



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 an 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 Quotation and the Proforma Invoice.
- 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 which includes the Sales Quotation, Order and Proforma Invoice read with these Terms.
- 1.4. "Goods" means the goods or materials or product supplied or sold by SELLER to 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 from the Buyer in the form as agreed between the Parties.
- 1.7. "Terms" means the terms and conditions of sale set out herein.

2. SCOPE OF CONTRACT

- 2.1. Unless otherwise expressly agreed in writing by the SELLER every Contract shall incorporate and be governed in all respects by these Terms. Any special terms which shall prevail over any contractual provisions pre-offered 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 pursuant to any terms pre-offered by the BUYER shall not be interpreted as SELLER accepting any contractual provisions offered by the BUYER and these Terms and any subsequent communication or conduct by or on behalf of SELLER, including, without limitation, confirmation of an order and delivery of Goods, constitute a counter-offer and not acceptance of any modified terms and conditions submitted by 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 Terms.



2.4. The current version of the Terms are available at www.vav.in. The SELLER reserves the right to amend the Terms at any time. The SELLER will notify BUYER of any such amendments, posting them on the aforementioned Internet site or otherwise. The amended Terms will take effect on the date of notification of these amendments. The amended Terms shall apply to all transactions concluded between BUYER and SELLER after the date of such notification.

3. SALES QUOTATION AND PURCHASE ORDER

- 3.1. The SELLER, upon receipt of a written request from the BUYER, shall provide the BUYER a quotation for the Goods (the "**Sales Quotation**"). Each Sales Quotation shall include (amongst others) details relating to the terms of payment, offer validity, delivery date, packaging, shipping and applicable Incoterms. Unless stated otherwise by the SELLER, quotations made by SELLER in whatever form are not binding to SELLER and merely constitute an invitation to the BUYER to place an order. All quotations issued by SELLER are revocable and subject to change without notice. It is further clarified that price quotations based on estimated or projected quantities are subject to increase in the event that actual quantities purchased during the specified period are less than the estimated or projected quantities.
- 3.2. Upon receipt of the Sales Quotation, the Buyer shall, within the time period as set out in the Sales Quotation, place an Order for the Goods with the SELLER. Each Order shall specify the quantity and price of the Goods ordered and such other details as may be agreed by the parties.
- 3.3. Upon receipt of the Order, the SELLER shall forward to the BUYER a proforma invoice (the "**Proforma Invoice**") setting out the final details relating to the shipping method, carrier, payment terms, shipment, delivery date and other relevant terms.

4. PAYMENT TERMS

- 4.1. With regard to payment for the Goods, time is of the essence. If the BUYER fails to make payment in accordance with the timelines as set out in the Proforma Invoice, then the SELLER may without prejudice to any other rights of the SELLER, charge on each outstanding amount an interest @ 18% per annum calculated on a daily basis from the day it falls due until the day it is paid. The BUYER agrees to pay all costs of collection including attorney's fee. Every payment by the BUYER shall in the first place serve to pay the aforementioned costs and accrued interest and shall afterwards be deducted from the oldest outstanding claim regardless of any advice to the contrary from the BUYER.
- 4.2. For advance payment term, if the SELLER has not received payment against advance payment term within the date as more particularly set out in the Proforma Invoice by the BUYER, then the SELLER has full right to increase the price as per current market scenario or cancel the Sales Quotation at any time with an intimation to the BUYER. SELLER shall be entitled to submit an invoice to the BUYER at any time on or after the time of delivery as per the Proforma Invoice.
- 4.3. The price for the Goods shall be as specified in the Proforma Invoice. Such price shall be net of the goods and services tax, unless otherwise provided in the Proforma Invoice. The Buyer shall be liable to pay the goods and services tax as may be applicable.
- 4.4. Notwithstanding anything contained herein, unless the prices have been indicated as firm by the SELLER in the Proforma Invoice, the SELLER is entitled to increase the price of the Goods still to be delivered if the cost price determining factors have been subject to an increase. These factors include but are not limited



to: raw and auxiliary materials, energy, products obtained by SELLER from third parties, wages, salaries, social security contributions, governmental charges, freight costs and insurance premiums. SELLER shall notify the BUYER of such increase which shall not exceed the increase in the determining cost factors.

- 4.5. In the event of default of payment, all rebates, cash discounts and other concessions that may have been granted by the SELLER to BUYER shall be null and void.
- 4.6. The BUYER shall make no deduction from the invoice price on account of any set-off, claim or counterclaim unless both the validity and the amount thereof have been admitted by the SELLER in writing.

5. RETENTION OF TITLE

- 5.1. The goods delivered against an Order shall remain the property of the SELLER until the SELLER has received the full payment in cleared funds.
- 5.2. Until such time as the property in the Goods passes to the BUYER, the BUYER shall hold the Goods as the 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.
- 5.3. 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, the 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.
- 5.4. 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.

6. DELIVERY.

- 6.1. Where SELLER agrees or states a specified delivery date, SELLER shall use reasonable endeavors to deliver on or before the relevant date, but the SELLER shall be under no liability whatsoever should delivery not be made on the date agreed. Any times or dates for delivery by the SELLER are estimates and shall not be of the essence.
- 6.2. SELLER shall not be liable in respect of any loss incurred by the BUYER arising from any delay in the delivery of the Goods or performance of any service. It is further clarified that delay in the delivery of any Goods shall not relieve the BUYER of its obligation to accept delivery thereof and the BUYER shall be obliged to accept the Goods and pay the rate specified in the Proforma Invoice for the quantity of Goods delivered by the SELLER.
- 6.3. Where the delivery terms have not been agreed or specified in the Proforma Invoice, then such delivery terms shall be on ex. Works basis and shall be interpreted in accordance with the INCOTERMS in force at the time of formation of the Contract.



- 6.4. The risk of the Goods shall pass to the BUYER according to the Incoterms agreed for such Order.
- 6.5. Except as otherwise expressly agreed in writing, the SELLER is not responsible for offloading of the Goods or their safe storage at the point of delivery.
- 6.6. 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 and every expense incurred in connection with the delay caused in taking such delivery of the Goods and/or for the cost of storage of such Goods on behalf of the BUYER.

7. HEALTH AND SAFETY

- 7.1. 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 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.

8. FAILURE TO ACCEPT DELIVERY

- 8.1. Where any delay in the 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.
- 8.2. 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.
- 8.3. 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 reschedule on not more than one occasion delivery of the Goods by giving SELLER reasonable notice to do so.

9. VARIATION IN SPECIFICATION

- 9.1. 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 Sales Quotation. If the BUYER wishes an alternative specification, the BUYER must raise that issue prior to the Order being placed and such alternative specification shall be subject to acceptance by the SELLER.
- 9.2. SELLER shall be responsible for ensuring that the Goods when supplied are in accordance with the specifications as set out in Clause 8.1. SELLER shall not be obliged to undertake any tests not relating to the specification unless required under Clause 11.2. Without limitation, SELLER shall not be under any obligation to test for any contaminant not envisaged by the specification.



10. WARRANTY

- 10.1. 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.
- 10.2. The SELLER's catalogues, price lists, advertising literature, drawings specifications and any documents submitted with any Sales 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.

11. CLAIMS

- 11.1. The BUYER shall inspect and examine the Goods and satisfy itself that the Goods delivered meet the agreed specifications, immediately after the Delivery. The BUYER shall give the SELLER and the carrier notice of any claim for any defect, shortage, damage or loss to the Goods whilst in transit or otherwise in writing before the end of the next working day after the delivery day in respect of any defect, default or shortage which would be apparent from a reasonable inspection on delivery, and 7 (seven) days from the date on which any other claim (e.g. hidden defects) was or ought to have been apparent, but in no event later than 15 (fifteen) days from the date of delivery of the Goods. 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, deficiency, shortage, damage or loss.
- 11.2. In the event, the SELLER receives a notice pursuant to Article 11.1, the determination of whether or not delivered Goods conform to the agreed specifications shall be done solely by the SELLER analyzing the samples or records retained by SELLER and taken from the batches or production runs in which the Goods were produced in accordance with the methods of analysis used by SELLER. In case of a dispute between the parties concerning the quality of a batch or production run of Goods supplied by the SELLER to BUYER, the SELLER will submit representative samples of said batch or run to an independent laboratory reasonably acceptable to the BUYER to have determined whether or not the batch or run in question has met the specifications. The results of such analysis shall be binding upon the parties and the party unable to uphold its position shall bear the related costs of the laboratory.
- 11.3. 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.
- 11.4. 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. Defects or deficiencies in the Goods (or part thereof) shall not entitle the BUYER to reject the entire delivery of the Goods. Complaints, if any, do not affect BUYER'S obligation to pay as defined in Article.
- 11.5. 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.



11.6. 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.

12. TRADEMARKS AND PATENTS.

12.1. Nothing contained in these Conditions, whether express or implied shall be deemed to confer any rights upon BUYER to apply any trademark, 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.

13. LIMITATION OF LIABILITY:

13.1. In no event shall SELLER be liable to BUYER or any other person for any special, incidental, indirect, consequential or punitive damage or loss, cost or expense, including without limitation, procurement costs, lost profits, business interruption, loss of use, 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 or damage based upon delay in delivery, work stoppage, production failure, impairment of other goods or based on any other cause, and whether arising out of or in connection with breach of warranty, breach of contract, misrepresentation, negligence or otherwise. 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.

14. FORCE MAJEURE

14.1. If the performance or observance of any obligations of the SELLER is prevented, restricted or affected by reason of a force majeure event including acts of God, laws and regulations, administrative measures, orders or decrees of any court, earthquake, flood, fire, explosion, war, terrorism, riot, sabotage, accident, epidemic, strike, lock out, slow down, labour disturbances, industrial dispute, raw material shortage, breakdown of plant, transport or equipment, delay in delivery or defects in goods supplied by suppliers or subcontractors or any other cause beyond the reasonable control of the SELLER ("**Force Majeure**"), the SELLER may, in its absolute discretion give prompt notice of that cause to the BUYER. On delivery of that notice relating to Force Majeure, the SELLER shall be excused from such performance or observance and the SELLER shall in no event be liable in any way for any damage, loss, cost or expense arising out of or in connection with any delay, restriction, interference or failure in performing any obligation towards the BUYER caused by such Force Majeure.

15. CONFIDENTIAL INFORMATION

15.1. All secret or confidential information relating to the Goods, including without limitation packaging designs, marketing information, technical, scientific and other data, patent information, quality standards, formulae, instructions, procedures specifications or know how, or other proprietary knowledge or information whether oral or written, contained in drawings, and any other information relating to the SELLER's business and processes which may come or have come into the possession of the BUYER in connection with the Contract and these Terms ("**Confidential Information**") 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. Neither the BUYER nor any of its employees, agents and representatives shall make any copies, extracts, notes, summaries, duplications, whatsoever, of or from any of such Confidential Information without the prior written consent of the SELLER.

- 15.2. Upon termination of the Contract, the BUYER shall immediately deliver to SELLER (and cause any of its employees, agents or representatives to so deliver), at its own expense, all Confidential Information of SELLER, including without limitation any and all copies, duplications, summaries and/or notes thereof or derived therefrom, regardless of the format.

16. BUYER'S CANCELLATION

- 16.1. 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 the 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.

17. TERMINATION

- 17.1. The SELLER shall have the right to terminate the Contract at any time before the execution of Order and before the title to the Goods passes to the Buyer, without compensation to the BUYER, with immediate effect by notifying the Buyer, in writing if:
 - 17.1.1. The BUYER is unable to satisfy its obligations as they become due, or enters into any composition or other arrangement with creditors; and/or enters into liquidation or is adjudicated or applies for being declared insolvent or voluntarily ceases trading; or
 - 17.1.2. The BUYER has materially breached the Contract and these Terms and fails to remedy the breach within a period of fourteen (14) days from receipt of the notice of the breach from SELLER; or
 - 17.1.3. The BUYER assigns any of its rights or obligations under the Contract or these terms to a third party without SELLER's advance written consent.
- 17.2. Upon termination or cancellation of the Contract, the Buyer shall immediately thereafter:
 - 17.2.1. deliver to SELLER any and all Confidential Information as required under clause 15.2, and any other property in possession of the BUYER, if any; and
 - 17.2.2. make all payments which have become due and payable to SELLER including payments in respect of outstanding Orders, Proforma Invoice and Goods in transit, if any and if no payment is made by the BUYER then demand return and take repossession of any delivered Goods which have not been paid for and all costs relating to the recovery of the Goods shall be for the account of the BUYER.



18. SEVERABILITY

- 18.1. 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.

19. ARBITRATION

- 19.1. All disputes arising from the execution of the Contract and these Terms shall be settled amicably through friendly negotiation. In case settlement could not be reached through negotiation within a period of [ninety (90)] days from when the dispute has arisen, the dispute shall be referred to arbitration by a sole arbitrator appointed by the SELLER. The provisions of the Arbitration and Conciliation Act, 1996 shall govern such arbitration. . The arbitral award made by the arbitrator shall be 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 and the arbitrator's fee shall be borne equally by the Parties.

20. GOVERNING LAW:

- 20.1. The Contract and these Terms are 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 and these Terms.

21. MISCELLANEOUS

- 21.1. Assignment. The Buyer shall not be permitted to assign any of its rights or obligations hereunder without the prior written consent of SELLER, which consent may be withheld without assigning any reasons therefore.
- 21.2. Binding Effect. The Contract and these Terms shall be binding upon and inure to the benefit of the Parties hereto, their respective successors and assigns as permitted hereunder.
- 21.3. Headings. The division of these Terms into clauses and headings are for ease of reference only and shall not affect the interpretation of these Terms.
- 21.4. Relationship. The SELLER and BUYER are independent contractors, and the relationship created hereby shall not be deemed to be that of principal and agent.
- 21.5. Waiver. No restriction, condition, obligation or provision contained in these Terms shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.
- 21.6. No Third Party Beneficiaries. No person or entity which is not a party to the Contract shall be deemed to be a third party beneficiary hereof, and no such person shall have any equitable or other rights by virtue of this Contract.
- 21.7. Survival. Termination of one or more of the parties' rights and obligations, for whatever reason shall not affect those provisions of the Terms which are intended to remain in effect after such termination.