UNITEC FIBRES LIMITED

TERMS AND CONDITIONS OF SALE

Effective Date: April 01, 2026

Website: https://unitecfibres.in

Registered Office: Bldg No. 8, Flat No. 3, Oshiwara MHADA Complex, Andheri (West), Mumbai – 400053, Maharashtra, India

Corporate Identity Number (CIN): U17120MH2005PLC151224

1. Applicability and Entire Agreement

1.1. These Terms and Conditions of Sale ("**Terms**") govern all quotations, order acknowledgments, sales contracts, proforma invoices, and deliveries of products—including Recycled Polyester Staple Fibre ("**RPSF**"), polyester waste, PET flakes, chips, and related recycled materials (collectively, "**Goods**")—by **Unitec Fibres Limited** ("**Seller**") to any commercial purchaser, importer, or counterparty ("**Buyer**").

1.2. Any standard, pre-printed, or conflicting terms and conditions contained in Buyer's purchase order, confirmation, vendor portal, or communication are expressly rejected and shall have no legal force or effect.

1.3. Acceptance of delivery of the Goods, execution of a commercial invoice, or issuance of payment by Buyer constitutes full, unconditional acceptance of these Terms. No modification, amendment, or waiver of these Terms shall be binding unless executed in writing by an authorized officer of Seller.

2. Orders, Specifications, and Technical Tolerances

2.1. All purchase orders placed by Buyer are subject to written acceptance by Seller through a formal Order Confirmation or Proforma Invoice. Seller reserves the right to accept or decline any order in whole or in part.

2.2. **Nature of Recycled Raw Materials:** Buyer expressly acknowledges that the Goods are manufactured from recycled post-consumer and post-industrial Polyethylene Terephthalate (PET) materials. Consequently:

- Minor variations in color, shade, luster, optical brightener response, moisture content, crimp retention, denier, and cut length across production batches are inherent to the mechanical recycling process and do not constitute a defect or breach of warranty.

- Seller's commercial tolerance limits shall conform to standard industry norms ($\pm 5\%$ variation in weight, denier, and cut length unless expressly agreed otherwise in writing).
- Technical samples, brochures, and trial lots provided prior to supply represent general product approximations only and do not constitute a sale by sample or create a warranty of conformity.

2.3. Certificate of Analysis (COA) or Quality Inspection Sheets provided with dispatches reflect batch tests conducted at Seller's testing facilities at the time of manufacture.

3. Pricing, Invoicing, and Statutory Levies

3.1. Prices for the Goods are as stipulated in Seller's Order Confirmation or Proforma Invoice. Unless expressly agreed in writing, all quoted prices are **Ex-Works (EXW – Seller's manufacturing facilities at MIDC Tarapur, Maharashtra / Valsad, Gujarat)** and exclude freight, transit insurance, handling, loading/unloading, customs duties, and storage.

3.2. All statutory levies, including Goods and Services Tax (GST), countervailing duties, export/import duties, port charges, cess, and other applicable governmental taxes, shall be charged additionally and borne exclusively by Buyer at prevailing statutory rates.

3.3. If Seller agrees to fixed pricing over an extended delivery schedule, and there occurs a material price increase in raw materials (PET waste/flakes), energy, freight, or statutory duties exceeding 3% between order confirmation and dispatch, Seller reserves the right to adjust product pricing proportionately upon written notice prior to shipment.

4. Delivery, Title, and Transfer of Risk

4.1. Delivery dates or shipping schedules communicated by Seller are commercial estimates provided in good faith. Time shall not be of the essence with respect to delivery, and Seller shall not be liable for incidental delays arising from transport shortages, logistics bottlenecks, port congestion, or border clearances.

4.2. **Transfer of Risk:** Risk of loss, damage, contamination, or deterioration of Goods shall transfer from Seller to Buyer:

- For **Ex-Works (EXW)** sales: At the moment the Goods are made available for loading onto Buyer's carrier at Seller's factory premises.
- For **FOR / CIF / CFR / FOB** sales (under Incoterms 2020): In strict accordance with the specific Incoterm designated on Seller's invoice.

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UNITEC FIBRES LIMITED

4.3. **Retention of Title:** Title and full ownership of the Goods shall remain with Seller until Seller receives full, irrevocable payment of the purchase price and all accrued interest or secondary charges. Until title passes, Buyer shall store the Goods separately, identifiable as Seller's property, and maintain appropriate insurance coverage naming Seller as loss payee.

5. Mandatory Inspection, Quality Notification, and Pre-Processing Waiver

5.1. **Incoming Inspection:** Buyer must visually inspect all packaging, seals, bale conditions, and shipping documents immediately upon arrival at the destination point. Any apparent damage, wet packaging, broken straps, bale contamination, or quantity shortages must be endorsed on the transporter's consignment note/POD (Proof of Delivery) and reported in writing to Seller within **forty-eight (48) hours** of receipt.

5.2. **Quality Testing Window:** Buyer shall draw representative test samples and verify technical parameters (denier, cut length, moisture, color shade, spin-finish levels) prior to commercial utilization. Any technical defect or non-conformity must be formally notified to Seller in writing within **seven (7) calendar days** of delivery, accompanied by batch numbers, barcode tags, photographic evidence, and an independent laboratory test report.

5.3. **ABSOLUTE PRE-PROCESSING WAIVER:**

Buyer agrees, warrants, and confirms that it shall not blend, card, spin, open, tuft, melt, dye, wash, chemically alter, or incorporate the Goods into downstream textile, automotive, wadding, non-woven, or composite production lines without prior incoming quality sign-off.

The moment Buyer commences processing, blending, cutting, converting, or incorporating the Goods into any manufacturing step, Buyer shall be deemed to have accepted the Goods irrevocably and unconditionally. Seller shall bear zero liability, and Buyer permanently waives all rights of claim, deduction, chargeback, or litigation for any defect, non-conformity, or downstream production failure once the Goods have entered any production process.

5.4. If a timely defect notice is lodged under Clause 5.2, Buyer shall grant Seller's technical representatives immediate access to inspect the intact, unprocessed bales. Goods shall not be returned to Seller without prior written Return Material Authorization (RMA).

6. Payment Terms, Default, and Remedies

6.1. Payments must be remitted strictly in accordance with the credit period, payment milestones, or Letter of Credit (LC) terms specified in Seller's commercial invoice. Payment

shall be effected via RTGS, NEFT, or irrevocable Letter of Credit without any unauthorized deduction, withholding, set-off, or counterclaim.

6.2. **Overdue Interest:** Any overdue payment shall accrue commercial interest at the rate of **18% per annum** (or the maximum statutory rate permissible under the Micro, Small and Medium Enterprises Development Act, 2006, where applicable), calculated on a daily compounding basis from the due date until full realization.

6.3. **Remedies for Non-Payment:** Upon any payment default or breach of credit limits by Buyer, Seller reserves the right, without prejudice to any other legal remedy, to:

- Immediately suspend or cancel further dispatches under all pending purchase orders;
- Accelerate all outstanding invoices issued to Buyer, rendering them immediately due and payable;
- Exercise an absolute right of lien and stoppage in transit over any undelivered Goods;
- Retain any advance payments, earnest money deposits, or security balances as partial liquidation of damages.

6.4. Buyer shall reimburse Seller for all legal fees, collection agency costs, court expenses, and administrative disbursements incurred in recovering overdue balances.

7. Limited Warranty and Complete Disclaimer

7.1. Seller warrants solely that, at the time of dispatch from its production facilities, the Goods substantially comply with Seller's published product specifications or the mutually agreed written technical specifications set forth in the Order Confirmation.

7.2. **EXCLUSION OF ALL OTHER WARRANTIES:**

To the maximum extent permitted by applicable law, Seller disclaims all other representations, guarantees, conditions, and warranties, whether statutory, express, oral, written, or implied—including, without limitation, any implied warranties of merchantability, satisfactory quality, fitness for a particular or specialized purpose, processability on Buyer's specific machinery, colorfastness, anti-pilling behavior, or non-infringement.

Buyer assumes all risk and liability for results obtained by the use, blending, or combination of the Goods in any manufacturing process or downstream end-product.

8. Strict Limitation of Liability

8.1. **FINANCIAL LIABILITY CAP:**

UNITEC FIBRES LIMITED

The total, aggregate liability of Unitec Fibres Limited, its directors, officers, employees, affiliates, and agents arising out of, connected with, or resulting from any contract, purchase order, quotation, delivery, resale, inspection, breach of contract, tort (including negligence), strict liability, indemnity, or statutory duty shall under all circumstances be strictly limited to the actual net invoice value paid by Buyer for the specific lot, bale, or batch of Goods directly giving rise to the claim.

8.2. **CONSEQUENTIAL AND INDIRECT DAMAGES EXCLUSION:**

Under no circumstances shall Seller be liable to Buyer, its affiliates, agents, or any third party for any:

- **Loss of prospective or actual profits, turnover, revenue, goodwill, or contracts;**
- **Cost of capital, production downtime, idle machinery, factory shutdown, or labor overheads;**
- **Loss of raw materials, cost of wasted spin-finish, processing chemicals, or downstream fibers blended with the Goods;**
- **Damage to downstream yarn, fabrics, garments, carpets, geotextiles, or automotive components;**
- **Recalls, customer rejections, contractual penalties, liquidated damages, or chargebacks imposed upon Buyer by its customers; or**
- **Any indirect, special, incidental, punitive, or consequential damages of any nature whatsoever, regardless of whether Seller was informed of or could reasonably foresee the possibility of such damages.**

8.3. **Sole and Exclusive Remedy:** If Goods are proven to be defective within the provisions of Clause 5, Seller's sole obligation and Buyer's exclusive remedy shall be limited, at Seller's sole discretion, to either:

- Replacing the non-conforming Goods at Seller's expense at the original delivery point; or
- Issuing a commercial credit note to Buyer equal to the purchase price actually paid for the non-conforming portion of the Goods.

9. Buyer Indemnification

Buyer shall defend, indemnify, and hold harmless Unitec Fibres Limited, its directors, officers, affiliates, and employees from and against all third-party claims, suits, liabilities, damages, regulatory penalties, legal fees, and operational costs arising out of:

- Buyer's improper handling, storage, processing, blending, or disposal of the Goods;
- Any downstream consumer or industrial product liability claims relating to articles manufactured using the Goods;

- Any false, misleading, or unauthorized environmental, sustainability, or performance claims made by Buyer to end-users or retailers regarding the Goods (outside Seller's formal GRS or OEKO-TEX scope certificates);
- Buyer's breach of applicable laws, hazardous substance regulations, or export control restrictions.

10. Force Majeure

10.1. Neither party shall be liable for failure or delay in performing its obligations (other than the obligation to make monetary payments when due) if prevented, hindered, or delayed by a Force Majeure event.

10.2. Force Majeure includes, without limitation: acts of God, flood, storm, earthquake, fire, or natural disaster; epidemic, pandemic, or public health emergencies; war, armed conflict, invasion, civil unrest, or terrorism; national or regional industrial strikes, lockouts, or labor shortages; breakdown or catastrophic failure of core plant machinery (such as spinning extruders, crimpers, or thermopack boilers); power grid failure or severe utility/water curtailments; transportation blockades, port closures, or national logistics strikes; embargoes, currency restrictions, or trade sanctions; severe shortage or sudden non-availability of PET bottles, waste, or flaking feedstocks; or orders, directives, or injunctions issued by any environmental, governmental, or statutory authority (including the Central or State Pollution Control Boards).

10.3. If a Force Majeure event persists for more than sixty (60) consecutive days, either party may terminate the affected purchase order without liability, except for payment obligations for Goods already produced or delivered.

11. Extended Producer Responsibility (EPR) and Sustainability Claims

11.1. Unless explicitly agreed in an authorized commercial writing and reflected as an itemized line item on Seller's invoice, the sale of Goods does not transfer, assign, or confer any Extended Producer Responsibility (EPR) certificates, recycling credits, or statutory plastic credits to Buyer. Seller retains all proprietary rights to its EPR generation and monetization.

11.2. Buyer shall not use Seller's corporate logo, trade name, or registered trademarks (including "Unitec", "Unitec Fibres", or "Uni-Biofibre") in external packaging, consumer-facing labels, or advertising without an executed trademark license agreement.

12. Governing Law, Jurisdiction, and Arbitration

12.1. These Terms, and all sales contracts arising hereunder, shall be governed by, construed, and interpreted in accordance with the substantive **laws of the Republic of India**, without

reference to its conflict of laws principles. The United Nations Convention on Contracts for the International Sale of Goods (CISG) is expressly excluded.

12.2. **Dispute Resolution & Arbitration:** Any dispute, controversy, or claim arising out of or relating to these Terms, the breach, termination, or invalidity thereof, or the supply of Goods shall first be referred to executive mediation between senior management of both parties. If unresolved within thirty (30) days, the matter shall be referred to and finally resolved by **arbitration under the Arbitration and Conciliation Act, 1996**:

- The arbitral tribunal shall consist of a sole arbitrator appointed mutually by both parties (or, failing agreement, pursuant to the provisions of the Arbitration and Conciliation Act, 1996).
- The seat and venue of arbitration shall be **Mumbai, Maharashtra, India**.
- The arbitral proceedings shall be conducted in the English language.
- The arbitral award shall be final, binding, and enforceable in any court of competent jurisdiction.

12.3. **Exclusive Court Jurisdiction:** Subject to the arbitration agreement above, the competent commercial courts situated in **Mumbai / Palghar, Maharashtra, India** shall have exclusive territorial and subject-matter jurisdiction over all legal proceedings.

13. General Provisions

13.1. **Severability:** If any provision of these Terms is determined by a court or arbitral body to be illegal, invalid, or unenforceable, such provision shall be severed, and the remaining provisions shall continue in full force and effect.

13.2. **No Waiver:** No delay, failure, or omission by Seller in exercising any right, power, or remedy under these Terms shall operate as a waiver, nor shall any single or partial exercise preclude further enforcement.

13.3. **Assignment:** Buyer shall not assign, transfer, or subcontract any rights or obligations under these Terms or any accepted purchase order without Seller's prior written consent. Seller may assign its rights, receivables, or obligations to any financial institution, factor, or corporate affiliate without restriction.

13.4. **Notices:** All legal and commercial notices under these Terms must be in writing and delivered by registered post with acknowledgment due, courier, or official email addressed to the Compliance Officer / Legal Desk at info@unitecfibres.com or to the registered address of the respective party.