

GENERAL TERMS AND CONDITIONS OF PURCHASE

1. GENERAL

1.1 These General Terms and Conditions shall, to the exclusion of terms and conditions applied by third parties, govern all requests for quotations made by VNC Electrodes & VNC Steel Distributors and any of its subsidiaries ("VNC") to a third party ("Supplier"), as well as all agreements and acts, whether of a preparatory or executional nature, which are related thereto, such as quotations, order confirmations, purchasing orders, orders and delivery dates, except to the extent that these General Terms and Conditions specify otherwise.

1.2 Deviating conditions shall only apply to the extent that VNC expressly agrees to them in writing, and they shall apply exclusively to the agreement(s) for which they are made.

1.3 In these General Terms and Conditions, "goods" shall be understood to include any products and services that the Purchase Order is issued for.

2. REQUESTS FOR QUOTATIONS

2.1 All requests for quotations and all information furnished in this context by or on behalf of VNC may contain industrial secrets, shall be treated with confidentiality and may only be used to prepare for the submission of a quotation.

2.2 If a request for a quotation explicitly deviates from these General Terms and Conditions, said deviations shall prevail. The applicability of the Supplier's own general terms and conditions is hereby expressly ruled out.

3. AGREEMENT

3.1 The Purchase Order (PO) and any attachments are the sole and exclusive agreement of VNC and Supplier for the products and services in this PO, and no other document, including the Supplier's proposal, quotation or acknowledgement form, will be part of this PO, unless specifically agreed to in writing by VNC.

3.2 VNC shall be entitled at all times to terminate negotiations without giving reasons and without being liable to compensate the other party.

3.3 It is binding on the suppliers to confirm the acceptance of this order within five days from the date of Purchase Order failing which it will be deemed that the order has not been accepted and is liable to be cancelled.

3.4 Agreements may only be amended and/or supplemented in writing.

4. QUALITY

4.1 The goods supplied or services rendered must satisfy the provisions of the agreement. They shall not be deemed to have satisfied the provisions of the agreement, if they do not possess the properties which VNC was entitled to expect pursuant to the agreement.

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

4.3 VNC shall be entitled to reject goods because they do not satisfy the provisions of the agreement, provided that VNC informs the Supplier accordingly within four weeks of having discovered this to be the case.

4.4 The goods delivered must be free from all special third-party charges, limitations and rights, including limitations and rights which result from or are connected with intellectual property rights, with the exception of third-party charges, limitations and rights which the Supplier informed VNC about in writing and which VNC has expressly accepted in writing. The Supplier shall hold VNC harmless against third-party claims in this respect, wherever and whenever such claims might be instigated, and also against any and all damage and costs which VNC might incur in this connection.

5. TESTING AND INSPECTION

5.1 VNC shall be entitled to test and/or inspect the goods for, amongst other things, damage, quantity, quality and weight within four weeks of their delivery.

5.2 The Supplier shall be obliged to render, free of charge, all reasonable cooperation required by VNC within the context of the testing and inspection, including the provision of personnel expertise.

5.3 Should the goods become damaged or are used during testing, the Supplier shall have no claims against VNC if the goods are partially or totally rejected, and VNC shall have no claims against the Supplier if the goods are approved.

5.4 Should VNC reject the goods or find them not to be in order during an inspection, the Supplier shall collect them at its own expense from VNC within seven days of VNC having informed the Supplier in this respect. Should the Supplier fail to satisfy this obligation, VNC shall not be responsible for the safety of such material and reserves the right to recover storage charge from Supplier.

6. DELIVERY AND TRANSFER OF TITLE

6.1 The Supplier shall deliver the goods within the agreed period to the agreed place.

6.2 VNC shall acquire title to the goods as soon as the goods are approved or found to be in order after inspection, unless VNC informs the Supplier in writing within four weeks that the goods do not satisfy the provisions of the agreement.

7. RISK OF LOSS

7.1 The risk of loss attaching to the goods shall pass to VNC with effect from the acceptance of delivery by VNC.

7.2 In the event that VNC rejects the goods, finds them not to be in order during inspection, or invokes its right to dissolve the agreement on reasonable grounds or its right to have the goods replaced, the risk of loss attaching to the goods shall be deemed to have remained with the Supplier throughout.

8. PRICES, CHARGES, INVOICES AND PAYMENT

8.1 All prices and charges shall be deemed to include all direct and indirect costs of whatever kind.

8.2 The prices and charges shall be fixed, unless the agreement specifies the circumstances, which may lead to price adjustments, as well as the way in which such adjustments are to take place.

8.3 Once VNC has acquired title to the goods, the Supplier shall send its invoices to the address specified by VNC in its order, quoting, in any event, the agreement number and the purchase order number, including all other legally required invoice details.

8.4 Invoices which satisfy the conditions of Article 8.3 shall be paid within forty-five days of the date of their receipt or as per agreed payment terms, after any possible settlement or compensation of VNC's claims against the Supplier has taken place.

8.5 VNC shall not be required to pay a proportional part of an invoice if it has not received the agreed quantity of goods at the agreed address.

8.6 Payment as described in Article 8.4 shall not prejudice any possible recovery rights or other claims on the part of VNC with regard to the goods delivered and/or services rendered.

8.7 Invoices and payments shall take place in Indian Rupees currency, unless otherwise specified in a purchase order.

8.9 The expiry of a payment period or non-payment of an invoice by VNC, shall not entitle the Supplier to terminate its services or, in the event that the expiry or non-payment is a result of the defective nature of the invoiced goods or services and/or the inaccuracy (of the content) of the invoice (details), to postpone its services.

9. FORCE MAJEURE

To the extent that a failure to comply with an obligation cannot be attributed to the Supplier itself and is not at the Supplier's risk, the Supplier shall not be deemed to be in default and shall not be liable to pay compensation, provided that the Supplier informs in writing about the default and the underlying reasons forthwith and, in any event, within the period agreed for compliance with the obligation.

10. COMPLIANCE

10.1 If the goods delivered fail to satisfy the provisions of the agreement, VNC may demand that the Supplier deliver the missing goods, or repair or replace the goods, within a reasonable period to be specified and agreed by VNC. Any and all costs related and/or involved shall be at the Supplier's expense.

10.2 In the event of the Supplier still failing to render the service in question within the period referred to in Article 10.1, VNC shall be entitled to have the delivery, repair or replacement carried out by a third party, and recover the costs involved from the Supplier, without seeking prior court intervention.

11. WARRANTY

Supplier warrants that:

1. it has the right to enter into this PO;
2. it is knowledgeable with, and is and will remain in full compliance with (at its own expense) all laws, rules and regulations that are, or may become, applicable in the provision of products and services hereunder including, without limitation,
 - a. applicable export and import laws, regulations, orders, and policies;
 - b. environmental laws, regulations or ordinances governing product environmental and energy characteristics, product content prohibitions, product end-of-life management/product take-back, and/or product safety related to VNC's transport, import, export, distribution, sale and/or use of Supplier's products as, or as part of, a Buyer product;
 - c. anti-corruption laws; and
 - d. laws and regulations regarding data privacy and data protection;
3. its execution of this Agreement will not result in a breach of any other agreements or contracts to which it is a party;
4. no claim, lien, or action exists or is threatened against Supplier that would interfere with VNC's rights under this PO;

5. products and services do not infringe any privacy, publicity, reputation or intellectual property right of a third party;
6. it and the products and services comply fully with all licensing agreements;
7. all authors have agreed not to assert their moral rights in the products and services, to the extent permitted by law;
8. products are free from defects in design and free from defects in material and workmanship;
9. products are safe for use consistent with and will comply with the warranties, specifications and requirements of this PO;
10. products do not contain harmful code and Supplier will not engage in electronic self-help;
11. products are new and do not contain used or reconditioned parts unless VNC agrees otherwise in writing;
12. it will not use, disclose, or transfer across borders any information that may identify an individual ("Personal Data") that is processed for or on behalf of Buyer, except to the extent necessary to perform under this PO;
13. it will not offer, promise or make, directly or indirectly any payment for the purpose of improperly influencing (or inducing anyone to influence) decisions or actions of any personnel;
14. it will implement and maintain appropriate technical and organizational measures and other protections for Personal Data;
15. it will not, nor will it authorize or permit Supplier Personnel to, disclose, export or re-export any of VNC's information, or any process, or product that is produced under this PO, without prior notification.

12. PROTECTION OF INTELLECTUAL PROPERTY RIGHTS

12.1 The Supplier guarantees that the goods it supplies and the services it renders shall not infringe any current third-party intellectual and industrial property rights and that the use of said goods and services shall not otherwise constitute a wrongful act towards third parties.

12.2 The Supplier shall indemnify VNC against claims from third parties in this respect, wherever and whenever such claims might be instigated.

12.3 In the event that the Supplier admits that the goods it supplies and/or the services it renders infringe on any current third-party intellectual and industrial property rights and/or constitute a wrongful act towards any third party, or in the event that VNC is prohibited from this use pursuant to an arbitral award or court ruling, the Supplier shall, at the choice of VNC, either: a) acquire the right, on behalf of VNC, to continue using the goods and/or services under the conditions of the agreement in question; or b) replace the goods and/or services or change them in such a way that the infringement no longer exists; or, if the aforementioned options are not reasonably feasible, c) take back the goods, crediting VNC for the amounts it has already paid to the Supplier; all of this without prejudice to VNC other rights, including its right to compensation.

12.4 The Supplier shall conduct out the defence in any legal proceedings which might be instigated against VNC for infringement of any current third-party intellectual and industrial property rights and/or (otherwise) any wrongful act against a third party in connection with goods supplied and/or services rendered by the Supplier. The Supplier shall indemnify VNC against all damage and costs incurred by VNC as a result of such legal proceedings.

13. DISSOLUTION

13.1 VNC shall be entitled to dissolve any agreement and related purchase orders by writing and/or means of a registered letter, without notification of default or court intervention, if the Supplier files for bankruptcy or is declared bankrupt, the Supplier's business enters into liquidation, the Supplier ceases its current operation, a considerable portion of the Supplier's assets are seized, VNC considers the Supplier to be no longer capable of independently guaranteeing the continuity of the use by VNC of the goods (to be) supplied under the agreement and/or the results of the services, or the Supplier can no longer be deemed capable of meeting its obligations under an agreement.

13.2 If VNC dissolves an agreement on the basis of the provisions of the first paragraph, VNC shall, at the moment of dissolution, acquire an unconditional and irrevocable right to use the information furnished by the Supplier for an indefinite period, irrespective of the nature of this information and the way and manner in which this was and/or will be acquired. To the extent that this is necessary, the Supplier hereby agrees to waive any future rights in this respect. The parties may agree that the information referred to in this Article be made available to, under still to be agreed conditions, after this agreement has been signed, but with due observance of the provisions of this Article and without any deviation from said provisions. Each and every deviation from the provisions of this Article shall be invalid.

13.3 VNC shall be entitled to terminate or cancel an agreement without cause by writing and/or means of a registered letter, without notification of default or court intervention, at least thirty (30) days prior to the scheduled delivery date, without having any liability to Supplier. If delivery of any Goods is delayed more than three (3) days beyond the scheduled delivery date, may cancel the delivery, and without liability, to Supplier. VNC may reschedule the delivery of all or part of the Goods ordered by VNC by notice to Supplier at least thirty (30) days prior to the scheduled delivery date. Except as expressly stated by VNC in a purchase order, will not reschedule a purchase order scheduled for delivery date within thirty (30) days.

13.4 Termination and/or dissolution of an agreement and/or any related purchase order, for whatever reason, shall not prejudice the licenses and other rights granted to VNC.

14. CONFIDENTIALITY

14.1 The Supplier shall treat as confidential the information which it receives, such as specifications, technical information, company information and other information of a confidential nature, and shall not disclose such information to any person(s) other than its own employees, nor use it for any purpose other than in the performance of an agreement. With the termination and/or dissolution of an agreement, the Supplier shall immediately send all the carriers of this information and all copies thereof to VNC.

14.2 Without VNC's prior consent, the Supplier shall in no way disclose, advertise or publish (the existence of) provisions from, or transactions performed under this agreement.

14.3 The Supplier shall also ensure that these obligations are also imposed on its own employees and any independent third parties involved, in any way, in the performance of this agreement.

14.4 Any infringement of the provisions of Articles 14.1 and 14.2 by an employee of the Supplier shall be deemed to be an infringement of this obligation by the Supplier. In that event, the Supplier shall immediately pay a penalty of INR 10,00,000.00, without court intervention and without prior notification of default being required.

15. SPECIFIC PROVISIONS WITH REGARD TO THE APPLICABILITY OF CONDITIONS CONTAINED IN AGREEMENTS CONCLUDED BETWEEN VNC AND ITS CLIENTS

15.1 The Supplier hereby undertakes that it shall comply with and duly observe all the terms and conditions of any agreement concluded or to be concluded between VNC and VNC's clients, irrespective of the nature of such agreement, to the extent that these terms and conditions are relevant to that part of the aforementioned agreement which the Supplier is required to perform. All of this shall be done properly and, needless to say, in accordance with the conditions of the aforementioned agreement. VNC shall always inform the Supplier of the terms and conditions referred to above through its Purchase Order. Consequently, the Supplier shall indemnify VNC against any and all claims by VNC's clients and/or third parties in this respect, wherever and whenever these might be instigated on whatever grounds. Furthermore, the Supplier shall indemnify VNC against the damage and costs involved in this respect. The part of the aforementioned agreement, which the Supplier is required to perform, comply with and duly observe, shall, in any event, be understood to include that part which relates to the goods supplied by the Supplier as well as the services which the Supplier renders.

15.2 The Supplier hereby undertakes that it shall reimburse and pay all compensation, including costs and possible penalties, which VNC may have to pay to its client as a result of the Supplier's noncompliance or inadequate compliance with the terms, conditions and provisions in question.

15.3 The provisions of this Article shall apply without prejudice to the other provisions of these General Terms and Conditions.

16. Governing law and settlement of disputes

These Terms and Conditions shall be governed by and construed in accordance with the laws of India and shall be subject to the jurisdiction of the courts of Karur, India. However, all disputes shall first be discussed between the Supplier and VNC in order to reach a solution in mutual consultation.

17. General

17.1 The Supplier shall inform VNC immediately if problems arise with respect to the services or goods which pose a threat to the Supplier complying with its obligations in full and on time. The Supplier shall consult with VNC in order to find a solution which will protect the interests of VNC, without prejudice to any other rights conferred upon VNC. Whenever appropriate, the Supplier shall, at VNC's request, provide substitute and functionally equivalent goods and render services on a temporary basis and at no cost for VNC.

17.2 The Supplier shall, at its own expense and risk, take the necessary measures to obtain permits, if and to the extent that these are required in the context of the performance of this agreement.

17.3 Any failure on the part of one of the parties to enforce any of the provisions of this agreement within a period specified in these General Terms and Conditions shall not affect the right of said party to demand compliance at a later stage, unless the party in question has expressly accepted the event of noncompliance in writing. The provisions of the previous sentence shall not prejudice the parties' (other) rights and obligations in this respect.

17.4 The Supplier hereby agrees that it is willing to service the goods supplied, or to have these serviced, by concluding a separate service agreement.

17.6 The rights and obligations resulting from an agreement may be transferred by VNC to a third party without further requirements. The Supplier's consent shall not be required in this respect.

17.7 Where applicable, each agreement shall be concluded subject to the dissolving condition that VNC is unable to conclude a lawfully signed agreement with one or more clients which fully matches the scope of the agreement with the Supplier.

17.8 Except in cases where legal claims cannot be excluded, and subject to these General Terms and Conditions, VNC shall have no obligations and the Supplier shall not be able to invoke any claim in this respect.

17.9 If any of the provisions of the General Terms and Conditions proves to be void or is repudiated, the other provisions shall remain in full force and this shall have no effect whatsoever on (the performance of) the other parts of an agreement. Furthermore, in such an event, the parties shall consult with one another as soon as possible in order to reach a solution suited to the nature of the agreement and which most closely matches the aim and meaning of the void or repudiated provision.

17.10 During the term of the agreement and for a period of three years after termination of the agreement, both parties shall refrain from employing the other party's employees who were involved in the performance of an agreement, or having these persons work for them, directly or indirectly, unless this has been the subject of proper consultations with the other party.

17.11 To the extent that VNC requires certain personal details about the Supplier's employees in the context of normal procedures and/or applications in VNCs branch, the Supplier hereby agrees that it is willing to see to it that these employees shall give permission for this to take place, unless this could be considered unreasonable. To the extent that, in the context of the performance of an agreement, it is necessary to process the personal details of an employee of the Supplier involved in the performance, the Supplier shall see to it that the employee in question gives his/her permission for this processing to take place.

17.12 Termination or dissolution of this agreement shall not prejudice the provisions of these General Terms and Conditions with regard to intellectual property, warranty, confidentiality and the settlement of disputes.

17.13 Any notice to VNC regarding this Agreement must be in writing and sent by postage to the address below:

VNC Electrodes (or) VNC Steel Distributors (as in documentation)
Industrial Estate, S. Vellalapatti,
Karur 639004
Tamil Nadu, India.

Notice from VNC may be sent to you by postage to the address and contact information provided by you to VNC in connection with this Agreement.

Nov 2022 Edition.

For any clarifications, please write to info@vncgroup.com.

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