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File No 75961/Hyd Crane/GS/CD/RFP Cell

Director General Combat Engineers/CE-5(B)  
E-in-C's Branch, Kashmir House  
Rajaji Marg, New Delhi-110011

25 Sep 2020

To,

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**REQUEST FOR TECHNICAL AND COMMERCIAL PROPOSAL FOR PROCUREMENT  
OF HYDRAULIC MOBILE CRANE (HEAVY DUTY)**

**CATEGORY : BUY (INDIAN)**

Dear Sir,

1. The Ministry of Defence, Government of India, intends to procure quantity **40 Numbers of Hydraulic Mobile Crane (Heavy Duty)**. This Request for Proposal (RFP) consists of four parts as indicated below:-

- (a) **Part I.** The first part consists of the general requirement of the equipment, the numbers required, the time frame for deliveries, the environmental parameters for functioning, conditions of usage and maintenance, requirement for training, Engineering Support Package (ESP) and warranty/guarantee conditions, etc. It includes procedure and last date and time for submission of offers.
- (b) **Part II.** The second part of the RFP incorporates the aspects of SQRs describing the technical parameters of the proposed equipment. The operational characteristics and features that should be met by the equipment are elucidated at **Appendix A** to this RFP and the Compliance Table at **Appendix B** to this RFP.
- (c) **Part III.** 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.
- (d) **Part IV.** The fourth part of RFP gives the process of evaluation and acceptance of technical and commercial bids. Submission of incomplete details in Price bid format will render the offer liable for rejection.

**Note.** In this RFP, few clauses of the Defence Procurement Procedure (DPP) - 2016 have been referred to. DPP 2016 can be accessed from the Government of India, Ministry of Defence website i.e. [www.mod.nic.in](http://www.mod.nic.in).

2. The Government of India invites responses to this request only from Original Equipment Manufacturers (OEM). The end user of the equipment is the Indian Armed Forces.

3. For the purposes of this RFP and the acquisition contract (if any) signed by the Ministry of Defence with a successful vendor, indigenous content shall be as defined under Para 1 and 2 of **Appendix A to Chapter I of DPP 2016**. In addition, reporting requirements for prime (main) vendors (and for sub-vendors reporting to higher stages/tiers) shall be as prescribed under Para 3 and 4 thereof. The right to audit vendors/sub-vendors shall vest in the Ministry of Defence as prescribed under Para 5 and 6; and aspects of delivery, certification, payments, withholding of payments and imposition of penalties shall be as prescribed under Para 7 to 12 thereof. Furthermore, vendors in 'Buy (Indian)' will be required to submit their indigenisation plan in respect of indigenous content as stipulated in Para 7 of **Appendix A to Chapter I** and Para 39 of Chapter II, DPP 2016.

4. The Firm/ Company/ Vendor 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 enquiry going on by CBI/ED/any other government agencies against them. In case of ever having been banned/ debarred/ suspended from doing business dealings with Government of India/ any other government organisation, in the past, the The Firm/ Company/ Vendor will furnish details of such ban/ debarment alongwith copy of government letter under which this ban/ debarment/ suspension was lifted/ revoked. The vendor 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 vendor are Suspended or Debarred by Ministry of Defence, the vendor shall indicate the same with justification for participation of such sub-contractor(s)/supplier(s)/technology partner(s) in the procurement case.

5. Subsequent to submission of bids if any sub-contractor(s)/supplier(s)/technology partner(s) of the vendor is Suspended or Debarred by Ministry of Defence, the vendor 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.

## **PART I : GENERAL REQUIREMENTS**

6. **Year of Production.** Supplies should be of latest manufacture, con form to the current production standard and should have 100% of the defined life at the time of delivery. Deviations if any should be clearly brought out by the vendor in the Technical and Commercial Proposal.

7. **Delivery Schedule.** The delivery of goods will be as under:-

Serial No	Goods	Time Period	Remarks
(a)	18 x Numbers of Hydraulic Crane	To to To + 08 months	To – Date of Advance Payment as per Para 1.3.1 of <b>Appendix F</b> of this RFP
(b)	22 x Numbers of Hydraulic Crane	To to To + 11 months or 31 Dec 2021 whichever is earlier	

**Notes.**

- (i) **Manufacturers Recommended List of Spares (MRLS).** The entire range and depth of spares to be delivered on pro rata basis for each lot and the delivery to be completed not earlier than six months and not later than three months before the expiry of warranty period of that lot.
- (ii) **Special Maintenance Tools (SMTs) / Special Test Equipments (STEs), and Training Aggregates.** The entire quantity to be delivered along with the equipment on pro rata basis as per delivery schedule.
- (iii) **Technical Literature.** The entire quantity to be delivered at Engineer Stores Depot, New Delhi with the first lot of delivery. User Hand Book to be prepared in English.
- (iv) All equipment deliveries will be accompanied by a **Certificate of Indigenous Content** as per **Para 7 of Appendix A to Chapter I of DPP 2016.**

8. Once the contract is concluded and the delivery schedule is established, the supplier shall adhere to it and ensure continuity of supply of items and their components under the contract.

9. **Warranty.** The goods supplied shall carry a warranty for 24 months or 2000 operational hours, whichever is earlier, from the date of acceptance of goods post Joint Receipt Inspection at ultimate consignee location and commissioning, whichever is later (as applicable on case to case basis). Warranty Clause is given at **Appendix C** to this RFP.

10. **Commissioning of Equipment (By Seller).**

- (a) The equipment shall be commissioned by the Seller within a maximum period of 30 days from the date of receipt of communication from the Consignee confirming that the equipment is ready for commissioning. For any delay in commissioning of such equipment beyond 30 days of receipt of communication, a Penalty @ 0.10% of the cost of equipment(s) per day for the equipment(s) in which the delay in commissioning occurs, subject to a maximum of 10% of the value of non-commissioned equipments shall be levied on the seller. The same would be recovered from the balance payment due. However, the equipment will be deemed to

have been commissioned if the Buyer does not sent out communication on readiness for commissioning within 180 days of delivery to the Consignee, and the balance payment due to the seller processed.

(b) Seller will be responsible for arranging all tools and SMTs required for commissioning the equipment. Necessary help for these may be extended to the seller subject to the availability. However, delay on this account does not bind the Buyer for granting extension.

(c) If the Seller fails to commission the equipment or refuses to commission the equipment within the stipulated conditions, the Buyer reserves the right to commission the equipment at the risk and cost of the Seller. The cost of commissioning, including spares required for the same will be borne by the Seller and will be deducted from any payments due to the Seller as well as from the Performance-Cum-Warranty Bank Guarantee (PWBG).

**Note.** First fill of Oil/lubricants/filters required for commissioning of equipment shall be supplied by the seller Free of Cost.

11. **Engineering Support Package (ESP).** After the specified warranty period, Indian technicians would be required to repair and maintain the equipment during its exploitation. To enable this process, an appropriate ESP would be required to be provided by the supplier. For this purpose, the general concept of repair and maintenance of equipment followed by the Services is given at **Appendix D** to this RFP. The information on Engineering Support Package that is required to be provided is enclosed at **Annexure I to IV to Appendix D**. The list of Tools and Spares as per the DGBR supply order are given in Annexure I and Annexure II, it should also be included in the details being provided by the Vendor.

12. The vendor is required to provide **Itemised Spare Parts Price List (ISPL)** (Prices to be indicated only in the commercial offer), list of optional equipment and the likely consumption rate of the spares based on the exploitation pattern of the equipment. The vendor would have to finalise the terms for the life time product support in the current contract only.

13. The customer would have the option to amend the MRLS proposed by the seller within **02** years of the expiry of the warranty period. The sellers would either 'Buy Back' the spares rendered surplus or exchange them on cost to cost basis with the spares as required by the customer. The said spares would be purchased/ replaced by the seller, based on the prices negotiated in the contract. The vendor will provide the spares as per the MRLS as given at **Annexure I of Appendix D**.

14. **In Service Life.** The 'In Service Life' of the equipment shall be stipulated in the offer and should be minimum of **15 years or 1,20,000 Kilometers** of operations. The vendor is required to give details of reliability model, reliability prediction and its validation by designer/ manufacturer to ensure reliability of stores throughout Service life.

15. **Product Support.** The vendor 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 **15 years** including the warranty period of last lot delivered. Even after the said mandatory period, the vendor 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 be foreclosure of the said production line. The said aspect would also form an integral part of the contract. All upgrades and modifications carried out on the equipment during the next **15 years** must be intimated to the **Integrated Headquarters of Ministry of Defence (Army)** (IHQ of MoD(Army)).

16. **Training of Crew and Maintenance Personnel.** The details of training to be conducted are as under:-

Serial No	Category	Nature of Training	Number of Personnel	No of Days	Location	No of Batches
(a)	User	Operation and Maintenance	20	10	ESD, New Delhi	One
			25	10	ESD, Kankinara	One
(b)	EME (Maintenance persons)	Unit, Field Repairs	37	12	OEM Premises	Two
			38	12	OEM Premises	Two
(c)	EME	Base Repairs	06	24	OEM Premises	One
(d)	DGQA	QA Aspects	04	05	OEM Premises	One

**Notes.**

- (i) Number of days are the number of working days.
- (ii) Training of DGQA and maintenance personnel to be completed before delivery of the first batch of deliverables.
- (iii) Final training schedule will be finalized mutually between buyer and seller.

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

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

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

20. **Patent Rights.** The vendor has to confirm that there are no infringements of any Patent Rights in accordance with the laws prevailing in their respective countries.

21. In the subject RFP, the vendor is required to sign and submit Pre Contract Integrity Pact (PCIP) given at **Annexure I to Appendix G** to this RFP and shall also deposit Rupees **30 Lakhs** as Integrity Pact Bank Guarantee (IPBG) through any of the instruments mentioned therein. This would be submitted in a separate envelope clearly marked as 'IP and IPBG' at the time of submission of Technical and commercial offer. **The Beneficiary Bank details for furnishing IPBG are as follows:-**

**IFSC Code : SBIN0000691**  
**State Bank of India**  
**New Delhi Main Branch**  
**C Block, 11 Parliament Street**  
**New Delhi, PIN – 110 001**

22. Any queries/clarifications to this RFP may be sent to this office by **1100 hours** on **01 Oct 2020**. A copy of the same may also be sent to:-

**Directorate of Combat Engineers (DGCE) / CE-5(B)**  
**E-in-C's Branch, Kashmir House**  
**Rajaji Marg, New Delhi-110011**  
**Fax No: 011-23019675**  
**E Mail – ce5-einc-army@nic.in**

23. A pre-bid meeting will be held at **1100 hours on 08 Oct 2020** at venue mentioned at Para 22 above to answer any queries or clarify doubts regarding submission of proposals. The vendor or his authorised representative is requested to attend. Necessary details may be sent a week in advance to directorate mentioned at Para 22 above, to facilitate obtaining of security clearance.

24. The Technical and Commercial Proposals should be sealed separately (the envelope should clearly state this letter No and the type of equipment) and submitted together alongwith 'IP and IPBG' to the undersigned at the address given at Para 22 above by **1200 hours on 22 Oct 2020**.

25. The Technical offer will be opened at **1200 hours on 23 Oct 2020** at the same venue as indicated at Para 22 above. The vendor or his authorised representative is welcome to be present at the opening of the proposals. Necessary details may be sent a week in advance to facilitate obtaining of security clearance.

26. The Technical Offer will be evaluated by the Empowered Committee (EC) to confirm that the equipment being offered meets the Essential parameters as elaborated subsequently in this RFP at **Appendix A**. Thereafter, the vendor of the short listed equipment would be asked to organize a Demonstration of the equipment at the Vendor Premises or at a mutually agreed location to be witnessed by the EC / Nominated Members of EC / Representatives nominated by the EC for evaluation as per Demonstration methodology given at **Appendix E** to this RFP, on 'No Cost No Commitment' basis.

27. Commercial offers will be opened only of the vendors whose equipment is short-listed, after the demonstration of the equipment witnessed by the EC / Nominated Members of EC / Representatives nominated by the EC, evaluated as per the Demonstration Methodology and found suitable by the EC prior to commencement of any commercial negotiations.

## **PART II : TECHNICAL PARAMETERS**

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

29. **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 vendor. Equipment of only those vendors will be called for NCNC demonstration who will meet the Essential Parameters as per **Appendix A** to this RFP and also meet the minimal qualifications criteria as listed at **Annexure to Appendix B**. 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.

30. 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 vendor be contemplating any upgrades or modifications to the equipment being offered, the details regarding these should also be included in the Technical Proposal.

31. **Technical Details.**

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

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

32. The technical offer should have a separate detachable compliance table as per format given at **Appendix B** to this RFP stating specific answers to RFP parameters including the Operational Characteristics and Features 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 in a CD), however only one copy of the Commercial proposal is required.

33. The Vendor is requested to confirm his willingness for organizing a Demonstration of the equipment at his premises or at a mutually agreed location to the EC / nominated members of the EC / Representatives nominated by the EC on 'No Cost No Commitment basis' when so requested. The Vendor should be prepared to organize the demonstration within a period of 60 days from the issue of the RFP.

34. Before the contract is finalised, the vendor would be required to provide Quality Assurance Plans (QAP) i.e. tests undertaken to assure quality & reliability and provide the standard Acceptance Test Procedure (ATP). The Empowered Committee reserves the right to modify the ATP, if necessary. The equipment supplied by the vendor would be accepted subject to clearance by the EC. The details in this regard will be coordinated during the negotiation of contract.

### **PART III : COMMERCIAL ASPECTS**

#### **Commercial Offer**

35. Commercial offers will be opened only of the vendors whose equipment is short-listed, after demonstration of the equipment and successful clearance by the EC. The Commercial Offer must be firm and fixed and should be valid for at least **18 months** from the date of submission of the offer.

36. The Commercial Offers will be opened by the EC, and if, the supplier desires he may depute his representative, duly authorized in writing, to be present at the time of opening of the offer. The committee will determine the lowest bidder (L1). No negotiations would be carried out with the vendor once the reasonability of the price quoted by him is established. The date, time and venue fixed for this purpose will be intimated separately.

37. The vendor is requested to take into consideration the **Commercial Clauses** given at



**Appendix F** to this RFP, while formulating the Commercial Offers.

### **Additional Aspects**

38. **Standard Clauses of Contract.** 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 clauses regarding Agents, penalty for use of undue influence, access to books of accounts, arbitration and clauses related to Law, which would be incorporated in the contract. The text of these clauses is at **Appendix G** to this RFP. The Standard Contract Document at **Chapter VI of DPP** (accessed at [www.mod.nic.in](http://www.mod.nic.in)) indicates the general conditions of contract that would be the guide line for all acquisitions. The draft contract would be prepared as per these guidelines.

## **PART IV: EVALUATION AND ACCEPTANCE CRITERIA**

### 39. **Evaluation and Acceptance Process.**

(a) **Evaluation of Technical Proposals.** The technical proposals forwarded by the firms will be evaluated by the Empowered Committee (EC). The EC will examine the extent of variations/differences, if any, in the technical characteristics of the equipment offered by various vendors with reference to the Operational Characteristics and Features and prepare a “Compliance Statement” for shortlisting the vendors. The shortlisted vendors shall be asked to organise the demonstration of the equipment at the Vendor Premises or at the mutually agreed location to be witnessed by the EC / Nominated members of the EC / Representatives nominated by the EC as the case may be, within 60 days from the date of issue of the this RFP (No extension of time would be permitted). The compliance would be determined only on the basis of the parameters specified in the RFP.

(b) **Evaluation of Commercial Bid.** The Commercial bids of only those bidders will be opened, whose technical bids have been cleared by the EC and the equipment has been shortlisted after the demonstration as per the Demonstration Methodology. Comparison of bids would be done on the basis of Evaluation criteria given in **Appendix H** to this RFP. The bidder is required to quote the price in Price bid format given in **Appendix H** to this RFP. The L-1 bidder would be determined by Contract Negotiation Committee (CNC) on the basis of **Appendix H** to this RFP. Only L-1 bidder would be invited for negotiations through CNC.

(c) **Contract Conclusion/Placement of Order (As applicable).** The successful conclusion of CNC will be followed by contract conclusion.

### **Conditions Under Which This RFP is Issued**

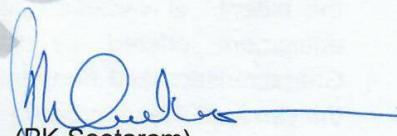
**Conditions Under Which This RFP is Issued**

40. This RFP is being issued with no financial commitment; and the EC on behalf of 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 vendor should it be so necessary at any stage on grounds of National Security.

41. This Document is the property of the Government of India and is issued by the EC on behalf of the Ministry of Defence for the information of the Vendor to whom this RFP is issued. The vendor, to whom this RFP is issued, will be responsible for its safe custody and that its contents will not be disclosed in any form to any unauthorised person / entity. This Document will be treated as a company confidential document for all purposes. The above provisions will also apply to any authorised sub-vendor / person / entity with whom the document or part thereof are shared.

42. Please acknowledge receipt.

Yours faithfully



(PK Seetaram)  
Colonel  
Member Secretary,  
Empowered Committee

**OPERATIONAL CHARACTERISTICS AND FEATURES OF  
HYDRAULIC MOBILE CRANE (HEAVY DUTY)**

**Environment Conditions**

1. **Temperature.** The crane shall be suitable for use between minimum temperature (-)15<sup>0</sup>C to (-)5<sup>0</sup>C and maximum temperature of between 40<sup>0</sup>C to 45<sup>0</sup>C.
2. **Altitude.** The crane should perform at its full rated load lifting capability up to 4500M above Mean Sea Level (MSL).

**Manufacture / Construction**

3. **Prime Mover.** 4x4 / 6x6 with all wheels steer to make the crane self propelled with turbo-charged engine with output of adequate capacity for effective crane operation.
4. **Electrical System.**
  - (a) 12V / 24V electrical system with maintenance free battery which is commercially available.
  - (b) Alternator with built in (solid state) regulator.
  - (c) Battery isolating switch be provided.
5. **Transmission.** Power shift torque converter/ Synchromesh transmission with minimum of 4 forward and 2 reverse gears with high-low speed selector for creep speed.
6. **Suspension.** One axle fixed type and the other axle oscillating type with articulation of minimum 275mm and hydraulic operated suspension lock for free-on-wheels lift and move operations.
7. **Travelling Brakes.** As per CMVR.
8. **Driver / Operator's Cabin.** Driver / operator's cabin shall have the following:-
  - (a) The cabin of the crane should be revolving type.
  - (b) The driver / operator's seat should be adjustable bucket type.
  - (c) Flag rods (one on each side of the vehicle) on side of mud guard.
  - (d) Safety belts should be provided as per guidelines in CMVR.
  - (e) Bracket for placement of driver / operator's personal weapon.

9. **Display Panel.** Display panel should be provided for the driver to observe comfortably while driving the vehicle. Following devices be incorporated in display panel/ suitable place in driver's cabin:-

- (a) Audio and visual indicator winch rope completely paid out (in both hoist and recovery winches).
- (b) Odometer and speedometer.
- (c) Separate Hour Meter for all crane operations.
- (d) Digital Safe Loading Indicator (SLI) with visual display for hook load, safe location radius and boom length with audio visual alarm on approaching over load condition with auto-cut on overload condition and over-ride' feature.
- (e) Fuel level gauge.
- (f) Hydraulic oil pressure gauge.
- (g) Engine Oil temperature gauge.
- (h) Low engine oil pressure indicator.
- (j) Alternator / Battery charging indicator.

10. **Operator's Cabin.** The operator's cabin of the crane should be revolving type duly insulated and paneled. Operator's cabin mounted on slewing structure of the crane should have unrestricted view of the lifted load to the operator. It should afford adequate all round visibility to the operator.

11. **Cabin Accessories.** The cabin should be provided with following accessories:-

- (a) Ventilating arrangements.
- (b) Heating Device.
- (c) Demisting Device.
- (d) Wipers electric motor operated.
- (e) Internal lights.
- (f) Sun visor.
- (g) Rear view mirror – 2 Nos.

12. **Engine.**

- (a) **Type of Engine.** Turbo charged diesel engine with minimum of 6 cylinder and capacity not less than 150HP at the rated rpm. It has to have cold starting aid.

- (b) **Average Engine Life.** Not less than 4000 hours before major overhaul.
- (c) **Type of Cooling System.** The cooling system should facilitate operation of the vehicle in temperature range specified.
- (d) **Emission Norms.** BS-III / IV.

13. **Storage Facilities and Miscellaneous Provisions.**

- (a) Tow hook of minimum 10 Ton capacity fitted one each on front and rear of the vehicle.
- (b) Four Numbers cargo nets for lifting loose items, capacity four ton, diagonal hole maximum six inches.
- (c) Rigid tow bar (one number).
- (d) Slings to lift 16 Ton load, one each of 'two way' and 'four way' types.
- (e) Easily accessible facilities for stowage arrangements shall be provided for the following:-
  - (i) Extra FOL in four jerry canes to hold 20 Liters each.
  - (ii) Tools and accessories as provided.
  - (iii) First Aid Box.
  - (iv) Tank for drinking water of capacity 20 Liters. It has to be double layered and insulated with an inner SS layer and push tap outlet.
  - (v) Spare wheel – Four Numbers of metal wheel.

14. **Transportability through Rail.** The crane should be transportable on existing railway freight wagons / road trailers.

15. **Dimensions of Crane in Transit.** Height of the crane in closed position should be within 3.38 meter and width within limit of 3.0 meter.

16. **Endurance.** The crane should be able to sustain at least 2 hours of continuous lift.

17. **Fuel Tank Capacity and Endurance.** Fuel tank capacity should be adequate for sustaining eight hours of continuous lift operations.

18. **Wheels and Tyres.**

- (a) The tyres should enable mobility over dirt tracks.
- (b) The date of manufacture of the tyres should not be more than 06 months prior to date of delivery.

- (c) Tyre locks should be provided to prevent the tyre from sliding off the rim in the event of a puncture.
- (d) Spare wheel – One number.
- (e) Metal wheel chokes – 04 Numbers.

19. **Outriggers**. The Crane shall have four independent outriggers fully powered, hydraulically operated, “Out & Down” and “Boom & Jack” type telescopic outriggers for both horizontally “In/Out” as well as vertically “Up & Down” operations respectively. These should be operated from the cabin of Driver-cum-Operator and have a minimum span of atleast 2.5 meter each. These shall be self adjusting and lockable by holding valve operated automatically or from the cabin of operator to ensure safety. The outriggers should be speedily deployable, either individually or collectively. Outriggers design should be such that it should perform satisfactorily on muddy/ undulating surfaces. In addition, outriggers to be accommodated within the width of the vehicle.

20. **Control System**. The control system should ensure that:-

- (a) All controls should be provided in the cabin.
- (b) Any two operations out of the three (i.e. hoisting, derricking and slewing) should be possible simultaneously.
- (c) Slewing should be possible for 360°.
- (d) The crane should be steady, under all working conditions i.e. whether on wheels or on outriggers.

21. **Safety Provisions**. The crane should be provided with the under mentioned safety devices:-

(a) **Locking Arrangements**.

- (i) The lifting tackle shall have fool proof locking arrangements under all conditions to hold hoisted load, to cater for safety against load getting detached or failing down.
- (ii) In the event of failure of power system, the loaded crane should get automatically locked in its position.

(b) An alternate backup Manual SLI should be provided in case of failure of digital SLI.

(c) **Fire Extinguisher**. 01 No of (clean agent type) Fire Extinguisher of capacity 02 Kgs inside the operator / driver cabin.

(d) Digital spirit level display inside the cabin for leveling of crane when on outriggers.

(e) **Anti Skid Surface and Provisions.** There should be non-slippery platform around the crane turn table for free movement of the crew. Wherever necessary, ladders with handgrips should be provided.

(f) **Safety Charts/ Indicators.** An anodized chart showing various angular positions of the boom and the load which can be safely lifted at different reaches with and without the use of outriggers should be provided to assist the crane operator in positioning the crane for quick and satisfactory performance.

(g) **Lighting Arrangements.** The following lights shall be provided in addition to standard lights required as per CMVR:-

- (i) **Marker Lights.** These shall be located at all extremities viz, front, rear, right and left sides and highest point.
- (ii) **Head Lights.** Halogen / LED type with dippers.
- (iii) Halogen/ LED search lights with 15 meter electric extension cable and tripod stand, connectable to suitable power outlets on the crane – Quantity 02 Nos.
- (iv) One flood light each on cabin and jib head of boom of the crane.
- (v) Tail light.
- (vi) Brake light.
- (vii) Turn indicators.
- (viii) Reverse light.
- (ix) Electric and pressure horn.

22. **Boom.** The boom of the crane shall be telescopic type. Its extension and retraction shall be hydraulically operated. Boom should have a marking indicating the effective length of the boom when in operation.

23. **Slew.** Hydraulically powered slew system providing 360° continuous rotation with capability of intermittent stoppage.

24. **Crane Performance.** The desired crane performance is enumerated below:-

- (a) Lifting Capacity / safe working loads at 1.4 meter clear reach all round:-
  - (i) With outriggers 16 tonnes.
  - (ii) Without outriggers (free on wheel) 6 tonnes.
  - (iii) Height under hook at 1.4 meters clear reach should not less than seven meters.

- (iv) Maximum achievable radius not less than 15 meter.
- (v) Slewing angle  $360^{\circ}$  continuous.
- (vi) Derricking angle  $(-)^{1^{\circ}}$  to  $(+)^{70^{\circ}}$ .
- (vii) Minimum operating speeds in unladen conditions:-
  - (aa) Hoisting (single line) - 50 m/minutes.
  - (ab) Slewing - One rotation / 30 seconds.
  - (ac) Boom in / out Speed - Less than 70 seconds from fully retracted to fully extended position at maximum derricking angle.

(b) The crane (free on wheels) having lifted a load of six tonne, slung along the centre line on its rear / front at clear reach of 1.4 meter, should be able to move with speed of not less than four kilometre at maximum derricking angle.

25. **Mobility.** The crane should have adequate mobility as under:-

- (a) A right hand drive and diesel engine.
- (b) Ground clearance of atleast 400 mm.
- (c) Wading depth – Not less than 900 mm without preparation in un-laden condition.
- (d) **Speed.** Maximum speed on metalled roads not less than 30 kmph.
- (e) Gradeability – not less than  $25^{\circ}$ .
- (f) Side slope stability – not less than  $15^{\circ}$ .
- (g) Inner and outer Turning Circle Dia (4 Wheel Steer) – less than 8 meter and 14 meter respectively.
- (h) Angle of approach of minimum  $22^{\circ}$ .
- (j) Angle of departure of minimum  $24^{\circ}$ .
- (k) Self recovery capability with hydraulic operated winch of 10 ton direct pull capability (at outer most layer) with minimum cable length of 50 meter.

26. **Powering System.** The crane should be diesel / hydraulic power operated.

27. **Colour.** Colour should be Olive Green (IS Code 220).

28. **Quality Assurance.** The composition should conform to relevant Indian Standard specifications.



29. **Metrication.** All assemblies / sub assemblies and components shall be designed and dimensioned for measurements in SI units.
30. **Life Expectancy.** The crane should be able to render atleast 1,20,000 Kilometres of operations before becoming due for major overhaul and should have life span of minimum 15 years.
31. **Emergency Operations.** In the event of failure of main system, alternate facility shall be provided for lowering the load slewing and collapsing the crane and for putting all assemblies back to the stowage position.
32. **Lubricants.**
- (a) All oils and lubricants used on the equipments shall be of the standard range as recommended by the manufacturer and conform to the service requirement.
  - (b) Lubricants chart showing recommended lubricants on an aluminum anodized / engraved plate shall be provided in a prominent place in the cabin.
33. **Maintenance and Periodicity.** A maintenance periodicity chart indicating maintenance points and maintenance instructions shall be provided by the side of the lubrication chart. It shall be on aluminum anodized / engraved plate.

**Appendix B**

(Refers to Para 1(b), 29 and 31(b) of RFP)

**COMPLIANCE TABLE****FOR HYDRAULIC MOBILE CRANE (HEAVY DUTY)**

<b>Serial No</b>	<b>Requirement as per the RFP</b>	<b>Compliance/ Partial Compliance</b>	<b>Indicate references of Paras/Sub Paras of the Main Technical Document</b>
<b>1. All RFP parameters including Operational Characteristics and Features as per Para 1 to 33 of Appendix A to this RFP</b>			
(a)	Essential Parameters 'A'		
<b>2. Commercial Parameters as per RFP</b>			
(a)	Performance-cum-Warranty Bank Guarantee / Bond ( <b>PWBG</b> ) as per <b>Para 2 of Appendix F</b> to the RFP		
(b)	Integrity Pact Bank Guarantee (IPBG) as per <b>Para 21 of RFP for Rupees 30 Lakhs</b>		
<b>3. Other Criteria for Vendors</b>			
(a)	Criteria as per Annexure to <b>Appendix B</b> of this RFP		

**Annexure to Appendix B**  
(Refers to Para 29 of RFP &  
Para 3(a) of Appendix B)

**CRITERIA FOR VENDORS IN BUY (INDIAN) CASE FOR PROCUREMENT OF  
40 NUMBERS OF HYDRAULIC MOBILE CRANE (HEAVY DUTY)**

**1. PARAMETERS.**

**(a) General Parameters**

(i) Applicant Entity should be an Indian Company (as defined under Companies Act, 2013 as amended from time to time), owned and controlled by resident Indian citizens. The management of the Applicant Entity should be in Indian hands with majority representation on the board of directors. The chief executive(s) of the applicant Entity shall be resident Indian citizen(s) who are part of the Indian group owning and controlling the Applicant Entity. 'Control' shall include the right to appoint a majority of the directors or to control the management or policy decisions, including by virtue of their shareholding or management rights or shareholders agreements or voting agreements. Further, a company shall be considered as 'Owned' by resident Indian citizens if more than fifty percent (50%) of the capital in it is directly or beneficially owned by resident Indian citizens and/or Indian companies, which are ultimately owned and controlled by residents Indian citizens. This implies that the maximum permitted FDI shall be forty nine percent (49%). No pyramiding of FDI in Indian holding companies or in Indian entities subscribing to shares or securities of the Applicant Entity shall be permitted. Indirect foreign investment shall be accounted for in counting the forty-nine percent (49%) FDI.

(ii) Business dealing with applicant Entity or any of its allied entities should not have been suspended or banned, by MoD / SHQ or any Government Department or organization (as defined in Guidelines for Penalties in Business Dealings with Entities issued vide Ministry of Defence, D(Vigilance) MoD ID No 31013/I/2006-D(Vig) Vol II dated 21 Nov 2016). None of the Promoters and Directors of applicant entity should be a willful defaulter.

(iii) "Entities" will include companies, with whom the Ministry of Defence has entered into, or intends to enter into, or could enter into contracts or agreements.

(iv) "Applicant entity" may be a company, subsidiary as associate company (as defined in the Companies Act, 2013), a consortium or a Joint Venture (JV).

(b) **Technical Parameters.**

(i) Vendor shall be a manufacturing entity or a system integrator of defence equipment and not a trading company, except in cases where the OEM participates only through its authorized Vendors.

(ii) Minimum **02 years** experience in **broad area like manufacturing as applicable in the instant procurement case**, if not, then cumulative experience of at **least 03 years in above area**, resulting in gaining of competence for manufacturing the proposed product.

(iii) Where product involves integration, previous experience **of not less than one year/ one project** in integration of systems/ equipment shall be required.

(c) **Financial Parameters**

(i) **Insolvency.** The entity should not be under insolvency resolution as per Indian Bankruptcy Code at any stage of procurement process from the issuing of RFP to the signing of contract.

(ii) **Net Worth.** Net worth of the company should not be Negative.

2. **STIPULATIONS FOR APPLYING PARAMETERS.**

(a) Minimum 02 years experience in **manufacturing domain as applicable in the instant procurement case**. If not, then cumulative experience of **atleast 03 years in above areas**, resulting in gaining of competence of manufacturing the proposed product.

(b) In case the Applicant Entity is unable to meet the Financial Parameters by itself, it may rely on its Holding Company ( as defined in the Companies Act, 2013 and amendments thereof) ("Companies Act") for fulfillment of the Financial Parameters, in which case reliance must be placed on the Holding Company towards fulfillment of **ALL** the Financial Parameters.

(c) In case the Applicant Entity is unable to meet one or more of the Technical Parameters by itself, it may rely on a Group Company (ies) for fulfillment of the Technical Parameters. A Group Company in relation to the Applicant Entity may be:-

(i) A company of which the Applicant Entity is an Associate Company. Such company should have ownership, directly or indirectly, of atleast 26% of the voting shares of the Applicant Entity.

(ii) A company which is an Associate Company of the Applicant Entity. The Applicant Entity should have ownership directly or indirectly of at least 26% of the voting shares of such Associate Company.

- (iii) A Company with whom the Applicant Entity is commonly owned, directly or indirectly, for the least 26% of the voting shares by another company. For example: An Applicant Company A is an Associate Company of Company B, in which B holds at least 26%. Further, C is also an Associate Company of B, in which B holds at least 26%. In this case the Applicant Company may use the credentials of C as well.
  - (iv) The Holding Company and Subsidiary Companies (as defined under the Companies Act) of the Applicant Entity.
- (d) The Applicant entity may be a single entity or a group of entities (the "Consortium"), coming together to implement the project, in such case:-
- (i) The credentials of only those members or their related entities may be counted, who have at least 26% equity stake in the Consortium.
  - (ii) Each Consortium should have a designated Lead Member.
  - (iii) For Technical Parameters, any of the Consortium Members or their Group Companies may meet the criteria.
  - (iv) For Financial Parameters; the Turnover and Net Worth of the Consortium Members shall be reckoned proportionate to Consortium Members's equity stake in the Consortium, and each Consortium member should meet the other criteria pertaining to Insolvency and Credit Rating. In case the Consortium Member relies on its Holding Company for any one of the above mentioned Financial Parameters, then reliance must be placed on the Holding Company for meeting **all the financial Parameters**.
  - (v) A certificate from CA/CS indicating the financial parameters as per Para 1(c) is required to be submitted.
- (e) Vendors should provide all necessary self authenticated documentation in support of their achievement of criteria. Such documentation should inter-alia include:-
- (i) Details of projects/supply orders successfully executed in the last two years.
  - (ii) Annual reports for three years of applicant entity, parent and associate companies, consortium and JV partners.
  - (iii) Details of shareholders, promoters, associated, allied and JV companies.
  - (iv) Details of vigilance action, viz ongoing investigation and suspension/debarment/blacklisting actions against the applicant entity or any of its allied entities, parent company or consortium and JV partners, if any by any Department / agency of Central Government.

(f) Any vendor furnishing false information will be liable for action under Para 93 of Chapter II of DPP 2016.

(g) Based on these generic parameters, more specific criteria should be evolved by the SHQs with regard to Technical and financial parameters {Paras 3(b) and 3(c) above} in each procurement case depending upon requirements peculiar to each case keeping in view the overall need to ensure wider vendor participation. The specific criteria evolved by the SHQ for each case, as per these guidelines, may be got approved by the competent authority before including the same in the RFPs.

3. **Start Ups/ MSMEs.** Start ups would be defined as per G.S.R. 127 (E) dated 19 Feb 2019 and Ministry of MSMEs notification Number 2/1(5)/2019-P&G/Policy(Pt-IV) dated 01 Jun 2020. For procurement cases where the estimated cost is not exceeding Rupees 50 Crore / year based on delivery schedule at the time of seeking AoN or Rupees 150 Crores, whichever is higher, to encourage the Start Ups/ MSMEs and build Industrial ecosystem, the recognized Start Ups / MSMEs in the relevant fields may be considered for issue of RFP without any stipulation of Financial parameters, except Para 3(c)(iii) above (Insolvency) and with General and Technical parameters to be decided on case to case basis.

**Appendix C**  
(Refers to Para 9 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 **24 months** or **2000 operational hours** from the date of acceptance of stores by Joint Receipt Inspection or date of installation and commissioning whichever is later/earlier (as applicable on case to case basis), that the goods/stores/services supplied under this contract and each component used in the manufacture thereof shall be free from all types of defects/failures.
3. If within the period of warranty, the goods/services 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 45 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 scheduled servicing during the warranty period will be carried out by the OEM representative at Consignee location and the consumables to include spares and oils/lubricants which are required in the periodic maintenance will be provided by the **SELLER Free of Cost (FOC)**. The **SELLER** will ensure that the **cumulative downtime period for the equipment does not exceed 10 % of the warranty period**.
5. If a particular equipment/goods fails frequently and/or, the cumulative down time exceeds 10% of the warranty period **or a common defect is noticed in more than 10% 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 45 days of receipt of the notification from the **BUYER** duly modified/upgraded through design improvement in all equipment supplied/yet to be supplied and ESP supplied/yet to be supplied.

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 conditions as mentioned at Appendix A of this RFP.**



**Appendix D**  
(Refers to Para 11 of RFP)

**REPAIR AND MAINTENANCE PHILOSOPHY**

1. The various levels of maintenance and repairs of Hydraulic Crane are as follows:-
  - (a) **Unit Level Repairs/Maintenance.** The equipment would be maintained by the crew/operators and technicians of sustenance agency (EME) posted to Unit Repair Organisation (URO) / Light Repair workshop (LRW) of these units during the operational cycle. These repairs include periodic maintenance / servicing tasks, minor adjustments /repairs and replacement of few external components. These repairs are carried out in field and should not require any special infrastructure or controlled environment. The maintenance includes Daily Maintenance, Weekly Maintenance, Monthly Maintenance, Six Monthly Maintenance and Yearly Maintenance as specified by the OEM. Most of these tasks are carried out by operator under supervision of technicians. Every equipment will have its VKL (Vehicle Kit List) / CES (Complete Equipment Schedule). There will be about **40 x UROs/Unit Repair Points**, each taking care of unit level repairs/maintenance of about 1 equipment. For carrying out such repairs, the bidder is required to provide spares, tools, User's handbook and other technical documents, for which details are given subsequently.
  - (b) **Field Repairs / Maintenance.** These repairs are carried out by technicians of sustenance agency (EME) posted to Field Repair Workshop. These repairs mainly include replacement of major / minor assemblies. There will be **32 x Field Repair Points**, each taking care of field level repairs/ maintenance of **01 to 02 equipment** as per deployment. The bidder is required to provide Manufacturer's Recommended List of spares (MRLS), Special Maintenance Tools (SMT) / Special Test Equipment (STE), User's hand book and other technical documents, for which details are given subsequently.
  - (c) **Base Repairs.** These are repairs carried out in the base by technicians of sustenance agency (EME) who are specially trained for this purpose and where the required special test equipment, tools and spares have to be provided i.e in Army Base Workshop. These repairs include repairs/overhaul of all major assemblies, minor assemblies (which can't be repaired at field workshop level) and components. There will be **01 x Base Workshops** to take care of Base level repairs of all 40 equipment. For carrying out such repairs, the bidder is required to provide spares, SMTs/STEs, User's handbook and other technical documents, for which details are given subsequently.
2. **Manufacturer's Recommended List of Spares (MRLS).**
  - (a) Based on the explanation given above, you are requested to provide MRLS to sustain the equipment for a period of **02 years post warranty** for Field and Base level repairs as per format given at **Annexure I to Appendix 'D'**. You will be required to provide these both with Technical and Commercial proposals. The cost of spares in

technical proposal is not required, however High, Medium & Low cost analysis is required for all spares.

(b) The Manufacture's Recommended List of Spares (MRLS) should cater for the following :-

- (i) Spares and lubricants required for servicing in the specified period (for example in case MRLS is for **02 years** and servicing periodicity is every six months, then servicing spares and lubricants for at least four servicing will be catered).
  - (ii) Major assemblies and minor assemblies will be part of MRLS.
  - (iii) In addition to above, spares required to repair the major and minor assemblies and other external spares based on the repair mechanics given in Para 2 above and past experience / failure pattern, will be provided in MRLS for 02 years.
  - (iv) The recommendations should be based on multiples of repair points.
  - (v) In case of range and depth of Spares recommended by the vendor is not adequate it can be increased by Technical Evaluation Team which has to be provided by the vendor without any additional cost.
- (c) In case an item is of Commercially Of The Shelf (COTS) origin, the vendor shall provide the details of its Original Equipment Manufacturer (OEM), tech specifications, and service net-work in India.
- (d) If the complete equipment comprises a number of different sub systems, The Manufacture's Recommended List of Spares (MRLS) must be provided separately for each such subsystem, clearly mentioning the sub system.
- (e) MRLS should be based on consumption/ failure pattern of the spares as assigned by OEM. MRLS should include all the spares required for periodic maintenance based on periodicity and corrective maintenance based on failure pattern/anticipated life.
- (f) While with the commercial proposal, the actual costs of each component/spare will be provided, in the case of Technical Proposal these will be reflected as Low Cost / Medium Cost / High Cost to help in MRLS evaluation. Also FNS and VED analysis for each component will be provided. A guideline for this purpose is as under:
- (i) **Low Cost.** Less than 2 % of the unit cost of the equipment / sub system.
  - (ii) **Medium Cost.** 2 to 10% of the unit cost of the equipment / sub system.

- (iii) **High Cost.** Greater than 10 % of the unit cost of equipment / sub system.

3. **Special Maintenance Tools (SMTs) / Special Test Equipments (STEs).**

(a) The Special Maintenance Tools (SMTs) are the special tools specific to the equipment and Special Test Equipment (STEs) are test equipment designed for providing diagnostic capability down to component levels. SMTs / STEs offered should be in consonance with the repair and maintenance concept explained in preceding paragraphs and should be able to support the repair and maintenance activities recommended for Field and Base levels of repairs.

(b) The recommendations should be based on deployment pattern, i.e. in multiples of repair points. In the present case, as there are **40 x Unit Repair Pts, 32 x Field Repair Points** and certain SMTs / STEs which is recommended for Field Repair should be provided in total qty of **32** i.e. one per Fd Repair point. SMTs/ STEs recommended for '**Base Repair Point**' will be provided in qty 01 & qty 02 SMTs/STEs recommended for training establishment. The total qty of SMTs / STEs required for Field, Base Repairs & training establishment will be **35**.

(c) A suggested format is given at **Annexure II to Appendix 'D'** and is to be included in both Technical and Commercial Proposals. The cost column may be left blank in the Technical Proposal.

4. **Technical Documentation.**

(a) The purpose of the Technical Manuals (TM) is to provide maintenance personnel with all the information and instructions required to maintain the equipment. TMs contain detailed description of maintenance procedures, necessary support and test equipment, reference information and identification of spare parts. Soft copies of all Technical Literature in CD / DVD and **Interactive Electronic Technical Manual (IETM)** version 4.0 shall also be provided.

(b) The details of technical documents to be supplied with the system should be listed as per the suggested format at **Annexure III to Appendix 'D'**. This should be provided with both Technical and Commercial Proposals. The cost column may be left blank in the Technical Proposal.

5. **Training and Training Aggregates.**

(a) **Training.** Training on field and base levels repair will be planned by the vendor in Original Equipment Manufacturer (OEM) premises or at a suitable location. The training duration will be decided by the vendor (minimum duration of 12 working days for Fd level repair and maximum duration of 24 working days for Base level repair), keeping in view the complexity of the equipment and terminal behavior of the technicians after the training, which will ensure that the mechanics are proficient in the maintenance / repairs and overhaul of the equipment. On termination of training, technicians should be capable of carrying out stipulated maintenance / repair and

overhaul to the full system else training will be repeated by the supplier without any additional cost.

(b) **Training Aggregates / Aids.** Training Aggregates and Training Aids will be provided by the vendor as per **Annexure IV to Appendix 'D'** in both Technical and Commercial Proposals. Vendor may provide additional training aggregates / aids, as necessary to enhance ease of assimilation. The costs for aggregates and training must only be indicated in the commercial proposal.

6. **Sufficiency Clause.** Vendor will give an undertaking that the spares and their quantity proposed in MRLS is sufficient for providing Field & Base level repairs **for 02 years. Vendors quoting lesser Engineer Support Package (ESP)/ MRLS in terms of range and depth will have to make good the deficiency as recommended by the Technical Evaluation Team.** The vendors quoting surplus items in ESP/ MRLS should agree to buy back the surplus spares or exchange them on cost to cost basis with the spares as required by the customer.

7. **Software (If applicable).** An undertaking be provided by the seller that all software management functions such as Patch Management, Version Management and Configuration Management will be provided by them throughout the equipment life cycle.

8. **Reliability.** Reliability parameters, Mean Time Between Failure (MTBF) and Mean Time To Repair (MTTR) be provided by vendor. Vendor to provide tools and methodology for arriving at the specified/ claimed figure.

9. **Infrastructure.** In case of any specific infrastructure is required for repair / maintenance of the equipment at Field & Base level repairs, it will be mentioned separately, so as to enable the buyer to plan construction/ procurement of such facilities. The details of recommended infrastructure with quotes will be given in the commercial bid.

10. **Technical Know How.** The SELLER shall provide the complete know how on the technology used, repair and maintenance of the equipment and shall not withhold such information during the conduct of the training maintenance philosophy and suggested norms for major tasks will be provided by the SELLER.

11. **Warranty Clause.** The goods supplied shall carry a warranty for 24 months from the date of acceptance or from date of installation and commissioning, whichever is later/earlier (as applicable on case to case basis). Warranty clause is given at Appendix 'C'. SELLER hereby warrants that necessary scheduled servicing during the Wty period will be carried out by the OEM rep at unit loc and the consumables to include spares & oils / lubs and services which are required in the periodic maintenance will be provided by the **SELLER on FOC (Free of Cost)**. The **SELLER** will ensure that the cumulative downtime period for the equipment does not exceed 10% of the warranty period.

**Annexure I to Appendix D**  
(Refers to Para 2 of Appendix D)

**MANUFACTURER'S RECOMMENDED LIST OF SPARES (MRLS)**

**EQUIPMENT: Hydraulic Mobile Crane, Quantity - 40**

**Original Equipment Manufacturer (OEM):**

Serial No	Manufacturer's Part No	Source of Supply	Nomenclature	Numbers fitted in one equipment	Illustrated spare Part List (ISPL) Reference	Unit Cost	Recommended scale for 40 quantity of Equipment for two years				Total Cost				Remarks
							Unit Repair Points	Field Repair Points	Base Repair Points	Total Qty	Unit Repair	Field Repair	Intermediate Repair	Base Repair	
							(40)	(32)	(01)						
Total Cost															

**Notes:-**

1. Recommended scale and cost be given separately for Field repair and Base repair.
2. Maintenance spares/ stores like oil, lubricants, sealing compound, gases should be given separately giving source of supply.
3. Spares for component repairs should be included under the column of Base repair as suggested by OEM.
4. In 'Remarks' column following information (if applicable) be given:-
  - (a) If an item has a shelf/operational life it be marked as 'G' and life indicated.

- (b) Matching set of components be indicated.
  - (c) Item which can be locally manufactured should be marked 'LM'.
  - (d) 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 equipment be indicated.
5. MRLS should be drawn out of the 'Part List' of the equipment, which should be separately given as part of Technical Manual.
6. If the main equipment consists of other associated / peripheral equipment, then MRLS should be prepared for them under proper heads.
7. MRLS be prepared as per the maintenance concept of the Repair & Maintenance Agency.
8. Items provided alongwith the equipment as spares should also be included in MRLS.
9. 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.
10. Complete MRLS should be costed separately for Field, 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 price negotiation committee (PNC), but other details as above be provided to the EC.
11. MRLS for test equipment should also be provided on the similar format.
12. The following stands for:-
- \* HML - High cost/Medium cost/Low cost
  - \* VED - Vital /Essential /Desirable
  - \* FNS - Fast /Normal /Slow moving spares

**Annexure II to Appendix D**  
(Refers to Para 2 of Appendix D)

**LIST OF SMT/STEs, JIGS, FIXTURE AND INFRASTRUCTURE**

**EQUIPMENT: Hydraulic Mobile Crane, Quantity - 40**

**Original Equipment Manufacturer (OEM):**

Serial No	Manufacturer's Part No	Designation	Unit Cost	Numbers Required				Brief Purpose	Remarks
				Field Repair Points (32)	Base Repair Point (01)	Training Establishment (02)	Total Quantity (e) + (f) + (g)		
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(j)	(k)

**Notes:-**

1. The list of CCES items for the equipment will be given separately. If test equipment is commercially available ex India, the source of supply be specified.
2. Specify in Remarks column whether the SMT/ STE/ Test jigs/ Fixtures/ Plant and Machinery can be used as general purpose equipment on any other kind of equipment supplied by the OEM to purchaser earlier. List of special repair kit, if any also to be provided.
3. Vendor should offer the calibration equipment required for testing the SMT/STE/ Test jigs/Fixtures/Plant and Machinery. In the Remarks column it shall be endorsed as 'Calibration Equipment'.
4. One set each of SMTs / STEs required for Field maintenance / repairs will be included in the requirement for the training establishment.

**TECHNICAL LITERATURE**

**Equipment : Hydraulic Mobile Crane (Heavy Duty), Quantity - 40**

**Original Equipment Manufacturer (OEM) : \_\_\_\_\_**

Serial No	Technical Literature	Unit Cost	Numbers Required				Total Cost	Remarks
			User	EME	DGQA	Total		
1.	User Handbook / Operators Manual (In Hindi and English)		40	37	04	81		
2.	Design Specifications		-	04	04	08		
3.	<b><u>Technical Manual (All Parts)</u></b>  (a) <u>Part I.</u> Tech description, specifications functioning of various systems.  (b) <u>Part II.</u> Inspection / Maintenance tasks Repair procedures, materials used, fault diagnosis and use of Special Maintenance Tools (SMTs) / Special Test Equipment (STEs).  (c) <u>Part III.</u> Procedure assembly/ disassembly, repair up to component level, safety precautions.  (d) <u>Part IV.</u> (i) Part list with drawing Reference.  (ii) List of SMTs/ STEs with Test Bench.		-	37	04	41		



Serial No	Technical Literature	Unit Cost	Numbers Required				Total Cost	Remarks
			User	EME	DGQA	Total		
4.	Manufacturer's Recommended List of Spares (MRLS) (Both Soft & Hard copy)		-	02	-	02		List of MRLS duly priced including cost of one complete engine overhaul
5.	Illustrated Spares Part List (ISPL) (Both Soft & Hard copy)		-	38	04	42		
6.	Technical Manual on STE with drawing reference and calibration (If applicable) details		-	38	03	41		
7.	CDs on the above Tech literature		40	04	03	47		
8.	Interactive Electronic Technical Manuals (IETM 4.0 Version)		-	37	-	37		
9.	Any other (Specify)		-	-	-	-		

Total Cost :

**Notes.**

1. In case any additional equipment is used their technical literature will be included.
2. If certain technical literature is being provided free of cost it should be indicated in the remarks column.
3. In case items/spares of Hydraulic Crane have not been codified or does not have Nato Stock Numbers (NSNs) or if firm will not codify the items of Equipment then one set of relevant drawings, specifications, technical details etc in respect of all separately demandable items as listed in the ISPL to be given to the user for codification.

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

**TRAINING AGGREGATES**

**Equipment : Hydraulic Mobile Crane (Heavy Duty), Quantity-40**

**Original Equipment Manufacturer (OEM):**

Serial No	Description of Training Aggregate	Numbers Required			Total	Unit Cost	Total Cost	Remarks
		User	EME	DGQA				
1.	Complete Equipment	-	-	-	-			
2.	Sectionised Equipment*	-	-	-	-			
3.	Shop Replaceable Units (SRU) / PCB / Modules / Assemblies	-	02	-	02			
4.	Computer based training package based on interactive multimedia to include (a) Full Graphics, Animation, text and sound (b) Symptoms- fault correlation (expert system)	-	37	-	37			
5.	Set of Training Aids to include (a) Charts (b) Training Brochures (c) Training Works Models (d) Blow up diagram (e) CD's	40 sets	02 Set	-	42 Sets			
6.	Cost of training operators and technicians in country of OEM		As per <b>Para 16</b> of RFP					
7.	Any other							

Total Cost :

**Note:-**

1. Language for Training will be simple English and/or Hindi.
2. On termination of training, operators should be capable of carrying out stipulated operation and maintenance.

**Appendix E**  
(Refers to Para 26 of RFP)

**DEMONSTRATION METHODOLOGY : HYDRAULIC MOBILE CRANE (HEAVY DUTY)**

**General**

1. The demonstration of Hydraulic Mobile Crane (Heavy Duty) will be conducted on '**No Cost No Commitment**' basis at user premises / at location mutually agreed upon by the Buyer and the Seller, as per provision of DPP-2016 and subsequent amendments to it thereafter. **Parameters which can be verified based on documents or certificate of accredited agencies rendered by the vendor may not be demonstrated.**
2. Tentative matrix for demonstration of the equipment is given at **Annexure I** to this Appendix.
3. **Crew.** Crew for demonstration will be provided by the vendor.
4. **Terrain and Location of Demonstration.** The demonstration will be conducted at the vendor's premises or at location mutually agreed upon under the arrangement of the vendor.
5. **Vendor Certification.** Vendor certification will be duly backed up with the certification from an accredited agency along with test reports, graphs and results, where ever required.
6. **Demonstration of Equipment.** Demonstration of the upgraded Hydraulic Mobile Crane (Heavy Duty) will be conducted entirely under the arrangements of the vendor with requisite administrative support provided by buyer where necessary.
7. **Transportation of Equipment.** Movement of the equipment and stores for demonstration will be undertaken by the vendor upto demonstration location and all charges for transportation, freight, and insurance, custom and other applicable taxes and duties shall be borne by the vendor.
8. **Representation/ Requests.** All queries, representations and requests related to the demonstration will be addressed in writing to the Empowered Committee.
9. **Schedule of Demonstration.** The demonstration will be witnessed by Empowered Committee / Representative nominated by the Empowered Committee. Firm schedule for demonstration will be finalised in consultation with vendor on receipt of proposals.

Annexure I to Appendix EDEMONSTRATION METHODOLOGY FOR HYDRAULIC MOBILE CRANE (HEAVY DUTY)

<u>Ser No</u>	<u>Parameters</u>	<u>Methodology</u>
	<b><u>Environmental Conditions</u></b>	
1.	<b><u>Temperature</u></b> . The crane shall be suitable for use between minimum temperature of (-)15 <sup>0</sup> C to (-)5 <sup>0</sup> C and maximum temperature of between 40 <sup>0</sup> C to 45 <sup>0</sup> C.	Vendor OEM certification.
2.	<b><u>Altitude</u></b> . The crane should perform at its full rated load lifting capability upto 4500M above MSL.	Vendor and Engine OEM certification.
	<b><u>Manufacture/ Construction</u></b>	
3.	<b><u>Prime Mover</u></b> . 4x4/ 6x6 with all wheel steer to make the crane self propelled with turbo-charged engine with output of adequate capacity for effective crane operation.	Demonstration & Vendor certification.
4.	<b><u>Electrical System</u></b> .	
	(a) 12V/ 24V electrical system with maintenance free battery which is commercially available.	Vendor & battery OEM certification
	(b) Alternator with built in (solid state) regulator.	Vendor certification
	(c) Battery isolating switch be provided.	Demonstration.
5.	<b><u>Transmission</u></b> . Power shift torque converter/ Synchromesh transmission with minimum of 4 forward and 2 reverse gears with high-low speed selector for creep speed.	Demonstration & Vendor certification.
6.	<b><u>Suspension</u></b> . One axle fixed type and the other axle oscillating type with articulation of minimum 275mm and hydraulic operated suspension lock for free-on-wheels lift and move operations.	Demonstration & Vendor certification.
7.	<b><u>Travelling Brakes</u></b> . As per CMVR.	Vendor certification.
8.	<b><u>Display Panel</u></b> . Display panel should be provided for the driver to observe comfortably while driving the vehicle. Following devices be incorporated in display panel/ suitable place in driver's cabin:-	Demonstration.
	(a) Audio and visual indicator winch rope completely paid out (in both hoist and	

<u>Ser No</u>	<u>Parameters</u>	<u>Methodology</u>
	recovery winches).	Demonstration.
	(b) Odometer and speedometer.	
	(c) Separate Hour Metre for all crane operations.	
	(d) Digital Safe Loading Indicator (SLI) with visual display for hook load, safe load radius and boom length with audio visual alarm on approaching over load condition with 'auto-cut on overload condition and over-ride' feature.	
	(e) Fuel level gauge.	
	(f) Hydraulic oil pressure gauge.	
	(g) Engine Oil temperature gauge.	
	(h) Low engine oil pressure indicator.	
	(j) Alternator / Battery charging indicator.	
9.	<b><u>Operator's Cabin</u></b> . The operator's cabin of the crane should be revolving type duly insulated and panelled. Operator's cabin mounted on slewing structure of the crane should have unrestricted view of the lifted load to the operator. It should afford adequate all round visibility to the operator.	Demonstration.
10.	<b><u>Cabin Accessories</u></b> . The cabin should be provided with following accessories:-	Demonstration.
	(a) Ventilating arrangements.	
	(b) Heating Device.	
	(c) Demisting Device.	
	(d) Wipers electric motor operated.	
	(e) Internal lights.	
	(f) Sun visor.	
	(g) Rear view mirror - 2 Numbers.	
11.	<b><u>Engine</u></b>	Vendor and Engine OEM certification.
	(a) <b><u>Type of Engine</u></b> . Turbo charged diesel engine with minimum of 6 cylinder and capacity not less than 150HP at the rated rpm. It has to have cold starting aid.	
	(b) <b><u>Average Engine Life</u></b> . Not less than 4000 hours before major overhaul.	

<b><u>Ser No</u></b>	<b><u>Parameters</u></b>	<b><u>Methodology</u></b>
	(c) <b><u>Type of Cooling System.</u></b> The cooling system should facilitate operation of the vehicle in temperature range specified.	Vendor and Engine OEM certification.
	(d) <b><u>Emission Norms.</u></b> BS-III/IV.	NABL certification.
12.	<b><u>Storage Facilities and Miscellaneous Provisions.</u></b>	
	(a) Tow hook of minimum 10 Ton capacity fitted one each on front and rear of the vehicle.	Visual check&Vendor certification.
	(b) Slings to lift 16 Ton load, one each of 'two way' and 'four way' types.	
	(c) Easily accessible facilities for stowage arrangements shall be provided for the following:-	
	(i) Extra FOL in four jerry canes to hold 20 Litres each.	Visual check of stowage arrangements.
	(ii) Tools and accessories as provided.	
	(iii) First Aid Box.	
	(iv) Tank for drinking water of capacity 20 Litres. It has to be double layered and insulated with an inner Stainless Steel (SS) layer and push tap outlet.	Certification for inner SS layer of water tank.
	(v) Spare wheel plus four Nos of metal wheel chokes.	Demonstration of spare wheel lifting and lowering arrangement
13.	<b><u>Transportability through Rail.</u></b> The crane should be transportable on existing railway freight wagons/ military Rakes / road trailers.	Vendor certification.
14.	<b><u>Dimensions of Crane in Transit.</u></b> Height of the crane in closed position should be within 3.38 m and width within limit of 3.0 m.	Vendor certification with supporting documentation.
15.	<b><u>Endurance.</u></b> The crane should be able to sustain atleast 2 hours of continuous lift.	Demonstration.
16.	<b><u>Fuel Tank Capacity and Endurance.</u></b> Fuel tank capacity should be adequate for sustaining eight hours of continuous lift operations.	Vendor certification.
17.	<b><u>Wheels and Tyres.</u></b>	
	(a) The tyres should enable mobility over dirt tracks.	Demonstration.

<u>Ser No</u>	<u>Parameters</u>	<u>Methodology</u>
	(b) Tyre locks should be provided to prevent the tyre from sliding off the rim in the event of a puncture.	Demonstration.
18.	<b><u>Outriggers.</u></b> The Crane shall have four independent outriggers fully powered, hydraulically operated, “Out & Down” and “Boom & Jack” type telescopic outriggers for both horizontally “In/ Out” as well as vertically “Up/ Down” operations respectively. These should be operated from the cabin of Driver-cum-Operator and have a minimum span of atleast 2.5 m each. These shall be self-adjusting and lockable by holding valve operated automatically or from the cabin of operator to ensure safety. The outriggers should be speedily deployable, either individually or collectively. Outriggers design should be such that it should perform satisfactorily on muddy/ undulating surfaces. In addition, outriggers to be accommodated within the width of the vehicle.	Demonstration.
19.	<b><u>Control System.</u></b> The control system should ensure that:-	
	(a) Any two operations out of the three (i.e. hoisting, derricking and slewing) should be possible simultaneously.	Demonstration.
	(b) Slewing should be possible for 360 <sup>0</sup> .	Demonstration.
	(c) The crane should be steady, under all working conditions ie whether on wheels or on outriggers.	Demonstration.
20.	<b><u>Safety Provisions.</u></b> The crane should be provided with the under mentioned safety devices:-	
	(a) <b><u>Locking Arrangements.</u></b>	
	(i) The lifting tackle shall have fool proof locking arrangements under all conditions to hold hoisted load, to cater for safety against load getting detached or falling down.	Demonstration.
	(ii) In the event of failure of power system, the loaded crane should get automatically locked in its position.	Demonstration.
	(b) An alternate backup Manual SLI should be provided in case of failure of digital SLI.	Demonstration.

<u>Ser No</u>	<u>Parameters</u>	<u>Methodology</u>
	(c) Digital spirit level display inside the cabin for levelling of crane when on outriggers.	Demonstration.
	(d) <b><u>Anti Skid Surface and Provisions</u></b> . There should be non-slippery platform around the crane turn table for free movement of the crew. Wherever necessary, ladders with handgrips should be provided.	Demonstration.
	(e) <b><u>Lighting Arrangements</u></b> . The following lights shall be provided in addition to standard lights required as per CMVR:-  (i) <b><u>Marker Lights</u></b> . These shall be located at all extremities viz, front, rear, right and left sides and highest point. (ii) <b><u>Head Lights</u></b> . Halogen / LED type with dippers. (iii) Halogen/ LED search lights with 15m electric extension cable and tripod stand, connectable to suitable power outlets on the crane - Quantity 02 Nos. (iv) One flood light each on cabin and jib head of boom of the crane. (v) Tail light. (vi) Brake light. (vii) Turn indicators (viii) Reverse light. (ix) Electric and pressure horn.	Demonstration.
21.	<b><u>Boom</u></b> . The boom of the crane shall be telescopic type. Its extension and retraction shall be hydraulically operated. Boom should have a marking indicating the effective length of the boom when in operation.	Demonstration.
22.	<b><u>Slew</u></b> . Hydraulically powered slew system providing 360 <sup>0</sup> continuous rotation with capability of intermittent stoppage.	Demonstration.



<b><u>Ser No</u></b>	<b><u>Parameters</u></b>	<b><u>Methodology</u></b>
23.	<b><u>Crane Performance.</u></b> The desired crane performance is enumerated below:-	
	(a) Lifting Capacity/ safe working loads at 1.4 m clear reach all round:-	
	(i) With outriggers 16 tonnes.	Demonstration.
	(iii) Height under hook at 1.4 m clear reach should not be less than seven metres.	Demonstration.
	(iv) Maximum achievable radius not less than 15 m.	Demonstration.
	(v) Slewing angle $360^{\circ}$ continuous.	Demonstration.
	(vi) Derricking angle $(-)^{1^{\circ}}$ to $(+)^{70^{\circ}}$ .	Demonstration.
	(vii) Minimum operating speeds in unladen conditions:-	Demonstration.
	(aa) Hoisting (single line) - 50m/min.	Demonstration.
	(ab) Slewing - One rotation /30 sec.	Demonstration.
	(ac) Boom in/out Speed - Less than 70 secs from fully retracted to fully extended position at maximum derricking angle.	Demonstration.
	(b) The crane (free on wheels) having lifted a load of six tonne, slung along the centre line on its rear/ front at clear reach of 1.4 metre, should be able to move with speed of not less than four kilometre per hour on firm ground upto minimum distance of 100 metre.	Demonstration.
24.	<b><u>Mobility.</u></b> The crane should have adequate mobility as under:-	
	(a) A right hand drive and diesel engine.	Demonstration.
	(b) Ground clearance of atleast 400 mm.	Demonstration.
	(c) Wading depth - Not less than 900mm without preparation in un-laden condition.	Demonstration.
	(d) <b><u>Speed.</u></b> Maximum speed on metalled roads not less than 30 kmph.	Demonstration.
	(e) Gradeability - not less than $25^{\circ}$ .	Vendor certification with supporting calculations.
	(f) Side slope stability - not less than $15^{\circ}$ .	Vendor certification with supporting calculations.

<b><u>Ser No</u></b>	<b><u>Parameters</u></b>	<b><u>Methodology</u></b>
	(g) Inner and outer Turning Circle Dia (4 Wheel Steer) - less than 8m and 14m respectively.	Demonstration.
	(h) Angle of approach of minimum 22 <sup>0</sup> .	Demonstration & Vendor certification.
	(j) Angle of departure of minimum 24 <sup>0</sup> .	Demonstration & Vendor certification.
	(k) Self recovery capability with hydraulic operated winch of 10 ton direct pull capability (at outer most layer) with minimum cable length of 50m.	Vendor / OEM certification with supporting documents.
25.	<b><u>Powering System.</u></b> The crane should be diesel/ hydraulic power operated.	Vendor certification.
26.	<b><u>Quality Assurance.</u></b> The composition should conform to relevant Indian standard specifications.	Vendor certification.
27.	<b><u>Metrication.</u></b> All assemblies/ sub assemblies and components shall be designed and dimensioned for measurements in SI units.	Vendor certification.
28.	<b><u>Life Expectancy.</u></b> The crane should be able to render atleast 1,20,000kms of operations before becoming due for major overhaul and should have life span of minimum 15 years.	Vendor certification.
29.	<b><u>Emergency Operations.</u></b> In the event of failure of main system, alternate facility shall be provided for lowering the load slewing and collapsing the crane and for putting all assemblies back to the stowage position.	Vendor certification including OEM / vendor certification for environmental parameters.
30.	<b><u>Lubricants.</u></b> All oils and lubricants used on the equipments shall be of the standard range as recommended by the manufacturer and conform to the service requirement.	Vendor certification.

**Appendix F**

(Refers to Para 7 and 32 of RFP)

**COMMERCIAL CLAUSES****1. Payment Terms**

1.1. **INCOTERMS for Delivery.** The delivery of goods will be based on **INCOTERMS-2020, DDP** with ultimate consignee as given under:-

Serial No	Consignee Location	Number of Hydraulic Mobile Crane (Heavy Duty)	Remarks
(a)	Engineer Stores Depot(ESD), New Delhi	18	Delivery to be completed as per the delivery schedule given at Para 7 or by 31 Dec 2021 whichever is earlier
(b)	Engineer Stores Depot(ESD), Kankinara	22	
	<b>Total</b>	<b>40</b>	

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

1.3.1. **Advance Payment.** Fifteen (15) % of the Basic Contract Value less Training and Taxes and Duties shall be paid within thirty (30) days of signing of Contract and upon submission of claim and a Bank Guarantee for the equivalent amount. Bank Guarantee should be from Public Sector Banks **or Private Sector Banks authorised by RBI as per Format at Annexure I**. The Advance Payment Bank Guarantee (APBG) will deemed to be proportionately and automatically reduced until full extinction along with and prorata 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 release of Advance payment by the Buyer to the Seller (T<sub>0</sub>), provided the Seller submits the documents mandated by the DPP for release of advance by the Buyer within 45 days of signing of contract. In the event of the Seller not submitting the said documents within 45 days of signing of contract, the period between the 45<sup>th</sup> day and actual submission of documents will be excluded from the actual date of advance payment to arrive at the delivery date.

1.3.2. **On Dispatch.** Seventy Five (75)% of the Basic Contract Value less Training (with reimbursement of 100% of Taxes and Duties) shall be paid on pro rata basis on proof of dispatch of stores to the consignee and on production of an inspection note issued by the buyer designated inspection agency. Number and date of the Railway/Road/Air Transport receipt under which the goods charged for in the bill are dispatched by rail/road/Air and the number and date of letter with which such receipt is forwarded to the consignee, should be quoted on the bill. The payment will be made by PCDA/CDA New Delhi through cheque/Electronic Fund Transfer (EFT) on submission of following documents (Note – the list given below is illustrative. The documents that may

be required, depending upon the peculiarities of the procurement being undertaken, may be included / excluded).

1.3.2.1. Ink-signed copy of Seller's bill.

1.3.2.2. Ink-signed copy of Commercial invoice.

1.3.2.3. The relevant Transport Receipt.

1.3.2.4. Inspection Acceptance Certificate of Buyer's QA agency demonstrating compliance with the technical specifications of the contract.

1.3.2.5. Packing List.

1.3.2.6. Certificate of Origin.

1.3.2.7. Claim for statutory and other levies to be supported with requisite documents/proof of payment, as applicable.

1.3.2.8. Exemption certificate for taxes/duties, if applicable.

1.3.3. **On Final Acceptance and Installation/Commissioning.** The remaining Ten (10) % of the Basic Contract Value less Training shall be paid within thirty (30) days after the date of the Acceptance Certificate & Certified Receipt Voucher (CRV) issued by the Buyer and other relevant documents as mentioned above for final payment including warranty certificate, I-Note 2 and 5, JRI receipt, 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.

1.3.4 **Payment for Training.** Payment for training of User and Maintenance personnel will be done after completion of training as given in **Para 16** of RFP. Vendor will also furnish training completion certificate from buyer, prior to payment for training.

1.3.5. **Part-Dispatch/Part-Shipment.** Part-dispatch or part-shipment of goods is permitted and corresponding payment will be released to the Seller. However, where permitted, the minimum quantity for using this facility on each occasion will not be less than **Six (06)** of consigned quantity. No transshipment of goods will be allowed.

1.3.6. **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. After withdrawal of Custom Duty exemption with effect from April 2016, Vendors will be liable to pay customs duty on imported input materials for Defence Purposes.

1.3.7. **Exchange Rate Variation.** Exchange Rate variation shall be applicable for Rupee contracts with Indian Vendors, based on RFPs issued under all categories of capital acquisitions mentioned at Para 6 to 11 of Chapter I of DPP 2016. 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 II to this Appendix.**

2. **Performance-cum-Warranty Bank Guarantee Clause.** A Performance-cum-Warranty Bank Guarantee (PWBG) of 10 % of value of the Contract (including Taxes and Duties) would be furnished by the Seller in the form of a Bank Guarantee (**Refer Annexure III to this Appendix**). The PWBG shall be submitted by the Seller within one month of signing of contract and shall be valid for a period, until three months beyond the warranty period of the last consignment, as specified in the RFP.

2.1 In case of Indian Sellers, the PWBGs are required to be furnished from Public Sector Banks or Private Sector Banks authorised by RBI. Confirmation of the same from SBI or any other Bank is not required.

3. **Inspection.** Vendor to furnish Certificate of Conformance (CoC) in lieu of Pre Dispatch Inspection (PDI). A Joint Receipt Inspection (JRI) will be carried out. The representative of the Seller will be present for inspection after the equipment reaches the concerned destination. The Seller would be informed of the date for JRI.

4. **Liquidated Damages (LD).** In the event of the SELLER's failure to submit the Guarantees and Documents, supply the stores / goods, perform services, conduct demonstration, installation of equipment and training as per schedule specified in this contract, the BUYER may, at his discretion withhold any payment until the completion of the contract. The BUYER may also deduct from the SELLER as agreed, liquidated damages subject to the maximum value of the Liquidated Damages being not higher than 15% (@ 1.5% per week of the value of delayed stores) of the contract price of the value of delayed stores / services (Any extension given by the buyer for delay attributable to buyer or Force Majeure Clause to be factored in delivery period).

5. **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 supplier 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 this Appendix.**

**Annexure I to Appendix F**  
(Refers to Para 1.3.1 of Appendix F)

**BANK GUARANTEE FORMAT FOR ADVANCE**

To

**Directorate of Combat Engineers (DGCE) / CE-5(B)**  
**E-in-C's Branch, Kashmir House**  
**Rajaji Marg, New Delhi-110011**  
**Fax No: 011-23019675**  
**E Mail – ce5-einc-army@nic.in**

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. \_\_\_\_\_ being payment of \_\_\_\_\_ % of the total value of Rupees \_\_\_\_\_ of the said Contract, against issuance of an advance guarantee by 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 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 Rupees \_\_\_\_\_.

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 proceeding 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, or extension being granted to the said Seller or for any forbearance, act or omission on the part of the Buyer or indulgence by the Buyer to the said Seller or by any such matter or thing whatsoever which under law relating to sureties would, but for this provision, have effect of so relieving us.

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

7. This guarantee will not be discharged due to the change in the constitution of the Bank or the Buyer/Seller.

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

9. Notwithstanding anything contained herein above:-

(a) Our liability under this Guarantee shall not exceed Rupees \_\_\_\_\_ (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 \_\_\_\_\_ day of \_\_\_\_\_ (Month and year)

Place:

Signed and delivered by \_\_\_\_\_ (Name of the Bank)

Through its authorised signatory

(Signature with seal)

**Annexure II to Appendix F**  
(Refers to Para 1.3.7 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:-

<u>YEAR</u>	<u>TOTAL COST OF IMPORTED MATERIAL (In rupees)</u>	<u>FE CONTENT-OUT FLOW</u> (equivalent in rupees in crore)			
		<u>DOLLAR DENOMINATED</u>	<u>EURO DENOMINATED</u>	<u>POUNDS DENOMINATED</u>	<u>OTHER CURRENCIES DENOMINATED (as applicable)</u>

(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 III to Appendix F**  
(Refers to Para 2 of Appendix F)

**BANK GUARANTEE FORMAT FOR PERFORMANCE-CUM-WARRANTY BOND**

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 Rupees \_\_\_\_\_ which is 10% of the contract value in aggregate which will cover 5% of total contract value each for Performance and Warranty, 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 of 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 (5% of total Contract value) \_\_\_\_\_ Rupees only at any one instance and 10% of total contract value in aggregate (Rupees \_\_\_\_\_ only) 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 upto \_\_\_\_\_.

7. Subject to the terms of this Bank Guarantee, the issuing bank hereby irrevocably authorizes the beneficiary to draw the amount of up to Rupees \_\_\_\_\_ (5% of total contract value) for breach/failure to perform by the Seller of any of the terms and conditions of the contract related to performance clauses provided that upon invocation and payment of each such claimed amount, issuing bank undertakes to reinstate the amount drawn without any requirement for notice, amendment or other formality, so that, subject to the other terms and conditions hereof, at all times prior to the Expiration Date, Rupees \_\_\_\_\_ ("Guaranteed Amount i.e 5% of the total contract value) shall be available for drawing by the Beneficiary hereunder to meet the obligations of the said guarantee for the Warranty clauses. Notwithstanding anything mentioned herein above, the total drawings under the Guarantee by the BUYER shall not exceed 10% of the total contract value (Rupees \_\_\_\_\_ only). Partial drawings and multiple drawings under this Bank Guarantee are allowed within the above stated cumulative amount subject to each such drawing not exceeding 5% of the total contract value (Rupees \_\_\_\_\_ 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 Rupees \_\_\_\_\_.  
(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 months after expiry of the warranty period and the BG shall cease to be valid after \_\_\_\_\_ irrespective whether the Original Guarantee is returned to us or not.

(c) We are liable to pay guaranteed amount or any part thereof under this Bank Guarantee only and only if you serve upon us a written demand or 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 5 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 clause number) of the subject contract an amount equivalent to .....% (.....per cent) of the delivered price of the delayed goods for each week of delay or part thereof (subject to the ceiling as provided in the aforesaid clause) beyond the original contract delivery date/the last unconditionally re-fixed delivery date (as & if applicable), viz., (fill in date) will be recovered from you as liquidated damages. You may now tender the Stores for inspection [balance of the Stores] in terms of this letter. Stores if any already tendered by you for inspection but not inspected will be now inspected accordingly.

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

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

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

(b) That notwithstanding any stipulation in the contract for increase in price on any other ground including foreign exchange rate variation, no such increase which takes place after (insert the original delivery date) 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 the expiry of the above mentioned date namely (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 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.

**Appendix G**  
(Refers to Para 38 of RFP)

**STANDARD CLAUSES OF CONTRACT**

**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, unless otherwise awarded by the Arbitration Tribunal.

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

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

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

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

### **FORCE MAJEURE**

3.1. Should any force majeure circumstances arise, each of the contracting party shall be excused for the non-fulfilment or for the delayed fulfilment of any of its contractual obligations, if the affected party within **21** days of its occurrence informs in a written form the other party.

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

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

### **PENALTY FOR USE OF UNDUE INFLUENCE**

4.1. The Seller undertakes that he has not given, offered or promised to give, directly or indirectly any gift, consideration, reward, commission, fees brokerage or inducement to any person in service of the Buyer or otherwise in procuring the Contracts or forbearing to do or for having done or for borne to do any act in relation to the obtaining or execution of the Contract or any other Contract with the Government for showing or forbearing to show favour or disfavour to any person in relation to the Contract or any other Contract with the Government. Any breach of the aforesaid undertaking by the seller or any one employed by

him or acting on his behalf (whether with or without the knowledge of the seller) or the commission of any offers by the seller or anyone employed by him or acting on his behalf, as defined in Chapter IX of the Indian Penal Code, 1860 or the Prevention of Corruption Act, 1988 or any other Act enacted for the prevention of corruption shall entitle the Buyer to cancel the contract and all or any other contracts with the seller and recover from the seller the amount of any loss arising from such cancellation. A decision of the buyer or his nominee to the effect that a breach of the undertaking had been committed shall be final and binding on the Seller.

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

### **INTEGRITY PACT**

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

- (a) A pact (contract) between the Government of India (Ministry of Defence) (the authority or the "principal") and those companies submitting a tender for this specific activity (the "bidders");
- (b) An undertaking by the principal that its officials will not demand or accept any bribes, gifts, etc., with appropriate disciplinary or criminal sanctions in case of violation;
- (c) A statement by each bidder that it has not paid and will not pay, any bribes;
- (d) An undertaking by each bidder that he shall not pay any amount as gift, reward, fees, commission or consideration to such person, party, firm or institution (including Agents and other as well as family members, etc., of officials), directly or indirectly, in connection with the contract in question. All payments made to the Agent 12 months prior to tender submission would be disclosed at the time of tender submission and thereafter an annual report of payments would be submitted during the procurement process or upon demand of the MoD.



- (e) The explicit acceptance by each bidder that the no-bribery commitment and the disclosure obligation as well as the attendant sanctions remain in force for the winning bidder until the contract has been fully executed;
- (f) Undertakings on behalf of a bidding company will be made "in the name and on behalf of the company's chief executive officer";
- (g) The following set of sanctions shall be enforced for any violation by a bidder of its commitments or undertakings:
- (i) Denial or loss of contract;
  - (ii) Forfeiture of the 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.
- (h) Bidders are also advised to have a company code of conduct (clearly rejecting the use of bribes and other unethical behaviour) and a compliance program for the implementation of the code of conduct throughout the company.
- (j) The draft Pre-Contract Integrity Pact is attached as **Annexure I to this Appendix**. The vendors are required to sign them and submit separately along with the technical and commercial offers.
- (k) Every Bidder while submitting techno commercial bid shall also deposit Rupees 10 Lakh (as applicable) as **IPBG/Security deposit** through any of the instruments mentioned at Para 8 of Annexure I. This would be submitted in a separate envelope clearly marked as IPBG along with technical and commercial proposals.

**AGENTS**

6. The Seller confirms and declares to the Buyer that the Seller is the original manufacturer of the stores referred to in this contract. The Seller confirms that he has not engaged any person, party, firm or institution as an Agent including his Agents already intimated to MoD; to, influence, manipulate or in any way to recommend to any functionaries of the Govt of India, whether officially or unofficially, to the award of the contract to the Seller, or to indulge in corrupt and unethical practices. The Seller has neither paid, promised nor has the intention to pay to any person, party, firm or institution in respect of any such intervention or manipulation. The Seller agrees that if it is established at any time to the satisfaction of the buyer that the present declaration is in any way incorrect or if at a later stage it is discovered by the Buyer that Seller has engaged any such person, party, firm or institution and paid, promised or has intention to pay any amount, gift, reward, fees, commission or consideration to such person, party, firm or institution, whether before or after the signing of this contract, the Seller will be liable for any or all of the following actions:-

- (a) To pay to the Buyer any such amount paid as gift, reward, fees or consideration along with interest at the rate of 2% per annum above LIBOR rate.
- (b) The Buyer will also have a right to put on hold or cancel the Contract either wholly or in part, without any entitlement or compensation to the Seller who shall in such event be liable to refund all payments made by the Buyer in terms of the Contract along with interest at the rate of 2% per annum above LIBOR rate
- (c) The Buyer will also have the right to recover any such amount referred in (a) and (b) above from other contracts of the Seller with the Government of India.
- (d) At the discretion of the Buyer, the Seller shall be liable for action as per extant policy on Putting on Hold, Suspension and Debarment of Entities

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

**Annexure I to Appendix G**  
(Refers to Para 5.1 (j) of Appendix G)

**PRE-CONTRACT INTEGRITY PACT**

**General**

1. Whereas the PRESIDENT OF INDIA, represented by Major General & equivalent, Service Headquarters, Ministry of Defence, Government of India, hereinafter referred to as the Buyer and the first party, proposes to procure (Name of the Equipment), hereinafter referred to as Defence Stores and M/s \_\_\_\_\_ represented by, \_\_\_\_\_ Chief Executive Officer (which term, unless expressly indicated by the contract, shall be deemed to include its successors and its assignees), hereinafter referred to as the Bidder/Seller and the second party, is willing to offer/has offered the Defence stores.
2. Whereas the Bidder is a private company/public company/partnership/registered export agency, constituted in accordance with the relevant law in the matter and the Buyer is a Ministry of the Government of India performing its functions on behalf of the President of India.

**Objectives**

3. Now, therefore, the Buyer and the Bidder agree to enter into this pre-contract agreement, hereinafter referred to as Integrity Pact, to avoid all forms of corruption by following a system that is fair, transparent and free from any influence/unprejudiced dealings prior to, during and subsequent to the currency of the contract to be entered into with a view to:
  - 3.1 Enabling the Buyer to obtain the desired defence stores at a competitive price in conformity with the defined specifications of the Services by avoiding the high cost and the distortionary impact of corruption on public procurement
  - 3.2 Enabling Bidders to abstain from bribing or any corrupt practice in order to secure the contract by providing assurance to them that their competitors will also refrain from bribing and other corrupt practices and the Buyer will commit to prevent corruption, in any form, by their officials by following transparent procedures.

**Commitments of the Buyer**

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

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

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

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

### **Commitments of Bidders**

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

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

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

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

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

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

6.6 The bidder would not enter into conditional contract with any Agents, brokers or any other intermediaries wherein payment is made or penalty is levied, directly or indirectly, on success or failure of the award of the contract. The bidder while presenting the bid, shall disclose any payments he has made during the 12 months prior to tender submission or is committed to or intends to make to officials of the buyer or their family members, Agents, brokers or any other intermediaries in connection with the contract and the details of such services agreed upon for such payments. Within the validity of PCIP, bidder shall disclose to MoD any payments made or has the intention to pay any amount, gift, reward, fees, commission or consideration to such person, party, firm or institution as an annual report during the procurement process.

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

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

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

## 7. **Previous Transgression**

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

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

## 8. **Integrity Pact Bank Guarantee (IPBG)**

8.1. Every bidder, while submitting commercial bid, shall submit an Integrity Pact Bank Guarantee for an amount of \*Rs 10 Lakhs in favour of the Buyer in Indian Rupees only.

(i) Guarantee will be from an Indian Public Sector Bank or **Private Sector Banks authorised for government transactions by RBI** promising payment of the guaranteed sum to the Ministry of Defence, Government of India, represented on behalf of the President of India, on demand within five working days without any demur whatsoever and without seeking any reasons whatsoever. The demand for payment by the buyer shall be treated as conclusive proof for payment. A model Bank Guarantee format is enclosed as **Enclosure 1** to this Annexure.

8.2. The Integrity Pact Bank Guarantee (IPBG) shall be valid upto Three years from the date of submission. However, Bidders will be required to extend the Integrity Pact Bank Guarantee, as and when required by the Buyer. In the case of the successful bidder, validity of the Integrity Pact Bank Guarantee will be extended upto the satisfactory completion of the Contract. In case a vendor unilaterally decides to withdraw from the procurement scheme or has been declared non-compliant and if he wishes to withdraw his IPBG, he may do so provided he gives an undertaking that he has no complaints and will not make any complaints in the case. Integrity Pact Bank Guarantee shall be returned promptly in case of unsuccessful bidders.

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

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

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

## 9. **Company Code of Conduct**

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

## 10. **Sanctions for Violation**

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

- (i) To immediately call off the pre-contract negotiations without assigning any reason or giving any compensation to the Bidder. However, the proceedings with the other Bidder(s) would continue.
- (ii) The IPBG/Performance-cum-Warranty Bond shall stand forfeited either fully or partially, as decided by the Buyer and the Buyer shall not be required to assign any reason therefore.
- (iii) To immediately cancel the contract, if already signed, without any compensation to the Bidder.
- (iv) To recover all sums already paid by the Buyer, in case of an Indian Bidder with interest thereon at 2% higher than the prevailing Base Rate of SBI and in case of a Bidder from a country other than India with interest thereon at 2% higher than the LIBOR. If any outstanding payment is due to the Bidder from the Buyer in connection with any other contract for any other defence stores, such outstanding payment could also be utilised to recover the aforesaid sum and interest.
- (v) To encash the advance bank guarantee and Performance-cum-Warranty Bond if furnished by the Bidder, in order to recover the payments, already made by the Buyer, along with interest.
- (vi) To cancel all or any other Contracts with the Bidder.
- (vii) To Put on Hold or Suspend or Debar the bidder as per the extant policy.
- (viii) To recover all sums paid in violation of this Pact by Bidder(s) to any Agent or broker with a view to securing the contract.
- (ix) If the Bidder or any employee of the Bidder or any person acting on behalf of the Bidder, either directly or indirectly, is closely related to any of the officers of the Buyer, or alternatively, if any close relative of an officer of the Buyer has financial interest/stake in the Bidder's firm, the same shall be disclosed by the Bidder at the time of filing of tender. Any failure to disclose the interest involved shall entitle the Buyer to debar the Bidder from the bid process or rescind the contract without payment of any compensation to the Bidder. The term '**close**

**relative'** for this purpose would mean spouse whether residing with the Government servant or not, but not include a spouse separated from the Government servant by a decree or order of a competent court; son or daughter or step son or step daughter and wholly dependent upon Government servant, but does not include a child or step child who is no longer in any way dependent upon the Government servant or of whose custody the Government servant has been deprived of by or under any law; any other person related, whether by blood or marriage, to the Government servant or to the Government servant's wife or husband and wholly dependent upon Government servant.

(x) The Bidder shall not lend to or borrow any money from or enter into any monetary dealings or transactions, directly or indirectly, with any employee of the Buyer and if he does so, the Buyer shall be entitled forthwith to rescind the contract and all other contracts with the Bidder. The Bidder shall be liable to pay compensation for any loss or damage to the Buyer resulting from such rescission and the Buyer shall be entitled to deduct the amount so payable from the money(s) due to the Bidder.

(xi) In cases where irrevocable Letters of Credit have been received in respect of any contract signed by the Buyer with the Bidder, the same shall not be opened.

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

## 11. **Fall Clause**

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

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

## 12. **Independent Monitors**

12.1 The Buyer has appointed Independent Monitors for this Pact in consultation with the Central Vigilance Commission. The names and addresses of nominated Independent Monitors at the time of issue of RFP are as follows (however the vendor



must refer to the MoD website at [www.mod.nic.in](http://www.mod.nic.in) to check for changes to these details):-

- (a) Shri Keshav Desiraju, IAS (UK:1978) (Retd)  
Flat B, 25 Radhakrishnan Salai, 9<sup>th</sup> Street,  
Mylapore, Chennai-600004  
**Email – [k.desiraju@nic.in](mailto:k.desiraju@nic.in)**
- (b) Shri Arvind Kumar Awasthi, IAS :1975 (Retd)  
A-3/2, Yarrows Apartments, C-85/5,  
Sect-62, Noida  
**Email – [arvind.awasthi@gov.in](mailto:arvind.awasthi@gov.in)**
- (c) Shri AK Manchanda, IRS : 1976 (Retd)  
B3/60, 3<sup>rd</sup> Floor, Safdarjung Enclave,  
New Delhi-110029  
**Email – [ashok.manchanda@gov.in](mailto:ashok.manchanda@gov.in)**

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

Shri Rajinder Kumar  
Director (Vigilance) MOD  
Room No - 340, B-Wing,  
Sena Bhawan, Rajaji Marg,  
DHQ PO, New Delhi -110011

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

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

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

12.6 If the Independent Monitors need to peruse the relevant records of the Buyer in connection with the complaint sent to them by the Buyer, the Buyer shall make arrangement for such perusal of records by the Independent Monitors.

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

### 13. **Examination of Books of Accounts**

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

### 14. **Law and Place of Jurisdiction**

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

### 15. **Other Legal Actions**

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

### 16. **Validity**

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

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

17. The Parties hereby sign this Integrity Pact at \_\_\_\_\_ on

BUYER

BIDDER

\_\_\_\_\_  
MINISTRY OF DEFENCE,  
GOVERNMENT OF INDIA

\_\_\_\_\_  
CHIEF EXECUTIVE OFFICER

Witness

1. \_\_\_\_\_  
2. \_\_\_\_\_

Witness

1. \_\_\_\_\_  
2. \_\_\_\_\_

**Enclosure 1**  
**(Refers to Para 8.1 of**  
**Annexure I to Appendix G)**

**FORMAT OF INTEGRITY PACT BANK GUARANTEE (IPBG)**

To,

**Directorate of Combat Engineers (DGCE) / CE-5(B)**  
**E-in-C's Branch, Kashmir House**  
**Rajaji Marg, New Delhi-110011**  
**Fax No: 011-23019675**  
**E Mail – ce5-einc-army@nic.in**

1. In consideration of President of India represented by Major General or equivalent, Service Headquarters, Ministry of Defence, Government of India (hereinafter referred to as the Buyer and/ or the first party) having agreed to accept a sum of **Rs 30 Lakhs (Rupees Thirty Lakhs only)** from M/s \_\_\_\_\_ of \_\_\_\_\_ (hereinafter referred to as Bidder and/ or the Second party) in the form of Bank Guarantee towards Integrity Pact for the Request for proposal for procurement of \_\_\_\_\_ we \_\_\_\_\_ (Name of the Bank), (hereinafter referred to as the Bank), do hereby undertake to pay to the Buyer on demand within 5 (five) working days-without any demur and without seeking any reasons whatsoever, an amount not exceeding **Rupees 30 Lakhs (Rupees Thirty Lakhs only)** and the guarantee will remain valid upto three years from the date of its issue i.e \_\_\_\_\_ (Issue date). The Integrity Pact Bank Guarantee shall be extended from time to time as required by the Buyer and agreed by the Bidder to the Bank.
2. We undertake not to revoke this guarantee during this period except with the previous consent of the Buyer in writing and we further agree that our liability under the Guarantee shall not be discharged by any variation in the term of the commercial offer.
3. No interest shall be payable by the Buyer to the Bidder(s) on the guarantee for the period of its currency.
4. Notwithstanding anything contained herein above:-
  - (a) Our liability under the Guarantee shall not exceed **Rupees 30 Lakhs (Rupees Thirty Lakhs only)**.
  - (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 the 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 Bank)

Through its authorized signatory  
 (Signature with seal)

**Appendix H**

(Refers to Para 39 (b) of RFP)

**EVALUATION CRITERIA & PRICE BID FORMAT****1. Evaluation Criteria.** The guidelines for evaluation of Bids will be as follows:-

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

1.2. While carrying out evaluation of bids to determine L1 (including where DCF Technique is applicable), the following criteria would be followed:-

1.2.1 **In Case of Indian Bidders including Defence PSUs/OFs.** All costs, taxes (including GST) and duties quoted by the vendor at Serials A to L of Para 2 below would be considered for purpose of comparison of various bids.

1.2.2. **Where DCF Technique As Given In Para 3 Is Not Applicable.** L-1 bidder will be determined on the basis of quoted cost of all items including all taxes and duties payable to central/state/local Government.

1.2.3 **Where DCF Technique As Given In Para 3 Is Applicable.** DCF technique will be applied including taxes and duties to ascertain the NPV which would be used for determining L1 bidder.

1.2 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) for the same shall be issued by the Buyer. In case where Custom Duty is not exempted, Basic Custom Duty on input material is to be included in the cost of Basic Equipment, Installation/ Commissioning/ Integration, BNE, ToT, MRLS, SMT, STE and ESP and any other item listed at Column (ii) of Para 2 below.

1.3. 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. The columns of 'quantity', 'unit cost' and 'total cost (including all taxes and duties)', GST/IGST (%) and Custom Duty (%) are to be filled up with positive numerical values or 'Nil' 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.

<u>Ser No</u>	<u>Items</u>	<u>Qty</u>	<u>Unit cost</u>	<u>Total Cost (including all taex and duties)</u>	<u>Indicative Rate of Taxes &amp; Duties used to arrive at Total Cost (as applicable)</u>		<u>Remarks</u>
					<u>GST/IGST (%)</u>	<u>Custom Duty (%)</u>	
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)
A.	Cost of <b>Hydraulic Mobile Crane</b> Full break-up details may be given	40					
B.	Cost of <b>Installation/Commissioning</b>						
C.	Cost of <b>Manufacturer's Recommended List of Spares</b> as per the format given at Annexure I to Appendix D.						
D.	Cost of <b>Special Maintenance Tools and Special Test Equipment</b> as per format given at Annexure II to Appendix D.						
E.	Cost of <b>Operator's Manual and Technical Literature</b> (in English) including Illustrated Spare Parts List as per Annexure I to <b>Appendix D</b> .						
F	Cost of <b>Training Aids</b> such as simulators, cut out models, films, charts etc as recommended by the supplier as per Annexure II to Appendix D.						
G.	Cost of recommended scope of <b>Training</b> excluding the cost of travel and boarding and lodging. This should be given under the following two heads as per Annexure II to <b>Appendix D</b> and Para 16 of RFP.  (a) In India.						

<u>Ser No</u>	<u>Items</u>	<u>Qty</u>	<u>Unit cost</u>	<u>Total Cost (including all taxes and duties)</u>	<u>Indicative Rate of Taxes &amp; Duties used to arrive at Total Cost (as applicable)</u>		<u>Remarks</u>
					<u>GST/IGST (%)</u>	<u>Custom Duty (%)</u>	
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)
H.	<b>Any other</b> cost (to be specified).						
J.	<b>Freight and Transit Insurance</b> Cost (where applicable).						
K.	<b>Total Cost</b> (Total of Serial A to J)						This will be used in determining L1 vendor (duly applying provisions of Para 1 above).
L.	<b>Foreign Exchange component</b> of the Proposal. (for Indian Vendors only)						This will be with reference to Para 1.2 of Appendix G

**Note : Taxes and Duties.** If there is a change in tax structure promulgated by the GoI, then rates of taxes indicated at columns (vi) & (vii) above will be used for revising the total cost.

3. **Evaluation of Bids by DCF Technique** (**Note:** This clause is to be included only if there is AMC clause or any other condition in RFP, resulting in different cash outflows in successive years) -

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

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

Where,

NPV = Net Present Value

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

n = Duration of cash flow stream

r = Discounting Rate

t = The period after which payment is done

The bid with the lowest NPV would be selected.

3.2. The Discounting rate will be 8%". (Note-This will be the Government of India's lending rate on loans given to state governments, as notified by Budget Division of Ministry of Finance annually).

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

The cash outflows as shown in price bids will be taken into consideration. NPV of different bids will be calculated using the formula given above and the one having lowest NPV will be selected as L-1.

3.4. **Structuring Cash Flows for Tenders/Bids Received in Different Currencies.**

Where bids are received in different currencies/combination of currencies, the cash outflow will be brought to a common denomination in rupees by converting foreign currency bids into rupees by taking into account the BC selling rate of Parliament Street Branch of State Bank of India, New Delhi on the ERV reckoning date (as defined in Annexure II to Appendix F), ie the last date of submission of Commercial Bids as per RFP. Thereafter, the procedure as described above in Para 3.3 will be applied to arrive at NPV.

3.5. All bidders are required to indicate year-wise and currency-wise amount required as per their price bid in format given below. In case 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.

<u>Year</u>	<u>Dollars</u>	<u>Euros</u>	<u>Pound Sterling</u>	<u>Rupees</u>	<u>Total Cash-flow</u>