

TERMS AND CONDITIONS FOR SALES:

VIA 100% ADVANCE PAYMENT:

- The Supplier should receive the full advance payment(s) within 3 days from the date of PI. Any payment(s) received after stipulated date will be subject to change in price & other terms without any prior notice.
- After receipt of advance payment(s) by the Supplier if the Buyer cancel(s) the PO(s) within 7 days from the date of receipt of this advance payment for any reason(s) then in such case the Buyer can only claim for 50% refund from its total advance payment made.
- If there are/is any pending/outstanding payment/claim to be received by buyer than in such event any payment received by the Supplier will be adjusted towards it first.
- If after completion of production or after dispatch/shipment of goods or after 15 days, whichever is earlier, if the Buyer is unable or refuses to accept the said good(s) for any reason(s) then in such case the Buyer will have no rights to claim refund for its advance payment made. Additionally, Supplier can claim for damages arising out of such act and/or if they have to sell the Product at low price to other buyer.

VIA PARTIAL ADVANCE PAYMENT:

- The Supplier should receive the partial advance payment(s) within 3 days from the date of this PI. Any payment(s) received after stipulated date will be subject to change in price & other terms without any prior notice.
- After receipt of partial advance payment(s) by the Supplier if the Buyer cancel(s) the PO(s) within 7 days from the date of receipt of this advance payment for any reason(s) then in such case the Buyer can only claim for 50% refund from its total partial advance payment made.
- If there are/is any pending/outstanding payment/claim to be received by buyer than in such event any part payment received by the Supplier will be adjusted towards it first.
- If after completion of production or after dispatch/shipment of goods or after 15 days, whichever is earlier, if the Buyer is unable or refuses to accept the said good(s) for any reason(s) then in such case the Buyer will have no rights to claim refund for its partial advance payment made. Additionally, Supplier can claim for damages arising out of such act and/or if they have to sell the Product at low price to other buyer.

VIA DELIVERY AGAINST ACCEPTANCE (DA) PAYMENT:

- By asking/sending this PI, the Buyer of product accepts to pay the invoice value upon its due date from the date of BL/AWB or any due date agreed upon, without any reasons for delay.
- B/E should be accepted dully signed & endorsed upon arrival of original shipping documents in buyer's bank.
- After shipment the buyer cannot cancel the PO.
- If the original shipping documents are sent to buyer's office directly in good-faith and as per request for buyer then, original B/E will also be sent which the buyer should sign and stamp the First Original and send back to us this original B/E for our records. If this is not agreed than the original shipping docs will be sent by supplier's bank to buyer's bank.
- After receiving the order, Supplier will apply for ECGC (insurance cover) and if ECGC denies to give such cover then supplier is not obliged to supply the product to buyer and both parties will mutually discuss and agree on new payment terms.
- Keeping in mind the strict banking regulation the management of Supplier has decided to send all original shipping document to buyer via bank, so Supplier will submit these originals in their bank and Supplier bank will send these originals to Buyer bank, Buyer can get these originals collected from their bank by simply signing the Bills of Exchange. If the payment is delayed by the buyer for any reason than 2% p.m. interest will be applicable on invoice value till the time of payment is received from its due date.

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VIA LETTER OF CREDIT (LC) PAYMENT:

- LC should be issued & copy should be sent to us by email or fax within 3 days from the date of PI. LC issued/received after stipulated date will be subject to change in price & other terms without any prior notice.
- Last date of shipment mentioned in the LC should be 45 days from the date of opening LC.
- LC should be freely negotiable with any Bank.
- No demand for Packing List should be there in the LC. PL only issued for FCL not for LCL shipments.
- If any additional information is added in the LC without Suppliers confirmation then in such case amendment will be required, which will be at Buyer's cost.
- No other document should be requested other than Invoice, Packing List (not for LCL shipments), COA, Certificate of Origin (if required), Bill of Lading for Sea shipment / Air Way Bill for Air shipment & Insurance copy (if our terms includes).
- Any kind of discrepancies, if any, in original shipping documents submitted to Buyers bank will be accepted by buyer.
- All charges including LC opening charge, confirmed LC charges, banking charges, interest charge, LC discounting charges, will be to Buyers account.

Terms for in-DIRECT EXPORTS / THIRD PARTY EXPORTS (local/domestic merchant exporter):

Apart from any of the above payment terms we may agree to work as under, following conditions will be applicable:

- If the product is exported/shipped by Supplier under the instruction of any local/domestic party or agent of its principle, than under such situation collection of payment is sole responsibility of such instruction/ordering party.
- Unless it is agreed in writing between the Buyer and Supplier that which party will claim for export benefit / incentive, then in such case the export benefit will be deemed to be to Suppliers account.
- If the export benefit is to Suppliers account then the Buyer will follow all required custom procedures enabling for the Supplier to claim the export benefit. If the supplier is unable to claim export benefit due to Buyers mistake/negligence than the amount equivalent to loss of export benefit will be debited to Buyers account.
- If the Buyer fails to provide the Supplier with any export related documents such as Proof of Export or Cenvat forms or any Statuary requirements, which may be required by us to fulfill the obligation with any of the government body, then in such case the loss will be debited to Buyer account and payable by Buyer to Supplier.
- If the Buyer fails to provide copies of BRC, EP copy, Mate Receipt etc.. , which may be required to fulfill the obligation with any of the government body, then in such case the loss will be debited to Buyer account.
- Fulfilling Export obligation/benefit (Adv.lic or DBK or Rebate etc...) requirement is the sole responsibility of local/domestic merchant exporter and they have to support the supplier with all and any required paper work to do so. If supplier fails to get export benefit/incentive than such cost will be debited to buyer a/c.
- For in-direct exporter / third party exporter, excise is nil against ARE1 & CT1, Tax is nil against Form H, I Etc...it is the exporters responsibility to fulfill this and all other statutory requirements.
- Fulfilling all statutory (c/i/h-form, etc...) requirement as directed by the Govt. of India is the sole responsibility of local/domestic buyer.

- Any loss caused to supplier due to mistake/negligence of any nature on part of Buyer than such loss with damages will be debited to buyer which they will be bound to pay to supplier.
- Custom clearance, FDA, DGFT and any other govt. authorities and liability will be responsibility of buyer. If Buyer is sending any statements/letter to these and any other authorities without informing/confirming the supplier than it will be buyers responsibility.

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- Buyer should disclose the country in which they intend to export our product to avoid any dispute, if this is not done for any reason than any liability arising out of this will not be of supplier.
- PO placed by buyer on supplier is not conditional to buyer's order with his/her customer. In case for any reason buyer's customer cancels their PO with buyer then buyer cannot cancel his order with supplier for any reason. If in such case advance amount is received from buyer then supplier will forfeit/adjust in damage/loss.
- If material is kept ready specially for buyer against their PO/written confirmation than buyer is bound to buy and pay for the same otherwise this will amount to breach of trust and it will demolish all the PO/Contract/Agreement that are in place.

Apart from above, following other terms and conditions will apply on all kind of Buyers:

- The offer/price and any other terms are subject to final confirmation from supplier or valid for 1 week from the date of the offer, whichever is earlier.
- PO once placed by Buyer and the same is accepted buy buyer then it cannot be cancelled solely/unilaterally by buyer unless agreed/accepted by Seller in writing. Any such sole/unilateral cancellation of any particular PO should be made by buyer in 2 days from the date of PO. Any special quality, document and packing requirements should be brought to the notice of Supplier at the time of placing their PO with supplier. Any requirement of special document should be mentioned in the PO, if it is not then the actual cost for obtaining such special document will be at actual and extra at the cost of buyer and due to non-providing of such document and/or in time due to which it may cause delay or extra cost for buyer in custom clearance then any such cost and/or delay/damages/claims are responsibilities of buyer. Nor this will be accepted by supplier that the buyer use this as reason to cancel the order or not accepting the delivery of goods after shipment.
- Our price(s) if quoted in any international currency i.e. USD or Euro, are subject to change based on prevailing exchange rate in Indian market/bank on the date of receipt of order. If order is received on the same day of quotation date than there will be no change in price.
- Our products are not offered in countries where valid patent exists. If any buyer who is buying such product for such country, then the supplier is not responsible for this.
- Once the product is ready for dispatch or after the product is dispatched from our facility or product is loaded on vessel/flight than cancellation of PO will not be accepted nor any decrease in price or any other terms will be negotiated. Buyer will be bound to make payment as per invoice value on its due date. The buyer has to accept the shipment once it arrives at their port/warehouse. If the buyer decides to ship the goods back to supplier, then this can only be done after having receiving confirmation/acceptance from the shipper in written. All the involved cost will be to buyer account. It is upto supplier if they will accept the goods back or no (if shipped without their confirmation/acceptance) in such case the pyt will be due and payable by buyer even if the supplier don't accept such goods back.
- Any written communication made via email/fax/letter sent by courier or mail, doesn't necessarily mean that the same is delivered/received/read by that particular person unless the letter is hand-delivered to that particular person. Supplier will not take any responsibility of any issue arising out of this.
- If there is any amount to be received by the buyer via any means than any amount received in advance (full or part advance) by the supplier than such amount will be first adjusted towards such outstandings.

- In case of any delay from supplier in supplying the goods on time to buyer, even after knowing this delay if deliveries are accepted by the buyer then no claim or any loss caused to buyer will be entertained. Supplier will not be obliged to pay air freight if product is asked by the buyer to be shipped by air.
- If the product is shipped by courier using any national or international courier company (Fedex, DHL, UPS, TNT etc...) and if for any reason the shipment is delayed at any stage and/or not delivered to customer on time and to the proper location than the cost arising out of this delay we will responsibility of the courier company and buyer will have to claim their losses from such courier company nor from Supplier.

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- After the PO is received from the buyer, under any payment terms we may agree to work (except for 100% advance), if the Supplier has to take ECGC (credit insurance cover) on Buyer, and if such cover is not available or denied than the Supplier may choose not to supply material to buyer without any penalty on Supplier. The payment terms may be revised based on mutual agreement if such incidence takes place.
- If there is a mediator/indentor/commission agent/sole agent and/or any third parties (herein referred as "Third Party") between the Supplier and actual Buyer, under who's instructions the order is received or shipment is made, in this case if the actual Buyer do not pay at all, or do not pay on time, and if by any chance the supplier has to bring the product back to India than all the cost of shipping (outward and inward) and cost of damages/losses will be to such third party's account and/or actual buyer. Such third party will be responsible for collection of payment and/or all the costs of any nature arising out of such act will be to account of such third party. If there is delay in receiving pyt from actual buyer then the supplier can charge interest which has to be paid by actual buyer and if they refuse to pay this then such cost will be debited to third party's account and will be deducted from the commission payable, if any.
- If there are old orders placed by the buyer on supplier, then in such case supplier will ship product under old orders first and then start shipment under new order. If Buyer had placed new orders at higher or lower price than, any pending order at any price will be shipped first or as mutually agreed between both parties.
- Once the product is delivered to the preferred warehouse of buyer (in case of merchant exporter) than the same should be tested by the buyer at their preferred independent (third-party) laboratory to ensure the quality is as per standard or required specs, no quality or liability claim will be entertained once the goods leave out of India. Pre-Shipment Samples will only be provided upon request. Testing of material is the onus of buyer at their cost which should be done before shipping out the goods out of India at their own expense and place, sampling cannot be done at supplier's factory/warehouse/premises unless specific request is made to buyer to supplier which should be accepted by buyer in writing.
- Product liability will not be responsibility of supplier. Supplier's responsibility is limited with supply of material as per required specifications and/or suppliers CoA.
- Custom clearance at port of destination is sole responsibility of buyer. If import license in required by authorities at destination than it is responsibility of buyer to inform the shipper prior to shipment. If there is any delay in custom clearance for whatsoever reason than any storage charges involved will be responsibility of buyer and no deduction of amount or delay in paying supplier will be accepted.
- After receiving the order, Supplier will apply for credit insurance cover and if the agency denies to give such cover then supplier is not obliged to supply the product to buyer and both parties will mutually discuss and agree on new payment terms.
- Keeping in mind the strict banking regulation the management of Supplier has decided to send all original shipping document to buyer via bank, so Supplier will submit these originals in their bank and Supplier bank will send these originals to Buyer bank, Buyer can get these originals collected from their bank by simply signing the Bills of Exchange, irrespective of any payment term we may have agreed to work with.
- Payment should be wired by actual consignee who is ordering and receiving the goods, payment should be received from the same destination as of the country where the goods will be shipped if this will not be the case then buyer should inform supplier in advance about this.
- In view of the email hacking fraud, if any instructions received by any of the suppliers email ID for change in bank details then such email should be verified with the supplier by send fax to 91-22-28703656 before sending payment to any such bank or party. The fraud is done by informing buyer about a) change in

name of receiving party and/or its bank due to tax issues or any other issue b) change in place of receiving bank details c) change in name of receiving buyer, etc. Buyer should be alert about such activities and supplier will not be responsible if payment is made to any such party, if supplier do not receive the payment then the supplier will hold the delivery of goods and demand payment from buyer for the supplied goods. Buyers bank details can be made available upon request and in case of old buyers they can use the bank details available with them which they may have used for previous concluded transaction(s).

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- If the supply is to be made to EOU/SEZ in Indian territory and any place/location which is exempted from govt.taxes or gets subsidiary from govt of India than such thing should be mentioned in the PO and all documents should be provided to supplier, the benefit/incentive under such supply will be to suppliers account unless specified in the PO that it will be to buyer account. If supplier do not get this benefit/incentive than they will claim from buyer for that much amount.
- If the buyer has supplied raw material to supplier on conversion/job work/contract manufacturing basis than after the production has started nothing will be returned and if the order is cancelled for any reason even than the buyer will take the delivery of goods from suppliers factory/warehouse after paying agreed charges/amount. If raw material is supplied in packages on returnable basis than such packages should be picked up at the same time when the buyer picks up the finish goods, any loss/damage to such returnable packages which will be picked up after 7 days from the date of pick up finished goods then it will not be to suppliers account.
- Delay in receiving payment after its due date for any reason will attract 2% p.m. interest on invoice value till the time the payment is received. If any legal action is taken, then it will be at the cost and consequences of buyer.
- Any claim arising out of failure or delay in supply of Product will not be accepted by Supplier. Any quality claim should be informed to supplier by the buyer with proper supporting proof within 7 days from the date of receipt of material in the warehouse/delivery address of the buyer.
- Unless the payment is received then supplier will not be obliged to send original shipping docs to buyer if the terms are advance or TT against copy docs. For DP at Sight/CAD/LC terms the buyer will accept the original shipping docs within 7 days from the date of delivery to their bank. If the payment is not received in 7 days than supplier will have right to hold the delivery of goods at destination port and until then buyer will have no right over the goods until paid.
- If a particular order is delayed for shipment from supplier for any reason and due to this if buyer has to pay compensation to its final customer than supplier cannot be held responsible for it. Even after knowing the delay if the buyer is asking the supplier to ship the goods in the incoterm it was agreed than buyer will not hold or delay or deduct payment of supplier after the goods are shipped and will accept delivery of goods.
- If a particular order is shipped to other port in that particular country and if the supplier had sent copy of shipping docs by email to buyer and no discrepancy of any nature is reported and in particularly of the change in port of discharge, then the buyer has to accept the delivery of goods and they cannot use this as a reason for not accepting the goods or delay our pyt if the terms are on DA basis or deduct our pyt. If there is a cost involved, then it should be mutually agreed and settled by both parties.
- As a regular practice the supplier before sending the originals to buyer directly or buyers bank (or as agreed between the buyer and seller), the supplier sends by email complete set of copy of shipping docs by email to buyer, if there are any changes to be made then it should be reported in 1 day to the seller, if any changes or requirement of additional docs is made after the buyer receiving the originals then such request will be at buyers cost including that of courier cost.

- In case of Force Majeure or fire, Buyer will not claim for any type of damages caused due to failure or non-timely supply of product. If in such situation product is kept ready for buyer and there is delay from buyers side to allow dispatch than buyer shall be responsible to pay supplier the cost of product.
- Fulfilling all and any statutory requirement as directed or changed/amended by the Govt. of India from time to time is the sole responsibility of local/domestic buyer.
- Laws of Mumbai, India will apply for settlement of all and any disputes.
- All sales done are subject to Salvi's General Terms and Conditions having Reference No.SCIL/SALE/01/01/2014, a copy of which can be made available upon request or can be reviewed from our website i.e. www.salvichem.com.
- Sellers other and complete Terms and Conditions of Sale shall apply solely to any pending PO, which this company may change from time-to-time without giving any prior notice.

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Terms and Conditions for CHA/Forwarder/Agent/Custom Agent/Custom broker/Courier Company/Shipping Liner,company/consultants:

- It will be responsibility of agent to handle and deliver our product in sound condition and in specified timeframe. The product should be delivered to correct or given address. Any cost arising out of a) damage of product b) delivery of product on different address/location c) cancellation of order/s due to delay/damage than the cost of the same will be debited to agent's a/c and it will be his responsibility to repay/refund to supplier. If agent has accepted the product than he cannot hold it for any reason and it is his responsibility to deliver the product in good condition to final customer.
- Any delay in custom clearance at authorities caused due to agent will be agents responsibility and any cost arising out of this will also be his responsibility.
- Agent will have obligation to fulfill Indian custom/octroi bmc and/or any other state norms and abide with the same. Any damages/notices/action received by supplier due to negligence or mistake or lapse on the part of agent will be his responsibility.
- If agent is told to make pallet then it should be done under the supervision of suppliers representative and they should send us pictures of loading in fcl or lcl cargo also.
- If Agent is sending any statements/letter to Custom, FDA, DGFT and any other govt.authorities and any other authorities without informing/confirming the supplier than it will be agent's responsibility.
- If the payment of a particular shipment is made by the supplier to the agent then any original shipping documents shouldn't be held by the agent and should give it to the buyer upon request.
- If a particular shipment is handled by the agent and the same is returned by the buyer to the supplier without supplier's confirmation or acceptance, then agent should take prior approval from supplier before shipping it back to India.
- If a particular shipment is accepted and handled by the agent and for freight rate is quoted, then it cannot be changed by the agent and they have to maintain the same. Any due diligence on the product should be made prior not after accepting/handling/shipping the product.

Email communication:

Any email and/or its attachments may contain confidential, proprietary, privileged & protected information from disclosure. It should not be used by anyone who is not the original intended recipient. If the reader of this message is not the intended recipient, then do not disclose, distribute, copy, circulate or in any other way use or rely on the information contained in this email and/or any attachments, such communication is strictly prohibited from being misused. If you have erroneously

received this message, please permanently delete it and destroy any printout thereof and immediately notify the sender. Emails cannot be guaranteed to be secure or error/virus free as the message and any attachments could be intercepted, corrupted, lost, delayed, incomplete or amended. The sender therefore does not accept liability for any errors or omissions in the contents of this message, which arise as a result of email transmission. Email sent to correct email id buyer is considered to be delivered and received by the buyer and such email/s or its contents cannot be denied by the recipient/buyer.

Disclaimer:

If information related to a particular product, that you i.e. end customer/buyer/visitor/distributor/indentor/agent (herein referred as Buyer) is or willing to buy from Salvi should be treated confidential. Information that Salvi will share such as Plant, manufacturing license, fda license, mfg process, mfg process flow chart, plant & equipment layout, Lab, Specification, COA, MOA, PPT, Product list, Utilities, Person in-charge at factory or any other details related to this Product that Salvi had/have/will share with a Buyer during the plant visit/audit/tour which will be a part of approval/qualification process and/or documents shared along with questioner forms, is/will/should be deemed and considered highly confidential. The Buyer cannot share/disclose these or any other information related to the product with any third party/person/agency verbally or in writing via any communication means neither can use these information/s for setting up or help someone to set up manufacturing plant for similar product. If, Salvi and Buyer have not signed any non-disclosure agreement (NDA) before the plant visit then this can be treated as NDA.

Abbreviations:

- Supplier/Seller/Manufacturer/Distributor/Shipper/Exporter (**Supplier** for short) – herein referred as Salvi.
- Buyer/Purchaser/Customer/Consignee/Importer (**Buyer** for short)
- Proforma Invoice (**PI** for short)
- Purchase Order/Contract/Sales Agreement/Purchase Agreement/Agreement (**PO** for short)
- **Raw Materials/ Goods/ Ingredients/** Product/ Goods/ Merchandize/ Material/ Machine/ Spares/ Capital Goods / Equipment/Lab Equipment/Packing Material/Services ordered (**Product** for short)
- Letter of Credit (**L/C** for short)
- Bill of Exchange (**B/E** for short)
- **CHA/Forwarder/Agent/Custom Agent/Custom broker/Courier company** (**Agent** for short)
- Certificate of Analysis/Analysis Report/Test report (**CoA** for short)
- Claim/damage/cost/loss/penalty (**Claim** for short)