



**LOCAL COUNTRY AMENDMENT– INDIA**  
TO BE READ IN CONJUNCTION WITH [GLOBAL TERMS AND CONDITIONS OF PURCHASE](#)

This Local Country Amendment is to be read with the Johnson Controls' Global Terms and Conditions of Purchase (“**Global Terms**”). Where the terms of the Local Country Amendment is not consistent with the Global Terms, the terms set out in this Local Country Amendment shall prevail and have priority above the Global Terms. Reference below expressed in numerals correlate to the Global Terms.

**1. [Clause 4.](#) to be amended as follows:**

In the fourth line, the words "or such other tax that may be levied by a governmental authority in India including Goods and Services tax (where applicable)" to be inserted after the word "value added tax (VAT)".

**2. [Clause 5.1](#) to be amended as follows:**

In the first line, the words "and relevant packaging norms and requirements of the applicable industry in India" are to be inserted after the word "Buyer".

**3. [Clause 6.](#) to be amended as follows:**

In the second line, the word "NAFTA" to be deleted and after the word "Certificates of Origin", the words "required in terms of applicable free trade agreements ("FTA")" to be incorporated.

In the third line, the word "NAFTA" to be replaced with the word "FTA".

**4. [Clause 8.](#) to be amended as follows:**

Unless different payment terms are stated in the Order, the applicable Local Country Amendment, or required by law, payment on proper invoices will be processed 90 days from the invoice posting date on the next scheduled payment run. Payment runs occur twice a month, around the 9th and 24th of each month. Invoices for tooling and/or capital equipment must be issued only as approved, as provided in the Order. Buyer may withhold payment pending receipt of evidence, in the form and detail requested by Buyer, of the absence of any liens, encumbrances, or claims on Products provided under the Order. Payment will be made in the currency expressly stated in the Order; if no such currency is noted, payment will be made in Indian Rupees (or the US Dollar equivalent thereof, where Buyer is not incorporated in India).

**5. [Clause 10.](#) to be amended as follows:**

In the seventh line, the following is to be inserted "Seller agrees that these warranties are in addition to and not in derogation of any statutory warranty which shall continue to be applicable to this Order."

**6. [Clause 14.](#) to be deleted.**

**7. [Clause 18](#). to be amended as follows:**

After the last line, the following is to be inserted “The Seller shall take all necessary steps in order to procure any governmental approvals that may be required to be obtained by the Seller in connection with the remittance of any indemnity payments to the Buyer.”

**8. [Clause 19](#) to be amended as follows:**

**[19.6 Coverage Limits – India](#)**

Type of Insurance	Minimum Limits
Commercial General Liability * , insurance for bodily injury and property damage arising from premises, operations, personal injury, products/ completed operations, and contractual liability covering the indemnity provision as set forth in the indemnification section	USD \$1,000,000 (or equivalent amount in other currency) per occurrence and general aggregate, product and completed operation aggregate, personal & advertising injury.
* Alternatively, Public Liability and Products Liability is acceptable. <ul style="list-style-type: none"> <li>• Care, Custody &amp; Control coverage</li> <li>• Working Away From the Premises</li> <li>• Complete Operation Clause</li> </ul> All three clauses above shall be included in the policy, Contractual Liability exclusion to be deleted	USD \$1,000,000 (or equivalent amount in other currency) per occurrence and general aggregate or the statutory limits, whichever is higher.
Automobile Liability covering all autos with license for public road using in connection with the work performed (only if contractor provides logistics services)	Statutory Limits
Workers' Compensation (not applicable, if contractor does not participate on-site work)	Statutory Limits
Professional Liability (only applicable if contractor provide professional services, e.g. design, construction management) Contractor's all Risk Policy	USD \$1,000,000 (or equivalent amount in other currency) each claim Where and as applicable
Cyber Liability (Required if Seller's products or services access data or networks of Buyer or Buyer's customers)	\$1,000,000 annual aggregate
Crime Insurance (only applicable if contractor will be working in owner's premises)	\$500,000 each claim

**[19.7](#) The Seller shall provide to the Buyer a copy of the certificate of insurance evidencing the insurance coverage set forth in**

this clause. The Seller shall provide to the Buyer at least thirty (30) days prior written notice of any cancellation, non-renewal or material change in any of the insurance coverage. The Seller shall, upon receipt of written request from the Buyer, provide renewal certificates to the Buyer for as long as the Seller is required to maintain insurance coverage hereunder.

**Clause 35. to be deleted and replaced as follows:**

Clause to be deleted and replaced with one of the following options. Please note that the default position should be submission to arbitration with the Singapore International Arbitration Centre unless there are reasons otherwise.

**Either (1) The Singapore International Arbitration Centre:**

The Order will be governed by the laws of India. Any dispute arising out of or in connection with this contract, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration administered by the Singapore International Arbitration Centre ("SIAC") in accordance with the Arbitration Rules of the Singapore International Arbitration Centre ("SIAC Rules") for the time being in force, which rules are deemed to be incorporated by reference in this clause. The seat of the arbitration shall be Singapore. The Tribunal shall consist of [\*JC to consider either one or three arbitrators depending on the quantum of the contract and the complexity of the transaction] arbitrator(s). The language of the arbitration shall be English.

**OR**

**(2) Submission to local courts.**

The Order is to be construed according to the laws of India. The provisions of the United Nations Convention on Contracts for the International Sale of Goods, and any conflict-of-laws provisions that would require application of another choice of law, are excluded. Any dispute arising out of or in relation to this Order shall be subject to the exclusive jurisdiction of the courts at Mumbai.

**10. Clause 36. to be amended as follows:**

In the second line, the following is to be deleted “/ Les parties aux presents reconnaissent avoir voulu que cette convention ainsi que tous les documents qui s'y rattachent soient rediges en langue anglaise seulement et regis par la meme.”

**11. Following additional clauses to be inserted.**

**Change in Law:**

(a) In the event of change in law post execution of this contract, the Seller agree to renegotiate the Contract Price.

(b) The Seller shall be under an obligation to pass on the benefit of the decreased cost arising on account of any change in law to the Buyer and provide information as required by the Buyer to substantiate the same.

(c) The Seller shall ensure that the applicable tax i.e. Integrated GST (IGST) or Central GST (CGST) & State GST (SGST) is charged in the invoices considering the place of supply as provided in the GST laws along with the rules thereto.

(d) In case the Seller effects supply of any goods/ services from a new registration number, same shall be intimated to the Buyer within 4 working days along with the GSTIN so obtained.

## 12. Payment Terms

(a) Seller to ensure that the GST amount charged in invoice is declared in its GSTR-1 and GSTR-3B and the payment of taxes has been made within due date. The parties agree that the invoice/s will be paid in two batches (i) Base Amount and (ii) Tax Amount. Tax Amount will be paid only after the Seller provides sufficient proof that the GST amount charged in the invoice is declared in its GSTR-1 and GSTR-3B and the payment of taxes has been made within the time period prescribed for the same.

OR

(b) Under the Goods and Services Tax regime (GST as and when made applicable), input credits will be available based on matching concept between the Buyer and the Seller. Seller hereby agrees that all payments due to the Vendor by the Buyer shall be linked to proper discharge of the tax liability by the Seller within the statutory time periods. In the event of failure and non-compliance by the Seller due to which the Buyer is not able to avail the input tax credit, the Buyer shall not release the payment and the payment shall be kept on hold till such discrepancy is resolved by the Seller. Holding of payments for the aforesaid reason by the Buyer shall not be a breach of its obligations under this Contract. In addition to above, the Seller shall be eligible for the receipt of the invoice value in accordance with the agreed terms only after the appropriate GST is credited to the Government account and appropriate compliances have been complied. In case of any disputes due to the nonmatching of the GST credit, same shall be resolved by the Seller within 90 days of the invoice date, failing which Buyer shall not remit the invoice amount.

## 13. Tax indemnity clause

(a) The Buyer has the right to recover the loss of input tax credit along with consequential interest and penalty suffered by it due to any non-compliance of the GST laws and rules thereto, by the Seller.

(b) Any GST liability arising on the Seller on account of contravention of the provisions of the GST regulations, would be borne by the Seller itself and the Buyer shall not be liable to compensate the same.

## 14. Timely provision of invoices/ DN/ CN:

Seller to timely provide the invoice/ DN/ CN to enable the Buyer to claim tax benefit on or before stipulated time period. All necessary adjustment entries (Credit Note, Purchase Returns and Debit Notes) shall be made before September of the

succeeding financial year.

### **15. Anti-profiteering**

(a) Under the GST Law, any economic or tax benefit arising out of the implementation of the GST is mandatorily required to be passed on to the Buyer by Seller. Similarly, the benefits enjoyed by your Seller and other players in the supply chain are also required to be passed on to Seller by them, which in turn shall be passed on to Buyer by way of price reductions. Accordingly, Seller is expected to pass on any direct or indirect benefits arising thereon.

(b) The responsibility to pass on the above benefits vests with Seller, as Buyer's 'responsible Vendor' and Buyer reserve right to understand and determine the manner/ mechanism in which such benefits are passed on to the Buyer.

### **16. Liquidated Damages:**

In the event that delivery or tests and/or commissioning are delayed due to the fault of the Seller (excluding any failure by reason of force majeure) then without prejudice to any other rights of the Buyer in law or in this Purchase Order, the Seller shall pay to the Buyer, liquidated damages at the rate of zero point five (0.5)% of the lump sum Purchase Price set out in the Purchase Order for each week of delay, up to a maximum of ten (10)% of the lump sum Purchase Price set out in the Purchase Order.

The Seller agrees that the foregoing liquidated damages shall be deemed as fair and reasonable compensation for delay incurred by the Buyer without the need to prove actual loss, and are not in any way punitive.