

## **GENERAL TERMS & CONDITIONS FOR PROCUREMENT OF MATERIALS.**

### **1. DEFINITIONS& INTERPRETATIONS:**

- 1.1 The Purchaser' means "(include company name and address)" (A Government of India Undertaking) incorporated under the Companies Act having its registered office at "BEML Soudha, No 23/1, 4<sup>th</sup> main, S.R. Nagar, Bengaluru – 560027" and shall be deemed to include its successors and assignee.
- 1.2 Supplier' means a person having been included in a contract as a Contractor and also means a firm or company with whom the order for supply/execution of work is placed and shall be deemed to include the supplier's successors, (approved by BEML Ltd.,) representatives, heirs, executors and administrators. The supplier may also be referred to as the supplier, Contractor or vendor.
- 1.3 Parties to the Contract' shall mean the Supplier and the Purchaser as named in the main body of the Purchase Order.
- 1.4 Tender means and includes quotation, invitation to tender and all other documents like drawings, specifications, quality plan, etc that form part of the tender document.
- 1.5 Acceptance of Tender' Means the letter of memorandum communicating supplier, the acceptance of the Tender and includes advance acceptance of this tender.
- 1.6 Purchase Orders / Contract' means and includes the invitation to tender, instruction to Tenderers, acceptance of tender, Letter of intent / letter of award, the general terms and conditions of Purchase Order / contract, special conditions of Purchase Order /contract, particulars, descriptions, specifications, schedule of prices, quantities, quality plan, drawings enclosed and other condition specified in the acceptance of tenders and includes the repeat order which has been accepted or acted upon by / for the supplier for the supply of stores and includes an order for performance of service and includes amendments, if any, that may take place subsequent to the discussions, negotiations, mutual agreement if any.
- 1.7 Stores / Materials / Services' means the goods or services specified in the Purchase Order which the supplier has agreed to supply under the Purchase Order.
- 1.8 Words in singular include the plural & vice-versa.
- 1.9 Words imparting the masculine gender shall be taken to include the feminine gender and words imparting persons shall include any firm, company or associations or body of individuals whether incorporated or not.
- 1.10 The heading of these conditions shall not affect the interpretations or construction thereof of the contract.

### **2.0 GENERAL TERMS & CONDITIONS FOR PROCUREMENT OF MATERIAL (e-mode)**

2.1 The tenderer is advised to carefully go through the tender terms & conditions before submitting the tender

**2.2 INSTRUCTIONS FOR SUBMISSION OF THE TENDER:** Tender is in TWO-BID system. (Technical Bid & Commercial Bid)

2.3 Bids should be submitted online in BEML SRM e-Procurement platform only. Bidders should have a valid Class III Digital Signature Certificate issued by Authorized Certify in Authority to submit your bid in BEML SRM e-Procurement system. Interested bidders can contact us through email: admin.srm@beml.co.in to obtain the username and password for submitting the bids.

**OTHER INSTRUCTIONS:**

**3.0 INSTRUCTION FOR SUBMISSION OF TECHNICAL BID:**

**(a) Technical Bid (Sample of provisions)**

You are requested to send adequate quantity of sample (approx. 100-150 grams) for **evaluation in sealed polythene transparent bag. Paste a slip with name of firm. Sample should be submitted along with covering letter mentioning the tender enquiry reference number.**

Samples as stated above are to be submitted on or before tender closing date and time to below mentioned address.

The Assistant General Manager,  
BEML Ltd., Bangalore Complex  
New Tippasandra Post  
Bangalore-560 075.

**Selection criteria:** As per the selection criteria mentioned Part - B.

- (b) The Bidder should upload the all the documents along with respective supporting documents which is specified in the SRM Portal as Technical Bid.
- (c) If the bidder has not provided the document which is specified their offer is liable for rejection.
- (d) The price details/commercial bid details should not be given in the Technical bid. If any of the bidder have given any price/commercial details in the Technical bid, their offer is liable for rejection and will not be considered.
- (e) Technical Bid will be opened on (date and time of bid opening) and the commercial Bid of that bidder whose technical bid is accepted only will be opened later.

**4.0 INSTRUCTION FOR SUBMISSION OF COMMERCIAL BID:**

- a) The firm should submit their Bids through E-mode in BEML SRM Portal only. Please quote the price details in the 'Price Conditions' column in SRM portal against the respective item.
- b) The Bidder should upload the all the documents along with respective supporting documents which is specified in the tender. If the bidder has not provided the document which is specified their offer is liable for rejection.

- c) Only GST registered vendor needs to quote. Firm has to update registered GST details in BEML SRM website to submit quotation (non-local vendors).
- 4.1 Quote should also indicate the Minimum lead time & Ex-stock availability.
- 4.2 Break-up cost for the quoted price to be provided in the quotation such as Material cost, Labour cost, other overhead cost.
- 4.3 Supplies should be strictly as per the requirement projected.
- 4.4 If sister concern exists then only one bidder to participate.
- 4.5 BEML reserves its right to reject a tender due to unsatisfactory past performance in the execution of a contract at any of BEML projects / units.
- 4.6 BEML reserves its right to reject any incomplete bid submitted.
- 4.7 The due date for submission of tenders may be extended by BEML, **in its sole discretion**, which shall be announced as **corrigendum to original NIT only at our website/ SRM Portal**, validity of bids submitted shall be deemed to be extended accordingly.
- 4.8 BEML may decide to scrap the tender/refloat the tender without assigning any reasons thereof before LOI/PO is committed. BEML reserves the right to accept, split, divide, negotiate, cancel or reject any tender or reject all tenders at any time prior to the award of the contract without incurring any liability to the affected tenderers or any obligation to inform affected tenderer, the grounds of such action.
- 4.9 The correspondence exchanged against the tender from both tenderer and BEML through official emails are considered as valid document legally though it is not signed. It is treated as valid confirmations made on behalf of the respective company and very much comes under the legal ambit of the business transaction and hence it is binding on both the parties to the business.
- 4.10 Bidders participating in the tender should declare in their offer that whether they have been black-listed / kept on hold for a specified period / given Business holiday for a specified period by any Public sector undertaking or Government departments. The reasons for such action with details and the current status of such hold shall be furnished to BEML.
- 4.11 If no such details are mentioned in the offer then it will be construed that the subject bidder is not under any such hold. But at a later date if it comes to the notice of BEML about any such hold under enforcement on the subject bidder, BEML will have every right to reject the offer of such vendors at any point of time and also under any stage of the finalization of the subject tender irrespective of the status of the subject bidder in that tender.
- 4.12 BEML reserves the right to verify, in its sole discretion, any information given by the bidders independently through any third-party agencies. During this process, if it is found that any of the information given by the bidder is false / misleading, offers of such bidders would be out rightly rejected.
- 4.13 BEML also reserves the right to independently assess the capability and capacity of the bidder for execution of the order/contract. BEML's decision on any matter regarding short listing of bidders shall be final.

- 4.14 The RFX / Notice Inviting Tender is not an offer or a contract.
- 4.15 Proposals become BEML's property.
- 4.16 Bidders will not be compensated or reimbursed for the costs incurred in preparing Proposals.
- 4.17 BEML is not obligated to contract for any of the products described in the RFX/ Notice Inviting Tender
- 4.18 BEML's decision is final for Evaluation of the offers.
- 4.19 Quotation submitted through Manual mode or E-mail or fax will not be considered and it is liable for rejection.
- 4.20 Unsolicited letters/canvassing/post tender corrections canvassing by Tenderers in any form including unsolicited letters on tenders submitted or post tender corrections shall render their tenders liable for summary rejection.
- 4.21 In case any person/persons, Company, firm, Associations having any litigations, arbitration cases between themselves and BEML Ltd, pending before the Court / Arbitrator or initiated litigations/arbitrations in connection with any contract / tender issued by BEML Ltd and any contractor has defaulted against the BEML's orders are not eligible to participate in this tender.
- 4.22 The uploaded documents in the SRM Portal should be legible & readable. If required, the entire Original documents (of Uploaded Documents in SRM Portal) have to be submitted if asked for from BEML Ltd. If Original documents are not submitted when asked for, their Bid will be liable for rejection.
- 4.23 Bidders/contractors are requested to put the page numbers and signed in all the documents which are uploaded in the SRM portal.
- 4.24 Late / Un-Solicited offers will be rejected.
- 4.25 In case if purchase order is already issued by BEML, BEML reserves the right to cancel the order without assigning any reasons thereof. Such bidders will not be permitted to participate in the further tender proceedings and will be communicated suitably. They will not be also considered for any ongoing tenders even if participated till the hold is officially lifted and confirmed in writing.
- 4.26 Maximum possible quantity supply per month to be indicated in the quotation in case of capacity constraint.
- 4.27 If you are not able to quote, please send your Regret Letter with reasons for regretting.
- 4.28 We request you to submit your lowest non-negotiable best competitive price.
- 4.29 The quoted prices should be firm and fixed for the entire shipments, unless otherwise agreed specifically in the contract with breakup of statutory levies if applicable.
- 4.30 No representation would be entertained on any error(s) if found in the NIT. However, vendor(s) shall bring such errors / omissions to notice of BEML for necessary corrective action(s). The vendor's time and expenses has to be borne by vendor(s).

**5.0 Public Procurement – Preference to Make in India Policy:** The procurement and placement of order is subject to **Public Procurement (Preference to Make in India) Order 2017** issued by the Ministry of Commerce and Industry, Department of Industrial Policy & Promotion, Government of India vide No. **P-45021/2/2017-B-E-II dt 15<sup>th</sup> June 2017**. The full details of the order can be seen at <http://dipp.nic.in/whats-new/public-procurement-preference-make-india-order-2017>.

**6.0 PRICE BID VALIDITY:** The Bid should be valid for 90 days from the date of tender opening. BEML's acceptance of the tender at the quoted / negotiated rates will be binding on the tenderer during the tenure of contract.

**7.0 DELIVERY TERMS:** Except as otherwise indicated in the Purchase Order, delivery shall be FOR (BEML). Trade terms such as EXW, FOB, CFR etc., if stipulated in the order shall be construed in accordance with the version of the INCOTERMS applicable at the time of ordering, without prejudice to the provisions contained in these conditions. The delivery date(s) or delivery period(s) as stipulated in the agreement shall be firm and binding and shall apply to the entire delivery for each PO item. Partial shipments may, however, be permitted by the purchaser.

The time and the date of delivery of the stores stipulated in the PO No. shall be deemed to be the essence of the Purchase Order and delivery must be completed not later than the dates specified therein. The supplier shall strictly adhere to the delivery schedule indicated in the P.O. Any supplies made ahead of this schedule are liable for rejection at the discretion of BEML. Shall the supplier fail to deliver the stores or any consignment thereof within the period prescribed for such delivery, BEML shall be entitled at their option either.

To purchase elsewhere, without notice to the supplier on the account and at the risk and cost of the supplier the stores not delivered or other of a similar description where stores exactly comply with the description are not in the opinion of BEML (which shall be final, readily procurable) without cancelling the P.O. in respect of consignments not yet due for delivery.

**8.0 PAYMENT TERM:** Term of payment is 100% payment on 30th day for MSEs and for others on 60th day from the date of receipt of material at BEML stores subject to inspection and acceptance of materials For Bidders not agreeing with the above terms, their quotations will be suitably loaded with applicable cash credit interest while evaluation of bids. In case of early supplies, payment will be made only as per the delivery schedule indicated in the purchase order and in line with the terms of payment

**9.0 0 PENALTY / LIQUIDATED DAMAGES:**

The time or period of delivery as stipulated in the schedule of delivery shall be deemed to be essence of the Contract. Shall circumstances arise whereby the deadline for an agreed delivery date(s) or period(s) is expected to be exceeded, the Supplier shall inform Purchaser without delay that in such an event the Supplier shall bind himself to any of the terms and conditions that may be imposed by the Purchaser. If delay in delivery is caused by any of the circumstances mentioned is on account of Force Majeure conditions prior to the scheduled / extended delivery or by additional work, if any, or by an act or omission on the part of the Purchaser, the Purchaser shall extent the time for delivery by a period which is reasonable having regard to all the circumstances in the case.

If the Supplier exceeds any agreed delivery date(s) or period(s), Purchaser shall levy LD for such delay @0.5% per week (7 days) and part thereof, subject to a maximum of 5% of the value of the delayed portion of the Purchase Order. The penalty / LD will be charged on the value of the Purchase Order excluding statutory levies, freight and insurance wherever not

included in the price. Imposition, recovery or settlement of this LD shall not affect Purchaser's right to performance, compensation and termination of the agreement.

**10.0 AUTHORITY OF PERSONS SIGNING DOCUMENT:** A person signing the tender or any other document in respect of the Purchase Order shall be deemed to have power to do so on behalf of the Supplier.

a. Evaluation of tenders:

b. Bids are opened on the stipulated due date and time mentioned in the tender.

c. In the tender document / quotation the figures written in words will be ultimately considered for commercial evaluation ignoring numerical figures in case of discrepancy noticed between the numerical figures of price & price written in words.

**11.0 Evaluation of tenders:**

**11.1** Bids are opened on the stipulated due date and time mentioned in the tender.

**11.2** BEML reserves its right to reject a tender due to unsatisfactory past performance in the execution of a contract at any of BEML projects / units.

**11.3** BEML reserves its right to ask any clarifications or documents in connection with technical bid during Technical Evaluation Stage 2.

**11.4** BEML reserves its right to reject any incomplete bid submitted.

**11.5** Commercial bid of only those bidders who are adjudged as technically qualified by BEML shall be opened for further processing.

**11.6** In the tender document / quotation the figures written in words will be ultimately considered for commercial evaluation ignoring numerical figures in case of discrepancy noticed between the numerical figures of price & price written in words.

**12. FIRM PRICE:** The prices remain firm during the pendency of the contract and no escalation shall be entertained under any circumstances for long term contract

**13. ACCEPTANCE OF ORDER:** The supplier shall send Order Acceptance within two weeks from the date of LOI / LOA / Purchase Order or such other period as specified / agreed by the Purchaser. Purchaser reserves the right to revoke the order placed if the order confirmation differs from original Purchase Order placed and the Purchaser shall only be legally bound after it has agreed explicitly in writing to be in agreement with the deviation. The acceptance of deliveries or supplies by Purchaser as well as payments made in this regard shall not imply acceptance of any deviations. The Purchase Order will be deemed to have been accepted if no communication to the contrary is received within two weeks (or the time limit as specified / agreed by the Purchaser) of the receipt of the order.

#### **14. SECURITY DEPOSIT / PERFORMANCE GUARANTEE (if applicable)**

10 % of PO value has to be deposited as interest free security deposit/Performance Guarantee at the time of acceptance of offer in respect of all service contracts and major capital goods like plant and machinery, etc as follows:

(i) Bank guarantee for faithful performance (FPBG), Combined Bank Guarantee for contract performance covering delivery obligation and warranty (CBG) clause for 10% of the total order value shall be applicable where the order value exceeds Rs.5.00 lakhs. Bank guarantee for faithful performance, combined bank guarantee covering contract performance and warranty, Advance Payment guarantee etc., shall be indicated wherever applicable.

(ii) A period of 60 days time from the date of Purchase Order or the delivery schedule, whichever is earlier shall be stipulated for submission of Bank Guarantee so that contractual remedies could be enforced, if required.

(iii) A bank guarantee for a nominal amount of Rs.5000/- must be obtained from each Sub-contractor valid for a year, on yearly basis

BEML reserves the right to accept a bank guarantee from any of the Scheduled Commercial Banks authorized by RBI in lieu of cash deposit as security deposit as calculated above at its sole discretion. These bank guarantees shall be valid for the full supply period of the Purchase Order with a claim period of three months.

No claim shall lie against BEML Ltd., in respect of interest on cash deposits or Govt. Securities depreciation thereof.

BEML Ltd. shall be entitled and it shall be lawful on its part to forfeit the said security deposit in whole or in part in the event of any default, failure or neglect on the part of the supplier in the fulfilment or performance in all respect of the Purchase Order.

**15.0 PRICE, INVOICING AND PAYMENT:** The agreed prices are fixed prices in the currency as specified in the Purchase Order. They shall include packing, forwarding, loading and carriage to the place specified by the Purchaser and are inclusive of all applicable taxes, duties etc. except for those specifically agreed between the supplier and purchaser. The method of invoicing shall be without prejudice to the parties; agreement as to the place of performance. Invoices shall be submitted bearing the Purchase Order number & date, item number / s and supporting documents as called for in the Purchase Order.

**16.0 VALIDITY PERIOD :** The Purchase Order is valid for a maximum period for 24 months from the date of issue unless otherwise stated, within which time the supplier shall complete the supplies failing which the Purchase Order shall be treated as cancelled / short closed unless it is revalidated against specific request for reasons acceptable to BEML Ltd.,

**17. INSPECTION AND TESTING:**–Purchaser has the right to inspect the delivery. In the event of rejection, Purchaser shall inform the Supplier accordingly and Purchaser shall be entitled to replacement at its discretion or may proceed to terminate or annul the agreement. All this does not affect Purchaser's right to compensation.

In case the goods / stores are rejected at the time of inspection at BEML or the rejections are notices at the time of further processing the supplier will be informed of these rejections. On receipt of this information the supplier shall immediately arrange to collect the rejected items

at his cost and risk and arrange for the replacement of items within the shortest possible time. Under no circumstances the supplier shall compel the Purchaser to reuse the rejected items.

Wherever the supplier has not collected the rejected items within 60 days from the date of intimation, BEML shall have the right to dispose the goods and all cost related to the cost of material, statutory levies incurred both in procurement and disposal shall be recovered from the supplier from any of the bills that are due. The supplier shall have no claims whatsoever against the Purchaser for such disposal.

Purchaser or his authorized representative shall be entitled at all reasonable times during execution to inspect, examine and test at the Supplier's premises the items of all stores to be supplied under the Contract,

All costs related to inspections and re-inspections shall be borne by the Supplier. The cost of inspection staff / third party specified by the Purchaser shall be borne by Purchaser, unless otherwise specifically agreed. Whether the Contract provides for tests on the premises of the Supplier or any of his Sub-contractor/s, Supplier shall be responsible to provide assistance such as, labour, materials, electricity, fuels, stores, apparatus, instruments as may be required and as may be reasonably demanded to carry out such tests efficiently. Cost of any type test or such other special tests shall be borne by the Purchaser only if specifically agreed.

The supplier shall give the authorized representative of the Purchaser reasonable prior notice in writing of the date on and the place at which any stores will be ready for inspection / testing as provided in the Contract.

**18. QUALITY:** The items supplied shall be of the best quality shall be in strict conform to quality of items furnished with the Purchase Orders and shall answer to the description in all respects. However, final acceptance will be subject to inspection and approval at BEML works. Once the materials are rejected and communicated to the supplier, no request shall be entertained for re-inspection or acceptance of the stores. However, BEML reserves the right to re-inspect the stores and consider acceptance at its discretion.

**19.QUALITY & CONDITION OF DELIVERY:** The Supplier shall guarantee that the delivery is of good quality and free from all defects and in the case of services rendered that they are performed by skilled personnel and that new materials are used. The Supplier shall guarantee that the delivery corresponds exactly with the provisions of the agreement, the reasonable expectations of Purchaser regarding the characteristics, quality and reliability of delivery. The Supplier guarantees that the delivery is suitable for the purpose for which it is intended by its very nature or which is evident from the specifications listed and from the order.

**20.** In case of non adherence to delivery schedule, BEML reserves the right to cancel the order and Risk Purchase clause will be applicable as below:

**21** If a Supplier fails to deliver the goods against an order by the delivery date agreed in the order or if he fails to perform in accordance with the contract conditions, he commits breach

of contract. The breach generally gives the Buyers right to cancel the Order, besides claim for damages. The time of delivery can, however, be extended with the consent of both the parties and on such terms as agreed to by them.

For further details on Risk Purchase, you may refer Purchase Manual by accessing BEML website [www.bemlindia.in](http://www.bemlindia.in).

**22.** The suppliers will be responsible for the material to reach destination intact and transit insurance shall be arranged by them only. Delivery indicated in the tender enquiry is to be adhered to.

In case of late deliveries BEML reserves the right to return the material to vendor. Late supplies may be accepted by BEML if required by imposing LD clause.

Packing to be in such a way that it should avoid transit/storage/handling damage.

Refer BEML Purchase Manual (can be accessed in BEML website [www.bemlindia.in](http://www.bemlindia.in)) for Important terms and conditions of tender and General Terms & conditions applicable to contracts & purchase orders refer General Terms & Conditions.

In case Bidder has entered into Rate Contract with DGS&D, the Rate Contract, reference to be sent to BEML along with the quotation. Bidder is required to certify that prices quoted are the same as applicable to DGS&D and other Government Departments. DGS&D Rate Contract holders should state whether they are agreeable for supply at DGS&D Rate Contract Rates in the event of placement of order by us on BEML's own order form.

BEML will not have any kind of binding towards the compensation on case of injury / death to the firms employees while working in BEML premises or other wises.

We request you to submit your lowest non-negotiable best competitive price.

Division of Patronage: BEML reserves to issued orders on 60:40 ratio basis or 50:30:20 basis BEML reserves the right to avail the price offered for full quantity of the tender or part there of or ignore the offer completely without assigning any reason whatsoever. BEML also reserves the right to increase the order quantity at the same rates and terms and conditions during the pendency of the contract.

The quoted prices should be firm and fixed for the entire shipments, unless otherwise agreed specifically in the contract with breakup of statutory levies if applicable.

No representation would be entertained on any error(s) if found in the NIT. However, vendor(s) shall bring such errors / omissions to notice of BEML for necessary corrective action(s). The vendor's time and expenses has to be borne by vendor(s).

### **23. PACKING AND DISPATCH**

The supplier shall package the deliveries safely and carefully and pack them suitably in all respects considering the peculiarity of the material for normal safe in transport to its destination suitably protected against loss, damage.

The packing, shipping, storage and processing of the delivery must comply with the prevailing legislation and regulations concerning safety, the environment and working conditions.

**24. APPROPRIATION:** BEML Ltd., shall be entitled to recover by appropriating in part or full any sum of money payable by the contractor under this contract or any other contract including contracts with other divisions of BEML. Shall the sum of amount recovered is not sufficient to cover the total amount due, BEML is entitled to recover such amount from the bills that becomes due or the contractor shall pay BEML the balance due.

**25. APPLICABLE LAWS AND JURISDICTION OF COURTS:** Indian laws both substantive and procedure, for the time being in force including modifications thereto, shall govern Contract. The competent Indian courts of shall have sole jurisdiction over disputes between purchaser and the Supplier.

The Contractor shall comply with all requirements under various administrative orders and statutes including but not limited to Contract Labor (Regulation and Abolition) Act, 1970, Employees Provident Fund and Misc. Provisions Act, 1952, Employees' State Insurance Act, 1948, Minimum Wages Act 1948, Payment of Wages Act, 1936, Payment of Bonus Act, 1965, Payment of Gratuity Act, 1972, Employees Compensation Act, 1923, Employers Liability Act 1938, Industrial Disputes Act, 1947, Factories Act, 1948, Shops & Establishment Act (relevant to the State), Child Labor (Prohibition & Regulation) Act, 1986, Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, Mines Act, 1957 or any other relevant Acts or enactments relating thereto and its amendments (State/Central) and rules framed there under from time to time as may be relevant while performing the obligations under this agreement. Rules framed therein from time-to-time and the Supplier shall indemnify BEML for any loss caused to it by reason of inaction, non-compliance etc., of the provisions of any Law by the Supplier”.

**26. BRIBES AND GIFTS:** Any bribe, commissions, gift or advantage given, promised or offered by or on behalf of the supplier or his partner, agent or servant or anyone on his or on their behalf to any officer, servant, representative or agent of BEML or any person on his or their behalf in relation to the obtaining or to the execution of or any other contract with BEML Ltd., shall in addition to any criminal liability which the supplier, may incur, subject the supplier to the cancellation of this and all other contracts with BEML and also for payment of any loss or damage resulting from any such cancellation to like extent, as is provided in case of cancellation under clause – 12 hereof. Any question or dispute as o the commissions of any offence under the present clause shall be settled by BEML in such manner and on such evidence of information as they may think fit and sufficient and their decision shall be final and conclusive.

**27. JURISDICTION:** Courts of Bangalore alone shall have jurisdiction to decide any issue / dispute arising out of the Arbitration or this Purchase Order in exclusion of all other Courts. However, jurisdiction of any other court may be accepted by mutual discussion and agreement by and between BEML and the Supplier.

**28. ARBITRATION:** Disputes if any, arising between BEML and the supplier in connection with this Purchase Order or any other matters connected herewith, the same will be mutually discussed and settled, failing which, the disputes shall be referred to a sole arbitrator to be

appointed by BEML. The arbitration / proceedings shall be in accordance with the provisions of Arbitration and Conciliation Act 1996 and Rules framed there under. The place of arbitration shall be at Bangalore or any other place mutually decided by and between BEML and the supplier and all arbitration proceedings shall be conducted in English language. The award of the sole arbitrator shall be final and binding on all the parties.

**29. FORCE MAJEURE CLAUSE:** Notwithstanding anything contained in the Contract, neither the Supplier nor the Purchaser shall be held responsible for total or partial non-execution of any of the contractual obligations, shall the obligation become unreasonably onerous or impossible due to occurrence of a 'Force Majeure' conditions which directly affect the obligations to be performed by the Purchaser or the Supplier.

Such events include war, military operations of any nature, blockages, revolutions, insurrections, riots, civil commotions, insurgency, sabotage, acts of public enemy, fires, explosion, epidemics, quarantine restrictions, floods, earthquake, or acts of God, restrictions by Govt. authorities over which the Supplier or the acts on which the Purchaser has no control.

The party claiming to be affected by Force Majeure shall notify the other party in writing without delay, within two weeks on the intervention and on the cessation of such circumstance. Extension of time sought by the Supplier along with supporting evidence and so granted by the Purchaser for the supply / work affected, if any, shall not be construed as waiver in respect of remaining deliveries.

Notwithstanding above provisions, Purchaser shall reserve the right to cancel the order/ Contract, wholly or partly, in order to meet the overall delivery schedule and make alternative arrangements including arrangements with third party for completion of deliveries and other schedules. Purchase may takeover partly processed material at a mutually agreed price.

**30. NON DISCLOSURE AND INFORMATION OBLIGATIONS:**

The supplier shall provide Purchaser with all information pertaining to the delivery in so far as it could be of importance to Purchaser. The Supplier shall not reveal confidential information to its own employees not involved with the tender / Contract & its execution and delivery or to third parties. The supplier shall not be entitled to use the Purchaser's name in advertisements and other commercial publications without prior written permission from Purchaser.

**31. FALL CLAUSE:**

- i. The prices charged for the stores supplied under this P.O by the supplier shall in no event exceed the lowest price at which the supplier sells the stores of identical description to any other BEML Office / Division during the pendency of this PO.
- ii. If at any time, during the said period, the supplier reduces the sale price of such stores or sells such stores to any other BEML Office / Division at a price lower than the price chargeable under this P.O and the price payable under this PO for the stores supplied after the date of coming into force of such reduction shall stand correspondingly reduced.

**32. DURING ARBITRATION:** “Supplies under this Purchase Order, if reasonably possible, may continue by mutual agreement during the dispute / Arbitration proceedings”.

**33. NON-WAIVER OF DEFAULTS:** If any individual provision of the Contract is invalid the other provisions shall not be affected. The failure of BEML to insist upon performance of the Contract to enforce any of the terms and conditions of this Contract or to exercise any right or privilege granted to BEML under this Contract or under law shall not be construed as a waiver and the same shall continue in full force and effect.

**34. ASSIGNMENT OF RIGHTS AND OBLIGATIONS; SUBCONTRACTING:** The supplier is not permitted to sub-contract the delivery or any part thereof to third parties or to assign the rights and obligations resulting from this agreement in whole or in part to third parties without prior written permission from Purchaser. Any permission or approval given by the Purchaser shall, however, not absolve the supplier of the responsibility of his obligations under the contract.

**35. INTEGRITY COMMITMENT IN THE EXECUTION OF CONTRACTS:**

***Commitment by Purchaser:***

Purchaser commits to take all necessary steps to prevent corruption in connection with the execution of the Contract.

***Commitment by the Contractor:***

The Contractor (s) commit (s) to take all measures to prevent corruption and will not directly or indirectly try to influence any decision for the benefit for which he is not legally entitled.

The contractor (s) will not commit any offence under the relevant Acts. The Contractor(s) will not use improperly, for purpose of competition or personal gain or pass on to others, any information or documents provided by Purchaser as part of business relationship.

The Contractor (s) will not enter with other Bidder(s) / Contractor(s) into any undisclosed agreement or understanding or any actions to restrict competition. If the Contractor (s), before award or during execution of the Contract commit (s) a transgression of the above or in any other manner such as to put his reliability or credibility in question, Purchaser is entitled to disqualify the contractor (s) from the tender process or terminate the contract and / or take suitable actions as deemed fit.

**36. SECRECY:**

- a) All the information, know-how, data and specification furnished by BEML for the purpose of supply of the stores hereby tendered constitute the property of BEML and the supplier shall keep them in strict confidence and he shall not divulge the same to anyone else except under the authority and for the purpose of BEML. All such data and know-how are the property of BEML and shall be returned when done with or when demanded by BEML.
- b) BEML shall be entitled to prevent a breach of the above and to damages in case of breach. In case of non-performance in the PO, BEML will take procurement action at your risks and cost apart from levying liquidated damages.

### 37. INSTRUCTION FOR SUBMISSION INTEGRITY PACT

1. The bidder / contractor should submit duly signed **Integrity Pact** (if the tender value is more than Rs.1.00 crore) as Pre-Qualification documents in single sealed envelope. The sealed envelope containing pre-qualification documents shall be duly super scribed at the top of the envelope with “Pre-Qualification Bid to Tender Ref: \_\_\_\_\_ (Bid invitation number) due on \_\_\_\_\_ (Tender closing date) for “\_\_\_\_\_” (Description of service). The name and address of the tenderer shall be written on the left hand bottom corner of the envelope. The bidder should submit Pre-Qualification Bid through manual mode to the following address before tender closing date & time.

(Address of Office where bid to be submitted)

Also Copy of Integrity pact to be uploaded along with bid.

2. The bidder has to execute and submit ‘Integrity Pact’ on plain paper for all tenders of value Rs 1 Crore and above as per prescribed format to this tender document. This integrity pact is a preliminary qualification in entering in to any contract with BEML Limited. For the successful bidder, the integrity pact will remain valid up to 12 months after the last payment under the contract, and for all other Bidders 6 months after the contract has been awarded. Offers without Integrity Pact duly signed will be disqualified ( Pls refer our Purchase Manual page no 247 (Annexure-J) available in our website :<https://www.bemlindia.in>). The bidder should put their authorized signature in the Integrity pact as a Contractor / bidder with their company seal along with witness’s signature, name & address.
3. Central Vigilance Commission has appointed as Independent External Monitor (IEM) to oversee the implementation of the Integrity Pact.

The Central Vigilance Commission (CVC) has appointed Shri Ajai Kumar & Shri Virendra Kumar Saksena as Independent External Monitor (IEM) to oversee the implementation of the Integrity Pact.

Address of IEM is as below:-

1. Shri Ajai Kumar  
2601, Tower–C, Ashok Tower, Parel, Mumbai - 400 012.  
Mobile no.09619272893  
Email : [Ajai.kumar3@gmail.com](mailto:Ajai.kumar3@gmail.com)

2. Shri Virendra Kumar Saksena , IRS (retd.)  
Flat no 001, Tower CMC 3,  
Cape Town Supertech , Sector – 74  
Noida – 201301  
Mobile no : +91 8800713311  
Email ID : vksaksena\_irs@hotmail.com

### **38. GST TERMS & CONDITIONS**

1. The Supplier is required to comply with all the applicable provisions of the GST Laws/Rules/Notifications/Circulars and to furnish required documents/details within the prescribed time limit to enable BEML to claim the benefits of GST Input Tax Credit or any other benefit.
2. The Supplier is required to furnish proper Invoice/Supplementary Invoice/Debit Note/Credit Note in the form and manner prescribed under GST Laws/Rules/Notifications/Circulars containing all the particulars mentioned therein and within the prescribed time limit as per prevailing GST Laws/Rules/Notifications/Circulars. In case of non-compliance by the Supplier, BEML shall not make any payment towards GST against such invoice until it is complied with within the timeline prescribed under GST Laws/Rules/Notifications/Circulars, and also subject to BEML being in a position to avail GST Input Tax Credit as per applicable GST Laws/Rules/Notifications/Circulars.
3. In case of discrepancy in the data uploaded by the Supplier in the GSTN portal or in case of any shortages or rejection in the supply, BEML will notify the Supplier of the same. Supplier has to rectify the data discrepancy in the GSTN portal or issue Credit note (details to be uploaded in GSTN portal) for the shortages or rejections in the supplies, within the prescribed time limit to enable BEML to avail GST Input Tax Credit.
4. In case, the availment of GST Input Tax Credit by BEML is delayed for any reason other than those attributable to BEML, interest at applicable rate as prescribed under GST Laws/Rules/Notifications/Circulars for such delays shall be recovered from the Supplier.
5. In case Supplier delays declaring such invoice in his GST Return and GST Input Tax Credit availed by BEML is denied or reversed subsequently as per GST Laws/Rules/Notifications/Circulars, GST amount paid by BEML towards such reversal as per GST Laws/Rules/Notifications/Circulars shall be recoverable from Supplier along with applicable interest.
6. If BEML has not paid/short paid to the Supplier for any invoices within the time limit prescribed under GST Laws/Rules/Notifications/Circulars due to non-compliance of GST Laws/Rules/Notifications/Circulars by Supplier or any other reason attributable to Supplier and leads to any GST Input Tax Credit reversal by BEML, any losses/expenses/cost/penalty, etc incurred by BEML shall be recoverable from the Supplier.
7. Wherever applicable, BEML will have the right to deduct "Tax Deducted at Source" at the rate prescribed under the GST Laws/Rules/Notifications/Circulars and to remit the same to the Government.
8. In case of supplies made under Reverse Charge Mechanism, the Supplier needs to comply with the provisions under the GST Laws/Rules/Notifications/Circulars in terms of supply of Goods/Services and raising of invoice, so as to enable BEML to remit applicable GST to Govt., within the prescribed time limit and avail GST Input Tax

Credit on the same. If the Supplier fails to comply with the above and as a result if BEML incurs any losses/expenses/cost/penalty, BEML shall be entitled to recover the same from the Supplier. Further the Supplier has to mention that “the liability of payment of GST amounting to Rs ..... is on the Recipient of Service” in the invoice raised on BEML.

9. The Supplier is required to comply with the E-Way Bill Provisions under GST Laws/Rules/Notifications/Circulars. If the Supplier fails to comply with the said provisions and as a result if BEML incurs any losses/expenses/cost/penalty, BEML shall be entitled to recover the same from the Supplier.
10. In case of materials/goods issued to Supplier for Job Work, the Job Work Supplier is required to return the goods within the time limit prescribed in the Purchase Order. If the Job Work Supplier fails to return the goods as above, BEML will be entitled to raise a GST Supply Invoice on the Job Worker Supplier with applicable interest as per the provisions of GST Laws/Rules/Notifications/Circulars. In such cases, BEML will be entitled to recover all such GST/interest on GST /losses/expenses/cost/penalty, etc. incurred by BEML along with interest from the Job Work Supplier. Further in such cases where the GST invoice has been raised by BEML, on return of such goods after the prescribed time limit, the Job Work Supplier needs to return the same under GST invoice.
11. GST portion of the invoice shall be released only upon the Supplier declaring such invoice in his GST Return and payment of GST thereof to appropriate government and satisfying all the conditions mentioned above. However, in case the Supplier wishes to obtain the payment of GST portion also along with the payment of the base value of the invoice, Supplier has the option to submit Bank Guarantee of an amount equivalent to the GST portion of the invoice plus 3 months' interest at prevailing rate of interest under GST Laws/Rules/Notifications/Circulars as applicable in case of reversal of GST Input Tax Credit. Such Bank Guarantee shall be valid till 30<sup>th</sup> September of the next financial year or filing of GST Annual Return by Supplier/Vendor (for which such invoice pertains to), whichever is earlier. BEML will release Bank Guarantee only when the Supplier declaring such invoice in his GST Return and remittance of GST thereon to the Govt. In case the Supplier fails to fulfill the required conditions resulting in BEML not been able to avail GST Input Tax Credit Bank Guarantee shall be encashed and such GST amount along with interest and any other cost/loss incurred by BEML shall be recoverable from Supplier.
12. The Supplier have the option to give one Bank Guarantee of appropriate value after considering his estimated value of GST involved in invoices raised on BEML instead of Bank Guarantee for each Contract/Invoice. In case of payment through LC, suitable provisions/clause will be inserted while opening LC to ensure compliances of above conditions. However, if at any point of time value of such Bank Guarantee falls short of GST plus interest thereof, Supplier will have to either furnish Bank Guarantee for Differential value or such shortfall value of Bank Guarantee vis-à-vis GST plus interest thereof shall be withheld till Suppliers fulfils its obligations specified under above clauses.

13. BEML will be entitled to recover all losses/expenses/cost/penalty, etc. incurred by BEML along with applicable interest from the Supplier due to reasons other than those attributable to BEML.

14. If the Supplier is a Composition/Unregistered Dealer, the Supplier needs to comply with the provisions under the GST Laws/Rules/Notifications/Circulars in terms of supply of Goods/Service and raising of invoice. In case, the Supplier fails to comply with the above and as a result if BEML incurs any losses/expenses/cost/penalty, BEML shall be entitled to recover the same from the Supplier along with applicable interest.