

## **2. GENERAL TERMS & CONDITIONS FOR PROCUREMENT OF MATERIALS -TWO BID**

### **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 Certifying 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) The firm should submit their Bids through E-mode in BEML SRM Portal only.
- 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 two bid system). If any of the bidder have given any price/commercial details in the Technical bid (if two bid system), 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. The item supplied should be GENUINE PART as it is used for OE requirement.
  - 4.4 long with supplies, as mentioned in Bid, it is required to submit Inspection certificate, material test reports (from NABL accredited Lab for BEML Defence parts), warranty certificate, Country of Origin certificate & other related documents required along with the shipment.
  - 4.5 If dealers are submitting the bids in place of OEM, Dealer should submit Authority letter from manufacturer.

- 4.6 If sister concern exists then only one bidder to participate.
- 4.7 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.
- 4.8 BEML reserves its right to reject any incomplete bid submitted.
- 4.9 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.
- 4.10 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.
- 4.11 The correspondence exchanged against the tender from both tenderer and BEML through official email 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.
- 4.12 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.
- 4.13 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.
- 4.14 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.
- 4.15 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.
- 4.16 The RFx / Notice Inviting Tender is not an offer or a contract.
- 4.17 Proposals become BEML's property.
- 4.18 Bidders will not be compensated or reimbursed for the costs incurred in preparing Proposals.
- 4.19 BEML is not obligated to contract for any of the products described in the RFx/ Notice Inviting Tender
- 4.20 BEML's decision is final for Evaluation of the offers.

- 4.21 Quotation submitted through Manual mode or E-mail or fax will not be considered and it is liable for rejection.
- 4.22 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.
- 4.23 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.
- 4.24 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.
- 4.25 Bidders/contractors are requested to put the page numbers and signed in all the documents which are uploaded in the SRM portal.
- 4.26 Late / Un-Solicited offers will be rejected.
- 4.27 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.
- 4.28 Overseas bidders may authorize their Indian representative to represent them, to bid, negotiate (technically and commercially) and conclude the contract on their behalf. They must submit authorization letter specific to this tender, in this regard along with the bid. However, the purchase order shall be directly placed in the name of overseas bidder only and they shall be fully responsible for successful execution of contract including after-sales service in all respect.
- 4.29 Maximum possible quantity supply per month to be indicated in the quotation in case of capacity constraint.
- 4.30 If you are not able to quote, please send your Regret Letter with reasons for regretting.
- 4.31 We request you to submit your lowest non-negotiable best competitive price.
- 4.32 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.
- 4.33 Installation and commissioning to be done by supplier at BEML site and bidder to indicate the period required for the above job from the date of intimation of readiness of site at our premises.
- 4.34 The vendor may visit our works with prior intimation & confirmation from our end to study existing facility BEML
- 4.35 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.

a. 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 both 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.,

**17.0 PLANT & MACHINERY SUPPLY**

In case of Purchase Order for supply of Plant & Machinery and supplies requiring inspection and test after erection and commissioning at site if the completed Plant if any portion thereof or after it is taken over is found to be defective or fails to fulfil the requirements of the P.O. BEML shall give the supplier, notice setting forth details of such defects or failures, and the supplier shall forth with make the defective plant good, or after the same to make it comply with the requirements of the P.O. shall he fail to do so within a reasonable time BEML may reject and replace at the cost of the supplier the whole or any portion of the Plant / Machinery, as the case may be which is defective or fails to fulfil the requirements.

**18.0 PROGRESS REPORT:**

The supplier shall regularly inform the progress of work and in such form as may be called for by the Purchaser from time to time. The submission and acceptance of such reports shall not prejudice the rights of the Purchaser in any manner.

**19.0 CONTRACT VARIATIONS: INCREASE OR DECREASE IN THE SCOPE OF SUPPLY:**

Purchaser may vary the contracted scope. If the supplier is of the opinion that the variation in scope has an effect on the agreed price or delivery period, purchaser shall be informed of this immediately in writing along with technical details, and in the event of additional work, submit a quotation with regards to the price and delivery period and the effect this scope will have on the other contracts under execution by the supplier. The supplier shall not perform additional work / altered scope of work without the written instructions / amendment to the Purchase Order to that effect. The Purchaser also reserves its rights to decrease the scope of supply placed against

Purchase Orders under due intimation to the supplier. Such decrease may be warranted due to defective goods or Policy Decisions of the Management of the Purchaser. And in such an event, the Supplier shall not have any claims or right against the Purchaser.

#### **20. INSPECTION AND TESTING:--**

The goods and stores shall be of approved design and each part /component may be inspected and tested by the Purchaser prior to shipment and shall fully comply with relevant requirements of purchaser:-

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 or repair 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 goods within the shortest possible time. Under no circumstances the supplier shall compel the Purchaser to rework the rejected goods.

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 material and workmanship of all stores to be supplied under the Contract, and if the part of the stores are being manufactured at other premises the Supplier shall obtain Purchaser's or his authorized representative's permission to inspect, examine and test as if the said stores are being manufactured at the Supplier's premises. Such inspection, examination and testing, if made shall not release the Supplier from any obligation 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.

**21.QUALITY AND WORKMANSHIP:** The stores supplied shall be of the best quality and Workmanship shall be in strict conformity with all the drawings and specifications furnished with the Purchase Orders and shall answer to the description in all respects. All supplies shall be accompanied by supplier's works inspections / test certificates duly certifying, the Stores are in strict conformity with the drawings / specifications. 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.

**22. SUPPLY OF SAMPLE:(if applicable)** The Contractor shall produce samples of all materials and shall obtain approval before he places bulk order for the material for incorporation in the works. In respect of materials for which samples are not kept or detailed specifications is not given hereinafter, such materials shall comply with the latest relevant Indian Standard Specifications a published up to the date of issue of this tender. The Contractor shall on demand produce original receipts vouchers/invoices in respects of materials supplied by him.

**23.RAW MATERIALS ARRANGEMENT:** The Supplier shall make his own arrangement to procure all raw materials required and BEML shall not be responsible for any assistance in such procurement or whatsoever.

**24. INSPECTION AND TESTING:-**The goods and stores shall be of approved design and each part / component may be inspected and tested by the Purchaser prior to shipment and shall fully comply with relevant requirements of purchaser:-

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 or repair 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 goods within the shortest possible time. Under no circumstances the supplier shall compel the Purchaser to rework the rejected goods.

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.

**25.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.

The Supplier shall guarantee that the delivery complies with legal requirements applicable in India and other (international) Government regulations, as applicable. The Supplier guarantees that the delivery complies with legal requirements applicable in India and other (international) Government regulations, as applicable. The supplier shall guarantee that the delivery complies with the customary norms and standards in the relevant branch of trade or industry. The supplier shall be responsible for compliance with applicable technical, safety, quality, environmental requirements and other regulations in relation to his product, packaging, and raw and ancillary materials.

**26. GUARANTEE / WARRANTY: -**

**A. GUARANTEE**

Wherever required, and so provided in the specifications / Purchaser Order, the Supplier shall guarantee that the stores supplied shall comply with the specifications laid down, for materials, workmanship and performance. If within the guarantee period the delivery is found to be non-compliant including those with the stipulations (in clause Quality and Condition of Delivery) of these Conditions, the Supplier shall, on its own account, replace, repair, or re-execute the delivery at Purchaser's discretion when first requested to do so within two weeks or mutually agreed period, without prejudice to Purchaser's other legal rights. If the Supplier continues to default on its obligations, Purchaser has the right to proceed to replace, repair or re-execute the order at the Supplier's expense, with or without help from third parties besides, Purchaser's other legal remedies. Purchaser shall notify the Supplier of the exercise of this right in advance where possible. Unless otherwise specified, guarantee period shall be 18 months after the date of delivery of goods. For capital goods or bought out packages which are intended to be incorporated in installations or systems the Guarantee period shall not start until the time the installations or systems are commissioned, provided always that the period ends no later than 30 months after the date of delivery of the goods. The guarantee period shall be extended by the period during which the goods are not in compliance with the stipulations in Clause 10 (Quality and Condition of Delivery). A guarantee period as described above shall apply afresh to replaced, repaired or re-executed parts of a delivery.

The decision of the Purchaser in regard to the Supplier liability under this clause shall be conclusive and final and will be binding on the supplier.

**B. Warranty:**

All the stores supplied shall be warranted against any defect in material, Workmanship, design or dimension etc., for a period of twelve calendar months from the date they are actually put on use or eighteen months from the date of receipt of supply in BEML Limited whichever is earlier and the supplier shall remedy such defects at his/her own cost or replace free of charge such stores when called upon to do so by BEML who shall stage in writing in what respect the stores are defective. Warranty Certificate shall be furnished by the Supplier in triplicate as under covering the entire supplies to be made against this order within 15 days from the date of order, but before commencement of supplies.

The supplies covered under PO No. date by Warranted against all defects in material, workmanship, design dimensions etc., for a period of 12 months from the date they are put to actual use or 18 months from the date of receipt of supply in BEML whichever is earlier and if any defects are found within the above period for any of the reasons stated, they will be replaced at your premises free of cost within a reasonable time.

**27.** 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:

**28** 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.

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

**30.** 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 for production by imposing LD clause.

Wherever painting is applicable, the surface shall be duly prepared and painted as per drawing requirements.

Suitable identification marks to be provided on all components for part number, vendor code, batch no., wherever applicable.

BEML reserves the right to inspect vendor's facilities/components under manufacturing, for verification of process and manufacturing capabilities by BEML's customer/BEML Representative / Representative of agencies appointed by BEML.

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

If you are not able to quote, please send your Regret Letter with reasons for regretting. 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.

The firm shall take necessary permission for their employees to enter the factory premises and the firm shall arrange ESI & PF coverage to their employees/Laboure's if any from their end. The firm shall indicate ESI NUMBERS for the Laboure's hired or employed in advance in order to prepare work permit inside the factory.

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

BEML will not have any kind of binding on damages or loss to the tools/instruments etc. brought by the firm for commissioning purpose

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 thereof 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.

Installation and commissioning to be done by supplier at BEML site and bidder to indicate the period required for the above job from the date of intimation of readiness of site at our premises. Please indicate approximate net weight, gross weight and dimension of the package to enable BEML to determine the mode of dispatch. The packing should with stand the weather conditions during transit. The packing should not damage the contents in the package while transporting and handling. The safety and handling precautions should be clearly marked on the packages. The packing should be easily transportable without any damage. Each consignment should have individual packing list.

The vendor may visit our works with prior intimation & confirmation from our end to study existing facility BEML.

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 have to be borne by vendor(s).

### **31. 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 transport by Sea / Air / Rail / Road to its destination suitably protected against loss, damage, corrosion in transit and the effect of tropical salt laden atmosphere. The packages shall be provided with fixtures / hooks and sling marks as may be required for easy and safe handling by mechanical means.

The packing, shipping, storage and processing of the delivery must comply with the prevailing legislation and regulations concerning safety, the environment and working conditions. Items packed with raw / solid wood packing material shall be treated as per ISPM - 15 (fumigation) and accompanied by Phytosanitary / Fumigation certificate. If safety information sheets exist for a delivery or the packaging, the Supplier must always supply these sheets direct (at the same time).

The Supplier shall inform the Purchaser one month in advance of likely shipment date/s, the no. of packages, Gross weight & Net weight, Dimensions (LxBxH) of each of the packages. Each such package must be marked with Consignee name, P.O. Number, Package No., Gross weight & Net weight, dimensions (LxBxH) and Supplier's name. The packing shall allow for easy removal and checking of goods on receipt and comply with carrier's conditions of packing or established trade practices. Packing list of goods inside each package with PO item no., & Quantity must also be fixed securely outside the box to indicate the contents. If any consignment needs special handling instruction, the same shall be clearly marked with standard symbols / instructions. Hazardous material shall be notified such and their packing, transportation and other protection must conform to relevant regulations.

**32. 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.

**33. 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 shall have sole jurisdiction over disputes between purchaser and the Supplier.

**34. INTELLECTUAL PROPERTY RIGHTS; LICENSES:** If any Patent design, trademark or any other intellectual property rights apply to the delivery or accompanying documentation, Purchaser shall be entitled to the legal use thereof free of charge by means of a non-exclusive, worldwide, perpetual license. All intellectual property rights that arise due to the execution of the delivery by the Supplier and by its employees or third parties involved by the Supplier for performance of the agreement belong to Purchaser. The Supplier shall be obligated to do everything necessary to obtain or establish the above mentioned rights. The Supplier guarantees that the delivery does not infringe on any of the intellectual property rights of third parties. The Supplier shall also be obligated to do everything necessary to obtain or establish the alternate acceptable arrangement pending resolution of any (alleged) claims by third parties.

The supplier shall indemnify the Purchaser against any (alleged) claims by third parties in this regard and shall reimburse Purchaser for any damages suffered as a result thereof. 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”.

**35.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.

**36. 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.

**37.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.

**38.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.

**39.DRAWINGS AND DOCUMENTS:**

Drawings, technical documents or other technical information received by one party shall not, without the consent of the other party, be used for any other purpose than that for which they were provided. They may not, without the consent of the submitting party, otherwise be used or copied, reproduced, transmitted or communicated to third parties. The supplier shall, as per agreed date/s but not later than the date of delivery, provide free of charge information and drawings which are necessary to permit the Purchaser to erect, commission, operate and maintain the product. All intellectual properties, including designs, drawings and product information etc. exchanged during the formation and execution of the Contract shall continue to be the property of the submitting party.

**40.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.

**41.AGENTS / AGENCY COMMISSION :** The seller confirms and declares to the buyer that the seller is the original manufacturer or authorized distributor / stockiest of original manufacturer or Govt. Sponsored / Designated Export Agencies (applicable in case of countries where domestic laws do not permit direct export by OEMS) of the stores referred to in this offer / contract / Purchase order and has not engaged any individual or firm, whether Indian or Foreign whatsoever, to intercede, facilitate or in any way to recommend to Buyer or any of its functionaries, whether officially or unofficially, to the award of the contract / purchase order to the Seller; nor has any amount been paid, promised or intended to be paid to any such individual or firm in respect of any such intercession, facilitation or recommendation. The Seller agrees that if it is established at any time to the satisfaction of the Buyer that the present declaration is in any way incorrect or if at a later stage it is discovered by the Buyer that the Seller has engaged any such individual / firm, and paid or intended to pay any amount, gift, reward, fees, commission or consideration to such person, party, firm or institution, whether before or after the signing of this contract / purchase order, the Seller will be liable to refund that amount to the Buyer. The Seller will also be debarred from participating in any RFQ / Tender for new projects / program with Buyer for a minimum period of five years. The Buyer will also have a right to consider cancellation of the Contract / Purchase order either wholly or in part, without any entitlement or compensation to the Seller who shall in such event be liable to refund all payments made by the Buyer in terms of the Contract / Purchase order along with interest at the rate of 2% per annum above LIBOR (London Inter Bank Offer Rate) (for foreign vendors) and Base Rate of SBI (State Bank of India) plus 2% (for Indian vendors). The Buyer will also have the right to recover any such amount from any contracts / Purchase order concluded earlier with Buyer.

**42.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.

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

**44. CONTRACT VARIATIONS: INCREASE OR DECREASE IN THE SCOPE OF SUPPLY:** Purchaser may vary the contracted scope. If the supplier is of the opinion that the variation in scope has an effect on the agreed price or delivery period, purchaser shall be informed of this immediately in writing along with technical details, and in the event of additional work, submit a quotation with regards to the price and delivery period and the effect this scope will have on the other contracts under execution by the supplier. The supplier shall not perform additional work / altered scope of work without the written instructions / amendment to the Purchase Order to that effect. The Purchaser also reserves its rights to decrease the scope of supply placed against Purchase Orders under due intimation to the supplier. Such decrease may be warranted due to defective goods or Policy Decisions of the Management of the Purchaser. And in such an event, the Supplier shall not have any claims or right against the Purchaser.

**45. 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.

**46. 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.

**47. 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.

**48. SECRECY:**

- a) All the information, know-how, technical data, specification and drawing models or specimens furnished by BEML for the purpose of or in connection with the manufacture and 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 documents, data, drawing, models and specimens are the property of BEML and shall be returned when done with or when demanded by BEML.
- b) The supplier shall not supply the material ordered by BEML to anyone else other than BEML and shall not disclose any initiations, development or adaptations thereof to anyone else except with the written consent of BEML.
- c) 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.

**49. INSTRUCTION FOR SUBMISSION INTEGRITY PACT (If estimated value > Rs. 1 Crore)**

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

No.: 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

#### 50. 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 fulfil 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.