

**3.3** The prices of supplies shall be calculated exfactory without any deductions. However, packing shall be invoiced separately.

**3.4** All kinds of taxes (including sales tax), charges, fees and custom duties shall be borne solely by the Customer.

**5.2** All deliveries are carried out on account and at the risk of the Customer. Customer would be solely responsible to have the supplies adequately insured. Complaints about damage, delay or loss shall be notified by the Customer directly to the transport or insurance company within 8 days from the date of receipt of the goods. Any claims arising thereby shall be addressed to the transport or insurance company directly.

**5.3** The Supplier shall determine the mode of conveyance unless otherwise specified in the purchase order by the Customer.

**5.4** Complaints can only be considered if made within 8 days after receipt of the merchandise.

**5.5** The Suppliers rights and risks shall pass on to the Customer from the date of the supplies leaving the works.

**5.6** If dispatch is delayed at the request of the Customer all risks of the supplies from such time originally foreseen for their leaving the works shall pass to the Customer. Further from such time the supplies shall be stored and insured on account and at the risk of the Customer.

### 6. TERMS OF PAYMENT

**6.1** Invoice raised by the Supplier shall have to be honored within 30 days from the date of their issue, unless different terms of payment have been agreed to in writing by the Supplier.

**6.2** If the Customer defaults in making payment as per the terms herein agreed to, the Supplier shall be entitled to an interest at the rate of 18% on the defaulted payment from the date of default.

**6.3** In case the Supplier comes to incur such expenses or charges on account of collection of the payments, all such expenses and charges shall be borne solely by the Customer

**6.4** The terms of payment as stipulated hereinabove shall be adhered to by the Customer even if the transport, delivery, assembly, commissioning or acceptance of the goods ordered is delayed.

**6.5** The Payment agreed to shall not be reduced or altered except with a prior written consent of the Supplier;

**6.6** The stoppage or reduction of payments by the Customer on account of complaints, claims, counter claims against the Supplier, not acknowledged by the Supplier, shall not be allowed.

### 7. CANCELLATIONS

**7.1** A Cancellation of purchase order required the prior written consent of the Supplier.

**7.2** The Customer shall bear all expenses incurred on account of the cancellation of the purchase order.

### 8. GUARANTEE

**8.1** The Supplier hereby guarantees the quality and authenticity of the following products for a period of 6 months.

- Machine with a flexible shaft, pneumatic air tools and drive motors;
- Electric power tools, multi spindle drilling and tapping heads.
- Machining units and standard special machines.
- Restricted to 1-shifted work (shifted work 3 months)
- The guarantee period would commence from

### 9. RETURN OF GOODS

The return of the goods delivered would be acceptable only upon the fulfillment of the following conditions

- Returns must be on freight paid basis
- Will only be accepted if approved by the Quality Control after physical inspection.
- Copy of the delivery slip needs to be enclosed therewith.
- In no case shall the Supplier accept returns sent by cost on delivery.
- The components on return shall be in flawless condition and in original packaging
- In case of such return being made without any fault on part of the Supplier, 10% shall be deducted if the goods are returned before the lapse of 60 days. 20 % shall be deducted if returned after a lapse of 60 days, 60 % shall be deducted if returned after a lapse of 4 months from the date of delivery.

### 10. REPAIRS

For repair costs higher than 50% of the list price an estimate with an offer for a new machine will be made automatically.

### 11. RETENTION OF OWNER-SHIP OVER PROPERTY

The Supplier shall have the proprietary right over the supplies delivered until such date as full payments made thereon.

### 12. PROPRIETARY RIGHTS

**12.1** The Supplier shall have the proprietary right over all the drawings, illustrations, plans, models and other documents pertaining to all supplies made. Any of the aforementioned documents, drawings or plans may not be made available by the Customer to the third party except upon an express written consent of the Supplier. The Customer shall return all such documents and drawings belonging to the Supplier which he might have in this possession in case of the offer in question not resulting in a purchase order

**12.2** The Customer guarantees that all drawings submitted to the Supplier for enabling or facilitating property/proprietary rights of any third party. The Supplier is not bound to examine whether the drawings sent by the Customer to the Supplier infringe any proprietary rights of the third party in the event of such drawings being used for the purpose of manufacturing. The Customer shall hold harmless and indemnify the Supplier of all acts undertaken on the strength of such representation.

**12.3** The Customer recognizes all proprietary and intellectual Property Rights existing in the products manufacturing or distributed by the Supplier. Further the customer undertakes that neither shall it infringe such rights directly nor shall it cause such rights to be infringed by any third party.

**12.4** The Customer shall indemnify the Supplier of all such damages resulting from breach of its intellectual Property Rights. The Supplier shall be entitled to take all such legal action in order to obtain the cessation of any act of infringement

### 13. ARBITRATION

**13.1** In the event of any dispute or difference of opinion between the Parties arising out of or in connection with the terms and conditions set out heretofore or with regard to performance of any obligations by either party, the parties hereto shall

3.5 All such agreements or understanding on pricing entered into by the Customer prior to the date of this contract shall cease to be effective.

3.6 No variance in the terms of pricing shall be valid unless expressly agreed to in writing by the both the parties.

#### 4. TERMS OF DELIVERY

4.1 The time of delivery begins as soon as contract is concluded, the payments and guarantees to be effected upon placing the order are made and the essential technical points are cleared.

4.2 The time of delivery shall be fixed according to the most reasonable estimation of time by the supplier. However, the stated time of delivery is subject to extension by mutual consent.

4.3 Delayed deliveries do not entitle the Customer to terminate the contract or to claim compensation for whatever damage resulting from the delay in delivery.

#### 5. DISPATCH / DELIVERY

5.1 Packing is invoiced by the Supplier separately and will not be taken back. However, if it is the Supplier's property, it shall be sent back to the Supplier, prepaid.

the date of dispatch of the supplies from the Supplier's factory;

However guarantee agreed heretofore shall not cover any damages resulting from natural wear and tear, faulty maintenance, incorrect usage, excessive use, improper working stock or any other cause beyond the Supplier's control.

8.2 The Supplier undertakes for the period of guarantee specified in 8.1 to repair or replace, at the Supplier's description, as rapidly as possible any units or part of units that have obviously become damaged or useless as a result of defective material or faulty manufacture.

8.3 The Customer must check the goods delivered within a period of 7 days from the date of delivery and notify the Supplier immediately in writing thereon. Failing which, the supplies delivered in the form and condition will be regarded as accepted by the Customer.

8.4 All expenses incurred by the Supplier while making such replacement relating to dismantling of defective parts and the mounting of replacement parts, including transport and travelling expenses, shall be borne by the Customer.

8.5 Every further claim by the Customer caused due to defective delivery, which have not resulted on the delivery object and to liquidation of contract, are out of question.

use their best efforts to settle such disputes or difference of opinion amicably by mutual consultation.

13.2 If an amicable settlement is not reached within 21 days. Either Party may forthwith send to the other, notice in writing of the existence of such question, dispute or differences and the same shall be referred to arbitration by a single arbitrator in accordance with the Arbitration and Cancellation Act, 1996. The award made in pursuance thereof shall be final and binding on the parties. The Arbitration shall be conducted in English language and the venue of such Arbitration shall be at Bangalore.

#### 14. GOVERNING LAW

The validity, construction and performance of the terms and conditions set out heretofore in details shall be governed by and interpreted according to and subject to the laws of India.

#### 15. PLACE OF EXECUTION, COURT OF JURISDICTION AND APPLICABLE LAW

15.1 Subject to clause 15.3 the place of execution in all matters for both the Parties shall be Bangalore India.

15.2 The Contract and the General Terms of delivery are subject to the existing laws of India.

15.3 Subject to the Arbitration clause, the parties hereby agree to submit to the jurisdiction of the competent courts at Bangalore, India, for any disputes arising from the breach of terms and conditions set out heretofore. However, the Supplier shall also be entitled to take appropriate legal action against the Customer in the courts of the latter's domicile or in any other competent court as the situation might necessitate.