

## **STANDARD TERMS AND CONDITIONS OF SALE ('STC') FOR INTERNATIONAL CONTRACTS**

These Standard Terms and Conditions of Sale ('STC') apply to and are deemed to be incorporated in all Contracts for the sale of Goods by **Garware Technical Fibres Limited** (Formerly Garware-Wall Ropes Limited) to the exclusion of all other terms and conditions referred to, offered, or relied upon expressly or impliedly by the Buyer, whether in negotiations or at any stage in the dealings between the parties, including any standard or printed terms tendered by the Buyer except to the extent agreed otherwise in writing by the Seller. If any of the below mentioned conditions differs from any of the terms and conditions of the Buyer, the conditions and any subsequent communication or conduct by or on behalf of the Seller, including, without limitation, confirmation of an order and delivery of Goods, constitute a counteroffer and not acceptance of such terms and conditions submitted by Buyer. Any communication or conduct of Buyer which confirms an Agreement for the delivery of Goods by Seller, as well as acceptance by Buyer of any delivery of Goods shall constitute an unqualified acceptance by Buyer of the STC. These STC shall prevail over any terms and conditions stipulated by the Buyer.

"Buyer" includes, if the context so permits, any principal or agent or sub-contractor of the Buyer and any person and legal entity identified in Seller's Proposal / Quotation or Bill / Invoice or any other documents, as Buyer.

"Conditions" means these Standard Terms and Conditions of Sale for International Contracts.

"Seller" means **Garware Technical Fibres Limited**, Pune, India and its Agents and Authorised Representatives.

"Goods" means the goods or the products which the Seller manufactures and trades in accordance with these Conditions.

"Writing" means any communication effected by post, courier, facsimile, secured e-mail transmission or any comparable means.

The Seller shall sell and the Buyer shall purchase the Goods in accordance with the written quotation of the Seller, which is accepted by the Buyer or any written order of the Buyer which is accepted by the Seller ("Contract") subject in either case, to these Conditions, which shall govern the Contract.

1. Unless otherwise agreed in writing, quotations and offers made by the Seller merely constitute indicative price and terms and may be refused or varied by the Seller in case of change in terms and circumstances of supply by the Buyer in comparison with quotations and offers made by the Seller.
2. Unless otherwise agreed in writing or conveyed to the Buyer before the issue of the Purchase Order by the Buyer, the prices are firm for acceptance for 30 (thirty) days from the date of the proforma invoice.
3. Unless otherwise agreed in writing, payment for the Goods sold under the Contract shall be made by the Buyer in advance before, or on the date at which the Goods are delivered by the Seller ("the Due Date") in the currency stated in the Contract. The delivery shall be deemed to be made on the date on which Seller / Seller's agent / port authority / customs authority / LC issuing banker / shipping agent informs the Buyer of his entitlement to the delivery. The time and payment of the price shall be of the essence of the Contract.
4. In the event of non-receipt of payment by the Seller on or before the Due Date, the Seller shall be entitled to charge interest to the Buyer on the outstanding amount, for the actual period of delay, @ 6 monthly LIBOR plus 3 (three) percent, subject to a minimum of 12% p.a. as on the Due Date as well all costs and expenses incurred by the Seller with respect to the collection of overdue payments. In case of delayed payment or failure by the Buyer to comply with any Condition, the Seller may withdraw the price concession or discount or rebate offered to the Buyer. If the Buyer delays or fails to make payment on the Due Date, then without prejudice to any of the Seller's other rights, the Seller shall be entitled to suspend or cancel further deliveries of the Goods without any consequences thereof to the Seller.
5. Any date of delivery by the Seller is an estimation only and shall not be of the essence. In the event the Contract provides for delivery of the Goods in instalments in accordance with the agreed delivery schedule set out in the terms of the Contract, each instalment shall be paid for in the manner provided in the terms of the Contract.
6. The Buyer irrevocably authorises the Seller to appropriate the monies received from the Buyer, in the sequence of first towards expenses, costs incurred, further for accrued interest and thereafter towards the oldest outstanding dues from the Buyer, entirely at the discretion of the Seller, regardless of any advice to the contrary by the Buyer. Until the payment for the Goods has been received in full by the Seller, including interest, all costs and expenses incurred with respect to the collection of overdue payments, if any –
  - a. the property in and ownership of the Goods shall remain with the Seller and the Buyer shall hold the goods as the Seller's fiduciary agent and the bailee, and shall at its own cost and risk keep the Goods separate from those of the Buyer and third parties and properly stored, protected and insured and identified as the Seller's property. Until that time the Buyer shall be entitled to resell or use the Goods in the ordinary course of its business, but shall account to the Seller for the proceeds of sale or otherwise, of the Goods.
  - b. the Seller may at any time (without prejudice to any other rights it may have under the Contract or in law or in equity) terminate the Contract without notice to the Buyer, and thereupon take possession of the goods. The Buyer irrevocably appoints and authorises the Seller to take all steps in this behalf, including with regard to:-
    - entering the premises in which the Goods are being stored, for taking possession of the goods;
    - to issue any valid discharge or receipt or release to the warehouse keeper or person in possession of the Goods;
7. Risk of damages to or loss of Goods shall pass from the Seller to the Buyer at the time of acceptance of documents by the LC issuing bank in case the term of payment is through LC. In case of any other mode of payment, the risk of damages to or loss of Goods shall pass from the Seller to the Buyer, at the time of delivery or if the Buyer wrongfully fails to take delivery of the Goods, the time when the Seller has tendered delivery of the Goods to the Buyer in accordance with Conditions 3 above.

Notwithstanding delivery and passing of risk in the Goods, or any other provision of these Conditions, the full legal and beneficial ownership and property in the Goods shall not pass to the Buyer until the Seller has received in cash or cleared funds, payment in full of the price of the Goods including interest, if any and payment for all other Goods agreed to be sold by the Seller to the Buyer for which payment is then due.

Until such time as the property in the Goods passes to the Buyer, the Seller shall be entitled at any time to require the Buyer to deliver up the Goods to the Seller or his authorised agent and if the Buyer fails to do so forthwith, to enter upon any premises of the Buyer or any third party where the Goods are stored and repossess the Goods, the condition being additional to the Seller's right in law, both statutory or otherwise, to seek redress, including appropriate injunction remedies.

8. The Seller warrants that, at the time of the delivery, the Goods will correspond to the descriptions in the proforma Invoice as given by the Seller. The Goods are not specified or represented by the Seller as being fit for being used for any particular purpose or objective. The use of the Goods shall be entirely at the risk of the Buyer. The Buyer is required to exercise his own judgment whether the Goods should be used for any particular purpose. The Buyer shall not provide any warranty or indemnity or make any express or implied representation to any of its customers or clients in respect of the use of the Goods provided by the Seller. The Buyer shall keep the Seller indemnified against any claims or actions of any nature against the Seller and/or its directors/executives arising out of or relating to the use of the Goods by the Buyer or any of its customer or client or any person claiming through them. The Buyer expressly agrees and acknowledges that the Seller has not made, nor are there any warranties, either under the law or implied, as to fitness for any specific purpose, merchantability, or condition of the Goods or otherwise. In the event of retention of the Goods by the Buyer for a period of 15 (fifteen) days from the date of receipt of the delivery, the Buyer shall be deemed to have accepted the Goods and shall not thereafter be entitled to reject the Goods or to make any claim against the Seller on any account, including without limitation, on the ground of use of defective material or poor workmanship or latent defect. The decision of the Seller as to whether the Goods meet the description as per invoice shall be final and binding on the Buyer.
9. In any event, the Seller's liability for any and all claims arising out of or in connection with the Goods shall under no circumstances exceed the value of the Goods, net of taxes, supplied to the Buyer.
10. The Buyer acknowledges that the Seller shall not be liable for any claims arising out of or relating to the acts of omission or commission of the Buyer's agent or on account of the Buyer's or his agent's negligence. Moreover, the Buyer further acknowledges that the Seller shall not be liable for loss of profits, lost business, third party claims or other consequential, special, indirect or punitive damages or expenses accrued or incurred on any account whatsoever.
11. If the Goods are to be manufactured or any process is to be applied to the Goods by the Seller in accordance with a specification submitted by the Buyer, the Buyer shall indemnify the Seller against all loss, damages, costs and expenses awarded against or incurred by the Seller in connection with or paid or agreed to be paid by the Seller in settlement of any claim for infringement of any patent, copyright, design, trade mark or other industrial or intellectual property rights of any other person which results from the Seller's use of the Buyer's specifications.
12. If, by arrangement with the Buyer, Seller's Goods are supplied to any person who is not a party to the Contract, the Buyer shall procure that such person agrees to be bound by these Conditions as though a party to the Contract. The Buyer shall indemnify the Seller and hold it harmless against any consequences (including but not limited to any claim made by such person, which he could not make if a party to the Contract) or the Buyer failing to do so or of such person not fulfilling its obligations under the Contract.
13. The Clause applies if -
  - a. The Buyer makes any voluntary arrangement with its creditors or becomes subject to an administration order or (being an individual or firm) becomes bankrupt or (being a company) goes into liquidation (otherwise than for the purposes of amalgamation or reconstruction) or
  - b. An encumbrancer takes possession, or a receiver is appointed, of any of the property or assets of the Buyer or
  - c. The Buyer ceases or threatens to cease, to carry on business or
  - d. The Seller reasonably apprehends that any of the events mentioned above is about to occur in relation to the Buyer and notifies the Buyer accordingly.If this clause applies then, without prejudice to any other right or remedy available to the Seller, the Seller shall be entitled to cancel the Contract or suspend any further deliveries under the Contract without any liability to the Buyer and if the Goods have been delivered but not paid for, the price shall become immediately due and payable notwithstanding any previous agreement or arrangement to the contrary.
14. It shall be the responsibility of the Buyer to promptly obtain all necessary import licenses, clearances and other consents at its risk and cost in the manner necessary for the purchase of the Goods. If after the Goods are shipped, the same cannot be cleared/ accepted by the Buyer for any reason whatsoever, the Goods shall be at the Buyer's risk and the Buyer shall not be entitled to any refund of the price.
15. In case the Buyer or his agent or any other person authorised by the Buyer fails to take delivery of the consignment of the goods on time for any reason whatsoever, the Buyer shall be liable to pay demurrage, penalty and other charges to the shipping agency, port, or any other agency. In such cases, by giving 7 (seven) days' notice to the Buyer, the Seller may dispose of the Goods in any manner as it may deem fit.
16. The Seller shall be entitled to claim all costs incurred by it along with damages, from the Buyer for any loss to it caused by the failure and/ or delay on the part of the Buyer to fulfil any commitment arising out of the Contract.
17. Notwithstanding anything to the contrary herein contained, the Seller shall not be liable or responsible for failure to perform or any delay in the performance of any of its obligations under the Contract, if such failure or delay is due or attributable to any act of God, war, warlike conditions, hostilities, riots, civil commotion, or any other cause or circumstance of whatsoever nature beyond the reasonable control of the Seller or by compliance with any order or request of any national port, transportation, local or other authority or of any body or person purporting to be or act for such authority. Such force Majeure situation shall be notified by the Seller to the Buyer within 15 (fifteen) days from the occurrence of the same.
18. All intellectual property rights in the Goods shall be the exclusive property of the Seller and the Buyer shall have no right or make any claim thereto.
19. Seller and Buyer are independent contractors, and the relationship created hereby, shall not in any event be deemed or construed to be that of principal and agent.
20. Any provision of the Conditions, which is or may be void or unenforceable, shall to the extent of such invalidity or unenforceability be deemed severable and shall not affect the validity of any other provision of the Conditions.
21. No waiver or forbearance of any one or more of the Conditions shall have any legal effect except as specifically agreed to by the Seller in writing.
22. The Buyer agrees that the Conditions will be subject to Indian Law.
23. In the event that a dispute / difference arises out of or in connection with or in relation to the validity, interpretation, breach, termination or implementation of the terms of the Contract, the parties i.e. the Seller and the Buyer shall attempt in the first instance to resolve such dispute through mutual consultations / negotiations. Any such dispute which the parties are unable to settle amicably within 1(one) month after it has arisen, shall be settled by reference to arbitration by a single arbitrator acceptable to both the parties or to three arbitrators, one to be appointed by either party and the third arbitrator to be jointly appointed by

the two arbitrators appointed by the parties. The arbitration proceedings shall be held at Pune, India, and shall be in accordance with and be governed by the provisions of the Arbitration and Conciliation Act, 1996 or any statutory modification or re-enactment thereof.

24. The Seller reserves the right to amend these Terms and Conditions at any time, by posting the same on its website at [www.garwareropes.com/contract-us.html](http://www.garwareropes.com/contract-us.html). The Buyer will be subject to the Terms and Conditions in force at the time of entering into the Contract unless any change to the policies or these conditions is required to be made by law or government authority retrospectively (in which case it will apply to any order previously placed by the Buyer).