

### **Terms and Conditions of Purchase**

Please notice that the word "Company" mentioned in the following shall mean any Legal entity of the Bayer group in India. unless otherwise specified. Also, the word "Vendor" used here under shall mean an association/person/firm/limited company or legal entity that has offered to sell their goods and services to the company.

1. We do not accept any responsibility for any order unless issued on our official Purchase Order Form and duly signed.
2. Unless otherwise agreed all materials ordered are to be supplied, carriage paid to our factory or the receiving depot/location specified in the Purchase Order and no changes towards packing, boxing or crating will be accepted unless authorized by this Purchase Order.
3. All goods or materials are to be strictly in accordance with the specifications mentioned in the order and must have the quality and grade asked for. No departure from specification is permitted without prior agreement in writing. If rejected shall be held at the Supplier's Risk and must be removed by the Supplier entirely at his expenses. Any additions, alternations, amendments and deletions in terms and conditions of this Purchase Order shall be in writing and deemed to be incorporated here in and made part of this Purchase Order.
4. Prices quoted by the vendor and accepted by the company are final and no deviation there from will be accepted without our specific agreement in writing. We reserve the right at any time to make changes in drawings or specifications of the material and/or work covered by this Purchase Order and in such an event if increase or decrease is caused in the cost of production, the price mentioned in this Purchase Order shall be equitably adjusted.
5. The company has a right to inspect the work in progress and on completion, but such inspection does not relieve the vendor of his responsibility for defects in the materials and /or workmanship and for the delivery of the material in accordance with the specifications given. The vendor at his own expenses shall remove goods rejected and our authorized representative(s) shall be allowed to inspect the material ordered at any stage of their manufacture.
6. Where applicable, all the materials are to be suitably protected against corrosion arising from tropical conditions during the transits and possible storage. All material parts are to be coated with good preventive anti-rust. Where packing is required all packing case must be carefully and properly prepared, secured and packed in manner suitable to ensure adequate protection till delivered.
7. The time quoted for completion is to be strictly adhered to. This order is liable to be cancelled if delivery is not made by the specific date.
8. In the case of the goods to be collected from the transporter, intimation should be sent immediately to the company. Any demurrage paid on account of lack of such intimation or late dispatch of document shall be recovered from the vendor. Any consideration towards 'tolerating an act' is deemed to be a supply of service under the GST Law and it could thus be subject to GST. Accordingly, demurrage charges would be recovered from the vendors along with applicable GST, if any.
9. The company reserves the right to suspend or cancel the order with immediate effect in the event of strikes, lockouts, fires, break downs, accidents, riots, floods, any natural calamities, act of GOD, any insurrections, restrains or any cases beyond the control or from any cause or causes due to acts or demands of the Government or as a consequence of war or our break of hostilities.
10. In case of non-performance of contract or non-delivery of goods in time, the company shall be free to purchase goods from elsewhere and recover the extra cost from the vendor.

11. All supply invoices should bear the name and address of the company's works where the material is to be delivered, failing which the company shall have the right to return material or recover the cost incurred for such noncompliance.
12. Unless otherwise agreed in writing the weight declared by Weigh Bridge nominated by the company or weight and measures taken at company's premises shall be final to ascertain the quantity of material received.
13. Challan in duplicate should be submitted on delivery of material or sent along with RR/Weigh bill. One copy will be returned after acknowledgement of receipt of material and consignee will retain other.
14. The vendor's employees and associates shall not use/misuse, duplicate, disclose, divulge or part with, directly or indirectly in writing or verbally any information, data designs that it or they may come to know during the process of its/their working on the basis of this PO, whether technical or commercial related to the project or otherwise, about company or any of their employees supplier, however insignificant it may be to any of the person at any point of time in future for consideration or otherwise without the written permission from company.
15. Vendor shall submit all relevant data like technical specifications, drawings, performance guarantee, operational and maintenance manual, test certificate etc. along with the supply of material. Vendor will return to us all original and copies of information data, drawing or any other documents they might have received from us or any other sources, including contractors or vendors which may have been generated or prepared for purpose of execution of the order.
16. In case of any inconsistency between any clause of this Purchase Order and that of any agreement or contract executed between the parties on the subject matter hereof, then the relevant clause of the said agreement / contract shall prevail and supersede over the concerned inconsistent clause of this purchase order.
17. In consideration of the payment made hereunder, you hereby assign the entire copyright and all other rights in and to all the results of your services provided under this Purchase Order to Bayer and/or its affiliates to utilize and exploit the same in perpetuity and throughout the world in any medium and you agree and acknowledge the same by acceptance of this PO.
18. This order should be acknowledged by return of mail confirming the acceptance of rate and all conditions of supply. If the OA is not received within 10 working days from the date of PO, we will consider the PO is accepted by you.
19. Additional charges such as packing, forwarding, insurance, postal will not be paid unless specifically mentioned in the order.
20. Any increase in price is not valid unless, approved and confirmed in writing by company.
21. Supplies will be accepted at our Factory / Depot / Location on working days between 9 am to 4 pm.
22. Materials delivered in excess of the quantities ordered will not be accepted and all additional charges resulting from such delivery will be on Supplier's account.
23. Materials are to be unloaded by the Supplier' and to be stacked at the right place as directed by our storekeeper.
24. Any breakage, damage and pilferage in transit due to faulty packing or any other reason shall be borne by the Supplier.
25. Printed packaging material, if rejected and cannot be rectified, will be defaced, crushed or rendered unusable before returning to the Supplier.
26. The Supplier guarantees that the sale or use of his products/ materials will not infringe an Indian or Foreign patent, design or trade mark and undertakes to indemnify and keep us indemnified against any actions,

judgments, decrees, costs, claims, demands and expense to defend or assist in the defense of any suit or action which may be brought in this connection.

- 26.a Successors and Assigns. This agreement shall be binding upon and inure to the benefit of the parties and their respective successors and transferees. This agreement may not be assigned, transferred or novated, in full or in part, by either party to any other party without the prior written consent of the other party hereto; provided, however, that Bayer may assign, transfer or novate, in full or in part, its rights and obligations hereunder without the prior written consent of the other party to (a) any affiliated entity, or (b) to a successor or transferee, whether by merger, consolidation, purchase or otherwise, of the business or assets of Bayer, or parts thereof, to which the subject matter of this agreement relates.
27. Materials rejected for any reason in terms of this Purchase Order will remain at our premises at Supplier's risk and cost. In case of local supplier, he will have to remove the rejected material within three days of our intimation and/or receipt of the rejection memo. In case of Foreign Supplier and for goods supplied from outstation the Company should be given disposal advice by the Supplier within seven days on receipt of the rejection memo. After the due dates of the rejection the goods will be lying at Supplier's risk and cost. Rejected goods bearing our trademark or emblems etc. would not be returned to the Supplier and would be destroyed at our end to avoid misuse.
28. The Lorry Receipts and other documents must be consigned to us and not to self. Any extra charge that may be incurred by us in taking delivery of the consignment due to a lorry receipt being consigned to self will be recovered from the Supplier. Supplier should collect way bills/entry pass/road permits etc. from the company for the states where the goods can only be delivered by producing way bills/entry pass/road permits etc. at various check posts. The bills/entry pass/road permits etc. should be properly filled by the supplier and any liability arising on account of incorrect/incomplete details mentioned on the way bill/entry pass/road permits will be paid/recovered by/from supplier.
29. A transporter copy of Supply Invoice, giving full details of each consignment and Company's Purchase Order no. together with the Lorry Receipt of carrier's receipt or parcel should be sent to the receiving location of the Company when the consignment is dispatched by the Supplier. Please ensure Transporter copy of Supply invoice accompanies each consignment. In the event GST credit is denied to us for any reason attributable to the Supplier or non-receipt of valid supply invoice documents at our receiving location, then the same will be recovered from the Supplier's bill at the time of Payment.
30. Materials covered by this order shall be duly insured by the Supplier.
31. The Supplier shall strictly adhere to the provisions of the Child Labour (Prohibition and Regulation Act), 1986 and shall not engage any child labour for any purposes whatever in fulfilling his obligations.
32. The Supplier is fully informed and aware of the fact that it is a criminal offence to bribe a public official in order to obtain business or other improper advantages in the conduct of business and therefore the Supplier undertakes not to use bribing in order to obtain said business or other improper advantages.
- 32a. Original tax invoice needs to be sent to the recipient location along with delivery challans, lorry receipts and other transport documents.
33. Supplier invoices (Additional Payment Copy) where in bill to ship to details, delivering plant of the company with full address, along with copies of delivery challans, lorry receipts must be sent by the Supplier to the CIRD (Central Invoice Receipting Department) within 14 days from the date of supply. Suppliers should comply with respective state/federal laws to issue proper invoice which enables company to take Input Tax Credit. The Supplier hereby agrees to pay penalty/ liquidated damages to the Company for delay in submission of invoice, as per below table:

Sr. No.	Delay in day(s)	Penalty/ Liquidated damage amount
1	15th day to 30th day	INR.100/- per day per invoice
2	31st day onwards	INR 200/- per day per invoice

The Supplier hereby acknowledge and agree that the liquidated damages/ penalty represent a fair and reasonable estimate.

- 33(a) In the case of services, the supply of services shall be deemed to be completed only if the Company receives an invoice and other documentation in addition to the undisputed services, failing which the Company reserves its right to withhold payment, until receipt of the invoice and other documents.
34. In the event of any breach of terms and conditions of this Purchase Order, the Supplier agrees to compensate in such manner as may be reasonably determined.
35. Supplier is forbidden to offer any commission, brokerage or other gratification to any of our employees. The Supplier is bound by terms and conditions mentioned in "Bayer Supplier Code of Conduct" applicable to the Supplier (<http://www.supplier-code-of-conduct.bayer.com>).
36. Payment made for supplies received as per this Purchase Order prior to inspection shall not constitute an acceptance thereof.
37. Alternative Dispute Resolution - Mediation: In the event of any dispute arising between the Parties hereto, the Parties, in the first instance, agree to refer the dispute to the Centre for Mediation and Conciliation of Bombay Chamber of Commerce and Industry for an amicable settlement. The Mediation proceedings shall be held at Mumbai.

Arbitration: It is mutually agreed between the Parties that all disputes or differences arising between the Parties hereto, relating to the construction, meaning or operation, effect or breach of this Agreement/Purchase Order not resolved through above referred mediation, shall be settled by arbitration in accordance with the provisions of the Arbitration and Conciliation Act, 1996 and with the Rules of Arbitration and Conciliation of the Bombay Chamber of Commerce and Industry, Mumbai. The award made in pursuance thereof shall be final & binding on the Parties. The arbitration shall be conducted in English and the seat and venue of arbitration shall be Mumbai. The cost of the arbitral proceedings shall be borne equally by the Parties, unless otherwise awarded by the arbitrator/s.

If Parties enter into a separate agreement with respect to arbitration proceedings, then such agreement shall prevail over this PO.

38. PDF/electronic copy of this Purchase order received by the Supplier through e-mail is an Authentic and legally enforceable document and hard copy of Purchase order will not be sent separately.
39. If on account of supplier's non-compliance in terms of payment of taxes to the Government or filing of returns or any other reasons (including errors on supplier's part in filing the returns) as a result of which Bayer is not eligible to claim credit of the tax applicable on the purchase from the respective supplier, Bayer shall withhold the payment to the supplier to the extent of the credit not available to Bayer (including any interest or penalty imposed on Bayer on account of the same) or the same would be adjusted against the payments due to the respective supplier (including any interest or penalty imposed on Bayer on account of the same).

**Requirements for Invoices:**

You are expected to send across the original commercial tax invoice to a Central Invoice receiving unit based at the below address. The invoice documents should be sent to the plant or site.

**Central Invoice Receipting Department (CIRD)**  
**Bayer House**  
**Central Avenue, Hiranandani Estate,**  
**Thane (West), Mumbai- 400607**

The address for processing of tax invoice, receipt and all other non-financial documents such as order confirmation, certificates and transportation documents remains unchanged.

Please note that if your invoices pertain to projects (Invoices requiring certification from, including but not restricted to, architects/Bayer engineers and where payments are made against running bills/performance bank guarantees/retentions, etc.), hospitality, freight/transportation or you are a Clearing & Forwarding Agent, you are required to continue sending the invoices to your Bayer contact person as it is done today.

**In order to ensure efficiency in rendering your payments, please mention the following on the face of your invoices while submission:**

- PO number should be referenced on the first page of the invoice
- PO line item number needs to be referenced on each invoice line item
- The invoice should match the PO (e.g., if PO is broken into separate line items; the invoice should also be broken into separate line items)
- Ensure Correct company name is used
- Only one PO per Invoice should be billed
- The total amount due must be on the first page of the invoice
- Use the Unit Prices and Unit of Measures as indicated on the PO
- Invoice payment term has to match PO payment term
- Bill of Lading or Packing Slip Number should be mentioned wherever applicable.
- Order number, item number, material number and delivery address on all delivery documents
- For any communication/concern/queries/enquiries regarding the processing of your invoices/ payments, kindly contact at <https://www.bayer.com/en/procurement/contact-procurement>