

(Cover Page)



REQUEST FOR PROPOSAL
BY
MINISTRY OF DEFENCE
GOVERNMENT OF INDIA
FOR PROCUREMENT OF QUANTITY 48 JET PACK SUIT UNDER EMERGENCY
PROCUREMENT THROUGH
FAST TRACK PROCEDURE (FTP)
CATEGORY: BUY (INDIAN)

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The contents of this RFP must not be disclosed to unauthorised persons and must be used only for the purpose of submission of Bids.

This document contains 63 pages including cover page and Appendices.

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Directorate General of Infantry
Infantry - 7
Room No, 413, D-1Wing
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New Delhi-110011

24 Jan 2023

To

**REQUEST FOR TECHNICAL AND COMMERCIAL PROPOSAL FOR QUANTITY 48 JET
PACK SUIT UNDER EMERGENCY PROCUREMENT THROUGH FAST TRACK
PROCEDURE (FTP) CATEGORY: BUY (INDIAN)**

Dear Sir/Madam,

1. The Ministry of Defence, Government of India, intends to procure quantity 48 Jet Pack Suit under emergency procurement through Fast Track Procedure (FTP) under Buy (Indian) category and seeks participation in the procurement process from prospective Bidders subject to requirements in succeeding paragraphs.

Synopsis

2. **Broad Description of Equipment/System.** As per Appendix 'A'.

3. The salient aspects and timelines of the acquisition are tabulated below. In case of any variation in the details furnished below or in any Annexures(s) with that mentioned in the RFP, information furnished in the main body of the RFP at referred Paragraph is to be followed.

Ser No.	Description	Details	Reference Para of the RFP
(a)	Equipment/System required	Jet Pack Suit	Para 1 of covering Note to the RFP
(b)	Quantity Required	48	
(c)	Categorisation of Procurement	Buy (Indian)	
(d)	Minimum IC Content required	≥ 60 % & If, Indigenous Design minimum 50%	Para 7 of RFP
(e)	Place(s) of Delivery	COD Agra	Para 1.1.1 of Appendix G of RFP
(f)	Warranty Period	36 Months from completion of JRI	Para 11 of RFP
(g)	CMC Period	Five (05 Years) Post 36 Months of Warranty	Para 33 of RFP
(h)	EMD Amount	Seventy (70) Lakhs	Para 19 of RFP
(j)	Last date for submission of Pre-bid queries	27 Jan 2023	Para 21 of RFP
(k)	Date and time for Pre-bid meeting	31 Jan 2023 at 1600 hrs	Para 22 of RFP
(l)	Last date and time for Bid Submission	07 Feb 2023 at 1600 hrs	Para 23 of RFP

4. This Request for Proposal (RFP) consists of following four parts:-

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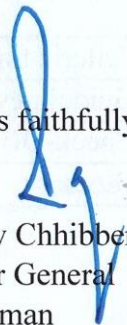
5. The Government of India invites responses to this request only from Original Equipment Manufacturers (OEM) or Authorised Vendors or Government Sponsored Export Agencies (applicable in the case of countries where domestic laws do not permit direct export by OEM) subject to the condition that in cases where the same equipment is offered by more than one of the aforementioned parties, preference would be given to the OEM.

6. The end user of the equipment is the Indian Armed Forces.

7. This RFP is being issued with no financial commitment; and the Ministry of Defence reserves the right to withdraw the RFP and change or vary any part thereof or foreclose the procurement case at any stage. The Government of India also reserves the right to disqualify any Bidder should it be so necessary at any stage on grounds of National Security.

8. In addition to various Appendices and their Annexures, attached with this RFP, reference to various paragraphs of DAP-2020 has been made in the RFP. The DAP -2020 is an open domain document that is available at GoI, MoD website www.mod.nic.in.

Yours faithfully



(Rajiv Chhibber)
Major General
Chairman
Empowered Committee

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Disclaimer

This RFP is neither an agreement and nor an offer by the MoD to the prospective Bidders or any other person. The purpose of this RFP is to provide interested parties with information that may be useful to them in submitting their proposals pursuant to this RFP. This RFP includes statements, which reflect various assumptions and assessments arrived at by the MoD in relation to the Project. This RFP document and any assumptions, assessments and statements made herein do not purport to contain all the information that each Bidder may require. The Bidder shall bear all its costs associated with or relating to the preparation and submission of proposal pursuant to this RFP. Wherever necessary, MoD reserves the right to amend or supplement the information, assessment or assumptions contained in this RFP. The MoD reserves the right to withdraw the RFP or foreclose the procurement case at any stage. The issuance of this RFP does not imply that the MoD is bound to shortlist a Bidder for the Project. The MoD also reserves the right to disqualify any Bidder should it be so necessary at any stage on grounds of National Security.

PART I – GENERAL REQUIREMENTS

1. This part consists of the general requirement of the Goods (also referred as equipment/systems/deliverables) and Services, hereafter collectively referred as ‘Deliverables’, the numbers required, the time frame for deliveries, conditions of usage and maintenance, requirement for training, Engineering Support Package (ESP) and warranty/guarantee conditions, etc. It includes the procedure and the date & time for submission of bids.

Non-Disclosure

2. The Bidding documents, including this RFP and all attached documents provided by the MoD, are and shall remain or become the property of the MoD. These are transmitted to the Bidders solely for the purpose of preparation and the submission of a proposal in accordance herewith. Bidders are to treat all information as strictly confidential and shall not use it for any purpose other than for preparation and submission of their proposal. The provisions of this Para shall also apply mutatis mutandis to Bids and all other documents submitted by the Bidders, and the MoD will not return to the Bidders any proposal, document or any information provided along therewith (except unopened Commercial Bid and EMD , as relevant).

3. Information relating to the examination, clarification, evaluation and recommendation for the Bidders shall not be disclosed to any person who is not officially concerned with the process, or concerning the Bidding Process. The MoD will treat all information, submitted as part of the Bid, in confidence and will require all those who have access to such material to treat the same in confidence. MoD may not divulge any such information unless it is directed to do so by any statutory entity that has the power under law to require its disclosure or is to enforce or assert any right or privilege of the statutory entity and/ or MoD or as may be required by law or in connection with any legal process.

4. **Confidentiality of Information.** No party shall disclose any information to any ‘Third Party’ concerning the matters under this RFP generally. In particular, any information identified as ‘Proprietary’ in nature by the disclosing party shall be kept strictly confidential by the receiving party and shall not be disclosed to any third party without the prior written consent of the original disclosing party. This clause shall apply to the sub-contractors, consultants, advisors or the employees engaged by a party with equal force.

Business Eligibility

5(a). **Undertaking by Bidders.** The Bidder will submit an undertaking that they are currently not banned / debarred / suspended from doing business dealings with Government of India / any other government organisation and that there is no investigation going on by MoD against them. In case of ever having been banned / debarred / suspended from doing business dealings with MoD/any other government organization, in the past, the Bidder will furnish details of such ban / debarment along with copy of government letter under which this ban / debarment / suspension was lifted / revoked. The Bidder shall also declare that their sub-contractor(s)/supplier(s)/technology partner(s) are not Suspended or Debarred by Ministry of Defence. In case the sub-contractor(s)/supplier(s)/technology partner(s) of the Bidder are Suspended or Debarred by Ministry of Defence, the Bidder shall indicate the same with justification for participation of such sub-contractor(s)/supplier(s)/technology partner(s) in the procurement case.

5(b). Subsequent to submission of bids if any sub-contractor(s)/supplier(s)/technology partner(s) of the Bidder is Suspended or Debarred by Ministry of Defence, the Bidder shall intimate the Ministry of Defence regarding Suspension or Debarment of its sub-contractor(s)/ supplier(s)/technology partner(s) within two weeks of such order being made public.

6. **Pre-Qualification Criteria.** The detailed Pre-Qualification criteria for the Bidders for participation in the instant procurement case are placed at **Appendix K** to this RFP. All Bidders are to submit details as per the criteria along with the Technical Bids. These would be evaluated by the TEC/ EC.

7. **Indigenous Content.** For the purposes of this RFP and the acquisition contract (if any) signed by the Ministry of Defence with a successful Bidder, indigenous content shall be as defined under **Para 9 of Chapter I** and **Para 1 of Appendix B to Chapter I** of DAP 2020. In addition, reporting requirements for prime (main) Bidders (and for sub-contractors/suppliers/technology partners reporting to higher stages/tiers) shall be as prescribed under **Para 4 to 7 of Appendix B to Chapter I** of DAP 2020. The right to audit Bidder/ sub-contractors/suppliers/technology partners shall vest in the Ministry of Defence as prescribed under **Para 10**; and aspects of delivery, certification, payments, withholding of payments and imposition of penalties shall be as prescribed under **Para 11 to 15** thereof. Furthermore, Bidders in 'Buy (Indian)', will be required to submit their indigenisation plan in respect of indigenous content as stipulated in **Para 4 to 7 of Appendix B to Chapter I** and **Para 39** of Chapter II of DAP 2020. The DAP 2020 is available at MoD, GoI website (www.mod.nic.in) for reference and free download.

8. **Year of Production.** Deliverables supplied under the contract should be of latest manufacture i.e manufactured after the date of Contract with unused components/assemblies/sub-assemblies, conforming to the current production standard and should have 100% of the defined life at the time of delivery. Deviations, if any, should be clearly brought out by the Bidder in the Technical Proposal.

9. **Delivery Schedule.** The delivery schedule of equipment and services along with the relevant payment stages is specified at **Annexure V to Appendix G.**

10. Once the contract is concluded and the delivery schedule is established, the Bidder shall adhere to it and ensure continuity of supply of deliverables and their components under the contract.

11. **Warranty.** The deliverables supplied shall carry a warranty for **Thirty-Six (36) Months.** Commencement of warranty will be from the date of acceptance post JRI. Warranty Clause is given at **Appendix C** to this RFP.

12. **In Service Life and Shelf Life.** The Service Life and Shelf Life should not less than **Ten (10) Years** for Jet Pack Suit and shall be stipulated in the offer. The Bidder is required to give details of reliability model, reliability prediction and its validation by designer/manufacturer to ensure reliability of stores throughout Service/shelf life. The efficacy of reliability model/prediction/validation would be verified during technical and environmental evaluation as indicated in Para 34 of this RFP.

13(a). **Product Support.** The Bidder would be bound by a condition in the contract that he is in a position to provide product support in terms of maintenance, materials and spares for a minimum period of Ten (10) years. Even after the said mandatory period, the Bidder would be bound to give at least two years notice to the Government of India prior to closing the production line so as to enable a Lifetime Buy of all spares before closure of the said production line. This, however, shall not restrict the Buyer from directly sourcing sub-equipment/sub-assembly and spares from their respective OEMs/sub-vendors on completion of warranty. In case the sub-equipment/sub-assembly/parts require tuning/calibration/integration by the Bidder prior replacement, the same is to

be undertaken by the Bidder at fair and reasonable cost, as mutually agreed between Buyer and Bidder.

13(b). **Codification**. The Bidder agrees to provide existing NATO Stock Numbers (NSNs) of OEM for each item supplied under the contract as per part list (including MRLS). In case, the NSNs are not available, the bidder agrees to codify using basic technical characteristics as required for codification in consultation with MoD/Directorate of Standardisation. In case of IPR issues, codification will be undertaken as Type IV codification (where only the manufacturer details and part number are to be provided). The process of codification should be completed before the completion of the warranty period.

14. **Obsolescence Management Plan**. An actionable obsolescence management plan is to be proposed by the Bidder along with the mechanism for intimation of notification of obsolescence. The modalities of the mechanism for intimation of notification would be deliberated during CNC. The mutually agreed mechanism for intimation would form an integral part of the contract. All upgrades and modifications carried out on the equipment during the next Ten (10) years must be intimated to the SHQ as per the agreed mechanism.

15. **Training of Crew**. A training package for training of operators and operator trainers to undertake operation of equipment and training of QA personnel for Quality Assurance of equipment would be required to be carried out in English language and Hindi language (if required). This training shall be designed to give the operators necessary knowledge and skills to operate. The Block Syllabus and details of training to be conducted to be decided by Dte Gen of Inf (Inf-7) and the vendor. The syllabus will be defined by the Bidder in consultation with the Buyer at the time of CNC. All training requirements such as training aids, projection system, complete equipment with accessories / optionals, technical literature, spares, test equipment / test set up, charts, training handouts, power point presentations, Computer Based Training (CBT), Documentation, Simulators etc will be catered by the Bidder.

Ser No	Service / Directorate	Location	Duration (No of Working Days per Batch)	No of Batches	Total No of Personnel	Remarks
<u>Crew Training</u>						
(a)	User	Bakloh	10	02	20	10 personnel per batch
(b)	DGQA	Vendor Premise	03	01	02	

Note: All types of training (less QA personnel) will be completed within four months of completion of JRI of first lot of equipment and QA personnel prior to completion of PDI.

16. **Government Regulations**. It may be confirmed that there are no Government restrictions or limitations in the country of the Bidder or countries from which subcomponents are being procured and/or for the export of any part of the deliverables being supplied.

17. It may be further confirmed that all national and international obligations relevant to transfer of conventional arms of the country of the supplier or countries from which parts and components are being procured, have been taken into account for the duration of the contract. Accordingly, thereafter there would be no review, revocation or suppression of Defence export licence and other related clearance issues to the supplier for the contract that could impinge on the continuity of supply of items and their parts or components under the contract.

18. **Patent Rights.** The Bidder should confirm that there are no infringements of any Patent Rights in accordance with the laws prevailing in their respective countries.

19. **Integrity Pact.** In the subject RFP, the Bidder is required to sign and submit Pre Contract Integrity Pact (PCIP) given at **Annexure I to Appendix J** to this RFP and EMD of Rupees **Seventy (70) Lakhs.**

20. **Fall Clause.** If the equipment being offered by the Bidder has been supplied/ contracted with any organisation, public/private in India, the details of the same may be furnished in the technical as well as commercial offers. The Bidders are required to give a written undertaking that they have not supplied/is not supplying the similar systems or subsystems at a price lower than that offered in the present bid to any other Ministry/Department of the Government of India and if the similar system has been supplied at a lower price, then the details regarding the cost, time of supply and quantities be included as part of the commercial offer. In case of non-disclosure, if it is found at any stage that the similar system or subsystem was supplied by the Bidder to any other Ministry/Department of the Government of India at a lower price, then that very price, will be applicable to the present case and with due allowance for elapsed time, the difference in the cost would be refunded to the Buyer, if the contract has already been concluded.

Bid Timelines

21. Any queries/clarifications to this RFP may be sent to this office by **27 Jan 2023** :-

**Directorate General of Infantry (Inf-7),
General Staff Branch, Room No 413,
D-I Wing, Sena Bhawan, IHQ of MoD (Army),
DHQ PO, New Delhi – 110011
(Tele - 011-21411267)**

22. **Pre-Bid Meeting.** A pre-bid meeting will be organised by SHQ at **1600 hrs** on **31 Jan 2023** at **Room No 413, Directorate General of Infantry (Inf-7)** to answer any queries or clarify doubts regarding submission of proposals. The Bidder or his authorised representative is requested to attend. Necessary details may be sent a week in advance to **Directorate General of Infantry (Inf-7), (Address as per Para 21 of RFP)**, to facilitate obtaining of security clearance.

23. **Submission of Bids.** The Technical and Commercial Proposals along with IP and EMD should be sealed separately in three separate envelopes clearly indicating Commercial/ Technical/ IP and EMD and any other Bank Guarantee, as applicable duly stamped and signed by authorized bidder representative, and then put in one envelope and sealed (**all the envelopes should clearly state the letter No of RFP and the name of equipment and Bidder name**) and submitted to the undersigned at the following address by **1600 hours** on **07 Feb 2023** :-

**Directorate General of Infantry (Inf-7),
General Staff Branch, Room No 413,
D-I Wing, Sena Bhawan,
IHQ of MoD (Army),
DHQ PO, New Delhi – 110011
(Tele - 011-21411267)**

24. Offer opening by a Offer opening committee will be held at **1600 hrs** on **08 Feb 2023** at the same venue as indicated at Para 23 above. The Bidder or his authorised representative is welcome to be present at the opening of the proposals. Necessary details may be sent atleast one week in advance to facilitate obtaining of security clearance.

PART II – TECHNICAL REQUIREMENTS

25. The second part of the RFP incorporates the aspects of SQRs describing the technical parameters of the proposed equipment, and the environmental parameters for functioning. The operational characteristics and features that should be met by the equipment are elucidated at **Appendix A** to this RFP and the Compliance Table at **Appendix B** to this RFP. The Bidder would be required to offer the equipment quantity One (01) Jet Pack Suit at Buyers Nominated Location for Demonstration on a “No Cost No Commitment” basis.

26. **Operational Characteristics and Features.** The broad operational characteristics and features that are to be met by the equipment are elucidated at **Appendix A** to this RFP.

27. **Technical Offer.** The Technical Offer must enable detailed understanding of the functioning and characteristics of the equipment as a whole and each sub system independently. It must include the performance parameters as listed at **Appendix A** to this RFP and any other information pertaining to the technical specifications of the equipment considered important/relevant by the Bidder.

28. If there is any associated optional equipment on offer that should also be indicated separately along with the benefit that are likely to accrue by procuring such optional equipment. Should the Bidder be contemplating any upgrades or modifications to the equipment being offered, the details regarding these should also be included in the Technical Proposal.

29. **Technical Details.**

(a) The technical details should be factual, comprehensive and include specifications of the offered system/equipment against broad requirements listed in **Appendix A** to this RFP.

(b) Insufficient or incomplete details may lead to rejection of the offer. Mere indication of compliance may be construed as incomplete information unless system’s specific technical details are available in the offer. A format of the compliance table for commercial conditions of RFP including the Operational Characteristics and Features is attached as **Appendix B** to this RFP.

30. The technical offer should have a separate detachable compliance table as per format given at **Appendix B** to this RFP stating specific answers to all the parameters as listed at **Appendix A** to this RFP. It is mandatory to append answers to all the parameters listed in **Appendix A** to this RFP. One copy of the Technical Proposal should be submitted (along with one soft copy), however only one copy of the commercial proposal is required in a separately sealed envelope.

31. **Malicious Code Certificate.** The Bidder is required to submit a ‘**Malicious Code Certificate**’ (*only for Electronic items and Software*) along with the Technical Proposal. The format is placed at **Appendix D** to this RFP.

32. **Demonstration.** The Bidder is requested to confirm his willingness to provide the quantity one (01) of Jet Pack Suit for Demonstration on “**No Cost No Commitment**” basis to the Empowered Committee or the representative nominated by the Empowered Committee at Buyers decided Location under Vendor’s / OEM arrangements to confirm compliance to the Operational Characteristics and Features (as given in Appendix A to this RFP) when so requested as per demonstration methodology given at **Appendix F**. The Seller, at his own expense, will depute its representatives for the demonstration. If any part of the demonstration are conducted in the Buyer’s

facilities, the Bidder shall depute his personnel and equipment at his own expenses and bear the cost of all expenses of trials other than the cost of ranges, platform or facilities which the Buyer may choose to provide free of cost. Demonstration methodology is attached as Appendix F to this RFP.

33. **Product Support.** After induction, the equipment/system would be repaired and maintained as per the repair and maintenance philosophy at **Appendix E** to this RFP. Post Warranty period the equipment will be maintained through CMC for five (05) Years. The details of CMC proposals, must also be submitted separately by the Bidder with technical aspects being included in the technical offer and commercial aspects being included in the commercial offer.

Evaluation of Technical Offers

34. The Technical Offer submitted by the Bidder will be evaluated by Empowered Committee (EC) to confirm that the equipment being offered meets all the Essential Parameters of the RFP including Operational Requirements as elaborated in the RFP at **Appendix A**. Thereafter, the vendors of the short-listed equipment would be asked to demonstrate the compliance of their equipment with the Operational Requirements given in Appendix A to this RFP to the Empowered Committee or the representative nominated by the Empowered Committee at Buyers nominated location on 'NCNC' basis. Where demonstration is not feasible for a parameter due to terrain or lack of testing facilities etc, the Vendor will provide confirmation of compliance to the parameter by certification of Accredited Laboratory / OEM / Vendor in that sequence.

35. Commercial offers will be opened only of Bidders whose equipment is found Technically and demonstration compliant by the Empowered Committee or the representative nominated by the Empowered Committee.

Quality Assurance Instructions & Technical Evaluation Plan

36. Bidder is to submit a Draft Acceptance Test Procedure (ATP) along with the Technical bid or at the time of Demonstration, as per the QA instructions and Technical Evaluation Plan. Based on the draft ATP, the ATP will be finalised by the Buyer's QA agency with Bidder in consultation with the User and Vendor during CNC. ATP will be finalised at the CNC stage. ATP shall be included in the contract at the time of finalisation with successful bidder. ATP will lay down the tests to be carried out during PDI and JRI. It shall be ensured that there are no repetition of QA tests in PDI and JRI. The JRI would normally be restricted to quantitative checks only, except where check proof is required to be carried out. In case PDI/JRI are planned to be conducted by authorised Third Party Inspection (TPI) Agencies, the same will be spelt out in the QA instructions and the details included in the finalised ATP. QA of equipment will be carried out as per finalised QA plan in the contract.. The successful Bidder would also be required to provide those test facilities at OEM premises/accredited laboratories for quality assurance, which are not available with QA agencies. Details of the same will be intimated to the Bidder during finalisation of ATP. Guidelines for framing Draft ATP by the Vendor are attached as **Appendix L**.

Marking and Packaging

37. **Marking of Deliverables.** The Bidder shall ensure that each deliverable is marked clearly and indelibly, as follows: -

- (a) In accordance with the requirements specified in the RFP with the indicated codification number or alternative reference number specified.

(b) Ensure that any marking method used does not have a detrimental effect on the strength, serviceability or corrosion resistance of the deliverables.

(c) Where the deliverables have a limited shelf life, with the cure date/date of manufacture or expiry date expressed as months and years.

(d) The maintenance instructions alongwith year of manufacture and size be printed/labelled in English and Hindi on the **Jet Pack Suit** at appropriate place.

38. Where it is not possible to mark a deliverable with the required particulars, these should be included on the package in which the deliverable is packed.

39. **Packaging of Deliverables.** The Bidder shall pack or have packed the deliverables, as applicable: -

(a) In accordance with DEFSTAN 81-041 (Part 1)/STANAG-4280 or equivalent Military Standard.

(b) To ensure that each deliverable may be transported in an undamaged and serviceable condition.

40. The Bidder shall ensure that each package containing the deliverable is labeled to include:-

(a) The name and address of the consigner and consignee including

(i) The delivery destination/address if not of the consignee

(ii) Transit destination/address (for aggregation/disaggregation, onward shipment etc)

(b) The description and quantity of the deliverables.

(c) The full part number in accordance with codification details.

(d) The makers part, catalogue, serial, batch number, as appropriate.

(e) The contract numbers.

(f) Any statutory hazard markings and any handling markings including the mass of any package which exceeds 3 kgs.

(g) The Packaging Label (military J, N or P, special H, commercial A, C etc) (specify reference to DEFSTAN 81-041 (Part 1)/STANAG-4280 or equivalent Military Standard.).

PART III - COMMERCIAL REQUIREMENTS

41. The third part of the RFP consists of the commercial clauses and Standard clauses of contract. The bidders are required to give confirmation of their acceptance of these clauses.

Commercial Bid

42. The Bidder is requested to take into consideration the *Commercial Clauses and Payment Terms* given at **Appendix G** to this RFP while formulating the Commercial Offers. The bidders are required to quote their price in Price bid format given in **Appendix H** to this RFP.

43. The Commercial Offer must be firm and fixed and should be valid for at least 06 months from the last date of bid submission.

Commercial Bid Opening

44. The Commercial Offers will be opened only of the vendors whose equipment is found Technically and Demonstration compliant by the Empowered Committee or the representative nominated by the Empowered Committee. If Bidder desires, he may depute his representative, duly authorised in writing, to be present at the time of opening of the offers.

45. The date, time and venue fixed for this purpose will be intimated separately

46. The Empowered committee will determine the lowest bidder (L1).

Additional Aspects

47. **Standard Conditions of RFP.** The Government of India desires that all actions regarding procurement of any equipment are totally transparent and carried out as per established procedures. The bidder is required to accept our standard conditions furnished at Appendix J to this RFP regarding Agents, penalty for use of undue influence and Integrity Pact, access to books of accounts, arbitration and clauses related to Law. These conditions along with other clauses of the Contract form the Standard Contract Document (as at **Chapter VI** of DAP 2020) indicates the general conditions of contract that would be the guideline for all acquisitions. The draft contract would be prepared as per these guidelines. In addition, '**Termination Clause**' as given in **Para 8** of **Appendix J** to this **RFP** will be applicable.

PART IV: BID EVALUATION AND ACCEPTANCE CRITERIA

48. A list of documents/details to be submitted along with the bids is placed at **Appendix M** as a reference to help in completeness of bid and meeting the procurement process schedule.
49. The bids shall be unconditional and unqualified. Any condition or qualification or any other stipulation contained in the bid shall render the bid liable to rejection as a non-responsive bid.
50. The bid and all communications in relation to or concerning the bidding documents shall be in English language.
51. **Evaluation and Acceptance Process.**
- (a) **Evaluation of Technical Proposals.** The technical proposals forwarded by the Bidders will be evaluated by the Empowered Committee (EC) on all parameters of the RFP, including Operational Characteristics and Features as given in **Appendix A** to this RFP. The Empowered Committee will examine the extent of variations/differences, if any, in the technical characteristics of the equipment offered by various Bidders with reference to the Operational and Technical Requirements and prepare a “Compliance Statement” for shortlisting the Bidders. The compliance would be determined only on the basis of the parameters specified in the RFP, by the Empowered Committee. The Evaluation will shortlist the equipment recommended for introduction into service.
- (b) **Evaluation of Commercial Bid.** The Commercial bids of only those bidders will be opened, whose technical bids and demonstration have been found compliant by the Empowered Committee. Comparison of bids would be done on the basis of Evaluation criteria given in **Appendix H** to this RFP. The L-1 bidder would be determined by Empowered Committee on the basis of **Appendix H** to this RFP. Only L-1 bidder would be invited for negotiations by Empowered Committee.
- (c) **Contract Conclusion/ Placement of Order .** The successful conclusion of Contract Negotiation will be followed by contract conclusion/ placement of order.

Appendix A

(Refers to Para 25, 26, 27, 29 (a), 30, 34 & 51 (a) of RFP)

OPERATIONAL CHARACTERISTICS AND FEATURES

1. Jet Pack Suit is a turbine based individual mobility platform, which can lift a man safely across varied terrain. The suit must provide controls for safe ascent, safe descent, take off and landing and movement in all directions.
2. Major characteristics of the system are :-
 - (a) **Physical Dimensions.** The total weight of the system (excluding the human) must not exceed 40 Kgs. It must have features for a safe take off, flight and landing post training of the user.
 - (b) **Propulsion.** Should have any Modern Propulsion System including Turbine engines/ Electric and Hybrid Systems.
 - (c) **Speed.** The max speed should not be less than 50 Km/h.
 - (d) **Pay Load.** The pay load carrying capacity should not be less than 80 Kg.
 - (e) **Flight Time.** Should have min 8 min of flight time.
 - (f) **Operating Temp.** Min - Between -15°C to -10°C .
Max - Between 40°C to 45°C .
 - (g) **Shelf Life.** Not less than 10 yrs.
 - (h) **Op Altitude.** Upto 3000m.
 - (j) **Terrain.** The equipment should be capable to operate satisfactory in plain, mountain desert & high altitude areas upto an altitude of 3000m.
 - (k) **Storage.** Should be capable of being stored in weather proof packages & be capable of being transported by land, sea or air as reqd.
 - (l) **Attachments.** The equipment should have adequate securing straps on the body for safe flight.
 - (m) **Colour.** Should preferably be of black colour.
 - (n) **Accessories.** Should have a helmet of suitable safety standards.

Appendix B

(Refers to Para 25, 29(b) & 30 of RFP)

COMPLIANCE TABLEFor Procurement of quantity **48 Jet Pack Suit**

Ser No	Requirement as per the RFP	Compliance/ Partial Compliance*	Indicate references of Paras/Sub Paras of the Main Technical Document
General Conditions of RFP (Para 01 to 51)*			
Technical Parameters as per Appendix A*			
	Essential Parameters 'A' Operational Characteristics and Features		
Commercial Parameters as per RFP*			
	Performance-cum-Warranty Bank Guarantee as per Para 2 of Appendix G of RFP		
	Advance Payment Bank Guarantee as per Para 1.3.3 of Appendix G of		
	EMD of Rs Seventy (70) Lakhs as per Para 19 of RFP (indicate amount of IPBG)		

***Note: Compliance/ partial compliance to be submitted for individual paragraph.**

WARRANTY CLAUSE

(To be amended as per requirement and all blank spaces to be filled up)

1. The **SELLER** warrants that the goods/services supplied under this contract conform to technical specifications prescribed and shall perform according to the said Technical Specifications.
2. The **SELLER** warrants an onsite warranty for a period of **Thirty Six (36) Months** for Procurement of quantity 48 Jet Pack Suit from the date of acceptance deliverables post Joint Receipt Inspection and from date of installation and commissioning (as per Para 11 and as applicable on case to case basis), that the goods/stores/services supplied under this contract and each component used in the manufacture thereof should be free from all types of defects/failures .
3. If within the period of warranty, the goods/stores are reported by the **BUYER** to have failed to perform as per the specifications, the **SELLER** shall either replace or rectify the same free of charge, maximum within 30 days of notification of such defect by the **BUYER** provided that the goods are used and maintained by the **BUYER** as per instructions contained in the Operating Manual. Warranty repair will be carried out in-situ. Warranty of the equipment would be extended by such duration **of downtime if not repaired within the stipulated time of 30 days**. Record of the down time would be maintained by User in log book. Spares **and all consumables** required for warranty repairs shall be provided free of cost by **SELLER**.
4. The **SELLER** also undertakes to repair/replace the goods/equipment arising due to accidents by neglect or misuse by the operator or damage due to transportation of the goods during the warranty period, at the cost mutually agreed to between the **BUYER** and the **SELLER**. The **SELLER** shall intimate the assignable cause of the failures.
5. **SELLER** hereby warrants that necessary cost towards service and repair backup including consumables, spares, labour and oils/lubricants/ greases required for the periodic/ scheduled/ un-scheduled maintenance of the equipment during the warranty period, including routine maintenance beyond Unit Level, shall be borne by the **SELLER**.
- 6(a). If a particular equipment/ goods fails frequently or the cumulative down time exceeds 10% of the warranty period, then the equipment will be completely replaced free of cost by the **SELLER** within a stipulated period of 45 days of receipt of the notification from the **BUYER**.
- 6(b). If a common defect is noticed in more than 5% of the quantity of equipment with respect to a particular item/ component/ sub-component, that complete item/ component/ sub-component shall be replaced free of cost by the **SELLER** within a stipulated period of 45 days of receipt of the notification from the **BUYER** duly modified/ upgraded through design improvement in all equipment supplied/ yet to be supplied and ESP supplied/ yet to be supplied.
7. **SELLER shall associate User and QA of BUYER during warranty repair and shall provide complete details of defect, reasons and remedial actions for averting recurrence of such defects.**
8. The seller is also bound to support the Buyer's QA agency for defect investigations beyond the warranty period i.e for the complete life cycle of equipment.

9. **The SELLER warrants that the goods supplied will conform to the Temperature and Humidity conditions as mentioned at Appendix A to RFP.**

10. The terms of warranty and OEM/ Seller Contact Details including phone number and email should be mentioned in the User Hand Book (UHB). The date from which warranty is applicable (duly endorsed by representative of both Buyer & Seller) should be mentioned in respective log book and User Hand Book of the main equipment and accessories

Appendix D
(Refers to Para 31 of RFP)

CERTIFICATE: MALICIOUS CODE
(To be rendered on the Company Letter head)

1. This is to certify that the Hardware and the Software being offered, as part of the Contract, does not contain embedded malicious code that would activate procedures to:-

- (a) Inhibit the desired and designed function of the equipment.
- (b) Cause physical damage to the user or equipment during the exploitation.
- (c) Tap information resident or transient in the equipment/ networks.

2. The firm will be considered to be in breach of the procurement contract, in case physical damage, loss of information or infringements related to copyright and Intellectual Property Rights (IPRs) are caused due to activation of any such malicious code in embedded software.

(Signed)

Designation/Name/Address of firm

Date:

Place:

PRODUCT SUPPORT

1. **Maintenance Philosophy.** Post Warranty period of **Thirty Six (36) Months** the equipment will be maintained by the Seller for the period of Five (05) Years through CMC and would commence on completion of warranty period. The details of the same are covered in subsequent Paras: -

2. **Comprehensive Maintenance Contracts (CMC).** Comprehensive Maintenance Contracts will be concluded for a period of **Five (05) years** post completion of Warranty Period of Thirty- Six (36) Months. The scope of CMC, in addition to services of the Specialists as mentioned for AMC, include provisioning of spares, tools and equipment as required for Maintenance and Repair of the equipment. In this arrangement, the OEM will ensure that the down time of the equipment does not exceed the minimum period stipulated in the CMC. CMC will include all corrective and preventive maintenance of the systems, equipment and machinery in satisfactory working order and 'Planned Preventive Maintenance' (PPM), repairs, servicing, calibration, replacement of defective parts, sub-assemblies, equipment, preservation /de-preservation as applicable. All equipment supplied under the proposed contract will be maintained on site by the Seller. CMC will ensure performance of the equipment in the range and accuracies as set in equipment Technical Manual. . An equipment repair Log book will be maintained to keep a record of the equipment down time during defect rectification. The scope of work would also involve the following : -

(a) **Preventive Maintenance.** The maintenance of the equipment is to be carried out by the Bidder at the Buyer premises. The equipment will be maintained as per the OEM specified maintenance schedules and equipment manuals. However, the number of visits by the Bidder to the customer premises should be at least once a quarter or as agreed to in the contract. The preventive maintenance team visiting the unit should be composite and possess sufficient expertise and spares to carry out preventive maintenance activities and resolve any pending unserviceability issues of the equipment.

(b) **Breakdown Maintenance.** In addition to preventive maintenance, the Bidder will also be responsible to undertake breakdown maintenance of the equipment. Defects on the equipment as and when observed, will be intimated to the Bidder by telephone/ fax. The Bidder will depute a team for undertaking repairs of the equipment within two working days from the reporting of the defect, in order to make the equipment operational. The Bidder will need to diagnose, test, adjust, calibrate and repair / replace the goods/equipment during the CMC period. However, defective hard disks, strong devices, if any, of the equipment, will not be returned to the Bidder and would be retained for destruction / safe custody. The downtime of the equipment will commence from the time a defect is reported by the user and the log of the same would be maintained.

(c) **Calibration.** Periodic inspection and calibration services as set forth in the equipment manual shall be provided by the Bidder, to ensure operational availability of the equipment. Requisite certificates may be rendered whenever major repairs/maintenance on equipment is undertaken.

(d) **Spares.** Supply of all parts (spares sourced from the OEM/OEM authorised vendor), including consumables, if any and material required for the optimal performance of

the equipment as per the designed specifications mentioned in the equipment manual would be the responsibility of the Bidder.

(e) **Software.** The Bidder will provide support for maintenance of the software(s) during the period of CMC and would include the following: -

- (i) Upgrades, patches, fixes to the OS and the Application software.
- (ii) Back-up and restoration of software, as and when required.
- (iii) No malware certificate.
- (iv) Version of the software and IV & V (Independent verification and validation) certificate as per the applicable CMM Level, depending on the criticality of the equipment.
- (v) Method of checking the health of the software and debugging methods.

(f) **Obsolescence Management.** The obsolescence management for the equipment delivered under the scope of contract would form part of CMC Services. The obsolescence management will include providing “Form, Fit and Function” replacement of any system/sub system rendered obsolete during the period of CMC.

3. Requirements of training literature is attached as **Annexure I** to this Appendix.

Annexure I to Appendix E
(Refers to Para 3 of Appendix E)

TECHNICAL LITERATURE

EQUIPMENT: Procurement of 48 Jet Pack Suit
Original Equipment Manufacturer (OEM):__

<u>Ser No.</u>	<u>Technical Literature</u>	<u>Unit Cost</u>	<u>Scale For Equipment Total Cost</u>		<u>Remarks</u>
			<u>User</u>	<u>QA</u>	
1.	User Handbook/operators Manual		48	04	
2.	Design Specifications		04	04	
3.	<u>Technical Manual.</u> (a) <u>Part I.</u> Tech description, specifications, functioning of various Systems. (b) <u>Part II.</u> Inspection/ Maintenance tasks, Repair procedures, materials used, fault diagnosis. (c) <u>Part III.</u> Procedure assembly/ disassembly, safety precautions.		06	04	
			06	04	
			06	04	
4.	CDs on the above Tech literature				
5.	Any other (specify)				

Total Cost:

- Note:**
- (i) *In case any additional equipment is used their tech literature will be included.*
 - (ii) *If certain technical literature is being provided free of cost it should be indicated in the remarks column.*

Appendix F
(Refers to Para 32 of RFP)

DEMO/ EVALUATION METHODOLOGY: JET PACK SUIT

1. The Demonstration cum Evaluation will be conducted on 'No Cost No Commitment' basis by Empowered Committee or members nominated by them under the aegis of IHQ of MoD (Army) as per **Annexure**.
2. **Number of Trial Equipment and Other Associated Items.** Jet Pack Suit alongwith all accessories and requisite documentation will be arranged by vendor at the designated demonstration location. Vendor will be responsible for ensuring availability of requisite spares/ tools/ associated equipment/ material required for the demonstration.
3. **Crew.** **Crew representative** for the operation of equipment for demonstration will be **provided by the Vendor**. Prior to the commencement of the demonstration, vendor representatives will undertake briefing of the team evaluating demonstration. The vendor representatives should have adequate knowledge about the equipment/ spares/ tools to give the complete details of the equipment.
4. **Timeframe for Demonstration.** The vendor will confirm his willingness to provide the eqpt for 'Demo' (to be org by the bidder) at the Buyer specified loc within 10 days of submission of bids on NCNC basis.
5. **Retention of Trial Equipment.** The equipment of all the vendors found compliant after demonstration, will be retained by the Nominated agency of SHQ under their custody till the commencement of CNC. Equipment of vendors found non-compliant in the demonstration would be returned thereafter. On finalization of contract, other participating vendors may utilise/ dispose off their equipment as deemed fit. Equipment of Vendor with whom contract is concluded will be retained till the last lot of delivery, for purpose of comparison.
6. **Transportation of Equipment.** Being NCNC demonstration all charges for transportation freight, insurance, custom, octroi and any other local taxes shall be borne by the vendor.

Demonstration cum Evaluation by Empowered Committee

7. The Demonstration cum Evaluation will be conducted in accordance with the provisions laid out in **DAP 2020** and the equipment will be tested against parameters mentioned at Annexure I. Equipment fielded may require repairs/ modifications during the course of demonstration and these in-situ servicing, repair, maintenance actions or modifications as requested by the vendor may be permitted on case to case basis. Towards this, vendor shall be adequately informed and advised at the pre demonstration stage itself so that they can ensure availability of requisite maintenance teams/ experts on site during the conduct of demonstration.
8. **Change of Equipment.** In-situ repair (if required) may be permitted. The duration required for change of eqpt will be as decided in the pre-demo meeting. Towards this, participating vendors are advised to ensure redundancy of equipment and associated accessories.

9. **Location of Demonstration**. Demonstration will be undertaken at a location (in India) as nominated by the Empowered Committee. The location for demonstration will be SFTS, Bakloh. Time period for demo will be intimated to Vendors post TEC by EC.

10. **Vendor Certification (Certificate of Conformance)**. Vendor certification supported by test reports from NABL accredited Labs on aspects specified at **Annexure-I** will be accepted on case-to-case basis.

11. **Testing Charges**. All testing charges in various laboratories (as applicable) will be borne by respective vendors.

Broad Demo Plan

12. Broad Demo plan is attached as Annexure I to this Appendix.

Pre - Demonstration Meeting

13. A pre demonstration meeting to discuss broad schedule and modalities of demonstration will be organized at a place which will be intimated to the vendors. The meeting will include representative of vendor and all stake holders and agencies involved in conduct of demonstration.

Representations / Requests

14. All queries, representations and requests related to the demonstration will be addressed in writing to the Empowered Committee. Attention of respective vendors is drawn towards MoD Guidelines for Handling of Complaints promulgated vide **MoD ID No. 1(6)/D(Acq)/13-Vol.II dated 21 Sep 2015**.

Schedule of Demonstration

15. The likely schedule and sequence of demonstration will be informed to the vendor representatives during the meetings mentioned at Para 13 above.

Miscellaneous

16. The representatives of the Empowered Committee may be required to visit certain factory locations and/ or laboratories during the evaluations. The vendor would organise access and facilitate such visits by Empowered Committee to its factory/ manufacturing locations.

17. Any additional aspects to be checked during **Empowered Committee** will be intimated during the meeting mentioned at **Para 12** above.

18. The decision on carrying out physical evaluation for parameters wherein certification is sought, or to seek certification for parameters wherein physical evaluation has been laid down, rests with Empowered committee depending on conditions existing during the Demo stage.

Annexure I to Appendix F
(Refers to Para 10&12 of Appendix F)

DEMO PLAN

1. **Introduction.** The **Demo Plan** elucidates procedure for evaluation of Jet Pack Suit.
2. The evaluation of each laid out parameter will be carried out as illustrated at in **table at Para 4 below**. Description of test methods is as given below:-
 - (a) **Demonstration.** **Demonstration cum Evaluation** of the equipment will be conducted in **EC** nominated locations for **testing core functionalities** and will require the same to be demonstrated by vendor using all applicable eqpt and assemblies required to meet the functional specifications / features.
 - (b) **Design Presentation.** **Design presentation** will necessarily require presenting of **graphically modelled designs, architectural details, software architecture, lab simulations, weight & power budgeting, technical specifications, ergonomics and detailed presentation on achieving system functionality / features.**
 - (c) **Cert from Labs.** Cert will be furnished from any Internationally or NABL accredited/ government designated labs along with lab test reports confirming compliance to the laid down OR. All test reports and certification must be of current year vintage. The same will be audited/ verified by the EC.
 - (d) **Cert of Conformance.** CoC by the Vendor to meet the particular reqmt will be accompanied by the test results from Internationally or NABL accredited/ government designated labs.
 - (e) **Vendor Certification.** Self Cert of compliance by the Vendor will be submitted to meet the particular reqmt.
3. **Legend.**
 - (a) 'D' : Demonstration.
 - (b) 'P' : Design Presentation.
 - (c) 'CA' : Certificate from Labs.
 - (d) 'C' : Certificate of Conformance.
 - (e) 'V' : Vendor Certification.
4. **Demo Plan.** The demo plan is as given below. Wherever mentioned the vendor to submit Certificate from NABL accredited lab / CoC as applicable.

DEMO PLAN: JET PACK SUIT

<u>S No</u>	<u>Parameters</u>	<u>Method of Eval</u>
1.	Jet Pack Suit is a turbine based individual mobility platform, which can lift a man safely across varied terrain. The suit must provide controls for safe ascent, safe descent, take-off and landing and movement in all directions.	D & C
2.	<u>Physical Dimensions.</u> The total weight of the system (excluding the human) must not exceed 40 Kgs. It must have features for a safe take off, flight and landing post training of the user.	D & C
3.	<u>Propulsion.</u> Should have any Modern Propulsion System including Turbine engines/ Electric and Hybrid Systems.	D & CA
4.	<u>Speed.</u> The max speed should not be less than 50 Km/h.	D
5.	<u>Pay Load.</u> The pay load carrying capacity should not be less than 80 Kg.	D
6.	<u>Flight Time.</u> Should have min 8 min of flight time.	D & CA
7.	<u>Operating Temp.</u> Min - Between -15 ⁰ C to -10 ⁰ C. Max - Between 40 ⁰ C to 45 ⁰ C.	CA
8.	<u>Shelf Life.</u> Not less than 10 yrs.	V
9.	<u>Op Altitude.</u> Upto 3000m.	D
10.	<u>Terrain.</u> The equipment should be capable to operate satisfactory in plan, mountain desert & high altitude areas upto an altitude of 3000m.	D
11.	<u>Storage.</u> Should be capable of being stored in weather proof packages & be capable of being transported by land, sea or air as reqd.	D & C
12.	<u>Attachments.</u> The equipment should have adequate securing straps on the body for safe flight.	D
13.	<u>Colour.</u> Should preferably be of black colour.	D
14.	<u>Accessories.</u> Should have a helmet of suitable safety standards.	D & C

Note.

1. The vendor will provide **Video Clippings** and **Photographs on a CD** of the **demo** held to the **Board of Officers**.
2. Any other **Demonstration Requirements** will be intimated by **EC**.
3. In case certification from lab is not available, CoC may be acceptable on case to case basis. However, final decision will remain with EC or nominated representative of EC.

COMMERCIAL CLAUSES

1. **Payment Terms**

1.1 **INCOTERMS for Delivery**

1.1.1 The delivery of goods will be based on DDP INCOTERMS-2020 with ultimate consignee as **COD, Agra**.

1.2. **Currency of Payment.** Bidders should submit their bids in Indian Rupees.

1.3 **Contract Price and Requirement of Bank Guarantees**

1.3.1. **Total Contract Price.** The Total Contract Price will be the final price negotiated by CNC including taxes and duties applicable at the time of signing of Contract.

1.3.2 **Base Contract Price.** The Base Contract Price will be considered as Total Contract Price excluding taxes and duties applicable at the time of signing of Contract and excluding the Total Price of CMC.

1.3.3 **Bank Guarantee(s).** For the purpose of payment of Advances to the Bidder and submission of various Bank Guarantees by the Bidder i.e Advance Payment Bank Guarantee (APBG) and Additional Bank Guarantee (ABG), as applicable, Base Contract price will be considered. For Performance cum Warranty Bank Guarantee (PWBG), Total Contract Price including taxes and duties is to be considered.

1.3.4 For orders with CMC, an additional Performance Bank Guarantee (PBG) is to be submitted by the Bidder for which the Total Price of CMC for contracted duration will be considered.

1.3.5 All Bank Guarantee(s) requirements viz Advance Payment Bank Guarantee (APBG), Performance-cum-Warranty Bank Guarantee (PWBG), Additional Bank Guarantee (ABG), Performance Bank Guarantee (PBG) etc are to be submitted from any Indian Public or Private Scheduled Commercial Bank.

1.4 **The schedule for payments will be based on the Buyers requirements, enumerated at succeeding Paragraphs. The summary of delivery schedule, payments to be made and schedule of submission/release of Advance Bank guarantee (s), as applicable, is specified at Annexure V to Appendix G.**

1.4.1 **Advance Payment.** Fifteen (15) % of the Base Contract Price shall be paid within thirty (30) days of submission of claim and a Bank Guarantee for the equivalent amount and Performance-Cum Warranty Bank Guarantee, subject to correction and acceptability of the documents submitted. The prescribed format of the Advance Payment Bank Guarantee (APBG) is placed at **Annexure II to Appendix G**. The Advance Payment Bank Guarantee (APBG) will deemed to be proportionately and automatically reduced until full extinction along with and prorate to value of each delivery, as evidenced by corresponding copy of

document proving delivery and invoices of goods/services supplied/provided. The date of delivery would be reckoned from the date of Signing of Contract (T₀).

1.4.2 On Dispatch. Sixty (60) % of the Base Contract Price of deliverables and reimbursement of 100% of taxes and levies on pro rata basis excluding the Cost of Training shall be paid on proof of dispatch of deliverables to the consignee and on production of an inspection note issued by the buyer designated inspection agency. Number and date of the Railway/Road/Air Transport receipt under which the deliverables charged for in the bill are dispatched by rail/road/Air and the number and date of letter with which such receipt is forwarded to the consignee, should be quoted on the bill. The payment will be made by PCDA/CDA through cheque/Electronic Fund Transfer (EFT) on submission of following documents : -

- 1.4.2.1 Ink-signed copy of Seller's bill.
- 1.4.2.2 Ink-signed copy of Commercial invoice.
- 1.4.2.3 The relevant Transport Receipt.
- 1.4.2.4 Inspection Acceptance Certificate of Buyer's QA agency demonstrating compliance with the technical specifications of the contract.
- 1.4.2.5 Packing List.
- 1.4.2.6 Certificate of Origin.
- 1.4.2.7 Claim for statutory and other levies to be supported with requisite documents/GST invoice (with QR code, when made applicable)/proof of payment, as applicable.
- 1.4.2.8 Exemption certificate for taxes/duties, if applicable.
- 1.4.2.9 Warranty certificate from the SELLER.

1.4.3 In case of failure of the Seller to deliver the deliverables to the Buyer or inordinate delay in the said delivery leading to Termination of the Contract in accordance with Article 22A.1 of SCD, the SELLER will be liable to return payments received against dispatch.

1.4.4 On Final Acceptance . The remaining Twenty Five (25) % of the Base Contract Price of deliverables on pro-rata basis shall be paid within thirty (30) days of submission of documents post completion of JRI and issue of Certified Receipt Voucher (CRV) issued by the Buyer and other relevant documents as mentioned above for final payment, but such payments will be subject to the deductions of such amounts as the Seller may be liable to pay under the agreed terms of the Contract. The concerned PCDA/CDA will release the payment through cheque/EFT.

1.4.5 Part-Dispatch/Part-Shipment. Part-dispatch or part-shipment of goods is permitted and corresponding payment will be released to the Seller. Minimum quantity 16 Jet Pack Suit is permitted for part dispatch in maximum 03 lots for release of payment.

1.4.6 CMC Payments. Annual payments will be made by PCDA/CDA on submission of User clearance certificate through issue of cheque/ECS.

1.4.7 Payment of Taxes and Duties. Payment of taxes, duties and statutory levies will be made on submission of requisite documentary proof to Paying authority. Reimbursement

of taxes and duties will be as per rates and amounts indicated in the commercial bid/contract or as per actuals whichever is lower. Custom duty is not reimbursable on input material.

1.4.8 Exchange Rate Variation. Exchange Rate variation shall be applicable for Rupee contracts with Indian Vendors, based on RFPs issued under all categories of capital acquisitions mentioned at Para 8 to 12 of Chapter I of DAP. The indigenous & import components as also the various currencies (of the import components) for ERV purposes, must be determined in advance. The guidelines on protection of Exchange Rate Variation are given at **Annexure I to this Appendix.**

1.4.9 Payment of Training. The remaining Eighty-Five (85) % of the cost of training and taxes & duties, shall be paid on submission of Certificate from BUYER's representative that training program has been completed issued by the Buyer / its representative with requisite documents for payment.

2. Performance-cum-Warranty Bank Guarantee Clause. A Performance-cum-Warranty Bank Guarantee (PWBG) of 3 % of value of the Total Contract Price excluding cost of CMC would be furnished by the Bidder in the form of a Bank Guarantee to sequentially act as Performance Bank guarantee till the delivery and as Warranty Bank Guarantee on delivery. The PWBG shall be submitted by the Bidder within one month of signing of contract and shall be valid for a period, until three months beyond the warranty period, as specified in the RFP. If at any stage, the Performance Guarantee is invoked by the Buyer either in full or in part, the Bidder shall make good the shortfall in PWBG within 30 days by an additional Bank Guarantee for equivalent amount. In the event of failure to submit the required Bank Guarantee against invoked Performance Guarantee, equivalent amount will be withheld from the next stage payment till the shortfall in the Bank Guarantee is made good by the Bidder. The prescribed format of the Performance-cum-Warranty Bank Guarantee is placed at **Annexure III to Appendix G.**

3. Performance Bank Guarantee for CMC. The Bidder will be required to furnish a Performance Guarantee by the way of a Bank Guarantee of a sum equal to 3% of the Total Price of CMC for contracted duration prior to expiry/return of the PWBG of the Main Contract. Performance Bank Guarantee should be valid for 03 months beyond the period of the CMC. The format of the Performance Bank Guarantee is to be as per **Annexure III to Appendix G.**

4. Inspection. Pre-Dispatch Inspection (PDI) would be at the discretion of the Buyer. In addition, Joint Receipt Inspection (JRI) may also be carried out. If it is PDI, the Bidder should intimate at least 45 days prior to the day when the equipment is to be offered for PDI to enable Buyer's QA personnel to be available for inspection. All the expenses towards PDI will be borne by the Bidder except transportation and accommodation of Buyer's PDI team, which will be deputed at Buyer's expense. In case of rejection of Goods during PDI, re-PDI will be undertaken at Bidder's premises at Buyer's sole discretion. All expenses including transportation and accommodation of Buyer's PDI team will be borne by the Bidder. Towards this, the expenses towards transportation and accommodation of Buyer's PDI team will be initially done by the Buyer and subsequently reimbursed by the Bidder either by remittance or by recovery from the Balance Payment/PWBG. In the event of a failed PDI, the Bidder shall consult the Buyer for rescheduling re-PDI. In case of JRI, the representative of the Seller may be present for inspection after the equipment reaches the concerned destination. The Seller would be informed of the date for JRI. PDI should be completed within thirty days of receipt of information from Seller.

5. Liquidated Damages (LD). In the event of the Bidder's failure to submit the Bonds, Guarantees and Documents, supply the stores/ goods, perform services, conduct trials, installation of equipment, training and MET as per schedule specified in this contract, the BUYER may, at his

discretion withhold cost of the specific lot/batch or 1% of the Project cost, whichever is higher, until the completion of the contract. The BUYER may also deduct from the SELLER as agreed, liquidated damages to the sum of 1.5% for every week of delay or part of a week, subject to the maximum value of the Liquidated Damages being not higher than **15%** of the contract price of the value of delayed stores/ services (Any extension given by the Buyer for delay attributable to Buyer or Force Majeure Clause to be factored in delivery period).

6. **Payment Deductions and Damages for Shortfalls in CMC Services.**

The clause for payment deductions and damages for shortfall in CMC services is given below.

In case the cumulative downtime exceeds 30 (working days) in a Year, payment will be deducted. The total downtime will be calculated at the end of the Year and payments will be deducted. The total payments to be deducted will be calculated as follows: -

(a) Payments would be deducted on pro-rate basis for the duration, by which cumulative downtime exceeds 30 (working days), as follows: -

(i) Per year CMC = 'X₁'

(ii) Period by which cumulative downtime exceeds the specified cumulative downtime, in days = 'Y₁'

*(iii) Payment Deduction = 'Z₁',
Where Z₁ = [(X₁/ Number of days in the year) * Y₁]*

(b) In addition, damages would be deducted to the sum of 0.1% of the per annum CMC cost per day, for the duration, by which cumulative downtime exceeds the maximum permissible cumulative downtime per year, subject to the maximum value of this damages not being higher than 5% of the annual CMC cost.

7. **Denial Clause.** In case the delay in delivery is attributable to the Seller or a non-force majeure event, the Buyer may protect himself against extra expenditure during the extended period by stipulating a denial clause (over and above levy of LD) in the letter informing the Seller of extension of the delivery period. In the denial clause, any increase in statutory duties and/or upward rise in prices due to the Price Variation Clause (PVC) and/or any adverse fluctuation in foreign exchange are to be borne by the Seller during the extended delivery period, while the Buyer reserves his right to get any benefit of downward revisions in statutory duties, PVC and foreign exchange rate. Thus, PVC, other variations and foreign exchange clauses operate only during the original delivery period. The format for extension of delivery period/performance notice under the Denial clause is at **Annexure IV to Appendix G.**

Annexure I to Appendix G
(Refers to Para 1.4.8 of Appendix G)

GUIDELINES OF PROTECTION OF EXCHANGE RATE VARIATION IN CONTRACTS

1. Parameters to be kept in view while formulation ERV Clause.

(a) In contracts with Indian Vendors in all categories of capital acquisitions where there is an import content, ERV clause will be provided. However, ERV clause shall not be applicable to contracts in following conditions:-

(i) The delivery period is less than one year; or

(ii) The rate of exchange variation is within the band of +/- 2.5%.

(b) ERV clause will be framed according to the specific requirements of the contract. While calling for information at the RFP stage/formulation of ERV clauses in the contracts, the following factors are to be taken into consideration depending upon the requirements of the individual contracts:-

(i) Year wise and major currency wise import break up is to be indicated.

(ii) Detailed time schedule for procurement of imported material/Services and their value at the FE rates adopted for the contract is to be furnished by the vendor as per the format given below:-

Year	Total Cost of Imported Material/services (in Rupees)	Fe Content-Out Flow (Equivalent in Rupees ₹ in crore)			
		Dollar Denominated	Euro Denominated	Pounds Denominated	Other Currencies Denominated (as Applicable)

(iii) ERV clause will not be applicable in case delivery periods for imported content are subsequently to be refixed/extended unless the reasons for delivery period extension are attributable to the buyer.

(iv) For purposes of ensuring uniformity, the Base Exchange Rate on the ERV reckoning date will be adopted for each of the major foreign currencies. The Base Exchange Rate will be the BC Selling Rate of the Parliament Street Branch of State Bank of India, New Delhi. The ERV reckoning date will be the last date of submission of commercial bids as per RFP. In cases where Option Clause is exercised, the date of reckoning of ERV will be the last date of submission of bids for the RFP of the Original Procurement Case.

(v) ERV clause in the contract is to clearly indicate that ERV is payable/refundable depending upon exchange rate as prevalent on the date of transaction with reference to Base Exchange Rate on the ERV reckoning date.

(vi) Other issues which are peculiar to the contract.

2. **Methodology For Claiming ERV**

“The prices finalised in the contract are based on the base exchange rates indicated in the contract. The year-wise amount of foreign exchange component of the imported items as indicated in the contract shall be adjusted for the impact of exchange Rate Variation of the Rupee based on the exchange rate prevailing on the date of each transaction, as notified by the SBI, Parliament Street Branch, New Delhi. The impact of notified Exchange Rate Variation shall be computed on an yearly basis for the outflow as tabulated in Annexure..... (The table at Para 1(b) (ii) is to be an Annexure to the contract) and shall be paid/refunded before the end of the financial year based on the certification of Finance Head of the concerned Division.....”.

3. Paying authority is to undertake a pre-audit of the documents before payment.

4. Documentation for Claiming ERV. The following documents would need to be submitted in support of the claim on account of ERV:-

- (a) A bill of ERV claim enclosing worksheet.
- (b) Banker's Certificate/debit advice detailing Foreign Exchange paid and Exchange rate as on date of transaction.
- (c) Copies of import orders placed on the suppliers.
- (d) Invoice of supplier for the relevant import orders.

Annexure II to Appendix G
(Refers to Para 1.4.1 of Appendix G)

BANK GUARANTEE FORMAT FOR ADVANCE

To

The _____
Ministry of _____
Government of India
_____ (complete postal address of the beneficiary)

1. “Whereas President of India represented by the _____ Ministry of _____ Government of India (hereinafter referred to as BUYER) have entered into a Contract No. _____ (No. of Contract), dated _____ (Date of Contract) with M/s _____ (Name of SELLER) (referred to as SELLER) and whereas according to the said Contract the BUYER has undertaken to make an advance payment of Rs/ US \$/Euro/PS £/Yen/AUD/SGD _____ being _____ payment of _____% of the total value of Rs/ US \$/Euro/PS £/Yen/AUD/SGD _____ of the said Contract, against issuance of an advance guarantee by a bank.”

2. We _____ (indicate the name of the bank) do hereby undertake to pay the amounts due and payable under this guarantee without any demur, merely on a demand from the BUYER intimating that the SELLER is in breach of the Contractual obligations stipulated in the said Contract. Any such demand made on the bank shall be conclusive as regards the amount due and payable by the Bank under this guarantee. However, our total liability under this guarantee shall be restricted to an amount not exceeding Rs/ US \$/Euro/PS £/Yen/AUD/SGD _____.

3. We undertake to pay to the BUYER any money so demanded notwithstanding any dispute or disputes raised by the SELLER in any suit or proceedings pending before any Court or Tribunal relating thereto our liability under this present being absolute and unequivocal. The payment so made by us under this bond shall be valid discharge of our liability for payment there under and the SELLER shall have no claim against us for making such payment.

4. We, further agree that the guarantee herein contained shall remain in full force and effect during the period that would be taken for the performance of the said Contract and that it shall continue to be enforceable till all the dues of the BUYER under or by virtue of the said Contract have been fully paid and its claims satisfied or discharged or till _____ office / Department / Ministry of _____ certifies that the terms and conditions of the said Contract have been fully and properly carried out by the said SELLER and accordingly discharges this guarantee.

5. We, further agree with the BUYER that the BUYER shall have the fullest liberty without our consent and without affecting in any manner our obligations hereunder to vary any of the terms and conditions of the said Contract or to extend time of performance by the said SELLER from time to time or to postpone for any time or from time to time any of the powers exercisable by the BUYER against the said SELLER and to forbear or enforce any of the terms and conditions relating to the said Contract and we shall not be relieved from our liability by reason of any such variation, Amendment issued vide MoD ID No. 4(50)/D(Acq)/08 dated 20.06.2016 or extension being granted to the said SELLER or for any forbearance, act or omission on the part of the BUYER or indulgence

by the BUYER to the said SELLER or by any such matter or thing whatsoever which under law relating to sureties would, but for this provision, have effect of so relieving us.

6. The amount of this guarantee will be progressively reduced by (percentage of advance) _____ of total value of each part shipment/services against the stage payment released by the BUYER for that shipment/services made by the SELLER and presentation to us of the payment documents.

7. This guarantee will not be discharged due to the change in the constitution of the bank or the BUYER/SELLER.

8. We, undertake not to revoke this guarantee during the currency except with the previous consent of the BUYER in writing.

9. Notwithstanding anything contained herein above:-

(a) Our liability under this Guarantee shall not exceed Rs/ US \$/Euro/PS £/Yen/AUD/SGD _____ (in words) _____

(b) This Bank Guarantee shall remain valid until _____ (hereinafter the expiry date of this guarantee) the Bank Guarantee will cease to be valid after _____ irrespective whether the Original Guarantee is returned to us or not.

(c) We are liable to pay guaranteed amount or any part thereof under this Bank Guarantee only and only if you serve upon us a written demand or a claim in writing on or before _____(Expiry Date).

Dated the _____ day of _____ (month and year)

Place :

Signed and delivered by _____ (Name of the bank)

Through its authorised signatory

(Signature with seal)

Annexure III to Appendix G
(Refers to Para 2 & 3 of Appendix G)

BANK GUARANTEE FORMAT FOR PERFORMANCE-CUM-WARRANTY & CMC

To

The _____
Ministry of _____
Government of India
_____ (complete postal address of the beneficiary)

Dear Sir,

1. Whereas President of India represented by the _____ Ministry of _____, Government of India (hereinafter referred to as BUYER) have entered into a Contract No. _____ dated _____ (hereinafter referred to as the said Contract) with M/s. _____ (hereinafter referred to as the SELLER) for supply of goods as per Contract to the said BUYER and whereas the SELLER has undertaken to produce a bank guarantee amounting to Rs/ US \$/Euro/PS £/Yen/AUD/SGD _____ which is 3% of the Total Contract Price (including taxes and duties) to cover 3% of Total Contract Price (including taxes and duties) each for Performance and Warranty in sequence, to secure its obligations towards Performance-cum-Warranty to the BUYERS.

2. We, the _____ bank hereby expressly, irrevocably and unreservedly undertake the guarantee as principal obligors on behalf the SELLER that, in the event that the BUYER declares to us that the amount claimed is due by way of loss or damage caused to or would be caused or suffered by the BUYER by reason of breach/failure to perform by the said SELLER of any of the terms and conditions in the Contract related to Performance and Warranty clauses, we will pay you, on demand and without demur, all and any sum up to {3% of Total Contract Price (including taxes and duties)} _____ Rupees/ US \$/Euro/PS £/Yen/AUD/SGD only at any instance under this Guarantee. Your written demand shall be conclusive evidence to us that such repayment is due under the terms of the said Contract. We shall not be entitled to ask you to establish your claim or claims under this guarantee but will pay the same forthwith without any protest or demur. We undertake to effect payment upon receipt of such written demand.

3. We shall not be discharged or released from the undertaking and guarantee by any arrangements, variations made between you and the SELLER, indulgence to the SELLER by you, or by any alterations in the obligations of the SELLER or by any forbearance whether as to payment, time performance or otherwise.

4. We further agree that any such demand made by the BUYER on the Bank shall be conclusive, binding, absolute and unequivocal notwithstanding any difference or dispute or controversy that may exist or arise between you and the SELLER or any other person.

5. In no case shall the amount of this guarantee be increased.

6. This Performance-cum-Warranty guarantee shall remain valid for a period until three months beyond the warranty period as specified in the Contract i.e. up to _____.

7. Subject to the terms of this Bank Guarantee, the issuing bank hereby irrevocably authorizes the beneficiary to draw the amount of up to Rs/ US \$/Euro/PS £/Yen/AUD/SGD _____ {3% of Total Contract Price (including taxes and duties)} for breach/failure to perform by the SELLER of any of the terms and conditions of the Contract related to performance and warranty clause. Partial drawings and multiple drawings under this Bank Guarantee are allowed within the above stated cumulative amount subject to each such drawing not exceeding 3% of the Total Contract Price (including taxes and duties) (Rs/ US \$/Euro/PS £/Yen/AUD/SGD _____ only) (Mention BG amount).

8. This guarantee shall be continuing guarantee and shall not be discharged by any change in the constitution of the Bank or in the constitution of M/s _____. We undertake not to revoke this guarantee during the currency except with previous consent of BUYER in writing.

9. Notwithstanding anything contained herein above:

(a) Our liability under this Guarantee shall not exceed Rs/ US \$/Euro/PS £/Yen/AUD/SGD _____ (Rupees _____ only (in words)).

(b) This Bank Guarantee shall remain valid until 3 months from the date of expiry of warranty period of the Contract, i.e up to _____ (mention the date) which is 3 months after expiry of the warranty period and the BG shall cease to be valid after _____ irrespective whether the Original Guarantee is returned to us or not.

(c) We are liable to pay guaranteed amount or any part thereof under this Bank Guarantee only and only if you serve upon us a written demand or a claim in writing on or before _____ (Expiry Date).

Dated the _____ day of _____ (month and year)

Place :

Signed and delivered by _____ (name of the bank)

Through its authorised signatory
(Signature with seal)

Annexure IV to Appendix G
(Refers to Para 7 of Appendix G)

FORMAT FOR EXTENSION OF DELIVERY PERIOD/PERFORMANCE NOTICE

Name of the Procuring Entity.....

Extension of Delivery Period/Performance Notice

To
M/s (name and address of firm)

Sub: Contract No..... dated.....for the supply of.....

Ref: Your letter no. dated:

Dear Sir,

1. You have failed to deliver {the (fill in qty.) of Stores/the entire quantity of Stores} within the contract delivery period [as last extended up to] (fill in date). In your letter under reply you have asked for [further] extension of time for delivery. In view of the circumstances stated in your said letter, the time for delivery is extended from (fill in date) to (fill in date).

2. Please note that notwithstanding the grant of this extension in terms of Clause (fill in clause number) of the subject contract an amount equivalent to % (..... per cent) of the delivered price of the delayed goods for each week of delay or part thereof (subject to the ceiling as provided in the aforesaid clause) beyond the original contract delivery date/the last unconditionally re-fixed delivery date (as & if applicable), viz., (fill in date) will be recovered from you as liquidated damages. You may now tender the Stores for inspection [balance of the Stores] in terms of this letter. Stores if any already tendered by you for inspection but not inspected will be now inspected accordingly.

3. You are also required to extend the validity period of the performance guarantee for the subject contract from (fill in present validity date) to (fill in required extended date) within 15 (fifteen) days of issue of this amendment letter.

4. The above extension of delivery date will also be subject to the following Denial Clause:-

(a) That no increases in price on account of any statutory increase in or fresh Imposition of customs duty, GST or on account of any other taxes/duty, including custom duty), leviable in respect of the Stores specified in the said contract which takes place after (insert the original delivery date) shall be admissible on such of the said Stores, as are delivered after the said date; and,

(b) That notwithstanding any stipulation in the contract for increase in price on any other ground including foreign exchange rate variation, no such increase which takes place after (insert the reckoning date as per DAP 2020) shall be admissible on such of the said Stores as are delivered after the said date.

(c) But nevertheless, the Buyer shall be entitled to the benefit of any decrease in price on account of reduction in or remission of customs duty, GST or on account of any other Tax or duty or on any other ground as stipulated in the price variation clause or foreign exchange rate variation which takes place after (insert the original delivery date).

5. All other terms and conditions of the contract remain unaltered. This is without any prejudice to Buyer's rights under the terms and conditions of the subject contract.

6. Please intimate your unconditional acceptance of this amendment letter within 10 (ten) days of the issue of this letter failing which the contract will be cancelled at your risk and expense without any further reference to you.

Yours faithfully,
(Authorised Officer)
Duly authorised,
for and on behalf of
The President of India

Note: Select one option within { } brackets; delete portion within [] brackets, if not applicable; fill in () brackets. Brackets and this note are not to be typed.

Substitute following first para instead of first para in format above, for issuing a performance notice.

1. You have failed to deliver {the (fill in qty.) of Stores/the entire quantity of Stores} within the contract delivery period [as last extended up to] (fill in date). In spite of the fact that the time of delivery of the goods stipulated in the contract is deemed to be of the essence of the contract, it appears that (fill in the outstanding quantity) are still outstanding even though the date of delivery has expired. Although not bound to do so, the time for delivery is extended from (fill in date) to (fill in date) and you are requested to note that in the event of your failure to deliver the goods within the delivery period as hereby extended, the contract shall be cancelled for the outstanding goods at your risk and cost.

Annexure V to Appendix G

(Refers to Para 9 and 42 of RFP and Para 1.4 of Appendix G)

DELIVERY SCHEDULE AND STAGES OF PAYMENT

1. The terms of payment may vary between each project depending upon a variety of factors such as complexity of equipment/ system, requirement of validation trials for establishing 'proof of concept', delivery period, integration requirements etc. However, some broad guidelines for payments terms are appended in subsequent Paras.

2. **For Delivery in Lots/ Batches**

Sl	Activity	Delivery Timelines (T ₀ + Months)	Scheme for Payment	Scheme for submission and Return of Advance Payment Bank Guarantees	Remarks
(a)	Signing of contract	T ₀	15% of the Base Contract Price	APBG of equivalent amount to be submitted	T ₀ is date of Signing of Contract
(b)	On Dispatch of Jet Pack Suit				
(i)	Quantity 48 Jet Pack Suit	T ₀ to T ₁₂	Sixty (60) % of the Base Contract Price of deliverables and re-imbursment of 100% of taxes and levies on pro rata basis excluding the Cost of Training		
	Training Literature				
(c)	On Final Acceptance of Jet Pack Suit				
(i)	On Delivery/ Final Acceptance of quantity 48 Jet Pack Suit	T ₀ to T ₁₂	Twenty-Five (25) % of the Base Contract Price of deliverables on pro-rata basis excluding the Cost of Training	APBG pertaining to all deliverables can be returned on delivery of a particular lot/batch.	
	Training Literature				
(g)	Training				
(i)	Cost of Training	As per Para 15 of RFP.	85% of Cost of Training and Taxes and Levies		On submission of completion of training documents.

Appendix H

(Refers to Para 42 and 51(b) of RFP)

EVALUATION CRITERIA AND PRICE BID FORMAT

1. **Evaluation Criteria.** The guidelines for evaluation of Bids will be as follows:-

1.1. Only those Bids will be evaluated, which are found to be fulfilling all the eligibility and qualifying requirements of the RFP, both technically and commercially. The bidder, whose price is arrived as lowest as per Evaluation criteria given in this Appendix, will be declared as L-1 bidder by Buyer.

1.2 **In 'Buy (Indian)' Cases.**

1.2.1 **Where DCF Technique as Given in Para 4 is Applicable.** DCF technique will be applied on quoted cost of all items including taxes and duties payable to Central/State/Local Governments to ascertain the NPV which would be used for determining L1 bidder.

1.3 Custom duty on input materials shall not be loaded by the Indian Bidders in their price bids, if they are exempted under the existing Notifications. In such cases, necessary Custom Duty Exemption Certificate (CDEC) shall be issued by the Buyer. In cases where Custom Duty is not exempted, Basic Custom Duty on input material is to be included in the cost of Basic Equipment, Installation/Commissioning/Integration and any other item listed at Column (ii) of Para 2 below.

1.4 If there is a discrepancy between the unit price and the total price that is obtained by multiplying the unit price and quantity, the unit price will prevail and the total price will be corrected based on indicative rates of taxes and duties at columns (vi) and (vii) of Para 2 below. If there is a discrepancy between words and figures, the amount in words will prevail for calculation of price.

2. **Price Bid Format.** The Price Bid Format is given below and Bidders are required to fill this correctly with full details. No column of the Bid format has to be left blank. The clubbing of serials/sub serials to indicate a consolidated cost is not acceptable. Columns of 'quantity', 'unit cost', 'total cost (including all taxes and duties)', 'GST/IGST (%) and Custom Duty (%) are to be filled up with '0', 'positive numerical values' or 'Not Applicable' at every row as applicable. If any column is not applicable and intentionally left blank, the reason for the same has to be clearly indicated in the remarks column.

Ser	Items	Qty	Unit Cost	Total Cost (iii) x (iv)	Indicative Rate of Taxes & Duties used to arrive at Total Cost (as applicable)		Total Cost (including all taxes & duties) (v) + (vi) + (vii)	Remarks
					GST/IGST (%)	Custom Duty (%)		
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)
A.	Cost of Basic Equipment . Full break-up details shall be given.							
B.	Cost of Operator's Manual and Technical Literature as per Annexure I to Appendix E.							
C.	Cost of recommended period of Training excluding the cost of travel and boarding and lodging.							
D.	Any other cost (to be specified).							
E.	Freight and Transit Insurance Cost (where applicable).							
F.	CMC Cost giving year-wise break-up.							
G.	Total Cost (Total of Serial A to F) (also mention Total cost in Words)							
H.	Foreign Exchange component of the proposal.							
J.	CDEC (if applicable) , its authority and amount for which required.							

Note: Taxes and Duties. All Indirect Taxes and Duties will be paid at actuals or as indicated in the Commercial bid by the Bidder, whichever is lower. In case of any change in the tax structure/rates by BUYER's Government, only incremental/decremented change will be paid.

4. **Evaluation of Bids by DCF Technique**

4.1 **Net Present Value (NPV)** is a variant of DCF method, which will be used by the Buyer for evaluation of Bids. The Net Present Value of a Bid will be equal to the sum of the present values of all the cash flows associated with it. The following formula will be used for calculating NPV of a bid -

$$NPV_n = \sum_{t=1}^n \frac{A_t}{(1+r)^t}$$

Where,

NPV = Net Present Value

A_t = Expected cash flow occurring at the end of year 't' as mentioned in the Payment schedule of Bid

n = Duration of cash flow stream

r = Discounting Rate

t = The period after which payment is done

The bid with the lowest NPV would be selected.

4.2. The Discounting rate will be ___ %". (Note-This will be the Government of India's lending rate on loans given to state governments, as notified by Budget Division of Ministry of Finance annually)

4.3. **Structuring Cash Flows for Tenders/ Bids Received in the Same Currency.** The cash outflows as shown in price bids will be taken into consideration. NPV of different bids will be calculated using the formula given above and the one having lowest NPV will be selected as L-1.

4.4 **Structuring Cash Flows for Tenders/Bids Received in Different Currencies.** Where bids are received in different currencies/combination of currencies, the cash outflow will be brought to a common denomination in rupees by converting foreign currency bids into rupees by taking into account the BC selling rate of Parliament Street Branch of State Bank of India, New Delhi on the ERV reckoning date (as defined in Annexure I to Appendix M), ie the last date of submission of Commercial Bids as per RFP. Thereafter, the procedure as described above in Para 4.3 will be applied to arrive at NPV.

4.5 All bidders are required to indicate year-wise and currency-wise amount required as per their price bid in format given below. In case the firm a bidder does not provide year-wise cash flow details in price bid, the amount quoted in their price bid will not be discounted for comparison purposes.

Year	Dollars	Euros	Pound Sterling	Rupees	Total Cash-flow

Appendix J
(Refers to Para 19 and 47 of RFP)

STANDARD CONDITIONS OF RFP

LAW

1. The present Contract shall be considered and made in accordance to the laws of Republic of India.

ARBITRATION

2.1 All disputes or differences arising out of or in connection with the present Contract, including the one connected with the validity of the present Contract or any part thereof, shall be settled by bilateral discussions.

2.2 Any dispute, disagreement of question arising out of or relating to this Contract or relating to construction or performance (except as to any matter the decision or determination whereof is provided for by these conditions), which cannot be settled amicably, shall within sixty (60) days or such longer period as may be mutually agreed upon, from the date on which either party informs the other in writing by a notice that such dispute, disagreement or question exists, will be referred to the Arbitration Tribunal consisting of three arbitrators.

2.3 Within sixty (60) days of the receipt of the said Notice, one arbitrator shall be nominated in writing by SELLER and one arbitrator shall be nominated by BUYER.

2.4 The third arbitrator, shall be nominated by the parties within ninety (90) days of the receipt of the notice mentioned above, failing which the third arbitrator may be nominated under the provision of Indian Arbitration and Conciliation Act, 1996 (as amended from time to time) or by dispute resolution institutions like Indian Council of Arbitration or ICADR, at the request of either party, but the said nomination would be after consultation with both the parties. The arbitrator nominated under this Clause shall not be regarded nor act as an umpire.

2.5 The Arbitration Tribunal shall have its seat in New Delhi or such other place in India as may be decided by the arbitrator.

2.6 The Arbitration Proceedings shall be conducted in India under the Indian Arbitration and Conciliation Act, 1996 (as amended from time to time) and the award of such Arbitration Tribunal shall be enforceable in Indian Courts only.

2.7 The decision of the majority of the arbitrators shall be final and binding on the parties to this contract.

2.8 Each party shall bear its own cost of preparing and presenting its case. The cost of arbitration including the fees and expenses of the third arbitrator shall be shared equally by the SELLER and the BUYER.

2.9 In the event of a vacancy caused in the office of the arbitrators, the party which nominated such arbitrator, shall be entitled to nominate another in his place and the arbitration proceedings shall continue from the stage they were left by the retiring arbitrator.

2.10 In the event of one of the parties failing to nominate its arbitrator within sixty (60) days as above or if any of the parties does not nominate another arbitrator within sixty (60) days of the place of arbitrator falling vacant, then the other party shall be entitled after due notice of at least thirty (30) days to request dispute resolution institutions in India like Indian Council of Arbitration and ICADR to nominate another arbitrator as above.

2.11 If the place of the third arbitrator falls vacant, his substitute shall be nominated according to the provisions herein above stipulated.

2.12 The parties shall continue to perform their respective obligations under this contract during the pendency of the arbitration proceedings except in so far as such obligations are the subject matter of the said arbitration proceedings.

FORCE MAJEURE

3.1 Should any force majeure circumstances arise, each of the contracting party shall be excused for the non-fulfilment or for the delayed fulfilment of any of its contractual obligations, if the affected party within (30 days) of its occurrence informs in a written form the other party.

3.2 Force majeure shall mean fires, floods, natural disasters or other acts such as war, turmoil, strikes, sabotage, explosions, beyond the control of either party.

3.3 Provided the acts of The Government or any state parties of the seller which may affect the discharge of the Seller's obligation under the contract shall not be treated as Force Majeure.

PENALTY FOR USE OF UNDUE INFLUENCE

4.1 The Seller undertakes that he has not given, offered or promised to give, directly or indirectly any gift, consideration, reward, commission, fees brokerage or inducement to any person in service of the Buyer or otherwise in procuring the Contracts or forbearing to do or for having done or for borne to do any act in relation to the obtaining or execution of the Contract or any other Contract with the Government for showing or forbearing to show favour or disfavour to any person in relation to the Contract or any other Contract with the Government. Any breach of the aforesaid undertaking by the seller or any one employed by him or acting on his behalf (whether with or without the knowledge of the seller) or the commission of any offence by the seller or anyone employed by him or acting on his behalf, as defined in Chapter IX of the Indian Penal Code, 1860 or the Prevention of Corruption Act, 1988 or any other Act enacted for the prevention of corruption shall entitle the Buyer to cancel the contract and all or any other contracts with the seller and recover from the seller the amount of any loss arising from such cancellation. A decision of the buyer or his nominee to the effect that a breach of the undertaking had been committed shall be final and binding on the Seller.

4.2 Giving or offering of any gift, bribe or inducement or any attempt at any such act on behalf of the seller towards any officer/employee of the buyer or to any other person in a position to influence any officer/employee of the Buyer for showing any favour in relation to this or any other contract, shall render the Seller to such liability/penalty as the Buyer may deem proper, including but not limited to termination of the contract, imposition of penal damages, forfeiture of the Bank Guarantee and refund of the amounts paid by the Buyer.

INTEGRITY PACT

5.1 Further signing of an 'Integrity Pact' would be considered between government department and the bidder for schemes exceeding ₹ **20 Crores**. The Integrity Pact is a binding agreement between the agency and bidders for specific contracts in which the agency promises that it will not accept bribes during the procurement process and bidders promise that they will not offer bribes. Under the IP, the bidders for specific services or contracts agree with the procurement agency or office to carry out the procurement in a specified manner. The essential elements of the IP are as follows:-

- (a) A pact (contract) between the Government of India (Ministry of Defence) (the authority or the "principal") and those companies submitting a tender for this specific activity (the "bidders");
- (b) An undertaking by the principal that its officials will not demand or accept any bribes, gifts, etc., with appropriate disciplinary or criminal sanctions in case of violation;
- (c) A statement by each bidder that it has not paid and will not pay, any bribes;
- (d) An undertaking by each bidder that he shall not pay any amount as gift, reward, fees, commission or consideration to such person, party, firm or institution (including Agents and other as well as family members, etc., of officials), directly or indirectly, in connection with the contract in question. All payments made to the Agent 12 months prior to tender submission would be disclosed at the time of tender submission and thereafter an annual report of payments would be submitted during the procurement process or upon demand of the MoD.
- (e) The explicit acceptance by each bidder that the no-bribery commitment and the disclosure obligation as well as the attendant sanctions remain in force for the winning bidder until the contract has been fully executed;
- (f) Undertakings on behalf of a bidding company will be made "in the name and on behalf of the company's chief executive officer";
- (g) The following set of sanctions shall be enforced for any violation by a bidder of its commitments or undertakings:
 - (i) Denial or loss of contract;
 - (ii) Forfeiture of the EMD (Pre Contract) and Guarantee for Performance-cum-Warranty Bond (after signing of contract).
 - (iii) Payment to the Buyer of any such amount paid as gift, reward, fees or consideration along with interest at the rate of 2% per annum above LIBOR rate.
 - (iv) Refund of all sums already paid by the Buyer along with interest at the rate of 2% per annum above LIBOR rate.
 - (v) Recovery of such amount, referred to in (iii) and (iv) above, from other contracts of the Seller with the Government of India.

(vi) At the discretion of the Buyer, the Seller shall be liable for action as per extant policy on Putting on Hold, Suspension and Debarment of Entities.

(h) Bidders are also advised to have a company code of conduct (clearly rejecting the use of bribes and other unethical behaviour) and a compliance program for the implementation of the code of conduct throughout the company.

(j) The draft Pre-Contract Integrity Pact is attached as **Annexure I to this Appendix J**. The vendors are required to sign them and submit separately along with the technical and commercial offers.

5.2 In respect of bids from DPSUs, the concerned DPSU shall enter in to a Pre-Contract Integrity Pact, on the same lines with their sub-vendors individually, in case the estimated value of each sub-contract(s) exceed ₹ 20 Crore and such subcontract(s) are required to be entered in to by the DPSU with a view to enable DPSU to discharge the obligations arising out of their bid in question in response to this RFP.

AGENTS

6. The Seller confirms and declares to the Buyer that the Seller is the original manufacturer of the stores referred to in this contract. The Seller confirms that he has not engaged any person, party, firm or institution as an Agent including his Agents already intimated to MoD; to, influence, manipulate or in any way to recommend to any functionaries of the Government of India, whether officially or unofficially, to the award of the contract to the Seller, or to indulge in corrupt and unethical practices. The Seller has neither paid, promised nor has the intention to pay to any person, party, firm or institution in respect of any such intervention or manipulation. 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 Seller has engaged any such person, party, firm or institution and paid, promised or has intention 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, the Seller will be liable for any or all of the following actions:-

(a) To pay to the Buyer any such amount paid as gift, reward, fees or consideration along with interest at the rate of 2% per annum above LIBOR rate.

(b) The Buyer will also have a right to put on hold or cancel the Contract 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 along with interest at the rate of 2% per annum above LIBOR rate

(c) The Buyer will also have the right to recover any such amount referred in (a) and (b) above from other contracts of the Seller with the Government of India.

(d) At the discretion of the Buyer, the Seller shall be liable for action as per extant policy on Putting on Hold, Suspension and Debarment of Entities

7. In case it is found to the satisfaction of the BUYER that the SELLER has engaged an Agent, or paid commission or influenced any person to obtain the contract as described in clauses relating to Agents and clauses relating to Penalty for Use of Undue Influence, the SELLER, on demand of the BUYER shall provide necessary information/inspection of the relevant financial documents/information, including a copy of the contract(s) and details of payment terms between the vendors and Agents engaged by him.

TERMINATION OF CONTRACT

8. **Termination Clause.** The contract may be terminated by the Buyer in the following cases :-
- (a) The delivery of the material is delayed for causes not attributable to Force Majeure for more than six months after the scheduled date of delivery.
 - (b) The Seller is declared bankrupt or becomes insolvent.
 - (c) The 'Buyer' has noticed that the seller has utilised the services of an Agent in getting this contract and paid any commission to such individual / company etc.

Annexure I to Appendix J
(Refers to Para 5.1 (j) of Appendix J)

PRE-CONTRACT INTEGRITY PACT

General

1. Whereas the PRESIDENT OF INDIA, represented by Joint Secretary & Acquisition Manager (Army/Air Force/Maritime & Systems)/Major General & equivalent, Service Headquarters./Coast Guard, Ministry of Defence, Government of India, hereinafter referred to as the Buyer and the first party, proposes to procure (Name of the Equipment), hereinafter referred to as Defence Stores and M/s _____ represented by, _____ Chief Executive Officer (which term, unless expressly indicated by the contract, shall be deemed to include its successors and its assignees), hereinafter referred to as the Bidder/Seller and the second party, is willing to offer/has offered the Defence stores.

2. Whereas the Bidder is a private company/public company/partnership/registered export agency, constituted in accordance with the relevant law in the matter and the Buyer is a Ministry of the Government of India performing its functions on behalf of the President of India.

Objectives

3. Now, therefore, the Buyer and the Bidder agree to enter into this pre-contract agreement, hereinafter referred to as Integrity Pact, to avoid all forms of corruption by following a system that is fair, transparent and free from any influence/unprejudiced dealings prior to, during and subsequent to the currency of the contract to be entered into with a view to:

3.1 Enabling the Buyer to obtain the desired defence stores at a competitive price in conformity with the defined specifications of the Services by avoiding the high cost and the distortionary impact of corruption on public procurement

3.2 Enabling Bidders to abstain from bribing or any corrupt practice in order to secure the contract by providing assurance to them that their competitors will also refrain from bribing and other corrupt practices and the Buyer will commit to prevent corruption, in any form, by their officials by following transparent procedures.

Commitments of the Buyer

4. The Buyer commits itself to the following:-

4.1 The Buyer undertakes that, no official of the Buyer, connected directly or indirectly with the contract will demand, take a promise for or accept, directly or through intermediaries, any bribe, consideration, gift, reward, favour or any material or immaterial benefit or any other advantage from the Bidder, either for themselves or for any person, organisation or third party related to the contract in exchange for an advantage in the bidding process, bid evaluation, contracting or implementation process related to the Contract.

4.2 The Buyer will, during the pre-contract stage, treat all Bidders alike and will provide to all Bidders the same information and will not provide any such information to any particular Bidder which could afford an advantage to that particular Bidder in comparison to other Bidders.

4.3 All the officials of the Buyer will report to the appropriate Government office any attempted or completed breaches of the above commitments as well as any substantial suspicion of such a breach.

5. In case of any such preceding misconduct on the part of such official(s) is reported by the Bidder to the Buyer with full and verifiable facts and the same is prima facie found to be correct by the Buyer, necessary disciplinary proceedings, or any other action as deemed fit, including criminal proceedings may be initiated by the Buyer and such a person shall be debarred from further dealings related to the contract process. In such a case while an enquiry is being conducted by the Buyer the proceedings under the contract would not be stalled.

Commitments of Bidders

6. The Bidder commits himself to take all measures necessary to prevent corrupt practices, unfair means and illegal activities during any stage of his bid or during any pre-contract or post-contract stage in order to secure the contract or in furtherance to secure it and in particular commits himself to the following:

6.1 The Bidder will not to offer, directly or through intermediaries, any bribe, gift, consideration, reward, favour, any material or immaterial benefit or other advantage, commission, fees, brokerage or inducement to any official of the Buyer, connected directly or indirectly with the bidding process, or to any person, organisation or third party related to the contract in exchange for any advantage in the bidding, evaluation, contracting and implementation of the Contract.

6.2 The Bidder further undertakes that he has not given, offered or promised to give, directly or indirectly any bribe, gift, consideration, reward, favour, any material or immaterial benefit or other advantage, commission, fees, brokerage or inducement to any official of the Buyer or otherwise in procuring the Contract or forbearing to do or having done any act in relation to the obtaining or execution of the Contract or any other Contract with the Government for showing or forbearing to show favour or disfavour to any person in relation to the Contract or any other Contract with the Government.

6.3 The Bidder will not collude with other parties interested in the contract to impair the transparency, fairness and progress of the bidding process, bid evaluation, contracting and implementation of the contract.

6.4 The Bidder will not accept any advantage in exchange for any corrupt practice, unfair means and illegal activities.

6.5 The Bidder further confirms and declares to the Buyer that the Bidder is the original manufacturer/integrator/authorised government sponsored export entity of the Defence stores and has not engaged any individual or firm or company whether Indian or foreign to intercede, facilitate or in any way to recommend to the Buyer or any of its functionaries, whether officially or unofficially to the award of the contract to the Bidder, nor has any amount been paid, promised or intended to be paid to any such individual, firm or company or Agent in respect of any such intercession, facilitation or recommendation.

6.6 The bidder would not enter into conditional contract with any Agents, brokers or any other intermediaries wherein payment is made or penalty is levied, directly or indirectly, on success or failure of the award of the contract. The bidder while presenting the bid, shall

disclose any payments he has made during the 12 months prior to tender submission or is committed to or intends to make to officials of the buyer or their family members, Agents, brokers or any other intermediaries in connection with the contract and the details of such services agreed upon for such payments. Within the validity of PCIP, bidder shall disclose to MoD any payments made or has the intention to pay any amount, gift, reward, fees, commission or consideration to such person, party, firm or institution as an annual report during the procurement process.

6.7 The Bidder shall not use improperly, for purposes of competition or personal gain or pass on to others, any information provided by the Buyer as part of the business relationship regarding plans, technical proposals and business details, including information contained in any electronic data carrier. The Bidder also undertakes to exercise due and adequate care lest any such information is divulged.

6.8 The Bidder commits to refrain from giving any complaint directly or through any other manner without supporting it with full and verifiable facts. Complaint will be processed as per **Guidelines for Handling of Complaints** in vogue. In case the complaint is found to be vexatious, frivolous or malicious in nature, it would be construed as a violation of Integrity Pact.

6.9 The Bidder shall not instigate or cause to instigate any third person to commit any of the actions mentioned above.

7. **Previous Transgression**

7.1 The Bidder declares that no previous transgression occurred in the last three years immediately before signing of this Integrity Pact, with any other company in any country in respect of any corrupt practices envisaged hereunder or with any Public Sector Enterprise in India or any Government Department in India.

7.2 If the Bidder makes incorrect statement on this subject, Bidder can be disqualified from the tender process or the contract and if already awarded, can be terminated for such reason.

8. **Bid Security: Earnest Money Deposit**

8.1 Every bidder, while submitting commercial bid, shall submit Bid Security in the form of Earnest Money Deposit (EMD), in cases where applicable (as provided in Clause 8 herein).

(a) To safeguard against a bidder(s) withdrawing or altering its bid during the bid validity period, Bid Security (also known as EMD) is to be obtained from all bidders except for cases upto Rs. 100 Crores (i.e, all cases upto Rs. 100 crores of AoN will be exempted from payment of EMD) as follows:-

EMD TABLE

Estimated Cost of Procurement Scheme (Crore)		EMD Amount
Above (Not including)	To (Including)	
-	100	Nil
100	150	30 Lakh

150	300	70 Lakh
300	1000	2 Crore
1000	2000	5 Crore
2000	3000	10 Crore
3000	5000	15 Crore
5000	-	25 Crore

(b) EMD is not required from Micro and Small Enterprises (MSEs) as defined in MSE Procurement Policy issued by Department of Micro, Small and Medium Enterprises (MSME) or are registered with the Central Purchase Organisation or the concerned Ministry or Department or Startups as recognised by Department of Industrial Policy & Promotion (DIPP), in accordance with the Ministry of Finance office memorandum bearing No. No. F.20/2/2014-PPD (Pt.) dated July 25, 2017 (as amended from time to time).

(c) DPSUs are not required to submit EMD when nominated as ab-initio single vendor. DPSUs will submit all BGs and EMD as applicable while participating in multi vendor cases with private vendors.

(d) Format of EMD. The Bid Security may be accepted in the following forms, safeguarding the Buyer's interest in all respect:-

(i) Bank Guarantee from any Indian Public or Private Scheduled Commercial Bank notified by RBI or first-class banks of international repute. The format of the Bank Guarantee for Bid Security is provided at Annexure 1 to Appendix J.

(ii) Insurance Surety Bond - The format and guidelines pertaining to the same shall be issued / notified by the Ministry of Defence.

(iii) Account Payee Demand Draft, Fixed Deposit Receipt, Banker's Cheque shall be payable in an acceptable form. The Beneficiary Bank Details for furnishing the same are as follows:

(IFSC Code - SBIN0000691)
State Bank of India New Delhi Main Branch
C Block, 11 Parliament Street
New Delhi, Pin: 110001

(e) Validity of EMD. The EMD will be valid for eighteen months or till signing of contract, whichever is later. The EMD shall be extended from time to time as required by the Buyer and agreed by the Bidder. No interest shall be payable by the Buyer to the Bidder(s) on the EMD for the period of its currency. For unsuccessful bidders EMD will be returned on declaration of successful bidder(s).

(f) Instances of Forfeiture of EMD.

(i) If the Bidder withdraws or amends, impairs or derogates from the Bid in any respect within the period of validity of this tender.

(ii) If the Bidder having been notified of the acceptance of his tender by the Buyer during the period of its validity.

(aa) If the Bidder fails to furnish the Performance Security for the due performance of the contract.

(ab) Fails or refuses to accept/ execute the contract.

(i) In case of violation of Pre-Contract Integrity Pact, EMD will be forfeited besides other legal penalties as may be decided by the Ministry of Defence.

8.3 In the case of successful bidder a clause would also be incorporated in the Article pertaining to Performance-cum-Warranty Bond in the Purchase Contract that the provisions of Sanctions for Violation shall be applicable for forfeiture of Performance Bond in case of a decision by the Buyer to forfeit the same without assigning any reason for imposing sanction for violation of this pact.

8.4 The provisions regarding Sanctions for Violation in Integrity Pact include forfeiture of Performance-cum-Warranty Bond in case of a decision by the Buyer to forfeit the same without assigning any reason for imposing sanction for violation of Integrity Pact.

8.5 No interest shall be payable by the Buyer to the Bidder(s) on EMD for the period of its currency.

9. **Company Code of Conduct**

9.1 Bidders are also advised to have a company code of conduct (clearly rejecting the use of bribes and other unethical behaviour) and a compliance program for the implementation of the code of conduct throughout the company.

10. **Sanctions for Violation**

10.1 Any breach of the aforesaid provisions by the Bidder or any one employed by him or acting on his behalf (whether with or without the knowledge of the Bidder) or the commission of any offence by the Bidder or any one employed by him or acting on his behalf, as defined in Chapter IX of the Indian Penal Code, 1860 or the Prevention of Corruption Act 1988 or any other act enacted for the prevention of corruption shall entitle the Buyer to take all or any one of the following actions, wherever required:

(i) To immediately call off the pre-contract negotiations without assigning any reason or giving any compensation to the Bidder. However, the proceedings with the other Bidder(s) would continue.

(ii) EMD for pre contract period, Performance-cum-Warranty Bond post signing of contract shall stand forfeited either fully or partially, as decided by the Buyer and the Buyer shall not be required to assign any reason therefore.

(iii) To immediately cancel the contract, if already signed, without any compensation to the Bidder.

(iv) To recover all sums already paid by the Buyer, in case of an Indian Bidder with interest thereon at 2% higher than the prevailing Base Rate of SBI and in case of a Bidder from a country other than India with interest thereon at 2% higher than the LIBOR. If any outstanding payment is due to the Bidder from the Buyer in connection

with any other contract for any other defence stores, such outstanding payment could also be utilised to recover the aforesaid sum and interest.

- (v) To encash the advance bank guarantee and Performance-cum-Warranty Bond if furnished by the Bidder, in order to recover the payments, already made by the Buyer, along with interest.
- (vi) To cancel all or any other Contracts with the Bidder.
- (vii) To Put on Hold or Suspend or Debar the bidder as per the extant policy.
- (viii) To recover all sums paid in violation of this Pact by Bidder(s) to any Agent or broker with a view to securing the contract.
- (ix) If the Bidder or any employee of the Bidder or any person acting on behalf of the Bidder, either directly or indirectly, is closely related to any of the officers of the Buyer, or alternatively, if any close relative of an officer of the Buyer has financial interest/stake in the Bidder's firm, the same shall be disclosed by the Bidder at the time of filing of tender. Any failure to disclose the interest involved shall entitle the Buyer to debar the Bidder from the bid process or rescind the contract without payment of any compensation to the Bidder. The term '**close relative**' for this purpose would mean spouse whether residing with the Government servant or not, but not include a spouse separated from the Government servant by a decree or order of a competent court; son or daughter or step son or step daughter and wholly dependent upon Government servant, but does not include a child or step child who is no longer in any way dependent upon the Government servant or of whose custody the Government servant has been deprived of by or under any law; any other person related, whether by blood or marriage, to the Government servant or to the Government servant's wife or husband and wholly dependent upon Government servant.
- (x) The Bidder shall not lend to or borrow any money from or enter into any monetary dealings or transactions, directly or indirectly, with any employee of the Buyer and if he does so, the Buyer shall be entitled forthwith to rescind the contract and all other contracts with the Bidder. The Bidder shall be liable to pay compensation for any loss or damage to the Buyer resulting from such rescission and the Buyer shall be entitled to deduct the amount so payable from the money(s) due to the Bidder.
- (xi) In cases where irrevocable Letters of Credit have been received in respect of any contract signed by the Buyer with the Bidder, the same shall not be opened.

10.2 The decision of the Buyer to the effect that a breach of the provisions of this Integrity Pact has been committed by the Bidder shall be final and binding on the Bidder, however, the Bidder can approach the Independent Monitor(s) appointed for the purposes of this Pact.

11. **Fall Clause**

11.1 The Bidder undertakes that he has not supplied/is not supplying the similar products, systems or subsystems at a price lower than that offered in the present bid in respect of any other Ministry/Department of the Government of India and if it is found at any stage that the similar system or sub-system was supplied by the Bidder to any other Ministry/Department of the Government of India at a lower price, then that very price, with due allowance for elapsed time, will be applicable to the present case and the

difference in the cost would be refunded by the Bidder to the Buyer, even if the contract has already been concluded.

11.2 The Bidder shall strive to accord the most favoured customer treatment to the Buyer in respect of all matters pertaining to the present case.

12. **Independent Monitors**

12.1 The Buyer has appointed Independent Monitors for this Pact in consultation with the Central Vigilance Commission. The names and addresses of nominated Independent Monitors (at the time of issue of RFP) are as follows (however the vendor must refer to the MoD website at www.mod.nic.in to check for changes to these details):-

- (a) Shri Ravikant, IAS/ Bihar (1984) (Retd),
Apartment No 502, Tower-1, M3M Merlin,
Sector - 67, Gurugram-122001 (Haryana)
Mob: 9953555566
Email – 84ravikant@gmail.com
- (b) Dr. Prabhat Kumar, IAS/ UP (1985) (Retd),
C-120, Sector-39, Noida-201301,
Gautam Budh Nagar (Uttar Pradesh)
Mob : 9810530048
Email – prabhatfamily@gmail.com
- (c) Shri Chet Ram, IRS (1985) (Retd),
Flat No. A-203, Building Gemini, Gladys Alwares Marg,
Hiranandani Meadows, Off-Pokhran Road No 2,
Thane (W), Maharashtra-400610
Mob : 9869479987
Email – cr_koli@yahoo.com

12.1A All communications to Independent Monitors will be copied to Director (Vigilance). The Designation and Contact details of Director (Vigilance) are as follows:-

Director (Vigilance)
Room No 340,
B Wing, Sena Bhawan
New Delhi 110011
Tele No – 011-23012304

12.2 After the Integrity Pact is signed, the Buyer shall provide a copy thereof, along with a brief background of the case to the Independent Monitors, if required by them.

12.3 The Bidder(s), if they deem it necessary, may furnish any information as relevant to their bid to the Independent Monitors.

12.4 If any complaint with regard to violation of the IP is received by the buyer in a procurement case, the buyer shall refer the complaint to the Independent Monitors for their comments/enquiry.

12.5 If the Independent Monitors need to peruse the relevant records of the Buyer in

connection with the complaint sent to them by the Buyer, the Buyer shall make arrangement for such perusal of records by the Independent Monitors.

12.6 The report of enquiry, if any, made by the Independent Monitors shall be submitted to the head of the Acquisition Wing of the Ministry of Defence, Government of India for a final and appropriate decision in the matter keeping in view the provision of this Pact.

13. **Examination of Books of Accounts**

In case of any allegation of violation of any provisions of this Integrity Pact or payment of commission, the Buyer or its agencies shall be entitled to examine the Books of Accounts of the Bidder and the Bidder shall provide necessary information of the relevant financial documents in English and shall extend all possible help for the purpose of such examination.

14. **Law and Place of Jurisdiction**

This Pact is subject to Indian Law. The place of performance and jurisdiction is the seat of the Buyer i.e. New Delhi.

15. **Other Legal Actions**

The actions stipulated in this Integrity Pact are without prejudice to any other legal action that may follow in accordance with the provisions of the extant law in force relating to any civil or criminal proceedings.

16. **Validity**

16.1 The validity of this Integrity Pact shall be from date of its signing and extend up to 5 years or the complete execution of the contract to the satisfaction of both the Buyer and the Bidder/Seller, whichever is later.

16.2 Should one or several provisions of this Pact turn out to be invalid; the remainder of this Pact remains valid. In this case, the parties will strive to come to an agreement to their original intentions.

17. The Parties hereby sign this Integrity Pact at _____ on

BUYER

BIDDER

MINISTRY OF DEFENCE,
GOVERNMENT OF INDIA

CHIEF EXECUTIVE OFFICER

Witness

Witness

1. _____

1. _____

2. _____

2. _____

**Refers to Para 8.1 of
Pre-Contract Integrity Pact**

EMD BANK GUARANTEE FORMAT

Whereas(hereinafter called the “Bidder”) has submitted their offer dated.....for the supply of (hereinafter called the “Bid”) against the Buyer’s Request for proposal No. KNOW ALL MEN by these presents that WEof having our registered office at are bound unto (hereinafter called the “Buyer”) in the sum offor which payment will and truly to be made to the said Buyer, the Bank binds itself, its successors and assigns by these presents.

Sealed with the Common Seal of the said Bank this..... day of20.....

The conditions of obligations are:-

- (1) If the Bidder withdraws or amends, impairs or derogates from the Bid in any respect within the period of validity of this tender.
- (2) If the Bidder having been notified of the acceptance of his tender by the Buyer during the period of its validity.
 - (a) If the Bidder fails to furnish the Performance Security for the due performance of the contract.
 - (b) Fails or refuses to accept/execute the contract.
- (3) If the bidder violates Pre-Contract Integrity Pact.

WE undertake to pay the Buyer up to the above amount upon receipt of its first written demand, without the Buyer having to substantiate its demand, provided that in its demand the Buyer will note that the amount claimed by it is due to it owing to the occurrence of above mentioned conditions, specifying the occurred condition or conditions.

This guarantee will remain in force upto and including 45 days after the period of 18 months/ contract signing whichever is later and any demand in respect thereof should reach the Bank not later than the above date.

.....

(Signature of the authorized officer of the Bank)

Name and designation of the officer

Seal, name & address of the Bank and address of the Branch

Appendix K
(Refers to Para 6 of RFP)

CRITERIA FOR VENDOR SELECTION / PRE-QUALIFICATION

1. The following parameters will be adhered for Vendor Selection / Pre-Qualification.

<u>Sl No</u>	<u>Parameter</u>	<u>CRITERIA</u>
(a)	<u>General</u>	
(i)		Applicant Entity should be an Indian Vendor as defined at Paragraph 20 of Chapter I of DAP 2020.
(ii)		Business dealing with applicant Entity or any of its allied entities should not have been suspended or banned, by MoD/ SHQ or any Government Department or organization (as defined in Guidelines for Penalties in Business Dealings with Entities issued vide Ministry of Defence, D (Vigilance) MoD ID No 31013/I/2006-D(Vig) Vol II dated 21 Nov 2016). None of the Promoters and Directors of applicant entity should be a willful defaulter.
(iii)		“Entities” will include companies, with whom the Ministry of Defence has entered into, or intends to enter into, or could enter into contracts or agreements.
(iv)		“Applicant entity” may be a company, subsidiary, an associate company (as defined in the Companies Act, 2013), a consortium or a Joint Venture (JV).
(b)	<u>Financial</u>	
(i)	Credit Rating (Desirable Financial Parameter)	Long term credit rating equivalent to CRISIL rating on Corporate Credit Scale as CCR-BBB or better and SME-04 or better for SMEs issued by credit rating agencies recognized by SEBI. Credit rating should be as on 31 st March of the previous financial year
(ii)	Average Annual Turn Over	Min Avg Annual Turnover for last 03 financial years, ending 31 st March of the previous financial year, should not be less than 30% of estimated cost of project.
(iii)	Net Worth	Net worth of entities, ending 31 st march of the previous financial year, should not be less than 5% of the estimated cost of the project.
(iv)	Insolvency	The entity should not be under insolvency resolution as per Indian Bankruptcy Code (IBC) at any stage of procurement process from the issuing of RFP to the signing of contract.
(c)	<u>Technical</u>	
(i)	Nature of Business	Vendor shall be a manufacturing entity or System Integrator of defence equipment and not a trading company, except in cases where the OEM participates only through its authorised Vendors.
(ii)	Experience in related field	Min 02 Yrs experience in broad areas like manufacturing/ integration/ fabrication of Jet Pack Suit. If not, then cumulative experience of at least three (03) years in above areas, resulting in gaining of competence for manufacturing Jet Pack Suit.

(d)	Others	
(i)	Industrial License (If applicable)	Vendor should be either holding a valid defence industrial license or should have applied the same before responding to RFP. In case the vendor must confirm holding of IL before commencement of Demonstration. (Items requiring IL will be as per DIPP Press Note 1 of 2019 as amended from time to time).
(ii)	Registration	Registered for Min 02 Years (01 year for SMEs). Min no of years not applicable for JVs constituted specifically for a project.

2. **Start Ups/ MSMEs.** Start Ups would be defined as per GSR 127 (E) dated 19 Feb 2019 (as amended from time to time).

(Note : Start Ups should not be confused with New entrants who may be high / mid-sized groups having financial support and manufacturing experiences and now venturing into Defence Production).

GUIDELINES FOR FORMULATION OF DRAFT ATP

1. Draft Acceptance Test Procedure for the Equipment/ System should mainly consist of the following: -

(a) **Scope & Introduction.** Includes the scope, introduction & propose of the document and general information about the equipment.

(b) **Brief description of the Equipment/ System.** Brief description of the equipment/ system be highlighted indication the salient features, Equipment/ System configuration, interfaces involved and its compatibility and role in the main system where it is intended to be used.

(c) **Safety/ Security aspects, if any.**

(d) **Technical Specifications.** TS of the equipment be indicated along with dimension, weight of the equipment etc. operational requirements & Pictorial representation of the equipment/ system be provided under this section.

(e) **Reference documents including list of drawings, related Standards, Specifications etc.** Includes Reference documents/ drawings of the equipment, Standards/ Specifications up to which he equipment/ system is complied.

(f) **Bill of Materials.** BoM as per the following format be included.

<u>S.</u> <u>NO</u>	<u>Item</u> <u>Name/</u> <u>Descri</u> <u>ption</u>	<u>Part</u> <u>Numb</u> <u>er</u>	<u>NSN</u> <u>Numb</u> <u>er</u>	<u>Drawi</u> <u>ng</u> <u>Numb</u> <u>er</u>	<u>Manuf</u> <u>acturer</u>	<u>Sche</u> <u>matic</u> <u>Refer</u> <u>ence</u>	<u>Standar</u> <u>d of</u> <u>Refer</u> <u>ence</u>	<u>Qty</u> <u>Nos</u>	<u>Mill/</u> <u>Industrial/</u> <u>Commercial</u>

(g) **Test Instruments / Accessories required.** Test Instruments/ Accessories required for conduct of ATP be mentioned along with Part number, Make/ Model etc.

(h) **Qualification/ Environmental Tests.** Applicable class from relevant JSS, as per RFP for Environmental testing be mentioned along with test severities and procedures to be followed for the conduct of the test. Pre, in-situ & Post Performance test to check the performance of the equipment be included.

(j) **Acceptance/ Performance Tests.** Includes the Visual, Electrical & Functional tests. Functional Test procedure along with diagram showing Test set up to be mentioned. Final acceptance/ Performance checks comes under this section. Tests can be carried out under lab & field conditions needs to be mentioned separately.

(k) **Applicability of ESS/ Endurance test.** ESS procedure to be followed be mentioned and the procedure for carrying out the Endurance test be included.

- (l) **Quality Audit points/ Checks/ Methodology including Real Time/ Online Audit activities & list of critical processes.** Process audit methodology to be carried by mentioned.
- (m) **Quality Audit Flow Chart/ Process Monitor Points.** Mutually agreed Audit flow chart be mentioned by quoting Relevant ISO standards.
- (n) **Operational checks/ Tests.** Includes Quick checks/ Tests with ATE/BITE/Processor based Auto Diagnostic checks on the store, if equipped with, before release of the store to the Consignee.
- (o) **Test & Measurement Record (TMR).** TMR sheet with expected output be mentioned.
- (p) **Acceptance criteria including Sampling Plan, if any.** Acceptance criteria be mentioned under this section.

Note

- (i) Weight and dimension should have tolerance.
- (ii) Weight of the system shall specify along with power systems including Genset/ UPS wherever required.
- (iii) Sampling plans to be invoked whereas feasible.
- (iv) Certain test requires permission from authorities such as long range comn, jamming tests, detection of drones, use of DEW etc. Necessary permissions need to be obtained by SELLER.

Appendix M
(Refers to Para 48 of RFP)

DOCUMENTS TO BE SUBMITTED BY THE BIDDER ALONG WITH THEIR TECHNO-COMMERCIAL PROPOSALS

The list of documents which needs to be mandatorily submitted by the Bidders as part of Technical Proposal are placed below. Non-submission of the documents may result in disqualification of the Bidder from the bidding process.

Ser No.	Reference	Document Description
1.	Para 5 (a) of RFP	Declaration by Bidder : Debarment of vendors
2.	Para 16 of RFP	Declaration by Bidder: Government Regulation
3.	Para 17 of RFP	Declaration by Bidder: Obligations Relevant to Transfer of Conventional Arms
4.	Para 18 of RFP	Declaration by Bidder : Patent Rights
5.	Para 20 of RFP	Declaration by Bidder : Fall Clause
6.	Para 27 of RFP	Technical document covering performance parameters.
7.	Appendix B	Compliance Table
8.	Appendix C	Warranty Clause
9.	Appendix D	CERTIFICATE: Malicious Code
10.	Annexure I to Appendix E	Technical Literature
11.	Appendix H	Price Bid
12.	Annexure I to Appendix J	Pre-Contract Integrity Pact
13.	Annexure I to Appendix J	EMD

GLOSSARY

AoN	Acceptance of Necessity
ATP	Acceptance Test Procedure
CAMC	Comprehensive Annual Maintenance Contract
CNC	Contract Negotiation Committee
DGQA	Director General of Quality Assurance
DPB	Defence Procurement Board
DAP	Defence Acquisition Procedure
DRDO	Defence Research and Development Organisation
EMD	Earnest Money Deposit
FTI	Freight Transit Insurance
GoI	Government of India
IC	Indigenous Content
IP	Integrity Pact
LRU	Line Replaceable Unit
MoD	Ministry of Defence
NCNC	No Cost No Commitment
OEM	Original Equipment Manufacturer
OTE	Open Tender Enquiry
PA	Production Agency
PCIP	Pre Contract Integrity Pact
QA	Quality Assurance
RFP	Request for Proposal
SPB	Services Procurement Board.
SHQ	Service Headquarters
TEC	Technical Evaluation Committee
MoD	Ministry of Defence
MRLS	Manufacturer Recommended List of Spares
M-ToT	Maintenance Transfer of Technology

NCNC	No Cost No Commitment
OEM	Original Equipment Manufacturer
OTE	Open Tender Enquiry
PA	Production Agency
PCIP	Pre Contract Integrity Pact
QA	Quality Assurance
RFP	Request for Proposal
SPB	Services Procurement Board.
SHQ	Service Headquarters
SKD	Semi Knocked Down
SRU	Shop Replaceable Unit
TEC	Technical Evaluation Committee
ToT	Transfer of Technology