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सत्यमेव जयते
Ministry of Defence
Government of India

REQUEST FOR PROPOSAL

BY

**MINISTRY OF DEFENCE GOVERNMENT
OF INDIA**

**FOR PROCUREMENT OF 06 IN NOS HARPOON GRID WITH WELL
FOR INDIAN COAST GUARD (ICG) NEXT GENERATION OFF SHORE PATROL
VESSELS (NGOPVs)**

This document is the property of Government of India/Ministry of Defence.

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 73 pages including cover page and Appendices.



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File No: TM(MS)/0025/CG/HRPN
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Acquisition Tech (Maritime & Systems)
Acquisition Wing, Ministry of Defence
Room No 05, D-II Wing, Ground Floor
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16 Oct 2025

To,

**REQUEST FOR TECHNICAL AND COMMERCIAL PROPOSAL FOR
PROCUREMENT OF 06 IN NOS HARPOON GRID WITH WELL FOR INDIAN COAST
GUARD (ICG) NEXT GENERATION OFF SHORE PATROL VESSELS (NGOPVs)
UNDER 'BUY (INDIAN-IDDm)' CATEGORY**

Dear Sir/ Madam,

1. The Ministry of Defence, Government of India, intends to procure 06 in Nos Harpoon Grid with Well for Indian Coast Guard (ICG) Next Generation Off Shore Patrol Vessels (NGOPVs) and seeks participation in the procurement process from prospective Bidders subject to requirements in succeeding paragraphs.

Synopsis

2. **Broad Description of Equipment / System.** The proposal is for the procurement of 06 in Nos Harpoon Grid with Well for ICG NGOPVs under 'Buy (Indian-IDDm)' category (with minimum 50% Indigenous content) i.a.w Para – 8, Chapter I of DAP 2020 to enhance the operational capability of ICG.

3. The salient aspects and timelines of the procurement are tabulated below. In case of any variation in the details furnished below or other Annexures(s) with that mentioned in the RFP, information furnished in the main body of the RFP at referred Paragraph is to be followed. Further clarification, if any required, would be provided during the pre-bid meeting.



Ser No.	Description	Details	Reference Para of RFP
(a)	Equipment/System required	Harpoon Grid with Well	Para 2 of Main Letter
(b)	Quantity Required	06	
(c)	Categorization of Procurement	Buy (Indian-IDDM)	Part I, Para 8
(d)	Minimum IC Content required	Overall IC - 50%, IC% for Material/ Component/ Software manufactured in India is 50%	Part I, Para 8
(e)	Places of Delivery	Mumbai M/s MDL, Mumbai	Appendix-F Para 1.1
(f)	Warranty Period	2 years	Part I, Para 13
(g)	CAMC Period, if any	Not applicable	--
(h)	Offsets required, if any	Not applicable	--
(j)	EMD Amount	Not applicable	--
(k)	Last date for submission of Pre-bid queries	30 OCT 2025	Part I, Para 28
(l)	Date and time for Pre-bid meeting	13 NOV 2025 1100 HRS	Part I, Para 29
(m)	Last date and time for Bid Submission	11 DEC 2025 1100 HRS	Part I, Para 30

4. **Special features of RFP.** The procurement case will be earmarked for MSMEs, provided there are at least two or more MSMEs, who qualify Technical Evaluation and accordingly the Commercial bids will be opened. Firms are required to submit their valid MSME certificate along with Technical Bid i.a.w Para 23 of Chapter II of DAP-2020. The provisioning of Harpoon Grid with Well System should be inclusive of supply, Technical / Supervisory assistance during installation, commissioning, on-board spares and Training & documentation. Installation will be undertaken by the shipyard.

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

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6. 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.

7. The end user of the equipment is the Indian Coast Guard.

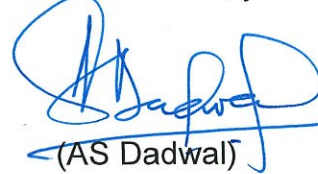
8. This RFP is being issued with no financial commitment; and the Ministry of Defence reserves the right to withdraw the RFP and change or vary any part thereof or foreclose the procurement case at any stage. The Government of India also reserves the right to disqualify any Bidder should it be so necessary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

9. This RFP is non-transferable.

10. 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.gov.in Amendments to DAP-2020 hosted on MoD website also relevant.

11. The receipt of the RFP may please be acknowledged.

Yours faithfully



(AS Dadwal)

Commodore

DDG Acq-Tech (Maritime)



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Disclaimer

1. 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. Where 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 06 in Nos Harpoon Grid with Well for ICG NGOPVs hereafter collectively referred as 'Deliverables', the numbers required, the time frame for deliveries, conditions of usage and maintenance, requirement for training 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 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, 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.

5. **Classified RFPs** Not applicable.



Business Eligibility

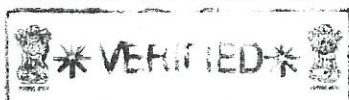
6(a). **Undertaking by Bidders.** The Bidder will submit an undertaking that they are currently not banned / debarred / suspended from doing business dealings with Government of India / any other government organization and that there is no investigation going on by MoD against them. In case of ever 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.

6(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.

7. **Pre-Qualification Criteria {for multi-vendor cases in Buy (Indian-IDDm). Buy (Indian) and Buy & Make (Indian) cases}.** The detailed Pre-Qualification criteria for the Bidders for participation in the instant procurement case are placed at **Appendix J** 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.

8. **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 **50%** as defined under **Para 8 & 21 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, Bidder in 'Buy (Indian-IDDm)', will be required to submit their indigenization 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 on MoD, Gol website (www.mod.gov.in) for reference and free download.

9. **Year of Production.** Deliverables [Procurement of 06 in Nos Harpoon Grid with Well consisting of On Board Spares (OBS), Technical Literature] 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 (other than permitted running hours during assembly / acceptance trials) at the time of delivery. Deviations, if any, should be clearly brought out by Bidder in the Technical Proposal.

10. **Delivery Schedule.** The delivery schedule of equipment and services along with the relevant payment stages is specified at **Annexure V** to Appendix F, Considering T₀ as the date of drawings and QAP approval. The proposed delivery schedule for supply is appended below:-

Ser	Ship Set	Delivery
(a)	1 st Shipset	T0+12 months
(b)	2 nd Shipset	T0+16 months
(c)	3 rd Shipset	T0+20 months
(d)	4 th Shipset	T0+24 months
(e)	5 th Shipset	T0+28 months
(f)	6 th Shipset	T0+32 months

11. 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.

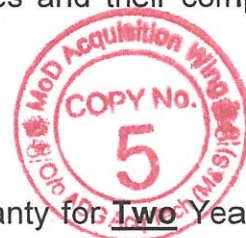
12. **Preservation.** Not applicable.

13. **Warranty.** The deliverables supplied shall carry a warranty for Two Years. The warranty will Commence from the date of delivery for the Harpoon Grid with Well. Any item, assembly, or sub-assembly that is found defective or requires modification during the Sea Acceptance Trials (SATs) should be provided by the firm at no additional cost. Warranty Clause is given at **Appendix C** to this RFP.

14. **Offset.** Not applicable.

15. **In Service Life/Shelf Life.** The In Service/Shelf Life of the deliverables (as applicable) shall be stipulated in the offer. In case of shelf life, the relevant storage conditions should be clearly specified in the offer. The Total Service Life of the Harpoon Grid with well should not be less than **25 years**.

16(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 25 Years excluding electronic equipment for which the minimum period would be 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 Life Time Buy of all spares before closure of the said production line. This, however, shall not restrict the ICG 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 ICG and Bidder.

16(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 OBS). 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).

17. **Obsolescence Management**. 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 **25 years excluding electronic equipment for which the minimum period would be 10 years** or during its life cycle (as per requirement) must be intimated to CGHQ as per the agreed mechanism. However, any upgrade or modification which are required to be carried out on the equipment during the guarantee period should be undertaken free of cost.

18. **Training of Crew and Maintenance Personnel**. Not applicable.

19. **Scope of Training**. Not applicable.

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

21. Not applicable.

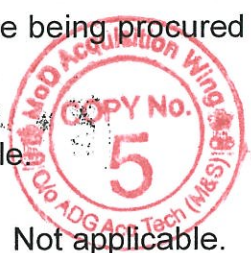
22. **Agents**. Not applicable.

23. **Patent Rights**. The Bidder should confirm that there are no infringements of any Patent Rights in accordance with the laws prevailing in India.

24. **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 H to this RFP**.

25. **Transfer of Technology (ToT)**. Not applicable.

26. **Transfer of Technology (ToT) for Maintenance Infrastructure**. Not applicable.



27. **Fall Clause.** If the equipment being offered by the Bidder has been supplied/ contracted with any organization, public/ private in India, the details of the same may be furnished in the technical as well as commercial offer. The Bidder are required to give a written undertaking that they have not supplied/ are 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 ICG, if the contract has already been concluded.

Bid Timelines

28. Any queries/ clarifications to this RFP may be sent to this office by 30 Oct 25
A copy of the same may also be sent to:-

Principal Director (AA)
Directorate of Aircraft Acquisition
Coast Guard Headquarters
National Stadium Complex, New Delhi – 110 001

29. **Pre-Bid Meeting.** A pre-bid meeting will be organized by CGHQ at 1100 hrs on 13 Nov 25 at CGHQ to answer any queries or clarify doubts regarding submission of proposals. The Bidder or authorized representative is requested to attend. Necessary details may be sent a week in advance to Directorate of Air Acquisition, Coast Guard Headquarters New Delhi to facilitate obtaining of security clearance.

30. **Submission of Bids.** The Technical proposal along with compliance table and Commercial Proposal /IP (if applicable) should be sealed separately in three separate envelopes clearly indicating Technical proposal along with compliance table /Commercial proposal / IP (if applicable) and any other Bank Guarantee, as applicable, 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 1100 hours on 11 Dec 25:-

O/o Additional Director General
Acquisition Technical (Maritime & Systems)
Room No. 5, D- II, Ground Floor, Sena Bhawan,
New Delhi- 110011



31. Offer opening by an Offer opening committee will be held at 1500 hrs on 11 Dec 25 at the same venue as indicated at Para 30 above. The Bidder or his authorised representative is welcome to be present at the opening of the proposals. Necessary details may be sent at least one week in advance (two weeks in case of foreign Bidders) to facilitate obtaining of security clearance.



PART II – TECHNICAL REQUIREMENTS

32. 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 Harpoon Grid with Well are elucidated at **Appendix A** to this RFP and the Compliance Table at **Appendix B** to this RFP.

33. **Operational Characteristics and Features.** The broad operational characteristics and features that are to be met by the Harpoon Grid with Well are elucidated at **Appendix A** to this RFP.

34. **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. The technical proposal should also include maintenance schedules to achieve maximum life and expected life of each assembly/sub-assembly (or Line Replaceable Unit (LRU)/Shop Replaceable Unit (SRU)), storage conditions/environment condition recommended and the resultant guaranteed in- service/shelf life. The range and depth of spares included in the proposal should be supported by necessary reliability and prediction model or authenticated by past data on the similar equipment in use. Any Bidder found to be providing lesser OBS in terms of range and depth will have to make good the deficiency at no extra cost. The revised list of OBS to this effect is to be submitted prior Staff Evaluation.

35. 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.

36. **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. In cases where a Bidder claims to have equipment meeting the EPP, details of the same will be provided in the technical bid. EPP details not provided in technical bids, will not be allowed to be claimed subsequently.



(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 the technical parameters and other conditions of RFP is attached as **Appendix B** to this RFP.

37. 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. Four copies of the Technical Proposal should be submitted (along with one soft copy), however only one copy of the commercial proposal is required.

38. **Submission of Project Report.** Not applicable

39. **Para Applicable only for M-ToT Cases.** Not applicable.

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

41. **Field Evaluation.** Not applicable.

42. **Product Support.** After induction, the Harpoon Grid with Well would be repaired and maintained as per the repair and maintenance philosophy at **Appendix E** to this RFP. The information on Engineering Support Package that is required to be provided is enclosed at **Annexure I to II to Appendix E** to this RFP.

43. **Spares.** The spares requirement will be as per **Appendix E** to this RFP. The spares are required to be categorized in four categories as follows:-

- (a) Manufactured by Bidder as OEM and can be sourced as per Part No.
- (b) Bought out items and customized by the OEM for the specific purpose and such customization would require OEM intervention.
- (c) Bought out from other OEMs/Third Party as specialised items and used without any customization. Such items can be sourced by quoting their Part No./Identification No. as given by OEM/Third Party and directly utilised.
- (d) General Engineering items/COTs which can be sourced by stating the relevant standards and item description.

Note. The OEM Part No. /identification No. of items in addition to bidder assigned part number are also required to be given. To the extent feasible, NATO Stock Number (NSN) be also provided.



44. The range and depth of spares included in the proposal should be supported by necessary reliability and prediction model or authenticated by past data on the similar equipment in use. Any Bidder-if found to be providing lesser OBS in terms of range and depth will have to make good the deficiency at no extra cost. The additional OBS will be mutually decided and agreed upon.

45. **Online Inventory Management System (OIMS)** Not applicable.

46. **Active Technology Obsolescence Management**. Not applicable.

Evaluation of Technical Offers

47. The Technical Offer submitted by the Bidder will be evaluated by a Technical Evaluation Committee (TEC) to confirm that the equipment being offered meets the Essential Parameters as elaborated at **Appendix A**.

Field Evaluation Trials

48. Not applicable.

49. Commercial offers will be opened only of Bidders whose equipment is short-listed, after technical trials and evaluation and these have been accepted technically. In other words, the equipment would be required to be trial evaluated and found suitable prior to commencement of any commercial negotiations.

Quality Assurance Instructions & Technical Evaluation Plan

50. The SELLER shall be responsible to the Indian Coast Guard for ensuring quality of sub contracted parts or materiel. Towards this, the Seller shall ensure a robust quality organization (QMS/ISO 9000:2015 or latest standards) and indicate quality system being followed in their yard, the SELLER shall be responsible to the Indian Coast guard for ensuring quality of sub contracted parts or materiel. The Seller would be required to provide standard Acceptance Test procedure (ATP) in respect of the Harpoon Grid and its main equipment to the BUYER for approval. The concerned Quality Assurance agencies of the BUYER, reserves the right to modify the ATP, if necessary. As the Harpoon Grid is being built to classification Society Rules/ Naval specified specifications, the Harpoon Grid would be inspected by the classification Society/ applicable inspecting authority. The BUYER reserves the right to undertake additional BUYER inspections either directly or through its representatives.

50.1. The items supplied under the contract , shall be:

- (a) Free from all defects in design materials, workmanship and manufacture.



(b) Of the, highest ,grade, and consistent with established and accepted standard for materials of the type ordered.

(c) In full conformity with the specifications drawings or samples. if any, and shall, if operable, operate properly.

51. For **factory testing and acceptance trials of Harpoon Grid with Well** at Bidder's premises, the complete system should be assembled on a test bed, and trial runs should be conducted with helicopter mock ups, with and without load, to ensure satisfactory performance.

Marking and Packaging

52. **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 or if no such requirement is specified, 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.

53. 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.

54. **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.

55. 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 or as per ____.
- (d) The makers part, catalogue, serial, batch number, as appropriate.
- (e) The contract number.
- (f) Any statutory hazard markings and any handling markings including the mass of any package which exceeds 3kgs.
- (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.)

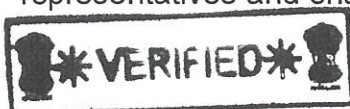
56. **Monitoring of Project Based on Contractual Milestones/ PR.** After placement of order, the progress of the project will be monitored by the BUYER for compliance with various activities towards achieving contractual milestones involving delivery etc. The contractual milestones will be integral part of the contract. In case the project does not proceed as per the indicated timelines for various contractual milestone(s), the BUYER will have the right to invoke Termination of the project. The indicative list of Contractual Milestones and broad range of timelines for the Contract is as follows:-

SI	Milestone	Delivery Timelines (T_0 + Months)	Remarks
(a)	1 st Shipset	T_0 +12 months	
(b)	2 nd Shipset	T_0 +16 months	
(c)	3 rd Shipset	T_0 +20 months	
(d)	4 th Shipset	T_0 +24 months	
(e)	5 th Shipset	T_0 +28 months	
(f)	6 th Shipset	T_0 +32 months	

T_0 - As the date of drawings and QAP approval

57. The Bidder is to indicate the proposed timelines for the above milestones in the Technical Bid. On conclusion of the Contract, these milestones will be monitored by the ICG.

58. The Project Monitoring Meeting is to be organized at **04 months** interval. The Bidder shall attend the progress monitoring meetings through its suitably qualified representatives and shall submit progress reports to ICG.



PART III - COMMERCIAL REQUIREMENTS

59. 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

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

61. Commercial offers will be opened only of the Bidder whose equipment is short-listed, after technical trials and staff evaluation. The Commercial Offer must be firm and fixed and should be valid for at least 18 months from the last date of bid submission.

Commercial Bid Opening

62. The Commercial Offers will be opened by the Contract Negotiation Committee (CNC) and if the Bidder desires, he may depute their representative, duly authorized in writing, to be present at the time of opening of the offers.

63. The date, time and venue fixed for this purpose will be intimated separately after the evaluations are completed.

64. The CNC will determine the lowest bidder (L1).

Additional Aspects

65. **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 H** 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.

66. **Option Clause.** Not applicable.



PART IV: BID EVALUATION AND ACCEPTANCE CRITERIA

67. A list of documents/details to be submitted along with the bids is placed at **Appendix K** as a reference to help in completeness of bid and meeting the procurement process schedule.

68. 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.

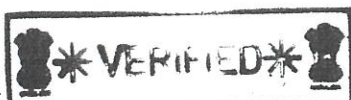
69. The bid and all communications in relation to or concerning the bidding documents shall be in English language.

70. **Evaluation and Acceptance Process.**

(a) **Evaluation of Technical Proposals.** The technical proposals forwarded by the Bidders will be evaluated by a Technical Evaluation Committee (TEC). The TEC will examine the extent of variations/differences, if any, in the technical characteristics of the equipment offered by various Bidders with reference to the QRs and prepare a "Compliance Statement" for shortlisting the Bidders. The shortlisted Bidders shall be asked to send the desired units of the equipment/weapon system to India for Field Evaluation in varying climatic, altitude and terrain conditions. Field Evaluation would be conducted for Essential Parameters-A and EPP. A Staff Evaluation will be carried out, which will give out the compliance of the demonstrated performance of the equipment vis-à-vis the requirements. The compliance would be determined only on the basis of the parameters specified in the RFP. The Staff Evaluation will analyse the field evaluation results and 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 have been cleared by TEC; equipment has been shortlisted after Field Evaluation(Trials)/Technical Trials and Staff Evaluation; and whose offset offers have been accepted technically, wherever applicable. Comparison of bids would be done on the basis of Evaluation criteria given in **Appendix G** to this RFP. The L-1 bidder would be determined by Contract Negotiation Committee (CNC) on the basis of **Appendix G** to this RFP. If EPP is applicable, L1 determination would be as per Para 14(c) of Chapter II. Only L-1 bidder would be invited for negotiations by CNC.

(c) **Contract Conclusion and placement of Order.** The successful conclusion of CNC will be followed by contract conclusion/placement of order.



Appendix A

(Refers to Para 32, 33, 34, 36, 37 & 47 of RFP)

OPERATIONAL CHARACTERISTICS AND FEATURES HARPOON GRID WITH WELL

SECTION I

GENERAL DESCRIPTION

1. **Introduction.** The Helicopter Landing Grid is an integral part of take-off deck of the ship. The Helicopter Landing Grid comprises of the following components:-

(a) A top layer made of high strength stainless steel plate, circular in shape with a number of specially designed hole patterns into which the helicopter harpoon engages and holds without slipping.

(b) A bottom layer made of high-strength support plate and a forged ring. The forged ring is welded around the circumference of the support plate and is bolted to the top grid plate.

(c) A network of small-diameter stanchions or pins linking the top and bottom layers.

2. **Function.** The Helicopter landing grid is designed for mounting on the take-off deck of ship. It is meant for:-

(a) Receiving the harpoon of the helicopter.

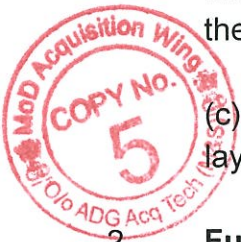
(b) Holding down the helicopter on the deck and providing safety to the helicopter during sailing.

(c) Ensuring proper take-off of the helicopter from the deck.

3. **Design.**

(a) The harpoon of the helicopter is an electro-hydraulic device operated by the pilot through the actuation of engage/release switches. When engagement of the harpoon on the grid is required the harpoon jack telescopically extends down vertically under the fuselage and the jaws of the harpoon engage into one of the grid holes. The claw of the harpoon closes and locks into the grid and the jack ensures the necessary securing tension.

(b) The grid consists of a special stainless steel plate with hole pattern machined to ensure engagement of the harpoon and securing of the claws. It is normally



mounted flush with flight deck. The grid has a bottom steel fabricated structure with a number of supporting pins fastened to the grid plate to support the compressive forces acting on the grid.

4. **Grid Specifications.**

Parameter	Value
Applicable Standard	STANAG No.1276 HOS
Useful diameter of the Grid	2500 mm
Overall diameter of the Grid	2750 mm
Height of the Grid	200 mm
Total weight of Grid assembly	2275 kg approx.
Grid is designed to withstand	Sea State 5
6.5 VP Grid will be withstand a harpoon tension (vertical pull load) of 6,500 kg with permanent distortion.	
6.5 VP Grid will absorb a compression load (vertical push load) of 17,000 kg of helicopter under carriage tyres.	

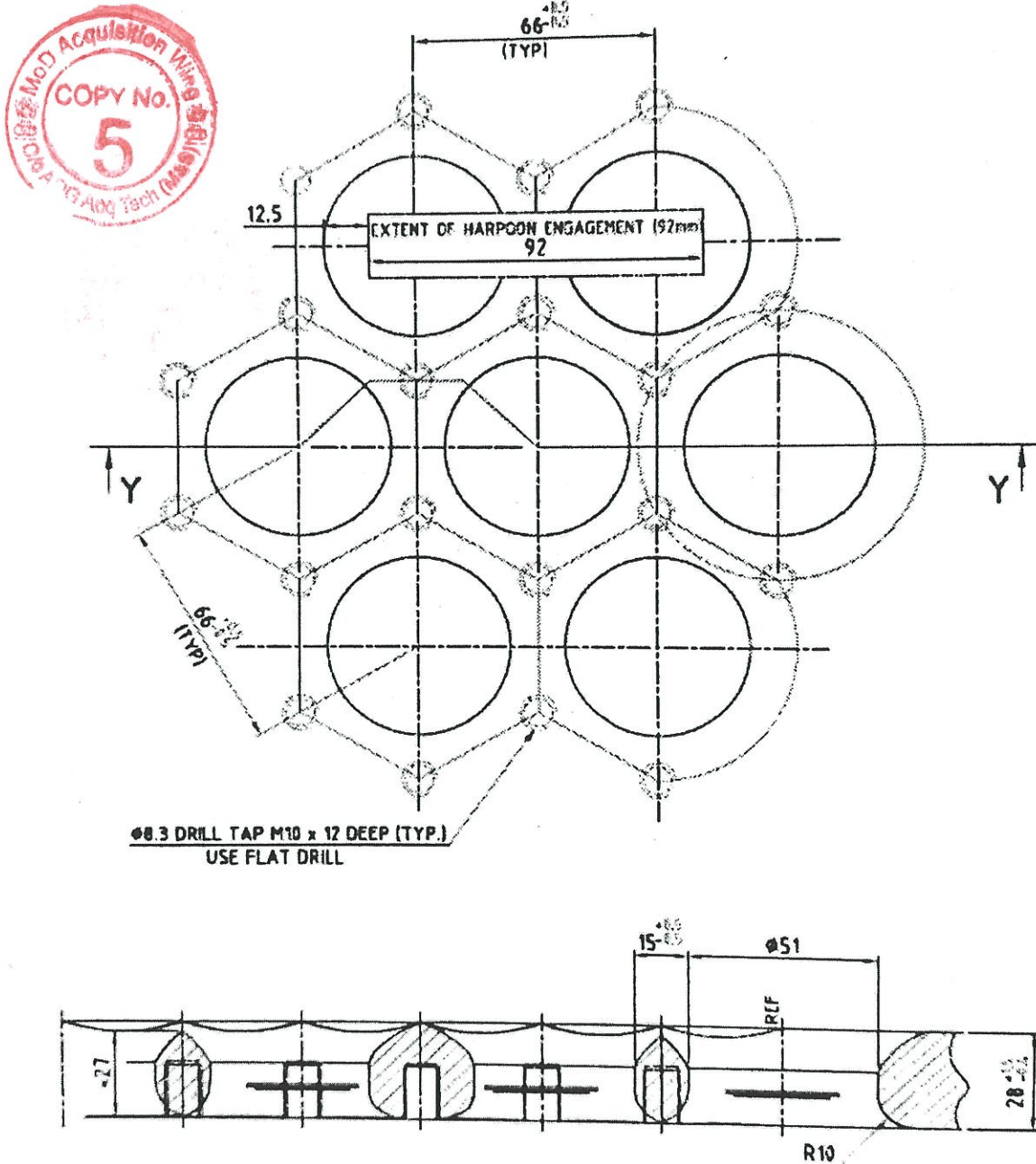


5. **Material Specification.**

Top Grid Plate	High tensile stainless plate with following mechanical properties. UTS 950 N/mm ² (min.) Yield (0.2% Proof stress) 800 N/mm ² (min.)
Support Pins (Stanchions)	17-4 Precipitation Hardening Martensitic Stainless Steel UTS 930 N/mm ² (min.) Yield (0.2% Proof stress) 725 N/mm ² (min.) % of Elongation on 4d 16 (min.) Hardness 277 BHN
Bottom Support Structure	Welded construction with extra high tensile weldable steel & weldable forged steel. UTS 690 N/mm ² (min.) Yield (0.2% Proof stress) 600 N/mm ² (min.)
Stainless Steel Hardware	ASTM A193 Gr.8BM (SS 316 Forged) UTS 760 N/mm ² (min.) Yield (0.2% Proof stress) 660 N/mm ² (min.)
Resin	Chockfast orange PR610 TCF Hardener PR610 TCF 0.24 kg. Silicone Resin Releasing Agent.



6. **Dimensions.** The dimensions of the helicopters landing grid is as appended below:-



7. **Anti-Skid Harpoon Grid Cover.** The Harpoon Grid is to undertake helicopter operations on board Coast Guard ships. In case of excessive roll/pitch of the ship, there is a chance that, Harpoon Grid may not provide requisite friction, which may result in, the helicopter wheels on the Harpoon Grid to skid. To prevent the same, the Metallic Plate Cover for Harpoon Grid to be installed and should meet the following stipulations:-

- Size should be equal to the outer dimensions of the Harpoon Grid.
- Protection should be provided on the underside of the plate, which go into the Harpoon Grid and prevent lateral movement of the plate.

- (c) Turnkey or similar locking arrangement is to be provided (to prevent the plate flying off in rotor downwash). The locking arrangement and lifting handles should be provided housing in the plate, such as the upper side of the plate is flushed without any protrusions.
- (d) Plate upper side to be painted with the deck paint and corresponding co-efficient of friction.
- (e) Plate when fixed in position should not be proud of deck by more than 10 mm and edges should be rounded and not sharp/jagged.
- (f) Plate fixed on the top of the Harpoon Grid should be load tested and cleared for landing impact of helicopter.



Appendix B

(Refers to Para 32, 36(b) & 37 of RFP)

COMPLIANCE TABLE

For procurement of Harpoon Grid with Well

Ser No	Requirement as per the RFP	Compliance / Partial Compliance	Indicate references of Paras / Sub Para's of the Main Technical Document
1.	General Conditions of RFP (Para 1 to 70)		
2.	Technical Parameters as per Appendix A		
(a)	Essential Parameters 'A'		
3.	Commercial Parameters as per RFP		
(a)	Performance-cum-Warranty Bank Guarantee as per Para 2 of Appendix F		
(b)	Advance payment Bank Guarantee as per para 1.5.1 of Appendix F		



Appendix C

(Refers to Para 13 of RFP)

WARRANTY CLAUSE

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 for a period of **Two Years** from the date of delivery for the Harpoon Grid with Well (as per Para 13 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 (including latent and patent defects).
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 of the equipment would be extended by such duration of **downtime**. 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**. The **SELLER** also warrants that the special oils and lubricants required for the warranty repair of the equipment shall be provided by the **SELLER** himself. **All activities including diagnosis, rectification, calibration, transportation etc, required for making equipment serviceable and available would be the SELLER's responsibility.** The **SELLER** also undertakes to diagnose, test, adjust, calibrate and 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.
4. **SELLER** hereby warrants that necessary service and repair backup during the warranty period, shall be provided by the **SELLER** and he will ensure that the **cumulative downtime period for the equipment does not exceed 20% of the warranty period.**
5. If a particular equipment/goods fails frequently and/or, the cumulative down time exceeds **20%** of the warranty period or a **common defect is noticed in more than 25% of the quantity of goods with respect to a particular item/component/sub-component, that complete item/equipment shall be replaced free of cost by the SELLER** within a stipulated period of **180 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.



6. **SELLER** shall associate technical personnel of maintenance agency and QA of **BUYER** during warranty repair and shall provide complete details of defect, reasons and remedial actions for averting recurrence of such defects.

7. In case the complete delivery of the Engineering Support Package is delayed beyond the period stipulated in this contract, then the **SELLER** undertakes that the warranty period for the goods/stores shall be extended to that extent.

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



Appendix D

(Refers to Para 40 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.

3. The firm will provide the malicious code certificates from the respective sub vendors and OEMs as enumerated at **Annexure I to Appendix D**.

Date:



(Signed)

Designation/ Name/ Address of firm



Annexure I to Appendix D
(Refers to Para 3 of **Appendix D**)

MALICIOUS CODE CERTIFICATE FROM HARDWARE OEM

1. It is certified that the firmware/ microcode installed in the hardware products listed below, which is proposed to be delivered by our Business Partner M/s _____, is approved by the OEM. The products have been thoroughly tested and found to be working as per the OEM's specifications at the time of delivery and no malicious code has been found in these products. Patch level update of the system is enclosed.

2. The latest security patches as available at the time of supply, have been updated in the firmware. We undertake to provide solutions to address all security issues during the installation, warranty and support period of the equipment, provided end of support for the same has not been declared for the equipment by the OEM(s).

Date:



(Signed)

Designation/ Name/ Address of firm

MALICIOUS CODE CERTIFICATE FROM SOFTWARE OEM

1. It is certified that the firm has taken all steps to ensure that the software products listed below, which is proposed to be licensed by _____ is found to be working as per the OEM's specifications at the time of delivery and no malicious software computer program/ code hidden within the software that performs a function unauthorized by the OEM's published documentation has been introduced in these products. Patch level update of the software is enclosed.

2. The latest security patches as available at the time of supply, have been updated in the software. We undertake to provide solutions to address all security issues during the installation, warranty and support period of the software, provided end of support for the same has not been declared for the equipment by the OEM's.

Date:



(Signed)

Designation/ Name/ Address of firm

MALICIOUS CODE CERTIFICATE FROM BIDDER

1. This is to warrant that the hardware and software being offered, as part of the Contract does not contain embedded malicious code at the time of installation and commissioning. Patch level update of the hardware/ software is enclosed.
2. The firm will be considered to be in breach of the contract, in case any physical damage or any compromise in information and cyber security or infringement related to copyright and Intellectual property Right (IPRs) is caused due to activation of any malicious code embedded in the hardware/ software.
3. The latest security patches as available at the time of installation and commissioning, have been updated in the hardware/ software. We undertake to provide solutions to address all security issues during the warranty and support period of the hardware/software, provided end of support for the same has not been declared for the equipment by the OEM's and to address all exposed security issues by exercising immediate Work-around until the OEM has made the respective solutions available."



Date:

(Signed)

Designation/ Name/ Address of firm



Appendix E

(Refers to Para 42 and 43 of RFP)

PRODUCT SUPPORT **(REPAIR AND MAINTENANCE PHILOSOPHY)**

1. **Maintenance Philosophy.** The Harpoon Grid with Well will be provided with 24 months of warranty post signing of the contract. Routine maintenance activities will be undertaken by ships staff i.a.w the maintenance schedule that will be supplied by the vendor

2. The equipment could be provided product support through anyone or combination of the following details which are elucidated in subsequent paragraphs:-

(a) Engineering Support Package (ESP)

Engineering Support Package (ESP)

3. ESP is the basic engineering support the SELLER needs to provide to the BUYER for undertaking essential repairs and maintenance of the equipment during its exploitation. These repairs and maintenance would be in consonance with the Maintenance Philosophy enunciated above. ESP would constitute the following aspects:-

(a) Spares.

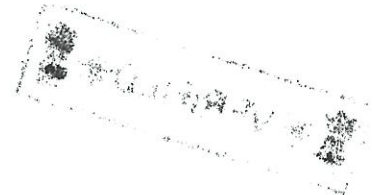
(b) Technical Documentation.

4. **Spares**

(a) **On Board Spares (OBS) for 'O' Level Maintenance.** Cases where the equipment is already in use with the Service, the initial lot of spares will be procured based on the OBS, as recommended by the Maintenance Agency instead of the MRLS.

(b) The spares are required to be categorized in four categories as follows: -

- (i) Manufactured by Bidder as OEM and can be sourced as per Part No.
- (ii) Bought out items and customized by the OEM for the specific purpose and such customization would require OEM intervention.
- (iii) Bought out from other OEMs/Third Party as specialised items and used without any customization. Such items can be sourced by quoting their Part No./Identification No. as given by OEM/Third Party and directly utilised.



- (iv) General Engineering items/COTs which can be sourced by stating the relevant standards and item description.

5. **Special Maintenance Tools / Special Test Equipment and Test Jigs (SMTs/STEs/ Test Jigs)**. Not Applicable

6. **Technical Documentation**. The details of technical literature to be supplied with the system should be listed as per the suggested format at **Annexure II** to this Appendix. This should be provided with both Technical and Commercial Proposals. The cost column may be left blank in the Technical Proposal. An illustrated list of documents which may be submitted by the SELLER is as under:-

- (a) User Handbook/Operators Manual in English and Hindi
- (b) **Technical Manuals**. (as per governing JSG/Guide for other technologies)
- (i) **Part I**. Tech description, specifications, functioning of various systems.
- (ii) **Part II**. Inspection/Maintenance tasks repair procedures, materials used, fault diagnosis
- (iii) **Part III**. Procedure for assembly/disassembly, repair up to component level, safety precautions.
- (iv) **Part IV**. Part list with drawing reference
- (c) Any additional information suggested by the OEM.

7. **Details of OEMs**. Not Applicable.

8. **Training**. Not Applicable.



Maintenance Contracts

9. **Annual Maintenance Contracts (AMC)** Not Applicable.

10. **Comprehensive Maintenance Contracts (CMC)** Not Applicable.

11. **Life Cycle Support Contract (LCSC)**. Not Applicable.

12. **Performance Based Logistics (PBL)** Not Applicable.

13. **Equipment Delivery & Base Opening Plan**. Not Applicable.



14. Performance Metrics. Not Applicable.
15. Vendor Responsibilities. Not Applicable.
16. Online Inventory Management System (OIMS) Not applicable.
17. Active Technology Obsolescence Management Not applicable



Annexure I to Appendix E
(Refers to Para 4 (a) of Appendix E)

ON BOARD SPARES (OBS)

EQUIPMENT: 06 in Nos Harpoon Grid with Well

Original Equipment Manufacturer (OEM): _____

Ser No	Manufacturer's Part No	Source of Supply	Nomenclature	Nos fitted in one equipment	Illustrated spare Part List (ISPL) Reference	Unit Cost	Recommended scale for ----- Qty Eqpt for two years				Total Cost				Remarks
							Unit Repair	Field Repair	Intermediate Repair	Base Repair	Unit Repair	Field Repair	Intermediate Repair	Base Repair	
Total Cost															

Note:

- Maintenance spares/stores like lubricants, sealing compound, gases should be given separately giving source of supply.
- Spares for component repairs should be included under the column of nodal repair & Base Repair as suggested by OEM.
- In 'Remarks' column following information (if applicable) be given:
 - If an item has a shelf/operational life it be marked as 'G' and life indicated.
 - Matching set of components be indicated.
 - Item which can be locally manufactured should be marked 'LM'.
 - Items which cannot be manufactured in India due to sophisticated



Design / technology may be marked as 'SI' (Special Item).

(e) If a component/assembly is common to other similar equipment offered by the OEM earlier these should be marked 'CM' and name of the equipment be indicated.

4. OBS be prepared as per the maintenance concept of the customer **Appendix E** to this RFP)

5. Items provided alongwith the equipment as spares should also be included in OBS.

6. Modules/Shop Replaceable Unit (SRU)/assemblies should be listed and their components should be included under them so as to relate each item of spare to their module/SRU/assembly.

7. Complete OBS should be costed separately for Field, Nodal and Base repairs as it is required to be included as part of 'Total Costed Engineering Support Package' (ESP). OEM may give cost details in confidence to Contract Negotiation Committee (CNC), but other details as above be provided during Maintainability Equipment Trial(MET).

8. OBS for test equipment should also be provided on the similar format.

9. Harpoon Grid Deliverables:-

Ser No.	Description	Qty. / ship
System Subassemblies		
1.1	Support Rod	30 No.
1.2	Hex. Soc. Hd. Screw M16x70	120 No.
1.3	Hex. Nut M16	50 No.
1.4	Hex. Locknut M16	50 No.
1.5	Spring Washer	50 Set
1.6	Hex. Soc. Set Screw M16x45	5 Set
1.7	Hex Nyloc Nut M16	50 Nos.
1.8	Washer dia. 17	48 No.
1.9	Hex. Head cap Screw M16x 70	48 Nos.



Annexure II to Appendix E
(Refers to Para 6 of Appendix E)

TECHNICAL LITERATURE

EQUIPMENT: Harpoon Grid with Well

Original Equipment Manufacturer (OEM): _____

<u>Ser No.</u>	<u>Technical Literature</u>	<u>Unit Cost</u>	<u>Scale Forequip ment</u>	<u>Total Cost</u>	<u>Remarks</u>
1.	User Handbook/operators Manual				
2.	Design Specifications				
3.	<p>Technical Manual.</p> <p>(a) <u>Part I.</u></p> <p>Tech description, specifications, functioning of various Systems.</p> <p>(b) <u>Part II.</u></p> <p>Inspection/Maintenance tasks, Repair procedures, materials used, fault diagnosis</p> <p>(c) <u>Part III.</u></p> <p>Procedure assembly/ disassembly, repair up to component level, safety precautions.</p> <p>(d) <u>Part IV.</u></p> <p>Part list with drawing reference</p>				



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 60 of RFP)

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 The Superintendent, The Coast Guard Refit & Production Team (MBI), C/O M/s Mazagon Dock Shipbuilders Limited, West Block, 1st Floor, Mumbai – 400010.

1.2. Currency of Payment

1.2.1 Indian Bidders should submit their bids in Indian Rupees.

1.3 Contract Price and Requirement of Bank Guarantees

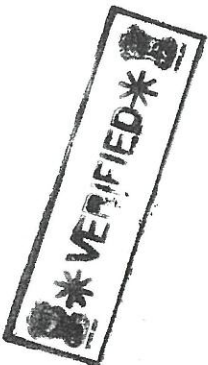
1.3.1. **Total Contract Price.** The Total Contract Price will be the final price negotiated by CNC including taxes and duties applicable at the time of signing of Contract.

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 including the price for services (Supervisory Assistance during Installation, STW and HATs, SATs).

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. All Bank Guarantee(s) requirements viz Advance Payment Bank Guarantee (APBG), Performance-cum-Warranty Bank Guarantee (PWBG), Performance Bank Guarantee (PBG) etc are to be submitted as per following:-

1.3.4.1. **Indian Bidder.** A Performance-cum- Warranty Bank Guarantee (PWBG) of 5% of value of the Total Contract Price including taxes and duties would be furnished by Bidder in favor of Government of India, Ministry of Defence.



1.4. **Payment to Foreign Bidders.** Not applicable

1.5 **Payment to Indian Bidders.** The schedule for payments will be based on ICG 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 F.**

1.5.1 **Advance Payment.** **Ten (10)** % of the Base Contract Price shall be paid within thirty (30) days of submission of claim and a Bank Guarantee for the equivalent amount, 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 F.** The Advance Payment Bank Guarantee will be 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 approval of drawings and QAP by ICG post submission of the same by the SELLER (T₀). For Startups /MSMEs under iDEX and TDF, up to 15% of the base contract value may be considered for release as advance payment within 21 days of execution of contract against mortgage on intellectual Property (IP) rights, Bank Guarantee, Insurance Surety Bond, in any combination thereof solely at the option of Startup/MSME. IP valuation will be concluded by HPSC/ Technical committee before Benchmarking initiation by BMC. If the IP rights themselves are of sufficient value, Insurance surety bond, Bank Guarantee etc would be necessary. This amendment shall be restricted to the procurement cases of cumulative value up to Rs 250 Cr inclusive of repeat order.

1.5.1.1. Procurement of Raw Material or Essential Input Resources. Startups and MSMEs, under iDEX and TDF may avail this stage based on their preference, where 100% of cost raw materials purchased or essential input resources committed (including the adjustment of advance) shall be released to the startup of MSME. Procurement contract shall mention the instance at which and quantity of raw material for which, payment for acquisition of raw material would be made. The trigger for payment shall be only an invoice for the amount calculated and certification from statutory auditor of the company as per contract. For software projects, the manpower utilization cost will also be factored. This amendment shall be restricted to the procurement cases of cumulative value up to Rs 250 Cr inclusive of repeat order. Further, Performance cum Warranty Security shall be submitted at this stage & Insurance Surety Bond/BG /mortgage of proportional rights of the IP against advance payment shall be refunded at this stage

1.5.2 **On Approval of Drawings.** **10%** of the Base contract price of deliverables shall be paid on approval of drawings and QAP. The payment will be made by



PCDA/CDA through cheque/Electronic Fund Transfer (EFT) on submission of following documents:-

- 1.5.2.1 Ink-signed copy of SELLER's bill.
- 1.5.2.2 Ink-signed copy of Commercial invoice.
- 1.5.2.3 The relevant Transport Receipt.
- 1.5.2.4 Inspection Acceptance Certificate of ICG QA agency demonstrating compliance with the technical specifications of the contract.
- 1.5.2.5 Packing List.
- 1.5.2.6 Certificate of Origin.
- 1.5.2.7 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.
- 1.5.2.8 Exemption certificate for taxes/duties, if applicable.
- 1.5.2.9 Warranty certificate from the SELLER.

1.5.3 In case of failure of the SELLER to deliver the deliverables to ICG 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 approval of drawings and QAP.

1.5.4 **On Delivery.** **75%** of the Base contract price of deliverables on pro-rata basis shall be paid on completion of JRI post-delivery and issue of JRI Certificate/Certified Receipt Voucher (CRV) issued by ICG. The details of Stage-wise payment for 70% of the Base contract price of deliverables on pro-rata basis is given in para 1.5.5.

1.5.5 **Stage-wise Payments.**

1.5.5.1 The payments will be done in 06 stages on prorata bases as under:-

- First stage - 10% on delivery of 1st Shipset
- Second stage - 10% on delivery of 2nd Shipset
- Third stage - 10% on delivery of 3rd Shipset
- Forth stage - 10% on delivery of 4th Shipset
- Fifth stage - 15% on delivery of 5th Shipset
- Sixth stage - 20% on delivery of 6th Shipset

1.5.5.2 For stages mentioned above, payments will be released based upon the Completion certificate for all activities mentioned therein given by BUYER's representative.



1.5.6 **On Final acceptance and installation / commissioning.**

1.5.6.1 **05%** of the remaining Contract Price of Services of against Work Completion Certificate (WCC) on pro-rata basis post Successful completion of Installation, STW, HATs using mock-up and SATs shall be paid within thirty (30) days of submission of the work completion certificate 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.

1.5.7 **Part-Dispatch/Part-Shipment.** Part-dispatch or part-shipment of goods is permitted and corresponding payment will be released to the SELLER after completion of 100% deliverables of respective Shipset.

1.5.8 **AMC/CMC/PBL/LCSC Payments.** Not applicable.

1.5.9 **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.

1.5.10 **Exchange Rate Variation (ERV).** 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.**

1.5.11 **Payment by Letter of Credit (LC).** Not applicable

2. **Performance-cum-Warranty Bank Guarantee Clause.** A Performance-cum- Warranty Bank Guarantee (PWBG) of 5% of value of the Total Contract Price including taxes and duties 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 F.** For Startups and MSMEs under iDEX and TDF, Performance cum warranty security shall be relaxed and kept at minimum as per the GFR i.e. 3% at present or at the



minimum rate as revised from time to time, in form of Insurance Surety Bond/ Bank Guarantee as per the convenience of startups/ MSMEs and this amendment shall be restricted to the procurement cases of cumulative value up to Rs 250 Cr inclusive of repeat order. The same shall be submitted before release of payment of 2nd stage i.e. "Procurement of Raw Material and Essential Input Resources" stage.

3. **Additional Bank Guarantee in Cases Where Essential Parameters-B are Incorporated.** Not applicable.

4. **Performance Bank Guarantee for AMC/CMC/PBL-** Not applicable.

5. **Indemnity Bond.** Not applicable.

6. **Inspection.** Pre Dispatch Inspection (PDI) and Acceptance trials at Bidder's premises would be at the discretion of the BUYER. In addition Joint Receipt Inspection (JRI) may also be carried out. If it is PDI and Acceptance trials at Bidder's premises, the Bidder should intimate at least 45 days prior to the day when the equipment is to be offered for PDI and Acceptance trials at Bidder's premises 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 and Acceptance trials at Bidder's premises 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 ICG 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.

7. **Liquidated Damages (LD).** In the event of the Bidder's failure to submit the Documents, supply the stores/ goods, perform services, conduct trials, installation of equipment, training and MET as prescheduled specified in this contract, the BUYER may, at its discretion withhold cost of the specific lot/batch or 1% of the Total Contract Price, whichever is higher, until the completion of the contract. The BUYER may also deduct from SELLER as agreed, liquidated damages to the sum of **1/100** of the **delay percentage** {Delay percentage = (Period of Delay in Delivery in Weeks) x 100 / (Delivery Period in weeks as per contract)} of the Base Contract Price of the delayed / undelivered stores/ services mentioned above for every week of delay or part of a week, subject to the maximum value of the Liquidated Damages being not higher than **10%** (In case of Startups & MSMEs under IDEX and TDF, two extensions of 6 months on no penalty basis may be considered on justified grounds as per acquiring agency followed by LD up to 3%) of the contract price of the value of delayed stores/ services (Any extension given by the BUYER for delay attributable to ICG or Force Majeure Clause to be factored in delivery period). This amendment shall be restricted to the procurement cases of cumulative value up to Rs 250 Cr inclusive of repeat order.



8. **Payment Deductions and Damages for Shortfalls in AMC/CMC/PBL/LCSC Services.** Not applicable

9. **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 F.**

10. **Price Variation Clause.** Not applicable.



Annexure I to Appendix F
(Refers to Para 1.5.10 of Appendix F)

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%.

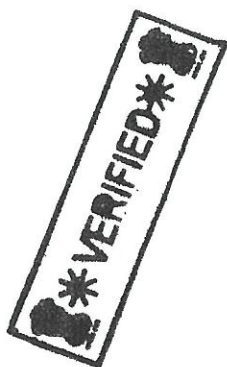
(b) ERV clause will be framed according to the specific requirements of the contract. While calling for information at the RFP stage / formulation of ERV clauses in the contracts, the following factors are to be taken into consideration depending upon the requirements of the individual contracts:-

- (i) Year wise and major currency wise import break up is to be indicated.
- (ii) Detailed time schedule for procurement of imported material 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 (In rupees)	FE CONTENT – OUT FLOW (equivalent in rupees in crores)			
		DOLLAR DENOMINAT ED	EURO DENOM INATED	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 F
(Refers to Para 1.5.1 of Appendix F)

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. _____

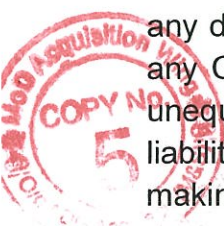
_____ (No. of Contract), dated _____ (Date of Contract) with M/s _____ (Name of SELLER) (referred to as SELLER) and whereas according to the said Contract the BUYER has undertaken to make an advance payment of Rs/ US \$/Euro/PS£/Yen/AUD/SGD _____ being payment of _____ % of the total value of Rs/ US \$/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 hereinabove:-

(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)



BANK GUARANTEE FORMAT FOR PERFORMANCE-CUM-WARRANTY

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 _____ % (As applicable) of the Total Contract Price (including taxes and duties) to cover _____ % (As applicable) of the 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 { _____ % (As applicable) 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 _____ { ___% (As applicable) 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 ___% (As applicable) 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 upto_(mention the date) which is 3 monthsafterexpiryofthewarrantyperiodandtheBGshallceasetobevalidafter_____. 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 F
(Refers to Para 9 of Appendix F)

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,

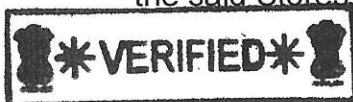
1. You have failed to deliver {the (fill in qty.) of Stores/the entire quantity of Stores} within the contract delivery period [as last extended up to] (fill in date). In your letter under reply you have asked for [further] extension of time for delivery. In view of the circumstances stated in your said 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 clausenumber)ofthesubjectcontractanamountequivalentto.....% (.....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 F
(Refers to Para 1.5 of App F)

DELIVERY SCHEDULE AND STAGES OF PAYMENT

1. Broad guidelines for payments terms are appended in subsequent Paras.
2. **For Delivery in a Single Lot.** Not Applicable
3. **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)	Date of release of advance payment		10% of Base contract price	APBG of equivalent amount to be submitted	
(b)	On approval of drawings and QAP	T ₀	10% of the Base contract price	APBG of equivalent amount to be submitted	
(c)	On Delivery of all equipment / system				
(i)	1 st Shipset	T ₀ +12	10% of the Base contract price for supplies plus GST of 1 st Shipset	APBG is to be returned on pro-rata basis on delivery of each shipset.	75% of Base contract price for supplies plus GST for 06 shipsets can be made on Pro rata basis.
(ii)	2 nd Shipset	T ₀ +16	10% of the Base contract price for supplies plus GST of 2 nd Shipset		
(iii)	3 rd Shipset	T ₀ +20	10% of the Base contract price for supplies plus GST of 3 rd Shipset		
(iv)	4 th Shipset	T ₀ +24	10% of the Base contract price for supplies plus GST of 4 th Shipset		
(v)	5 th Shipset	T ₀ +28	15% of the Base contract price for supplies plus GST of 5 th Shipset		



(vi)	6 th Shipset	T ₀ +32	20% of the Base contract price for supplies plus GST of 6 th Shipset		
(d)	Successful Completion of STW, HATs and SATs				
(i)	On Successful completion of Installation, STW and HATs using mock-up and SATs		05% of the Base contract price for services plus GST against Work Completion Certificate (WCC) on pro-rata basis		



Appendix G

(Refers to Para 60 and 70 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 ICG.

1.4 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/ OBS and any other item listed at Column (ii) of Para 2 below.

1.5 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 (in Rs. Lakh s)	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 including the price for services							



	(Supervisory Assistance during Installation, STW and HATs, SATs)							
B	Cost of OBS as per the format given at Annexure I to Appendix E .							
C.	Cost of Operator's Manual & Documentation and Technical Literature (in English Language) including Illustrated Spare Parts List as per Annexure II to Appendix-E							
D.	Any other cost (to be specified).							
E	Freight and Transit Insurance Cost (where applicable).							
F	Total Cost (Total of Serial A to E)							# This will be used in determining L1 vendor (duly applying provisions of Para 1 above).

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.

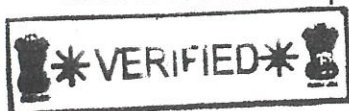
3. **Evaluation of L1 in case of EPP.** Not applicable.

4. **Evaluation of Bids by DCF Technique.** Not applicable.

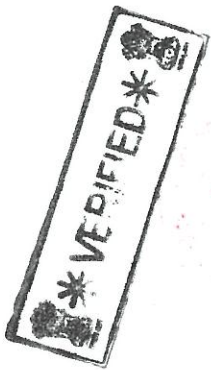
5. **Structuring Cash Flows for Tenders/ Bids Received in the Same Currency.**

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.

6. 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



STANDARD CONDITIONS OF RFP

LAW

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

ARBITRATION
(For Indian Private Vendors)



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 or 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.

ARBITRATION
(For Central & State PSEs)

3. In the event of any dispute or difference relating to the interpretation and application of the provisions of the commercial Contracts(s), between Central Public Sector Enterprises (CPSEs/Port Trusts inter se and also between CPSEs and Government Department/ Organisations (excluding disputes relating to Railways, Income Tax, customs & Excise Department), such dispute or difference shall be taken up by either party for its resolution through AMRCD as mentioned in DPE OM No. 05/0003/2019-FTS-10937 dated 14th December, 2022 and its subsequent amendments and the decision of AMRCD on the said dispute will be binding on both the parties.



ARBITRATION
(For Defence PSUs)

4. In the event of any dispute or In the event of any dispute of difference relating to the interpretation and application of the provisions of the commercial Contract(s), between Central Public Sector Enterprises (CPSEs/Port Trusts inter se and also between CPSEs and Government Departments/Organisations (excluding disputes relating to Railways, Income Tax, Customs & Excise Departments), Such dispute or difference shall be taken up by either party for its resolution through AMRCD as mentioned in DPE OM No. 05/0003/2019-FTS-10937 dated 14th December, 2022 and its subsequent amendments and the decision of AMRCD on the said dispute will be binding on both the parties.

FORCE MAJEURE



5.1 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.

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

5.3 A party claiming Force Majeure shall exercise reasonable diligence to seek to overcome the Force Majeure event and to mitigate the effects thereof on the performance of its obligations under this Contract.

5.4 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



6.1. The SELLER undertakes that he it 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 the Bharatiya Nyaya Sanhita (erstwhile 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.

6.2. 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



7. 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:-

7.1. 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");

7.2. 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;

7.3. A statement by each bidder that it has not paid and will not pay, any bribes;

7.4. 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.

7.5. 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;

7.6. Undertakings on behalf of a bidding company will be made "in the name and on behalf of the company's chief executive officer";

7.7. 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 IPBG and Guarantee for Performance-cum-Warranty Bond;

(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.

7.8. 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.

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

7.10. In respect of bids from DPSUs, the concerned DPSU shall enter into 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 into 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

8. SELLER confirms and declares to the BUYER that SELLER is the original manufacturer of the stores referred to in this contract. 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 SELLER, or to indulge in corrupt and unethical practices. 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. 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, 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 prevailing base rate of SBI.



(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 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 prevailing base rate of SBI rate

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

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

9. In case it is found to the satisfaction of the BUYER that 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, 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.



Annexure I to Appendix H

(Refers to Para 24 of RFP & Para 7 of Appendix H)

PRE-CONTRACT INTEGRITY PACT

General

1. Whereas the PRESIDENT OF INDIA, represented by Deputy Director General (Aviation) / Ministry of Defence, Government of India, hereinafter referred to as the Buyer and the first party, proposes to procure Harpoon Grid with Well, 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.

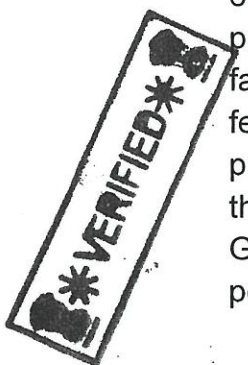
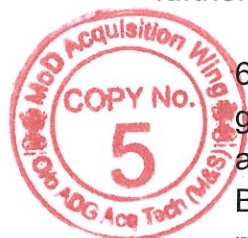
5. In case of any such preceding misconduct on the part of such official(s) is reported by the Bidder to the Buyer with full and verifiable facts and the same is prima facie found to be correct by the Buyer, necessary disciplinary proceedings, or any other action as deemed fit, including criminal proceedings 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. Complaints 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.

7.3. 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.

7.4. 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.

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

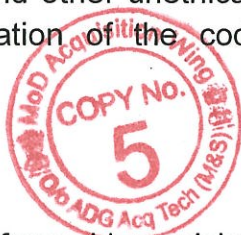
8. Company Code of Conduct

8.1 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.

9. Sanctions for Violation.

9.1 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) The 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, and 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 to 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.

9.2. 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.

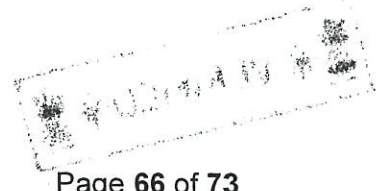
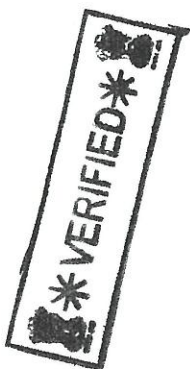
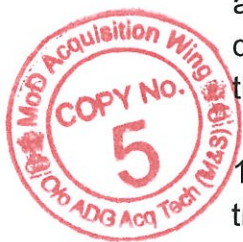
10. **Fall Clause.**

10.1 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.

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

11. **Independent Monitors**

11.1 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.gov.in to check for changes to these details):-



- (a) Shri. Chet Ram Koli, IRS (1985) (Retd)
Flat No. 272, 27th Floor, Florence Building, Courtyard,
Pokhran Road No.2, Vasant vihar,
Thane, Maharashtra-400 610
- (b) Shri. Ranjan Kumar Ghose, IA&AS (Retd)
DX-145, Kendriya Vihar, Sector 56,
Gurugram , Haryana- 122 011
- (c) Shri Yogender Tripathi, IAS (Retd)
Flat No. 2802, 28th Floor, Tower B2, County 107
Sector 107, Noida, UP – 201 301

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

Director (Vigilance)
Room – 340, B-Wing
Sena Bhawan, Rajaji Marg
New Delhi 110 011



11.2 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.

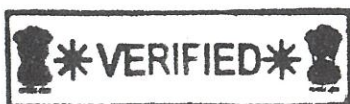
11.3 The Bidder(s), if they deem it necessary, may furnish any information as relevant to their bid to the Independent Monitors.

11.4 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.

11.5 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.

11.6 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.

12. **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.

13. **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.

14. **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.

15. **Validity**

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

15.2 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.

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

BUYER

Witness

1. _____

2. _____

BIDDER

Witness

1. _____

2. _____



Appendix J

(Refers to Para 7 of RFP)

CRITERIA FOR VENDOR SELECTION / PRE-QUALIFICATION
FOR - RFP ISSUE / INCLUSION IN RFP REQUIREMENTS
(Only For Multi-Vendor Cases. Not applicable to DPSUs/ PSUs.)

<u>Sl No</u>	<u>Parameter</u>	<u>For all Cases except Ship building (Ch XII), Make (Ch III & IV) and Strategic Partnerships (Ch VII)</u>
1	Financial	
(a)	Credit Rating	Long term credit rating equivalent to CRISIL rating on Corporate Credit Scale as CCR-BBB or better, and SME-04 or better for SMEs received by credit rating agencies recognized by SEBI. Credit rating should be as on 31 st March of the previous financial year. For recognized Startups/ registered MSMEs, refer Para 5 & 5A of Annexure IV to Appendix A to Chapter II of DAP 2020.
(b)	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 annual outflow of project cost of the the Buy (Indian-IDDM) project. Not Applicable for cases below Rs. 150 Crs. For recognized Startups/ registered MSMEs, refer Para 5 & 5A of Annexure IV to Appendix A to Chapter II of DAP 2020.
(c)	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 Buy (Indian-IDDM) For recognized Startups/ registered MSMEs, refer Para 5 & 5A of Annexure IV to Appendix A to Chapter II of DAP 2020. Not applicable for cases below Rs 150 Crs. But Net worth should be Positive.
(d)	Insolvency	The entity should not be under insolvency resolution as per IBC at any stage of procurement process from the issuing of RFP to the signing of Contract.
2	Technical	
(a)	Nature of Business	Manufacturing entity or System Integrator of defence equipment and not a trading company, except in cases where OEM participates only through its authorised Vendors.
(b)	Experience in related field	Min 02 Yrs. experience in broad areas like manufacturing/ engineering as applicable in the instant case. If not, then cumulative experience of at least 03 years in above areas, resulting in gaining of competence for manufacturing the proposed product.



(c)	(i) Integration Experience	(i) Cases involving Integration – Where product involves integration, previous experience of not less than one year/ one project in integration of systems/ equipment shall be required.
	(ii) Turnkey Projects Experience	(ii) Turnkey Projects – Experience of successful completion of one Turnkey project of similar nature within last 05 Years with value of at least 20% of AoN cost or currently executing a Contract of similar nature with value of at least 30% of the AoN cost. In case of no experience in Turnkey projects the vendor for main component of the Turnkey project may be selected if it has experience as per Srl 2(b) above and experience of installation or integration of similar equipment/ system or system of systems.
(d)	Quality Control	For ICT Cases – (i) Certification to be included if linked to scope of work – Gartner Quadrant/ ISO9001/ CMMi3 or more (specifying development/ service/ acquisition models)/ ISO 27001. For Information Security and large value projects preferably CMMi5 may be specified. (ii) Compliance with IEEE/ ITU standards depending upon nature/ type of project or solution required.
3	Others	
(a)	Industrial License	Possess or be in the process of acquiring a license, if the product under project requires license as per DIPP licensing policy.
(b)	Registration	Registered for Min 02 Years, 01 years for MSMEs. Min no of years not applicable for JVs constituted specifically for a project and read in conjunction with DAP 2020.
4	Start Ups/ MSMEs	Start ups would be defined as per G.S.R. 127 (E) dated 19 Feb 2019 (as amended from time to time). Para 1(a),(b),(c) above are exempted. For any other relevant information, Para 5 and 5A of Annexure IV to Appendix A to chapter II of DAP 2020 may be referred.



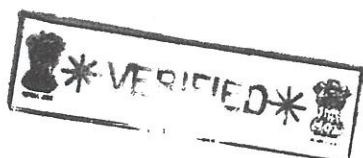
Appendix K

(Refers to Para 67 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 6 of RFP	Declaration by Bidder : Debarment of vendors
2.	Para 20 of RFP	Declaration by Bidder: Government Regulation
3.	Para 23 of RFP	Declaration by Bidder : Patent Rights
4.	Para 27 of RFP	Declaration by Bidder : Fall Clause
5.	Para 34 of RFP	Technical document covering performance parameters.
6.	Appendix B	Compliance Table
7.	Appendix C	Warranty Clause
8.	Appendix D	CERTIFICATE: Malicious Code
9.	Annexure I to Appendix E	On Board Spares
10.	Annexure II to Appendix E	Technical Literature & Documentation
11.	Appendix F	Commercial Clauses
12.	Appendix G	Price Bid Format
13.	Annexure I to Appendix H	Pre-Contract Integrity Pact



GLOSSARY

AMC	Annual Maintenance Contract
AoN	Acceptance of Necessity
ATP	Acceptance Test Procedure
CAMC	Comprehensive Annual Maintenance Contract
CKD	Completely Knocked Down
CNC	Contract Negotiation Committee
DAP	Defence Acquisition Procedure
DRDO	Defence Research and Development Organisation
EMC	Electro Magnetic Compatibility
EMD	Earnest Money Deposit
EMI	Electro Magnetic Interference
EPP	Enhanced Performance Parameters
ESP	Engineering Support Package
FET	Field Evaluation Trials
GoI	Government of India
IC	Indigenous Content
ICG	Indian Coast Guard
IDDM	Indigenously Designed & Developed Manufactured
IP	Integrity Pact
MET	Maintainability Evaluation Trial
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
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
UET	User Evaluation Trials



