

Form No. : INW-47-001-002-01
Issue Date : 21-06-2012
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DCR No. : DCR-JUNE12-040

Terms and Conditions of Purchase

1.AGREEMENT: This order is an offer by Baxter India Pvt. Ltd. ("Baxter") to Seller and becomes a binding contract subject to the terms hereof, when accepted by acknowledgement or commencement of performance by Seller. Baxter objects to all additions, exceptions, or changes to these terms, whether contained in any printed form of Seller or elsewhere, unless approved by Baxter in writing. To the extent there are any inconsistencies between these terms and those written on the face of this order, the latter will control.

2.PRICE: Unless otherwise specified the prices stated on this order include all charges for packing, hauling, storage, transportation to point of delivery, and taxes. Sales and use taxes not subject to exemption shall be stated separately in Seller's invoice.

3.CHANGES: Baxter may at any time make changes in the scope or quantity of the goods covered by this order ("Goods") or in other terms hereof, in which event a proportionate adjustment will be made to any price, time of performance, and other provision of this order if appropriate. Substitutions or changes in manufacturing site, process or testing, or product quantities, specifications, materials or components by Seller shall not be made without Baxter's prior written approval.

4.DELIVERY:a)The Goods shall be delivered to the destination and in accordance with the schedule set out in this order. If Seller fails to, or it appears to Baxter that Seller will fail to, meet such schedule, Baxter may, in addition to all other rights and remedies provided herein or at law, require Seller to deliver the Goods via an expedited mode or route to meet such schedule or to reduce the delay caused, and the difference in cost of delivery shall be borne by Seller. b)Over-shipment of Goods not approved by Baxter in writing will be returned at Seller's expense if such over-shipment exceeds as per the quantity stated in Baxter's purchase order. c)Delivery shall be deemed to have been completed upon written acceptance of the Goods by Baxter. d)All shipping terms are in accordance with INCOTERMS mentioned in the Purchase order.

5.WARRANTIES: a)Seller expressly warrants that the Goods delivered shall be merchantable, shall conform to this order, to specifications, drawings, and other descriptions referred to in this order, and to any accepted samples, shall be free from defects in materials and workmanship, shall be free from defects in design unless the design was supplied by Baxter, shall be fit and safe for the intended purposes and shall not be adulterated or is branded. Seller warrants that it is duly licensed to deal in, and that it has clear title to, the Goods and that the Goods shall be delivered free of liens and encumbrances. b)All these warranties and other warranties as may be prescribed by law shall extend to Baxter, its successors, assigns and customers and to users of the Goods and shall survive acceptance of the Goods.

6.INSPECTION AND TESTING: The Goods are subject to Baxter's inspection, testing and approval at Baxter's destination. Baxter reserves the right to reject and refuse acceptance of any Goods which are not in accordance with this order or Seller's representations on warranties, express or implied. Baxter will charge Seller for the costs of inspecting rejected Goods. Rejected Goods may be returned to Seller, or held by Baxter, at Seller's risk and expense. Payment for any Goods shall not be deemed acceptance of the Goods.

7.RECALL: In the event that a recall of the Goods is necessitated by a defect, a failure to conform to the specifications, applicable laws, or any other reason within Seller's control, or arising from Seller's default or negligence, Seller shall bear all costs and expenses of such recall, including without limitation, costs of notifying customers, customer refunds, costs of returning goods, lost profits and other expenses incurred to meet obligations to third parties.

8.COMPLIANCE WITH LAWS AND REGULATIONS: In filling this order, Seller will comply with all applicable national and local laws and regulations, including but not limited to laws and regulations relating to environment, health, safety, trade and labor.

9.QUALITY CONTROL: The Goods shall meet Baxter's specifications and shall be subject to quality control inspection by Seller in accordance with Seller's quality control standards. Seller shall permit Baxter to review periodically Seller's production and quality control procedures and records and to visit Seller's facilities.

10.INDEMNIFICATIONS: In addition to all other rights and remedies provided herein or at law, Seller shall defend, indemnify and hold Baxter, its successors, assigns, employees, customers and users of the Goods harmless with respect to all claims, liability, damage, loss and expenses including attorney's fees incurred, relating to or caused by: a)actual or alleged patent, copyright, or trademark infringement or violation of other proprietary right, arising out of the purchase, sale or use of the Goods; b)actual or alleged defect in the design, manufacture or material of the Goods; c) actual or alleged breach of warranty, express or implied; d) failure of Seller to deliver the Goods on a timely basis; or e) Failure of the Goods to meet the requirements of any laws or regulations. In the event of a claim under this paragraph, Baxter may at its option terminate this order or defer acceptance of the balance of the Goods ordered until the claim is resolved. If Baxter is enjoined from use of the Goods, Seller shall, at Baxter's option, either procure for Baxter the right to continue using the Goods, replace the Goods with substantially equivalent goods, modify the Goods so as to be usable by Baxter, or repurchase the Goods at the price set forth in this order.

11.RISK OF LOSS: Seller shall bear the risk of loss or damage to the Goods until they are delivered to and accepted by Baxter.

12.BAXTER-FURNISHED MATERIAL: Seller shall not use, reproduce, or appropriate for or disclose to anyone other than Baxter, any material, tooling, dies, drawings, designs, equipment or other property or information furnished by Baxter ("Material") without Baxter's prior written approval. Title to all Material shall remain in Baxter at all times, and where practicable the Material shall be clearly marked or tagged to indicate this ownership. Seller shall be fully accountable to Baxter for the location and condition of the Material. Seller shall bear the risk of loss or damage to the Material until it is returned to Baxter. All Material, whether or not spoiled or used, shall be returned to Baxter at termination or completion of this order unless Baxter shall otherwise direct. Unless otherwise provided, all cost of maintenance and repair of the Material shall be at Seller's expense.

13.REFERENCES TO BAXTER: Except to the extent required by law, Seller shall make no reference, advertisement or promotion regarding Baxter or Baxter's purchase or use of the Goods without the prior written consent of Baxter.

14.USE OF SELLER'S INFORMATION: All information disclosed to Baxter in connection with this order is furnished as part of the consideration for Baxter's placement of this order. This information is not to be treated as confidential or proprietary and no claim will be asserted against Baxter, its assigns, or customers for its disclosure or use.

15.TERMINATION:a)Baxter may terminate this agreement and/or any order placed under this Agreement in whole or in part, without liability: (i) if Baxter anticipates Seller's breach of this order and Seller does not provide adequate assurance of its performance within ten (10) days of Baxter's request;(ii) if deliveries are not made at the time or in the quantities specified; (iii) in the event of a breach or failure by Seller to meet other terms of this order, or This right shall be in addition to any other remedies provided to Baxter by law; or (iv)if Seller becomes insolvent or is subject to proceedings under any law relating to bankruptcy, insolvency or the relief of debtors. In the event of termination under this paragraph, Baxter may recover all moneys paid under this order together with any incidental and consequential damages.

15[A]. In addition to all other rights and remedies provided herein or at law, a) Baxter may also purchase goods in substitution for the Goods due from Seller and shall recover from Seller as damages the difference between the cost of such purchase and the contract price of the Goods. b) Baxter may terminate this order, in whole or in part, at any time at its convenience by way of 30 (Thirty days) notice to Seller in writing. Seller's sole compensation for such termination shall be payment by Baxter of the percentage of the total order price corresponding to the proportion of work completed in filing the order prior to such notice plus any reasonable expenses incurred by Seller in terminating orders and work in progress. Such termination claim must be submitted to Baxter within sixty (60) days of the date of termination and shall be subject to audit by Baxter. c) Upon any termination under this paragraph, title to all equipment, materials, work in progress, finished products, plans, drawings, specifications, performed special tooling and any other items for which Seller may submit a claim shall vest in Baxter and Seller shall promptly deliver these items to Baxter and take all necessary action to protect such property prior to such delivery. d) The right of termination under this paragraph shall be in addition to all other rights and remedies provided herein or at law.

16.SET OFF: Any counterclaim against Seller or any of its affiliated companies by Baxter or any of its affiliated companies which arises out of this or any other transaction may be set off against any money due to Seller under this order.

17.ASSIGNMENT AND SUBCONTRACTING: Seller shall not assign this order or subcontract any material portion of the performance of it without Baxter's prior written consent.

18. CONTROLLING LAW & JURISDICTION OF THE COURTS: This agreement and/or any order and the performance under it shall be controlled and governed by the law of India, and Seller hereby submits to the exclusive jurisdiction of the courts at New Delhi, India alone for purposes of resolving any dispute. E-mail communication will not be accepted as a legal notice / legal claim served on the Company. Such communication must be served at the appropriate address only by Registered Post and addressed to the appropriate authority.

19.SPECIFICATIONS a. All goods must strictly be of the approved specimen in terms of quality, quantity, specifications, description, weight and measurement. b. Any variation, unless previously & specifically agreed to and confirmed by Baxter, shall lead to automatic rejection of the order and no liability will accrue to Baxter for such rejection.

20.PACKING AND FORWARDING a. Wherever as per the terms of contract, title to the goods does not pass to Baxter on delivery of the goods to the transporter. It shall be Seller's responsibility to arrange for secure packing and safe delivery at our plant. Short delivery, breakages or damages will be deducted pro-rata from bills unless replaced free of cost with goods of identical specifications. b. Baxter in any event will not accept any responsibility for loss or damage of goods in transit.c. Packing and forwarding charges will not be paid unless previously agreed and approved.

21.DELIVERY AND DOCUMENTS a. Baxter retains the right to inspect the goods before the delivery. b. Seller shall arrange for delivery of goods as advised by Baxter and on failure of the same Baxter reserves the right to cancel the order. c. All delivery and documents should be made and addressed to the location mentioned in the Purchase Order

22.INSURANCE a. Transit Insurance shall be arranged by Seller or were agreed otherwise, with a reputed insurance company at Seller's cost. b. The details of the insurance policy such as policy number, date, amount of insurance paid etc. shall be informed to Baxter at the time of dispatch of material. All claims to the insurance company arising out of damage during transit or any other risk covered by the policy shall be followed up by Seller till the final settlement of the claim at Seller's cost.

23.RISK AND TITLE a. The risk and title to the goods shall normally pass to Baxter only after the delivery of goods by Seller as per our advice and acceptance of the same by Baxter. In case of supply of equipments (AC/IT equipments for instance) which, as per the contract, need to be installed by the Seller at our premises/work sites etc., risk and title to such equipments shall pass to Baxter only on satisfactory installation of the equipment's by the Seller.

24 INVOICING Invoices should be submitted in triplicate against each order as soon as possible after delivery of goods and must contain the following information: a. In case of excisable goods, the invoice must be as per prevalent central excise laws and enable availing of CENVAT credit. Duplicate for transporter copy of such invoice must be sent along with the consignment and the original for the Baxter should be sent separately. We reserve all rights to deduct the amount of excise duty, in cases where we do not receive the duplicate for transporter copy of excise invoice. b. Invoices should accompany challans as proof of delivery of goods.c. Central Excise Registration number, Tariff Heading, ECC number and Sales Tax Registration number should be mentioned on the invoices.

25 PAYMENT a. On satisfactory completion of supply and/or commissioning/installation, Baxter will release the payment as per agreed rates and other conditions specified in Purchase Order. No payment or allowance will be made for any extra work done or material supplied without an amendment to the Original Purchase Order. b. Payment will be made by Account Payee Cheques / demand draft or any other appropriate banking instrument / mechanism within 30 days of submission of bills or acceptance of material whichever is later, subject to other terms and conditions specific or unique to a particular purchase order. c. In case of documents through bank, advance set of documents must be dispatched through courier on the same day as of dispatch of the consignment.

26 TAXES & OTHER STATUTORY COMPLIANCES a. Taxes will be deducted as per applicable laws. b. Seller shall comply with all the laws, rules and regulations in force, and shall obtain all necessary approvals, permissions, licenses and / or registrations, etc. and maintain such registers and record as are prescribed there under. Seller shall keep such registers and records open for inspection by Baxter's officials and shall supply copies / extracts of the same at our request.

27.INDEMNITY a. Seller will indemnify and keep the Baxter indemnified against all losses, claims and demands suffered by or made against Baxter and defend Baxter against all actions, suits and proceedings taken against Baxter in respect of any legislation, statute or enactment and/ or rules and regulations or by laws framed there under, by virtue of Seller failure to observe or non-fulfillment of any statutory condition or by virtue of Seller negligence.

28 NOTICE OF CHANGE Approved Sellers are required to notify Baxter in writing within reasonable time prior to making any change that may affect components to defined requirements. Some changes may require approval by Baxter prior to implementation of change

29 SAFETY OF COMPANY'S PROPERTY a. Whilst in the premises due to any reasons whatsoever, if Baxter property is, in any way, damaged, destroyed or mutilated by Seller or Seller's employees and / or agents, Seller will be totally responsible for the same and compensate Baxter for any loss.

30 MISCELLANEOUS a. Seller shall utilize any of the assets of the Company, solely for the purpose for which they have been entrusted. All confidential information, data, etc. that have been made available to Seller shall be utilized solely for the purpose of the work entrusted to Seller and shall not be disclosed to any third party under any circumstances. Baxter reserves its right to pursue all or any remedies, including but not limited to a claim for liquidated damages, for any breach of this confidentiality clause by Seller and / or Seller employees. b. Seller shall not claim any proprietary and / or any other right in respect of the Company's Trademarks and / or other intellectual property applied to Baxter in relation to the goods supplied by Seller hereunder. Seller shall apply the said trademarks and / or intellectual property strictly upon / in relation to the goods that are to be supplied to the Company hereunder and such use shall be on behalf of the Company and shall not entitle Seller to claim any rights in respect thereof. c. Notwithstanding anything contained herein above, in the event that payment is being made against Proforma Invoice raised by Seller, then appropriate insurance covering the goods being supplied should be ensured d. The failure of the Company in not invoking the conditions hereof or the indulgence shown to Seller shall not be construed as the waiver by the Company of such conditions and prevent the Company from asserting or invoking the conditions at a later stage. e. Baxter reserves the right to require Seller to furnish any undertaking with regard to confidentiality and non disclosure obligation pertaining to any information / data gathered during the course of fulfillment of the order. f. All electrical / IT equipments supplied to the Company including software must be licensed with adequate certification.

31 OTHERS a)The details related to products such as grade, make, model, complete description, batch number, product code from the parent company (incase of Dealer) should be mention in the invoice. Certificate of Analysis (CoA) should be sent along with all consignments. If the Materials is hazardous nature (such as gases, chemicals, liquid foams etc.) it should be accompanied with Materials Safety Data Sheet (MSDS). b)The invoice should specify purchase order number and date, item code, quantity, discounts if any, unit price, taxes, duties, advance payment received if any, packing and forwarding charges if any, transport details etc. Acknowledged (Accepted, Signed and Stamped) copy of purchase order should be sent at the above address. All payments will be made against acknowledged copy of purchase order only.) c. "Seller shall not store manufacturing materials, components, packaging materials, or finished products near wood or wood-derived storage materials that have been treated with a halogenated phenolic preservative. Seller warrants and represents that purchased product are shipped on pallets free of 2,4,6-tribromoanisole (TBA) and 2,4,6-tribromophenol (TBP)."