

TERMS AND CONDITIONS

*ALL SALES BY SUNFLAG IRON & STEEL CO. LTD AND ITS AFFILIATES AND SUBSIDIARIES, IF ANY (**SELLER**) ARE MADE SUBJECT TO THE FOLLOWING TERMS AND CONDITIONS. THE TERMS, ADDITIONAL TO, OR DIFFERENT FROM THOSE IN THESE CONDITIONS OF SALE, INCLUDING BUT NOT LIMITED TO TERMS CONTAINED IN BUYER'S PURCHASE ORDERS, QUALITY MANUALS, TENDERS OR ANY DOCUMENT REQUIRED IN ORDER TO ACCESS OR PARTICIPATE IN ANY ONLINE BUYER'S PORTAL, TENDER ETC ARE DEEMED TO BE REJECTED UNLESS OTHERWISE ACCEPTED BY SELLER IN WRITING.*

- (a) **CONTRACT:-** The terms and conditions set forth herein, together with the Sales/purchase order, Offer Acceptance letter, relevant invoices raised by the Seller shall constitute the entire contract with respect to the relevant goods and services to be supplied by the Seller to the Buyer, superseding completely any prior or written communications. The Seller hereby disregards any terms and conditions contained in the said sales/purchase order that conflict, or are inconsistent with those set out in this document and such conflicting/inconsistent terms and conditions shall be excluded and overridden by the terms of this document. Seller and Buyer expressly agree that Seller may modify these terms and conditions from time to time, and such modifications shall be binding upon Buyer.
- (b) **WARRANTY/CLAIMS** - Sellers material may be rendered defective to the extent it materially deviates from the chemical, physical and mechanical portions of the Buyer's applicable specifications. Buyer shall within **7 (seven) days** from receipt of material, notify Seller about such defect. No claim shall be allowed other than by Buyer. Unless otherwise agreed to in writing by Seller, Buyer shall set aside, protect and hold such material, without further processing, until Seller has the opportunity to inspect and advice of the disposition, if any, of the material. In no event, shall any goods be returned, reworked or scrapped by the Buyer, without Seller's written authorization.
- It is hereby expressly agreed by the Buyer that in case Buyer fails to collect or lift the delivery of the material or fails to give adequate delivery instructions to Seller, then without prejudice to any other right or remedy available to the Seller, the Buyer is obliged to pay all direct and indirect costs and expenses to Seller on account of all Inventory costs incurred by the Seller.
- (c) **USE OF SAMPLES**: Samples supplied by Seller are solely for the purpose of evaluating the suitability of such goods or services for potential use and as such, the sample are not intended to serve as warranties of any type, either express or implied. Buyer shall have sole responsibility for selection and specification of goods or services appropriate for its intended end use, even if Buyer has informed Seller of the end use. Buyer acknowledges that it alone has determined that the goods purchased or processed here-under will suitably meet the requirement of its end use.
- (d) **INSPECTION**: Unless otherwise agreed in writing by Seller OR where Contract documents provides for testing or inspection of goods by Buyer before delivery (Whether at Seller's site

or elsewhere), the Buyer shall inspect the goods forthwith, on being notified by the Seller for inspection. If the Buyer doesn't inspect or test the goods within time specified by Seller, then Buyer shall conclusively be deemed to have accepted the goods.

- (e) **LIMITATION OF LIABILITY:** Seller's aggregate liability, whether in Contract, in Tort, Under Warranty, in Negligence, or otherwise for any and all claims arising for whatever reason shall not exceed the PURCHASE PRICE of the goods and services against which the Claim is made and under no circumstances, shall Seller be liable for any Special, Indirect, Incidental or Consequential damage but not limited to any Demurrage charges, costs of shipment, Loss of profit, or any and all liability imposed upon the manufacturer or seller of goods or service under any Product Recall, Product liability theory or similar legal theory.
- (f) **LIMITATION OF LIABILITY FOR DELIVERY DELAYS:** Delivery dates are Approximate. In no event, shall Seller be liable for any claim for labor or for any special, indirect, incidental, or consequential damages including, but not limited to, demurrage charges, cost of shipment, loss of profit, loss of sales, or any other damages resulting from delay in delivery. ACCEPTANCE OF GOODS BY BUYER SHALL CONSTITUTE A WAIVER BY BUYER OF ANY CLAIM FOR DAMAGES ON ACCOUNT OF DELIVERY DELAY.
- (g) **LIMITATION OF WARRANTY:** Seller neither takes nor assumes any liability or responsibility under any warranty, express or implied, by Statute or otherwise, whether of merchantability, fitness for a particular purpose, Hidden/latent defects, patent infringement, Performance, non- performance, failure, efficacy, length or life or any defect in whole or in part or parts of any product manufactured by Seller. No representation or warranty, either express or implied, made by any Seller's representative or other seller's agent that is not specifically set forth in these T&C, shall be binding on Seller.
- (h) **PAYMENT TERMS:** Unless otherwise agreed to in writing by Seller's Finance/Credit Division, payment terms are 15 (FIFTEEN) days from the date of Invoices. Buyer's failure to make any payment due, or to accept delivery of material, or to comply with terms of this Contract, shall give Seller, in addition to all other remedies, right to charge interest from the Buyer at the rate of **21% per annum** on all overdue amounts and to deduct any undelivered quantities of goods from the total quantity to be furnished under this contract or any other contract, to Buyer. All invoiced amounts shall, as on the due dates for payment thereof, be deemed to be "debts" due and payable by the Buyer to the Seller. The Buyer shall further provide from time to time Balance Confirmation note/Statement to the Seller for Reconciliation, as and when, demanded by the Seller.
- (i) **SECURITY INTEREST:** Buyer hereby grants to Seller a security interest in all goods provided to buyer, to secure payment by Buyer for all such goods. In the event of buyer's non- payment or non - fulfillment of any debt, liability, obligation, Seller shall have all rights and remedies of an Unpaid Secured Creditor under applicable laws. Seller is authorized by buyer to execute and file whatever documents are necessary, including security agreements or financing statements, if any, to evidence and perfect the security interest contemplated herein. Seller, may at any time, suspend performance of any contract or require payment in cash, security, wherein in Seller's opinion, the Buyers financial condition or other grounds for insecurity, warrants such action.

(j) **NO MODIFICATIONS**: Buyer cannot modify, cancel or otherwise alter this Contract without Seller's written consent. For such modification or cancellation, the Seller shall be indemnified by Buyer against all loss.

(k) **PASSAGE OF TITLE, RISK OF LOSS**:- Unless otherwise specifically stated to the contrary in writing by Seller in the contract, delivery shall occur and risk of loss shall pass to Buyer upon delivery of the material to a carrier at shipment point. Transportation shall be at Buyer's risk and expense. Any claim for loss or damage in transit shall be against carrier only. Seller reserves and retains title to products supplied hereunder, until payment in full of the purchase price thereof is received by Seller. Buyer shall not have any right to divert shipment, without permission of Seller. Unless specified in Seller's order acknowledgment or accepted Purchase Order, Seller reserves right to select the mode of transportation.

(l) **TAXES AND DUTIES**: Any excise, levies or taxes, including GST/VAT. wherever applicable, that Seller is required to pay or collect under any existing or future law or regulation, upon or with respect to the sale, purchase, delivery, storage, processing, use, consumption or transportation of any of the goods/material or services covered hereby, shall be to buyer's account and Buyer agrees to pay the amount to Seller, if any, on request.

This also includes, in the case of export orders, responsibilities for any tariffs, duties or the management of any special import restrictions or other customs formalities associated with the importation of the goods by the Buyer. Buyer agrees to pay all such taxes and further agrees to reimburse Seller for any such payments made by Seller. Buyer hereby affirms that it is purchasing the Seller's goods referenced herein for resale, and/or that Buyer is not the end user of the goods, so as to be exempt from any otherwise applicable sales tax.

(m) **PACKAGING**: Seller shall use all reasonable means to comply with any packaging, loading, requirement specified in Buyer's Purchase order. Any extras charges due to compliance with such requirement shall be charged according to Seller's accrued expenses. If no packaging, loading requirement are specified, then Seller shall comply with Seller's standard packaging and shipment procedures customarily applied to the method of transportation of such goods.

(n) **ASSIGNMENT**: Buyer shall not assign, any contract or any interest therein without Seller's written consent. Any such actual or attempted assignment without Seller's written consent shall entitle Seller to cancel the contract upon notice to Buyer.

(o) **FORCE MAJEURE** - All delivery dates mentioned by Seller are approximate. Seller shall not be responsible for cancellation or delay in delivery of performance resulting, in whole, or in part, from causes beyond its reasonable control including, but not limited to acts of God, acts of Buyer, strikes, Technical Breakdown or other Labour disturbances regardless of whether or not Seller is capable of settling such strikes or disturbances, temporary or permanent Plant/BLOCK closures, equipment failures, acts of terrorism, riots, delays in transportation, epidemics, floods, fires, unusual severe weather conditions, accidents, or other contingencies. In no event shall Seller be liable for any remote, special, incidental, indirect or consequential damages or claim for labour resulting from any delivery failure or delay.

- (p) **INFORMATION**: Any pricing information or other information provided by the Seller to Buyer is proprietary to Seller and shall be held in confidence by Buyer, and shall only be used by Buyer in connection with the supply of goods/materials or services under this contract, and shall not be used for any other purposes or disclosed to third parties without Seller's prior written consent. Buyer shall be liable for any loss to Seller or commercial gain to Third party from unauthorized use of confidential information occasioned on account of Buyer's failure to comply with this provision.
- (q) **DISPUTE RESOLUTION**:- All disputes arising out of or in connection with this contract , including any question regarding its existence, validity or termination, shall, unless amicably settled between the parties, be finally settled by a Sole Arbitrator, nominated by the Seller, without any protest by the Buyer., in accordance with provisions of Arbitration and Conciliation Act 1996 and its amendments and re-enactments. The decision of the Sole Arbitrator shall be final and binding on parties. The venue of arbitration shall be exclusively at Nagpur. The language to be used in arbitration proceedings shall be English.
- (r) **GOVERNING LAW**: This order shall be governed by and construed in accordance with the laws of India. For all purposes, the Courts at Nagpur shall have an **exclusive** jurisdiction.
- (s) **INDEMNIFICATION** :- The Buyer agrees to indemnify and hold the Seller harmless from any and all claims, demands, proceedings and actions which may be made or brought against the Seller by any person, including (but not limited to) any purchaser of the goods/services or any product made therefrom, arising from the use of such goods/services or any products in which such goods are used or from any infringement of any patent, trademark or trade name, copyright and the like, or from any latent or hidden defects in the quality of said goods or resulting products, or from the dangerous condition thereof, and the Buyer shall pay any and all costs, fees (including lawyers' fees) and expenses, judgments, awards and fines for and on behalf of the Seller as incurred or as they become due.
- (t) **TERMINATION AND SUSPENSION** :The Seller shall be entitled without prejudice to its other rights and remedies either to terminate wholly or in part any or every contract between itself and the Buyer or to suspend any further deliveries under any or every contract in any of the following events:
- (a) if any debt is due and payable by the Buyer to the Seller but is unpaid;
 - (b) if the Buyer has failed to provide any letter of credit, bill of exchange or any other security required by the Contract Documents provided that in such event the Seller's rights of termination or suspension under this Condition shall apply only in regard to the particular contract in respect of which the Buyer shall have so failed;
 - (c) if any guarantee or other security for trading in respect of the Buyer's obligations under the contract or under the Contract Documents is cancelled, suspended or amended in any respect;
 - (c) if the Buyer has failed to take delivery of the goods under any contract between it and the Seller otherwise than in accordance with the Buyer's contractual rights or the Buyer is otherwise in breach of any such contract;
 - (d) if the Buyer becomes insolvent or enters into any composition or arrangement (including a voluntary arrangement) with its creditors or, being a body corporate, has passed a resolution for voluntary winding up except where solely for the purpose of reconstruction or if a petition has been presented for an order for its

winding up or for a receiver (including an administrative receiver) or administrator to be appointed or if any such order or appointment is made or if, being an individual or partnership, the Buyer suspends payment of his or their debts in whole or in part or if an application has been made for an interim order or a petition has been presented for a bankruptcy order or if any such order is made or if the Buyer, whether or not a body corporate, shall carry out or be subject to any analogous act or proceedings under any law;

- (e) the imposition of any new, additional or increased tax, public charge, freight, tariff or duty which may after the date of the quotation or contract be levied on or imposed on the goods to be sold, or upon any sale, delivery, or other action taken under or in connection with any contract to which these Conditions apply, or upon the export or import of such goods or materials required to produce the goods; or
- (f) if the Buyer fails to comply with any request by the Seller for advance payment or security pursuant to Conditions mentioned above

The Seller shall be entitled to exercise its rights of termination or suspension under this Condition at any time during which the event giving rise to such rights is continuing and has not been remedied and, in the event of a suspension, the Seller shall be entitled, as a condition of resuming delivery under any contract between it and the Buyer, to require prepayment of, or such security as it may require for the payment of, the price of any further goods.

If the Seller is entitled to exercise its rights of termination or suspension under this Condition, the Seller shall further be entitled by notice to the Buyer to treat all sums which are then due to the Seller under any contract between the Seller and the Buyer but which are not then payable, as being immediately due and payable.
