

GENERAL TERMS AND CONDITIONS OF SALES
AARTI INDUSTRIES LIMITED

1 GENERAL PROVISIONS

- 1.1 Sale of any Product/s by Aarti Industries Limited (**Seller**) is subject to these General Terms and Conditions (“**GTC**”), which the Buyer accepts upon placing an order. Buyer’s Purchase Order(s) or Form(s) shall not modify this GTC. The Quotation/ Invoice of the Seller and this GTC shall supersede and override any other general terms and conditions on the Buyer’s documents unless otherwise specifically agreed in writing by the Parties.
- 1.2 This GTC is subject to change from time to time at the discretion of the Seller at <https://www.aarti-industries.com/products>.

2 DEFINITIONS

The following terms shall have the following meaning:

- 2.1 “**Applicable Law**” means any statute, law, regulation, ordinance, rule, judgment, order, decree, bye-law, approval of any government authority, directive, guideline, policy, requirement or other governmental restriction or any similar form of decision of or determination by, or any interpretation or administration having the force of law of any of the foregoing by any Government Authority of India.
- 2.2 “**Buyer**” means the entity to which the Seller is selling Product/s.
- 2.3 “**EHSS Laws**” means any and all laws, rules, and regulations and the terms of any permit, authorization, license and, any codes of conduct or any practices related to the environment, health, safety and security, in India and Buyer’s home country, now existing or as amended or modified from time to time, compliance of which is mandatory for Buyer and includes all applicable labour laws of India.
- 2.4 “**Force Majeure**” means any circumstance beyond the reasonable control of the affected Party such as war, strike, or Act of God etc., and

includes hurricane, flood, fire, lightening, act of terrorism, breakdown of critical machinery, unavailability of raw materials, pandemic, epidemic, quarantine, embargo, raw material shortage, labour strike, transporter/ logistic issues or any other reason which is beyond the reasonable control of an affected Party, which directly affects the obligations and which materially affects the performance of any of its obligations under the relevant GTC, and could not reasonably have been foreseen or provided against by means of contingency planning or any other prudent business means,

- 2.5 “**Incoterms**” means the International Commercial Terms 2020 as issued by the International Chamber of Commerce.
- 2.6 “**Intellectual Property Rights**” means any intellectual and industrial property rights including, but not limited to, patents of any type, industrial design, design rights, utility models or other similar invention rights, copyrights, database rights, mask work rights, moral rights, trade secrets, know-how or confidentiality rights, trademarks, trade names and service marks and any other intangible property rights (including applications and registrations for any of the foregoing) in any jurisdiction, and whether or not registered or perfected, whenever and however arising.
- 2.7 “**Invoice**” means and includes the tax invoice as issued by the Seller upon the Buyer on purchase of the Product(s) by the Buyer from the Seller.
- 2.8 “**Party**” shall mean each of Buyer or Seller respectively and “**Parties**” shall mean Buyer and Seller collectively.
- 2.9 “**Product/s**” means the products offered for sale by the Seller to Buyer on mutually agreed terms and conditions, Specifications and price, as detailed in this Sales Order.
- 2.10 “**Purchase Order (PO)/Form**” means the document, including any attachments thereto, issued by Buyer to order Product/s from Seller.

2.11 “**Seller**” shall mean Aarti Industries Limited.

2.12 “**Specifications**” means the specifications of the Product/s agreed by Parties as agreed in writing between Parties.

2.13 “**Quotation**” means and includes the document of quotation which is issued by the Seller upon the Buyer.

3 CHANGE IN PURCHASE ORDER

3.1 If changes are required by the Buyer in PO/Form after the Seller’s confirmation such changes are subject to written confirmation by the Seller and any potential/ additional costs shall be invoiced to the Buyer additionally.

4 INSPECTION

4.1 A certificate of analysis provided by the Seller to the Buyer shall be binding on both Parties. Buyer shall test the samples and confirm Product/s quality or shortfall in the quantity supplied subject to the agreed variation to Seller, within 15 (fifteen) days from the date of delivery. Buyer shall raise a claim if any within 15 days from the date of delivery in writing. Any claim raised beyond the period of 15 days shall not be entertained by the Seller. Seller shall also not entertain any claim if such Product/s has been used, processed, consumed or mixed with any other product/s or changes in form or content.

4.2 Upon examination of the alleged claim by the Seller, if same is acceptable to Seller, after a mutual agreement with Buyer Seller shall, either:

- (i) replace non-conforming Product, against Buyer returning or destroying the non-confirming Product as required by Seller at Seller's cost within XX days, or
- (ii) an issue credit note to the Buyer, or
- (iii) adjust the non-confirming quantity in the next Purchase Order.

4.3 Where, after reviewing the alleged claim, the claim is not accepted by the Seller, the Seller shall be permitted by the Buyer to inspect the Product for which the claim is raised and satisfy itself about the non-conformity or shortfall. Buyer shall appoint an independent third-party inspection agency mutually agreed (such as Bureau Veritas, SGC, Intertek etc.), to assess the finality of Buyer’s alleged claim. The report of such an independent agency shall be final and binding on the Parties.

4.4 Where the report of the independent agency confirms that the Product does not meet the agreed Specifications, then provisions of sub-clause 4.2(i) and sub-clause 4.2 (ii) shall apply. In such case, the cost of the independent agency shall be borne and paid by the Seller. However, if the report of the independent agency confirms the Product to be as per the agreed Specifications, the cost of the independent inspection agency shall be borne and paid by the Buyer and the Buyer to retain the Product. Where the report of the independent agency confirms the shortfall in quantity over and above the agreed variation, the provisions of sub-clause 4.2 (ii) and sub-clause 4.2 (iii) shall apply.

4.5 The liability of the Seller under this transaction for the aggregate value of all claims made by the Buyer upon the Seller for defective/ non-confirming Product or shortfall/ deficiency in quantity shall be limited to the value of the defective Product or shortfall in quantity of the Product/s in the concerned PO and limited to direct and actual claims only. The Seller shall not be liable or responsible for any indirect or consequential losses or damages or hidden/latent defects.

5 BUYER OBLIGATIONS

5.1 The Buyer warrants that it shall comply with all the necessary approvals, licenses and procedures pertaining to the Product and indemnify and hold harmless the Seller against any claims pertaining to the Product after the sale of Products.

- 5.2 Buyer is further obliged to maintain the Product as per the applicable compliance standards and as per the Applicable Laws even after the sale of the Product. The Seller shall have no responsibility and/or liability pertaining to the Product whatsoever after the Product has been sold off to the Buyer.

6 ENVIRONMENT, HEALTH, SAFETY AND SECURITY

- 6.1 Buyer shall at all times comply and shall require that its contractors and/or any other party or parties acting on its behalf comply with all applicable EHSS Laws, the recommendations in any material safety data sheets, and all safety and other procedures in force up to the relevant Delivery point. Buyer shall comply with Supplier's EHSS Policy as made available at <https://www.aarti-industries.com/investors/code-and-policies>. The Buyer shall be fully liable to the Seller in respect of its non-compliance with this clause 6 (Environment, Health, Safety and Security).
- 6.2 Without limiting the Buyer's obligations to comply with EHSS Laws, the Seller shall have the right to conduct (or have conducted by mutually agreed experts) at periodic intervals an EHSS audit on the operations and procedures of Buyer or its contractor. In the event that an audit reveals a breach by the Buyer of any EHSS Laws or Seller's policies and/or procedures, the Seller shall be entitled to reject the delivery of the Product(s) and /or claim damages for such breach or non-compliance.

7 PACKAGING AND DOCUMENTATION

- 7.1 The Product/s shall be packaged, labelled, stored and handled in accordance with the Specification received from the Buyer or as per standard practice.
- 7.2 The Buyers shall be liable for safe and environmentally sound disposal of packaging materials used in the Products, including but not limited to liners/LDPE/HDPE bags/empty HDPE/PVC drums as per the Applicable Laws of India or the concerned country where the products are being used. In the event of any improper handling, disposal, dumping or sale of

the Seller's packaging material in breach of the applicable Indian/foreign law and any claim, liability or demand arising on Seller, same shall be to the Buyer's account and Buyer indemnifies Seller as per clause 12 below.

8 DELIVERY

- 8.1 Unless otherwise agreed in writing between the Parties, Seller shall deliver the Product/s at the delivery point in accordance with Incoterms as defined and agreed as in the Purchase Order.
- 8.2 Delivery times are approximate and are dependent upon prompt receipt by the Seller of all information necessary to proceed with the work without interruption. Seller shall not be liable for a failure or delay in shipment.
- 8.3 If any Product/s to be delivered under this GTC cannot be shipped to or received by Buyer when ready due to any cause attributable to Buyer, Seller may ship the Product/s to a storage facility, or to an agreed destination at the cost of Buyer. If Seller places Product/s into storage unless agreed otherwise, the following apply: (i) risk of loss immediately pass to Buyer, if they have not already passed, (ii) any amounts otherwise payable to Seller upon delivery or shipment shall be due; and (iii) when conditions permit and upon payment of all amounts due, Seller shall make Product/s available to Buyer for delivery.

9 TRANSFER OF RISK AND TITLE

- 9.1 All risks associated with the Product/s shall pass from Seller to Buyer in accordance with the Incoterms or as otherwise agreed in writing by the Parties.
- 9.2 Title to the Product/s shall pass from Seller to Buyer upon receipt of full payment.

10 PRICE, INVOICES AND PAYMENTS

- 10.1 The price of the Product/s and the currency of payment shall be as specified in the relevant Invoice unless otherwise provided herein. Such price shall be exclusive of all sales, use and excise taxes, and any other similar taxes, duties and charges of any kind imposed by any governmental authority on any amounts payable by Buyer. Buyer shall be responsible for all such charges,

costs and taxes; provided that, Buyer shall not be responsible for any taxes imposed on, or with respect to, Seller's income, revenues, gross receipts, or personal property or other assets.

- 10.2 Buyer shall release the payment in accordance with the Invoice, or by letter of credit paid upon submission of shipping documents or as mutually as agreed in writing between the Parties, all payable in the currency specified in the Invoice.
- 10.3 Buyer shall pay interest on all late payments at the rate of 24% per annum. Buyer shall reimburse Seller for all costs incurred in collecting any late payments, including, without limitation, attorneys' fees and court costs. In addition to all other remedies available under this GTC or at law, Seller shall be entitled to suspend the delivery of any Product/s if Buyer fails to pay any amounts when due.
- 10.4 Buyer shall not withhold payment of any amounts due and payable by reason of any set-off of any claim or dispute with Seller, whether relating to Seller's breach or otherwise.
- 10.5 If Buyer disputes any invoice or portion thereof, it shall notify Seller in writing within 15 (fifteen) days of receipt of said Invoice, detail the reason for the dispute, and pay all undisputed amounts. All charges not timely disputed in writing shall be deemed to be undisputed and shall be due and payable as set forth above.
- 10.6 Failure to pay an Invoice by the due date constitutes a fundamental breach of contractual obligations by the Buyer.

11 REPRESENTATION AND WARRANTIES

- 11.1 Buyer hereto represent and warrant to the other Party that (a) it is duly incorporated and validly existing, in good standing, under the laws of the country of its incorporate or registration; (b) it has full legal right, capacity and authority to enter into this GTC and has the power and authority to execute and deliver the terms and provisions of this GTC; (c) its business and affairs are being conducted in accordance with its charter documents; and (d) the authorized signatory of the Party is acting on behalf of the Party, and not in an individual capacity and has the authorisation to execute this GTC; (e) it shall make payment in

accordance with stipulated timelines in the GTC and (f) it complies with all Applicable Laws including specifically export regulations, anti-corruption & anti-bribery laws and is not in breach or violation of any third party engagements or Intellectual Property Rights or confidential information. (g) shall comply with and fulfil the policies and codes of the Seller at <https://www.aarti-industries.com/investors/code-and-policies>

- 11.2 Buyer hereto represents and warrants to the Seller that (i) it has adopted a code of conduct which has principles of Insider Trading that meet the regulatory requirements of the provisions of SEBI (Prohibition of Insider Trading) Regulation, 2015 including any amendments thereof, (ii) it shall prudently handle unpublished price sensitive information of the Seller, it received and shall regulate, monitor and report trading by its employees and other connected persons toward achieving compliance with the code of conduct throughout the term.

12 INDEMNIFICATION

- 12.1 Buyer shall indemnify, defend and hold harmless Seller, and their respective directors, employees, agents and their successors and assignees from and against any and all direct and indirect losses, damages, liabilities, claims suits, actions, demands, costs and expenses (including legal costs) made against, or suffered by, the Seller and their respective directors, employees or agents and their successors and assigns arising out of or in connection with (a) any breach of Buyer's warranties, representations, covenants or other obligations or duties or any breach or violation of any other obligation or duty under applicable law; (b) any negligent acts or omissions, or willful misconduct by Buyer, (c) any breach of data protection laws; (d) infringement of any Intellectual Property Rights or any other rights of any third party; (e) breach of any confidentiality obligation; (f) breach of any other obligation of this GTC and (g) non-compliance with all Applicable laws or EHSS.

13 LIMITATION OF LIABILITY

13.1 In no event shall Seller be liable to Buyer or any third party for any loss of use, revenue or profit or diminution in value, or for any consequential, indirect, incidental, special, exemplary, or punitive damages whether arising out of breach of GTC, tort (including negligence) or otherwise, regardless of whether such damages were foreseeable and whether or not Seller has been advised of the possibility of such damages, and notwithstanding the failure of any agreed or other remedy of its essential purpose.

13.2 In no event shall the Seller's aggregate liability arising out of or related to this GTC, whether arising out of or related to breach of GTC or negligence or otherwise, exceed the value of the disputed quantity of the Purchase Order hereunder.

14 FORCE MAJEURE

14.1 Subject to compliance with the provisions of clause 14, neither Party shall be liable for any non-performance or delay in performance caused by Force Majeure.

14.2 The affected Party shall give the other Party written notice as soon as possible after the occurrence of any such event, but not later than 2 working days that qualifies, or that is reasonably likely to qualify, as a Force Majeure. For the avoidance of doubt, it is hereby expressly declared that the only events which shall afford relief from liability for failure or delay shall be any event qualifying for Force Majeure or as otherwise expressly provided in this GTC. During the Force Majeure Event Parties shall be relieved from performing only those obligations that are affected by Force Majeure. Nothing done prior to declaration for such an event including payment will be impacted.

14.3 It is expressly agreed that suspension of obligation of Party shall commence from the date of notice served to intimate the Force Majeure event. Further, all obligations including payments for pending Invoices have to be fulfilled even if the Force Majeure is declared by either Party.

14.4 When an event of Force Majeure continues for more than ninety (90) consecutive calendar days, Parties shall mutually decide the way forward.

15 TERMINATION & SURVIVAL

15.1 Seller may at its option be entitled to terminate the GTC immediately if, at any time: Buyer: (i) fails to pay any amount when due under this GTC and such failure continues for 30 (Thirty) days after Buyer's receipt of written notice of nonpayment; (ii) has not otherwise performed or complied with any of these GTC, in whole or in part and fails to cure the defect after a notice to cure the defect has been served upon Buyer; or (iii) becomes insolvent, files a petition for bankruptcy or commences or has receiver appointed over its assets.

15.2 The termination of GTC shall be without prejudice to and shall not affect any rights or obligations expressly or impliedly having effect after termination and which shall have accrued prior to such termination including but not limited to the rights and obligations in clause: 9 (*Transfer of Risk and Title*), clause 10 (*Price, Invoices and Payment*), 12 (*Indemnification*), 16 (*Confidentiality*), 17 (*Intellectual Property*) and 18 (*Applicable Law and Dispute Resolution*), shall survive any such termination.

15.3 Notwithstanding anything contained hereunder the Buyer shall make all payments to the Seller as against the Products delivered to it and their Invoice up to the date of termination.

16 CONFIDENTIALITY

16.1 During the term of this TGC and for a period of 02 (two) years after termination, due to the confidential nature of the information shared and considering it as Confidential Information, Buyer shall keep confidential, this GTC and (including without limitation any Intellectual Property Rights, confidential know-how and information relating to the same, Seller's business plans or proposal or business opportunities, inventions and third party collaborations) which Buyer may be informed by Seller or learn in the course of the engagement with Seller for delivery of Product/s.

The obligations contained in this clause 16 will continue in force notwithstanding termination, expiration or completion of the GTC, however, caused.

16.2 The Buyer shall specifically undertake all required, appropriate precautions and measures to effectively protect any confidential information obtained at all times against any loss of unauthorized access. Buyer shall not use or disclose any Confidential Information of Buyer without prior express written consent of Buyer.

17 INTELLECTUAL PROPERTY

17.1 All Intellectual Property Rights owned by either Party, or any of their respective licensors which it makes available to other Party in the course of carrying out any Sales Order, shall remain the property of such Party. It is expressly agreed herein that any Intellectual Property, whether oral, written or electronic, generated under the scope of this GTC shall exclusively belong to Seller along with any improvements/modifications/enhancement made by Seller on Buyer's Intellectual Property, shall independently and exclusively belong to Seller.

17.2 Buyer shall not use Seller's name, trademarks, service marks, logos, trade names and/or brand name, patents, know-how, proprietary information or any other intellectual property rights owned by Seller or over which Seller has proprietary right, or any right title or interest, without prior express written consent of Seller.

18 APPLICABLE LAW AND DISPUTE RESOLUTION

18.1 This GTC and the terms herein shall be governed by and construed in accordance with the Applicable Law and subject to Clause below, relating to arbitration, the competent courts at Mumbai shall have sole and exclusive jurisdiction to try and entertain any disputes between the Parties hereto.

18.2 If any dispute, difference, claim or controversy (the "**Dispute**") arises between the Parties about the validity, interpretation, implementation or alleged breach of any provision of this GTC then the Parties shall negotiate in good faith to endeavour to resolve the matter. However, if Parties fail to resolve dispute within 30 days of receipt of notice of Dispute, then the Dispute shall be referred to and finally resolved by a sole arbitrator appointed in accordance with the rules of the Mumbai Center for International Arbitration (**MCIA**) as amended or modified from time to time. The venue of arbitration shall be at Mumbai. The arbitration proceedings shall be conducted in the English language. The Award passed by the sole arbitrator shall be final and binding on the Parties.

19 DATA PROTECTION

Buyer acknowledges and agrees that it may receive or have access to the personal data of Seller. It is hereby agreed that such personal information shall be treated as Confidential Information and shall be strictly dealt in accordance with clause 16 above. Further, the Buyer shall comply with data protection laws applicable to it in the country of its incorporation/operations. In recognition of the foregoing, Buyer agrees and covenants that it shall:

- (i) keep and maintain all personal data in strict confidence, using such degree of care as is appropriate to avoid unauthorized disclosure;
- (ii) use and disclose personal data solely and exclusively for the purposes, or access to it, is provided pursuant to the terms and conditions of this GTC.

20 MISCELLANEOUS PROVISIONS

20.1 The Parties' relationship, as established by this GTC, is solely that of independent contractors. Nothing in the GTC shall be deemed to constitute either Party as a legal representative or an agent of the other or create a partnership, joint venture or employment relation between the Parties and neither party can assume or create any obligation, representation, warranty or guarantee, express or implied, on behalf of the other party for any purpose whatsoever.

20.2 GTC is not assignable or transferable by the Buyer to any other party without the prior written consent of the Seller.

- 20.3 Any delay or failure by Seller in the exercise of any right under a GTC shall not represent a waiver or forbearance of such right and shall not prejudice the future exercise of such right.
- 20.4 If, at any time, any provision of these GTC is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, the remaining provisions shall not in any way be affected or impaired thereby.
- 20.5 Any notice or other document to be served may be delivered or sent by post or email (with receipt confirmed) to the Party to be served at its address set out in the GTC or as otherwise agreed in writing between the Parties. The Parties hereto acknowledge that all notices and communication contemplated hereby shall be in English language.
- 20.6 Buyer shall comply with all applicable export control laws, trade sanctions and regulations in the performance of this Agreement, including without limitation, the applicable export control laws, trade sanctions and regulations of the United States, United Nations or India. Without limiting the foregoing, (i) Buyer represents and warrants that it is not listed on any list of entities or individuals who are sanctioned or otherwise subject to restrictions under these laws and regulations (including but not limited to the specially designated nationals and blocked persons list) nor is it owned or controlled by or acting on behalf of one or more specially designated nationals or blocked persons list; and (ii) Buyer shall not, and shall ensure that it or its representatives in the performance of this Agreement do not, violate any applicable export control laws or trade sanctions and regulation, or other restriction or cause AIL to violate applicable export control laws, trade sanctions or regulations.