

REQUEST FOR PROPOSAL

Directorate of Weapon Equipment, Integrated Headquarters, Ministry of Defence (Navy), 'C' Wing, Sena Bhawan, New Delhi-110011

INVITATION OF TECHNICAL AND COMMERCIAL BIDS FOR SUPPLY AND COMMISSIONING OF SEVEN IN NO. 400 BAR HP AIR COMPRESSORS

Request for Proposal (RFP) No. – WM/9047/COMP/PC-23 dated 28 Oct 16

1. Bids under Two Bid System, from Indian Original Equipment Manufacturers (OEM), in sealed cover are invited for supply of items listed at SOR. Please super scribe the above mentioned Title, RFP number and date of opening of the Bids on the sealed cover to avoid the Bid being declared invalid.

2. **Tender Fee.** Tender fee is to be paid by a Demand draft of Rs. 1000/- (non refundable) in favour of "Principal Controller of Defence Accounts (Navy), Mumbai" along with following documents at the time of submission of Tender:-

(a) Product range/specialization of the firm.

(b) Proof of successful execution of at least 01 similar nature order in the last five years (not earlier than 2011) for the Army, Navy, IAF, or other Central Govt. Depts./ DPSUs .

3. The address and contact numbers for sending Bids or seeking clarifications regarding this RFP are given below –

(a) Bids/queries to be addressed to: **Principal Director Weapon Equipment**

(b) Postal address for sending the Bids:-

**Directorate of Weapon Equipment,
Integrated Headquarters,
Ministry of Defence (Navy),
'C' Wing, Sena Bhawan,
New Delhi-110011**

(c) Name/designation of contact person: **Cdr M Pisolkar, JDWE/
Cdr Rahul Kumar Roy, JDWE**

(d) Telephone number of contact person: **011-23010192**

(e) E-mail id of contact person: dwe-navy@nic.in

(f) Fax number: **011-23011028**

4. This RFP is divided into five Parts as follows:

- (a) **Part I** – Contains General Information and Instructions for the Bidders about the RFP such as the time, place of submission and opening of tenders, Validity period of tenders, etc.
- (b) **Part II** – Contains essential details of the items/services required, such as the Schedule of Requirements (SOR), Technical Specifications, Delivery Period, Mode of Delivery and Consignee details.
- (c) **Part III** – Contains Standard Conditions of RFP, which will form part of the Contract with the successful Bidder.
- (d) **Part IV** – Contains Special Conditions applicable to this RFP and which will also form part of the contract with the successful Bidder.
- (e) **Part V** – Contains Evaluation Criteria and Format for Price Bids.

5. This RFP is being issued with no financial commitment and the Buyer reserves the right to change or vary any part thereof at any stage. Buyer also reserves the right to withdraw the RFP, should it become necessary at any stage.

Part I – General information

1. **Last date and time for depositing the Bids.** Last date and time for depositing of the bids is **09 Dec 16 at 1100 hrs.** The sealed Bids (both technical and Commercial) should be deposited/reach by the due date and time. The responsibility to ensure this lies with the Bidder.
2. **Manner of depositing the Bids.** Sealed Bids should be either dropped in the Tender Box marked as **TENDER BOX-DWE** or sent by registered post at the address given above so as to reach by the due date and time. **Late tenders will not be considered.** No responsibility will be taken for postal delay or non delivery/non-receipt of Bid documents. Bids sent by FAX or e-mail will not be considered (unless they have been specifically called for by these modes due to urgency).
3. **Date and time for opening of Bids.** Date and time for opening of bids is **09 Dec 16 at 1500 hrs.** (If due to any exigency, the due date for opening of the Bids is declared a closed holiday, the Bids will be opened on the next working day at the same time or on any other day/time, as intimated by the Buyer).
4. **Location of the Tender Box.** **Main Reception, "A" Wing, Sena Bhawan, New Delhi-110011.** Only those Bids that are found in the tender box will be opened. Bids dropped in the wrong Tender Box will be rendered invalid.
5. **Place of opening of the Bids.** Bids shall be opened in the office of **PDWE, Room No.-317,C-Wing, Sena Bhawan, New Delhi-110011.** The Bidders may depute their representatives, duly authorized in writing, to attend the opening of Bids on the due date and time. Rates and important commercial/technical clauses quoted by all Bidders will be read out in the presence of the representatives of all the Bidders. This event will not be postponed due to non-presence of your representative.
6. **Two-Bid system.** Only the Technical Bid would be opened on the time and date mentioned above. Date of opening of the Commercial Bid will be intimated after acceptance of the Technical Bids. Commercial Bids of only those firms will be opened, whose Technical Bids are found compliant/suitable after Technical evaluation is done by the Buyer.
7. **Forwarding of Bids.** Bids should be forwarded by Bidders under their original memo/ letter pad with complete postal & e-mail address of their office. Indian bidders are also required to furnish details like TIN number, VAT/CST number, Bank address with EFT account if applicable, etc.
8. **Clarification regarding contents of the RFP.** A prospective bidder who requires clarification regarding the contents of the bidding documents shall notify to the Buyer in writing about the clarifications sought not later than

14 (fourteen) days prior to the date of opening of the Bids. Copies of the query and clarification by the purchaser will be sent to all prospective bidders who have received the bidding documents.

9. **Modification and Withdrawal of Bids.** A bidder may modify or withdraw his bid after submission provided that the written notice of modification or withdrawal is received by the Buyer prior to deadline prescribed for submission of bids. A withdrawal notice may be sent by fax but it should be followed by a signed confirmation copy to be sent by post and such signed confirmation should reach the purchaser not later than the deadline for submission of bids. No bid shall be modified after the deadline for submission of bids. No bid may be withdrawn in the interval between the deadline for submission of bids and expiration of the period of bid validity specified. Withdrawal of a bid during this period will result in Bidder's forfeiture of bid security.

10. **Clarification regarding contents of the Bids.** During evaluation and comparison of bids, the Buyer may, at its discretion, ask the bidder for clarification of his bid. The request for clarification will be given in writing and no change in prices or substance of the bid will be sought, offered or permitted. No post-bid clarification on the initiative of the bidder will be entertained.

11. **Rejection of Bids.** Canvassing by the Bidder in any form, unsolicited letter and post-tender correction may invoke summary rejection with forfeiture of EMD. Conditional tenders will be rejected.

12. **Unwillingness to quote.** Bidders unwilling to quote should ensure that intimation to this effect reaches before the due date and time of opening of the Bid, failing which the defaulting Bidder may be de-listed for the given range of items as mentioned in this RFP.

13. **Validity of Bids.** The Bids should remain valid till one year from the last date of submission of the Bids.

14. **Earnest Money Deposit.** Bidders are required to submit Earnest Money Deposit (EMD) for amount of Rs. 44,84,000 (Rupees Forty Four Lakhs Eighty Four Thousand only) along with their bids. The EMD may be submitted in the form of an Account Payee Demand Draft, Fixed Deposit Receipt, Banker's Cheque or Bank Guarantee from any of the public sector banks or a private sector bank (ICICI Bank, HDFC Bank & Axis Bank) authorized to conduct government business as per Form DPM-13 (Available in MoD website and can be provided on request). EMD is to remain valid for a period of forty-five days beyond the final bid validity period. EMD of the unsuccessful bidders will be returned to them at the earliest after expiry of the final bid validity and latest on or before the 30th day after the award of the contract. The Bid Security of the successful bidder would be returned, without any interest whatsoever, after the receipt of Performance Security from them as called for in the

contract. EMD is not required to be submitted by those Bidders who are registered for the same item/range of products/goods or services with the Central Purchase Organization (e.g. DGS&D), National Small Industries Corporation (NSIC) or any Department of MoD or MoD itself. The EMD will be forfeited if the bidder withdraws or amends impairs or derogates from the tender in any respect within the validity period of their tender.

15. **Pre Bid Conference.** To bring all vendors at par, a pre bid vendor conference will be conducted at **1500 hrs on 24 / 25 Nov 16** at, INS Tunir, Mumbai. Attendance of the pre-bid conference is **mandatory**, in order to appreciate the actual onsite requirements, especially for interfacing with the existing system. Non-attendance of the pre-bid conference may lead to disqualification during the technical evaluation stage. Up to three representatives per vendor (Indian nationals only) may attend the conference. Vendors are to confirm the names of their representatives by **1500 hrs on 21 Nov 16** to DWE, Tele No. 011-23010192, Fax 011-23010128. Point of Contact for pre-bid conference is Cdr M Rodrigues , Addl Chief Engg, INS Tunir, Phone :- 022-27238501, Mob No :- 09757231609.

Part II – Essential Details of Items/Services required

1. **Schedule of Requirements.** List of items / services required is as follows:

Ser	Description of items	Quantity
(a)	400 bar motor driven, trolley mounted HP Air Compressors with waterproof covers, essential tools and accessories, towable by prime movers.	07
(b)	Testing and Commissioning of Compressors at site including interfacing with existing air primers/system	07
(c)	Operation and first line servicing/maintenance training at site in Mumbai and Visakhapatnam	-
(d)	Operation and Maintenance Manual/ Documentation for each compressor.	07
(e)	Comprehensive AMC for 05 years post expiry of warranty	07

2. **Technical Details.** As specified at Appendix 'A'.

3. **Two-Bid System.** Bids are to be submitted under Two Bid System. Bids are to be clearly marked as '**Technical Bid**' and '**Commercial Bid**' on the envelopes. Failure to do so/ incorrect marking will render the bid liable for disqualification. In the technical bid, Bidders are required to furnish clause by clause compliance of specifications bringing out clearly the deviations from specification, if any. The Bidders are advised to submit the compliance statement in the following format along with Technical Bid: –

Para of RFP specifications item-wise	Specification of item offered	Compliance to RFP specification – whether Yes / No	In case of noncompliance, deviation from RFP to be specified in unambiguous terms

4. **Delivery Period.** Delivery period for supply of items including commissioning and training would be a maximum of 9 months from the effective date of contract. The supplier shall submit Acceptance test

Procedure (ATP) to the buyer within 30 days of placement of order. The ATP will be approved by the buyer within 30 days of submission. Please note that Contract can be cancelled unilaterally by the Buyer in case items are not received within the contracted delivery period. Extension of contracted delivery period will be at the sole discretion of the Buyer, with applicability of LD clause.

5. **INCOTERMS for Delivery and Transportation – (“E”/“F”/ “C”/ “D” Terms).**

The items are to be door delivered to INS Tunir, Navi Mumbai and INS Kalinga, Visakhapatnam.

6. **Site Visit.** The firms may depute maximum of 02 representatives for site inspection and work estimation at INS Tunir, Navi Mumbai and INS Kalinga, Visakhapatnam for discussions on work package prior to pre bid vendor conference and filling up the tenders. Firms may contact following telephone nos. for site visit:-

- (a) INS Tunir, Mumbai - 022-27233706
- (b) INS Kalinga, Visakhapatnam - 0891-2814603

7. **Details of Consignee.**

(a) **For Four in nos. Compressors and associated activities**

The Commanding Officer
INS Tunir
Naval station Karanja
P.O- NAD, Tal- Uran, Navi Mumbai - 400704

(b) **For Three in nos. Compressors and associated activities**

The Commanding Officer
INS Kalinga
Chapal Uppada, Bheemlipatnam
Vishakhapatnam–531163.

Part III – Standard Conditions of RFP

The Bidder is required to give confirmation of their acceptance of the Standard Conditions of the Request for Proposal mentioned below which will automatically be considered as part of the Contract concluded with the successful Bidder (i.e. Seller in the Contract) as selected by the Buyer. Failure to do so may result in rejection of the Bid submitted by the Bidder.

1. **Law.** The Contract shall be considered and made in accordance with the laws of the Republic of India. The contract shall be governed by and interpreted in accordance with the laws of the Republic of India.

2. **Effective Date of the Contract.** Normally the contract shall come into effect on the date of signatures of both the parties on the contract except when some other effective date is mutually agreed to and specifically indicated / provided in the contract. The deliveries and supplies and performance of the services shall commence from the effective date of the contract.

3. **Arbitration.** All disputes or differences arising out of or in connection with the Contract shall be settled by bilateral discussions. Any dispute, disagreement or question arising out of or relating to the Contract or relating to construction or performance, which cannot be settled amicably, may be resolved through arbitration. The standard clause of arbitration is as per Form DPM-7 (for Indian bidders) and DPM-8 (for Foreign bidders) (Available in MoD website and can be provided on request).

4. **Penalty for use of Undue influence.** 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 borne to do any act in relation to the obtaining or execution of the present Contract or any other Contract with the Government of India for showing or forbearing to show favour or disfavour to any person in relation to the present Contract or any other Contract with the Government of India. 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, 1986 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. 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.

5. **Agents / Agency Commission.** The Seller confirms and declares to the Buyer that the Seller is the original manufacturer of the stores/provider of the services referred to in this Contract and has not engaged any individual or firm, whether Indian or foreign whatsoever, to intercede, facilitate or in any way to recommend to the Government of India or any of its functionaries, whether officially or unofficially, to the award of the contract to the Seller; nor has any amount been paid, promised or intended to be paid to any such individual or firm in respect of any such intercession, facilitation or recommendation. 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 the Seller has engaged any such individual/firm, and paid or intended 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 to refund that amount to the Buyer. The Seller will also be debarred from entering into any supply Contract with the Government of India for a minimum period of five years. The Buyer will also have a right to consider cancellation of the Contract either wholly or in part, without any entitlement or compensation to the Seller who shall in such an 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. The Buyer will also have the right to recover any such amount from any contracts concluded earlier with the Government of India.

6. **Access to Books of Accounts.** 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/Agency Commission and penalty for use of undue influence, the Seller, on a specific request of the Buyer, shall provide necessary information/ inspection of the relevant financial documents/information.

7. **Non-disclosure of Contract documents.** Except with the written consent of the Buyer/ Seller, other party shall not disclose the contract or any provision, specification, plan, design, pattern, sample or information thereof to any third party.

8. **Liquidated Damages.** In the event of the Seller's failure to submit the Bonds, Guarantees and Documents, supply the stores/goods and conduct trials, installation of equipment, training, etc as 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 to the sum of 0.5% of the contract price of the delayed/undelivered stores/services mentioned above for every week of delay or part of a week, subject to the maximum value of the Liquidated Damages being not higher than 10% of the value of delayed stores.

9. **Termination of Contract.** The Buyer shall have the right to terminate this Contract in part or in full in any of the following cases:-

- (a) The delivery of the material is delayed for causes not attributable to Force Majeure for more than **06 months** after the scheduled date of delivery.
- (b) The Seller is declared bankrupt or becomes insolvent.
- (c) The delivery of material is delayed due to causes of Force Majeure by more than **12 months** provided Force Majeure clause is included in contract.
- (d) The Buyer has noticed that the Seller has utilised the services of any Indian/Foreign agent in getting this contract and paid any commission to such individual/company etc.
- (e) As per decision of the Arbitration Tribunal.

10. **Notices.** Any notice required or permitted by the contract shall be written in the English language and may be delivered personally or may be sent by FAX or registered pre-paid mail/airmail, addressed to the last known address of the party to whom it is sent.

11. **Transfer and Sub-letting.** The Seller has no right to give, bargain, sell, assign or sublet or otherwise dispose of the Contract or any part thereof, as well as to give or to let a third party take benefit or advantage of the present Contract or any part thereof.

12. **Patents and other Industrial Property Rights.** The prices stated in the present Contract shall be deemed to include all amounts payable for the use of patents, copyrights, registered charges, trademarks and payments for any other industrial property rights. The Seller shall indemnify the Buyer against all claims from a third party at any time on account of the infringement of any or all the rights mentioned in the previous paragraphs, whether such claims arise in respect of manufacture or use. The Seller shall be responsible for the completion of the supplies including spares, tools, technical literature and training aggregates irrespective of the fact of infringement of the supplies, irrespective of the fact of infringement of any or all the rights mentioned above.

13. **Amendments.** No provision of present Contract shall be changed or modified in any way (including this provision) either in whole or in part except by an instrument in writing made after the date of this Contract and signed on behalf of both the parties and which expressly states to amend the present Contract.

14. **Taxes and Duties in respect of Foreign Bidders.** NA

15. **Taxes and Duties in respect of Indigenous Bidders.**

(a) **General**

(i) Bidders must indicate separately the relevant Taxes/ Duties likely to be paid in connection with delivery of completed goods specified in RFP. In absence of this, the total cost quoted by them in their bids will be taken into account in the ranking of bids.

(ii) If a Bidder is exempted from payment of any duty/tax up to any value of supplies from them, he should clearly state that no such duty/tax will be charged by them up to the limit of exemption which they may have. If any concession is available in regard to rate/quantum of any Duty/tax, it should be brought out clearly. In such cases, relevant certificate will be issued by the buyer later to enable the Seller to obtain exemptions from taxation authorities.

(iii) Any changes in levies, taxes and duties levied by Central/State/Local governments such as excise duty, VAT, Service Tax, Octroi/entry tax, etc on final product upward as a result of any statutory variation taking place within contract period shall be allowed reimbursement by the Buyer, to the extent of actual quantum of such duty/tax paid by the Seller. Similarly, in case of downward revision in any such duty/ tax , the actual quantum of reduction of such duty/ tax shall be reimbursed to the Buyer by the Seller. All such adjustments shall include all reliefs, exemptions, rebates, concession etc, if any, obtained by the Seller. Section 64-A of Sales of Goods Act will be relevant in this situation.

(iv) Levies, taxes and duties levied by Central/State/Local governments such as excise duty, VAT, Service Tax, Octroi/entry tax, etc on final product will be paid by the Buyer on actuals, based on relevant documentary evidence. Taxes and duties on Input items will not be paid by the Buyer and they may not be indicated separately in the bids. Bidders are required to include the same in the pricing of their product.

(b) **Customs Duty**

- (i) For imported stores offered against forward delivery, the Bidder shall quote prices thereof exclusive of customs duty. The Bidder shall specify separately the C.I.F. prices and total amount of customs duty payable. They will also indicate correctly the rate of customs duty applicable along with Indian Customs Tariff Number. Customs duty as actually paid will be reimbursed on production of necessary documents i.e. (aa) Triplicate copy of the bill of entry; (ab) copy of bill of lading; (ac) a copy of foreign principal's invoice. However, if the Bidder imports the stores in question against his own commercial quota Import Licenses, he will also be required to submit in addition the triplicate copy of bills of entry etc. a certificate from his Internal Auditor on the bill itself, to the effect that the following items/quantity in the bill of entry related to the stores imported against Defence Buyer contract number..... dated.....
- (ii) Subsequent to the reimbursement of customs duty, the Bidder will submit to the concerned Payment Authority a certificate to the effect that he has not obtained any refund of customs duty subsequent to the payment of duty to the Customs authority by him. In addition, he shall also submit to the Paying Authority concerned a certificate immediately after a period of three months from the date of payment of the duty to customs authorities to the effect that he has not applied for refund of the customs duty subsequent to the payment of duty to the customs authorities by him.
- (iii) In case the Bidder obtains any refund of customs duty, subsequently to the payment of the same by him to the customs authorities and reimbursement of the customs duty to him by the Payment Authority, he should forthwith furnish the details of the refund obtained and afford full credit of the same to the Buyer.

(c) **Excise Duty**

- (i) Where the excise duty is payable on ad valorem basis, the Bidder should submit along with the tender, the relevant form and the Manufacturer's price list showing the actual assessable value of the stores as approved by the Excise authorities.
- (ii) Bidders should note that in case any refund of excise duty is granted to them by Excise authorities in respect of Stores supplied under the contract, they will pass on the credit to the Buyer immediately along with a certificate that the credit so passed on relates to the Excise Duty, originally paid for the stores supplied under the contract. In case of their failure to do so,

within 10 days of the issue of the excise duty refund orders to them by the Excise Authorities the Buyer would be empowered to deduct a sum equivalent to the amount refunded by the Excise Authorities without any further reference to them from any of their outstanding bills against the contract or any other pending Government Contract and that no disputes on this account would be raised by them.

(iii) The Seller is also required to furnish to the Paying Authority the following certificates:-

(aa) Certificate with each bill to the effect that no refund has been obtained in respect of the reimbursement of excise duty made to the Seller during three months immediately preceding the date of the claim covered by the relevant bill.

(ab) Certificate as to whether refunds have been obtained or applied for by them or not in the preceding financial year after the annual Audit of their accounts also indicating details of such refunds/applications, if any.

(ac) A certificate along with the final payment bills of the Seller to the effect whether or not they have any pending appeal/protest for refund or partial refund of excise duties already reimbursed to the Seller by the Government pending with the Excise authorities and if so, the nature, the amount involved, and the position of such appeals.

(ad) An undertaking to the effect that in case it is detected by the Government that any refund from Excise Authority was obtained by the Seller after obtaining reimbursement from the Paying Authority, and if the same is not immediately refunded by the Seller to the Paying Authority giving details and particulars of the transactions, Paying Authority will have full authority to recover such amounts from the Seller's outstanding bills against that particular contract or any other pending Government contracts and that no dispute on this account would be raised by the Seller.

(iv) Unless otherwise specifically agreed to in terms of the contract, the Buyer shall not be liable for any claim on account of fresh imposition and/or increase of Excise Duty on raw materials and/or components used directly in the manufacture of the contracted stores taking place during the pendency of the contract.

(d) **Sales Tax / VAT**

(i) If it is desired by the Bidder to ask for Sales tax / VAT to be paid as extra, the same must be specifically stated. In the absence of any such stipulation in the bid, it will be presumed that the prices quoted by the Bidder are inclusive of sales tax and no liability of sales tax will devolve upon the Buyer.

(ii) On the Bids quoting sales tax extra, the rate and the nature of Sales Tax applicable at the time of supply should be shown separately. Sales tax will be paid to the Seller at the rate at which it is liable to be assessed or has actually been assessed provided the transaction of sale is legally liable to sales tax and the same is payable as per the terms of the contract.

(e) **Octroi Duty & Local Taxes.**

(i) Normally, materials to be supplied to Government Department\against Government Contracts are exempted from levy of town duty, Octroi Duty, Terminal Tax and other levies of local bodies. The local Town/Municipal Body regulations at times, however, provide for such Exemption only on production of such exemption certificate from any authorised officer. Seller should ensure that stores ordered against contracts placed by this office are exempted from levy of Town Duty/Octroi Duty, Terminal Tax or other local taxes and duties. Wherever required, they should obtain the exemption certificate from the Buyer, to avoid payment of such local taxes or duties.

(ii) In case where the Municipality or other local body insists upon payment of these duties or taxes the same should be paid by the Seller to avoid delay in supplies and possible demurrage charges. The receipt obtained for such payment should be forwarded to the Buyer without delay together with a copy of the relevant act or by-laws/notifications of the Municipality of the local body concerned to enable him to take up the question of refund with the concerned bodies if admissible under the said acts or rules.

16. **Pre-Integrity Pact Clause:-** An "Integrity Pact" would be signed between the Ministry of Defence/Buyer and the Bidder for purchases exceeding Rs.100 crores. This is a binding agreement between the Buyer and Bidders for specific contracts in which the Buyer promises that it will not accept bribes during the procurement process and Bidders promise that they will not offer bribes. Under this Pact, the Bidders for specific services or contracts agree with the Buyer to carry out the procurement in a specified manner. The Format of Pre-Integrity Clause will be as per Form DPM-10

(Available in MoD website, and can be provided on request). The essential elements of the Pact 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 "Bidder");
- (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 to disclose all payments made in connection with the Contract in question to anybody (including agents and other middlemen as well as family members, etc., of officials); the disclosure would be made either at the time of submission of Bids or upon demand of the Principal, especially when a suspicion of a violation by that Bidder emerges;
- (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) Undertaking 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 contracts;
 - (ii) Forfeiture of the Bid security and performance bond;
 - (iii) Liability for damages to the principal and the competing Bidders; and
 - (iv) Debarment of the violator by the Principal for an appropriate period of time.
- (h) Bidders are also advised to have a company code of conduct (clearly rejecting the use of bribes and other unethical behaviour and compliance program for the implementation of the code of conduct throughout the company).

Part IV – Special Conditions of RFP

The Bidder is required to give confirmation of their acceptance of Special Conditions of the RFP mentioned below which will automatically be considered as part of the Contract concluded with the successful Bidder (i.e. Seller in the Contract) as selected by the Buyer. Failure to do so may result in rejection of Bid submitted by the Bidder.

1. **Performance Guarantee.** The Bidder will be required to furnish a Performance Guarantee by way of Bank Guarantee through a public sector bank or a private sector bank authorized to conduct government business (ICICI Bank Ltd., Axis Bank Ltd or HDFC Bank Ltd.) for a sum equal to 10% of the contract value within 30 days of receipt of the confirmed order. Performance Bank Guarantee should be valid up to 60 days beyond the date of warranty. The specimen of PBG is given in Form DPM-15 (Available in MoD website and can be provided on request).

2. **Option Clause.** The contract will have an Option Clause, wherein the Buyer can exercise an option to procure an additional 50% of the original Contracted quantity in accordance with the same terms & conditions of the present contract. This will be applicable within the currency of contract. The Bidder is to confirm the acceptance of the same for inclusion in the contract. It will be entirely the discretion of the Buyer to exercise this option or not.

3. **Repeat Order Clause.** The contract will have a Repeat Order Clause, wherein the Buyer can order upto 50% quantity of the items under the present contract within six months from the date of supply/successful completion of this contract, the cost, terms & conditions remaining the same. The Bidder is to confirm acceptance of this clause. It will be entirely the discretion of the Buyer to place the Repeat order or not

4. **Payment Terms.** It will be mandatory for the Bidders to indicate their bank account numbers and other relevant e-payment details so that payments could be made through ECS/EFT mechanism instead of payment through cheques, wherever feasible. A copy of the model mandate form prescribed by RBI to be submitted by Bidders for receiving payments through ECS is enclosed with the Tender Enquiry. The payment will be made as per the following terms, on production of the requisite documents:-

(a) 15% of the cost of Compressors only will be paid as advance post submission of PBG.

(b) 60% the cost of compressors only will be paid against Inspection note, Proof of dispatch, duly supported by Photo copy of the Bank Guarantee and against Consignee's provisional receipt.

(c) Balance of 25% of the cost of compressor and total cost of Installation, Training, Documentation, etc (but not including the AMC)

will be paid on receipt of items in good condition by consignee(s) along with user's certificate of complete Installation and successful commissioning."

(d) Payment for AMC will be made on quarterly basis subject to rendering of satisfactory performance certificate during the period of AMC by the representative of the buyer at INS Tunir and Kalinga respectively.

5. **Advance Payments.** Advance payments may be made upto 15% of the cost of compressor only (excluding taxes and duties) against appropriate Bank guarantee.

6. **Paying Authority.** The Principal Controller of Defence Accounts (Navy), 1-Cooperage Road, Mumbai – 400 039 and Controller of Defence Accounts, Visakhapatnam will be the Paying Authority for items/ services delivered to INS Tunir and Kalinga respectively . The payment of bills will be made on submission of the following documents by the Seller to the Paying Authority along with the bill:-

(a) Ink-signed copy of contingent bill / Seller's bill.

(b) Ink-signed copy of Commercial invoice / Seller's bill.

(c) Copy of Supply Order/Contract with U.O. number and date of IFA's concurrence, where required under delegation of powers.

(d) CRVs in duplicate.

(e) Inspection note.

(f) Claim for statutory and other levies to be supported with requisite documents / proof of payment such as Excise duty challan, Customs duty clearance certificate, Octroi receipt, proof of payment for EPF/ESIC contribution with nominal roll of beneficiaries, etc as applicable.

(g) Exemption certificate for Excise duty , if applicable.

(h) Guarantee / Warranty certificate.

(j) DP extension letter with CFA's sanction, U.O. number and date of IFA's concurrence, where required under delegation of powers, indicating whether extension is with or without LD.

(k) Details for electronic payment viz Account holder's name, Bank name, Branch name and address, Account type, Account number, IFSC code, MICR code (if these details are not incorporated in supply order/contract).

(l) Any other document / certificate that may be provided for in the Supply Order / Contract.

(m) User Acceptance.

(n) Photo copy of Performance Bank Guarantee.

8. **Fall Clause:-** The following Fall clause will form part of the contract placed on successful Bidder:-

(a) The price charged for the stores supplied under the contract by the contractor shall in no event exceed the lowest prices at which the contractor sells the stores or offers to sell stores of identical description to any persons/Organisations including the purchaser or any department of the Central government or any Department of the State government or any statutory undertaking of the Central or State government, as the case may be, during the period or till the performance of all Supply Orders placed during the currency of the rate contract is completed.

(b) If at any time, during the said period the Seller reduces the sale price, sells or offer to sell such stores to any person/organisation including the Buyer or any Deptt, of central Govt. or any Department of the State Government or any Statutory undertaking of the Central or state Government as the case may be at a price lower than the price chargeable under the contract, he shall forthwith notify such reduction or sale or offer of sale to the Purchase /Contracting Authority and the price payable under the contract for the stores of such reduction of sale or offer of the sale shall stand correspondingly reduced. The above stipulation will, however, not apply to:-

(i) Exports by the Seller.

(ii) Sale of goods as original equipment at a price lower than the prices charged for normal replacement.

(iii) Sale of goods such as drugs which have expiry dates.

(iv) Sale of goods at lower price on or after the date of completion of sale/placement of the order of goods by the authority concerned under the existing or previous Rate Contracts as also under any previous contracts entered into with the Central or State Govt. Depts, including their undertakings excluding joint sector companies and/or private parties and bodies.

(c) The Seller shall furnish the following certificate to the Paying Authority along with each bill for payment for supplies made against the Rate contract – “We certify that there has been no reduction in

sale price of the stores of description identical to the stores supplied to the Government under the contract herein and such stores have not been offered/sold by me/us to any person/organisation including the purchaser or any department of Central Government or any Department of a state Government or any Statutory Undertaking of the Central or state Government as the case may be upto the date of bill/the date of completion of supplies against all supply orders placed during the currency of the Rate Contract at price lower than the price charged to the government under the contract except for quantity of stores/ categories under sub-clauses (i), (ii), (iii) and (iv) of Sub-para (b) above, details of which are given below .

9. **Risk & Expense clause**

(a) Should the stores or any installment thereof not be delivered within the time or times specified in the contract documents, or if defective delivery is made in respect of the stores or any installment thereof, the Buyer shall after granting the Seller 45 days to cure the breach, be at liberty, without prejudice to the right to recover liquidated damages as a remedy for breach of contract, to declare the contract as cancelled either wholly or to the extent of such default.

(b) Should the stores or any installment thereof not perform in accordance with the specifications / parameters provided by the SELLER during the check proof tests to be done in the BUYER's country, the BUYER shall be at liberty, without prejudice to any other remedies for breach of contract, to cancel the contract wholly or to the extent of such default.

(c) In case of a material breach that was not remedied within 45 days, the BUYER shall, having given the right of first refusal to the SELLER be at liberty to purchase, manufacture, or procure from any other source as he thinks fit, other stores of the same or similar description to make good:-

(i) Such default.

(ii) In the event of the contract being wholly determined the balance of the stores remaining to be delivered there under.

(d) Any excess of the purchase price, cost of manufacturer, or value of any stores procured from any other supplier as the case may be, over the contract price appropriate to such default or balance shall be recoverable from the SELLER.

10. Force Majeure clause

- (a) Neither party shall bear responsibility for the complete or partial nonperformance of any of its obligations (except for failure to pay any sum which has become due on account of receipt of goods under the provisions of the present contract), if the non-performance results from such Force Majeure circumstances as Flood, Fire, Earth Quake and other acts of God as well as War, Military operation, blockade, Acts or Actions of State Authorities or any other circumstances beyond the parties control that have arisen after the conclusion of the present contract.
- (b) In such circumstances the time stipulated for the performance of an obligation under the present contract is extended correspondingly for the period of time of action of these circumstances and their consequences.
- (c) The party for which it becomes impossible to meet obligations under this contract due to Force Majeure conditions, is to notify in written form the other party of the beginning and cessation of the above circumstances immediately, but in any case not later than 10 (Ten) days from the moment of their beginning.
- (d) Certificate of a Chamber of Commerce (Commerce and Industry) or other competent authority or organization of the respective country shall be a sufficient proof of commencement and cessation of the above circumstances.
- (e) If the impossibility of complete or partial performance of an obligation lasts for more than 6 (six) months, either party hereto reserves the right to terminate the contract totally or partially upon giving prior written notice of 30 (thirty) days to the other party of the intention to terminate without any liability other than reimbursement on the terms provided in the agreement for the goods received.

- 11. Specification.** The following Specification clause will form part of the contract placed on successful Bidder - The Seller guarantees to meet the specifications as per Part-II of RFP and to incorporate the modifications to the existing design configuration to meet the specific requirement of the Buyer Services as per modifications/requirements recommended after the Maintenance Evaluation Trials. All technical literature and drawings shall be amended as the modifications by the Seller before supply to the Buyer. The Seller, in consultation with the Buyer, may carry out technical up-gradation/alterations in the design, drawings and specifications due to change in manufacturing procedures, indigenisation or obsolescence. This will, however, not in any way, adversely affect the end specifications of the equipment. Changes in technical details, drawings repair and maintenance techniques along with necessary tools as a result of up-gradation/alterations

will be provided to the Buyer free of cost within 30 days of affecting such up-gradation/alterations.

12. **OEM Certificate**. In case the Bidder is not the OEM, the agreement certificate with the OEM for sourcing the spares shall be mandatory. However, where OEMs do not exist, minor aggregates and spares can be sourced from authorized vendors subject to quality certification.

13. **Export License**. The Bidders are to confirm that they have requisite export license from their Government and Authorization from the manufacturing plant, in case they are not the OEM, to export the military / non-military goods to India.

14. **Earliest Acceptable Year of Manufacture. Not Earlier than 2017.** Quality / Life certificate will need to be enclosed with the Specification Certificate of Quality(SCQ).

15. **Buyer Furnished Equipment.** NA

16. **Transportation.** Equipment are to be delivered to the consignee by road inclusive of Packing, Forwarding, Freight charges, Transit insurance and any other charges as applicable.

17. **Packing and Marking:** The following Packing and Marking clause will form part of the contract placed on successful Bidder –

(a) The Seller shall provide packing and preservation of the equipment and spares/goods contracted so as to ensure their safety against damage in the conditions of land, sea and air transportation, trans-shipment, storage and weather hazards during transportation, subject to proper cargo handling. The Seller shall ensure that the stores are packed in containers, which are made sufficiently strong, and with seasoned wood. The packing cases should have hooks for lifting by crane/fork lift truck. Tags with proper marking shall be fastened to the special equipment, which cannot be packed.

(b) The packing of the equipment and spares/goods shall conform to the requirements of specifications and standards in force in the territory of the Seller's country.

(c) Each spare, tool and accessory shall be packed in separate cartons. A label in English shall be pasted on the carton indicating the under mentioned details of the item contained in the carton. A tag in English with said information shall also be attached to six samples of the item. If quantity contracted is less than six then tag shall be affixed to complete quantity contracted of the item. The cartons shall then be packed in packing cases as required.

- (i) Part Number :
- (ii) Nomenclature :
- (iii) Contract annex number :
- (iv) Annex serial number :
- (v) Quantity contracted :

(d) One copy of the packing list in English shall be inserted in each cargo package, and the full set of the packing lists shall be placed in Case No.1 painted in a yellow colour.

(e) The Seller shall mark each package with indelible paint in the English language as follows:-

- (i) Contract No. -----
- (ii) Consignee -----
- (iii) Port / airport of destination -----
- (iv) Ultimate consignee -----
- (v) SELLER -----
- (vi) Package No. -----
- (vii) Gross/net weight : -----
- (viii) Overall dimensions/volume : -----
- (ix) The Seller's marking.

(f) If necessary, each package shall be marked with warning inscriptions:

<Top>, "Do not turn over", category of cargo etc.

(g) Should any special equipment be returned to the Seller by the Buyer, the latter shall provide normal packing, which protects the equipment and spares/goods from the damage of deterioration during transportation by land, air or sea. In this case the Buyer shall finalize the marking with the Seller.

19. **Quality.** The quality of the stores delivered according to the present Contract shall correspond to the technical conditions /standards /specifications enumerated as per RFP and shall also include therein modification to the stores suggested by the Buyer. Such modifications will be mutually agreed to. The Seller confirms that the stores to be supplied under this Contract shall be new i.e. not manufactured before (2017), and shall incorporate all the latest improvements and modifications thereto and spares of improved and modified equipment are backward integrated and interchangeable with same equipment supplied by the Seller in the past if any. The Seller shall supply an interchangeability certificate along with the changed part numbers wherein it should be mentioned that item would provide as much life as the original item.

20. **Quality Assurance.** Seller would provide the Standard Acceptance Test Procedure (ATP) within **30 days** of the date of contract.

Buyer reserves the right to modify the ATP. Seller would be required to provide all test facilities at his premises for acceptance and inspection by Buyer. The details in this regard will be coordinated during the negotiation of the contract. The item should be of the latest manufacture (not earlier than 2016), conforming to the current production standard and having 100% defined life at the time of delivery.

21. **Inspection Agency.** The Inspection will be carried out by reps nominated by IHQ MoD(N)/ The Commanding Officer INS Tunir/ The Commanding Officer INS Kalinga as end user of the equipment as per ATP approved by IHQMoD(N)/DWE. The mode of Inspection will be User Inspection. Third party Inspection, wherever mentioned in the RFP, will have to be undertaken , in addition.

22. **Pre-Dispatch Inspection.** Test bed trials will be carried out at OEM factory premises as part of pre-dispatch inspection by a team comprising of reps from end user. This inspection will be carried out as per ATP provided by the vendor duly approved by end user/inspecting agency. ATP for the pre-dispatch inspection is to be forwarded by the vendor within one month of award of contract. The following Pre-dispatch Inspection clause will form part of the contract placed on successful Bidder: –

- (a) The Buyer's representatives will carry out Pre-Dispatch Inspection (PDI) of the stores/equipment in order to check their compliance with specifications in accordance with its usual standard procedures. Upon successful completion of such PDI, the Seller and Buyer will issue and sign a Certificate of Conformity as per the specimen at Form DPM-21 (Available in MoD website and can be given on request).
- (b) The Seller shall intimate the Buyer at least 45 days before the scheduled date of PDI. The Buyer will send his authorised representative(s) to attend the PDI.
- (c) The list of Buyer's representatives together with their particulars must be communicated by the Buyer at least 07 days in advance to apply for the necessary authorisations and clearances to be granted.
- (d) The Buyer reserves the right not to attend the PDI or to request for postponement of the beginning of the PDI by a maximum of fifteen (15) days from the date fixed for such PDI in order to allow his representative(s) to attend such tests, in which cases he shall inform in writing the Seller within 15 days before the date of the beginning of the PDI. Should the Buyer request for such postponement, liquidated damages, if any, shall not apply. In case the Buyer informs the Seller within the period mentioned hereinabove that he cannot attend the PDI or in case the Buyer does not come at the postponed date requested by him for performance of the PDI as mentioned above, the Seller shall be entitled to carry out said tests alone as scheduled. The

Certificate of Conformity and the Acceptance Test Report will be signed by the Seller's QA representative alone and such documents bearing the sole signature of the Seller's QA representative shall have the same value and effect as if they have been signed by both the parties. In case Buyer does not elect to attend the PDI, the Buyer shall intimate the Seller in writing that it does not wish to attend the PDI.

(e) The Seller shall provide all reasonable facilities, access and assistance to the Buyer's representative for safety and convenience in the performance of their duties.

(f) All costs associated with the stay of the Buyer's Representative(s) including travel expenses, boarding and lodging, accommodation, daily expenses, shall be borne by the Buyer.

(g) The Seller shall provide Acceptance Test Procedure to the Buyer's QA Agency within one month from the signing of the Contract.

22. **Franking clause.** The following Franking clause will form part of the contract placed on successful Bidder:-

(a) **Franking Clause in the case of Acceptance of Goods.** "The fact that the goods have been inspected after the delivery period and passed by the Inspecting Officer will not have the effect of keeping the contract alive. The goods are being passed without prejudice to the rights of the Buyer under the terms and conditions of the contract".

(b) **Franking Clause in the case of Rejection of Goods.** "The fact that the goods have been inspected after the delivery period and rejected by the Inspecting Officer will not bind the Buyer in any manner. The goods are being rejected without prejudice to the rights of the Buyer under the terms and conditions of the contract."

23. **Claims.** The following Claims clause will form part of the contract placed on successful Bidder:-

(a) The claims may be presented either: (i) on quantity of the stores, where the quantity does not correspond to the quantity shown in the Packing List/Insufficiency in packing, or (ii) on quality of the stores, where quality does not correspond to the quality mentioned in the contract.

(b) The quantity claims for deficiency of quantity shall be presented within 45 days of completion of JRI and acceptance of goods. The quantity claim shall be submitted to the Seller as per Form DPM-22 (Available in MoD website and can be given on request).

(c) The quality claims for defects or deficiencies in quality noticed during the JRI shall be presented within 45 days of completion of JRI and acceptance of goods. Quality claims shall be presented for defects or deficiencies in quality noticed during warranty period earliest but not later than 45 days after expiry of the guarantee period. The quality claims shall be submitted to the Seller as per Form DPM-23 (Available in MoD website and can be given on request).

(d) The description and quantity of the stores are to be furnished to the Seller along with concrete reasons for making the claims. Copies of all the justifying documents shall be enclosed to the presented claim. The Seller will settle the claims within 45 days from the date of the receipt of the claim at the Seller's office, subject to acceptance of the claim by the Seller. In case no response is received during this period the claim will be deemed to have been accepted.

(e) The Seller shall collect the defective or rejected goods from the location nominated by the Buyer and deliver the repaired or replaced goods at the same location under Seller's arrangement.

(f) Claims may also be settled by reduction of cost of goods under claim from bonds submitted by the Seller or payment of claim amount by Seller through demand draft drawn on an Indian Bank, in favour of Principal Controller/Controller of Defence Accounts concerned.

(g) The quality claims will be raised solely by the Buyer and without any certification/countersignature by the Seller's representative stationed in India.

24. **Warranty.** The following Warranty will form part of the contract placed on the successful Bidder:-

(a) Except as otherwise provided in the invitation tender, the Seller hereby declares that the goods, stores articles sold/supplied to the Buyer under this contract shall be of the best quality and workmanship and new in all respects and shall be strictly in accordance with the specification and particulars contained/mentioned in contract. The Seller hereby guarantees that the said goods/stores/articles would continue to conform to the description and quality aforesaid for a **period of 36 months from the date of commissioning of the said goods**, stores/articles to the satisfaction of the Buyer and that notwithstanding the fact that the Buyer may have inspected and/or approved the said goods/stores/articles, if during the aforesaid period of 36 months the said goods/stores/articles be discovered not to conform to the description and quality aforesaid or not giving satisfactory performance or have deteriorated, and the decision of the Buyer in that behalf shall be final and binding on the Seller and the Buyer shall be entitled to call upon the Seller to rectify the goods/stores/articles or

such portion thereof as is found to be defective by the Buyer within a reasonable period, or such specified period as may be allowed by the Buyer in his discretion on application made thereof by the Seller, and in such an event, the above period shall apply to the goods/stores/articles rectified from the date of rectification mentioned in warranty thereof, otherwise the Seller shall pay to the Buyer such compensation as may arise by reason of the breach of the warranty therein contained.

- (b) Guarantee that they will supply spare parts, if and when required on agreed basis for an agreed price. The agreed basis could be and including but without any limitation an agreed discount on the published catalogue or an agreed percentage of profit on the landed cost.
- (c) Warranty to the effect that before going out of production for the spare parts they will give adequate advance notice to the Buyer of the equipment so that the latter may undertake the balance of the lifetime requirements.
- (d) Warranty to the affect that they will make available the blue prints of drawings of the spares if and when required in connection with the main equipment.
- (e) 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.
- (f) The Seller also warrants that necessary service and repair back up during the warranty period of the equipment shall be provided by the Seller and he will ensure that the downtime is within **5%** of the warranty period.
- (g) The Seller shall associate technical personnel of the Maintenance agency and Quality Assurance Agency of the Buyer during warranty repair and shall also provide the details of complete defects, reasons and remedial actions for defects.
- (h) If a particular equipment/goods fails frequently and/or, the cumulative down time exceeds **10%** of the warranty period, the complete equipment shall be replaced free of cost by the Seller within a stipulated period of **60 days** of receipt of the notification from the Buyer. Warranty of the replaced equipment would start from the date of date of installation and commissioning.

(j) The Seller will guarantee the shelf life of not less than **15 years** under the Indian tropical condition as given below:

- (i) Minimum temperature - 0°C
- (ii) Maximum temperature - +50°C
- (iii) Average Humidity - 70%

25. **Product Support.** The following Product Support clause will form part of the contract placed on successful Bidder: –

(a) The Seller agrees to provide Product Support for the stores, assemblies/ subassemblies, fitment items and consumables, Special Maintenance Tools(SMT)/Special Test Equipments (STE) subcontracted from other agencies/ manufacturer by the Seller for a maximum period of **15 years** including **03 year** of warranty period after the delivery of the contracted items.

(b) The Seller agrees to undertake Maintenance Contract for a maximum initial period of **60 months** post warranty, extendable till the complete Engineering Support Package is provided by the Seller/ life of the equipment as decided by the buyer.

(c) In the event of any obsolescence during the above mentioned period of product support in respect of any component or sub-system, mutual consultation between the Seller and Buyer will be undertaken to arrive at an acceptable solution including additional cost, if any.

(d) Any improvement/modification/ up gradation being undertaken by the Seller or their sub suppliers on the stores/equipment being purchased under the Contract will be communicated by the Seller to the Buyer and, if required by the Buyer, these will be carried out by the Seller at Buyer's cost.

(e) The Seller agrees to provide an Engineering Support Package as modified after confirmatory Maintenance Evaluation Trials (METs). The SELLER agrees to undertake the repair and maintenance of the equipment, SMTs/STEs test set up, assemblies/sub assemblies and stores supplied under this contract for a period of **15 years** as maintenance contract as specified or provision of complete Engineering Support Package to the Buyer whichever is later, as per terms and conditions mutually agreed between the Seller and the Buyer.

26. **Annual Maintenance Contract (AMC) Clause.** The following AMC clause will form part of the contract placed on successful Bidder: -

(a) The Seller would provide comprehensive AMC for the life time of equipment, after expiry of warranty (i.e AMC for atleast 12 years after expiry of warranty). The AMC will be executed under separate contract

for periods mutually agreeable between buyer and the seller after expiry of initial AMC.

(b) The initial AMC will commence after expiry of warranty. The initial AMC will be valid for a period of **60 months**.

(c) The AMC services should cover comprehensive (all encompassing) repair and maintenance of all the equipment and systems purchased under the present Contract.

(d) The AMC services would be provided in two distinct ways:

(i) **Preventive Maintenance Service.** The Seller will provide a minimum of four Preventive Maintenance Service visits during a year to the operating base to carry out functional checkups and minor adjustments/ tuning as may be required.

(ii) **Breakdown maintenance Service.** In case of any breakdown of the equipment/system, on receiving a call from the Buyer, the Seller is to provide maintenance service to make the equipment/system serviceable.

(e) **Response time.** The response time of the Seller should not exceed 24 hours from the time the breakdown intimation is provided by the Buyer.

(f) Serviceability of 95% per year is to be ensured. This amounts to total maximum downtime of 18 days per year. Also unserviceability should not exceed three (03) days at one time. Required spares to attain this serviceability may be stored at site by the Seller at his own cost. Total down time would be calculated at the end of the year. If downtime exceeds permitted downtime, LD would be applicable for the delayed period.

(g) Maximum repair turnaround time for equipment/system would be three (03) days. However, the spares should be maintained in a serviceable condition to avoid complete breakdown of the equipment/system.

(h) **Technical Documentation.** All necessary changes in the documentation (Technical and Operators manual) for changes carried out on hardware and software of the equipment will be provided.

(j) During the AMC period, the Seller shall carry out all necessary servicing/repairs to the equipment/system under AMC at the current location of the equipment/system. Prior permission of the Buyer would be required in case certain components/sub systems are to be shifted out of location. On such occasions, before taking over the goods or

components, the Seller will give suitable bank guarantee to the Buyer to cover the estimated current value of item being taken.

(k) The Buyer reserves its right to terminate the maintenance contract at any time without assigning any reason after giving a notice of three (03) months. The Seller will not be entitled to claim any compensation against such termination. However, while terminating the contract, if any payment is due to the Seller for maintenance services already performed in terms of the contract, the same would be paid to it as per the contract terms.

27. **Price Variation (PV) Clause.** NA

Part V – Evaluation Criteria & Price Bid issues

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

(a) Only those Bids will be evaluated which are found to be fulfilling all the eligibility and qualifying requirements of the RFP, both technically and commercially.

(b) In respect of Two-Bid system, the technical Bids forwarded by the Bidders will be evaluated by the Buyer with reference to the technical characteristics of the equipment as mentioned in the RFP. The compliance of Technical Bids would be determined on the basis of the parameters specified in the RFP. The Price Bids of only those Bidders will be opened whose Technical Bids would clear the technical evaluation.

(c) The Lowest Bid will be decided upon the lowest price quoted by the particular Bidder as per the Price Format given at Para 2 below. The consideration of taxes and duties in evaluation process will be as follows:

(i) In cases where only Indian Bidders are competing, L-1 bidder will be determined by excluding levies, taxes and duties levied by Central/State/Local governments such as excise duty, VAT, Service Tax, Octroi/entry tax, etc on final product, as quoted by bidders.

(ii) In cases where both foreign and indigenous Bidders are competing, following criteria would be followed –

(aa) In case of foreign Bidders, the basic cost (CIF) quoted by them would be the basis for the purpose of comparison of various tenders.

(bb) In case of indigenous Bidders, excise duty on fully formed equipment would be offloaded.

(cc) Sales tax and other local levies, i.e. octroi, entry tax etc would be ignored in case of indigenous Bidders.

(d) In import cases, all the foreign quotes will be brought to a common denomination in Indian Rupees by adopting the exchange rate as BC selling rate of the State Bank of India on the date of the opening of Price Bids.

(e) 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. If there is a

discrepancy between words and figures, the amount in words will prevail for calculation of price.

(f) The Buyer reserves the right to evaluate the offers received by using Discounted Cash Flow method at a discounting rate of ____%. In case cash flow involves more than one currency, the same will be brought to a common denomination in Indian Rupees by adopting exchange rate as BC selling rate of the State Bank of India on the date of the opening of Price Bids.

(g) The Lowest Acceptable Bid will be considered further for placement of contract / Supply Order after complete clarification and price negotiations as decided by the Buyer. The Buyer will have the right to award contracts to different Bidders for being lowest in particular items. The Buyer also reserves the right to do Apportionment of Quantity, if it is convinced that Lowest Bidder is not in a position to supply full quantity in stipulated time.

(h) In case cash flow involves more than one currency, the same will be brought to a common denomination in Indian Rupees by adopting exchange rate as BC selling rate of the State Bank of India on the date of the opening of Price Bids.

(j) Any other criteria as applicable to suit a particular case.

2. **Price Bid Format:** The Price Bid Format is given below and Bidders are required to fill this up correctly with full details, as required under Part –II of the RFP:-

(a) **Cost of Items**

SI	Item	Unit Cost (Rs.)	Qty	Total Cost (Rs.)
(i)	400 bar motor driven, trolley mounted HP Air Compressors towable by prime movers with waterproof covers including all essential spare parts, tools and accessories.		07	
(ii)	Operation and Maintenance Manual/ Documentation for each compressor		07 sets	
Total Cost of Items				

(b) **Cost of Services**

SI	Item	Unit Cost (Rs.)	Qty	Total Cost (Rs.)
(i)	Testing and Installation/ Commissioning of Compressors at site including interface with existing air primers/ system		07	
(ii)	Training on operation and first line servicing/ maintenance at Mumbai and Visakhapatnam		02 (one at Mumbai & one at Visakhapatnam)	
(iii)	Comprehensive AMC for 60 months		07	
Total Cost of Services				

(c) **Total Cost**

SI	Description	Cost (Rs.)
(i)	Total Cost of Items	
(ii)	Total Cost of Services	
	Grand Total	

Note:- Determination of L-1 bid will be done based on total basic prices (not including levies, taxes and duties levied by Central/State/Local governments such as excise duty, VAT, Service Tax, Octroi/entry tax, etc on final product) of all items/ requirements as mentioned above.

3. **Additional Information in Price Bid on Taxes and Duties (not in scope of L-1 determination).**

(a) Is Excise Duty extra?

(b) If yes, mention the following:-

- (i) Total value of items on which Excise Duty is leviable:
- (ii) Rate of Excise duty (item-wise if different ED is applicable):

- (iii) Surcharge on Excise duty, if applicable?
- (iv) Total value of excise duty payable:
- (c) Is Excise Duty Exemption (EDE) required?
- (d) If yes, then mention and enclose the following:-
 - (i) Excise notification number under which EDE can be given:
- (e) Is VAT extra?
- (f) If yes, then mention the following:-
 - (i) Total value on which VAT is leviable:
 - (ii) Rate of VAT:
 - (iii) Total value of VAT leviable:
- (g) Is Service Tax extra?
- (h) If yes, then mention the following:-
 - (i) Total value of Services on which Service Tax is leviable:
 - (ii) Rate of Service Tax leviable:
 - (iii) Total value of Service Tax leviable:
- (j) Is Custom Duty extra?
- (k) If yes, then mention the following:-
 - (i) CIF value of stores to be imported:
 - (ii) Rate of Customs Duty payable:
 - (iii) Total amount of Customs Duty payable:
- (l) Octroi / Entry taxes:
- (m) Any other Taxes / Duties / Overheads / Other costs:
- (n) Grand Total:-
 - (i) Excluding AMC and Spares
 - (ii) Including AMC with Spares
 - (iii) Including AMC without Spares

Sdxx/-
 (Rahul Kumar Roy)
 Commander
 JDWE

APPENDIX 'A'

TECHNICAL SPECIFICATION OF ELECTRIC DRIVEN HIGH PRESSURE AIR COMPRESSOR

Introduction

1. This document outlines the functional requirements for 400 Bar Mobile HP Air Compressor. The document broadly covers the background, scope, technical specifications for product from the user perspective and other general characteristics.

Technical Specifications

2. These compressors are intended to be used for Technical purposes at INS Tunir, Mumbai and INS Kalinga, Visakhapatnam. The detailed Technical Specifications are elaborated in the following paragraphs.

3. **Compressor.** The Compressor should meet the following minimum technical specification:-

Ser	Specification	Remarks
(a)	Type	Portable/ mobile trolley mounted, motor driven HP Air Compressor, mounted on a common base plate and mounted on 04 or more vibration dampening elements to minimize transmission of vibration to foundation
(b)	Working Medium	Air
(c)	Cooling Media	Air
(d)	Discharge pressure (at air dryer outlet)	400 bar
(e)	Prime Mover	Electrical Driven
(f)	Number of stages	4 to 5
(g)	Rate of Discharge at Dryer outlet	120 Cu m/hr
(h)	Fineness of filtration	10 microns
(j)	Suction Pressure(intake)	Atmospheric
(k)	Suction Capacity	As required to achieve the discharge rate.
(l)	Suction Temperature	5 to 50 deg C
(m)	Max. Ambient Temperature	45 deg C
(n)	Lubrication System	Forced
(p)	Compressor Speed	As per the design to achieve the discharge rate and pressure
(q)	Tolerance on Specific	+/- 10%

	Power Input	
(r)	Piston Stroke Length	As per design
(s)	Shaft Output Power	As per the design to achieve the discharge rate and pressure
(t)	Tolerance on Capacity	+/- 5%
(u)	Misc. requirements	<ul style="list-style-type: none"> (i) Crankcase with crankshaft seal for suction pressure up to 1.1 bar as applicable. (ii) Compressor driven oil pump (iii) Oil filter (iv) Oil pressure gauge and level sight glass (v) Presence of non return valve after the discharge hose/ outlet. (vi) Dew Point meter (vii) Water proof weather cover.
(v)	Mounting	The compressor and motor shall be mounted on a common base plate large enough to accommodate compressor & motor mounted on vibration dampening elements/cushy mountings to minimize transmission of vibration to the foundation and also the gas piping lines. In no case the compressor motor assembly to be welded to trolley body
(w)	Air Stream specification	<ul style="list-style-type: none"> (i) Inter connecting Air Piping from 1st Stage to outlet separator last stage. (ii) Individual inter and after coolers for each stage. The intermediate and after coolers are to be made of stainless steel. (iii) Moisture and oil separator after each cooler. (iv) Automatic condensate drain consisting of: <ul style="list-style-type: none"> (aa) Condensate receiving tank with level sight glass (ab) Diaphragm valve on each separator

	<p>(ac) Manual Drain valve on condensate tank of 30 liters capacity.</p> <p>(v) Temperature gauge after each stage of air, panel mounted.</p> <p>(vi) Pressure gauge after each stage, panel mounted.</p> <p>(vii) Relief valve after each stage (open type).</p> <p>(viii) Flexible hose on final discharge with non-return valve and compression fittings.</p> <p>(ix) Air suction filter.</p>
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4. **Air Dryer Cum Filter Unit Downstream of Compressor.** The compressor should be fitted with an Air Dryer cum Filter unit downstream with following specifications:-

Ser	Specification	Remarks
(a)	Air Quality at Outlet	Oil content less than 0.1 ppm and dry at atmospheric dew point
(b)	Inlet volume flow rate	As per design consideration
(c)	Outlet volume flow rate	-do-
(d)	Maximum operating temp	55 °C
(e)	Operating pressure	375-400 BAR
(f)	Atmospheric dew point	-55°C
(g)	Cycle – total	20 min
(h)	Drying period	10 min
(j)	Regeneration period	10 min
(k)	Design pressure	400 BAR
(l)	Test pressure	110% of Design Pressure
(m)	Control Supply	230 V , 50 Hz, 1 ph.

5. **Electric Motor.** The motor should comply to the following specifications:-

Ser	Specification	Remarks
(a)	Type	3 Phase Squirrel cage Induction motor
(b)	Degree of Protection	IP 55
(c)	Class of Insulation	F

(d)	Explosion Protection	Flameproof
(e)	Speed	1500 rpm (without slip). Running speeds may vary as per the design.
(f)	Input Supply	415 V (+/-)10%, 50 Hz, 3 phase
(g)	Make	Siemens, ABB, Crompton
(h)	Capacity	Suitable for the compressor
(j)	Arrangement	B3/ Enclosure TEFC

6. **Electric Control Panel.** One flame proof control panel with star delta starters. The panel will be relay based and shall incorporate the main switch fuse unit, control transformer, voltmeter and ammeter. The panel will house all the inter locks for safe working of the compressor. This shall incorporate high pressure, high temperature alarms, over load, under load protection devices, short circuit protection and single phase prevention system. Degree of protection should be IP 56.

7. **Instrumentation/ Controls Mounted on the Compressor.** The following minimum instrumentation / controls and safeties may be mounted on the compressor at a convenient place for the operator to monitor/ operate:-

(a) **Indication at Local Panel.** Local panel should have metallic dials, easily visible and indicating the following:-

- (i) Discharge Pressure
- (ii) Inter-stage air pressures
- (iii) Inter-stage air temperatures
- (iv) Final discharge air temperature
- (v) Lub oil inlet/outlet pressure
- (vi) Running hour's meter – Counter type
- (vii) Lub oil temperature
- (viii) Power on / compressor-running indication

(b) **Push Buttons and Indication Requirements.** The push buttons with Local indicator lights are to be coloured as follows: -

- (i) 'START' - Push button (Green)
- (ii) 'STOP' - Push button (Red)
- (iii) Power 'ON' - Lamp (white or clear).
- (iv) Motor running - Lamp (Green).
- (v) Prime Auto - Lamp (Yellow or Amber)
- (vi) Motor Overheat/ Over current trip- Lamp (Red).

(c) **Safeties/ Cut Outs.** Following minimum safety devices are to be fitted to indicate an abnormality or actuate trip / cutout:-

- (i) Low Lub Oil Pressure

- (ii) Blow off valves malfunctioning
- (iii) Oil Temperature high
- (iv) Safety valve lifts
- (v) Power supply failure
- (vi) High discharge air temperature
- (vii) Motor Overload
- (viii) High Motor temperature

Note:- (i) The list of instrumentation/ controls/ safeties mentioned above is only indicative. Additional instrumentation/ controls to cater to all aspects of safety of the operator and the equipment may be incorporated.

(ii) Instrumentation/ Control Supply should be 230 V AC, 50Hz, 1ph

8. **Cable Drum with 50 Mtrs. Cable.** Cable drum with 50 mtrs. cable of suitable capacity shall be provided.

9. **Manual By Pass.** One Manual bypass each for Air Dryer and the Air Bottles.

10. **Valves.** Pressure Maintaining valve and Non Return Valve should be provided.

11. **Hose Reel and Storage Cylinder.**

(a) Hose Drum and High Pressure Hose 30 mtr. long, 1 nos. each, 400 bar, 19 mm ID SAE R9 or R10 or as suitable with end connections and details as mentioned below:-

- (i) Service Pressure : 400 bar steady.
- (ii) Test Pressure : 600 bar.
- (iii) Burst Pressure : 1000 bar.

(b) Storage Cylinder of 50 litres capacity (water volume) for service pressure of 400 bar. The details of this high pressure bottle are as under:

- | | | |
|-------|------------------------|----------------------|
| (i) | Medium to be contained | : Air |
| (ii) | Operating Temperature | : -10 to + 60 C |
| (iii) | Filling Pressure | : 400 bar |
| (iv) | Test Pressure | : 670 bar |
| (v) | Water capacity | : 50 litres (+- 5 %) |
| (vi) | Inspection | : L R I S/ CCOE |

12. Other Accessories

- (a) Flywheel with guard.
- (b) Motor Pulley for standard speeds, belts.
- (c) Suitable safe guards to avoid accidents.

13. Trailer

- (a) The whole unit is to be mounted on main trailer with canopy made of 16 gauge CRCA sheet.
- (b) The sheet metal component shall be pre-treated by the 7 tank process, powder coated/ painted with marine grade paint both inside and outside. The canopy shall be totally water tight and fire proof.
- (c) The trailer shall be suitable for towing at a speed of 15 Kmph and capable of taking the complete load of the unit. Trailer to be mounted on 04 pneumatic tubeless suitable tyres and the trailer should be designed for easy and smooth maneuverability in confined spaces front wheel turn table type steering arrangements.
- (d) Tow bar at the front and hook on rear to be provided along with a spare wheel.
- (e) All vibrating components are to be mounted on SV mountings.
- (f) The trailer should be provided with spreader bars and 04 lifting lugs / hooks along with 04 slings for lifting and loading of the equipments during transportation by sea or road. Appropriate arrangement should be provided for securing the complete compressor (along with the trailer) on a flatbed trailer for transportation over long distances.
- (g) The trailer should have an earthing point and be provided with suitable 50 mtrs. cable with required plugs for input & output supply. There should be storage boxed with suitable locking arrangements for storage of tools, mechanical jack and spare wheel; suitable reels are to be provided / mounted on the trailer for storage of cable and air hoses.
- (h) Two LED based tube light fittings with guards to be fitted inside the trailer with individual switches situated in the control panel. Mud guards and front and rear reflectors are to be fitted.

(j) The canopy is to have adequate doors with locking arrangements. Sufficient working space inside the trailer to be provided to ensure ease of maintenance of machinery installed.

(k) Over running brakes, integrated fall brake and parking brakes are to be provided.

(l) Noise level of the machinery shall be less than 90 dba at a distance of 01 meter.

14. **Test Equipment.** One no. Air lab Test Equipment shall be supplied along with the above compressors for measuring the following:-

- (a) Carbon Monoxide - in ppm
- (b) Carbon Dioxide - in ppm
- (c) Oil Mist - mg/m
- (d) Water vapour - mg/m

15. **Test Certificate.** The firm shall produce manufacturer's test certificates and guarantee certificates in original in respect of all the items supplies at the time of testing and trials.

16. **Inspection Tests & Trials.** The equipment shall be inspected as per mutually discussed and approved Q.A. Plan. The following tests will be additionally required:-

- (a) Mechanical Running Test.
- (b) Standard Performance Test with air for 4 hours or as approved.

17. **Codes and Standards**

(a) Design, Materials and manufacturing of compressors shall incorporate up-to-date technology.

(b) The material used for this product should be suitable to withstand the corrosive environment at naval establishments / Dockyards / NSRYs in sea ports. Material used for construction of electrical motor and starter panel should conform to the requirements.

18. **Assurance for product support.** The firm supplying the product has to give an undertaking assuring its product support for the next 15 years.

19. **Drawings and Documentation.** 02 copies each of the following documents shall be provided (along with each compressor):-

- (a) General arrangement drawing

- (b) Pressure Indication (PI) Diagram for air
- (c) Electrical Diagram
- (d) Instruments Data Sheet
- (e) Instruction manual consisting of part identification list, comprehensive part list.
- (f) Operation and maintenance manual with fault diagnosis chart, remedial measures etc. Maintenance manual should include disassembly and assembly of various components and allowable wear and clearances after repairs.

20. **Painting.** The compressor Trolley and all pumps etc. shall be painted with two coats of finished paint as per approved colour code over one coat of primer. The painting shall be by powder coating and texture finish.

21. **Training.**

- (a) Training for a minimum period of 03 days each shall be provided at the premises of the client to instruct and train personnel for operation and maintenance of the compressors.
- (b) All tools, tackles and oil etc. required during commissioning shall be provided by the supplier free of cost.

22. **Additional Requirement.**

- (a) Four jacks (on all four sides of the chassis) are to be provided to avoid load on tyres when stationary.
- (b) Louvers for internal cooling (keeping compressor running during rainy season) shall be provided.
- (c) Tally plates of all components should be easily visible.
- (d) Comprehensive part list (CPL) and Part Identification List (PIL) along with a list of recommended spares for 05 years maintenance be provided.
- (e) All motors, panels and other components weighing more than 40 kg be provided with lifting arrangements.
- (f) Fire extinguishers should be provided and should confirm to the required specifications. These will be fixed at accessible location on canopy assembly. Tool box containing all tools will be fabricated out of mild steel with a proper lock.

(g) A portable chair and suitable ear defenders (10 in number) for watch keepers to be provided per compressor.

(h) 01 sets of watch keeping log books and maintenance registers per compressor each to note down the running parameters of compressors and maintenance routines/ repairs to be provided respectively.

(j) A set of adaptors to be provided to enable charging of existing Air primers.

23. **Tools.**

(a) One set of associated tools per compressor for undertaking O/H, defect rectification and maintenance routines shall be provided.

(b) A complete list of special tools, extractors, key sets etc. to be provided for dismantling, overhaul and boxing up the compressor

24. **Guarantee/Warranty.** The Seller shall offer 36 months comprehensive warranty for the item supplied from the date of commissioning. In case of defects during the guarantee period the supplier shall repair / replace the defective parts without any additional cost. The warrantee shall be extended by the number of days for which the equipment was non-operational during the guarantee period. The warranty shall be comprehensive and shall encompass all planned and breakdown maintenance(s). All spares including consumables required for maintenance of the compressors along with other accessories shall be supplied by the seller during the warranty period.

25. **Comprehensive AMC.** The Seller shall offer comprehensive AMC after the expiry of warranty for a period of 05 years. The AMC shall be comprehensive and cover all the compressors supplied along with their accessories, trolleys, etc. All spares including consumables required for maintenance of the compressors along with other accessories shall be supplied by the seller during the CAMC period.