



Savio General Conditions of Sale of Machines, Equipments and Attachments

(Ref No : SIL-2015)- CIN-U02926TZ1996FLC007062

The following General Conditions shall apply, save as varied by express agreement accepted in writing by both parties:

I. QUOTATION - ORDERS

- a) Except insofar as delivery terms and such provision about applicable taxes and levies, shall hold good for 30 days period. All data printed in catalogues, drawings and other matters are solely indicative.
- b) The Order sheet and relative Technical Specification Sheet signed by the Buyer are accepted by Savio with the issuance of the ORDER CONFIRMATION SHEET.
- c) No amendment to Sales Contract shall be valid unless in writing and duly signed by the parties.
- d) No agreement may be assigned by the unless such assignment shall have been previously approved by the Savio in writing.
- e) No such special sales terms, as the Order Confirmation Sheet may stipulate in addition or as an exception to those General Sales Terms, shall imply that similar terms are accepted by Savio in respect of any other Order. Any such amendments as Buyer may insert in these General sales Terms and/or any such special sales terms as the Order may stipulate shall be null and void.
- g) Savio reserves the right to alter at any time equipment, Machine Design, part or component or any part thereof, as long as such modifications shall not alter any of the equipment's basic engineering and overall performance
- h) Should Buyer's financial and/or economical situation materially deteriorate after the order confirmation or sale agreement has been executed, Savio may either require that adequate guarantees be provided by Buyer to secure full payment of any amounts due, or terminate the agreement and forfeit any down payment received and in no case shall Buyer have the right to claim any damages/compensation whatsoever in respect thereof
- i) Any such drawings, blueprints, Specifications and/or illustrations as may be supplied with, or otherwise relate to any equipment furnished by Savio shall remain the sole property of the later, to whom they shall be returned on request, and may not be reproduced or surrendered to others.

II. DELIVERIES , TRANSPORTATION AND ERECTION

- a) The delivery period stated in the quotation/Order confirmation sheet will commence from the date of receipt of the initial payments or compliance of payment terms, completion of commercial formalities and finalisation of all specifications and receipt of clarifications thereon, if any.
- b) The time of delivery / despatch indicated in the contracts is not guaranteed and will be extended by any delays occasioned by causes beyond Savio's control including delays on account of the necessity to comply with the Government regulations or due to delay in securing Import Licenses and/or force majeure and contracts are entered into in consideration of the definite understanding that Buyers will accept delivery of the consignments as and when received and will not cancel the contract or part thereof or claim any compensation / damage either direct or indirect on account of delays, if any, in delivery / despatch and also shall not refuse to accept delivery of the goods or any instalment thereof or return any instalment already delivered on ground of delay in delivery / despatch.
- c) Should delivery / despatch be delayed by any cause whatsoever for which Buyer be responsible, the equipment shall be held in custody at Buyer's own risk, and all storage charges effective from the time when notice shall have been given that the equipment is ready for shipment, as well as any such deterioration and/or damage as the equipment may suffer, shall be borne by the Buyer, the Buyer being liable for any such greater loss or damage as Savio may incur on account of Buyer's failure to take delivery of the equipment in due course, provided however that should such failure by Buyer to take delivery extend over 30 days from the time when notice that the equipment was ready for shipment shall have been served on Buyer, then Savio may terminate the agreement or, should Savio deem it fit, any part thereof as may not have been performed yet, by serving Buyer a notice to that effect by registered post, in which event the down payment made by the Buyer shall stand forfeited by Savio, and apart from that the Buyer shall indemnify Savio for any such loss or damage sustained by Savio.
- d) Delivery shall be assumed to be stipulated ex Savio's works at Coimbatore and shall be deemed to have been effected as the equipment shall have been handed over to carrier. All equipment shall travel at Buyer's risk, and the Buyer shall arrange for In-transit insurance at their own cost and risk.
- e) Buyer shall promptly inspect the equipment upon receipt. In no case may Savio be held responsible for any such loss or damage as may be caused by transportation, storage or packing, as long as the latter shall have been accepted pursuant to the provisions of clause-III hereof. The Buyer may also inspect the equipment at Savio's Works, Coimbatore at their own expenses, with prior permission of Savio.
- f) Price as stipulated shall not include assembly or erection. Buyer shall pay all expenses relation to the Travel, transfer of and actual work performed by such personnel as Savio may provide in Savio's own discretion, such rates being applied as shall be normally charged by Savio at the time of erection or assembly. Erection and assembly shall not include any civil engineering works, such works as may be performed by ironsmiths, carpenters, plumbers or electricians, such labour as may be required to assist Savio's erectors, any equipment, supply, having and/or transportation means, ladders, scaffolds and generally whatever may be required for unloading the equipment and carrying same to the site, which shall all be provided by Buyer at Buyer's own cost.

III. PACKING

- a) Savio shall reserve the right to determine which kind of packing shall suit the kind of equipment and conditions of transportation best and all the Savio's liabilities shall cease upon delivery of the equipment, properly packed, to carrier. The equipment shall be deemed to be properly packed when carrier shall accept same for forwarding.

IV. ACCEPTANCE TESTS

- a) Upon completion of assembly or erection, the erector or supervisor shall issue an "assembly accomplished" report, a copy of which shall be delivered to Buyer. If signed by Buyer such a report shall be equivalent to an acceptance test acknowledgement, and shall mean that the equipment is completed in all its parts, properly operating as a whole and, as such, accepted and approved by Buyer. Provided however that the aforesaid report shall be the equivalent of an acceptance test acknowledgement, even though Buyer's signature may not be affixed thereto; unless same be expressly rejected by Buyer by Registered Post to Savio within 15 days of delivery of a copy thereof to Buyer.

V. WARRANTY

- a) Savio warrants the equipment's workmanlike quality and freedom from defects or imperfections. Savio also warrants the equipment's proper operation, within such limits as are implicit in its engineering features. No warranty whatsoever shall be undertaken by Savio as to any such material as may not be of Savio's own production. The warranty shall hold good for 12 months effective from the time when commissioning shall have been completed or 13 months from the date of despatch, whichever be the earliest. The warranty terms shall not be extended in the event of any repairs and/or replacements having been effected during the warranty period, or in the event of fewer work shifts.

- b) The warranty shall be confined to repairing or replacing such parts as may be defective because of poor workmanship and/or material, to the exclusion of normal wear and tear, and other such breakdowns as may be due to overload, abuse, neglect or non-compliance with Savio's or Savio's erectors' or engineers' instructions. The foregoing warranty shall supersede any other statutory warranty, which may include Buyer's right to terminate the agreement or any part thereof, or to claim a price rebate etc.. The foregoing warranty shall not apply to any such defects or imperfections as may not have been reported by Buyer to Savio by Registered Post within eight days of the time when they shall have been detected.
- c) Savio shall neither be liable for any direct or indirect loss or damage as may arise out of Buyer being prevented from using the equipment due to any defective components being replaced or repairs during the warranty period, nor shall Savio be liable for any such damage or loss as may be caused by the equipment's defective starting and/or operation.
- d) The foregoing warranty shall be null and void in the event of Buyer (1) failing to have the equipment assembled and erected by Savio, or (2) failing to duly perform such operation as Buyer may be expected to perform, or (3) Performing any repair, replacement, change or other intervention, or having same performed by any other party, during the warranty period without Savio's prior approval in writing, or (4) failing to comply with Savio's instructions as to the proper use and maintenance of the equipment.

VI. REPOSESSION RIGHTS – PRICE – PAYMENTS

- a) Whenever payment is to be effected after delivery, Savio shall have lien and shall also retain repossession rights over any equipment supplied until full settlement of the price thereof, plus any such value-added or other tax or duty as may be payable thereon, in addition any such interest as may have accrued on the amount so due, and to such expenses as Savio may have incurred on Buyer's behalf. Consequently all risks and costs from the time when the equipment shall have been delivered or placed at Buyer's disposal at Savio's works shall be for the account of the Buyer, and Buyer shall remain the depository and trustee of any equipment upon which Savio may so retain repossession rights until full settlement. In that event, Buyer shall exercise due care in holding the equipment in custody until the price thereof shall have been fully settled, and shall refrain from disposing off the same in any way, or submitting same to any real or personal lien. At the time of purchase, moreover Buyer shall notify Savio as to the place where the equipment shall be located and shall not remove the same without Savio's prior approval in writing, until full settlement as hereinabove provided. Buyer shall promptly inform Savio of any such action as may be undertaken by any other party which may in any way affect Savio's repossession rights over the equipment and Buyer shall be under obligation to notify any other party as to the fact that the equipment is subject to Savio's repossession rights.
- b) Any such charges as may relate to the execution of the agreement, including all notary fees, litigation expenses and such accessory expenses as may relate to the registration thereof, to recording or publishing Savio's repossession rights, as well as to cancelling such records upon full settlement of any amounts due by Buyer, shall be borne by the Buyer, who shall advance same and promptly take any such steps as may be required for the Savio's repossession rights to be enforced in respect of any third parties.
- c) All Prices are ex Savio's works and shall not include any freight, insurance, assembly or erection charges, any tax or customs duty, levies or any other charge whatsoever, and any such insurance premiums, Savio may have paid or any such freight charge as Savio may have incurred, shall be promptly reimbursed by Buyer on Savio's request.
- d) All payments shall be effected to Savio direct and only official place of payment being Savio's registered office, irrespective of acceptance by Savio of any payment effected by banking channels, cheque, Demand Drafts, RTGS/NEFT or LC at Sight, or otherwise.
- e) In case of a delay in payment of the invoices the interest on delayed payment will be debited by Savio to the Buyer at the rate of 18% per Annum.
- f) Should Buyer fail to effect any payment on schedule, Savio may, even without serving any notice in that respect, either request prompt payment of all overdue and outstanding installments or terminate this agreement by serving notice to that effect to the Buyer by Registered Post, in which event Savio may request that any equipment delivered be promptly returned, retain any down payment and/or installments as Savio may have already collected by way of compensation and obtain payment of damages equal to the down payment stipulated, subject always to any such further claim as Savio may raise.
- g) This agreement shall be governed by Laws of India and Courts at Coimbatore shall be the only Court of jurisdiction in respect of any action in which Savio be the Defendant, provided however that in respect of any action in which Savio be the Plaintiff, Savio may choose between the Coimbatore Court and the Buyer's Court of Jurisdiction.

VII. FINAL CLAUSE

- a) In the event of any contradiction between these general conditions of sale and the Buyer's conditions of purchase, if any, the former will prevail.

VIII. CODE OF ETHICS

- a) The Buyer, whilst carrying out the duties contained in the Agreement, undertakes to, also for its directors, auditors, employees or collaborators, if any to strictly follow the regulations contained in the Code of Ethics approved by the Board of Directors of Savio, which are an integral part of the policy, which can be consulted on Savio's Website, and fully accepts and acknowledges that he or she is aware of all the terms and conditions contained therein. Should any breach be made to the above mentioned Code of Ethics which can be attributed to the Buyer, Savio shall be entitled to immediately withdraw from the agreement by way of registered post with acknowledgement due or e-mail and Savio reserves the right, in any case, to lawfully remedy the breach in any way including the right to claim compensation for any eventual damages. Notwithstanding the above, it is understood that the Buyer shall indemnify and hold Savio harmless upon first request and without exception and that Savio, its successors in title, auditors, directors, employees and/or legal representatives shall be indemnified and held harmless from any claim, damage and/or request including legal fees, which may be brought against the latter by third parties in relation to any breach of the above mentioned code of Ethics.

SAVIO INDIA LIMITED

12/2015