



CONZUMEX INDUSTRIES PRIVATE LIMITED

67f, 1st Floor Bommasandra Industrial Area,
Bengaluru, Karnataka 560099

CONZUMEX INDUSTRIES PRIVATE LIMITED

PURCHASE ORDER – LEGACY TERMS & CONDITIONS

(Effective as of March 1st, 2025)

These Legacy Purchase Order Terms ("Terms") govern the procurement of goods, services, software, and cloud-based solutions ("Deliverables") by Conzumex Industries Pvt. Ltd. ("Buyer") from its suppliers ("Supplier") where a Master Supply Agreement has not been executed. These Terms are incorporated by reference into every Purchase Order ("PO") issued by Buyer and are binding on Supplier.

1. ACCEPTANCE AND ORDER OF PRECEDENCE

1.1 Acceptance of Terms: By acknowledging a PO, commencing any part of the Deliverables, or accepting payment, Supplier agrees to be bound by these Terms. Any performance without written objection constitutes acceptance.

1.2 Conflicting Terms: These Terms supersede any conflicting terms in Supplier proposals, quotations, or other communications. No contrary terms shall apply unless expressly agreed in writing by Buyer.

1.3 Hierarchy of Documents: In case of inconsistency, the order of precedence shall be: (i) specific terms listed in the PO, (ii) special conditions attached or referenced in the PO, and (iii) these Terms.

1.4 Acknowledgement Requirement: Supplier shall submit an acknowledgment letter in the standard format provided by Buyer confirming full review and acceptance of these Terms. Failure to submit acknowledgment shall not relieve Supplier of its legal obligations hereunder.

2. DELIVERABLES AND PERFORMANCE

2.1 Time of Performance: Time is of the essence. Supplier shall meet all delivery dates, milestones, and response timelines outlined in the PO. Any anticipated delays must be communicated in writing within 24 hours.

2.2 Delivery Terms: Unless otherwise stated, Deliverables shall be shipped DDP (Delivered Duty Paid) to Buyer's designated facility in accordance with Incoterms 2020. Suppliers shall be solely responsible for transportation, insurance, duties, and taxes.

2.3 Title and Risk Transfer: Title and risk of loss or damage to physical Deliverables shall transfer to Buyer only upon final delivery, inspection, and written acceptance at the designated facility.

2.4 Early, Late, or Excess Deliveries: Deliverables delivered earlier than 7 calendar days before or in quantities exceeding the PO may be rejected or stored at Supplier's risk and expense. Buyer reserves the right to return early or excess shipments without liability.

2.5 Shortfall and Delay Penalties: If Supplier fails to meet any delivery obligations, Buyer may impose penalties of 2% of the affected Deliverables' invoice value per week of delay, capped at 10%. Buyer may also cancel the unfulfilled portion and recover damages.

2.6 Force Majeure Events: Supplier shall promptly notify Buyer of any force majeure events. If such events prevent delivery or performance for more than 60 consecutive days, Buyer may terminate affected POs without further obligation.

2.7 Currency and Exchange Rates: Unless otherwise stated, Deliverables shall be invoiced in Indian Rupees (INR). If invoiced in another currency, the exchange rate must be mutually agreed and fixed in the PO.

2.8 Importer/Exporter Documentation: Supplier shall, at no cost to Buyer, provide all documentation necessary for import/export, including commercial invoices, packing lists, certificates of origin, and any other documents reasonably requested by Buyer or customs authorities to ensure timely and compliant clearance of Deliverables. Supplier shall ensure compliance with all applicable international trade, import/export, and customs laws.

Supplier must provide accurate HS Codes, declared values, and documentation for DDP shipments. Incorrect declarations that lead to customs penalties will be the Supplier's responsibility.

3. INSPECTION AND REJECTION

3.1 Right of Inspection: Buyer may inspect Deliverables within 30 days of delivery or activation to determine compliance with specifications, safety, and performance. Partial use shall not constitute acceptance.

3.2 Rejection Criteria: Buyer may reject Deliverables that are late, damaged, incomplete, or not in compliance with PO specifications. Buyer may return such Deliverables or request repair, replacement, or credit.

3.3 Latent Defects: Buyer retains the right to reject or seek remedies for defects not detectable during initial inspection (latent defects) discovered within the warranty period or reasonable time thereafter.

3A. PRODUCT IDENTIFICATION AND TRACEABILITY

3A.1 Manufacturer Identification:

Each batch of Deliverables must include a clearly marked **Manufacturer Date Code** and **Certificate of Conformance (CoC)** provided by the Supplier at the time of shipment.

3A.2 Batch Code Requirement:

Each lot or batch delivered must be uniquely identifiable with a **Batch Code**, and this code must be referenced in shipping documentation, invoices, and CoCs.

3A.3 Traceability Obligation:

In the event of any quality concern raised by Buyer's Quality Control (QC) team, Supplier shall provide complete traceability records for the affected batch within 48 hours. This includes production records, component sourcing details, quality control test reports, and any related process documentation.



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3A.4 Non-Compliance:

Failure to provide CoC, Batch Code, or traceability documentation upon request may result in rejection of Deliverables and may trigger remedies under Section 5.4 or penalties under Section 2.5.

4. PRICING AND PAYMENT

4.1 Firm Pricing: Prices stated in the PO are firm and all-inclusive unless otherwise specified. No price escalation, surcharges, or additional fees shall apply without prior written agreement.

4.2 Invoicing Requirements: Invoices must reference the correct PO number and include detailed itemization of quantities, unit rates, applicable taxes, and currency conversion (if applicable). Buyer may reject incorrect or incomplete invoices.

4.3 Payment Terms: Buyer shall pay undisputed amounts within 45 days from the later of receipt of a valid invoice or acceptance of Deliverables. Delayed payment shall not constitute breach unless exceeding 30 days after the due date.

4.4 Set-Off Rights: Buyer may withhold or set off any amounts owed by Supplier under these Terms or any other agreement, including liquidated damages, penalties, or returns.

4.5 Early Payment Discounts: If early payment terms are provided by Supplier, Buyer shall be entitled to claim discounts in accordance with such terms.

4.6 Most Favored Customer Clause: Supplier shall promptly extend to Buyer any better commercial terms (pricing, payment terms, lead time) offered to other customers for substantially similar Deliverables and volumes. Supplier shall furnish evidence of compliance upon request.

5. WARRANTIES AND REMEDIES

5.1 Product Warranty: Supplier warrants that all Deliverables shall:

- Conform to all applicable specifications, drawings, and descriptions provided by Buyer;
- Be new (unless otherwise agreed), free from defects in design, material, and workmanship;
- Be free from any third-party encumbrances or liens;
- Be merchantable, fit for the intended purpose, and safe for use;
- Not infringe any third-party intellectual property rights.

5.2 Warranty Period: The warranty period shall be a minimum of Thirty Six (36) months from the date of delivery and acceptance, or as otherwise specified in the PO. Any repair or replacement resets the warranty for that item.

5.3 Epidemic Failure: If a recurring defect affects more than 5% of any batch or PO lot, it shall constitute an Epidemic Failure. Supplier shall conduct root cause analysis and replace or repair all affected units in field or inventory at no cost to Buyer.

5.4 Remedies: For any breach of warranty, Buyer may, at its sole discretion: (i) reject and return Deliverables for a full refund, (ii) require prompt repair or replacement, or (iii) obtain substitute goods at Supplier's expense.

6. SUBCONTRACTORS AND SUPPORT

6.1 No Unauthorized Subcontracting: Supplier shall not subcontract any part of its obligations without Buyer's prior written consent. Approved subcontractors must meet all obligations in these Terms.

6.2 Liability for Subcontractors: Supplier remains fully responsible for the acts, omissions, and compliance of all subcontractors, including with respect to confidentiality, quality, IP assignment, and timelines.

6.3 Technical Support and Documentation: Supplier shall provide Buyer with user manuals, service documentation, firmware/software updates, and technical support necessary for full and continued use of Deliverables.

6.4 Transition Assistance: Upon expiration or termination, Supplier shall provide up to 12 months of post-contract support at Buyer's request to transition services or deliverables without disruption.

7. CONFIDENTIALITY

7.1 Scope: “Confidential Information” includes all non-public information disclosed by Buyer to Supplier, in any form, including specifications, business plans, designs, pricing, and customer data.

7.2 Obligations: Supplier shall:

- Use Confidential Information solely to fulfill its obligations;
- Not disclose to third parties without prior written consent;
- Apply at least reasonable care (not less than it applies to its own confidential data) to prevent unauthorized use or disclosure.

7.3 Return or Destruction: Upon completion of the PO or upon request, Supplier shall return or destroy all confidential information and confirm such destruction in writing, except for copies retained for legal compliance.

8. INTELLECTUAL PROPERTY AND INDEMNITY

8.1 Ownership of Work Product: Any and all intellectual property created, developed, or reduced to practice in performance of a PO (“Project IP”) shall be the sole and exclusive property of Buyer. Supplier hereby assigns all rights, title, and interest to Buyer.

8.2 Use of Background IP: Supplier grants Buyer a royalty-free, irrevocable, worldwide license to use any pre-existing IP embedded in or necessary for use of the Deliverables.

8.3 Infringement Indemnity: Supplier shall defend, indemnify, and hold harmless Buyer against any third-party claims, costs, or damages arising from alleged infringement of IP rights by Deliverables or their use.

8.4 Injunction Relief Obligation: If Buyer’s use of Deliverables is enjoined or threatened due to IP claims, Supplier shall, at its own expense, promptly procure a license, provide a non-infringing equivalent, or refund amounts paid for the affected Deliverables.

9. COMPLIANCE, AUDITS, AND PUBLICITY

9.1 Legal Compliance: Supplier shall comply with all applicable local and international laws, including but not limited to labor, tax, trade compliance, environmental, and anti-bribery regulations.

9.2 Buyer's Code of Conduct: Supplier shall comply with Buyer's Supplier Code of Conduct, including ethical, environmental, and human rights standards, and shall flow these obligations to its subcontractors.

9.3 Audit Rights: Buyer or its representatives may audit Supplier's facilities, systems, documents, and sub-suppliers upon reasonable notice to assess compliance. Supplier shall cooperate fully and rectify non-compliance within a reasonable time.

9.4 Publicity Restrictions: Supplier shall not refer to Buyer's name, logos, products, or business relationship in any press release, marketing material, or other communication without Buyer's prior written approval.

10. TERMINATION AND CANCELLATION

10.1 Termination for Convenience: Buyer may cancel any PO in whole or in part for convenience upon 90 days' written notice. Buyer shall be liable only for Deliverables completed and accepted up to the notice date.

10.2 Termination for Cause: Buyer may terminate immediately for Supplier's breach, insolvency, or repeated failure to meet delivery, quality, or compliance obligations.

10.3 Cancellation Cost Limitation: Buyer's liability upon cancellation shall not exceed documented, unrecoverable costs for finished goods or unique WIP not usable elsewhere. Supplier shall mitigate costs and reallocate inventory where feasible.

10.4 Ramp-Down Requirement: Supplier shall submit a ramp-down and mitigation plan upon receipt of cancellation notice. Buyer reserves the right to audit cost claims associated with termination.

11. GOVERNING LAW AND DISPUTE RESOLUTION

11.1 Governing Law: These Terms shall be governed by and interpreted in accordance with the laws of India, without reference to conflict-of-law rules.

11.2 Jurisdiction: Any disputes shall be subject to the exclusive jurisdiction of the courts in Bengaluru, Karnataka INDIA.

11.3 Interim Relief: Notwithstanding the above, either party may seek interim or injunctive relief from any court of competent jurisdiction to protect its IP, confidential information, or prevent irreparable harm.

11A. INSURANCE

11A.1 Coverage Requirements: Supplier shall maintain, at its own expense, insurance coverage that is commercially standard for manufacturers and suppliers of similar products and services, including:

- Commercial general liability insurance;
- Product liability insurance;
- Workers' compensation and employer's liability insurance as required by law.

11A.2 Proof of Insurance: Upon request, Supplier shall provide Buyer with valid certificates of insurance evidencing compliance with this section.

11B. BANKRUPTCY NOTIFICATION

11B.1 Notice of Insolvency: Supplier shall promptly notify Buyer in writing if it becomes or is likely to become insolvent, makes an assignment for the benefit of creditors, or becomes the subject of a petition in bankruptcy or any other insolvency proceeding.

11C. LIMITATION OF LIABILITY

11C.1 Exclusions: Except in cases of gross negligence, willful misconduct, intellectual property infringement, or breach of confidentiality obligations, neither party shall be liable to the other for

indirect, incidental, special, consequential, or punitive damages, including loss of profits or business opportunities, whether arising in contract, tort, or otherwise.

11C.2 Cap on Liability: Supplier's aggregate liability to Buyer under or in connection with any PO shall not exceed the total fees paid by Buyer to Supplier under such PO during the twelve (12) month period preceding the event giving rise to the claim.

12. GENERAL PROVISIONS

12.1 Independent Contractors: The relationship between Buyer and Supplier is that of independent contractors. Nothing shall be construed as creating a joint venture or agency.

12.2 Assignment: Supplier may not assign or delegate its rights or obligations under any PO without prior written consent of Buyer. Any unauthorized assignment shall be void.

12.3 Severability: If any provision of these Terms is held unenforceable, the remainder shall remain in full force and effect.

12.4 Waiver: Any waiver of a right under these Terms must be in writing. Failure to enforce any provision shall not constitute a waiver of that or any other right.

12.5 Entire Agreement: These Terms, together with the PO, constitute the entire agreement between the parties and supersede all prior agreements, oral or written, on the same subject.

12.6 Modifications: Buyer may update these Terms at its sole discretion. The version in effect on the PO issuance date shall apply.



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ANNEXURE A – SUPPLIER ACKNOWLEDGEMENT LETTER FORMAT

(To be printed on Supplier's letterhead)

Date: _____

To, The Procurement Team
Conzumex Industries Pvt. Ltd.
[Insert Buyer Address]

Subject: Acknowledgement of Conzumex Purchase Order – Legacy Terms & Conditions

Dear Sir/Madam,

We, the undersigned, hereby confirm that we have fully reviewed, understood, and agreed to the "Conzumex Industries Pvt. Ltd. – Purchase Order Legacy Terms & Conditions (Effective as of March 1st, 2025)."

We acknowledge that these Terms shall govern all Purchase Orders issued to us by Conzumex Industries Pvt. Ltd. unless superseded by a separate Master Supply Agreement executed between both parties.

We confirm our acceptance without exceptions and undertake to comply fully with all the terms set forth therein.

Sincerely,

For [Supplier Company Name]

Authorized Signatory: _____

Name: _____

Designation: _____

Seal & Signature: _____
