

TERMS AND CONDITIONS OF SALE OF GOODS - NYLON TYRE CORD FABRICS (NTCF)

I. GENERAL

1. The Contract shall be from principal to principal.
2. Any variation or supplements to these articles and all verbal arrangement shall only be binding upon seller if confirmed in writing by seller.
3. Orders shall only be binding if and when confirmed in writing by seller.
4. It is expressly agreed by the Buyers that they shall not resale the goods covered under this invoice unless otherwise agreed to by the seller in writing.

II. DELIVERY

1. Delivery shall be deemed to have taken place as per the agreement entered with the buyer or as soon as the goods leave Seller's factory, as the case may be.
2. In case of ex-factory, the date of the Railway receipt or the receipt obtained from any other transport agency with respect to the consignment shall be deemed to be the date of delivery or in other cases the deemed date of delivery shall be as per that agreement.
3. In case of ex-factory, the seller's responsibility ceases immediately on deemed date of delivery and goods dispatched by road transport and/ or goods trains entirely at the buyer's risk and the sellers will not be liable for loss of goods in transit unless otherwise specified.
4. If desired by the Buyer, the goods shall be insured against transportation risk and premium shall be charged extra to the Buyer.
5. Acts of God, lack of raw material, strikes, unforeseen operating or shipping difficulties or any other obstructions beyond the control of Seller shall release Seller (for the duration of such disturbances and their consequences) from the obligation to deliver by the agreed date. If such date is exceeded by more than two months, then Buyer and/or Seller shall be entitled to cancel the contract to the extent of goods not then delivered.
6. In case the economy in the country of Buyer is seriously affected by war, civil war or similar events, Seller shall have the right to cancel the contract to the extent to the extent of goods not then delivered.
7. Any release of the goods using yarn supports or other packing material provided by Seller shall be subject to the prior written consent of Seller. It is expressly agreed that Buyer has purchased the goods under this invoice for manufacturing products by Buyer.

III. PAYMENT

1. Unless otherwise expressly provided the sale price shall be exclusive of applicable taxes, whether imposed by Central Govt, State Govt or local Bodies or any other authorities. Seller shall be entitled to charge/levy such taxes as so imposed by the said authorities or in force at the time of generation of invoice/delivery, as the case may be, irrespective of delivery time stated in the invoice.
2. Payment shall only be considered to have been made to the extent of the invoiced amount received in the bank account of the seller. If Seller accepts cheques or bill of exchange, such acceptance does not imply that Buyer has effected payment.
3. Payment shall be made by Buyer against delivery unless expressly provided in the invoice.
4. In case of Sale against letter of credit (LC), LC shall be open before deliver of goods for the invoice amount and shall be irrecoverable and without recourses with a schedule bank in India in favor of the Seller for the full amount of the invoice quantity. The format of LC shall be executed only after approval of the seller. LC shall be discharged by the bank in favor of Seller on presentation of invoice and/ or delivery ordered issued by the Seller, and/ or relative railway, transport receipt. LC shall not require Sellers to produce any documents to the bank other than that mention in this clause.
5. All claims of Seller arising from transactions with Buyer shall become due and payable immediately as per para II (2&3) of this clause unless otherwise extended in writing by the seller.
6. If any payment that has become due and payable is not made by Buyer within grace period, if any, provided by seller in writing, Seller shall have the right to cancel the contract without prejudice to Seller's other rights and Buyer shall without prejudice to any other right of Seller be liable to pay interest at a yearly rate of not less than 5% in excess of the commercial bank lending rate to prime borrowers of the country of either Seller or Buyer at Seller's option..
7. In case invoices have been raised for goods to be dispatched in installment, Seller shall also have the right to demand invoiced amount even though goods still to be delivered as per clause 3.
8. Seller shall have rights to cancel all contracts and grace period granted to buyer for payment if Seller has any reasonable doubts about Buyer's solvency. Under such circumstance all amount payable including interest shall be due for payment immediately.
9. Any expenses, including fees and tax arising in connection with the contract in buyer's and seller's country which was not known at the date when the contract was concluded, shall be borne by Buyer.

10. If payment is agreed to be effected in a currency other than that of Seller's country and if the official rate of exchange at the time of payment differs by more than 3% from the rate effective at the date of the contract, then Buyer and/or Seller shall be entitled to withdraw from the contract to the extent of goods not delivered as per para II (2&3). If, Seller should suffer any loss in exchange owing to late payment; Buyer shall compensate Seller for such loss.

IV. RESERVATION OF TITLES

1. If any payment that has become due and is not made by Buyer within a reasonable period of grace, or if Seller has any reasonable doubts about Buyer's solvency, then
 - Buyer shall not be entitled to pledge, hypothecate, or transfer goods, purchased from seller, to third parties including Bank and financial institutions.
 - The title to the goods, in favor of buyer, shall also be extended to the new products made by processing or after treatment at buyer's place using the seller's material
 - Sellers shall have right to dispose, without any demurrage charges and directly from seller premises, goods
 - purchased by buyer from seller and
 - new products produced by buyer, within its premises, by way of processing or after treatment using the seller's material
2. Taken back of goods, as mentioned in this clause, would not be considered as cancellation of existing contract.
3. Buyer shall properly insure the goods, lying at seller premises and to which Seller has or reserves title under this clause,
 - purchased by buyer from seller and
 - new products produced by buyer, within its premises, by way of processing or after treatment using the seller's material
4. If desired by Seller, Buyer shall provide evidence that such insurance has been affected by Buyer and it is further agreed that any and all claims under such insurance are assigned to Seller in advance.
5. At Seller's request Buyer shall cooperate with Seller in respect of all measures to secure Seller's right.

V. BISFA and INCOTERMS

Fulfillment of the contract as well as any tests made shall be governed by the rules of the "International Bureau for the Standardization of Man-Made Fibers" (BISFA) The provisions of "INCOTERMS" and supplements of the International Chamber of Commerce shall apply to all trade terms used by Seller according to commercial practice, such as 'fob' or 'cif'.

VI. COMPLAINTS

1. Any guarantee of specific properties of or in the goods shall only be effective if and when confirmed in writing by Seller.
2. Complaints about quality shall only be made for goods that have been sold as "first quality". Slight deviation of natural or dyed color shall not be deemed a defect in quality unless it should result in a marked reduction in the useful value of the products made thereof.
3. Any complaint identified by sight shall be made in writing within 24 hours from the date of receipt of goods with necessary evidence.
4. Any complaints of technical nature shall be notified by the buyer in writing within 30 days from the date of the receipt of the goods and shall be submitted along with evidence, samples, packing lists, number of cases or packages etc. or any other details as may require as evidence. The burden of prove shall rests with Buyer.
5. If Buyer fails to notify any fault within the period specified above or if the goods in respect of which there is a claim are processed in any way or sold without written consent by Seller, all claims with respect to faults shall become null and void.
6. If Buyer has made a claim in accordance with the provisions of this Article which proves justified, Seller shall offer a reasonable reduction of the invoice price or replacement of the goods concerned to the extent they have not been treated or processed.

VII. LIMITATION OF LIABILITY

1. Seller's liability shall be limited to the immediate damage caused by defective goods. Any claims for damages, provided they are substantiated beyond doubt shall be limited to twice the invoiced value of the processed defective goods.
2. Where Seller gives technical advice to Buyer with respect to the processing or treatment of the goods, it is agreed that such advice is given without any liability on Seller's part.

VIII. PACKING MATERIAL

If Buyer fails to return any yarn supports/shell rolls or other packing material which remain Seller's Property within the period of time to be fixed by Seller and in a state allowing their reuse, Seller shall be entitled to debit Buyer account for the same at replacement value and to demand immediate payment, therefore.

IX. TRADEMARKS

In case of goods sold under a trademark, such trademarks shall not be used for products made from these goods without the prior written consent of Seller.

X. APPLICABLE LAW AND COMPETENT COURTS

The contract shall be governed by the law of Seller's country to the exclusion of the Uniform Law on the International Sale of Good according to the Hague Convention of 1964. Should any provisions of the contract or of these Articles be or become ineffective, all other provisions shall remain in full force. Any dispute arising from the contract shall be settled exclusively by the competent courts at Seller's domicile, Mumbai, in state of Maharashtra, India. Seller shall, however, have the right to commence proceeding before a court at Buyer's domicile.

TERMS AND CONDITIONS OF SALE OF GOODS – YARN AND OTHER FABRICS (NFY)

I. PAYMENT

1. Payment shall be made by the Buyer's against delivery.
2. The Seller shall issue the invoice in favor of the buyer even though the order placed by the dealer copy of invoice will also be sent to dealer vide system generated mail.
3. In case of Sale against letter of credit (LC), LC shall be open before deliver of goods for the invoice amount and shall irrecoverable and without recourses with a schedule bank in India in favor of the Seller for the full amount of the invoice quantity. The format of LC shall be executed only after approval of the seller. LC shall be discharged by the bank in favour of Seller on presentation of invoice and/ or delivery ordered issued by the Seller, and/ or relative railway, transport receipt. LC shall not require Sellers to produce any documents to the bank other than those mention in this clause.
4. The dealer is required to make the payment as per prevailing sales policy at time of Invoicing. Sales on 7th day (RTGS) or 4th day vide Cheque for Intra-state& on 11th day (RTGS) or 8th day vide cheque for Inter-state from Invoice date.
5. The interest @ 18% shall be charged in case of delay payment, beyond due date as mentioned in clause-4.
6. If Dealer makes payment to the Company on behalf of the buyers under Dealers Agreement, Dealer shall be subrogated in place of the seller with all the rights of seller for recovery of dues from the buyer with regards to all the monies paid by dealer to the seller together with interest and all costs, charges and expenses suffered or incurred by Dealer. Dealer can also file a suit against the buyer and in no case the buyer can raise any questions even before the court of law that the seller has supplied goods to the buyer and dealer have no right to recover the money. The dealer only hasto show the proof of payment including the letter issued by the seller for payment received on behalf of buyer before the court in this regard.

II. DELIVERY

7. The Sellers are not under any obligation to give information that the goods are ready for delivery at the godown of the Seller or distributing agent (if any). However, in the event of such intimation, the Buyers shall agree to take delivery of the goods mentioned in such intimation within 24 hours from the receipt of such intimation.
8. After intimation as per para-7, buyer shall bound to take all goods ready for delivery. If buyer failed to lift goods before due date as per para-7 orlift only the part of goods then the remaining goodsshall be only held by the Sellers on account and risk of Buyers as regards to loss, damage, deterioration or otherwise. In such circumstance, the buyer shall not raise any queries or claim with regards to quality of goods on account of short lifting of goods or non-

lifting of goods from seller godown. The Seller, at its sole discretion, shall be entitled to charge invoice value of goods lying with seller. The Sellers after giving not less than 7 days' notice to the Buyers, which shall be deemed to have been duly delivered if sent by registered post to the last known place of business or residence of Buyers, shall be entitled, at the risk of buyer, to public auction and/ or private sale or both on such terms and condition as the Seller may think fit. If the net sale proceeds of the goods shall be less than the price/invoice of the goods along with all other charges plus interest as mentioned in this policy, the Buyers shall undertake to pay on demand the deficit to the Sellers. In case, If the netsale proceeds of the goods shall be more than the price of the goods along with all other charges plus interest as mentioned in this policy, the seller shall adjust the payment dues against the buyer.

9. If the Seller is not able to deliver the entire goods or any part thereof within the specified time period by the reason of seller's working short time due to Force Majure or governmental restriction, temporally closure of seller's plant, fire, war, stoppage /hindrance in the supply of raw materials, flood, power explosion, accident, strike, riots, lock out, disorganization of labor/transport, breakdown of machinery or anyinevitable/ unforeseen event beyond the directly or indirectly control of the sellersand interfering with working of the plant of the Sellers then the Buyers shall bound to take delivery of such part of good as the Sellers may be in a position to deliver (if any) andthe time forcompleting the remaining invoice quantity be extended for such time as the Sellers may at their solediscretion decide considering the aforesaid factor.Provided that if the sellers are unable to deliver the goods for three consecutive months according to English Calendar, then the Buyersshall have the option to cancel the contract by giving notice in writing to the seller in respect of the remaining invoice quantity.In such event,the byer bound to take delivery of goods subject of buyer invoice or any part thereof, stored at the seller's or distributing agent's godown pending delivery or in process of production (WIP). Goodsdestroyed or damaged by fire, water, or other causes beyond the seller's control and rendering goods unfit for sale, the contract in respect of such goods shall be deemed to have been discharged as per para-8 or cancelled by mutual consent only. In such circumstances, the Buyersshall have no claim against the seller in respect of such goods in court of law or otherwise. In case the buyers had made advance payment in respect of such goods, the buyers shall be entitled to get refund thereof of adjustment of dues, if any, as per the policy.The Sellers shall have a general lien on all goods of the Buyers for the time being in the possessions of the Sellers(including goods already paid for but of which delivery may not have been taken by the Buyers) for the total amount due to the Sellers for the time being under this invoice and also for any amount due to the Sellers under any other invoice with the Buyers either alone or jointly.

10. The Sellers will have the option to deliver sub-standards or lower grade yarn, if buyer agree, in place of the first grade or any other grade yarn. Price of sub-standards or lower grade yarn shall be mutually agreed price. Further, the buyer shall not claim about quality and price in respect of such sub-standard or lower grade yarn once agree.
11. In case of goods dispatched by rail or any other transport agency, the date of the railway receipt or receipt obtain for any such transport agency in respect of the consignment shall be deemed to be the date of delivery. In all other case the delivery date shall be the date on which the goods leave the Seller warehouse/Seller factory/Seller/godown.

III. QUANTITY

12. The goods sold under this invoice are strictly on understanding that the Sellers invoice WEIGHT is final.

IV. COPS

13. Normally the goods will be supplied by the Seller to the Buyer on Paper tubes & sometimes on cops, unless otherwise specified in the delivery order and / or invoice. It is a specific condition of the sale that the Buyer shall return the cops to the Sellers at the place of delivery of goods i.e. either at the factory site at Pune godown or godown at the up-country centers, if any in case the Sellers have a godown at any such centre for delivery of goods. It is also a specific condition that such return of cops shall be effected as aforesaid within a period of 45 (Forty Five) days from the date of delivery goods, time being the essence of the transaction and that the cops shall be returned in good condition and to the entire satisfaction of the Seller. If the Buyers fail to return the cops within 90 days of delivery, the Buyers shall be liable to pay on demand to the Sellers liquidated damage calculated at the market value of the cops prevailing on the date of demand as determined by the Sellers based on prevailing company's policy in this regard including tax, if any, or a sum of Rs 10/- whichever is higher. The decision of seller shall be final, conclusive, and binding on the Buyers.
14. In the event of the buyer returning the cops otherwise than in good condition and to the satisfaction of the Sellers. The Buyer shall be liable to pay equal to the value of the loss or damage caused to the cops for any reason whatsoever. The value of such loss or damage to be determined by the Sellers, whose decision shall be final, conclusive, and binding on the Buyers.

V. BEAMS

15. Beams pivots are the property of Sellers. They are returnable altogether by the Buyer within 7 days from the date of invoice. All expenses regarding damage to the beam pivot will be recoverable from the Buyer.

16. Any complaint regarding quality of yarn on beam must be made within seven days from the receipt on the goods. Complaints received thereafter will not be entitled. Seller's responsibility regarding the quality of yarn ceases when beam is converted into gray fabric or any other form.

VI. PACKING MATERIAL FOR YARN

17. If Buyer fails to return yarn support (like Jumbo Box, pallets, PVC sheets) or other packing material which remains Seller's property within the period of time to be fixed by Seller and in a state allowing their re-use, Seller shall have right to debit Buyer for the same at replacement values and to demand immediate payment thereof.

VII. QUALITY OF GOODS

18. The Buyers at the time of taking delivery shall examine the packing. No complaint related to packaging shall be entertained by the Seller after delivery of goods is affected.
19. All other disputes regarding the contracted goods shall be communicated to the seller in writing within two weeks from the date of delivery of the goods. No complaint shall be entertained after the expiry of two weeks from the date of delivery of goods. If it is found on inspection that the goods tendered are not of the invoice quality the same will be replaced by the Sellers or price of goods will be refunded at the option of the Sellers.

VIII. QUALITY DISPUTES

20. In case of disputes regarding the quality of goods, such disputed goods will be tested in the laboratories of the Sellers according to their system of testing in the presence of the representative of the Buyer if the buyer so desires, and the result of such test would be binding on the parties hereto.
21. The Buyer shall bring at their cost and risk the goods in question for being tested in the Sellers laboratory.
22. If goods are not of the correct quality the same shall be replaced by the Sellers who in such event shall also bear the reasonable expenses of transporting the defective goods to the Sellers laboratory and redelivery of the respected good.
23. If goods found to be of correct quality or damaged by Buyer or his agents, Seller is not liable for replacement of such goods and to bear any types of charges.

IX. TRADEMARKS

24. The goods under this invoice shall bear trademark as may be decided by the Seller from time to time. The Buyers agree not to use any other trademark or any expression without the seller's prior written consent. The Buyer shall be free to sell their products containing or consisting of goods under this invoice provided they incorporate as a condition of their sale

a clause to the effect that their customers shall not use any trademark of Sellers. The Buyer shall immediately intimate the Seller in writing of such use of the Sellers trademarks.

X. GENERAL

25. In respect of any products manufactured by the Buyers which are made wholly or partly from the goods under this invoice, the Buyers agree to send samples of those products to the Sellers from time to time, free of cost.
26. It is expressly agreed by the Buyers that they shall not resale the goods covered under this invoice unless otherwise agreed to by the Seller in writing.
27. The Sellers and /or their authorized representatives shall be entitled to visit and inspect the factories of the Buyer, including those where goods under this sale are used at any time to examine books, paper, machinery, site and process conditions, products etc. and make note of the same. The Buyers shall give all facility on a priority basis as may be required by the Sellers in this behalf. In case where the seller gives technical advice to Buyer with respect to the processing or treatment of goods, it is agreed that such advice is given without any liability on the Seller's part.
28. The property in the goods will not pass to the Buyer until the price has been paid in full by the Buyer to the Seller. For F.O.R deliveries, seller shall bear transit risk. For Ex-factory Sale, the risk of transit shall be borne by buyer.
29. The Contract shall be from principal to principal.
30. Anything written by Buyers in any language in this invoice except their signature or initial shall be void and of no effect and shall not be constructed as part of the terms and condition of this sale.
31. Any notice or other document intended for either party here to shall be deemed to have been validity served if sent by post to the address which appears herein.
32. The Contract shall be deemed to have been entered into thePune. All proceeding which either party to the contract may be entitled to take against the other under the contract shall be instituted in a court having jurisdiction in the city of Pune only.
33. In the event of the time for delivery having been extended as herein before mentioned, all the terms conditions of this contract shall continue to apply mutatis mutandis.
34. The Sellers responsibility ceases immediately after goods are handed over to the Railway and/ or carriers and a clean receipt hereof is obtained, and the Sellers will not be liable for loss of goods in transit unless otherwise specified. Goods will be dispatched by Road Transport and/ or goods Trains entirely at the Buyer's risk. If desired by the Buyer, the goods having been sent by RoadTransportwill be insured against Road Risk and premium charged extra to the Buyer.

35. All claims against damage to goods in transit as specified in clause -34above will be lodged with the carriers by the Buyers and the Sellers are inno way liable to the buyers or any or all such claims.
36. The Sellers shall not be liable for any defect in the goods occurring atthe Buyer's end (by the Buyer's men, material, machinery or management) dueto any reason whatsoever.
37. The rights and liabilities arising out of this sale shall not be assigned by theBuyers to a third party without the written consent of the Sellers.
38. In case of waste, materials are sold as is where is basis and no claimwhatsoever subsequent to lifting of materials from Seller factory will be entertained.