

**STANDARD CONDITIONS OF TERMS AND CONDITIONS GOVERNING
PURCHASE ORDERS PLACED BY THE COMPANY**

1. A reference to the “Company” shall be to Philips India Limited and to “Supplier” shall mean supplier of the goods and/or services mentioned in the PO (“Goods”) to whom this PO is issued by the Company. This Purchase Order is deemed accepted upon the earlier of the return of the acknowledgment copy of this Purchase Order or issue of an invoice/ proforma invoice or the commencement of performance by the Supplier.
2. The Supplier by its acceptance of the Purchase Order and/or by commencement of supply of the Goods confirms to the terms hereof and also warrants that the Goods supplied/ to be supplied are of merchantable quality and are/ will conform with the specifications provided and samples as approved by Philips India Limited (the “Company”) and also fulfil requirements of the Company in all respects.
3. All specification, drawings, samples, tools, and jigs and other data supplied by the Company to the Supplier or prepared by the Supplier for the Company are to be used exclusively for the Goods to be supplied against this PO and these are to be returned forthwith to the Company on demand and the Supplier shall maintain confidentiality and shall not disclose the same to any third party and destroy or return the same at any time upon receipt of request by the Company.
4. The Supplier shall not delegate, subcontract or assign any duties, performance of work or claims under the contract constituted by its acceptance of the Purchase Order without the prior written consent of the Company.
5. The Goods shall be sufficiently and properly packed with special packing materials depending on the nature of the Goods and the mode of transport to be used.
6. The prices indicated in the Purchase Order (“PO”) shall hold good till the entire obligations under the PO are met. No packing, forwarding, delivery charges will be allowed unless specifically authorized by the Company in writing.
7. Whenever anything delays or threatens to delay the timely performance of this Purchase Order, Supplier must immediately notify the Company in writing of all relevant information with respect to such delay.
8. The time for and the date of delivery of the Goods stipulated under this PO or any extended period thereof, if any, as may be agreed to by the Company in writing shall be deemed to be the essence of the contract and delivery must be completed not later than the date and time specified therein or such extended period thereof if any as above.
9. If the Goods are not delivered within the abovementioned time period, the Company shall at its absolute discretion be entitled to either.
 - (a) recover as liquidated damages 2% of the value of the undelivered Goods for each month or part thereof of such delayed delivery without prejudice to all the rights of the Company including the right to cancel the PO; or
 - (b) the Company shall be at liberty to purchase the undelivered Goods from another vendor and the Supplier shall be liable to pay the difference in price, if any, and in such case, the PO of the Supplier shall stand cancelled.
10. The Company may cancel the Purchase Order in whole or in part without having any liability of payment in the event of the Supplier:
 - (a) Failing at any time, or being unable or unwilling to comply with any of the Terms, Conditions or warranties herein contained;
 - (b) Committing an act of bankruptcy or if the Supplier is a company having a receiver appointed or proceedings instituted against it or a resolution passed for its winding up;
 - (c) Fails to deliver the Goods within the time specified or otherwise in accordance with the Purchase Order or any delivery schedule agreed upon by the parties; or
 - (d) Breach of any of the terms mentioned herein by the Supplier.

11. Goods supplied under this PO shall be deemed to have been accepted by the Company only after final examination, test and approval by the Company. If the Goods supplied are found not to be in accordance with the Company's prescribed specification or does not fulfil the purpose for which they were ordered or not satisfactory for any reason whatsoever of which the Company shall be the sole judge, Company shall, without prejudice to its other right, be entitled to reject those Goods and to cancel the PO and the Supplier shall at its cost and expense take back the rejected Goods within fifteen (15) days of the receipt of intimation of such reject and cancellation from the Company. If the Supplier fails to take back the rejected Goods within the abovementioned time period, the Company shall be at liberty to sell the rejected Goods by public auction and to appropriate the money thereby realized against the expenses incurred by the Company including the warehouse charges.
12. Subject to Clause 11 above, the payment shall be made within [•] days after receipt of the Goods in the Company's warehouse, in the order and condition which are fully confirming to the Company's specifications and quality standards. Goods or documents of title dispatched by V. P.P. or presented through Bank will not be accepted unless otherwise agreed to by the Company in writing.
13. Unless permitted by the Company in writing, the Supplier shall not divulge, publish or cause to be published, by any means whatsoever, the details concerning this PO or Goods covered herein under .
14. Any alteration, modifications, extension, variation, deviation, deletion, amendment or other any other changes to this PO shall not be valid until confirmed by the Company in writing.
15. The Supplier shall indemnify the Company at all times against all claims and liabilities which may be made in respect of the Goods covered under this PO.
16. Any dispute and difference which may arise between the Parties out of or in connection with the terms of this Purchase Order shall first be settled amicably by mutual discussion between the Parties within thirty (30) days of the first arising of the dispute. In case the dispute or difference is not settled by such mutual negotiation as above, the subject matter of dispute shall be submitted to a sole arbitrator appointed by the Company. The arbitration proceeding shall be conducted in accordance with the Indian Arbitration and Conciliation Act, 1996, or any statutory modification or re-enactments thereto. The arbitration proceedings shall take place in Gurgaon, India and shall be conducted in English.
17. The Courts at Gurgaon shall have exclusive Jurisdiction and the PO/contract shall be governed by laws of India.
18. The Supplier represents and warrants that no gifts or other personal favours of any nature shall be offered, directly or indirectly, by the Supplier to the Company or its employees.
19. The contract value is exclusive of all applicable indirect taxes, levies, duties, cess and surcharges. Any indirect tax (such as GST, entry tax, customs duty, excise duty or any other applicable tax) shall be charged and recovered over and above the contract price. To this end, the incidence of any benefit of cost reduction as well as on account of GST shall be to the account of the Company.
20. The Supplier shall raise a valid tax invoice carrying all the declarations as prescribed under the GST Law and conforming to the requirements of the tax/ GST laws. The Supplier would be required to issue the invoice on the billing location as provided by the Company unless the parties otherwise agree, in writing and the Company shall not accept any other type of invoice which does not contain the aforesaid particulars.
21. If, on account of any change in the law post signing of contract, , any tax/duty exemption which is directly allowed to the Supplier or its vendors/sub-contractors and results in refund to Supplier, the impact of such refund would be passed on to the Company/ factored in the Contract Price. Supplier shall provide all documents, challan, returns, certificates, etc. as may be required by the Company to support the claim for refund.
22. In case any credit, refund or other benefit is denied or delayed to the Company due to any non-compliance by the Supplier (such as failure to upload the details of the sale on GSTN portal, failure to pay GST to the Government) or due to non-furnishing or furnishing of incorrect or incomplete documents by the Supplier, the Supplier shall reimburse the Company the loss including, but not limited to, the tax loss, interest and penalty.

23. In the event that the whole or any part or parts of any clause in these terms and conditions is found to be unenforceable by a Court of competent jurisdiction then such clause or part thereof shall be to that extent severed from these terms and conditions without effect to the validity and enforceability of the remainder of these terms and conditions.
24. Confidentiality: Supplier shall maintain confidentiality of information, communication and documents and not share any details of this arrangement or any other agreement or arrangements with the Company with any third party without its written consent.