



## PURCHASE ORDER TERMS AND CONDITIONS

### 1. SCOPE OF WORK:

1.1 It is presumed that the supplier / vendor has understood the scope of his supply against this Order. Any work not specifically mentioned in the scope of work but required as a standard practice as per the industry norms shall be deemed to have been included in the scope of supply.

### 2. ACCEPTANCE OF GOODS / CERTIFICATE OF CONFIRMATION / TEST CERTIFICATES / MATERIAL SAFETY DATA SHEET

2.1 The acceptance of goods is subject to our inspection after arrival of the goods at our works or at the supplier's works unless otherwise specified in the Order. Our inspection shall include validation of parameters at a third party where the in-house facility for validation is not available.

2.2 The acceptance of goods is subject to receipt of Certificate of Conformance-CofC / Test Certificates / Material Inspection Certificate / Raw Material Inspection Report / Material Safety Data Sheet (MSDS).

### 3. RIGHTS

3.1 The Company, its customers and regulatory authorities reserves the right of access to inspect and audit all facilities of the supplier and records related to the product and also reserves the right to verification of product requirements as per the specifications given by the company. The retention period of records related to products or processes supplied should be seven years or as defined by the customers.

### 4. CONTRACT REVIEW PROCESS

4.1 Suppliers shall participate in the contract review process as decided by GUSTI TOOL WORKS LLP and issues, if any, shall be sorted out upfront before commencement of the project.

### 5. REJECTED PRODUCTS

5.1 All rejected products to be identified and physically defaced. In case of GUSTI TOOL WORKS LLP Supplied Material, the rejected products are to be identified and physically defaced before supplying to GUSTI TOOL WORKS LLP with Prior Intimation and Approval by GUSTI TOOL WORKS LLP.

### 6. COMMUNICATION

6.1 If no communication is received from the supplier within seven days from receipt of the Purchase Order, it is presumed that the order is accepted.

### 7. DELIVERY

7.1 Supplier shall make materials available to GUSTI TOOL WORKS LLP within specified time. In the event supplier fails to deliver the materials within the specified time limit, the matter will be referred to the Unit head for further review.

### 8. QUALITY

8.1 Response to customer complaints should be within two working days and an action plan should be submitted within three working days from the receipt of the complaint.

8.2 In the event of any deviations given in writing by the Company for corrective actions, the same should be accepted for implementing in the process. If the supplies are rejected more than three times for the same reasons and the supplier is not willing to improve, further actions will be initiated.

### 9. HIGH RISKS

9.1 Affecting Environment and Health and Safety of the Transporter / Users / Disposer shall be discussed with GUSTI TOOL WORKS LLP upfront for necessary actions/solutions. Results shall be documented and records maintained for future reference.

9.2 Affecting Product Quality and Delivery shall be discussed with GUSTI TOOL WORKS LLP upfront for necessary actions/solutions. Results shall be documented and records maintained for future reference.

9.3 If even after necessary actions are taken and the results are not found satisfactory to mitigate high risk, the purchase order will be cancelled without any prior intimation to the supplier.

9.4 GUSTI TOOL WORKS LLP is not responsible and accountable for the losses of the Original Equipment Manufacturer OEM / Supplier / External Service Provider/ Vendor / Transporter due the cancellation of the purchase order.

### 10. ON-TIME DELIVERY

10.1 Status shall be monitored on a regular basis internally and concerns, if any, shall be notified to GUSTI TOOL WORKS LLP well in advance. Acceptable solutions shall be worked out in association with GUSTI TOOL WORKS LLP.



## 11. SPECIAL PROCESS CLAUSES

11.1 In addition to the above, suppliers of special processes are required to maintain process qualification sheets, equipment qualification sheets and personnel qualification sheets as required against each PO. GUSTI TOOL WORKS LLP has the right to conduct audits on processes before commencement of production and or during any time when the process is carried-out. The Supplier shall demonstrate full compliance to the configured data as defined earlier and submitted to GUSTI TOOL WORKS LLP by suppliers. Non-conformances found, if any, shall be dealt with as per the clauses of the contract.

11.2 Each process needs to be validated by GUSTI TOOL WORKS LLP where required and suppliers shall obtain prior approval against each process independently.

11.3 Where material is provided by the company for such processes, identification and traceability shall be maintained strictly as per the guidelines issued by GUSTI TOOL WORKS LLP.

11.4. All other terms and conditions as specified above will be applicable to special process suppliers also.

## 12. FOD - FOREIGN OBJECT DEBRIS / FOREIGN OBJECT DAMAGE / UNWANTED MATERIAL WITH REQUIRED MATERIAL / GOODS OTHER THAN PACKING MATERIAL

12.1 Controls and packaging: Appropriate packing of the goods / material is accepted at GUSTI TOOL WORKS LL. If any unwanted material other than the required material / goods is found at GUSTI TOOL WORKS LLP, it is considered as FOD and material / goods will be rejected.

## 13. SUB CONTRACTING:

13.1 If any process of manufacturing is going to be sub-contracted to any other manufacturer, such a process has to be approved by the company with prior information and permission.

13.2 Designs, drawings, samples, technical data, tooling, gauges etc., given to you by the Company are exclusive property and shall be retained by you in safe custody and in the strictest confidence. The designs, drawings, samples, technical data, tooling, gauges etc., will not be allowed to be copied, duplicated, modified, passed on or revealed in any manner to any unauthorized person and they shall be returned to the company on demand. In the event of completion or cancellation of the order they will be returned to the company without demur.

13.3 Parts similar to parts manufactured for us should not be manufactured by you. You shall also not cause them to be manufactured by anyone else.

13.4 We reserve the right to amend, alter or cancel this order and delivery schedule without assigning any reason and without in any manner incurring any liability on us.

## 14. PRICES

The prices and terms and conditions mentioned in this order will be taken as firm and cannot be changed till the order is fully executed.

## 15. TRANSPORTATION

15.1 Transportation of material / machine in vehicle is the responsibility of the Original Equipment Manufacturer (OEM) / Supplier / External Service Provider / Vendor.

15.2 Please ensure that material reaches us without any transit damage. GUSTI TOOL WORKS LLP does not accept material / goods / machine / equipments that reaches damaged.

15.3 GUSTI TOOL WORKS LLP takes the accountability of the material once the material is accepted inhouse at own premises with pre-defined criteria as described in the Purchase Order / Drawing / Terms and Conditions.

15.4 Transportation safety of the Person and Material is the responsibility of the Original Equipment Manufacturer (OEM) / Supplier / External Service Provider / Vendor to GUSTI TOOL WORKS LLP and from GUSTI TOOL WORKS LLP to the original point from the commencement of transportation.

15.5 GUSTI TOOL WORKS LLP is not responsible of person and material, in case any accidents happens during transportation.

15.6 In case any Personal Protective Equipment PPE is required the same will be ensured from the Original Equipment Manufacturer (OEM) / Supplier / External Service Provider / Vendor for loading, transportation and unloading at GUSTI TOOL WORKS LLP.

## 16. ENVIRONMENT, HEALTH AND SAFETY

16.1 GUSTI TOOL WORKS LLP does not take the responsibility and accountability of the material, transit damage to the material / spillage of the material which leads to any Environmental Issues (Land Pollution / Water Pollution / Air Pollution / Noise Pollution / Any kind of harmful radiations to the environment ) / Health & Safety Issues of any persons.

16.2 The material supplied by you should satisfy the current Regulatory, Statutory Rules and Regulations.

## 17. STORAGE / INSTALLATION / OPERATION / UNINSTALLATION / DISPOSAL

17.1 In case the product supplied by you has a limited shelf life, please ensure that at least a three month shelf life is remaining as on date of receipt at GUSTI TOOL WORKS LLP. Please specify the date of manufacturing and date of expiry on each package.

17.2 In case the product / material supplied by you has special storage and handling precautions, please ensure that required guidenace is communicated and made understood to GUSTI TOOL WORKS LLP in advance and during unloading, installation, operation, uninstallation and disposal.

## 18. DISPUTES

18.1 Any difference or dispute arising out of this Purchase Order shall be subject to the Jurisdiction of Bangalore Courts only.