

REQUEST FOR INFORMATION

MANUFACTURE OF AMMUNITION FOR INDIAN ARMY BY INDIAN PRIVATE VENDORS

General.

1. The Master General of Sustenance, Integrated HQs of Ministry of Defence (Army), invites Request for Information (RFI) for manufacture of following ammunitions for Indian Army by Indian Private Vendors as per details given below:-

S.No	Nomenclature
(a)	Cartg SA 7.62mm Intermediate Rimless For AK-47/AK-56/AKM Rifles

Purpose of the RFI.

2. The purpose of the RFI is to facilitate preparation of Request for Proposal (RFP) and identify prospective manufacturers for participating in the proposal for indigenous manufacture of amns mentioned at Para 1 above.

Overview of the Ammunition Requirements.

3. 7.62mm Caliber ammunitions for use with AK-47/AK-56/AKM Rifles is proposed to be offered for manufacture under the initiative. Qty proposed are as follows:-

S. No	Nomenclature	Annual Reqmt	Remarks
(a)	Cartg SA 7.62mm Intermediate Rimless For AK-47/AK-56/AKM Rifles	65,91,936	Indian Private Industries to meet annual reqmt for next 10 years

4. The technical and operational parameters of the various 7.62mm ammunitions are attached as per following details:-

S. No	Nomenclature	Technical Specification
(a)	Cartg SA 7.62mm Intermediate Rimless For AK-47/AK-56/AKM Rifles	Appx 'A'

5. Manufacturing, Technology and Design.

(a) 7.62mm ammunitions for use with AK-47/AK-56/AKM Rifles as mention above will have to meet all specifications of in-service ammunitions. However, the prospective manufacturers will be free to select their technology partners, negotiate and obtain transfer of technology (ToT). The technology partners could be indigenous OFB/DRDO/any foreign vendor. Indian Army and MoD will have no liability in ToT agreements between the participating vendor and their ToT partners.

(b) Sample of the above ammunitions is available at the display rooms of Ammunition Depots. Vendors desirous of seeing the sample may approach the undersigned at the contact available mentioned at Para 14.

6. **Manufacturing Infrastructure**. The Govt of India will neither provide any special concessions nor any funding / investment to facilitate setting up requisite infrastructure by participating firms.

7. **Licensing/Clearances**. The participating manufacturers will be responsible to obtain necessary clearances from MHA (under Arms Act), from DIPP (manufacturing licenses) and any other permissions necessary for manufacture of ammunition.

8. **Selection/ Short listing Process**. The selection and procurement process will follow the provisions of DPM 2009.

(a) **RFP**. The RFP is proposed to be an Open Tender Enquiry (OTE) on two bid system.

(b) **Financial Evaluation**. The financial evaluation of participating companies will be based on the under mentioned aspects:-

(i) **Consolidated Turnover**. **Rs 15 Crore** for each of last three financial years based on financial statements audited under the relevant Companies Act and adopted and approved by the board of directors/shareholder (excluding NBFCs and any associate company)

(ii) **Net Worth**. Net Worth at gross book value as specified in the last consolidated financial statements audited under the relevant Companies Act and adopted and approved by the board of directors/shareholders (excluding NBFCs and any associate company) of **Rs 15 Crore**.

(iii) **Credit Rating**. Applicant Company to have minimum credit rating (long term/issuer rating) equivalent to "BBB" as on the date of the application by any of the credit rating agencies approved by Securities and Exchange Board of India (SEBI).

(iv) **Other Conditions**.

(aa) Promoters and directors of the Applicant Company and the Segment Group Co. should not be willful defaulters to the banking system or their loans from banks and financial institutions have been classified as non-performing assets by such institutions as on the date of the application. They should not be listed on exporters' caution list of the Export Credit Guarantee Corporation or be otherwise banned or blacklisted by Reserve Bank of India ("RBI"), GoI, other government agencies and Public Sector Undertakings etc. in the context of procurement or otherwise. This should be supported by a certificate(s) of the statutory auditor(s).

(ab) The applicant company or the segment company shall not be under Corporate Debt Restructuring Mechanism("CDR") / Strategic Debt Restructuring Scheme / Joint Lender Forum's corrective action plan, as prescribed by the RBI at the time of submission of application; and their account with any bank is not classified in 'Non-performing asset' category at the time of submission of the application. The above should be supported by a certificate(s) of the statutory auditor(s).

(ac) The latest audit reports of the Applicant Company and the Segment Group Co. should not have any qualifications.

(c) **Technical Evaluation**. The technical evaluation is proposed to be a two stage process – verification of technical documentation submitted with the bid in response to RFP, followed by NCNC trials of ammunition for those who qualify at initial stage. The ammunition for NCNC trial may be manufactured by participating vendor or by ToT partner. In addition a technical committee to evaluate ability of bidders to undertake ammunition manufacture may be formed by MoD. The parameters of such evaluation if included, will be elaborated in the RFP.

(d) **Commercial Evaluation**. Commercial evaluation will only be carried out for firms who have qualified in all respect the technical evaluation.

9. **Contracts and Deliveries**. The selected manufacturer will be expected to commence supply of ammunition within six months of signing of the contract. The initial supply may be through SKD/CKD ammunition procured from the Transfer of Technology (ToT) partner of the manufacturer. The subsequent supply of ammunition will be manufactured in India. To facilitate initial proofing, testing and firing ranges/ facilities may be provided to selected manufacturers at cost to be borne by the seller. The acceptance of ammunition by Army's QA/QC agency will be by lots as per acceptance test procedures negotiated during the contract negotiations. These will include documentation to ensure process QC, as also aspects such as traceability etc necessary for ammunitions.

10. **Indigenisation Road Map**. It is proposed that the manufacturer should develop the infrastructure and absorb the complete ToT for manufacture of ammunition within two years from signing of contract. It is proposed that the manufacturer will ensure continuous availability of minimum one year's stock of ex-import components during first two years after signing of contract or 100% indigenization, whichever is earlier. In case full indigenization is either not possible or not proposed, the manufacturer from third year onwards will have to hold two year's stock of ex-import content at all times.

RFI Response Requirements

11. Manufacturers interested in participating in the proposal may forward their inputs to cover aspects as per RFI questionnaire at **Appendix 'B'**, to enable preparation of RFP.

12. **Industry Interaction**. After issue of RFI, a briefing of interested manufactures will be carried out on **M+25 Days at 1100hrs at Room No. 243, MGO Conference Hall** to further clarify the Army's requirement to enable fielding response to RFI.

13. **RFI Response Submission**. The response to RFI must be submitted in a sealed cover along with an application duly signed and stamped on all pages by an authorized signatory. The same must reach the following address on or before **M+60 Days** in the following manner: -

(a) Two hard copies and two soft copies are required to be submitted in sealed covers labeled **"Proposal for Manufacture of 7.62mm Caliber ammunitions for use of AK-47/AK-56/AKM Rifles for Indian Army by Indian Industry"** along with name of bidding firm on the cover page/CD at the following address:-

GSO-1, OS (Amn Proc)
OS Dte/MGO's Branch
IHQ of MoD (Army)
Room No. 213, D-II Wing
Sena Bhawan, New Delhi -110 011

(b) If required additional copies may have to be submitted on request.

(c) The response should be in English language and font size 12 (including text for footnotes, headers etc).

(d) Submission after the due date and time may **NOT** be accepted.

14. **Clarifications/Queries.** Last date for submission of queries and clarifications is **M+20 Days**. Communication received after **1600 hours (04 p.m)** on **M+20 Days** will not be responded. Respondents should provide details of their contact person's telephone & mobile Nos, Fax, email and full address(s) to ensure that replies to queries to RFI can be conveyed promptly. If MoD/ Army, in its absolute discretion deem that the originator of the question will gain an advantage by a response to a question, then MoD/ Army reserves the right to communicate such response to all respondents. Queries and clarifications regarding the RFI should be sent to under-mentioned officers. Queries sent through post must in addition be sent on the email provided below: -

<u>Primary Contact Person.</u>	<u>Alternate Contact Person.</u>
Brig MGO Proc MGO's Branch IHQ of MoD (Army) Room No 214A, 'A' Wing, Sena Bhawan New Delhi - 110011 Email ID: pisces13.libra26@gov.in Contact No. 011-23019458 Fax Number:- 011-23019458	GSO-1, OS(Amn Proc) OS Dte/MGO's Branch IHQ of MoD (Army) Room No 213, D-II Wing, Sena Bhawan New Delhi -110011 Email ID: ddos.amn-oscc@nic.in Contact No. 011- 23793316 Fax Number:- 011-23019517

15. **Completeness of Response.** Prospective manufacturers are advised to study all the RFI documents carefully. Submission of documents shall be deemed to have been done after careful study and clear understanding of its implications. The response on previous experience must showcase the manufacturer's capability to execute the proposal (similar assignments, expertise, skill sets etc).

16. **Right to Terminate the Process.** The MoD / Army reserves the right to issue a corrigendum to RFI, withdraw the RFI or/and reject any request for tender document or not to proceed with subsequent stages without assigning any reason at any stage.

17. **Ownership Rights.** All submissions, including any accompanying documents, will become the property of MoD / Army. Recipients shall be deemed to be granted all rights to reproduce whole or any portion of their submission for the purpose of evaluation, to disclose the contents of the submission to other recipients who have registered a submission and to disclose and/or use the contents of the submission as the basis for any resulting RFI process, notwithstanding any copyright or other intellectual property right that may subsist in the submission or accompanying documents.

18. **Non-Disclosure Agreement.** The manufacturer will be subject to non-disclosure agreement.

General Information

19. **Disclaimer.**

(a) The RFI document contains statements derived from the information that is believed to be reliable as on date, but does not purport to provide all of the information that may be necessary or desirable to enable an intending contracting party to determine whether or not to enter into a contract or arrangement with MoD/ Army in relation to the provision of services.

(b) Subject to any law to the contrary, and to the maximum extent permitted by law, MoD/ Army and its officers, employees, contractors, agents, and advisers disclaim all liability from any loss or damage (whether foreseeable or not) suffered by any person acting on or refraining from acting because of any information including forecasts, statements, estimates, or projections contained in this request for RFI document or conduct ancillary to it whether or not the loss or damage arises in connection with any negligence, omission, default, lack of care or misrepresentation on the part of MoD/ Army or any of its officers, employees, contractors, agents, or advisers.

20. **Recipient's Obligation to Inform Itself**. The recipient must conduct its own investigation and analysis regarding any information contained in the RFI document and the meaning and impact of that information.

21. **Costs to be Borne by Respondents**. All costs and expenses incurred by respondents in any way associated with the development, preparation, and submission of responses, including attendance at meetings, discussions, demonstrations, etc. and providing any additional information required by MoD/ Army, will be borne entirely and exclusively by the respondent.

22. **No Legal Relationship**. No binding legal relationship will exist between any of the respondents and MoD/ Army until execution of a contractual agreement. The selection in the RFI or participation in the RFI process doesn't qualify for any contractual obligation from MoD/ Army.

Sd/-x-x-x-x
(Amol Chaudhari)
Lt Col
GSO – 1 (OS Amn Proc)
for DGOS

Case No : A/18211/RFI/7.62mm AK47/56/AKM /OS Amn Proc

Dated : 23 Nov 2020

**Technical Specification Cartg SA 7.62mm Intermediate Rimless for use with
AK-47/AK-56/AKM Rifles**

1. Cartg 7.62 amn is to be used with AK-47/AK-56/AKM.
2. The Cartg consist of:-
 - (a) Brass Cartg Case with weight 7.4g.
 - (b) Bullet with weight of 7.75 to 8.05g steel jacket placed with brass lead casing, steel core.
 - (c) Primer of Berdan Type.
 - (d) Powder Charge (Nitrocellulose powder or equivalent)
 - (e) Cartg weight 16.5 to 17.4g
 - (f) Average Bullet speed $V_{25} = 710 \text{ TO } 725 \text{ m/s}$.
 - (g) Max powder gas pressure:

	For crush method
P max highest	$\leq 299.1 \text{ MPa}$
P max average	$\leq 274.6 \text{ MPa}$
P max lowest	$\geq 220.6 \text{ MPa}$

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- (h) Average accuracy of Bullets:-

Distance (m)	100	200	300
Accuracy R50 (cm)	≤ 2.5	≤ 5.0	≤ 7.5

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- (j) Power used for extracting the bullet from the case : $P = 392 \text{ to } 1079 \text{ N}$
- (k) Max Range : 3600m
- (l) Effective Range : 400m
- (m) Penetration 3mm Steel Plate (range : 800m)

RFI QUESTIONNAIRE

<u>S No</u>	<u>Question/ Specification</u>
	<u>General Requirements</u>
1.	Is the Company/Firm an Indian Private/ Public Enterprise with own registered office and operations in India. Support documents will be required at RFP stage.
2.	Has the Company/ Firm including Indian/ToT partners been banned at any time by State/ Central Govt.?
3.	Are you willing to participate in the proposal for manufacture of Ammunitions under own arrangement.
	<u>Financial Strength of Manufacturer</u>
4.	What is the annual turnover of the Company for the last three financial years (2017-18 to 2019-20).
5.	What is the net worth of the Company for the last three financial years? Support documents will be required at RFP stage.
6.	Does the firm meet all the proposed Financial Evaluation criteria listed at para 8 (b) of RFI.
	<u>Licensing / Permits</u>
7.	Does the Company/Firm have the requisite licenses & clearances to manufacture ammunition from Govt of India?
8.	If yes, is the license from MHA and/or Ministry of Industries for handling and manufacture of ammunition.
9.	If No, has the Company/ Firm applied for obtaining license to manufacture ammunition in India?
10.	If answer to 09 is yes, then what is the anticipated time to obtain licenses / permission?

<u>S No</u>	<u>Question/ Specification</u>
11.	Does the Company/Firm have any past experience of manufacture of ammunition or any components required for ammunition? “ If yes, the details thereof to be submitted by Company/Firm.”
12.	Does the company have any proofing & testing facilities? If no, then is it proposed to set up the same as part of the project?
13.	What is the visualized cost for Transfer of Technology and development of infrastructure for manufacture of ammunition in which the company is willing to participate?
14.	Is the Company ISO:9001 compliant on the date of response of RFI?
15.	Is the key technology or raw material for manufacture of ammunition available in India. If proposed to be sourced ex import, please provide details of the same?
<u>Manufacturing, Infrastructure & Technology.</u>	
16.	Do you have an in-house capability/ expertise or Intellectual Property Right (IPR) to manufacture the Ammunition ? If yes, please specify.
17.	Does the Company/Firm have a Joint Venture/agreement/MOU/partnership with foreign OEM for Transfer of Technology and manufacture of ammunition in India? Is the company part of a consortium? If Yes please indicate the details of the members of the consortium and the lead agency.
18.	How much time does the Company/Firm visualize to absorb 100% ToT. Please support with requisite justification.
19.	What is the level/ percentage of indigenization in terms following likely to be achieved. (a) Cost (b) Technology (c) Raw Material (d) Overall content.
20.	In case 100% indigenization is not achieved, which of the following is an acceptable model till full indigenization is achieved:- (a) Hold two years stock of ex import components. (b) Provided Bank Guarantee for equal value of two years stock of ex import components. (c) Any other model/suggestion.
21.	Is the Company/Firm capable to supply ammunition within six months, if the contract is awarded to them.
22.	Is the Company/Firm willing to offer ammunition for evaluation on No Commitment No Cost (NCNC) basis.

<u>S No</u>	<u>Question/ Specification</u>
23.	What is the broad plan/ strategy for implementation of proposal for manufacture of Ammunitions ?
	<u>Miscellaneous</u>
24.	Is the Company willing to adhere by Non-Disclosure Agreement?
25.	Any other information which the company feels to submit which will enable manufacture of Ammunition in India.
26.	Any suggestions to facilitate preparation of RFP for Make in India ammunition manufacture (attach separate sheet if necessary).
27.	Necessary warranty clause and free replacement during warranty period may be included.

COVERING LETTER

Company Letter Head

GSO-1, OS (Amn Proc)
OS Dte/MGO's Branch
IHQ of MoD (Army)
Room No – 213, D-II Wing
SenaBhawan
New Delhi -110 011

Reference: RFI for manufacture of ammunition of 7.62mm Caliber by Indian Private Vendors

Dear Sir,

1. This is to notify you that our company intends to submit a proposal in response to the RFI request for manufacture of following ammunition.

S.No	Nomenclature
(a)	Cartg SA 7.62mm Intermediate Rimless For AK-47/AK-56/AKM Rifles

2. Primary and Secondary contacts for our company are: -

	<u>Primary Contact</u>	<u>Secondary Contact</u>
Name:		
Title:		
Company Name:		
Address:		
Phone		
Mobile:		
Fax:		
E-Mail		

3. We confirm that the information contained in this response or any part thereof, including its exhibits, and other documents and instruments delivered or to be delivered are true, accurate, verifiable and complete. The response includes all information necessary to ensure that the statements therein do not in whole or in part mislead MoD / Army in its short listing process.

4. We fully understand and agree to comply that verification, if any of the information provided here is found to be misleading the short listing process or unduly favors our company in the short listing process, we are liable to be dismissed from the selection process.

5. It is hereby confirmed that I/we are entitled to act on behalf of our corporation/company/firm/organization and empowered to sign this document as well as such other documents, which may be required in this connection.

6. This response to RFI is valid until DD MM YY<minimum two years>.

Dated this _____ Day of _____ 2020

(Signature)

(In capacity of)

Duly authorized to sign the RFI response for and on behalf of

Sincerely,

Signature:

Name:

Title/Appointment:

Name and Address of Company

Date:

(Seal/ Stamp of System Integrator)

Certificate as to Authorized Signatories

I, certify that I am _____ of the _____, and that _____ who signed the above response is authorized to bind corporation/company by authority of its governing body.

(Company Seal)

Date:

(Authorized Signatory of Company)

FORMAT :DETAILS OF THE ORGANIZATION

<u>Details of the Organization</u>	
Name	
Nature of the legal status in India	
Nature of business in India	
Date of Incorporation	
Date of Commencement of Business	
Address of the Headquarters	
Address of the Registered Office in India	
Details of the Contact Person (incl Address, Phone, Fax and e-mail)	
Other Relevant Information	

Note: Please attach relevant certification/documentary proofs

Company Seal

Place _____

Date _____

(Authorized Signatory of Company)

FORMAT-FINANCIAL INFORMATION

<u>Financial Information</u>	<u>FY 2017-18</u>	<u>FY 2018-19</u>	<u>FY 2019-20</u>
Total Turnover (in INR crores)			
Profit After Tax (in INR crores)			
Net worth (in INR crores)			
Other Relevant Information			

Note: Please attach audited relevant balance sheets as documentary proofs

Company Seal

(Company Secretary/ Statutory Auditor)

Place _____

Date _____

FORMAT -IMPLEMENTATION EXPERIENCE

Assignment name	
Name of Client	
Address	
Start Date (Month/Year)	
Completion Date (Month/Year)	
Supply Completion Certificates	
Acceptances from Concerned Officers	
Approx value of the contract	
Duration of contract (months)	
Approx value of the services provided under the contract (in Current INR)	
Licensing	
Name of senior professional staff of your firm	
Project Manager:	
Narrative Description of Project:	
Description of Actual Services Provided by Manufacturer:	

Note: Please attach relevant documentary proofs

Company Seal

Place _____

Date _____

(Authorized Signatory of Company)

QUALITY CERTIFICATION ASSESSMENT

Name of Certificate	
Valid Till	
Certified Entity	
Units/Locations Assessed	
Issuing Authority	
Other Relevant Information (Enclose copy the certificate)	

Note: Please attach copy of the certificate

(Authorized Signatory of Company)

NON-DISCLOSURE AGREEMENT

(To be provided on the letterhead of the company)

It is certified that the company or any representative of the company or agents authorized by the company will not disclose any information gained by them or their representatives or agents, while interacting with the personnel of the MoD / Army or any documents received by them or any study carried out by them, directly or indirectly to any company or institution or press.

Company Seal

(Authorized Signatory of Company)

Place _____

Date_____

COMPLIANCE SHEET FOR CAPABILITIES OF AMMUNITION

The manufacturer has to mention conformity to all the technical and operational parameters proposed as per Appendix A.

Table 1

<u>Ser</u>	<u>Technical Parameters</u>	<u>Yes/No</u>
1.		
2.		

Table 2

<u>Ser</u>	<u>Operational Parameters</u>	<u>Yes/No</u>
1.		
2.		

(Authorized Signatory of Company)

Note :- To be submitted separately for each ammunition the vendor desires to participate in.