

# **Annual Maintenance Contract Comprehensive**

**(Refrigerant and Consumables (oil) excluded)**

**Format: Offer letter**

**Date:18-9-2012**

**M/S Iandian institute Of science  
#259,Nano,IISC campus science Institute,  
Bangalore- 560012**

**Customer Representative: Arun Menon**

**Service Provider:  
Daikin Airconditioning India Pvt. Ltd,**

**Daikin Representative: Mr...SAMUEL SUSHIL PRASAD.**

**Subject: AMC : Comprehensive including spares oil and refrigerant**

Daikin Airconditioning India Pvt. Ltd offers its Comprehensive Annual Maintenance Contract (refrigerant and consumable (oil ) included for the McQuay equipment installed at your premises for Daikin Airconditioning India Pvt. Ltd. shall provide services during validity of contract, during our normal working hours.

**SCOPE OF WORK TO BE PERFORMED BY DAIKIN AIRCONDITIONING INDIA PVT. LTD hereby referred to as DA IPL.**

In consideration of the payments made by Customer as specified in Paragraph III, And subject to Customer meeting its responsibilities as specified below in Paragraph II, DA IPL agrees to perform maintenance and inspection services as noted below for the equipment as per below details:

- Chiller Model: ALS 260.3SEST
- Chiller Serial:1.108LF09D000009, 2.110GJHMG000011, 3. 110HJGHY00001
- Contract Period : 01.10.2012 to 30.09.2014

During the Contract period ( 2 year) after the commencement of the term of this agreement DA IPL will carry out.

One (1) annual inspection and five (5) periodic inspections at approximately equal intervals, every year. Such inspection shall not include supplying of refrigerant and consumable like Oil .The break down call and periodic inspection are maximum up to 12 visits per year including above six (6), after that the extra cost shall be paid per visit by the customer. Periodic inspections and maintenance will include:

## **I Scope of Works:**

The machine will be removed from service if required:

- Check oil level in the compressor.
- Check liquid sight glasses to determine if there is a refrigerant shortage.
- Inspecting the unit for leaks with a soap solution.
- Inspect entire system for any unusual conditions such as noise, vibration, etc.
- Check the system operating pressure and temperatures to ensure proper operating conditions.
- Check Evaporator and condenser approach.
- Check chilled water flow by checking pressure drop across the chiller.
- Compare the chilled water temperature at full load with the chilled water temperature control.
- Inspect all safety controls and adjust if required.
- Inspect all operating control and sequence of operation.
- Review daily operating log maintained by Customers operating personnel and instruct operating engineer as required.
- Report to Customer in writing on any detected deficiencies of refrigerant and consumable like oil ,if requested, issue estimate for supply.
- Yearly health report of the chiller and suggestions for improvement.
- Yearly Oil Analysis.
- Yearly Condenser water analysis.
- Motor Insulation Checks.
- Yearly Condenser de-scaling. ( only once per year )
- Yearly adjustments of controls if required.
- Software upgrade ( if available for Chiller Model )
- All maintenance and repair work covered by this agreement will be scheduled by DAIPL and performed during regular working hours, five (5) days per week, holidays and weekends excepted. Service will be available at other times at an additional overtime cost of one and half (1-1/2 ) times the normal hourly rate.

## **II Customers Responsibilities.**

Customer's failure to meet its responsibilities as set forth in this paragraph constitute cause for which DAIPL reserve rights to cancel this agreement.

- Customer agrees to furnish safe and free access to all equipment covered by this agreement for the purpose of executing the terms of this agreement.
- Customer agrees to send Daily operating Log sheets to Daikin on a daily basis.
- Customer agrees that major breakdowns caused due to extended operation of a Unit with a reported fault will not be covered in the AMC.
- During the service visit Customer agrees to allow to DAIPL to start and stop the equipment as required to carryout maintenance services.
- Customer agrees to arrange for lifting, rigging and shifting equipment or compressor.
- Customer agrees to designate a suitable and trained employee to receive instruction on the operation of equipment.
- Customer agrees that if a past due account outstanding exists at time of scheduled service; DAIPL is not obligated to render service.
- The customer should run the machine as per the product manual.
- Customer agrees that if the machine is opened for repairs by any one other than DAIPL, then the maintenance contract will be void.
- Refrigerant and oil should be supplied by DAIPL or recommended make by DAIPL

### **III Miscellaneous Terms**

DAIPL is not liable for consequential damages of any nature whatsoever. DAIPL shall not be liable to Customer for loss of use of facilities, loss of use of revenue, loss of anticipated profits, or claims of any customer of DAIPL Customer.

### **IV Terms of Agreement**

The term of this agreement shall be two (2) years, commencing upon receiving a confirmed P.O. and 100% advance of the contract value.

The agreement can be renewed on successive years upon agreement of both parties.

If agreement is to be renewed, DAIPL should first examine the equipment to satisfy itself that it is in a maintainable condition.

### **V Contract Price**

**In consideration for the services to be provided by DAIPL, Customer agrees to make quarterly payment (after completion of every quarter – 3 Months once). The total value of the contract is:**

**1). Indian Rupees ; Rs. 22,26,000/- (Twenty Two Lakhs Twenty Six Thousand Only) Excluding Taxes (Applicable VAT & Service Tax to be paid extra)**

### **VI Amendments and entirety of agreement**

No amendment to this agreement will be effective unless in writing and signed by authorized representatives of both parties. The parties agree that no statement, remark, agreement or understanding, oral or written, not contained in this agreement will be recognized or enforced, as provided in this paragraph.

### **VII INCLUSIONS:**

- A. Electronic parts of the Equipment.
- B. Equipment Motor starter.
- C. Compressor repair under normal wear & tear

### **VIII EXCLUSIONS:-**

- A. Day to day maintenance and operation of the plant.
- B. Rigging, Lifting, shifting and transportation of equipment/compressor.
- C. Repairs to, or replacement of water piping and all types of valves associated with water piping such as gate valve, globe valve, NRV, modulating and mixing valve, makeup water, expansion tanks, and insulation works.
- D. Cooling tower structural, fills, louvers and air washer internals.
- E. Main electrical panel for air-conditioning system with all components.
- F. Painting of plants, insulations on equipments and its associated equipments.
- G. Repairs to, or replacement of electrical installation like cabling, switch boards, isolators, panels with associated ammeters and voltmeters.
- H. Any damages to the compressor, equipment / system due to water entering into the system or external source.
- I. If compressor is beyond repairable as per certification of DAIPL, replacement will be done on chargeable basis.
- J. Replacement of components of equipment like compressors, microprocessor panels, evaporators, condensers, oil separators etc.
- K. Compressor overhauling
- L. Any other item not specifically mentioned in Inclusions

**IX WATER QUALITY:**

In line with standards adopted by the equipment manufacturer, the contract is valid only if water quality is maintained within prescribed limits.

**X ABNORMAL USAGE/MISUSE/UNAUTHORIZED ATTENDANCE:**

- A. Failure of equipment due to supply voltage beyond permitted range, phase imbalance, single phasing, phase reversal or fluctuating voltage or defects in your electrical installation.
- B. Misuse or usage other than the system is originally designed for.
- C. Damage to equipment due improper operation or negligence.
- D. Atmospheric or repair on the equipment at any time, under any circumstances whatsoever, by anyone with the exception of our authorized representative

The above will render the contract null and void without prejudice to our rights. We shall rectify failures due to above reasons at additional cost.

**XI Payment Terms:**

Quarterly payment of the Contract value including taxes, after completion of every quarter (3 months once) by cheque/DD in favor of Daikin Airconditioning India Pvt. Ltd. Pleased do not make payment in cash.

**XII AMC Period & Validity:**

Services under AMC will commence from the date of signing of AMC subject to realization of cheque. In case AMC starts after expiry of warranty period, AMC acceptance will be after inspection of the chillers by our engineers.

**XIII Other Terms and Conditions:**

A). Call Center Facility: Calls may be registered round the clock at our call center. Toll Free Number- 1800229300, 18001029300 (In Delhi, Mumbai, and Chennai).

**XIV General Terms:**

- (i)** Routine maintenance and proper operation of the Equipments.
- (ii)** The user shall be responsible for providing appropriate electric power supply to the Chiller. Voltage supply at 400 V +/- 5% variation. For three-phase supply proper load balancing shall be ensured by the user.
- (iii)** The user shall be responsible for maintaining circuit breakers and voltage stabilizers for stable power supply. In case of any problem, user shall attend to the same.
- (iv)** Routine servicing and repair shall only be done by DAIPL/authorized dealers.
- (v)** AMC shall not be applicable to any accessory external to the Equipment.
- (vi)** The Service Provider/authorized dealers shall not be liable for any consequential/liquidating damages or losses due to failure or inadequate performance of Equipment for any reason, whatsoever, under the AMC.
- (vii)** Only equipments installed at the above mentioned location shall be covered under the AMC. That if the Client wishes to Shift the equipments to some place other than where the airconditioning equipments are already installed, the Client shall do such shifting at its own cost and risk and as per the instructions of the Service Provider. That the Service Provider/authorized dealer shall carry out reinstallation of Client's Airconditioning equipments, at an extra cost to be borne by the Client. In case during AMC period, shifting of airconditioning equipments by the Client is not done in

accordance with the instruction of Service Provider and/or reinstallation is done by third parties (other than Service Provider/authorized dealer), than notwithstanding anything to the contrary contained in this AMC, this AMC shall stand terminated at the option of the Service Provider and no refund shall be permissible for the remainder period.

**(viii)** This AMC is valid to carry out maintenance and repair work at the Premises mentioned in this AMC. In the case of maintenance and repair works are to be carried out at Service Provider's place, the Client agrees to follow the process of disconnecting, packing and transporting the Equipments at his own costs and risks. Any damages caused to the Equipments during disconnecting, packing and transporting shall be not covered either in this AMC or any other agreement or contract including but not limited to sale or warranty agreement between the Client and Service Provider. After performing the required maintenance and repair works and under intimation by the Service Provider, the Client undertakes to pack and transport the Equipments within 24 hours from the time of such intimation to his premises at his own costs and risks. The Service Provider reserves the right to charge reasonable rental to the Client and the Client is liable to pay this rental, in case the Client fails to take the Equipments back within such 24 hours period.

**(xi)** The AMC is not transferable.

**XV Termination:**

a) If either PARTY upon being desirous of terminating the present CONTRACT (prior to the expiry of CONTRACT PERIOD), may terminate by issue of a written notice of ONE MONTH to the PARTY.

b) In case of termination by the user, the Service Provider shall refund basic AMC amount for the unexpired period subject to cancellation charges equal to 10% of the original basic amount.

c) Services provided for part of the month shall be treated as provided for the full month.

d) No refund of taxes, collected at the time of signing of AMC shall be permissible.

**XVI Force Majeure Clause:**

In case of fire, flood, theft, riots, war, acts of terrorism, earth quake, Act of God etc. or under any cause/s beyond reasonable control of the SERVICE PROVIDER, or the SERVICE PROVIDER is prevented from performing its functions under this contract over a period of seven days, the service provider shall not liable or deemed to be in default of any delay of failure in performance stated in this contract.

**XVII Arbitration:**

If any dispute of difference arises between the parties hereto during the subsistence of this AMC or thereafter, in connection with validity ,interpretation, termination, implementation are alleged breach of any provision of this CONTRACT the PARTIES hereto shall endeavor to settle such disputes or difference amicably. In the event that they are unable to agree to an amicable solution to the dispute or difference the PARTIES hereto shall refer such dispute or difference for arbitration of sole arbitrator to be appointed with the mutual consent of the parties. The Arbitration proceedings shall be conducted in accordance with the Arbitration and Conciliation Act, 1996 in English Language and the place of arbitration shall be New Delhi. The cost of arbitration shall be borne as per stipulation in the Arbitral award.

**XVIII Obligations of Client:**

The AMC shall become null and void in case the EQUIPMENT/ S is/ are shifted from its original place of installation, or the right of property is transferred to another individual or legal person under any law of India, or is misused or, dismantled or, altered or, serviced by anybody other than the Service Provider's authorized maintenance staff or

authorized service dealer without the express consent in writing from the Service Provider. However, costs and risks of such activities by the Client shall be borne by the Client.

**XIX Confidentiality:**

Each of the Party to the present AMC shall (i) safeguard and protect the other's confidential information, ancillary/related to present AMC and received and/or obtained during the course of service being provided under the present AMC (ii) Segregate material containing confidential information from the materials of others (obtained if any during the course of the present Contract) and to return the confidential information in case it is no longer needed to perform the obligation or the other's request. Each Party to the AMC shall make proper disclosure inform the other immediately on becoming aware of any unauthorized use or disclosure of the confidential information obtained

**XX Limitation of Liability:**

Before undertaking the Services, the Service Provider reserves the right to verify and examine the Equipments that such Equipments are in a Serviceable state. The Service Provider's liability under this AMC shall be limited to the Equipments are in good working conditions and no other liability, whatsoever, financially or otherwise. The Service Provider's liability under this AMC does not extend to (i) Working by persons other than the Service Provider's authorized personnel on the Equipments except for running the Equipments (ii) Any up-gradation of the Equipments without written consent of the Service Provider, expressly. (iii) Any work carried out, externally or internally, to the Equipments like power supply, denting, painting etc. (iv) On termination of this AMC, the Service Provider's obligations are terminated in entirety.

This AMC extends only to problems arising out of normal functioning of the Equipments and does not cover maintenance and repair of any parts damaged due to natural calamities, fire, flood etc., theft, accidents, riots etc., misuse, environmental conditions, unsuitable use of electronic equipments, use of any equipments, not recommended by the Service Provider. Services do not cover accessories external to the Equipments. Any other kind of consequential /liquidated damages, loss of any kind whatsoever are not covered under this AMC.

**XXI Compensation for Hiring Employees:**

Neither Party can hire, appoint and employ any employee of the other Party under any terms of appointment or employment, either contractually or as an employee, during the tenure of this AMC or within six (6) months of expiry of this AMC. In such a case the other Party shall have to pay compensation equal to twelve (12) months of total salary, irrespective of nomenclature used under terms of contract between the employee and aggrieved Party, to the aggrieved Party.

**XXII Entire Contract:**

Notwithstanding anything contained to the contrary under any previous agreement whether verbal or written, work order etc, this AMC with all its appendices shall constitute the entire agreement between the Parties as to the subject matter hereof and it cancels and replaces any prior oral or written agreement on the same subject.

**XXIII Remedies under the Contract:**

Each Party hereto agree that any remedy or right conferred upon either Party for breach hereof shall be in addition to and without prejudice to all other rights and remedies available to it, whether under law or otherwise.

**XXIV Governing Law:**

This AMC shall be a contract under the laws of India and for all purposes shall be governed by and construed and enforced in accordance with the laws of India and shall be subject to jurisdiction of Courts at New Delhi.

We are looking forward to receive your valuable AMC order.

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SAMUEL  
(Sig of DA IPL authorized Official)