

PURCHASE ORDER TERMS AND CONDITIONS

1. SCOPE OF WORK/SUPPLY:

1.1 These Purchase Order Terms and Conditions (“**Terms and Conditions**”) shall apply to all transactions conducted by Burkert Fluid Control Systems India Private Limited (“**Purchaser**”) for procurement of products (“**Products**”) from the supplier/seller (“**Supplier**”). The Terms and Conditions shall form an integral part of the Purchase Order (“**PO**”) issued by the Purchaser. The Supplier acknowledges that they are aware of the contents of and agree to be bound by these Terms and Conditions. The Purchaser and Supplier shall each hereafter be referred to individually as a “Party” or collectively as the “Parties”. The Terms and Conditions sets forth the entire understanding between the Parties with respect to the subject matter of the PO, unless otherwise agreed between the Parties in writing. Any conflicting or additional terms contained in any of the documents of the Supplier, shall be superseded by these Terms and Conditions, unless otherwise agreed between the Parties in writing.

1.2 The Purchaser shall from time to time issue a Purchase Order in written or electronic form to the Supplier for the Products to be supplied by the Supplier to the Purchaser. The order confirmation of the PO shall be sent in written or electronic form within 2 (two) working days of the receipt of the Purchase Order by the Supplier. The PO will be treated as accepted if order confirmation is not received within 7 (seven) days of PO date.

1.3 The PO shall consist of the PO number, which shall be marked on all documents (invoice, delivery note, packing list, etc.) along with the product mentioned in technical annexure/the Purchaser’s order specifications or material

description (“**Technical Specifications**”) specified in the Purchaser’s PO. The Supplier’s scope also includes the material not explicitly mentioned in the Purchaser’s specifications sheet but forming an integral part of the system to achieve its required performance norms specified in the technical specifications.

1.4 All goods and services supplied should comply with the description and specifications as set out in the PO.

2. PACKING AND FORWARDING:

2.1 Packing should be done in sturdy wooden packing boxes to avoid transit damage. Charges for the same are included in the basic rates agreed between the Parties.

2.2 Any person/representative of the Supplier visiting the Purchaser’s factory for any kind of installation/commissioning/rectification/job work/service should bring along with them their work identification card and personnel protective equipment (PPE), if required.

2.3 All the vehicle entering the Purchaser’s plant must have valid pollution certificate and its driver must hold a valid driving license.

2.4 The Supplier will deliver the Products by the delivery date and to the place as agreed in the applicable Purchase Order.

2.5 Notwithstanding prior inspections, all Products are subject to final inspection and approval by the Purchaser.

3. TRANSIT INSURANCE:

Transit insurance up to the Purchaser's factory (Mindewadi) stores /nominated port or any other destination as provided in the PO shall be within the Supplier's scope ("Site").

4. TAXES AND DUTIES:

4.1 Unless otherwise agreed in writing, Goods and Service Tax ("GST") as applicable shall be paid extra, over and above the total basic PO value. If any change of law and regulation including but not limited to implementation of GST in India occurs during execution of the PO which results in any benefit to the Supplier, the Supplier shall be bound to pass on such benefit arising out of change in the law, to the Purchaser.

4.2 As per Section 171 of Central Goods and Service Tax Act, 2017, which provides that it is mandatory to pass on the benefit due to reduction in the rate of tax or from input tax credit to the consumer by way of commensurate reduction in prices.

4.3 The responsibility of depositing the GST collected, if any, to the treasury of Government would be the sole responsibility of the Supplier. It will be the responsibility of the Supplier to provide correct Tax invoice to the Purchaser in order to substantiate entitlement of input tax credit of GST charged by the Supplier on the invoice including but not limited to copies of tax payment challan, returns, invoice copy, etc. In case, the Supplier has not deposited the tax amount to the Government timely or the same has not been declared in GSTR 1 and GSTR 3B properly in timely manner and due to any other reason input tax credit has not reflected in online credit register of the Purchaser, then the Supplier shall make good the loss suffered by the Purchaser due to the input tax credit loss along with consequential interest and penalty or

deduct the amount equivalent to the liabilities from outstanding payment of the Supplier.

5. INSPECTION:

5.1 The Purchaser's representative shall inspect / witness factory acceptance test at Site. Inspection shall be done at Site port as per Purchaser's specifications and approved drawings & Quality Assurance Plan (QAP) (IF Applicable).

5.2 All Tests documents/Material of Construction /guarantee certificates and installation, operation & maintenance manual shall be dispatched by the Supplier along with the Products.

6. REJECTION:

6.1 The Purchaser reserves the right to inspect all the material and Products delivered at the Purchaser's factory/site or any other destination as provided in the PO, during receipt inspection, for any quality defect. In case of rejection of goods due to non-compliance of the technical specifications provided by the Purchaser, the Purchaser will intimate the Supplier in writing, stating the cause of rejection and it will be the Supplier's responsibility to collect the rejected Products within 7 (seven) days from date of such intimation by the Purchaser.

6.2 In an event the Supplier fails to collect the rejected Products, the Purchaser will dispatch it at the Supplier's premises and the cost of such dispatch along with applicable taxes shall be recovered from the Supplier.

6.3 In case the Supplier does not arrange to collect the rejected Products from the Purchaser's premises entirely at the Supplier's cost, the Supplier shall have no claim whatsoever on such rejected Products and the Purchaser shall

dispose such rejected Products as deemed fit by the Purchaser.

6.4 **Indemnification:** The Supplier will indemnify and hold harmless the Purchaser from and against all and any claims, actions, liabilities, costs, charges, expenses, penalties, damages, losses, suits or proceedings of whatever nature made, suffered or incurred, including, any legal or other fees and expenses actually incurred in connection with investigating, disputing, preparing or defending any action or claim (collectively **Losses**), resulting from or arising out of a breach by the Supplier of the Terms and Conditions, resulting or arising from: (i) Defective design or manufacture of Products directly attributable to the Supplier, except for when there is a Defect in the specification or design provided by the Purchaser; (ii) Supplier's failure to comply with applicable law, or (iii) negligent acts or omissions in its performance under the supply agreement and/or the applicable Purchase Order.

7. DELIVERY SCHEDULE:

Delivery is the essence of the contract. Entire material specified in PO shall be dispatched to the Purchaser's Pune factory in one lot on or before the PO delivery date.

8. PENALTY FOR DELAYED DELIVERY:

8.1 The Supplier agrees to pay liquidated damages @0.5% per week and maximum up to 5% on the total basic PO value along with applicable taxes for all the deliveries delayed beyond the scheduled delivery date mentioned in the PO.

8.2 The Purchaser shall raise separate invoice for above liquidated damages in case of any delay.

9. GUARANTEE / WARRANTEE:

9.1 Complete package along with all accessories shall be guaranteed for the period of 18 months from the date of dispatch, for design, workmanship and performance as per duty parameters mentioned in our specification sheet attached along with the PO.

9.2 In case of failure of the equipment or part thereof during the said guarantee period, Supplier will send its service engineer to Purchaser's site and will repair/replace the equipment free of cost at Site.

10. TERMS OF PAYMENT:

10.1. Payment shall be made by the Purchaser within the credit period as provided in the PO upon receipt of the Supplier's invoice with applicable statutory deduction, unless otherwise agreed in the PO. Supplier shall provide requisite details required by the Purchaser to deposit the applicable withholding tax as prescribed under the Income Tax laws.

10.2. Credit period shall start after acceptance of material by the Purchaser at the Purchaser's Site. Acceptance of material at Site, shall be subject to fulfillment of following conditions:

- The order acceptance of this PO is received at the Purchaser's end at least within 2 days of receipt of PO at the Supplier's end.
- All Test Certificates, calibration reports, original invoice copy must be sent along with material.

11. DISPATCH DOCUMENTS:

11.1. The consignment should be accompanied with the original invoice for recipient, duplicate for transporter, delivery challan/packing list, e-waybill, LR,

guarantee/warranty/test/calibration certificates and manuals.

- 11.2. All documents must have Purchaser's PO No & Date, Item Code & Description, HSN Code and GSTIN of the Supplier and the Purchaser.
- 11.3. Material will not get unloaded at Purchaser's Site without the above documents.
- 11.4. In case of the items sent on job work basis, original copy of Returnable Gate Pass / Delivery Challan with sign & company seal and tax invoice must accompany along with the consignment while sending it back to our premises along with necessary documentation like test certificates, Packing slip & LR copy.

12. FORCE MAJEURE:

- 12.1 Either Party shall be entitled to suspend performance of its obligations under the supply agreement and/or the applicable Purchase Order to the extent that such performance is impeded or made unreasonably onerous by force majeure event, meaning any of the following circumstances: any circumstance beyond the control of the Parties including, without limitation, fire, war, extensive military mobilization, insurrection, requisition, seizure, embargo, restrictions in the use of power, currency and export restrictions, epidemics, pandemics, natural disasters, extreme natural events, terrorist acts, lockdown, governmental restrictions.
- 12.2 With the exception of the obligation to make any payments due and owing, each Party shall be excused from performance hereunder and shall not be liable for non-performance of the obligations hereunder for a period and to the extent that such Party is prevented from performing any obligations pursuant hereto due to force majeure event.
- 12.3 Upon the occurrence of such force majeure event, the affected Party shall notify the other

Party as soon as possible of such occurrence and expected date to resume to perform its obligation under these Terms and Conditions. In the event that such force majeure event continues for more than 30 (thirty) calendar days, the non-affected Party shall have the right to terminate these Terms and Conditions and/or the Purchase Order without any liability to the other Party.

13. GOVERNING LAW & DISPUTE RESOLUTION

- 13.1 These Terms and Conditions shall be interpreted, construed and performed in accordance with and shall in all respects be subject to the laws of Republic of India. Subject to the arbitration provision set out herein below, the courts in Pune, India shall have exclusive jurisdiction in respect of any disputes arising out of or relating to these Terms & Conditions.
- 13.2 In the event, if any dispute, controversy, claim or breach arises out of or in connection with these Terms & Conditions, including its formation, shall be finally settled under the current Arbitration and Conciliation Act, 1996 ("**the Act**") and its rules thereunder, as amended from time to time by a sole arbitrator as mutually appointed by the Parties, in accordance with the Act.
- 13.3 The place of arbitration shall be Pune, India. The language of the proceedings shall be English. Both Parties shall accept the arbitral results as full and final.

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