

PURCHASE ORDER
TERMS AND CONDITIONS

1. APPLICABLE CONTRACT PROVISIONS.

1.1. "Buyer" means the entity issuing the Order, and any affiliates, subsidiaries, successors or assigns thereof. "Seller" means the person, firm or company to whom the Order is addressed. "Materials" means all the products and/or services to be supplied by Seller under the Order. "Order" means the purchase order issued by Buyer for the supply of Materials, which may be an oral communication or a written or electronic document, and may also include particular shipping instructions and/or other specifications required by Buyer for the Materials.

1.2. These terms and conditions, together with the Order, constitute an offer by Buyer to purchase the Materials from Seller pursuant to the terms and conditions described herein. This offer is not an acceptance or a confirmation of any previous offer or proposal from Seller, and this offer shall be deemed to be a rejection and counteroffer with respect to any previous offer or proposal from Seller. Acceptance of any shipment of the Materials shall not be construed as an acceptance of any such previous offer or proposal or an acceptance of any different or additional terms proposed by Seller.

1.3. This offer shall become an "Agreement" upon acceptance by Seller. Seller shall be deemed to have accepted this offer by commencement of performance called for in the Order, by delivery of the Materials to Buyer, by written acceptance or confirmation of this Agreement, or by any other act or communication constituting legal acceptance, whether or not any such acceptance or confirmation purports to state terms additional to or different from those stated herein. Buyer hereby expressly objects to and rejects any such additional or different provisions, and none of such provisions shall be deemed to be a part of this Agreement unless specifically agreed to in writing by Buyer.

1.4. Acknowledgement of receipt of order must be sent to Buyer within 7 working days from the date of order and in the event of non-receipt thereof within the period stipulated it would be treated as acceptance of the order.

2. PRODUCT WARRANTY

2.1. 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.

2.2. 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 as specified, intended & approved by the buyer.

2.3. If deficiency is identified before or during the transfer of risk or during the Guarantee Period set out in Clause -10 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.

2.4. Should the Supplier fail to rectify (i. e. repair or replace) 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 undertake itself any repair at the expense of the Supplier .

2.5. If the Supplier provides subsequent service or repairs, the Guarantee periods for such service or part as set out in Clause -10 shall begin to run once again from the date of repair or replacement of the defective goods or services.

3. PURCHASE PRICE AND TERMS OF PAYMENT.

3.1. Materials shipped against this Agreement shall be invoiced at the price set forth in the Order. Unless otherwise specified on the Order, payment of the purchase price shall be due as per the Purchase order or as may be mutually decided between the parties, after the later of Buyer's

receipt of Seller's correct invoice for such shipment or the date on which the Materials are received by Buyer. Seller agrees that it will take no adverse action against Buyer for any invoices not paid resulting from Seller's failure to obtain or clearly reference purchase order numbers on the applicable invoices.

3.2 The purchase price for the Materials shall be ex-works. The Purchase Order issued by the buyer shall include all taxes, customs duties, customs fees or other governmental charges, if any, additional at the time of dispatch of the material. Buyer shall, however, pay for any taxes that it is statutorily required to pay. Seller shall provide Buyer with documentation satisfactory to Buyer that establishes Buyer's statutory liability to pay such taxes. If Seller fails to provide such documentation, Buyer shall not be obligated to pay any such taxes.

3.3 Seller shall be responsible for all shipping and insurance costs, including without limitation, packing, crating, cartage and freight costs on the basis of mutual consent or as may be specified in the purchase Order.

3.4 Buyer may set off any amount owing at any time from Seller to Buyer or any of its affiliates against any amount payable at any time by Buyer.

3.5. Each delivery challan/ Tax-invoice should relate only to one purchase order and addressed to Buyer, clearly mentioning purchase order number, proper code & description of the material as mentioned in the Purchase order of Buyer, quantity of the product supplied and other required information. Tax-Invoice along with inspection report/ self-certification certificate as applicable and other supporting documents should accompany all supplies. Failure to comply with these instructions would delay receipts of the products and ultimate settlement of the vendor's bills.

4. SHIPMENT AND DELIVERY.

4.1 Seller shall deliver the Materials on mutual consent to the place designated for shipment by Buyer in the Order. Seller shall follow any shipping instructions provided by Buyer and shall properly and carefully package the Materials for shipment. Any loss or damage, whenever occurring, which results from Seller's improper packaging or crating shall be borne by the Seller. Notwithstanding anything in the foregoing to the contrary, title to and risk of loss of the Materials shall pass to Buyer only upon receipt of the same by Buyer, and any rightful rejection or revocation of any Materials by Buyer shall immediately shift the risk of loss of such Materials, wherever located, to Seller.

4.2 All items shipped shall be properly identified with Buyer's purchase order number and any purchase order item number or other identification number shown. Seller accepts full responsibility for the completeness and accuracy of all transport and customs documentation ("Shipping Documents") provided to Buyer. Seller accepts any liabilities resulting from incomplete or inaccurate data on Shipping Documents or failure to comply with any import or export requirements.

4.3 Notwithstanding anything herein to the contrary, Buyer shall have a reasonable opportunity to inspect the Materials after the same have been delivered to Buyer's premises. Buyer shall not be deemed to have accepted any such Materials until the expiration of such reasonable time for inspection. The parties acknowledge and understand that Buyer may inspect any commercial lot of the Materials consisting of numerous units of the same product by inspecting only a reasonable sampling of such units and that Buyer may revoke acceptance of any other units of such commercial lot which Buyer at a later time discovers to be defective. Upon rejection or revocation of acceptance of any Materials, Seller promptly shall replace or correct, at Buyer's option, any unsatisfactory units at Seller's expense, including all shipping costs. Buyer's failure to inspect or reject Materials, or payment for Materials, shall not relieve Seller of any of its obligations hereunder or constitute a waiver of any of Buyer's rights hereunder.

4.4. 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 will allow the extension of 4 weeks (unless otherwise agreed) to the supplier on the basis of reasons of such delays mentioned by the supplier may:

- (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, unless otherwise agreed between the parties, Purchaser may accept late delivery, subject to 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. SUPPLY QUALITY ASSURANCE

5.1 The vendor shall provide Supply Quality Assurance which entails free access to authorized representatives of Buyer for the purpose of inspecting facilities, infrastructure, tools, raw materials and manner of manufacture at the site of the vendor. The product should be manufactured by using the specified raw material and processed with proper process following all the specified/ implied parameters as per requirement of Buyer

5.2 All material supplied must critically meet required quality standards of Buyer as per samples, drawings and specifications wherever applicable and/ or any other related instructions. Payments/ Advance for merchandise prior to inspection shall not be considered to be an acceptance of unsatisfactory or defective merchandise and the vendor shall reimburse to Buyer immediately for any payment made by Buyer against such purchase order together with the cost incurred if any, in connection with the return of such merchandise.

6. SELF CERTIFICATION

The supplies should be made on self-certifications by vendors along with metallurgical reports & test certificate as applicable. If Buyer finds that the quality of the product supplied by the vendor/supplier is not to the satisfaction of Buyer or received in a damaged or broken condition, then the product shall be rejected and returned to the vendor at vendor's cost.

7. PACKAGING

7.1 The product should be properly packed in a manner so as to avoid any kind of damage and/or formation of rust during transportation or storage and as may be specified by the buyer or in its purchase order.

7.2 The product should be marked and tagged with identification labels.

8. FORCE MAJEURE

8.1 The Parties shall be under no liability for failure to accept the deliveries & supplies 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 either party.

8.2. Such occurrences shall be informed in writing by the either party to other party.

9. BILLS/CHALLAN

The bills for supplies must be submitted in triplicate duly bearing the Supplier's GST numbers, supported with the required forms as specified in the order and showing the description of material , quantity, Purchase Order no. Supplier code number, challan no. and date, GR Number with date and value wherever applicable.

10. GUARANTEE

Unless otherwise agreed, 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.

11. NON-PERFORMANCE

11.1. 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 dispute will be settled as per the clause 17 of these terms & conditions of Purchase.

11.2. 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.

12. INDEMNITY

12.1 Supplier/ vendor undertakes and confirms that it would take all necessary and required actions to prepare for ensuring compliances under the Goods & Service Tax, Act (GST). In case the Supplier fails to comply with any of the applicable provisions of GST including but not limited to compliance relating to any action or omission on the part of Supplier by which Buyer gets entitled to benefit of input credit under GST but because of the default on the part of Vendor/ Supplier, Buyer incurs any direct or indirect cost, expense, loss, levy, penalty, interest, additional burden of tax etc. then the same shall be recovered from the Supplier by way of recovery and/ or deduction from any amount payable to the Supplier by Buyer. The buyer can claim the said amount from the Supplier at any point of time when Buyer incurs and/ or suffers or assumes that it would incur/ suffer the said extra cost, expense, loss, levy, penalty, interest, extra burden of tax etc. Supplier shall immediately pay to Buyer without any protest and/ or delay, if Buyer demands any amount from the Supplier under this clause.

12.2 In view of the Anti-Profitteering Provisions under the Goods and Service Tax (GST) Laws, Supplier undertakes and confirms to perform a financial analysis of GST Impact on his business and pass on all benefits to Buyer arising to the Supplier on account of additional credits getting accrued to Supplier under GST and on account of any reduction in the GST rates of his inputs and the products supplied by him to Buyer. The said benefit needs to be passed by the Supplier in the form of reduction of prices. In case, Supplier is found in default for not passing on the benefits of additional credits to Buyer by reduction of prices, Buyer can claim the said amount from the Supplier at any point of time without any limitation of time along with interest at the rate of 18%. Supplier shall immediately pay to Buyer without any protest and/ or delay, if Buyer demands any such amount from the Supplier under this clause"

12.3 Seller agrees to indemnify and hold Buyer harmless from and against any and all liabilities, costs, losses or expenses, including reasonable attorneys' fees, incurred or suffered by Buyer as a result of or in connection with Seller's breach of any of its obligations hereunder.

b. Seller agrees to indemnify and hold Buyer harmless from and in respect of any damages, losses or expenses which Buyer may suffer or incur (including reasonable attorneys' fees) arising out of, relating to or concerning any claim, action or allegation that any of the Materials (or the use of same in an intended manner) infringes any patent or intellectual property rights claimed by any third party; provided that Buyer shall notify Seller in writing of any such claim, act or allegation promptly after learning of the same and shall assist and cooperate in the defense or settlement thereof. Such defense or settlement shall be at Seller's sole expense, and Seller shall pay all damages and costs finally awarded against Buyer as a result of any such suit or proceeding.

12.4 Seller or service provider agrees to indemnify and hold Buyer harmless from and against any and all harm, injury, and severe loss, disability to the seller / Service provider or its personnel working at the office and factory premises during the working hours and the affected will be compensated by the seller/service provider without affecting the company any way.

12.5 Seller or service provider shall at all times indemnify & keep indemnified the company, its officers, employees & representative from all or any claims, losses, demands, damages etc., which the company, its officers, employees & representatives may or likely to suffer by reason of acts, defaults, deeds, things, omission & commission committed by the seller or service provider while performing the conditions of the purchase order/work order, as the case may be.

13. SECRECY & DATA PRIVACY

13.1. If for the contractual work/goods/services the Purchaser furnishes the Supplier with any drawings, dies, discs, documents 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.

13.2. 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.

13.3 In the course of Purchaser's dealings with Supplier, Purchaser may collect personal information of the Supplier, its employees, directors and officers.

13.4 The Purchaser may disclose and transfer personal information of the Supplier, its employees, directors and officers to regulators and to its customers, suppliers, contractors, employees, service providers and affiliated companies. Supplier, its employees, directors and officers may access and seek correction of personal information held by Purchaser about them upon written request. Such disclosure of information are strictly in adherence with confidentiality and prior approval will be taken by the purchaser from the supplier.

13.5 The purpose of such data collection, use, disclosure and transfer of such personal information is to enable the Purchaser to comply with the law and to conduct its business including without limitation supply of equipment and services to its customers; processing the purchaser order; making payments; maintaining and analysing its vendor data base; and to perform credit, compliance and other checks.

14. CODE OF CONDUCT

The Supplier is obliged to comply with applicable legal systems in force & the **Supplier's Code of Conduct** attached herewith as annexure-A,

15. GENERAL PROVISIONS

15.1 Rejection of Samples

1) Should the samples of the product submitted by the vendor be rejected more than twice, it is the discretion of Buyer to cancel the purchase order without assigning any further reasons and without Buyer being liable to pay any cost that may have been incurred by the vendor towards the manufacturing of the product. Such rejection of samples will be communicated in writing to the vendor who shall make arrangements at their own costs and expenses for immediate removal of the rejected samples. If the rejected samples are not removed beyond 15 days of receipt of the written communication by the vendor, it shall be considered as a waiver of proprietorship rights of the vendor on all such rejected samples.

2) The decision of rejection of the samples of the product by Buyers shall be final and binding on vendor.

15.2 Rejection Of Products

1) In case of rejection of any product(s) due to defects or inferior quality, the decision of Buyer shall be final and binding.

2) The vendor after being intimated about rejection of material/ goods supplied by it shall be fully responsible for collecting/ making arrangements for collection of the rejected material from the premises of Buyer within 7(seven) working days for Local suppliers and Fifteen days 15) working days in case of outstation suppliers.

3) Buyer reserves right to destroy the material at supplier/ Vendor's cost, in case of failure on the part of Vendor to collect the rejected material/ goods within the time stipulated in clause 2 above.

15.3 This Agreement shall constitute the complete understanding and contract between Seller and Buyer with respect to the subject matter hereof and supersedes any prior written or oral understandings with regard thereto. No purported amendment, modification or waiver of any provision of the Agreement shall be binding on Buyer unless set forth in

a written document signed by an authorized representative of Buyer. Any waiver shall be limited to the circumstance or event specifically referenced in the written waiver document and shall not be deemed a waiver of any other term of the Agreement between Seller and Buyer or of the same circumstance or event upon any recurrence thereof.

15.4 Seller may not assign or sub-contract any of its rights or obligations without Buyer's prior written consent. Seller is responsible for the performance or non-performance of any subcontractor and will indemnify, defend and hold harmless Buyer from and against all claims, actions, losses, damages, costs and expenses (including reasonable attorneys' fees) arising from any subcontractor's acts or omissions.

15.5 In the event of any terms and conditions given by the Supplier are at variance with these terms and conditions, then these terms and condition shall prevail. However if there is any valid contract subsisting between the parties then the agreed contractual terms and conditions will supersede the general terms of the PO, in event of any conflict or otherwise.

15.6 If any provision hereof is held to be unenforceable by the final order of any court of competent jurisdiction, such provision shall be severed here from and shall not affect the interpretation or enforceability of remaining provisions hereof.

16. 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.

The Purchaser shall be entitled to terminate this order by giving 30 days' Notice to the Supplier in that behalf, without assigning any reason therefore. All the obligations undertaken prior to such termination shall survive. After receipt of such a notice, the Supplier shall not process the said products and forthwith hand over all the machines/tools/drawings etc. which are in the Supplier's custody, along with the product processed by the Supplier and remaining the Supplier's custody.

The Purchaser may at any time instruct the Supplier to suspend part or all of the supply and/or services of goods. During suspension the Supplier, without any cost to the Purchaser, shall protect, store and secure such part or all of the work or goods against any deterioration, loss or damage or other losses. All work so stopped shall be resumed by the Supplier based on a schedule to be mutually agreed upon between the Purchaser and the Supplier.

It is further agreed between the parties that breach of this order shall, at the option of the Purchase, constitute breach of the other order/s with the Supplier, which will confer a right on the Purchaser to terminate the other order/s also at the risk and cost of the Supplier.

17. DISPUTE RESOLUTION/ JURISDICTION

17.1 All disputes arising out of or in connection with this order, including any question regarding its existence, validity or termination, shall, unless amicably settled between the parties, be finally settled by arbitration. The parties shall mutually agree and appoint a sole arbitrator.

Notwithstanding to what is stated above, if the parties cannot mutually agree on arbitrator within 4(four) weeks from the date of invocation of arbitration, then the Arbitrator shall be appointed in accordance with rule of Arbitration and Conciliation Act 1996. The arbitration proceedings shall be conducted as per the Arbitration and Conciliation Act 1996, and any modifications thereto and re-enactments thereof. The seat of arbitration shall be Udaipur. The language to be used in arbitration Proceedings shall be English.

17.2 Each party submits to the jurisdiction of courts of Udaipur for the purposes only of compelling compliance with the above arbitration provisions and for enforcement of any arbitration award made in accordance with the above provision.

SUPPLIER CODE OF CONDUCT

This supplier Code is applicable to all 'Suppliers' ('Suppliers' herein refers to suppliers / Service Providers /Vendors/agents/consultants/contractors/joint venture partners / Third Parties) who have business relationship with 'CHPL' ('CHPL' herein refers to the Company and its Associates). The Supplier Code of Conduct sets forth minimum workplace standards and business practices that are expected of any Supplier doing business with CHPL, consistent with our company's values & its Code of Conduct provided in the schedule-I.

A. The Suppliers:

1.Shall comply with applicable laws for the protection of fair & open competition & shall ensure Compliance to all government norms (local and international) on Statutory Compliances such as Environment Protection, Minimum Wages, Child Labour, Forced Labour, Bribery, Anti-Bribery, Corruption, Health & Safety, etc.

2.Suppliers shall ensure a safe work environment and minimize physical and chemical hazards through proper design, engineering and administrative controls, preventative maintenance and safe work procedures as well as on-going safety training & shall follow all Environments, Health and Safety and other operational policies of the Company while executing the work under this agreement/ contract.

3.Shall not take any recourse to any unethical behaviour (implicit or explicit) with any employee of CHPL for the purpose of obtaining an order or any information that may result in a favourable financial impact. More specifically:

- Shall not offer or accept bribe or use other means of obtaining undue or improper advantage. No supplier, or its representatives or employees, shall offer to any employee of CHPL a kickback, favour, gratuity, or anything of value to obtain favourable treatment or for the advancement of business.
- Shall not offer any gift or entertainment for the purpose of obtaining an order or undue favour.
- Shall not take any advantage of any family/ social/ political connections in obtaining favour with regard to any order. Merit shall be the sole attribute of association with CHPL.

4.Shall treat employees with dignity and respect and will not engage in or permit corporal punishment, threats of violence, or other forms of harassment whether based on gender, race, colour, religion, ethnicity, age, sexual orientation, national origin, disability, or any other legally protected characteristic or no any unethical activity or discrimination shall be reported by any CHPL employee/ other suppliers.

5. Must obtain the appropriate Registration & Licenses from relevant regulatory bodies in order to have authentic business transactions in India as well as abroad.

6. Shall prohibit any and all forms of corruption, extortion, and embezzlement by its employees, officers, directors or agents & shall adhere to standards of fair business, advertising, and competition.

7.Comply & apply all the provisions of the code to all sub-contractor(s) to the supplier, providing goods or services to the supplier. The Supplier Code of Conduct shall be cascaded down to all sub-tier subcontractors. The supplier is fully responsible for ensuring compliance by any such sub-contractor(s) as if it were the supplier itself. CHPL reserves the right to audit the supplier's sub-contractors for compliance to CHPL's Supplier Code of Conduct and supplier will accommodate CHPL's audit as required.

8.Shall desist from unfair trade practices with your competitors who are also associated with CHPL.

9.Shall protect/ not infringe with any CHPL intellectual property/ information/ technology which comes to your knowledge during the course of your business relationship/ dealings with CHPL. Transfer of technology and know-how shall be done in a manner that protects intellectual property rights.

10. Supplier or service provider agrees to indemnify and hold CHPL harmless from and against any and all harm, injury, and severe loss, disability to the seller / Service provider or its personnel working at the office and factory premises during the working hours and affected will be compensated by the seller/service provider without affecting the company any way.

11. Supplier or service provider shall at all times indemnify & keep indemnified the CHPL, its officers, employees & representative from all or any claims, losses, demands, damages etc., which the CHPL, its officers, employees & representatives may or likely to suffer by reason of acts, defaults, deeds, things/ products, omission & commission committed by the seller or service provider while performing the conditions of the purchase order/work order, as the case may be.

B) Event of Violation:

CHPL expects its suppliers to comply with the conditions of the Supplier Code in letter and spirit. It is the Suppliers responsibility to read and understand the contents of CHPL's Supplier Code and agree to uphold its values during your business association with CHPL.

However, in the event of violation, Supplier shall promptly report to CHPL notice of known breach of this Code and implement a corrective action plan to cure the non-compliance within a specified time period (furnished to CHPL in writing). If the supplier fails to meet the corrective action plan commitment, CHPL may terminate the business relationship, including suspending placement of future orders and potentially terminating current production. CHPL reserves the right to hold supplier responsible for reasonable costs of investigating non-compliance.

Please contact the concerned Head commercial/ Managing Director/Director if you have any questions about the Supplier code.

To be signed by Supplier:

Name: _____

Function: _____

Date: _____

Signature: _____

Company-Seal