

GENERAL TERMS AND CONDITIONS TO PURCHASE (DOMESTIC)

(Applicable for all group companies of TEL. (Referred to here as Company))

1. Orders duly signed and issued on the order from of the Company alone will be accepted.
2. Acceptance of the order must be sent return of post confirming the date of delivery and the price accepted by the Company and agreeing for the general terms and conditions to purchase.
 - 3.1 Order reference (order no, part no, description, quantity), weight and mode of transport of the goods must be quoted in the delivery challans and invoices. A duplicate copy of the challan must accompany the goods. Prior intimation of shipment of supplies shall be given to the company through telex, fax or written note. The Company prefers challan-cum-invoice for supplies. Please note, that in case of deviation in your documentation, the Company shall not be liable for any delay in payments(s) for supplies effected.
 - 3.2 Where Excise Gate passes are required they shall accompany the supplies; any loss to the Company on this account shall be recovered in payment(s) due to the supplier.
 - 3.3 The GST charged on the supply invoices relating to the Purchase Order are being availed Input Tax Credit on its receipt. Hence, the vendors are requested to file their GSTR-1 returns on its due date. If, found at a later date the valid GSTR-1 returns are not filed or any other non-compliance under GST Acts & Rules, we will debit the GST amounts as in the invoices with 24% interest from the date of availing to the date of reversal and any other amounts payable to GST department in this regard.”
4. No Charges towards packing, boxing or crating will be accepted by the Company unless agreed to with reference to the particular order.
5. Unless otherwise agreed to, all goods are to be supplied carriage paid to Company's factory or to such other place as may be directed by the Company.
6. The right is reserved by the Company to cancel this order or any part thereof if delivery is not made with in the time specified in which case the Company may purchase elsewhere goods as similar in quality to those of the supplier as possible debiting/charging the supplier with the extra cost if any, it being understood that this option to purchase elsewhere will not normally be exercised unless the Company's work is likely to be affected.
7. Goods delivered in excess of the quantities ordered by the Company will not be accepted and all charges in respect of the same will be at the risk and responsibility of the supplier.

8. In the event of production at any of the Company's works being interfered with or stopped by any strike, lock out, fire, failure in delivery of supplies (whether by the supplier of third party) force majeure or as consequence of war or outbreak of civil commotion or other circumstances beyond the control of the Company, the Company may suspend the order or amend the delivery dates to such extent as it considers necessary without incurring liability.

9. All materials and goods shall in every respect be equal to description, specification, and to samples submitted (if any) and shall be subject to Company's inspection and approval within a reasonable time after delivery and if rejected shall be held at the supplier's risk and returnable at the expense of the supplier and shall not count as having been delivered unless the Company elects to make the materials and goods fit for its purposes in which case the supplier shall be debited with the cost of such rectification. It is the responsibility of the supplier to collect rejected materials within the stipulated time.

10. When machined goods are produced by the materials provided by the Company the amount of material allowed to cover scrap shall not exceed the scrap allowance specified by the Company. If the amount of material scrap exceeds that percentage, the Company may charge the supplier with the excess or ask suppliers to replace the material free of cost. Material sent for secondary manufacture shall be used only for the purpose specified thereof. Excess and scrap material shall be duly returned. If not returned the Company shall debit/charge the cost.

11. The supplier hereby covenants that he shall not sell the products which are patented by the company based on company's design/drawing to any third party and that any reference or enquiries made to the supplier will be referred to the Company either for the products or for parts of replacement. The supplier further undertakes not to manufacture quantities supplementary to our order for the purpose of sale.

12. The supplier guarantees that the sale or use of his products will not infringe any Indian or Foreign trade mark, trade name or registered design and undertakes to indemnify and keep the Company indemnified against all acts, judgements, decrees, costs, claims, demands and expenses resulting from any actual or alleged infringement or undertakes at his own expense to defend or assist in the defence of any suit or action that may be brought against the Company in the connection.

13. Where this order constitutes a sub-contract for a Government Department, it is made subject to Government Contract condition in force from time to time and all other government rules, regulations or instructions applying to sub-contracts and in particular to a right of determination at the purchaser corresponding to the Government Department's right to determination.

14. The supplier shall indemnify the Company all claims, damages and expenses made and established against or incurred by the Company on account of:

(i) Any actual or alleged infringement of monopoly rights resulting from any sale or use of the goods otherwise than in breach of any restriction imposed on and accepted by the Company.

(ii) Any injury (whether to person or property) or loss sustained by any person in connection with the fulfilment of the order or as a result of any defect in the goods.

15. The Company reserves the right to reject and return at the suppliers expense all materials which do not conform to the inspection instruction.

16. Duly accredited representatives of the Company shall be allowed to inspect materials ordered at any stage of manufacture whenever required at the supplier's manufacturing site.

17. The supplier shall not, without the written permission of the Company, advertise or announce that he supplies goods to the Company, and shall discontinue any such permitted advertisement or announcement on demand.

18. Tools, measuring instruments, gauges layouts etc, which may be furnished to the supplier shall be returned on completion of the job. If there is any damage or the same are not returned then the Company shall recover the charges from the supplier.

19. Test certificates wherever necessary shall be provided with the supplies. Documentation shall confirm to ISO/ QS9000/TS 16949 requirements.

20. The Company owns the copyright of the drawings which are supplied in confidence. They must not be used for any purpose other than that for which they are supplied and the supplier on no account should copy, disclose or part with any manufacturing information (in whole or in part) to any third party without the written consent of the Company. Drawings shall be duly returned on completion of the order.

21. Unless otherwise agreed, any disputes arising in regard to this order shall be finally settled in Chennai High Court only.