

Conditions of Purchase of Premia Chemicals Private Limited

1. General Terms

1.1 These Conditions of Purchase ("Conditions") form an integral part of every purchase contract issued by **Premia Chemicals Private Limited** ("Buyer"). Any deviations, conflicting terms, or reservations proposed by the supplier ("Seller") shall be valid only if expressly accepted in writing by Buyer for that particular transaction.

1.2 Verbal understandings, modifications, or supplementary agreements shall only be valid upon written confirmation from the Buyer's authorized representative.

2. Quotations and Offers

2.1 All quotations must strictly adhere to the specifications, quantities, grades, and other technical or commercial requirements mentioned in the Buyer's inquiry.

2.2 Quotations shall be submitted free of cost and without any binding obligation on the Buyer. Costs related to samples, technical drawings, or estimation shall only be reimbursed if mutually agreed in writing.

3. Orders and Acknowledgement

3.1 Purchase Orders (POs) and amendments must be communicated in writing. Verbal commitments shall not be enforceable unless confirmed in writing.

3.2 Each order must be acknowledged in writing by the Seller. All order-related correspondence must clearly mention:

- PO Number
- Order Date
- Buyer's contact person or department

4. Delivery Timelines

4.1 Delivery lead times commence from the PO issuance date. The Seller shall immediately notify the Buyer in writing of any expected delay, its cause, and estimated recovery time.

4.2 In case of delay without valid notice, the Buyer reserves the right to:

- Cancel the order partially or fully
- Levy penalties as per agreed terms
- Recover consequential losses or invoke legal remedies under the Indian Contract Act, 1872

5. Statutory and Regulatory Compliance

5.1 The Seller shall ensure that all goods supplied:

- Are compliant with Indian standards (BIS), environmental and safety regulations
- Conform to applicable laws including but not limited to the **Environment (Protection) Act, 1986, Factories Act, 1948, and Hazardous Waste Management Rules**
- Include valid Material Safety Data Sheets (MSDS)

5.2 For imported products, Seller shall ensure REACH compliance (EU Regulation 1907/2006) and inform Buyer if any component is listed under SVHC or Annex XIV.

6. Quality Assurance and Warranty

6.1 The Seller guarantees that the products supplied:

- Are free from defects

- Conform to agreed technical specifications and applicable national/international standards
- Are suitable for the intended application
- Meet declared shelf life and storage conditions

6.2 In the event of defective supply, the Buyer may:

- Reject the goods and seek replacement or rectification
- Cancel the order and seek refund or credit note
- Recover losses arising due to defective supply or production downtime

6.3 Buyer reserves the right to conduct independent third-party testing and claim associated costs if quality deviation is found.

6.4 Warranty period shall be as per statutory norms or a minimum of 12 months from date of receipt, whichever is longer.

7. Packaging, Dispatch and Delivery

7.1 Seller shall ensure:

- Proper, hazard-compliant packaging and labeling
- Clear indication of batch number, expiry, net weight, and PO reference on every unit
- Goods are dispatched via reliable mode, at lowest cost and risk to Buyer unless otherwise agreed

7.2 All consignments must be accompanied by:

- Tax Invoice
- Delivery Note
- E-way Bill (if applicable)
- Certificate of Analysis (COA) and MSDS

7.3 Any demurrage or penalty arising from incorrect documentation, delay in dispatch or improper packaging shall be borne by the Seller.

8. Inspection and Rejection

8.1 Goods will be accepted post inspection at Buyer's premises.

Acceptance at the gate or unloading does not imply conformity.

8.2 In case of non-compliance, Buyer reserves the right to reject the goods and return at Seller's risk and cost.

9. Invoicing and Payment

9.1 Invoices must match PO in terms of line items, prices, GST, and order terms.

9.2 Payment terms shall be as agreed in writing. The payment cycle shall begin only upon:

- Receipt of goods in full
- Acceptance of goods post inspection
- Submission of all statutory and commercial documents

9.3 Payment does not imply waiver of Buyer's rights to claim for quality issues, shortages, or delayed delivery.

10. Indemnity and Liability

10.1 Seller agrees to indemnify Buyer against all losses, claims, damages, or penalties arising from:

- Defective supply
- Breach of statutory compliance

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- Intellectual property violations
- Product liability claims

10.2 This clause survives contract termination.

11. Confidentiality & Documentation

11.1 All documents shared by Buyer (formulas, drawings, standards) are confidential and remain Buyer's property. These must not be reproduced, disclosed, or reused without written approval.

11.2 Seller shall return all such documentation on request and shall maintain strict confidentiality of commercial engagement.

12. Insurance

12.1 Buyer will procure transport insurance.

12.2 Seller must maintain:

- Valid public liability and product liability insurance
 - Workmen compensation policy
- Proof must be furnished on request.

13. Intellectual Property

Seller is responsible for ensuring that no third-party intellectual property rights are violated. Any licensing or royalty obligations must be fulfilled by the Seller.

14. Dispute Resolution

14.1 All disputes shall be governed by Indian law.

14.2 Jurisdiction shall rest with the courts of **Ludhiana, Punjab**, unless otherwise agreed in writing.

14.3 Buyer reserves the right to pursue alternate dispute resolution (ADR) mechanisms like arbitration, as per **Arbitration & Conciliation Act, 1996**.

15. Force Majeure

Neither party shall be liable for non-performance caused by circumstances beyond reasonable control (e.g., natural disasters, strikes, war, governmental actions), provided written notice is given within 5 days of occurrence.

16. Ethical and Sustainable Practices

Seller shall ensure:

- Ethical sourcing of raw materials
- No child labor or exploitative practices
- Alignment with Buyer's sustainability and zero-liquid-discharge (ZLD) commitments, wherever applicable

17. Amendments

Premia Chemicals Pvt Ltd reserves the right to update these terms from time to time. The version prevailing at the time of PO issuance shall apply.

Premia Chemicals Private Limited

(Effective from: 24 July 2025)