

Terms & Conditions of Sale

All sales transactions by VAV Life Sciences Pvt. Ltd. and VAV Lipids Pvt. Ltd. to its "BUYERS" are subject to the terms and conditions mentioned below and available on the company's web site i.e. www.vav.in. It shall be deemed acceptable to "BUYER" at the time of issuing purchase order.

1. DEFINITIONS

- 1.1. "SELLER" means VAV Life Sciences Pvt Ltd or VAV Lipids Pvt Ltd, as the case may be, referred to at the beginning of the Sales Order Confirmation.
- 1.2. "BUYER" means any entity (person or persons, firm or firms, company or companies, authority or authorities etc) who shall order or buy the Goods.
- 1.3. "Contract" means the particular individual contract against each order for the sale of Goods between SELLER and BUYER.
- 1.4. "Goods" means the goods or materials or product supplied or sold by SELLER to the BUYER.
- 1.5. "Incoterms" means Incoterms 2011 as published by the International Chamber of Commerce or such other edition in force on the date when the Contract is made.
- 1.6. "Order" means an order or request for the supply of Goods received by the SELLER.
- 1.7. "Terms" means the terms and conditions of sale set out herein.
- 1.8. "Time of delivery" means when the liability and the risks pertaining to the goods pass from the seller to the BUYER.

2. SCOPE OF CONTRACT

- 2.1. Unless otherwise expressly agreed in writing by SELLER every Contract shall incorporate and be governed in all respects by these Terms. Any Special Terms which shall prevail over any contractual provisions proffered by the BUYER in any correspondence, order or other documentation shall have no application to the Contract unless otherwise agreed in writing by SELLER. The BUYER agrees that any actions taken by SELLER shall not be interpreted as SELLER accepting any contractual provisions offered by the BUYER.
- 2.2. Nothing contained in any order by the BUYER or elsewhere shall supplement, qualify, override or modify these terms and the SELLER shall not be deemed to accept any other terms of the BUYER or any such modification by failing to object to provisions contained in any order or other communication from the BUYER. In the event of any conflict between any terms set out in any order by the BUYER and these terms, these terms shall prevail unless otherwise agreed in writing by an authorised officer of the SELLER.
- 2.3. Any communication or conduct of the BUYER which confirms agreement for the delivery of goods by the SELLER, as well as acceptance by the BUYER of any delivery of goods from the SELLER shall constitute a qualified acceptance by the BUYER of these conditions.

3. PAYMENT TERMS

- 3.1. If the BUYER fails to make payment in accordance with the Sales Invoice, each outstanding amount shall bear interest @ 18% per annum calculated on a daily basis from the day it falls due until the day it is paid. BUYER agrees to pay all costs of collection including attorney's fee.
- 3.2. For Advance payment term, If SELLER has not received payment against advance payment term within the validity of Proforma Invoice/Offer by the SELLER, then SELLER has full right to increase price as per current market scenario or cancel the sales contract at any time with an intimation to BUYER.
- 3.3. SELLER shall be entitled to submit an invoice to the BUYER at any time on or after the Time of Delivery as per the terms of offer/proforma invoice.
- 3.4. In the event of default of payment, all rebates, cash discounts and other concessions that may have been granted by the seller to the BUYER shall be null and void.
- 3.5. The BUYER shall make no deduction from the invoice price on account of any set-off, claim or counter-claim unless both the validity and the amount thereof have been admitted by SELLER in writing.

4. RETENTION OF TITLE

- 4.1. The goods delivered against contract remain the property of the SELLER until the SELLER has received the full payment in cleared funds.
- 4.2. Until such time as the property in the Goods passes to the BUYER, the BUYER shall hold the Goods as SELLER's fiduciary agent and bailee and shall keep the Goods separately identified and stored and held in trust in such manner so as to show clearly that they are the property of the SELLER.
- 4.3. Until such time as the property in the Goods passes to the BUYER, SELLER shall be entitled at any time to require the BUYER to deliver up the Goods to SELLER and, if the BUYER fails to do so, SELLER has the right to enter upon any premises of the BUYER or any third party where the Goods are stored and repossess the Goods.
- 4.4. The BUYER shall not be entitled to pledge or in any way charge by way of security for any indebtedness any of the Goods which remain the property of SELLER as no title is transferred, but if the BUYER does so all monies owing by the BUYER to SELLER shall (without prejudice to any other right or remedy of SELLER) forthwith become due and payable.

5. DELIVERY.

- 5.1. Where SELLER agrees or states a specified delivery date, SELLER shall use reasonable endeavours to deliver on or before the relevant date, but SELLER shall be under no liability whatsoever should delivery not be made on the date agreed.
- 5.2. SELLER shall not be liable in respect of any loss incurred by the BUYER arising from any delay in delivery of the Goods or performance of any service.

- 5.3. Delivery of Goods by road tanker, or bulk container to BUYER, the Time of Delivery is deemed to have been accepted by the BUYER when Goods have passed tanker or container's final flange or from the end of its own discharge line, whichever is the last.
- 5.4. Where the Goods are delivered by SELLER by drum, IBC or other packaging, the Delivery is deemed to have been accepted when the Goods container are removed from the transporting vehicle as per Incoterms.
- 5.5. Where the Goods are collected from SELLER's storage tank or site, in a road tanker or similar vehicle, the Time of Delivery shall be when the Goods pass the final flange of SELLER's storage tank.
- 5.6. Where the goods are collected/delivered by/to the BUYER's nominated transport agency from SELLER's factory/warehouse then the time of delivery shall be when the goods are handed over to the BUYER's nominated transport agency.
- 5.7. Where the Goods are delivered in some manner other than as specified in Clauses 5.3, 5.4, 5.5 OR 5.6 above, the Time of Delivery shall be when the Goods leave SELLER's premises.
- 5.8. Except as otherwise expressly agreed in writing, the SELLER is not responsible for offloading of the Products or their safe storage at the point of delivery.
- 5.9. Should BUYER fail to take delivery of Goods, or any part thereof, at the times stated for delivery, then SELLER shall be entitled to cancel such delivery and all other outstanding deliveries of instalments and to charge BUYER with any loss suffered.

6. HEALTH AND SAFETY

- 6.1. It is the BUYER's responsibility to ensure that all applicable health and safety regulations are observed and other appropriate steps taken in relation to the storage, handling and use of the Products and where information is supplied to the BUYER on potential hazards relating to the Products, to bring such information to the attention of its employees, agents, subcontractors, visitors and customers. Without prejudice to the foregoing it is also the BUYER's responsibility to provide safe facilities for the reception of the Products into storage including the unloading of Products from carriers. The BUYER hereby indemnifies and shall keep indemnified the SELLER against all actions, claims, demands, summon, suits proceedings judgements, orders or decrees arising out of or in connection with any act or omission of the BUYER in respect of its obligations pursuant to this clause.

7. FAILURE TO ACCEPT DELIVERY

- 7.1. Where any delay in delivery of the Goods is caused by the BUYER, SELLER shall be entitled to charge the BUYER all proper costs arising out of such delay including without limitation the cost of returning the Goods to SELLER's premises, of storing the Goods and of re-delivering the Goods.
- 7.2. If BUYER does not promptly discharge containers, or does not promptly discharge and return containers, SELLER shall have the right to charge BUYER demurrage at the prevailing rate in respect of consequent delays.

- 7.3. Notwithstanding Clauses 7.1 and 7.2 above, and subject to any contrary provision that SELLER may agree to in writing, the BUYER shall be entitled to re-schedule on not more than one occasion delivery of the Goods by giving SELLER reasonable notice to do so.

8. VARIATION IN SPECIFICATION

- 8.1. SELLER's only responsibility shall be to deliver Goods in accordance with the relevant SELLER's specification or any formal written specification referred to in the relevant Contract. If the BUYER wishes an alternative specification, the BUYER must raise that issue prior to the Contract being entered into.
- 8.2. SELLER shall be responsible for ensuring that the Goods when supplied are in accordance with the specification as set out in Clause 8.1. SELLER shall not be obliged to undertake any tests not relating to the specification. Without limitation, SELLER shall not be under any obligation to test for any contaminant not envisaged by the specification.

9. WARRANTY

- 9.1. No express or implied warranties are given by the SELLER with respect to the Goods regarding fitness for any particular purpose or health claims and the doctrine of "CAVEAT EMPTOR" shall apply. All other conditions and warranties whether express or implied by circumstances, statute, common law or otherwise as to quality, fitness (including fitness for any purpose made known by the BUYER) or otherwise are (to the extent allowed by law) excluded from the Contract and the BUYER in selecting the Goods shall be deemed to have relied entirely on its own skill and judgment.
- 9.2. The SELLER's catalogues, price lists, advertising literature, drawings specifications and any documents submitted with any quotation are intended only to give a general description of the Goods; and the contents thereof may not be relied on by the BUYER as a representation or warranty nor shall they otherwise constitute or form any part of the Contract.

10. CLAIMS

- 10.1. The BUYER shall inspect the Goods immediately after the Delivery and shall give to SELLER and the carrier in writing before the end of the next working day after the Time of Delivery notice of any claim for any defect, shortage, damage or loss to the Goods whilst in transit. If the BUYER fails to do so, the Goods shall be deemed to have been received and accepted by the BUYER without any claim for any defect, shortage, damage or loss.
- 10.2. In the event of an accepted claim for defect, loss, damage, or non-compliance with the Contract or non-delivery SELLER undertakes at its option either to repair, reprocess or replace the items concerned at its expense but shall not be under any further or other liability in connection with such non-delivery, loss, damage or non-compliance.
- 10.3. Any complaint about a delivery or service shall not entitle the customer to refuse additional deliveries or services under the same contract or a different contract.

10.4. In the absence of notification of a claim or otherwise in accordance with this Clause 10.1, 10.2 & 10.3 the Goods shall be deemed to have been delivered and accepted in conformity with the contract.

10.5. Measures taken to mitigate damage shall not constitute recognition of a defect. By negotiating on any complaints, SELLER does not waive its right to object that the complaint was not made in time, was not properly substantiated, or was in some other way inadequate.

11. TRADE MARKS AND PATENTS.

11.1. Nothing contained in these Conditions, whether express or implied shall be deemed to confer any rights upon BUYER to apply any trade mark, services mark, patent, design or other intellectual property rights owned or licensed for use by SELLER or any of Seller's associated companies to any Goods.

12. LIMITATION OF LIABILITY:

12.1. In no event shall SELLER be liable to BUYER or any other person for procurement costs, lost profits, business interruption, loss of use, or incidental / consequential damages, loss of investments, loss of anticipated savings, capital costs or extra administrative cost, loss of customers, loss of goodwill or reputation whether occasioned by the negligence, fault, error, omission, act or breach of Seller, its employees and contractors. The SELLER's total liability in law in relation to performance of the Contract shall be limited to the invoiced value of the delivery from which the loss or damage arises.

13. FORCE MAJEURE

13.1. If the performance or observance of any obligations of any Seller is prevented, restricted or affected by reason of a force majeure event including strike, lock out, industrial dispute, raw material shortage, breakdown of plant, transport or equipment or any other cause beyond the reasonable control of the Seller, the Seller may, in its absolute discretion give prompt notice of that cause to the BUYER. On delivery of that notice the Seller is excused from such performance or observance to the extent of the relevant prevention, restriction or effect.

14. CONFIDENTIAL INFORMATION

14.1. All secret or confidential information relating to the SELLER's business and processes which may come or have come into the possession of the BUYER in connection with this order/Contract shall be kept secret and confidential by the BUYER and shall not be disclosed to any third party without the prior consent in writing of the SELLER.

15. BUYER'S CANCELLATION

15.1. If the BUYER requests cancellation of the Contract this will only be accepted at the sole discretion of the SELLER (subject to bonafide reasons beyond buyer's control) which will not be exercised unreasonably and unless otherwise agreed in Writing only upon condition that any costs, charges or expenses (both direct and indirect) incurred by the SELLER up to the date of cancellation and the value of all loss or damage (both direct and indirect) incurred by the SELLER by reason of such cancellation will be reimbursed by the BUYER to the SELLER immediately before such cancellation is

effective. Acceptance by the SELLER of any cancellation request by the BUYER will only be binding upon the SELLER if it is made in Writing.

16. TERMINATION

16.1. The SELLER shall have the right to terminate the Contract any time before the execution of order, if the BUYER be in default of any of its obligations.

17. SEVERABILITY

17.1. Any provision of these Terms which is or becomes prohibited, unenforceable or void in any jurisdiction shall, as to such jurisdiction, be deemed to be deleted and ineffective to the extent of such prohibition or unenforceability without in any way affecting the validity or enforceability of the remaining provisions or affecting the validity or enforceability of such provision in any other jurisdiction

18. Arbitration

18.1. All disputes arising from the execution of this contract shall be settled amicably through friendly negotiation. In case settlement could not be reached through negotiation, the case shall be referred to neutral third party approved by both parties for arbitration. The arbitral award made by the third party is final and binding upon both parties. All disputes between SELLER and BUYER shall be resolved by an arbitration proceeding conducted at a location selected by the arbitrator within the city of Mumbai in INDIA.

19. GOVERNING LAW:

19.1. This Contract is issued under and is subject to Mumbai Jurisdiction & law. The Mumbai Courts shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the contract.