

KALPATARU POWER TRANSMISSION LIMITED

TRANSPORTATION CONTRACT TERMS AND CONDITIONS

1. Payment

Payment of the bills will be made within 60 days from receipt of bills duly supported by clear Receipt from the consignee, in absence of which payment is likely to be withheld till we hear about the receipt of material from the consignee.

2. Supply of Trucks for outgoing material

Trucks must be supplied within Twenty-four (24) hours of our informing by E-mails.. Trucks must enter in factory before 12.00 noon. In case trucks do not enter before stipulated time, Company does not take any responsibility of loading the same and transporter will not be entitled to any compensation for detention. Such trucks will be loaded on next working day only. If trucks are not arranged within reasonable period of 2-3 days, then we shall arrange trucks from market through other transporter & all additional cost will be to your account.

3. Incoming Trucks

No truck will be unloaded on Sundays and Holidays unless prior information is given by transporter and unloading arrangements are confirmed by us.

4. Shortage / Damage

It will be sole responsibility of transporter to deliver the material to consignee within the reasonable time in full and in good condition. Any loss suffered due to shortage, damage or transit delay will be transporter's account.

5. Detention of Consignment / Trucks

- a. Under no circumstances any consignment, in part or full, to be detained or unloaded by transporter in his godown for any reason or dispute. In case any transporter does so, Company will take legal action against such erring transporter and recover material cost and other loss suffered by the Company. Company reserves the right of imposing penalty for Detention / Unloading of consignment enroute and same will be recovered from transporter's pending Bills Security deposit or any other legal means.
- b. Any detention caused to Incoming / Outgoing trucks in our factory under force-majeure circumstances will not be entertained.

6. Subcontract

Subcontracting to any other transporter by the Contractor is not permitted.

7. Awarding Contract to other transporter

Company reserves its right to transfer a part or balance quantity of the contract to any other transporter without assigning any reason or compensation in case transporter is unable to lift the material or fulfill contractual obligations of the contract, Company reserves its right to deliver the part or balance quantity to any other transport and recover the additional cost / losses from the transporter.

8. Weight

For our finished material, weight as per our BOM weights will be considered as final.

9. Octroi & Sales-Tax Formalities

Wherever required transporter will comply octroi and sales tax formalities and claim the actual amount alongwith supporting receipt in your freight bill, which will be reimbursed if admissible. Any Over Payment will be to transporter's account.

10. Termination

In case Company feels that the services of transport are not satisfactory, Company reserves its right to cancel the order and forfeit the Security Deposit and also recover the losses from the transporter for nonfulfillment of contractual obligations.

11. Liability

Company will not be responsible in respect of any accident or damage to the vehicle of liability directly or indirectly remotely occurred or caused, sustained or incurred in the event of death of person(s) employed by the contractor during execution of the contract.

12. Transit Insurance

Kalpataru shall arrange for Transit Insurance.

13. Transshipment

No transshipment will be made during transit. In case it is found that transshipment are made, we shall not make any transportation charges for that consignment. This excludes the breakdown of truck on the route.

14. Penalty

14.1 – Placement of Truck

Essence of this contract is the timely placement of trucks. Our despatch department will place you the indent for placement of trucks, accordingly you have to arrange trucks. If you fail to place trucks as per our requirement the back log should be completed next day, even if you fail on the next day we shall levy a penalty of Rs.50/- per day per ton on the back log quantity. In case of continued failure for 2-3 times to place the trucks we would be free to place the trucks from outside the market and the differential amount will be deducted from you invoice.

14.2 – Transit Time

Standard Transit time (including grace period) for these locations is 8 days from the date of LR till Physical delivery at our stores. If you fail to deliver the material within this time, we shall levy a penalty of Rs. 50/- per day per Ton.

15. Return Journey Cost

Transportation charges indicated therein do not include cost of transportation for the return journey of the empty truck/ vehicle, the deduction of the said transportation charges will not be admissible.

16. Price Variation clause

Rates mentioned above shall remain firm for first six months from the date of this purchase order. Thereafter it will subject to price escalation as mentioned below:

“Any increase / decrease in diesel price in percentage will be applicable on 40% of total transportation charges”.

For calculation purpose increased prevailing diesel prices after six months from the date of the Purchase Order will be considered as base price.

17. Distance Variation

You shall not charge anything if store destination is changed by 50 km OR less. New rate will be applicable if new store location is shifted beyond 50 kms.

18. Bank Guarantee

You will submit us the Bank Guarantee for sum of Rs. 25,00,000/- within 5 days from the date of receipt of Contract Order. You will be permitted to start the work only after receipt of Bank Guarantee. This Bank Guarantee should be valid for the tenure of this Project.

19. Jurisdiction

All disputes are Subject to Ahmedabad Jurisdiction only.

For KALPATARU POWER TRANSMISSION LTD.,

AUTHORISED SIGNATORY

