

## General Conditions of Purchase

### **1. Scope of Application**

All supplies and the services associated with them shall be provided exclusively on the basis of these General Conditions of Purchase. These General Conditions of Sale shall also apply to all future business. Deviation from these General Conditions of Sale require the explicit written approval of Goodie International (hereinafter "Goodie").

### **2. Offer and Acceptance**

**2.1** The Purchaser may cancel the order if the Supplier has not confirmed acceptance of the order (confirmation) in writing within two weeks of receipt.

**2.2** Written acceptance of the Purchase Order, or commencement of performance of any work or services pursuant to the Purchase Order, will constitute acceptance of the Purchase Order. Such acceptance is limited to and constitutes Seller's acceptance of these terms and conditions exclusively.

**2.3** No verbal agreements amending the terms of this order are valid unless both the Purchaser and the Supplier duly confirm them in writing.

**2.4** Any amendments or additions or alterations to the order shall only be effective if the Purchaser confirms such in writing.

### **3.0 Packing**

**3.1** Goods processed and supplied against this order must be properly packed and dispatched conforming to special instructions, if any, given for safe transport by road/ rail/ air/ water to the specified destination.

**3.2** In case of dangerous goods, the Supplier shall submit details of packing and transportation plan to Purchaser for confirmation prior to shipment.

### **4.0 Price**

**4.1** The prices governing this order shall for all purposes, remain firm unless otherwise agreed to specifically in writing by the Purchaser

**4.2** For deliveries involving installation, commissioning or services, the transfer of risk occurs on acceptance and for deliveries not involving installation or commissioning, the transfer of risk shall be upon receipt by the Purchaser at the designated place of receipt. Not understood

**4.3** For pricing ex-works or ex-warehouse of the Supplier, insofar as the Purchaser has not requested a particular method of delivery, Supplier should select transport option at the lowest possible cost. Any supplementary costs arising from non-conformity with the transport requirements shall be borne by the Supplier. Where the price is quoted free to the recipient, the Purchaser may also determine the method of transportation. Any supplementary costs arising from the need to meet the delivery deadline by way of expedited delivery shall be borne by the Supplier.

### **5. Delivery**

**5.1** Delivery time is the essence of this order and must be strictly adhered to. If the Supplier fails to deliver the goods in time, the Purchaser may, at its sole discretion:

- (a) treat the order as cancelled at any time and recover any loss or damage from the Supplier;
- (b) purchase the goods ordered or any part thereof from other sources on the Supplier's account, in which case, the Supplier shall be liable to pay the Purchaser not only the difference between the price at which such goods have been actually purchased and the price calculated at the rate set out in this order, but also any other loss or damage the Purchaser may suffer;
- (c) without prejudice to above provision Purchaser may

accept late delivery, and may choose to levy a deduction in payment of 1% of the total order price for every week or part thereof of the delay, towards liquidated damages, subject to maximum deduction of 10% of the order price.

**5.2** For the purpose of establishing the timeliness for deliveries involving installation, commissioning or rectification services, the relevant point in time shall be the date of acceptance.

### **6. Force Majeure**

**6.1** The Purchaser shall be under no liability for failure to accept the deliveries of goods, if such acts of failure are due to any act of God, fire, earthquake, floods, or any natural calamities or transportation embargoes, civil commotion, riots, violence, acts of terrorists, state enemies, or any other similar reasons or circumstances beyond the control of the Purchaser.

**6.2** Such occurrences shall be informed in writing by the Supplier.

### **7. Examination/Rejection of Goods**

**7.1** All materials duly processed and supplied against the order should conform to latest Indian Standards, it should be new, merchantable quality, fit for their intended purpose and should be in line with "Quality Assurance Plan", if any, which has to be approved in advance by the Purchaser. All such materials will be subject to inspection and approval by the Purchaser, either at the Supplier's premises and/or at the place of delivery indicated by the Purchaser.

**7.2** The Purchaser reserves the rights to inspect the material at any stage during manufacture or supply and reject such portion thereof as may be found defective or not in conformity with the specification or not fit for their intended purpose without invalidating the remainder of the order, if so desired by the Purchaser. All rejected material shall be removed by the Supplier at its own costs within 15 days from the date of rejection note / intimation / Challan posted by the Purchaser to the Supplier. In case of any failure due to any reasons to remove the goods/material the Purchaser shall have all rights to remove the defective materials/goods from the Purchaser's/its customer's premises and discard it.

**7.3** The Purchaser under no circumstances will be liable or held accountable for any damage, loss, deterioration of the rejected materials/goods for discarding the material/goods, or for any value for it. The Purchaser shall also be entitled to charge an amount of 5% (of the value of rejected materials) per every week of the delay towards storage charges.

### **8. Product Warranty**

**8.1** The said good/services processed and delivered by the Supplier shall be made out of good quality bought out components/materials, as acceptable to the Purchaser and it should have standard/excellent workmanship and fit for their intended purpose.

**8.2** The said goods/services delivered by the Supplier shall be identical to the sample specification given by the Supplier.

**8.3** Where the said goods/services delivered by the Supplier to the Purchaser is according to sample as well as certain specification/description, if any, the said goods/services actually processed and delivered, shall match not only with the said sample, but also with the said specification / description.

**8.4** If deficiency is identified before or during the transfer of risk or during the Guarantee Period set out in Clause 16 the Supplier must at its own expense and at the discretion of the Purchaser either repair the deficiency or provide re-performance of the Services or replacement of delivery. This provision also applies to delivery subject to inspection

by sample test. The discretion of the Purchaser shall be exercised fairly and reasonably.

**8.5** Should the Supplier fail to rectify (i.e. repair or replacement) any deficiency within a reasonable time period set by the Purchaser, the Purchaser is entitled to: cancel the order in whole or in part without being subject to any liability for damages; or demand a reduction in price; or undertake itself any repair at the expense of the Supplier or re-performance of services or replacement of deliveries or arrange for such to be done; and claim damages in lieu of performance.

**8.6** If the Supplier provides subsequent performance or repairs, the warranty periods set out in section 17 shall begin to run once again from the date of repair or replacement of the defective goods or services.

#### **9.0 Bills/Challan**

**9.1** The bills for supplies must be submitted in triplicate duly bearing the Supplier's GST registration numbers, supported with the required forms as specified in the order and showing the description of material, quantity, Purchase Order no., Supplier code number, price & terms as set out in the PO with date, and value wherever applicable.

#### **10. Excess Supply**

**10.1** The specific quantity ordered shall not be changed without the Purchaser's written consent. Any loss or damage which the Purchaser may suffer on account of excess/short supply, if any will be to the Supplier's account in full.

**10.2** Quantum of allowable excess/short supplies shall be agreed in the order.

#### **11. Payment**

**11.1** Payment of service/processing charges for goods delivered, provided they are not rejected by the Purchaser/consignee shall be made as per the terms stated in the order.

**11.2** Payment falls due after the stipulated/agreed credit period from the date of receipt of materials or from the date of receipt of bills, whichever is later. Bills should be submitted along with the of delivery.

**11.3** The Purchaser shall at all point of time have all rights to deduct from any unpaid bills, debit notes falling due in case any goods/services are rejected on line and/or any claims for deductions are raised on the Supplier.

#### **12. Ownership**

Save as otherwise provided in this order, no right, title or interest shall be passed on to the Supplier by virtue of these presents, in the products/raw materials / machines / tools / drawings etc., furnished by the Purchaser to the Supplier, for rendering the processing services. The Supplier shall, at no time, contest or challenge our said and exclusive rights, title and interest in the said products/raw materials/machines/tools/drawings etc.

#### **13. Encumbrance**

The Supplier shall not sell, assign, sub-let, pledge, hypothecate or otherwise encumber or suffer a lien upon or against the said product/raw materials/machines tools/drawings etc. and the Supplier shall undertake to abide by the same.

#### **14. Secrecy**

**14.1** If for the contractual work/goods/services the Purchaser furnishes/shares with the Supplier any drawings, dies, discs, documents, samples etc. or these are made by the Supplier himself, the same shall be kept strictly confidential by the Supplier and shall be used by it only for the contractual work.

**14.2** On demand by the Purchaser at any time or on completion of the contractual work, the Purchaser's drawings, dies etc. shall be returned forthwith by the Supplier to the Purchaser. The Supplier shall under no circumstances,

allow the drawings, dies, etc. made for the contractual work to be used by a third party. The Supplier shall also not make supplies of the articles made with the help of these drawings, dies, etc. to any party other than the Purchaser.

#### **15. Patents**

The Supplier shall indemnify and keep the Purchaser, its Directors, Employees and respective customers indemnified against all losses or damages arising from any infringement of any patent in respect of any goods processed and supplied by the Supplier against this order. In addition, all litigation costs, if any, suffered by the Purchaser as a result of any patent suit shall be reimbursed to the Purchaser by the Supplier forthwith.

#### **16. Guarantee**

**16.1** The Supplier shall be bound to repair/replace free of cost any materials/goods/assets/services processed and supplied by him, which become defective due to faulty design, material or workmanship or any other reason within 18 months from the date of completion of final installation & commissioning or 24 months from the date of delivery whichever is earlier. In all such cases the to and fro freight and insurance charges will be to the Supplier's account.

**16.2** Where the parties have agreed to give warranties on a "back-to-back" basis so that the buyer may give a subsequent buyer of the materials/service the same warranties that it received from the seller. If a breach of warranty comes to light after the original buyer sells the materials/service on to the subsequent buyer, the original buyer will recover the loss from the seller under the original warranties in the asset purchase agreement.

#### **17. Non- Performance**

**17.1** The Purchaser reserves the right to cancel this order or any portion thereof if supplies do not conform to the specifications and/or if deliveries are not made as stipulated. The decision of the Purchaser as to whether the supplies conform to the specifications and, or deliveries are made as stipulated, shall be final and binding on the Supplier.

**17.2** In addition, the Purchaser shall have the right to purchase/avail the goods/services ordered or any part thereof from other sources on the Supplier's account, in which case the Supplier shall be liable to pay the Purchaser not only the difference between the price at which such goods have been actually purchased and the price calculated at the rate set out in this order, but also any other loss or damage the Purchaser may suffer.

#### **18.0 Termination**

In addition to other rights and remedies the Purchaser may have, the Purchaser may terminate this order in case of breach of any terms and conditions of this order by the Supplier. However, provided that Supplier's breach is capable of remedy, Purchaser's right to terminate is subject to the proviso that such breach has not been remedied by the Supplier within a reasonable grace period set by the Purchaser.

#### **18.0 Indemnity**

**18.1** Without limiting any other remedy of the Purchaser, the Supplier shall at its own expense, defend, indemnify and hold harmless the Purchaser its directors, officers, employees, agents and customers from and against any and all loss, cost, expense, damages, claims, proceedings, actions, demands or liability, including legal counsel fees and expenses, incurred or suffered by the Purchaser resulting from bodily injury, sickness, disease, or death of persons, or damage to property arising out of or in connection with the Supplier's performance of this order including but not limited to:

- (i) non-compliance with the Purchaser's EHS requirements;
- (ii) negligence or wilful misconduct of the Supplier, its employees, contractors, suppliers or agents;

(iii) defects in the workmanship, materials or design of the goods supplied, services or work performed by the Supplier;  
(iv) failure to comply with central, state or local laws; or  
(v) breach of this order.

**18.2** The indemnity in this clause is a continuing indemnity and survives termination or expiration of this order.

**18.3** Without limiting the indemnity contained in this clause, if any of the persons employed or engaged by the Supplier or Purchaser's employees for any action and/or inaction of the Supplier, Supplier persons suffers injury, disablement (full or partial) and fatality or become ill while at the Purchaser's premises or on site and requires medical treatment and/or transportation, the Supplier shall pay and indemnify the Purchaser for all costs and liability suffered or incurred by the Purchaser arising out of or inconnection with the provision of or arrangement for such medical treatment and/or transportation.

#### **19.0 Change In Law**

Any additional cost or benefit impacting the contract price resulting from a "Change in Law", towards leviable taxes, including eligible credits, in respect of goods and services to be supplied under the Contract, then the Parties agree to an adjustment to the contract price to reflect the financial impact of such "Change in Law". "Change in law" means occurrence of any of the following event after submission of bid and during the performance of the contract,

- a) The enactment of any new Indian law;
- b) The repeal, modification or re-enactment of any existing Indian Law;
- c) The commencement of any Indian Law, which has not entered into effect until the date of award of contract;
- d) A change in the interpretation or application of any Indian law, by a judgment of a court of record which has become final, conclusive and binding, as compared to such interpretation or application by a Court of record prior to the date of Bid/Award of contract; or
- e) Any change in the rates of any of the taxes that have a direct effect on the agreement.

#### **20. Jurisdiction**

Any dispute arising out of or in connection with this contract shall be heard, at Delhi and only the Courts of Delhi shall be competent to try all cases/suits arising out of the sale/service.

#### **21. Applicable law**

The contractual relationship shall be governed by the laws of India, Delhi Jurisdiction

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