

Terms of General Purchasing – For Purchase Orders (for ŠKODA AUTO Volkswagen India Private Limited and Volkswagen Group Technology Solutions India Private Limited)

1. General terms and conditions

Volkswagen Group has its presences in India *inter alia* through a number of companies in India including ŠKODA AUTO Volkswagen India Private Limited (formerly known as Volkswagen India Private Limited) and Volkswagen Group Technology Solutions India Private Limited (formerly known as Volkswagen IT Services India Pvt. Ltd.), herein after collectively referred to as “**VW Group India**” and individually referred to as “**COMPANY**”. The terms of this Purchase Order / Contract are applicable to the Suppliers of both ŠKODA AUTO Volkswagen India Private Limited as well as Volkswagen Group Technology Solutions India Private Limited. The actual party to the Purchase Order /Contract shall be either ŠKODA AUTO Volkswagen India Private Limited Or Volkswagen Group Technology Solutions India Private Limited and their respective Supplier, based on the nature of transaction.

Bidders (for supply of equipment, goods and/ or services, etc.) who quote (commercially and technically) for the requirements asked by VW Group India are herein referred to as “**Supplier**”.

COMPANY & Supplier shall individually be referred to as “**Party**” and collectively be referred to as “**Parties**” hereinafter.

COMPANY's terms and conditions forming a part of the Purchase Order / Contract issued to the Supplier shall supersede all other terms and conditions of the Supplier including any other correspondence previously exchanged between the Parties in this regard.

No specific terms and conditions of the Supplier will be accepted by the respective COMPANY unless the same is confirmed and approved in writing by an authorized signatory of the COMPANY. The Supplier specifically agrees that the issuance of a Purchase Order to the Supplier implies its acceptance of the COMPANY'S terms and conditions as laid out in this document.

The Supplier agrees that in the event of any doubts as to interpretation of any clause in this document, the interpretation of the COMPANY shall be final and binding on the Supplier.

It will be the sole duty and discretion of the Supplier to recruit personnel of its own choice for the said project. The personnel engaged by the Supplier shall solely work under the control, supervision and administration of the Supplier. The Supplier and / or the personnel engaged by Supplier are under an obligation to comply with all the terms and conditions of this document including but not limited to confidentiality, non-disclosure policy and all applicable statutory compliances. The personnel appointed by the Supplier shall follow all the internal policies of the COMPANY during the continuance of their appointment with the COMPANY. In the event that any personnel employed or recruited by the Supplier for the purposes of the said project is found to be in breach of the policies of the COMPANY, the COMPANY shall accordingly intimate the Supplier in this regard and the Supplier shall take necessary action including but not limited to replacement of such personnel. It is clarified that the personnel and/or employees engaged by the Suppliers shall be construed to be the personnel/ employees solely of the Suppliers and shall, at no stage, be considered or construed to be the personnel/ employees of the COMPANY.

There could also be a situation where during the performance of the Purchase Order/ Contract, the Supplier and/or the personnel engaged by the Supplier would have access to the personal data including confidential and sensitive information of the COMPANY. The Supplier and/or the personnel engaged by the Supplier are under an obligation to not misuse the personal data including sensitive and confidential information of the COMPANY so accessed in any manner whatsoever. Notwithstanding the same, in the event of any breach and/or misuse of the confidential and sensitive personal data of the COMPANY, the Supplier shall immediately, but in any event, not later than 24 hours from the occurrence of such breach and/or misuse, inform the COMPANY in writing about such breach and/or misuse of the data of the COMPANY. Upon being informed of such breach and/or misuse of the sensitive and confidential personal data by the Supplier and/or any of the personnel /employee engaged by the Supplier, the COMPANY shall take such necessary action, including immediate termination of the Purchase Order / Contract, against the Supplier, as it may deem fit. The Parties agree that the obligation to maintain confidentiality regarding the sensitive personal data of the COMPANY shall survive even after the expiry and/or termination of the Purchase Order/ Contract on any ground whatsoever. The Supplier is under an obligation to strictly follow all the applicable data privacy laws and statutes in force and as amended from time to time in accordance with the business activities. The Supplier is under obligation not to access/ transmit/ transfer/ migrate/ alter /modify any of the personal data without the prior written permission of the COMPANY.

It is also agreed between the Parties that the Supplier shall decide the terms of the service conditions of its employees so engaged for the performance of the Purchase Order/Contract. The Supplier agrees that they are duty bound and obligated to ensure that the employees so engaged by them are paid the necessary and fair wages and under no circumstances shall the rates of minimum wages, as applicable to the scheduled industry in which the Supplier is engaged in, below the applicable minimum wages payable in compliance with the applicable law. In case of any violation and/or breach in the payment of the minimum wages to the concerned employees so engaged for the performance of the Purchase Order/Contract, the Supplier shall be solely responsible and liable for such violation and/or breach.

It is agreed between the Parties that the Supplier shall procure all necessary licenses (including any renewals thereof) whenever required and applicable under the relevant applicable laws including but not limited to the provisions of the Contract Labour (Regulation & Abolition) Act, 1970 and shall submit a copy of the same to the COMPANY. The COMPANY shall provide an access card to employees of the Supplier who are deployed in the premises of the COMPANY to enable them to enter the premises. It will be the responsibility of the Supplier to ensure that the said card is returned to the COMPANY once the contract

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employees are no longer required in the premises of the COMPANY. The COMPANY reserves its right to recover the costs associated with provision of such card from the Supplier.

The Supplier shall be obligated to maintain all records, registers and shall submit timely returns required under legislations, rules and regulations in force and as amended from time to time as are applicable to it and/or its personnel in India. The Supplier shall submit necessary copies and evidences of musters, vouchers, over-time charges, if any, provident fund challan copies to the COMPANY in respect of its personnel on a monthly basis and shall also produce for inspection, whenever called upon to do so by the COMPANY, such documents as required by the Auditors and/or other officers of the COMPANY from time to time.

The tooling equipment or any other asset, if at all, provided by the COMPANY will be the sole and absolute property of the COMPANY. The Supplier shall have no right whatsoever to withhold the custody of such property and/or transfer the same to any other place or person other than what has been stipulated by the COMPANY without the prior written permission of the authorized signatory of the COMPANY under any circumstances whatsoever. Any breach of this obligation on the part of Supplier, Supplier shall be liable to pay the COMPANY an amount of INR 10,000 per day by way of damages.

The Supplier indemnifies the COMPANY, its directors, employees and its officers from acts and/or omissions of any personnel of and/or engaged by the Supplier in the performance of the Purchase Order/ Contract. The Supplier is liable for all costs, fees, fines, penalty, damages, rise in wages, HRA, back wages etc. in respect of its personnel and/or the personnel so engaged by it for the performance of the Purchase Order/ Contract under the provisions of any law for the time being in force and as amended from time to time and/or by virtue of any claim or order/award of any statutory authority or court of law.

The Supplier shall ensure that the persons engaged by it shall not, in any manner, obstruct the working of the COMPANY. In the event of any such obstruction, the Supplier shall be liable for the damages and compensation to the COMPANY. Additionally, upon any such obstruction by a person or group of persons, the COMPANY shall also have a right to direct the Supplier to forthwith replace such person or persons.

The Supplier shall ensure that it will maintain discipline amongst its personnel and/or personnel so engaged by it. In case of any misbehavior and/or misconduct by the personnel engaged by the Supplier, the Supplier shall take proper disciplinary action against such person. In the event the Supplier does not take proper and necessary disciplinary action against such personnel, the Purchase Order / Contract is liable to be terminated immediately without any notice being issued by the COMPANY to the Supplier in this regard.

The Supplier shall pay timely dues under Employees State Insurance Act 1948 (ESI Act), if applicable, provident fund dues to its persons / employees and shall maintain Registers, Challans, submit returns under ESI Act and Employees Provident Fund & Miscellaneous Provisions Act, 1952. Supplier shall provide proof of applicable compliances done by it as on a quarterly basis and/or as and when requested by COMPANY. In the event of any failure by the Supplier to ensure compliance of applicable laws as a result of which any financial liability is levied on the COMPANY, the COMPANY shall recover and/or deduct the same from dues, if any, payable to the Supplier.

The Supplier represents and warrants that all the goods and/or Services being provided by Supplier shall comply with all applicable state, central and local laws, rules, regulations, ordinances, codes, orders and/or programs as in force and as amended from time to time. Supplier further represents and warrants that goods or services as applicable or both will have obtained all necessary permits, licenses and/or any other documentation and authorization required to comply with any such laws and regulations.

Without limitation to the above, it is obligatory and binding on the Supplier to follow all applicable statutory compliances and registrations required in compliance of various applicable provisions of the laws relating to but not limited to The Factories Act, 1948, Provident Fund and Miscellaneous Provisions Act, 1952, Contract Labour (Abolition and Prohibition) Act, 1970, Workmen Compensation Act, 1923, , The Maharashtra Shops and Establishment Act, 1948, Minimum Wages Act, 1948, Information Technology Act, 2000, ESI Act, Payment of Bonus Act, 1965, Payment of Gratuity Act, 1972, Maternity Benefit Act, 1961 and rules under the same, including the Maintenance of records/Registers, rules and regulations of local body, the Building and Other Construction Workers' (Regulation of Employment and Conditions of Service) Act, 1996 etc.), labour welfare, various direct and indirect taxes including but not limited to Goods and Services Tax ("GST") as applicable, in respect of required work under this Purchase Order / Contract. The COMPANY shall have the right to withhold payments in case there is any failure by Supplier in complying with any / all of the applicable statutory compliances.

The Supplier shall keep the COMPANY indemnified from any statutory non-compliance of laws/ regulations / provisions etc. applicable to it.

In case the Supplier contravenes any provisions of the law and/or the COMPANY suffers any damage or loss or harm due to any acts of commission and/or omission of the Supplier, the Supplier shall indemnify and hold the COMPANY indemnified immediately on receipt of the demand notice in this regard from the COMPANY. The Supplier shall also be responsible for the discharge of all legal liabilities towards the COMPANY and also for observing all laws and government rules relating to the labour laws and other applicable laws as in force and as may be amended from time to time.

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Upon the termination of the Purchase Order/ Contract for any reason whatsoever, the Supplier shall immediately within 24 hours vacate the premises of the COMPANY along with its personnel and/or personnel engaged by the Supplier, failing which the Supplier shall be liable to pay the COMPANY an amount of INR 1,000 per day by way of damages.

The Supplier and/or its employees have no right whatsoever to store and/or keep any material or equipment in the premises of the COMPANY without prior written permission of the COMPANY.

The Supplier indemnifies the COMPANY against any liability that may arise due to engagement of personnel by the Supplier.

The Supplier and/or its personnel deployed in the premises of the COMPANY shall not disclose to any one regarding the information, technology, formulae or any other information of the COMPANY which adversely affects the interest of the COMPANY. The Supplier shall ensure that a confidentiality agreement shall be signed by the Supplier with all the personnel whosoever is proposed to be deployed in the premises of the COMPANY prior to the Supplier engaging such personnel/employee and the same shall be applicable. A copy of such an agreement shall be produced to the officials of the COMPANY for verification and its auditors as and when called upon to do so by the COMPANY and/or its auditors

The Supplier shall handover the equipment, material etc. to its personnel on its responsibility and maintain proper record of it. In case of any shortcomings and/or damages to the equipment (which is the sole and absolute property of the COMPANY) whatsoever, the Supplier is liable to pay the costs of the same to the COMPANY.

The COMPANY and VW Group India believe in Green Environment and Energy Efficient Plant. Accordingly, Supplier shall comply with COMPANY's "IMS Policy". A latest copy of the same can be fetched from our website www.skoda-vw.co.in and under "Compliance" Heading or even can be requested from respective Buyer.

In case the Supplier is delivering the goods at COMPANY's premises using its own transporter, the Supplier shall ensure that all CMVR / EMS related requirements (including but not limited to PUC Certificate, MSDS, Insurance etc.) are strictly fulfilled and complied with as per the applicable laws and rules in force and as amended from time to time. In case the Supplier fails to comply with the same, the Supplier may not be allowed to enter COMPANY's premises. The truck/vehicle used by Supplier should not have any leakages from Containers or Tankers. The Supplier's transporter and/or representative must wear uniforms, safety shoes and have ID cards whenever/wherever coming in COMPANY's premises to supply material/ services.

Environment-oriented management is one of the main objectives of corporate policy. Therefore, the Volkswagen Group requires all business partners with the relevant risk profiles to have a suitable environmental management system in place. The Group expects those business partners that operate production sites with more than 100 employees to have a certification according to the international standard ISO 14001 or the EMAS Regulation of the European Union.

It is agreed and understood that neither of the Parties shall be agent of the other. The Parties shall work as an independent contractor and the business activities pursuant to the Purchase Order/Contract is solely on a principal-to-principal basis. This Purchase Order / Contract may not be assigned by Supplier without the prior written consent of the Company. The Company may assign all its rights, titles, benefits under this Purchase Order / Contract to any of its affiliates/ third party, such assignment shall apply to and bind any successor or permitted assigns of the Parties hereto.

Unless provided otherwise, all the Goods and Services provided under this Purchase Order / Contract shall carry a warranty of 24 Months from the date of supply.

2. Rights of retention and offsetting

Any limitation of COMPANY's rights to assert a right of retention as regards claims made by the contracting Supplier and/or to offset any claims against the contracting Supplier shall be invalid.

The COMPANY and its Group Companies shall be entitled to claims asserted by the COMPANY and its Group Companies in their capacity as joint creditor.

The COMPANY and its Group Companies may allocate or offset their claims against claims by the contracting Supplier.

In the case of the claims made by the contracting Supplier against the COMPANY and its Group Companies, the COMPANY shall be entitled to offset or allocate the claims of the contracting Supplier against claims of COMPANY and those of its Group Companies.

Upon request of the Supplier, the COMPANY shall provide a list of its Group Companies entitled to carry out group offsetting.

3. Illegal interference with competition

Using appropriate organizational measures, the Supplier shall be obliged to ensure that no employee dealing with the COMPANY commits any offences against competition within the meaning of applicable laws in India.

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4. Anti-corruption and sustainability

The requirements for Sustainable Development define the expectations of the COMPANY and its Group companies regarding sustainable conduct by business partners involved in adding value of our products.

The full text of the requirements can be found on www.vwgroupsupply.com under cooperation -> Sustainability which contains expectations of the COMPANY in regard to environmental protection, employee rights, safety at work and health protection for all business connections of the Volkswagen Group, which the Supplier undertakes to read before bidding for the contract with the COMPANY. We also emphasize that Supplier should visit www.vwgroupsupply.com and complete the online training for sustainability training (S-Rating).

Supplier shall make itself aware about the requirement of Sustainable Development program of the COMPANY immediately upon acceptance of the Purchase Order/Contract of the COMPANY. Supplier shall provide confirmation to the COMPANY about the acceptance of the said Sustainable Development Program upon acceptance of the Purchase Order. The Supplier is obliged to comply with the conditions of the COMPANY's "Facility regulations", which includes penalties in cases of theft, damage to property, traffic violations and non-compliance with safety and security regulations as stipulated therein or any other incidents of similar nature thereto covered under non-compliances.

Compliance with nationally and internationally valid rules and, regulations and laws is one of the most important principles of a collaborative partnership, serving to secure our long-term economic success.

Morally upright business practices and compliance, i.e. observing and complying with the law (in force and as amended from time to time) as a matter of course, are an important part of the COMPANY's corporate culture.

The Supplier undertakes in connection with the Purchase Order/Contract, to comply with all applicable legal specifications, in particular but not exclusively the anti-corruption, anti-money laundering, export control, data protection and antitrust laws. Its governing bodies, managers and employees are responsible for complying with the applicable laws, in particular but not exclusively the applicable anti-corruption, anti-money-laundering, export control and data privacy laws, as well as antitrust law. The Supplier will maintain an adequate, risk-based selection and review procedure for this purpose and provide the COMPANY with the necessary information for its selection and review procedures. The Supplier will pass these requirements onto its vicarious agents, representatives and persons acting for it or in its name with its acquiescence (hereinafter "**related parties**").

At the effective date of the Purchase Order/Contract, to the Supplier's positive knowledge neither the Supplier nor its related parties have unlawfully offered, paid, lent, promised or surrendered to or requested or accepted from an officer, employee or agent of a business establishment, nor have they approved, any monetary or other advantage in connection with the Purchase Order/Contract, either directly or indirectly, or for their benefit, with the particular aim, in an unlawful manner,

- of influencing an act or decision by these persons in the exercise of their activities,
- of inducing these persons to act, or to refrain from acting, in breach of their duties,
- of obtaining an unlawful advantage, or
- of inducing these persons to exercise their influence with a public entity or business establishment in order to bring about or influence an act or decision by such public entity or business establishment,

and thereby of obtaining a business advantage for themselves or for a third party. The Supplier will also refrain from doing this in future and will endeavour to the extent possible and reasonable to prevent its related parties from engaging in such behaviour.

If the Supplier culpably (i.e. intentionally or by disregarding the due care it is required to exercise in the course of business) infringes or breaches an obligation set forth in this Article, the Supplier will hold the COMPANY harmless against all third-party claims resulting from and in connection with a culpable breach of the aforementioned obligations.

5. Conflict of interest

The Supplier warrants that at the date of entering into the Purchase Order/ Contract, it does not and is not likely to have a conflict of interest (direct or indirect or through a third party Supplier) in the performance of its obligations under the Purchase Order/Contract. If a conflict or risk of conflict of interest arises (without limitation, because of work undertaken for any person or otherwise) the Supplier will immediately give notice of such conflict of interest, or the risk of it, to the COMPANY in writing.

A conflict of interest arises, without limitation, when the material personal interests of the employee of the COMPANY or any of its holding, subsidiary, associate or group companies or any other person associated with the COMPANY or its Group entities are inconsistent with the responsibilities of his/her position with the COMPANY or its respective companies/entities, or the Supplier otherwise tries to exploit the information, process, relationship, business interest by influencing the existing systems,

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processes, authority levels in the COMPANY to get undue and undesired benefit or when a Supplier establishes any direct or indirect business association with the employee and/or relative of the employee of the COMPANY to gain, share any monetary or other benefit or any other situation that creates any conflict of interest with the interests of the COMPANY. The Supplier will take all reasonable measures to ensure that its employees, personnel, agents and sub-Suppliers do not engage in any activity or obtain any interest which is in conflict with providing the Supplier services to the COMPANY fairly and independently. The Supplier will immediately give notice in writing of any conflict of interest relating to the activities or interests and take steps that the COMPANY reasonably requires to resolve the conflict or deal with the risk to the COMPANY.

Failure of the Supplier to comply with the above conflict of interest obligation may, at the sole discretion of the COMPANY, lead to the cancellation and/or termination of the Purchase Order / Contract and black listing of the Supplier for future business dealings with the COMPANY. Further, the COMPANY reserves its right to initiate necessary legal action against the Supplier in this regard.

6. Insurance of activities carried out in COMPANY premises

The Supplier has to arrange and ensure the following and keep the COMPANY indemnified from,

- Workmen Insurance including sub- contractors, if any engaged by them.
- Insurance covering all risks/accident/injury including third party in case of Supply & Installation in Construction Projects
- Insurance of plant & machinery brought on the site.

The necessary insurance shall be in place immediately upon the start of the works and should be kept valid throughout the Purchase Order/Contract period including the extensions thereof. In case the necessary insurance is not in place and if the COMPANY becomes obliged to cover the necessary insurance or incur cost for payment of damages , the cost such incurred would be debited to the Supplier account. The above is applicable for all type of Purchase Orders against which the Supplier has engaged manpower works at the premises of the COMPANY and/or the works are executed at the site of the COMPANY. Workmen Compensation Insurance Policy and Other Insurance Policies shall have sufficient cover for the Supplier's engaged manpower, whether direct or through sub- contractor, working at the COMPANY's Premises against any direct or indirect loss or damage caused to person or property of such worker or third party due to any accident, injury, death or any other mishap. The Supplier shall be responsible and liable for settlement of all such claims of compensation, loss or damage by the workers or any third party at its own cost and efforts without any recourse to the COMPANY.

7. Services on factory or industrial premises (If Applicable)

In the event, goods are supplied and/or services are performed by the Supplier within the premises of the COMPANY, the Supplier shall comply with the following obligations:-

- i) The supply of goods and/or services shall be performed by the contracting Supplier independently and on its own authority in accordance with the COMPANY's technical and organizational specifications under the supervision and managerial authority of the responsible employee designated by the contracting Supplier. The decision on the choice of personnel shall be made by the contracting Supplier.
- ii) On-site contact persons shall be designated by both Parties for all information to be exchanged. Regular coordination meetings should take place between the Parties' contact persons to discuss the content and performance of services and to exchange all information needed for the fulfillment of the Purchase Order/ Contract.
- iii) For each change of personnel and during the orientation period for new employees, the contracting Supplier shall ensure that the contractually agreed performance meets agreed quality standards.

8. Inspection and Performance of Services & Operations Rendered

Unless determined otherwise by the COMPANY, the COMPANY's premises shall be the place of performance. Partial deliveries shall be permissible only if expressly agreed in writing between the Parties. The deliveries ahead of schedule shall also be subject to written agreement with the COMPANY.

The COMPANY reserves the right to inspect the goods after the receipt of ordered goods at the specified location. If the COMPANY ascertains deviations from an order or a bill of delivery, (e.g. differences in quantity, quality shortcomings or damage caused by transportation) it may return the consignment at its sole discretion or accept it without prejudice to its legal rights in this regard.

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Delivery of goods shall be made in accordance with the COMPANY's written instructions. The Supplier shall ensure that the delivered goods are accompanied by appropriate accompanying documents viz., packing list, bill of lading (in case of delivery from outside India), original invoice, a document confirming the origin of goods and any other documents as required. The Supplier shall compensate the COMPANY for damages it incurs as a result of the absence of the above-mentioned documents.

The Supplier undertakes to perform and render all and any services, work and operations ordered by the COMPANY through its own employees/authorized representatives employed pursuant to general legally binding regulations. Further, the Supplier undertakes not to allow employees/ workers/ authorized representatives to perform any of the obligations with respect to the Purchase Order/ Contract, without valid documentation and permissions as are required to perform and render the ordered services, work and operations.

The services and/or goods supplied must satisfy the provisions of the Purchase Order/ Contract. The Supplier shall not be deemed to have satisfied the provisions of the Purchase Order/ Contract if the goods and/or services are not in compliance with the COMPANY's expectations pursuant to this Purchase Order/ Contract

Where no detailed description has been provided of the requirements of the services and/or goods, they shall in any event be of good quality and satisfy, at the very least, the normal requirements of reliability, effectiveness and workmanship.

9. Termination:

The COMPANY reserves the right to cancel or terminate this Purchase Order/ Contract without assigning any reasons by giving 30 days' written notice to the Supplier.

The COMPANY also reserves the right to terminate this Purchase Order/ Contract with immediate effect for cause without prior notice upon the happening of any of the following events:

(a) If the Supplier defaults in the due performance or observance of any of the obligations, covenants, conditions, warranties or provisions contained herein including but not limited to failure to supply and / or any omission with respect to the provision of the above said goods/services conforming to the COMPANY's specifications, within the agreed delivery date.

(b) If any representation, warranty, information or statement made or deemed to be made by the Supplier, whether explicitly or not, proves to be untrue, incorrect or misleading in any respect or if any event occurs as a result of which, if any of the aforesaid representations, warranties or statements become untrue, incorrect or misleading in any respect.

(c) If the Supplier goes into dissolution or liquidation or any order is made or any resolution, law or regulation is passed or other action is taken for Supplier's dissolution or liquidation or if the Supplier otherwise enters into liquidation, insolvency resolution process or restructuring.

(d) If any of the Supplier's directors or members of senior management, or any persons employed/engaged by the Supplier, receives a final and binding sentence of imprisonment, or any criminal proceedings are initiated against them or are accused of or convicted for fraud, theft or embezzlement, or commit any act jeopardizing the business of the COMPANY, or pose a risk of committing such act, or commit an act causing any material loss to the COMPANY or pose a risk of committing such act or cause potential damage to the reputation of the COMPANY.

(e) If the Supplier applies for and/or agrees to an arrangement with its creditors or any proceeding or arrangement by which a substantial part of Supplier's assets is submitted to the control of its creditors.

(f) If the Supplier becomes or is declared by any Government and/or Statutory and/or Judicial Authority or any other competent authority to be insolvent or is unable or admits in writing its inability to pay its debts as they fall due or becomes subject to or applies for any suspension of payment, bankruptcy, insolvency or reorganization proceedings, if such inability or cessation, in the COMPANY's opinion has a material adverse effect on it..

(g) If the consent of any Government and/or any other Authority, required for the validity, enforceability or legality of the terms hereof ceases to be or is not for any reason in full force and effect or such performance becomes unlawful.

(h) If the Supplier is in contravention of any applicable laws including its failure in obtaining necessary permits/ consents for the performance of the terms under the Purchase Order/ Contract.

(i) If extra-ordinary circumstances have occurred which in the COMPANY's sole opinion make it improbable for the Supplier to fulfill its obligations here under.

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In case of cancellation or termination of this Purchase Order/ Contract, either with cause or without cause, all the payments towards unfulfilled transactions, made to the Supplier, pursuant to the terms hereof shall become immediately due and payable to the COMPANY, along with liquidated and other damages.

11. Non-Waiver

Any cancellation or termination of this Purchase Order/ Contract shall not constitute a waiver by the COMPANY of any obligation that by its terms shall survive such cancellation or termination or a waiver of any claim which the COMPANY may have for actual damages caused by reason of, or relieve the Supplier from liability for, any breach of the terms and conditions of this Purchase Order/ Contract prior to such termination or cancellation.

12. Force Majeure**12.1 Force Majeure Event:**

Force majeure means any event or circumstance or a combination of events and circumstances which are referred below and are beyond the reasonable control of the Party affected by the Force Majeure Event and the Party affected by the Force Majeure Event could not have prevented by exercise of reasonable skill and care, and which (or the consequences of which) materially affect the performance by the Party affected by the Force Majeure Event, of its obligations under this Purchase Order/Contract in whole or in part:

- (a) storm, to the extent that it could not reasonably have been expected to occur at the place, at time of the year, in question;
- (b) cyclone, hurricane, earthquake, volcanic eruption, flood or landslide;
- (c) pandemic, epidemic or famine; - Government mandate Lock down restrictions.
- (d) fire caused otherwise than by any act or omission of the Party affected by the Force Majeure Event;
- (e) an act of war, invasion, armed conflict or act of foreign enemy, blockade, embargo, revolution, riot, insurrection, terrorist or military action, civil commotion;
- (f) radioactive contamination, nuclear blast or ionizing radiation;
- (g) any event of circumstance of a nature analogous to any of the above act or an act of God.

The Force Majeure Event shall exclude any industrial dispute and/or strikes and/or boycotts and/or any reasonably foreseeable event to the extent that its effects could reasonably have been mitigated.

12.2 Obligation of Parties to perform:

The obligation and liabilities of the Parties under the Purchase Order/Contract would continue as long as the performance is not impeded by Force Majeure Event defined in clause 12.1 hereinabove. The Party affected by Force Majeure Event shall resume performance of its obligations under the Purchase Order/Contract as soon as possible after the Force Majeure Event no longer exists. In the event Supplier is prevented from supplying any goods and services under the Purchase Order / Contract due to the Force Measure event defined in Clause 12.1 hereinabove, COMPANY shall not be liable to make any payment to Supplier for the period till the Supply of Goods and Services remains suspended.

12.3 Procedure**12.3.1 Notice**

The Party affected by the Force Majeure Event shall give notice to the other Party in writing / via official email of the occurrence of any Force Majeure Event defined in Clause 12.1 hereinabove as soon as the same arises and, and in any event within 7 days after the knowledge by the Party affected by the Force Majeure Event, or by the Party affected by the Force Majeure Event ought to reasonably have knowledge of its occurrence.

Notice shall *inter alia* include full particulars of:

- (a) The nature of each Force Majeure Event;
- (b) The date and time effective when the performance of the Party affected by the Force Majeure Event, of its obligations under this Agreement, was affected;
- (c) The effect which such Force Majeure Event is having on the performance of the Party affected by the Force Majeure Event of its obligations under the Purchase Order/ Contract;

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- (d) The measures which the Party affected by the Force Majeure Event has taken, or proposes to take, to alleviate the impact of the Force Majeure Event/s or to mitigate the damage; and
- (e) Other relevant information.

12.3.2 Reporting requirement

For as long as the Party affected by the Force Majeure Event continues to claim to be affected by the Force Majeure Event, it shall provide the other Party with regular (and not less than monthly) written / via email reports containing:

- (a) The information called for in Clause 12.3.1; and
- (b) Such other information as the other Party may reasonably request.

12.4 Period of Force Majeure

In this Clause 12.4, reference to a period of Force Majeure shall mean the period from the date and time specified in the notice given by the Party affected by the Force Majeure Event in respect of an event or circumstance of Force Majeure, until the earlier of:

- (a) Such time as the performance by the Party affected by the Force Majeure Event of its obligations hereunder is no longer or would no longer have been, if the Party affected by the Force Majeure Event had complied with its obligations under this Clause 12.4, materially and adversely affected by such event or circumstance of Force Majeure; and
- (b) If the Purchase Order/Contract is terminated pursuant to Clause 12.5 by reason of the event or circumstance of Force Majeure, the date in respect thereof of service of such notice.

When the Party affected by the Force Majeure Event is able, or would have been able if it had complied with its obligations under the provisions of this Clause 12.4, to resume performance of all its obligations, under the Purchase Order/ Contract, affected by the occurrence or continuation of an event or circumstance of Force Majeure, then the period of Force Majeure relating to such event or circumstance of Force Majeure shall be deemed to have ended and the Party affected by Force Majeure Event shall forthwith give notice in writing / via email to that effect to the other Party.

12.5 Termination due to Force Majeure

In the event that any Force Majeure Event shall physically impede or prevent the Party affected by the Force Majeure Event from performing its obligations under the Purchase Order/Contract for more than 30 days from the date of commencement of such force majeure event, the Parties may mutually decide the terms upon which the Supplier shall continue the performance of its obligations or terminate the Purchase Order/Contract.

12.6 Consultation and duty to mitigate

For so long as the period of Force Majeure is continuing, the Party affected by the Force Majeure Event shall consult with the other Party and the Party affected by the Force Majeure Event shall use all reasonable endeavours to alleviate its effects on the performance of its obligations under the Purchase Order/Contract. The other Party shall afford reasonable assistance to the Party affected by the Force Majeure Event to alleviate the effect of the Force Majeure Event on the performance by the Party affected by the Force Majeure Event of its obligations under the Purchase Order/Contract.

13. Protection of Rights

The Supplier shall ensure that the goods delivered and/or services rendered to the COMPANY do not, when taken together or as individual elements, infringe the intellectual property rights (including arising from trademarks, patents or industrial designs) of any third party and that the goods and/or services are not burdened by any third party's rights in the Republic of India or abroad.

The Supplier shall inform the COMPANY of the use of all its own intellectual properties including trademarks, patents or industrial designs and the licensed use of third party intellectual properties including trademarks, patents and industrial designs on the goods delivered or services rendered to the COMPANY.

This shall not apply if the Supplier produced the goods according to drawing, models or other comparable descriptions or information handed over by the COMPANY and the Supplier does not know, or in connection with the products which the Supplier develops, does not have to know, that it is infringing protected rights.

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If so requested by the COMPANY, the Supplier shall inform the COMPANY in writing, of the use of unpublished or licensed protected rights and applications for protected rights in the production of the goods.

The Supplier may not use solutions and procedures which are the COMPANY's or the Volkswagen Group's intellectual property in violation of the COMPANY'S intellectual property rights or where the COMPANY is a licensee of the intellectual property.

The Supplier will not apply for the registration of an invention or industrial design for any solution which is the intellectual property of the COMPANY/Volkswagen Group and was handed over to the Supplier with documents or which was discovered during development work for the COMPANY/Volkswagen Group or during consultations with the COMPANY's specialists. No such solution may be recognized and remunerated as an improvement proposal. If the Supplier obtains protected rights in a manner inconsistent with the previous paragraph, the Supplier shall immediately transfer them to the COMPANY.

The Supplier shall, upon execution of this Purchase Order/ Contract, respect the intellectual properties belonging to the COMPANY. Immediately upon the termination of the Purchase Order/ Contract for any reason whatsoever, the Supplier shall immediately cease from using the intellectual properties of the COMPANY and/ or Volkswagen Group and shall return the same to the COMPANY. Further, in the event of any misuse and/or infringement of the intellectual properties belonging to the COMPANY and/or Volkswagen Group, the COMPANY reserves the right to take necessary legal remedies available under applicable law.

14. Pricing & Taxes:

Prices mentioned in the Purchase Order/ Contract are firm till delivery and no escalation whatsoever would be allowed. The total value of this Purchase Order/ Contract (excluding taxes) is the maximum amount allowed to be billed under this Purchase Order/ Contract. However, such maximum amount does not entitle the Supplier to claim the full amount without the performance of activities as per this Purchase Order/ Contract. In case this Purchase Order/ Contract is terminated for any reason then the amount of this Purchase Order/ Contract shall stand closed on pro-rata basis.

Every Supplier, subject to the provisions of the GST Legislation has to register itself on Goods and Services Tax Network ("GSTN"), a website / platform provided by Government of India for initiating/ recording/ reporting any transaction in relation to GST. Further that Supplier shall indemnify the COMPANY for the loss caused in case the input tax credit of GST is not passed on to the Volkswagen Group Company/ies for any reason whatsoever. In order to claim the input tax credit/set off of any indirect taxes (current or erstwhile, including but not limited to value added tax, entry tax etc.), GST and applicable Cess(es) or any other tax or duty, the Supplier has to provide appropriate invoice / document prescribed under the Applicable Laws. The Supplier should also submit other statutory documents as applicable, from time to time to be furnished to the COMPANY's - Finance & Accounting Department [in the correct name/ Goods and Services Tax Identification Number ("GSTIN") of the transacting entity of Volkswagen Group Company in India] for taking credit. The COMPANY accepts only computer printed/ digitally signed invoices for proper recording, monitoring and processing the payments. No handwritten invoices shall be accepted. Payments for handwritten invoices shall not be processed. Vendor to issue E-invoicing as applicable to it based on its turnover as per the GST regulations.

The Supplier undertakes to provide to the COMPANY the order of Indian Income Tax Authority under section 195 of the Income Tax Act, 1961 of India for determination of the appropriate withholding tax before COMPANY makes the remittance to Supplier. The remittance will be affected after Supplier provides the said order to the Direct Tax team of COMPANY. No interest will be payable by COMPANY to Supplier for delay in remittance on this account.

T.D.S (tax deduction at source) for "material / services" provided will be deducted as applicable according to the Indian Taxation Laws and Regulations. Accordingly, the T.D.S Certificate will be issued by COMPANY's Finance department.

COMPANY would deduct the amount with respect to taxes and other contributions from the payment due and payable to Supplier as applicable under any Central / State Government and local authority in the manner and time and at the rates applicable from time to time, unless Supplier submits a specific certificate for non-deduction or lower deduction of taxes/ contribution, under the applicable legislation from the relevant statutory authority in advance.

If Supplier has not submitted the proper invoice for availing any tax credit and the COMPANY is not able to avail the Tax credit, then COMPANY shall effect the payment to the Supplier after deducting the equivalent amount of the Tax credit so lost.

The Supplier shall be solely responsible and liable for any of its wrong assumption/omissions/consideration of all applicable taxes, duties and levies in the Purchase Order/ Contract price including on account of non-compliance with any statutory procedure for claiming the tax exemption, concession if any. In addition to above, taxes, duties and levies, if any, which are prevailing on the date of signing of the Contract, but not considered by the Supplier in the Contract price, shall be borne and paid by the Supplier.

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The Supplier shall bear and pay all taxes, duties, charges or levies which may be assessed, imposed or levied upon the Supply/ Works outside India or any receipt realized by him outside India in connection with and in the execution of the Contract by any country or governmental agency thereof in which the goods/ Works/ services are carried out as per this Purchase Order & agreement.

Further, it would be the obligation of Supplier to immediately inform COMPANY on account of any subsequent order(s) passed by the tax authorities amending the withholding tax order referred above. In case there is a delay or default on part of Supplier to inform COMPANY of such amendment(s) to the withholding tax order, then Supplier will immediately reimburse COMPANY for the tax/ interest / penalty / litigation costs (including fees of advisors) or any other costs borne by COMPANY (including any interest, penalties or income-tax impact on account of any remittance amount) and that Supplier would not wait for the order of the appellate authorities to reimburse the tax/ interest / penal / other aforesaid costs.

If any Supplier is registered as a Micro, Small or Medium Enterprise, it shall provide due notice of such status to the Company before initiating supplies under this Purchase Order / Contract. Such Supplier shall make available the invoices to Company in a timely manner so that payment can be made as per agreed payment terms. Company shall not be held liable for any delay in the payment of invoices, if the invoice submission is delayed at Suppliers end.

Supplier needs to provide tax documents, viz. Tax Residency Certificate, Form 10F, self-declaration confirming no Permanent Establishment in India. These documents need to be provided on an annual basis in line with provisions of Indian Income-tax Act, 1961. In absence of said documents, SAVW will be forced to withhold tax at 40% plus applicable surcharge & cess (as per local Income-tax provisions of Specific Economic Practice) while releasing the payments.

15. Anti- Profiteering Clause

Any reduction in rate of tax on the supply of goods or services or the benefit of input tax credit or any other benefit accrued in consequence of provisions under GST or any other applicable laws shall be passed on to the COMPANY by way of commensurate reduction in prices.

16. Discounts

Any discount given to the COMPANY before or at the time of supply of goods or services shall be distinctly mentioned in the invoices. Any discount given after the supply has been affected shall be granted through the issue of a Credit Note which shall have reference to the original invoice against which discount has been granted.

17. Internal Audit clause

The Supplier hereby grants the officials of Internal Audit department or any other officer of the COMPANY and/or such other officer or agencies appointed by the management of the COMPANY such as statutory auditors, tax advisors, external consultants etc. (hereinafter referred as "**Review Agency**"), who are bound to professional confidentiality, the right to review and inspect all data and documents created between the Parties, as a result of the transactions arising out of the business relationship described in the Purchase Order/ Contract. In the event of such a review by the Review Agency, the Supplier shall ensure participation and full co-operation by its employees from department(s) dealing with the transaction under review. The Supplier shall also ensure that its sub-Suppliers or any other third party supplier related with such transaction under review including its agents, representatives, associates etc. shall participate and give their full co-operation for such review by the Review Agency. Further, the Supplier shall ensure that its sub-Suppliers, agents, representatives, associates etc. shall be bound by strict professional confidentiality obligation of such review at its own expense.

The Supplier hereby agrees and makes a commitment to the COMPANY to include suitable clauses for an identical right of review and inspection of the transaction data and related documents in favour of the COMPANY's Review Agency in its contracts with its agents, representatives, associates, sub-Suppliers etc. related to such transactions under review of the Review Agency.

In the event of mandatory inspections (e.g. tax audits) required under any applicable law or rules and regulations, the inspectors and/or statutory authorities are to be granted access to accounting documents, the original documents or certified legible copies (hardcopies) must be provided in an adequate timeframe. Information of such inspections or audits shall be immediately given by the Supplier to the COMPANY.

18. Damages for Delay in Supply and Services

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The Parties agree that if the parts/machinery and/or services to be supplied /performed hereunder are not performed and/or delivered/developed on or before the agreed date and as per the agreed specifications and as a result, the COMPANY suffers damages, the COMPANY shall claim liquidated damages from the Supplier.

The amount of liquidated damages shall be 0.5% of the total value under this purchase order for every week's delay up to a maximum of 5% of the total value. In case, there is a separate/ additional service level agreement/negotiation or supply agreement/negotiation is mutually agreed upon between the Parties under this clause, the terms and conditions of such separate agreement / negotiation in relation to this clause shall also be applicable.

In the event the Supplier fails to execute the order as per the provisions of the Purchase Order/ Contract including but not limited to the contractual delivery time period indicated therein, the COMPANY reserves the right to cancel the order in part or full without any compensation and purchase/execute such cancelled item from alternative sources. Any extra cost incurred by the COMPANY on such purchases/services shall be recovered from the Supplier with cost incurred by the COMPANY either by way of deduction from pending bills or future bills (from future work orders) by the COMPANY or by means of separate remittance.

19. Liability

The liability of Supplier shall be limited to the contract value / order value. Such limitation of liability shall not be applicable for any claims that relate to non-compliance of any rules and regulations on the part of Supplier, breach of confidentiality requirements, claims of personal injury or stoppage of production due to non-receipt of goods / service supplied by the Supplier under this Purchase Order / Contract

20. Right to Impose Penalty/Debit Notes

The COMPANY shall impose appropriate penalty for any violation of terms and conditions contained in any service or supply agreement to the Supplier, the debit note if received or acknowledged by any of the Supplier's representative, shall be final and conclusive evidence of debit. Taxes as applicable, if any, shall be charged in addition to the penalty levied.

21. Withholding of payment

The COMPANY shall be entitled to withhold the payment made to the Supplier, in case where the Supplier has not fulfilled its obligation under the Purchase Order/Contract or in case the dues payable to the COMPANY exceeds the claim of the Supplier. The Supplier shall quote Purchase Order Number & Vendor Code in all its Delivery Challans / Original Invoices for fast & smooth payments.

22. Dispute Resolution & Jurisdiction

Any dispute or difference or claims of any kind between the Parties arising out of or in relation to this Purchase Order or Contract, whether before or after the termination of this Purchase Order or the Contract, shall be resolved in the first instance through amicable discussions between the representatives of the Parties who shall meet together promptly, at the request of any Party, in an effort to mutually resolve such dispute, difference or claim by discussion between them.

If the dispute is not resolved through the amicable discussions provided for above within thirty [30] days from the date of commencement of such discussions or such longer period as the Parties agree in writing, then either Party may refer the dispute to arbitration in accordance with the Arbitration and Conciliation Act, 1996 along with any amendments thereto in effect on the date of the dispute. Such arbitral reference shall be to a sole Arbitrator to be jointly appointed by the Parties. The venue and seat of arbitration for resolution of disputes in connection with the Purchase Orders/ / Contracts executed between SKODA Auto Volkswagen India Private Limited and the Supplier shall be Mumbai and /or the venue and seat of arbitration for resolution of disputes in connection with the Purchase Orders/ Contract executed between Volkswagen Group Technology Solutions India Private Limited shall be Pune. The Arbitration proceedings shall be conducted in English and the award passed shall also be in English. Any decision or award resulting from arbitration shall be subject to the provisions of the Arbitration and Conciliation Act, 1996 along with any amendments thereto in effect on the date of the dispute and rules framed thereunder and shall be final and binding upon the Parties. The fees and expenses of the Arbitrator and all the other expenses of the arbitration shall be borne and paid equally by the respective Parties, subject to the final determination of costs by the Arbitrator. The Arbitrator may provide in the arbitral award for the reimbursement to the prevailing Party of its costs and expenses in bringing or defending the arbitration claim, including legal fees and expenses incurred by a Party.

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Governing Law and Jurisdiction:

All matters referred to above shall be subject to laws governed in India. All matters in connection or arising out of the terms and conditions of the Purchase Orders Issued / Contracts executed by the Supplier with ŠKODA AUTO Volkswagen India Private Limited or Volkswagen Group Technology Solutions India Private Limited shall be subject to the exclusive jurisdiction of courts in Mumbai or Pune respectively.

23. Business Partner Due Diligence Approval (BPDD)

The Supplier hereby authorizes the COMPANY to conduct business partner due diligence as per Compliance policies of the COMPANY at any point of time. The Supplier also authorizes the COMPANY to obtain and upon request, shall assist the COMPANY in obtaining information about the Supplier's financial condition from third parties, including without limitation banks, credit reporting agencies and other businesses that provide information.

Any terms and condition included in the Supplier's invoice or any other documents issued by the Supplier, shall be deemed to be solely for the convenience and no such term or conditions shall be binding on the COMPANY.

24. Use of Corrupt Practices, Unfair Means

- a) The Supplier commits itself to take measures necessary to prevent corrupt practices, unfair means and illegal activities during any stage and/or tenure of the Purchase Order/Contract and/or during any pre-agreement or post-agreement stage in order to secure the agreement and/or in furtherance to secure.
- b) The Supplier shall not use the services of any of the employees of the COMPANY, directly or indirectly or enter into any sort of monetary transaction with the employees of the COMPANY. The Supplier undertakes that it has not given, offered or promised to give directly or indirectly any bribes, commission, gift, consideration, reward, commission, or inducement to any of the employees of the COMPANY or their agent or relatives for showing or agreeing to show favor or disfavor to any person in procuring this Purchase Order/ Contract or for bearing to do or for having done or forborne to do any act in relation to the obtaining or execution of the aforesaid undertaking, by the Supplier or its partners, agent or servant or any one authorized by them or acting on its behalf. The Supplier undertakes that in the event of use of any such corrupt practices by the Supplier, the COMPANY shall be entitled to cancel the Purchase Order/ Contract and recover from the Supplier, the amount of any loss arising from such cancellation. A decision of the COMPANY or its nominee to the effect that a breach of the undertaking had been committed shall be final and binding on the Supplier.
- c) Unless agreed otherwise, the most current version of the "Code of Conduct for Business Partners" valid at the time of contract conclusion is part of this contract. In the event that the Code of Conduct for Business Partners is not enclosed with the tender or the contract award, it can be obtained via: www.vwgroupsupply.com or www.volkswagenag.com The Supplier must comply with the COMPANY'S latest CODE OF CONDUCT policy which is available at COMPANY'S website www.vwgroupsupply.com or www.volkswagenag.com

25. Confidentiality

The Supplier agrees to treat as business secrets all commercial and technical information of which it becomes aware by reason of their business relationships unless such information is common knowledge.

- i) Drawings, models, jigs and templates, sample parts, or similar property may not be provided or otherwise made available to unauthorized third parties. The reproduction of such property is permissible only within the limits of business requirements and copyright law.
- ii) Analogous obligations must be imposed on sub-suppliers.

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- iii) The Supplier may only use their business relationship for advertising purposes with prior written consent of the COMPANY.

In case of breach of the Purchase Order by the Supplier due to above conditions, then in that case recovery of monetary damages may be an insufficient and inadequate remedy for the COMPANY, in which case the COMPANY may, without waiving any rights or remedies, apply to the court of competent jurisdiction for an injunction to prevent or restrain breach of the Purchase Order/ Contract by the Supplier.

26. Indemnity

The Supplier undertakes to indemnify, defend and keep the COMPANY and its directors, employees, agents and representatives indemnified and harmless against all claims, disputes, demands, actions, judgments, penalties, settlements, expenses (including attorney fees), losses, costs and damages that may be incurred / suffered by the COMPANY, including but not limited to costs, expenses, damages and losses incurred or suffered by the COMPANY in defending any proceedings, civil or criminal (including claims towards physical injury or death of any person) arising out of or in connection with or as a consequence of a breach or non – performance on part of the Supplier of its obligations, undertakings, warranties, provisions or covenants under this Purchase Order / Agreement and / or earlier Agreements or as a result of negligence, misconduct, recklessness, non-compliance, error, etc. on part of the Supplier or of its directors, employees, agents, contractors, representatives, associates or third parties.

The Supplier shall pay to the COMPANY the amounts demanded by the COMPANY under this Purchase Order / Contract immediately on demand without prejudice to the COMPANY'S right to adjust the same from any amounts of monies payable to the Supplier and without prejudice to other rights and contentions available to the COMPANY. The indemnities expressly provided by the Supplier contained herein shall continue in full force and effect notwithstanding the termination or expiry of this Purchase Order / Contract.

27. Severability

If any provision of the Purchase Order/Contract, is or becomes void, invalid or unenforceable for reasons of law or fact, the validity of the remaining provisions will be unaffected thereby. In such a case the Parties will replace the void, invalid or unenforceable provision with a provision consistent with the economic objective of the Purchase Order/Contract and the associated functions in writing.

28. Non-Exercise of Rights

If one contracting Party does not exercise a right to which it is entitled, it does not thereby waive the option to exercise this right at a later time. This does not refer to a waiver of the defense of limitation or forfeiture of rights or circumstances establishing statutory limitation or forfeiture. Further, except as expressly provided in the Purchase Order/Contract, the waiver by any Party or the failure by any Party to claim a breach of any provision of the Purchase Order/Contract does not constitute a waiver of such breach or any subsequent breach or affect in any way the effectiveness of that provision or the rights and remedies of the Party claiming the breach of the Purchase Order/Contract.

29. Notices

1. Save as expressly provided otherwise, any notice required to be given under the Purchase Order/Contract shall be in writing and shall be delivered by hand or sent by pre-paid first class post or registered delivery or by commercial courier or by e-mail, to each Party required to receive the notice at its address as set out below:
 - (a) the Supplier: to the last address/email that has been notified to the COMPANY or its registered office address;
2. Any notice shall be deemed to have been duly received:
 - (a) If delivered by hand or sent by email, when sent at the address including the email address referred to in this Article;

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- (b) If sent by pre-paid first-class post or registered delivery, on the third business day after posting; or
- (c) If delivered by commercial courier, on the date and at the time that the courier's delivery receipt is signed.

Additional requirements for International / Outside India Suppliers**Import Documents:**

Following are documents required for Import Clearance:

1. Invoice
2. Packing List
3. Country of Origin (can also be mentioned on invoice but preferably needed)
4. Catalogue
5. Fumigation Certificate (if wooden packaging is used)
6. Purchase Order Copy (if it is commercial transaction)

Invoice:

Below details are mandatory on Invoice:

1. Invoice should be in English
2. Description, Unit Price, Total Price & Incoterm should tally with purchase order
3. Country of Origin.
4. Actual manufacturer name
5. Bank details of the Supplier (required to make foreign remittance)
6. Purchase order number & date
7. Buyer & End User name (at least one is preferred to be mentioned on invoice)
8. Net weights against each line item (for some HS Code customs insists to file as per Net weight rather than quantity)
9. Incoterm should also mention the place e.g.CIF Nhava Sheva, EXW Dageling, FCA Filderstadt, etc.
10. Please try to use VW approved /nominated forwarders like DHL / DB Schenker so as to ensure smoother operations at customs.

Packing List:

Packing List should contain the following:

1. Number of packages & dimension of each package must be mentioned.
2. Net & Gross weights for each package must be mentioned.
3. Details of packaging for each package. This should contain details like Description & Quantity of material inside the package.
4. Proper outer labeling of the packages (this helps to trace the packages at the cargo section). Same should also be updated on the packing List.

Other Information:

1. Avoid inclusion of materials which are not in PO.
2. Avoid inclusion of materials which are Old & Used. Unless specified by end user or buyer with a proper agreement during negotiations. You need to check and follow the rules as per Indian custom laws in case you are sending and getting back the used equipment. For any assistance, you can have a preliminary check with the customs team of the COMPANY.
3. Identity of Physical material with documents (Invoice, Packing List, Country of Origin Certificate etc.) should be easily established i.e. Customs officer should be able to co-relate physical material with documents during examination.
4. One Export Promotion Capital Goods (EPCG) license taken vide One Invoice / One PO should be imported at a time. Don't use partial shipment. For any doubts/ assistance, you can contact customs team of the COMPANY.

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5. In the event, any customs duty benefits are availed by the COMPANY under preferential/ free trade agreement, any information required by the COMPANY to be submitted with the Governmental Authority in line with The Customs (Administration of Rules of Origin under Trade Agreements) Rules, 2020 ("CAROTAR Rules"), such information shall be made available by the Supplier to the COMPANY.

Definitions

The following terms shall have the meanings as set forth below:

Supplier	The vendor who competes with others to get the opportunity to supply material or provide a service for someone else by offering to do it for a particular amount of money.
Purchase Order	A completed and signed document in standard COMPANY layout by which the COMPANY places an order under a Specific Agreement.
Request For Quotation (RFQ) / Order acceptance	The agreement that comes into existence upon the written acceptance by the Supplier of the RFQ/ Purchase Order. Acceptance of RFQ/ Purchase Order on email/correspondence by the Supplier will amount to acceptance of all the terms and conditions of the RFQ/ Purchase Order including the general terms and conditions stipulated herein. In case of no revert within 7 days, it will be considered as the Supplier's acceptance.
Agreement / Contract	These Terms and Conditions and all Specific Agreements, annexures, schedules and appendices attached thereto or incorporated therein by reference.
Applicable Law	It shall mean all laws, ordinance, statutes, rules, orders, decrees, injunctions, licenses, permits, approvals, authorisations, consents, waivers, privileges, agreements and regulations (including but not limited to Goods and Services Tax Legislation, Customs Act, 1962, etc.) of any Governmental Authority having jurisdiction over the relevant matter as such are in effect as of the date hereof or as may be amended, modified, enacted or revoked from time to time hereafter.
Company Premises	Company Premises shall mean any office, plant, warehouse established by the Company for carrying out its business.
Deliverables	All materials, rights and/or services the Supplier has agreed to provide to the COMPANY pursuant to an Order or Specific Agreement. Deliverables may include (without limitation) Developed Software, Documentation, interfaces, training and source code, but shall exclude Supplier Pre-Existing Intellectual Property Rights (IPR).
Final Acceptance	The date on which the COMPANY certifies or is deemed to have certified satisfactory completion of Acceptance Tests of the Deliverables
Goods and Services Tax Legislation	Central Goods and Services Tax Act, 2017 ("CGST Act"), Integrated Goods and Services Tax Act, 2017 ("IGST Act"), State Goods and Services Tax Act, 2017 ("SGST Act") of respective states and Goods and Services Tax (Compensation to States) Act, 2017 ("Compensation Act") and rules and regulations framed thereunder, together referred to as GST Legislation
Governmental Authority	Governmental Authority or Government shall mean any government or quasi-government authority, ministry, statutory authority, government department, agency, commission, board, tribunal or court or other law, rule or regulation-making entity having or purporting to have jurisdiction on behalf of or representing the Government of India, or government of any State of India, or any other country or jurisdiction, or any state, municipality, district or other subdivision or instrumentality thereof
Intellectual Property Rights	All rights in inventions, patent applications or issued patents and any continuation applications and continuation-in-part applications, reissue or divisional applications, copyrights (including rights in software (code) and software documentation), neighboring rights, database rights, models and design rights, trademark applications or granted trademarks, trade and business names, Internet domain names, rights to know-how and any other intellectual property right or right of similar nature, anywhere in the world implied by law or accruing under common law and whether registered or unregistered, or under application.
Milestone	A date specified as such in the time schedule in a Specific Agreement on which a Deliverable must be completed or provided successfully, or on which a Service or Project phase has to be started at the latest, as the case may be.
Pre-Existing IPR	Intellectual Property Rights vested in a Supplier, whether immediately prior to the execution of a Specific Agreement or otherwise, including in the case of the Supplier, Intellectual Property Rights or other proprietary works of authorship, that have not been created specifically for the COMPANY hereunder, including, without limitation, any derivatives thereof, which have been or are originated, developed, purchased, acquired or licensed by the Supplier or its Affiliates, or by third parties under contract to the Supplier or its Affiliates.
Services	Any services that the Supplier has agreed to provide to the COMPANY pursuant to this Agreement or one or more Specific Agreements.
Specifications	Specifications for Deliverables as set forth in the applicable Specific Agreement, including but not limited to technical and functional specifications. Specifications shall be based upon the requirements of the COMPANY.
Taxes	Taxes means but not limited to all present and future income and other taxes, levies, rates, imposts, duties, deductions, charges and withholdings whatsoever imposed by any authority having power to tax and all penalties, fines, surcharges, interest or other payments on or in respect thereof and the terms "Tax" and "Taxation" shall be construed accordingly.

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Warranty Period	Unless agreed otherwise, the default warranty period / defect liability period that shall apply will be 24 months the following delivery of the applicable Deliverable or the performance of such other Services, or such other period agreed upon in the applicable Specific Agreement.
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