

DTE GEN OF ORD SERVICES
MGO/OS-AMN PROC

CORRIGENDUM NO:04

RFI ISSUED FOR MANUFACTURE OF ZP - 1, ZP - 2 & NZP UNDER 'MANUFACTURES OF AMN FOR INDIAN ARMY BY INDIAN PRIVATE VENDORS'

1. Please refer RFIs uploaded on www.indianarmy.nic.in on 03 & 04 Aug 2020 for various ammunition.
2. Based on the Vendors interactions held between 11 Aug to 19 Aug 2020 and also various queries received through letters/emails, clarification to all queries are given below:-

S.No	Queries by the Firms	Clarification
(a)	Vendors have asked to provide details wrt methodology of ToT and obtaining license for production .	The specifics will be clearly spelt out in RFP wrt ToT and license. The necessary amn manufacture license as per existing laws on the subject will have to be obtained by the manufacturer. The participating manufacturers will be responsible to obtain necessary clearances. MoD may coordinate with central and state govt agencies for expeditious grant of warranted permissions/ licenses. Also, the prospective manufacturers will be free to select their technology partners, negotiate and obtain transfer of technology (ToT). The technology partners could be indigenous or foreign manufacture as per the discretion of participating entities. Indian Army and MoD will have no liability in ToT agreements between the participating vendor and their ToT partners.
(b)	Some vendors asked whether financial parameter as given in RFI wrt Credit Rating(BBB) and Turnover (15 Cr) of compay for last 03 years will be mandatory. Firm further informed that as a new establishment they would be unable to fulfill the financial parameter reqmts and also many new startup would not be able to apply because of this parameters.	Matter will be considered and suitably included in RFP when issued.

Contd...P/2

S.No	Queries by the Firms	Clarification
(c)	One vendor has intimated that it meets all financial criteria for this RFI, except for the credit rating. At present, Long term rating is 'ACUITE BBB-' and short term rating is 'ACUITE A3'. It is requested that a special dispensation be accorded to participate in the RFI, as WIL has been industry partner of	Matter will be considered and suitably included in RFP when issued.
(d)	Vendor has asked that can they apply to the RFI/express our interest by the newly raised company with the details of Turnover of last three years of their Holding Company. If above is not permitted can they apply with holding company.	(i) Consortiums consisting of only Indian companies can also bid. All the financial eligibility conditions shall be applicable to the prime bidder/ lead company of the consortium. The Ministry of Defence shall deal with the prime bidder/ lead company of the consortium. (ii) A situation may arise when a bigger Indian Company may set up a wholly owned subsidiary to participate in the project. Such a wholly owned subsidiary may be allowed to participate in this project. However, in such a situation, the financial eligibility conditions shall be applicable to the parent company to decide the eligibility of the applicant wholly owned subsidiary company to participate in this project. The parent company shall render a certificate to this effect along with the RFP response of the applicant company which shall be included in the technical bid of the applicant company. The parent company shall be an Indian company. The parent company in such a case shall be jointly and separately responsible to honor all contractual commitments and liabilities along with the applicant company.
(e)	When will all the specifications available with DGQA and the drawings be provided to the industry?	It will be provided as per Vendor reqmt.
(f)	When can the industry representatives see the amn samples in the depots? Will it be organized centrally? Our recom is to allow individually so that much logistics are not required.	Vis to Amn Depots will be permitted based on Vendor's request.

S.No	Queries by the Firms	Clarification
(g)	Timelines for the RFP was sought.	RFP will be floated based on response from Indian Private Industries to the RFI and also after necessary approval has been accorded by the Competent Authority.
(h)	Will the procurement take place through Capital or Revenue route.	Procurement will be under Revenue route as per Defence Procurement Manual (DPM)
(j)	Firm asked the timelines of indigenization content and timelines under which it has to be achieved.	Indigenisation Road Map in detail will be spelt out in RFP. However generally 04 yrs timeline will be given for indigenisation by the vendor after signing of contract.
(k)	Applicability of 7.62 mm caliber amn for new assault rifles being procured was sought.	RFI specification in various appendices are for wpns mentioned. RFI issued is not for the new assault rifles being procured.
(l)	Firm submitted that any firm providing advance technology/amn with better parameters vis-à-vis RFP parameters should be given advantage in procurement otherwise user will still be using amn of old technology.	All the firms will be evaluated exactly as per RFP parameters. No added advantage can be provided to the firms providing advance technology/ amn with better parameters vis-à-vis RFP parameters.
(m)	Can Ministry of Defense (MoD) expedite with Ministry of Home Affairs(MHA) for quick decision in case of issue of license.	Responsibility of obtaining all requisite license rests with vendors. However, MoD may coordinate with Central and State Govts agencies for expeditious grant of warranted permission/ licenses.
(n)	The technological advancement in the field of ammunition manufacturing should be taken into consideration towards decision making in terms of trial.	All the firms will be evaluated exactly as per RFP parameters. No added advantage can be provided to the firms providing advance technology/amn with better parameters vis-à-vis RFP parameters.
(o)	Is there a likely revision of quantities specified in the RFI.	RFP will have finalized quantities after due vetting.
(p)	Vendor rep suggested to have greater industry interaction so as to mutually understand the practical aspect of ammunition manufacturing in the country. It was also suggested that for effective interaction, the top five to six private sector player could be invited. It will help in setting practical clauses in the RFP.	RFPs already issued under Make In India project formulated based on consultation with all stakeholders and vendor interaction carried out. Again, the vendor interaction on the RFI issued has been undertaken. Vendor interactions will also be undertaken post issue of RFP.
(q)	Exact modalities of trials was sought by the vendor rep.	RFP will clearly spelt the trial methodology to include conduct, samples reqd etc.

Contd...P/4

S.No	Queries by the Firms	Clarification
(r)	Regarding manufacturing technology and design as per the subject paragraph, the laid down technical specifications need to be met Hence, clarification is sought, whether the technical specification is the only acceptable criteria or the minimum acceptable criteria?	Technical specification as given in RFI will be minimum acceptable criteria. All the vendors will be evaluated exactly as per RFP parameters and no added advantage will be provided to vendor offering amn with better parameters.
(s)	It has been indicated that the procurement shall follow provisions of DPM 2009. However, DPM-2009 does not elaborate on the indigenous Content (IC) percentage expected from vendors. Therefore, IC details may please be shared.	Amn are being procured under 'Make in India' for the first time to promote indigenisation. Hence the clause has been included after due vetting by all stakeholders. Details wrt critical technologies wrt manufacture of amn, achievement of Indian content and timelines to achieve such contents will be spelt out in detail in RFP.
(t)	For NCNC trails the ammunition may be manufactured by participating vendor or by ToT partner. Hence will Indian Army provide the necessary documentation viz End-User Certificate DSP 88 etc to facilitate import of the ammunition from ToT partner?	Indian Army will provide necessary documentation like End User Certificate to facilitate import of amn from ToT partner for trails
(u)	As ToT for ammunition manufacturing is a time consuming process it would entail that the requirement for initials quantities of ammunition may be ex-import followed by manufacture at Indian factory (through SKD/CKD) with increasing percentage of indigenous Content (IC) to meet the Make in India criteria. Therefore will initial supply of ammunition on 100% ex-import basis be acceptable.	Vendor is expected to develop infrastructure and absorb complete ToT within 02 years of signing of contract and will be allowed to stock one year's requirement of ex import components by the end of 12 months.
(v)	In case full indigenisation is either not possible or not proposed the manufacture from third year onwards will have to hold two year's stock of ex-import content at all times. Hence, as the price for import (of ammunition) as well as construction of a new manufacturing facility is an expensive proposition the on investment needs to have a sound financial viability. Therefore will MoD comment to multiple years of demand in a single contract or will there be an annual RFP?	Contract signed will be to supply assured quantities for 10 years.

S.No	Queries by the Firms	Clarification
(w)	MoD should confirm that there is no proprietary or IP issue from any party wrt technical specs provided in Appx 'A' of RFI.	Will be confirmed to vendors.
(x)	Technical & Operational parameters are put together in the Appendix A but these are expected to be responded separately in the industry response. Can this be clarified please?	Technical and operational parameters has been uploaded separately for each types of 155 mm Shells via corrigendum No 2 dt 02 Sep 2020. Separate response for different Shells is reqd to be submitted.
(y)	Vendors asked to upload technical specifications of Disposal Rocket Launcher CR-90(03 x variants)	Technical specification is attached as Appx'A' to this corrigendum.



(AK Singh)

Lt Col
GSO - 1 (OS Amn Proc)

ADG PI