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भारत सरकार, रक्षा मंत्रालय  
Government of India, Ministry of Defence  
रक्षा अनुसंधान एवं विकास संगठन  
Defence Research & Development Organisation  
वित्त एवं सामग्री प्रबंधन निदेशालय  
Directorate of Finance & Materials Management  
'ए' ब्लॉक, प्रथम तल, डी.आर.डी.ओ. भवन,  
'A' Block, 1<sup>st</sup> Floor, DRDO Bhawan,  
नई दिल्ली/New Delhi-110 011

No. DRDO/DFMM/PP/0000220/MMFORMS-2020

01 Jan 2020

To

All DG's, Labs/Estts and YSCs

**Sub: Material Management Forms – 2020**

1. The Material Management Forms (MMF-2020) to be used at various stages of procurement have been evolved after incorporating relevant provisions of CVC Guidelines, 'Make in India Order-2017', GFR – 2017, GST, GeM and e-Procurement etc. The forms will ensure uniformity across the Labs/Estt as they contain minimum essential requirement and flexibility has been also provided to add any additional features on need basis.
2. The Material Management Forms (MMF-2020) are forwarded herewith for your information and necessary action please.

  
(P Bej)

OS & Director, DF&MM

Encls: As above



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# **MATERIALS MANAGEMENT FORMS (MMF-2020)**

GOVERNMENT OF INDIA  
MINISTRY OF INDIA  
DEFENCE RESEARCH & DEVELOPMENT ORGNISATION  
DIRECTORATE OF FINANCE & MATERIALS MANAGEMENT (DFMM)  
DRDO BHAWAN, NEW DELHI-110 011

डॉ. चित्रा राजगोपाल  
विशिष्ट वैज्ञानिक  
महानिदेशक (संसाधन एवं प्रबंधन)  
**Dr. Chitra Rajagopal**  
Distinguished Scientist &  
Director General (R&M)



भारत सरकार  
रक्षा मंत्रालय  
रक्षा अनुसंधान तथा विकास संगठन  
101, डी आर डी ओ भवन, राजाजी मार्ग  
नई दिल्ली-110 011, भारत  
Government of India  
Ministry of Defence  
Defence Research & Development Organisation  
101, DRDO Bhawan, Rajaji Marg  
New Delhi-110 011, India

Defence Research and Development Organisation has to procure materials/ components/ sub-systems and equipment to facilitate design, development and leading to production of state-of-the-art Defence Systems for the three Services.

In order to provide policy guidelines, as a ready reference to the Labs/Estts on the activities of demand and order processing, inventory control and other allied functions related to Materials Managements, DFMM is proactively reviewing its materials management procedures to bring them in synchronization with the need of changing working environment.

The procedure for purchase management had already been issued vide Procurement Manual -2016. The primary objective of PM-2016 is to ensure expeditious procurement of stores of requisite quality fulfilling technical requirements in the prescribed time frame by optimally utilizing the allocated budgetary resources.

I am glad that a compendium titled "Material Management Forms ( MMF-2020)" has been formulated by DFMM in consultation with Addl FA (R&D) & JS and IFA(R&D) taking into account CVC guidelines, Make In India Order -2017, GFR-2017, GST, GeM and e-Procurement etc. I hope this compendium will facilitate the procurement process and bring in uniformity in interpretation of contracting clauses.

The compendium is being issued after taking into account the feedback received from various users and the changes introduced in the Procurement Manual-2016. The forms prescribed in the document contain the minimum essential features which are required to be included by all users. Any additions over and above these forms may be done by the users to suit local needs.

Any suggestions for improvement in this document are most welcome and may be passed on directly to DFMM, DRDO HQrs.

I wish to place on record my appreciation for the hard work done by Sh. P Bej OS & Director FMM and his team members and members from various Labs/Estts.

Further, I wish to place on records my sincere thanks to Sh. Subir Mallick Addl FA (R&D) & JS, Dr Mala Iyengar then IFA (R&D) and Sh A K Tiwari IFA (R&D) & team DRDO HQrs for their significant contribution in evolving the compendium.

Date:

20/12/19

*Chitra*

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(Name of Lab/Estt.)			
APPLICATION FORM FOR REGISTRATION OF FIRM			
<b>I.</b>	<b><u>Administrative information</u></b>		
<b>1.</b>	a) Name of the Firm	:	
	b) Registration ID with CPP Portal (eprocure.gov.in)	:	
<b>2.</b>	Registered Head Office Address		
	a) Postal Address	:	
	b) Telephone No(s), Fax No(s)	:	
	c) Mobile No(s)	:	
	d) E-mail	:	
	e) Website (if any)	:	
<b>3.</b>	Branch Office(s)		
	a) Postal Address	:	
	b) Telephone No(s), Fax No(s)	:	
	c) Mobile No(s)	:	
	d) E-mail	:	
	e) Website (if any)	:	
<b>4.</b>	a) Jurisdiction of Police Station under which the Premises of Registered/Head Office falls	:	
	b) Address of the Police Headquarters	:	
<b>5.</b>	Category of Registration		:
	a) Manufacturers/ Distributors (MFD)	:	
	b) Service Providers (SP)	:	
	c) Fabrication/Production Agency (FPA)	:	
	d) Development and Production Agency (DPA)	:	
	e) Design, Development and Production Agency (DDP)	:	
	f) Others (System Integrator, Solution Provider etc.)(OTH)	:	
<b>6.</b>	a) i) Stores for which Registration is sought	:	

	ii	Services for which Registration is sought	:	
	b)	Details of Distributor/Dealership of Articles normally stocked and the extent of such Stocks indicating separately Imported Articles (Types of Stores), Indigenous and Stock Articles with Name of the Mfrs. & Type of Stores (if applicable)	:	
<b>7.</b>		Kind of ownership and Registration Details	:	
	a)	If Limited Concern, Name of Managing Director (enclose copy of MoA and AoA)	:	
	b)	If Single Owner, Name of the Proprietor	:	
	c)	If Partnership, Name of Partners (enclose copy of Partnership Deed)	:	
	d)	Others (Please specify relevant Act)	:	
<b>8.</b>		Point of Contact for seeking any information, person(s) to be contacted with Name, Designation, Phone No (O), Fax No, Mobile No and E-mail address	:	
<b>9.</b>		Type of Industry : Micro/Small/Medium/Large Scale	:	
	a)	Registration No. and date with the Director of Industries / NSIC / Director General of Technical Development (please provide documentary evidence)	:	
	b)	Whether Owner belongs to SC/ST?	:	
	c)	Is the Owner Male/Female/Others?	:	
<b>10.</b>		Reference of any Defence/DRDO Lab/DGS&D/Govt. Dept. with whom you are already Registered, provide documentary evidence, if applicable.	:	
<b>11.</b>		List of Principal Customers with addresses (with special reference to the Defence Contracts with proof)	:	
<b>II.</b>		<b>Commercial Information</b>		
<b>1.</b>		Tax Registration Details (enclose relevant copies)		

	PAN No.		
	TAN No./TIN No.		
	GSTIN		
2.	Principal's Authorization for Distributor / Dealer / Service Provider etc., if applicable	:	
3.	Bank Account details	:	Enclose ECS mandate
4.	Preceding three years turnover details (Turn Over detail , Profit Loss and Balance Sheet)	:	
III.	<b>Technical Information</b>		
1.	Are you providing after Sales Services? If no, Provide Details of Service Provider.	:	
2.	Brief description of the Organization (i.e., History, Total Area, present set-up, future expansion plans, Depts., Labs etc	:	
3.	Details of Managerial & Technical Personnel	:	
	a) Total No. of Employees, Administrative, Technical, Quality Control, Skilled Personnel.		
	b) The minimum requirements, experience & qualification laid down for Quality Control Manager, Supervisors & Inspection Staff.		
IV.	<b>Manufacturing Information</b>		
1.	Manufacturing Capacity as approved by Government (indicate Industrial License No. / Factory Act Registration & Date, Product & Quantity Licensed)	:	
2.	Year of commencement of Manufacture of subject Stores for which registration is sought.	:	
3.	Details of facilities available for Water Supply, Fire Fighting, Security etc.	:	
4.	Details of Stores under production or development	:	
a)	Brief details of Products manufactured	:	



	indicating Sl. No., Type, Description Annual production for last three years		
b)	Present Monthly production	:	
c)	Spare capacity available	:	
d)	Product under development	:	
<b>5.</b>	Raw Materials (Sources of procurement, percentage of indigenous & imported Raw Materials)	:	
<b>6.</b>	Details of Intellectual Property Rights	:	
<b>7.</b>	Details of Plants & Machinery, indicating description, make, rating and quantity	:	
<b>8.</b>	Inward goods Inspection and Quality Control of Raw Materials/bought out Items.	:	
a)	Available Test Equipment and facilities in the Factory indicating description, make rating and quantity.	:	
b)	Assistance from External Agencies	:	
(i)	Description of the Test	:	
(ii)	Name of the Agency carrying out the Test	:	
<b>9.</b>	Inspection and Quality Control of finished Products.	:	
a)	Available Test equipment and facilities in the factory	:	
b)	Assistance from external Agencies	:	
<b>10.</b>	Third Party Certification, if applicable, indicate details (Copies of Quality approval/Test Certificate/Test Reports may be enclosed).	:	
<b>11.</b>	Future plans	:	
a)	Expansion Programme	:	
b)	Research Programme	:	
c)	Any other information	:	

12.	Environment / Pollution clearance details with authority (if applicable)		
<b>V</b>	<b>Other Information</b>		
1.	History of banning/de-registration, if any, provide details? (enclose Undertaking form)	:	
2.	History of any Labour disputes, strikes, lock outs, No. of Mandays lost due to Labour unrest, if any during last three years.	:	
3.	Is any owner / employee of your Company / Firm a foreigner? If yes, give details	:	
4.	Any ongoing enquiries against Company / Firm? If yes, give details	:	
5.	Measures taken for Security arrangements for confidential contracts. Provide details	:	
6.	Quality Management System Certification details, if any	:	
7.	Whether you or any of your partners/employees have/has close relations working with any DRDO Lab/Estt		
<b>VI</b>	<b>Registration Fee Detail</b>		
1.	Bank Draft details/ E-payment details	:	
<b><u>DECLARATION</u></b>			
1.	I / We _____ (Name of Partner(s)/Proprietor(s)/Director(s) do hereby declare that the entries made in this application form are true to the best of my/our knowledge and that I/we shall be bound by the acts of duly constituted authority.		
2.	I / We also hereby declare that all Material/Information related to DRDO shall be treated as CONFIDENTIAL and no Material/Information shall be passed on to any unauthorized person without written permission of the Director of the Lab/Estt.		

3.	I / We also declare that the firm a) Has not been insolvent, in receivership, bankrupt or being wound up b) Does not have its affairs administered by a court or a judicial officer c) Does not have its business activities suspended d) Is not the subject of legal proceedings for any of the foregoing reasons e) The proprietor or directors have not been convicted of any criminal offence related to their professional misconduct or not otherwise have been disqualified pursuant to debarment proceedings. f) That in the past the firm has never been banned/debarred for doing business dealings with Ministry of Defence/Govt. of India/ any other Govt. organisation and that there is no enquiry going on by CBI/ED/any other Govt. agency against the firm.	
4.	I / We also undertake the responsibility to inform all subsequent changes in the Constitution or working of Firm, affecting the accuracy of the details given herein will be promptly communicated to your Lab/Estt.	
5.	Mr. / Ms. _____ whose signatures are given below is an authorised representative of this Firm.	
<div style="display: flex; justify-content: space-around; height: 40px;"> <div style="border-bottom: 1px solid black; width: 30%;"></div> <div style="border-bottom: 1px solid black; width: 30%;"></div> <div style="border-bottom: 1px solid black; width: 30%;"></div> </div>		
<b>(Specimen Signatures of Firm's Authorized representative)</b>		
Place :		(SIGNATURE OF AUTHORISED SIGNATORY)
Date :		(with Firm's SEAL)

<b><u>Model ECS Mandate Format</u></b>	
Customer's option to receive payments through e-Payment (ECS/EFT/DIRECT CREDIT/ RTGS/NEFT/ Other Payment mechanism as approved by RBI)	
<b>Credit Clearing Mechanism</b>	
1.	Customer's Name:
2.	Particulars of Bank Account:
a.	Bank Name:
b.	Branch Name:
c.	Address:
d.	Telephone Numbers:
e.	IFS Code:
f.	9 Digit Code Number of Bank and Branch appearing on MICR Cheque issued by Bank:
g.	Account Type (S.B Account/ Current Account or Cash):
h.	Ledger Number:
i.	Ledger Folio Number:
j.	Account Number as appearing on Cheque Book:
3.	Please attach a blank cancelled Cheque, or, Photocopy of a Cheque or front page of your saving bank passbook issued by your bank for verification of the above particulars.
4.	Date of Effect:
	"I, hereby, declare that the particulars given above are correct and complete. If the transaction is delayed or not effected at all for reasons of incomplete or incorrect information, I would not hold the user institution responsible. I have read the option invitation letter and agree to discharge the responsibility expected of me as a participant under scheme."
(.....)	
Date:	Signature of Customer
Certified that the particulars furnished above are correct as per our records.	
Bank's Stamp: (.....)	
Date:	
Signature of the Authorized Official from the Bank	

**CONFIDENTIAL**  
**(Name of Lab/Estt.)**

**VERIFICATION OF ANTECEDENTS OF THE FIRM**  
**(Letter Head of the Lab/Estt.)**

Ref No.:

Date:

1. The Commissioner of Police

\_\_\_\_\_  
\_\_\_\_\_

2. Bank Manager

\_\_\_\_\_  
\_\_\_\_\_

**Subject: REGISTRATION OF FIRM**

Dear Sir/Madam,

1. M/s. \_\_\_\_\_ has applied for registration of their firm as an approved supplier with this Lab/Estt for supply/Service of \_\_\_\_\_.
2. Before entertaining any business transaction with this firm, it is necessary to ascertain their sound existence and other particulars. Please verify and confirm that there is nothing adverse against this firm. The information called for is for verification of the firm and is not for anything particular against this firm. The information\* submitted by the firm is enclosed for your reference.
3. An early reply is requested. Confidentiality of your reply/information will be maintained.

Yours Sincerely,

( )

For Director (Lab/Estt.)

**\*The Lab/Estt will send "only the relevant information" to Police / Bank for Verification.**

(Name of Lab/Estt./ Programme)

**FIRM RECOMMENDATION REPORT  
(TO BE SUBMITTED BY VENDOR REGISTRATION COMMITTEE)**

**A. Registration on Vendor's Request :**

Reference\_\_\_\_\_to request for Vendor Registration made by M/s \_\_\_\_\_

- i. The Committee considered/visited the premises of the firm, to verify the information furnished by the vendor.
- ii. On cross verification & detailed inquiry with Shri/Smt\_\_\_\_\_ Owner/Partner/Manager of the firm, by the Committee, the information submitted by the Vendor is found true & satisfactory, except the following:

\_\_\_\_\_  
\_\_\_\_\_

**B. Self-registration by Lab/Estt:**

(Applicable for firms of repute/foreign firm only)

The registration of M/s\_\_\_\_\_ has been recommended by (name of Group/Division)/derived from Indian Trade Journal/Press advertisements/any other source. The committee visited the firm or considered the repute of the firm.

**C. Reasons for non-Non Recommendation: (Specify if any)**

**D. Monetary Ceiling for individual Orders/Contracts:** \_\_\_\_\_ Lakhs (Average turnover of the firm for the last three years will be taken as the monetary limit upto which individual Order/Contract can be placed on the firm)

**Recommendation of the Vendor Registration Committee**

The registration of M/s\_\_\_\_\_

Recommended/Not recommended

( \_\_\_\_\_ )

Member

( \_\_\_\_\_ )

Member

( \_\_\_\_\_ )

Chairman

**Approved/Not Approved**

**DIRECTOR**

**NAME & ADDRESS OF LAB/ESTT:**

Phone:  
Fax:  
E-mail:  
Website:

Ref. No.:

Date:

To

M/s \_\_\_\_\_

**SUB: REGISTRATION OF FIRM**

Ref: Your Application/letter No.

dated

Dear Sir/Madam

1. We are pleased to inform that M/s. \_\_\_\_\_ has been registered with this Lab/Estt. as per following details:
  - a) Unique Registration No. (**DRDO**/Abbreviated Lab Name/ Category-----/ Year – YYYY/  
Sl. No – 4 Digits)  
Date of Registration:
  - b) Registration valid upto:
  - c) Store(s)/service(s) for which registered:
  - d) Category of Registration:  
  
*\*Lab/Estt. to mention applicable category out of the following  
Manufacturers/Distributors (MFD); Service Providers (SP); Fabrication/Production  
Agency (FPA); Development and Production Agency (DPA); Design, Development  
and Production (DDP) Agency; Others (OTH), (please specify), Any combination of  
these ( e.g. MFD-SP, FPA-SP, DPA-SP, DDP-SP).*
  - e) Monetary ceiling for existing individual orders/contracts:-----Lakhs
2. The Director of this Lab/Estt reserves the right to cancel your registration at any time without notice on any of the following grounds:
  - a) Failure to observe, while tendering, the instructions given in tender form.
  - b) Failing to quote in response to invitation to tender on three successive occasions.
  - c) Failure to execute the contracts/supply orders satisfactorily
  - d) Rendering of false information in the application for registration/quotation.



- e) Any other grounds which in the opinion of the Director render retention undesirable in public interest.
3. By registering your firm on our list we are not under any obligation to issue our tender enquiries to you each and every time. Enquiries will be issued depending upon the nature of procurement solely at the discretion of the Director, \_\_\_\_\_.
4. This registration will be valid upto \_\_\_\_\_ (date mentioned at 1(b)) and renewed thereafter at the discretion of the Director considering your firm's performance during the preceding period of three years.
5. Please inform any change provided in the application form submitted for registration to the Director \_\_\_\_\_.
6. Please acknowledge receipt.

Thanking you,

Yours Sincerely,

(            )  
For Director

<b>DRDO.DM.01</b>							
<b>Page 1 of 5</b>							
<b>(Name of Lab/Estt.)</b>							
<b>DEMAND FOR PROCUREMENT OF STORE(S)/SERVICES</b>							
<b>(PART - I to be completed in all respects before sending to MMG Division)</b>							
<b>PART - I</b>							
<b>MMG Demand Control No : (to be entered in all pages of demand)</b>				Div. Demand No :			
Group/Division :				Div. Demand Date :			
Project/Build-up :				Inventory Control Code (ICC) :			
FBE Year:		FBE Reference: ( mention reason if not projected)		FBE Item Description:			
Project No. & Name (if applicable):							
Project PDC:				Board Reference(PJB/PMB etc):			
Type of Procurement <b>(CAPITAL/REVENUE)</b> :							
Note: In case of capital procurements DM-04 may be enclosed.							
Source of Funding <b>(DRDO/Indian Army/IAF/IN/Others)</b> :							
<b>Project Commitments/Expenditure Status under Code Head</b>							
Commitments:				Demand approved but order not released			
<b>Expenditure Booking Head</b>							
Major Head:				Minor Head:			
Code Head:				Unit Code:			
Category of Demand <b>(New purchase/ Up gradation/ Replacement/ Maintenance/ Repair/ Any other (specify))</b> :							
<b>1. Article(s) /Service to be Procured</b>							
<b>Sl. No.</b>	<b>Item Code (if any)</b>	<b>Description of Store(s)/Services</b>	<b>Unit of Measure</b>	<b>Classification (C/NC/NCF/Services)</b>	<b>Qty Required</b>	<b>Unit Rate</b>	<b>Estimated Cost</b>
i)							
ii)							
<b>GST Amount</b>							
<b>Other charges</b>							
<b>Total Estimated Cost</b>							
<b>Total Estimated Cost (In words)</b>							
<b>2.</b>	Basis for working out the estimated cost of proposal & LPR if available:						

<b>3.</b>	Proposed Mode of Procurement (LPC/OBM/LBM/PBM/SBM/GeM/RO/Option Clause/RC/SWOD/Designated Agency): Previous Order Reference (For RO / Option Clause):
<b>4.</b>	Brief Justification for necessity, quantity & Mode of Procurement (if not OBM):
<b>5.</b>	Pre-Bid Conference Requirement (Yes/No):
<b>6.</b>	Bid system proposed (Single Bid / Two Bid System):
<b>7.</b>	Bid Evaluation Criteria (Line wise / Lot wise):
<b>8.</b>	Bid validity : _____ days (select 90 / 120 / 150 / 180 days depending on Technical complexity)
<b>9.</b>	Nature of Item (Sensitive / Non-Sensitive) : CPP Waiver Justification for Sensitive items:
<b>10.</b>	Requirement of Non-Disclosure Agreement (Yes/No) :
<b>11.</b>	Warranty Requirement: _____ months / Not applicable
<b>12.</b>	Delivery Period / Duration of Service: _____ months from placement of Order/Contract
<b>13.</b>	Delivery Term; Free Delivery at Lab/Estt. / Applicable INCOTERM (specify):
<b>14.</b>	Apportionment of Quantity (provide ratio of splitting if applicable):
<b>15.</b>	Quantity Tolerance Clause (mention % if applicable):
<b>16.</b>	Part Supply (Acceptable / Not Acceptable):
<b>17.</b>	Proposed Payment Terms: a) Standard Payment Terms (100% against Acceptance OR 90% against Acceptance & 10% after Warranty Period) : b) Stage wise / Pro rata payments (specify): c) Advance Payment (specify % with remarks):
<b>18.</b>	Mode of Dispatch / Transportation including insurance requirement:
<b>19.</b>	Special Packaging Requirements (if any):
<b>20.</b>	Inspection Agency & Authority:
<b>21.</b>	Requirement of training, if any:
<b>22.</b>	FIM to be issued (Yes/No): If Yes, give details (item code, description, year of purchase, quantity, rate):
<b>23.</b>	Drawings/Specifications (to be made generic)/Acceptance/Inspection criteria to be enclosed, if applicable. Mention list of deliverables.
<b>24.</b>	Installation & Commissioning Requirements:
<b>25.</b>	Post Warranty AMC requirement (Yes/No): If Yes, specify duration: _____ year(s)

<b>26.</b>	Product support requirement (Yes/No): If Yes, specify duration: _____ years			
<b>27.</b>	Buy-back (Applicable / Not Applicable): If applicable, give details of the existing item:			
<b>28.</b>	Any other special points (like submission of samples):			
<b>29.</b>	Likely Sources of Supply: (In case of unregistered vendor(s), explicit approval of CFA to be obtained)			
	<b>Sl. No.</b>	<b>Name and Address of the firm</b>	<b>Registration No.</b>	<b>CPP ID</b>
	i)			
	ii)			
<b>30.</b>	PAC as per format <b>DRDO.DM.02</b>			
<b>31.</b>	Single Source Justification (SSJ) as per format <b>DRDO.DM.03</b>			
<b>32.</b>	Vendor Qualification Criteria (enclose separate sheet if applicable)			
<b>33.</b>	Enclose duly filled in <b>DRDO.DM.04</b> form in case of Capital Procurement			
<b>34.</b>	Whether EOI / RFI published (Yes/No): If Yes, enclose report.			
<b>35.</b>	Requirement of Expenditure Sanction along with Demand approval on cost not exceeding basis (Yes/No): If Yes, provision of <b>para 4.9.1 of PM-2016</b> will be applicable.			
<b>Date:</b>			( signature )	
Phone No.:			(Name & Design. of Initiating Officer)	
<b><u>Recommendation</u></b>				
The above demand have been examined as per provisions of Para 4.6.2 of PM-2016 and <b>recommended/not recommended</b> for further action.				
<b>Date:</b>			( signature )	
Phone No.:			(Name & Design. of HOD/Group Head )	
<b>Certificate by Stores (not required in case of service/maintenance contract):</b> Item(s) is/are Available / Not Available in stock				
(O I/C Stores)				

**PART – II**

**Checklist for Demand approval (to be scrutinized by MMG)**

1.	Non-availability endorsement made for centrally stocked items (not required in case of service/maintenance contracts).	Yes	No
2.	Whether the indented stores are covered under the purchase/ price preference and product reservation policy.	Yes	No
3.	Special terms and conditions of RFP have been scrutinized.	Yes	No
4.	i) Issue of GST Exemption Certificate under notification 45/2017 or 47/2017 or _____ as amended is applicable.	Yes	No
	ii) Issue of Custom Duty Exemption Certificate under notification 51/96 as amended is applicable.	Yes	No
5.	Concurrence of finance on PAC certificate is taken for cases where financial concurrence is otherwise not required for demand approval (in case of PAC mode of bidding).	Yes	No
6.	EMD (Applicable / Not Applicable): Amount in Rupees (if applicable):		
7.	Expenditure Sanction on cost not exceeding basis (Recommended / Not Recommended):		
8.	Draft RFP as per DRDO.BM.02 enclosed		

**Recommendation**

The above demand has been examined as per provisions of Para 4.6.4 of PM-2016 and **recommended/not recommended** for further action.

<b>Date:</b>	( signature )
Phone No.:	(Name & Design. of Head MMG)

**Budget/Planning Group/Project Accounting Cell**

Funds are likely to be available within the likely allocation / allocated funds at the time of Cash Outgo

Phone No.:	( signature )
<b>Date:</b>	(Name & Design. of O I/C Budget/Project Cell)

MMG Demand Control No.:

**Recommendation / Approval**

Demand for items / services as per Para 1 of PART - I :  
Recommended / Approved

**Date:**

(

)

**Signature of Director/Project Director/CFA**

**ACTION BY MM GROUP/DIVISION**

Tender No. \_\_\_\_\_

Issued on \_\_\_\_\_

With date of opening on \_\_\_\_\_

( **signature** )

**MMG Officer**

**PROPRIETARY ARTICLE CERTIFICATE****(For use in PBM)**

Description of Stores/Services (Indicate Model No, if any): \_\_\_\_\_

It is certified that:

i) The Store(s) are manufactured/ Service(s) are provided by..... (Name of the OEM) (Copy of certificate from manufacturer/OEM may be enclosed).

ii) M/s ..... (Name of the Firm) is the Sole Authorized Dealer/Stockiest/Distributor of the OEM / Original Service Provider.

iii) No other make or Model/Service provider is acceptable for the following reasons:

**(Select the applicable reason(s))**

(a) No alternative or substitute Store(s)/Service (s) exists that meets the specific technical / research requirements.

(b) To ensure standardization / compatibility with existing items or to maintain specialized stores by the manufacturer or its authorized representative / service provider.

(c) Subsequent Fabrication / up-gradation / modification / research of the developed prototype from the original development partner.

(d) Any other reason

iv) This PAC will remain valid for two years from the date of issue unless cancelled earlier by the Competent Authority.

v) Concurrence of Integrated Finance to grant this PAC for two years has been obtained vide U.O no. \_\_\_\_\_ dtd \_\_\_\_\_.

Phone No.: \_\_\_\_\_ ( signature )

**Date:** \_\_\_\_\_ **(Name & Design. of Initiating Officer)**

**Countersigned**

Phone No.: \_\_\_\_\_ ( signature )

**Date:** \_\_\_\_\_ **(Name & Design. of HOD/Group Head )**

**Approved / Not Approved**

Date: \_\_\_\_\_ (Programme Director/ Director of the Lab/Estt.)



**SINGLE SOURCE JUSTIFICATION**  
**(For Use in SBM)**

Description of Stores/Services: \_\_\_\_\_

Recommended Supplier Name: \_\_\_\_\_

This is to certify that a competitive bidding cannot be undertaken for the procurement of store(s)/ service(s) for the reason(s) mentioned below:

***((Select the applicable reason(s))***

- i) In case of immediate Operational / Technical requirement.
- ii) Only the above supplier or service provider is having materials / equipments / technical competency to meet the specific requirements of the Store/Service.
- iii) The above source has been developed specifically by DRDO and Single Bidding Mode is opted to meet the requirement during scale-up.
- iv) An emergent situation existed ("emergent" defined as a circumstance in which an immediate purchase or procurement decision is necessary to prevent a serious delay, which could endanger human, animal or plant life; damage to property; or lead to suspension of the provision of an essential service).
- v) The Stores / Services are sensitive in nature and its disclosure through a competitive bidding process could compromise National security.
- vi) Only one bid received in response to complete bidding undertaken previously.
- vii) Stores are to be procured from a Govt. specified source.
- viii) Any other reason.

Phone No.: \_\_\_\_\_ ( **signature** )

**Date:** \_\_\_\_\_ **(Name & Design. of Initiating Officer)**

**Countersigned**

Phone No.: \_\_\_\_\_ ( **signature** )

**Date:** \_\_\_\_\_ **(Name & Design. of HOD/Group Head )**

**Approved/Not Approved**

Date: \_\_\_\_\_ (Project Director/ Programme Director/ Director of the Lab/Estt.)

(Name of Lab/Estt)

**QUESTIONNAIRE FOR ACCEPTANCE OF NECESSITY FOR THE  
PROCUREMENT OF CAPITAL EQUIPMENT & ADDITIONAL ACCESSORIES**

Division Demand No. \_\_\_\_\_ Demand Date: \_\_\_\_\_

1.
  - a) Complete nomenclature of the store:
  - b) Broad specifications:
  - c) Normal operational life of item:
  - d) Build-up / Project:
2.
  - a) Estimated cost of the store(s):
  - b) Date of last procurement, its quantum and cost:
3. Necessity and justification for procurement and required quantity
  - a) Broad purpose of items being procured:
  - b) Basis for working out the quantity proposed with justification
4.
  - a) If the item is intended for replacement, is it complete equipment or only a part or an accessory to be replaced & how the old item was disposed off or is proposed to be disposed off ? :
  - b) Is replacement due to fair wear & tear or otherwise?:
  - c) How much longer the item is likely to give service if replacement is for a part or an accessory?
  - d) If item is for up-gradation, confirmation that compatibility and standardization issues are addressed.
5. If there are more than one number of the items existing then
  - a) Specify numbers:
  - b) State how and why it is absolutely necessary to have replacement? Or:
  - c) Why the work cannot be carried on with the existing number of items? :
6.
  - (a) Is the item demanded complete with accessories and spares and whether there will be need to procure spares etc.?:
  - (b) Are the spares readily available? :
  - (c) If not, specify delivery schedule:
7. Is the item intended for immediate use? If so, how the work was progressed till now and why the arrangements should not continue ?:
8. Where is the machine/equipment likely to be located?

9. Are all arrangements & facilities such as accommodation, air conditioning, men, power etc. available in the Lab/Estt. or have yet to be provided ? Furnish the following information:
- a) Works services required are major or minor and when are they likely to be completed ?:
  - b) Can the machine/equipment be used with the deployment of existing manpower ? :
  - c) Can the equipment/machine be installed within 3 months of its receipt? :
  - d) Do you have facilities to undertake normal maintenance of the machine/equipment ? If not how the same is proposed to be carried out ? :
10. a) Whether deputation of officer abroad for operational training is necessary?  
b) If so please give details, specifying no. of people and duration of training required with justification.:

( Signature )	( Signature )
(Initiating Officer)	(Group Head)

DRDO.DM.05  
Page 1 of 1

(Name of Lab/Estt)

MONTHLY REPORT ON PETTY PURCHASES

Month -----Year -----

Demand No.	Date of Purchase	Item / service Description	Qty	Cost	Cash Drawn On	Cash Settled On	Ledger Reference	Digital Payment	Remarks

Date

( )

Head MMG

( )

CFA/Director

**(Name of the Lab/Estt.)**  
**PETTY PURCHASE DEMAND**

MMG Demand Control No (To be allotted*):	Div. Demand No:
Group/Division :	Div. Demand Date:
Project/Build-up :	Inventory Control Code (ICC):
Project Name & No.:	Project PDC:
FBE Reference:	Unit Code:
Major Head:	Code Head:
Minor Head:	

The following stores/services are to be procured through cash purchase to meet requirements as supply of these stores/services through normal purchase process cannot be awaited. Approval of the CFA may kindly be accorded.

Sl. No.	Nomenclature/ Description	Unit of Measure	C/NC/NCF Measure	QTY /Services	Estimated cost
---------	------------------------------	--------------------	---------------------	------------------	-------------------

1.  
2.  
3.  
4.

Total amount for which sanction is required (inclusive of taxes): Rs. \_\_\_\_\_

Justification:

( )  
Initiating Officer

( )  
HOD/Group Head

Phone:

Date:

Phone:

Date:

Items **Available/Not Available** in stock (not applicable for Services).

Phone:

Date:

( )  
Stores

Officer

Certified that Funds are **Available/Not Available** under Budget Head \_\_\_\_\_.

Phone:

Date:

( )  
I/C

Budget

**\* Please enter control number on both pages.**

MMG Demand Control No.:

Local Purchase/Out station purchase approved and Cash Officer is authorised to pay sanctioned amount of Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_ only) in cash / cheque by Cash Purchase Officer Shri \_\_\_\_\_ Designation. \_\_\_\_\_ whose specimen signatures are attested below.

1. \_\_\_\_\_ 2. \_\_\_\_\_ 3. \_\_\_\_\_

Alternatively payment may be made by ECS / RTGS.

( \_\_\_\_\_ )  
CFA/Authorised Signatory.

### Receipt

Received Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_ only) from Cash Officer for the purchase mentioned above on ( Date ): \_\_\_\_\_ in cash / cheque.

Phone:

Date: \_\_\_\_\_ ( \_\_\_\_\_ )  
Cash Purchase Officer

### Certificate

It is certified that:-

1. Verbal enquiries were made and the prices paid are the cheapest/reasonable.
2. We \_\_\_\_\_, are jointly and individually satisfied that the goods/services purchased are of requisite quality and specifications and have been purchased from a reliable source/service provider at a reasonable price.

( \_\_\_\_\_ )  
Member (s)

( \_\_\_\_\_ )  
Cash Purchase Officer

### Settlement

Received balance amount of Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_ only) from Shri \_\_\_\_\_ Designation: \_\_\_\_\_ on \_\_\_\_\_ ( date ) with two copies of cash memo and receipt voucher. The advance drawn by the Officer has been settled without any discrepancy. Actual expenditure incurred is Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_ only) and the DV No. is \_\_\_\_\_.

(OR)

Cheque No. \_\_\_\_\_ dated \_\_\_\_\_ Amount (Rs.): \_\_\_\_\_ issued (OR)

ECS / RTGS payment for Rs. \_\_\_\_\_ made on date \_\_\_\_\_

Date:

( \_\_\_\_\_ )  
Cash Officer

**NOTICE INVITING BIDS (e-procurement)**

**Defence Research Development Organization (DRDO)**  
**Ministry of Defence**  
**(Lab name)**

**NOTICE INVITING e-TENDER**

On behalf of President of India, Director (**Lab/Estt Name, Station**), invites online bids through e-Tendering method from manufacturers/suppliers/distributors for following stores/services:

Sl. No.	Tender Reference No.	Tender ID	Description of Stores/Services	Qty	EMD (Rs.)	Due date for Bid Submission

Note: Further details and complete RFP can be accessed from website <http://eprocure.gov.in/epublish/app> or <https://defproc.gov.in> or <http://www.drdo.gov.in/drdo/tenders/liveTenders.jsp> Any corrigendum will be published on the referred website only .



## **NOTICE INVITING BIDS (offline Procurement)**



**Defence Research Development Organization (DRDO)**  
**Ministry of Defence**  
**(Lab name)**

### **NOTICE INVITING TENDER**

On behalf of President of India, Director (**Lab/Estt Name, Station**), invite bids from manufacturers/suppliers/Distributors for following stores/services:

Sl. No.	Tender Reference No.	Tender ID	Description of Stores/ Services	Qty	Tender Fees (Rs.)	EMD (Rs.)	Due date for Bid Submission

Note: Further details and complete RFP can be accessed from website <http://eprocure.gov.in/epublish/app> or <https://defproc.gov.in> or <http://www.drdo.gov.in/drdo/tenders/liveTenders.jsp>. Any corrigendum will be published on the referred website only.

# **RFP : For e-Procurement**

Tender Reference No.....

Tel: \_\_\_\_\_ Government of India

Fax: \_\_\_\_\_ Ministry of Defence

e-mail : \_\_\_\_\_ Defence Research & Development Organisation

(Name & Address of the Lab/Estt)

Date \_\_\_\_\_

### **Online Invitation of Bids**

#### **Invitation of Online Bids for Supply of ..... (Title of Request for Proposal)**

**Tender / Request for Proposal (RFP) Reference No. \_\_\_\_\_**

1. **Online Bids** are invited for supply of items listed in Part V of this RFP as per **Single / Two Bid System**. The online bid (both techno-commercial and price bid) should be uploaded by the bidder before the due date and time.
2. The address and contact numbers for sending documents ( viz. EMD(Bid Security), Tender Fee, Earnest Money for Integrity Pact and signed Integrity Pact document ( if applicable) /Technical Brochure if any) other than techno-commercial and financial bids being submitted in electronic mode or seeking clarifications regarding this RFP are given below:
  - a) Queries to be addressed to : \_\_\_\_\_
  - b) Postal address : \_\_\_\_\_
  - c) Name & designation of the contact officer : \_\_\_\_\_
  - d) Telephone number(s) of the contact officer : \_\_\_\_\_
  - e) Fax number(s) : \_\_\_\_\_
  - f) e-mail ID of contact officer : \_\_\_\_\_
3. This RFP is divided into \_\_\_\_\_ parts as follows:
  - i) **Part I** (A) contains **General Information and Instructions for the Bidders** about the RFP such as the time, online submission and opening of Bids, Validity period of Bids, etc. **Part I** (B) contains Tender Acceptance Letter to be filled by Bidder and uploaded in cover 1.
  - ii) **Part II** (A) contains **Standard Terms and Conditions of RFP**, which will form part of the Contract/Supply Order (herein after referred as the Contract) with the

successful Bidder(s).

- iii) **Part II (B)** contains instructions for online submission of Bids. The terms and conditions of **Part II (A)** and **Part II( B)** which are to be followed for each RFP issued by DRDO are available under Standard Document on CPP-Portal and DRDO website ( [www.drdo.org](http://www.drdo.org) )
  - iv) **Part III** contains **Special Terms and Conditions** applicable to this RFP and which will also form part of the Contract with the successful Bidder(s).
  - v) **Part IV** contains **Vendor Qualification Criteria**.
  - vi) **Part V** contains **Details of the Store(s)/Service(s) Required** e.g. Technical Specifications, Delivery Period, Mode of Delivery, Consignee details etc.
  - vii) **Part VI** contains **Format of Price Bid**. Price bid needs to be filled and uploaded as per Supplied Format only.
4. This RFP is being issued with no financial commitment and the Buyer reserves the right to change or vary any part thereof or foreclose the instant procurement at any stage. The Buyer also reserves the right to disqualify any vendor, should it be necessary, at any stage on grounds of National Security.
  5. You may contact The Director (*Lab Name*), (*Address*) for any grievance related to bidding condition, bidding process and/or rejection of bid. With regard to bidding condition, this shall be done in writing at least seven days in advance of the stipulated date of submission of bid.

Yours sincerely,

(\_\_\_\_\_)

For Director  
For & on behalf of President of India

### **Part I (A) – General Information and Instructions**

1. **Pre-bid Conference:** A pre-bid meeting will be held at \_\_\_\_ < *time* > \_\_\_\_ hrs on \_\_\_\_ (date) at \_\_\_\_ (venue) to answer any queries or to clarify doubts regarding submission of proposals. Bidders or their authorized representatives (duly authorised in writing) are invited to attend. This event will not be postponed due to non-presence of your representative.

OR

Not-Applicable

2. **Last Date and Time for Uploading the Bids:** On \_\_/\_\_/\_\_ (dd/mm/yy) at \_\_\_\_ Hrs.

The online Bids (both Techno-Commercial and Price bid, in case of two bids system) should be uploaded by the due date and time. The responsibility to ensure this lies with the Bidder.

3. **Location of the Tender Box:** -----(for receipt of documents such as EMD (Bid Security), Tender Fee, Earnest Money for Integrity Pact and signed Integrity Pact document ( if applicable) / Technical Brochure, catalogues if any, other than techno-commercial and financial bids being submitted in electronic mode).
4. **Manner of Uploading the Online Bids:** Bids (both Techno-Commercial and Price bid, in case in case of two bids system) is required to be submitted online on CPP-portal (<https://eprocure.gov.in/eprocure/app> or <https://defproc.gov.in> ). Bids sent by Post/ FAX or e-mail will not be considered.
5. **Time and Date for Opening of Bids:** Bids will be opened online on ..... (Specify date and time). 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.
6. **Place of Opening of the Bids:** Bids will be opened online only.  
**Marking of Bids:** Envelope containing documents such as EMD, Tender Fee, Earnest Money for Integrity Pact and signed Integrity Pact document (if applicable) / Technical Brochure, if any, must be clearly marked with Tender Reference No. and Date of opening.
7. **Procedure for Submission of Bid:** Bids would be submitted as per standard online e-procurement procedure for Single Bid/Two bid System. The original tender fee , EMD instrument (if applicable), Earnest Money for Integrity Pact and signed Integrity Pact document ( if applicable) / Technical Brochure, if any should be sent in an envelope duly marked with tender reference no. and addressed to Director, on or before **“Bid submission end date and time”**. In case **Original tender fee and EMD instrument** (if applicable) are not received on or before **“techno-commercial bid opening date and time”**, bid of such bidders will summarily be rejected.
9. **Forwarding Of Bids:** Bids should be submitted by Bidders online only , under the firm's memo / letter pad inter alia furnishing details like GSTIN number, Bank address with NEFT Account if applicable, etc. and complete postal and email address of firm's office failing which the bid would not be considered .
10. **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 at least 07 (Seven) days prior to the date of opening of the Bids. Copies of the query and clarifications by the purchaser will be sent to all prospective bidders who received the bidding document from the lab and would be posted on the website.

11. **Indian firms need to quote only in Indian Rupees.** Bidders must submit Quotation pertaining to themselves only. An Indian firm can quote in FE on behalf of their OEM only if they are either a 100% subsidiary of the OEM or an Indian Agent of the foreign OEM in accordance with their agency agreement. The firms claiming to be:
  - a) A 100% subsidiary would be required to produce documentary evidence in support of their claim along with their Techno-Commercial bid failing which their bid would be disqualified.
  - b) An Agent of foreign OEM, for submitting the offer on behalf of OEM, would be required to produce a copy of the Agency Agreement with the principals and a copy of registration/enlistment with DRDO/Ministry of Defence as an Indian Agent, if registered/enlisted, along with the Techno-Commercial bid, failing which the bid would be disqualified. It would be mandatory for an Indian Agent to get registered/enlisted with DRDO/Ministry of Defence as an Indian Agent of OEM prior to evaluation of their Price bid, failing which their bid also would be disqualified.
12. **Validity of Bids:** The Bids should remain valid for 30/60/90 / 120 /150 / 180 (*Lab to pick only one*) days from the last date of submission of Bids.
13. **Modification and Withdrawal of Bids:** If a bidder intends to modify or withdraw his Bid after online submission, it can be done through selection of appropriate option available on the CPP Portal.
14. **Earnest Money Deposit (Bid Security):** Bidders are required to upload the scanned copy of Earnest Money Deposit (EMD) instrument, in favour of The Director (Lab Name), (Place), for amount of ₹ \_\_\_\_\_ in Indian Rupee only along with their bids. The EMD may be submitted by Indigenous bidder in the form of an Account Payee Demand Draft, Fixed Deposit Receipt, Banker's Cheque or Bank Guarantee. In case of foreign bidder, EMD is to be submitted in the form of appropriate Bank Guarantee from a first class bank of international repute. 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, without any interest whatsoever, at the earliest after expiry of the final bid validity and latest on or before the thirtieth day after the award of the Contract.

EMD of the successful bidder would be returned without any interest whatsoever after the receipt of Performance Security Bond from them as called for in the Contract. EMD is not required to be submitted by those Bidders who are registered with the National Small Industries Corporation (NSIC), Departments of MoD, other DRDO labs and as per the policy of Government of India in vogue. Such bidders would be required to furnish the relevant documents in their Techno-Commercial bid in support of the claim. The EMD will be forfeited if the Bidder withdraws amends, impairs or derogates from the tender in any respect within the validity

period of their tender.

Or

Bidders may submit a Bid securing declaration accepting that if they withdraw or modify their Bids during the period of validity, or if they are awarded the contract and they fail to sign the contract, or to submit a performance security before the deadline defined in the request for bids document, they will be suspended for the period of *upto 2 years* from being eligible to submit Bids for contracts with the any procuring entity of DRDO.

In case **original Tender Fees and EMD instrument** (if applicable) are not received on or before **“techno-commercial bid opening date and time”**, bid of such vendors will summarily be rejected.

15. **Clarification Regarding Contents of the Bids:** During evaluation of the bids, the Buyer may, at his discretion, ask the bidders for clarification(s) on the Bid(s). The request for clarification will be given in writing. No clarification on the initiative of the bidder will be entertained after opening of bid.
16. **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 bids will be rejected. Non-compliance of applicable General Information will disqualify the Bid.
17. **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-registered for the range of items in this RFP, as per the policy in vogue.
18. Bids of debarred/blacklisted firms will not be considered for evaluation.
19. **Document to be submitted with Techno-commercial Bid:**

The following documents are to be furnished by the Bidder in **Cover-1** along with Techno Commercial Bid as per the tender document:

- i. Signed and Scanned copy of appropriate valid company registration certificate or partnership deed (if applicable), experience certificate as required, PAN No and Tender Acceptance Letter as per Part I (B).
- ii. Signed and scanned copy of previous three years Income-tax/GSTIN /Affidavit of partnership firm. If not applicable kindly upload a pdf document indicating Not Applicable.
- iii. Scanned copy of instrument used to provide Tender Fee and Earnest Money Deposit or Proof of Registration with DRDO/MOD/ NSIC etc.
- iv. Signed and Scanned Copy of the Make and model of all the systems, sub systems and additional items as mentioned in the Techno Commercial Bid.
- v. Signed and Scanned Copy of legal Agency Agreement/100% Subsidiary Certificate/Registration as an Agent (if applicable). If not applicable kindly upload a pdf document indicating Not Applicable.
- vi. Scanned Copy of Proforma of End User Certificate for Export License (if



applicable). If not applicable kindly upload a pdf document indicating Not Applicable.

Note: The **original Tender Fees and EMD Instrument** along with complete technical details such as **Brochures, catalogues and write-ups** if any should also be sent by post/courier in an envelope, addressed to The Director (Lab Name), (Place) , , positively on or before **“Bid submission end date”**.

**20. Price Bid to be uploaded in Cover-2.**

Schedule of price bid in the form of BOQ\_XXX.xls.

**Part I (B) – Tender Acceptance Letter (e-Procurement)**  
**(To be filled by Bidder and uploaded in cover 1)**

**(To be given on Company Letter Head)**

Date:

To,

*Director (Labs/Estts)*

Sub: Acceptance of Terms & Conditions of Tender.

Tender Reference No & ID: \_\_\_\_\_

Name of Tender/Work: \_\_\_\_\_

Dear Sir,

1. I/ We have downloaded / obtained the tender document(s) for the above mentioned 'Tender/Work' from the web site(s) namely: \_\_\_\_\_ as per your advertisement, given in the above mentioned website(s).
2. I / We hereby certify that I / we have read the entire terms and conditions of the tender documents from Page No. \_\_\_\_\_ to \_\_\_\_\_ (including all documents like annexure(s), schedule(s), etc.), (duly filled Compliance table attached) which will form part of the contract agreement and I / we shall abide hereby by the terms / conditions / clauses contained therein.
3. The corrigendum(s) issued from time to time by your department/ organizations related to this tender too have also been taken into consideration, while submitting this acceptance letter.
4. I / We hereby unconditionally accept the tender conditions of above mentioned tender document(s) / corrigendum(s) in its totality / entirety.
5. I / We do hereby declare that our firm/company has not been blacklisted/debarred by any Govt. Department/Public Sector undertaking.
6. I / We certify that all information furnished by the our firm/company is true & correct and in the event that the information is found to be incorrect/untrue or found violated, then your department/organization shall without giving any notice or reason therefore or summarily reject the bid or terminate the contract, without prejudice to any other rights or remedy including the forfeiture of the full said earnest money deposit absolutely.

Yours Faithfully,  
 (Signature of the Bidder, with Official Seal)

**Compliance Table**

S. No.	Part of RFP	Compliance of Para/Sub Para of RFP (Yes/No)	Reasons for Compliance/Non-Compliance (if any)	Remarks

### **Part II (A) – Standard Terms and Conditions**

The Bidder is required to give confirmation of their acceptance of the Standard Terms and Conditions of the RFP mentioned below which will automatically be considered as part of the Contract concluded with the successful Bidder as selected by the Buyer. Failure to do so may result in rejection of the Bid.

- 1. Effective Date of the Contract:** In case of placement of a supply order, the date of acceptance of the Supply Order would be the effective date. The firm should check the supply order and convey acceptance of the same within seven days of its receipt. If such an acceptance or communication conveying firm's objection to certain parts of the supply order is not received within the stipulated period, the supply order will be deemed to have been fully accepted by the firm. In case a contract is to be signed by both the parties, the Contract shall come into effect on the date of signatures of both the parties on the Contract (Effective Date) or as agreed during negotiations. The performance of the Contract shall commence from the Effective Date of the Contract/Supply Order.
- 2. Law:** The Contract shall be considered and made in accordance with the laws of the Republic of India and shall be governed by and interpreted in accordance with the laws of the Republic of India.
- 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 product or performance, which cannot be settled amicably, shall be resolved by arbitration in accordance with any one of the following provisions:

**Option 3(a) : For Defence PSUs:** The case of arbitration shall be referred to the Secretary Defence (R&D) for the appointment of arbitrator(s) and proceedings.

**Option 3(b) : For Central Public Sector Enterprises (CPSEs):** In the event of any dispute or difference relating to the interpretation and application of the provisions of commercial contract(s) between Central Public Sector Enterprises ( CPSEs) and DRDO, such disputes of difference shall be taken up by either party for resolution through Administrative Mechanism for Resolution of CPSEs Disputes (AMRC) as per provisions of Department of Public Enterprises OM No. 4(1)/2013-DPE (GM)/FTS-1835 dated 22-05-2018.

**Option 3(c) : Other Bidder may opt any one of the following option :**

The case of arbitration may be referred to respective CFA or a person appointed by him who will be sole arbitrator and the proceedings shall be conducted in accordance with procedure of Indian Arbitration and Conciliation Act, 1996 as amended.

OR

The case of arbitration may be referred to International Centre for Alternative Dispute Resolution (ICADR) for the appointment of arbitrator and proceedings shall be conducted in accordance with procedure of Indian Arbitration and Conciliation Act, 1996, as amended.

OR

The case of arbitration may be conducted in accordance with the rules of Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with the said rules in India. However, the arbitration proceedings shall be conducted in India under Indian Arbitration and Conciliation Act, 1996 as amended.

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 Contract or forbearing to do or for having done or forborne to do any act in relation to the obtaining or execution of the 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 Contract or any other contract with the Government of India. Any breach of the aforesaid undertaking by the Seller or anyone 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 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 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 (i) Prime Lending Rate of State Bank of India for

Indian bidders, and (ii) London Inter Bank Offered Rate (LIBOR) for the foreign bidders. The applicable rates on the date of opening of tender shall be considered for this. The Buyer will also have the right to recover any such amount from any contracts in vogue with the Government of India.

OR

The Seller confirms and declares in the Techno-Commercial bid that they have engaged an Agent, individual or firm, for promotion of their product. In such case, following details are to be submitted in the Techno-Commercial bid:

- a) Name of the Agent
  - b) Agency Agreement between the seller and the Agent giving details of their contractual obligation
  - c) PAN Number, name and address of bankers in India and abroad in respect of Indian Agent
  - d) The nature of services to be rendered by the Agent and
  - e) Percentage of Commission payable to the Agent
- 6. Access to Books of Accounts:** In case it is found to the satisfaction of the Buyer that the Bidder/Seller has violated the provisions of Para 4 and/or Para 5 above to obtain the Contract, the Bidder/Seller, on a specific request of the Buyer, shall provide necessary information/ inspection of the relevant financial documents/information/Books of Accounts.
  - 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. Withholding of Payment:** 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 the Contract, the Buyer may, at his discretion, withhold any payment until the completion of the Contract.
  - 9. Liquidated Damages:** The Buyer may deduct from the Seller, as agreed, liquidated damages at the rate of 0.5% per week/part thereof, of basic cost (excluding taxes and duties on final product) of the delayed stores which the seller has failed to deliver within the period agreed for delivery in the contract subject to maximum of 10% of the total order value (excluding taxes and duties on final product). In cases where partial delivery does not help in achieving the objective of the contract, LD shall also be levied on the total cost (excluding taxes and duties on final product) of the ordered quantity delivered by the vendor. This will also include the store(s) supplied within the delivery period.
  - 10. Termination of Contract:** The Buyer shall have the right to terminate the Contract in part or in full in any of the following cases :-
    - i) The store/service is not received/rendered as per the contracted schedule(s) and the same has not been extended by the Buyer.

OR

The delivery of the store/service is delayed for causes not attributable to Force Majeure for more than < 03 > months after the scheduled date of delivery and the delivery period has not been extended by the Buyer.

- ii) The delivery of store/service is delayed due to causes of Force Majeure by more than 06 months provided Force Majeure clause is included in the contract and the delivery period has not been extended by the Buyer.
- iii) The Seller is declared bankrupt or becomes insolvent.
- iv) The Buyer has noticed that the Seller has violated the provisions of Para 4 (Use of Undue Influence) and/or Para 5 (Employment of Agent) above to obtain the Contract.
- v) As per decision of the Arbitration Tribunal.

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

**12. 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 Contract or any part thereof without written consent of the Buyer.

**13. Use of Patents and other Industrial Property Rights:** The prices stated in the 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 or any or all the rights mentioned above.

**14. Amendments:** No provision of the Contract shall be changed or modified in any way (including this provision) either in whole or in part except when both the parties are in written agreement for amending the Contract.

## **15. Taxes and Duties**

- i) **In respect of Foreign Bidders:** All taxes, duties, levies and charges which are to be paid for the delivery of stores/services, including advance samples, shall be paid by the parties under the Contract in their respective countries. However, the corporate/individual income tax, if applicable, will continue to be paid by the concerned party/individual.
- ii) **In respect of Indigenous Bidders**

### **A. General**

- a) If the quoted prices exclude GST / Local Tax or any other Statutory

Duties/Taxes, the same must be specifically stated with applicable rates. In the absence of same, it will be presumed that the prices include all such charges and no claim for the same will be entertained.

- b) If reimbursement of any Duty/Tax is intended as extra over the quoted prices, the Bidder must specifically say so. In the absence of any such stipulation it will be presumed that the prices quoted are firm and final and no claim on account of such duty/tax will be entertained after the opening of tenders.
- c) If a Bidder chooses to quote a price inclusive of any duty/tax and does not confirm that duty/tax so included is firm and final, he should clearly indicate the rate of such duty/tax and quantum of such duty/tax included in the price. Failure to do so may result in ignoring any request for change of duty/tax at a later date due to any reason whatsoever.
- d) Any addition to duty/tax and change in any duty/tax upward/downward as a result of any statutory variation in duty/tax taking place within contract terms shall be allowed to the extent of actual quantum of such variation of duty/tax paid by the supplier. Similarly, in case of downward revision in any 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.
- e) TDS as per Income Tax Rules will be deducted and a certificate to that effect will be issued by the Buyer/ Buyer's paying authority.

#### **B. Customs Duty**

**Custom duty exemption Certificate will not be issued by the Buyer for components/ raw material imported by the Bidder. Bidder shall quote amount inclusive of Custom Duty as applicable.**

#### **C. GST**

- a. DRDO is a public funded research institution and has been given provision of concessional GST payment, , under Notification No. 47/2017-Integrated Tax (Rate) dtd 14 Nov 2017 & Notification No. 45/2017-Central Tax (Rate) dtd 14 Nov 2017 as amended as per the description of stores and conditions thereon.
- b. The successful bidder would be issued Concessional GST Certificate, if applicable, by the Buyer under the said notification as decided during tender negotiation and to be issued to Firm/Vendor before invoice raising for procurement of goods against the Contract.
- c. Bidders may note that Concessional GST Certificate would be issued ONLY in favour of beneficiary of the Contract.
- d. 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 GST on raw materials and/or components used directly in the manufacture of the contracted stores taking place during the pendency of the contract.

- e. Bidders are advised to specifically mention the rate of GST payable in spite of issuance of concessional GST Certificate to facilitate correct evaluation of quotes. In the absence of such explicit declaration regarding % of tax rate, it would be deemed that quoted prices include applicable GST.

#### **D. Local Taxes**

- Normally, materials to be supplied to Government Departments against Government Contracts are exempted from levy of Town 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, Terminal Tax or other local taxes and duties. Wherever required, firm should obtain the exemption certificate from the Buyer, to avoid payment of such local taxes or duties.
- 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. After the issue of exemption certificate by the Buyer, the Seller may get the reimbursement from the local authority. In case of any difficulty, 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 this office to take up the case for refund with the concerned bodies if admissible under the said acts or rules.

- 16. Denial Clause:** Denial clause informs Seller that the Buyer reserves the right to admit additional payment due to upward revision of statutory levies beyond the original delivery schedule in case Seller fails to deliver the goods as per schedule.

Variations in the rates of statutory levies within the original delivery schedule will be allowed if taxes are explicitly mentioned in the contract/supply order and delivery has not been made till the revision of the statutory levies. Buyer reserves the right not to reimburse the enhancement of cost due to increase in statutory levies beyond the original delivery period of the supply order/contract even if such extension is granted without imposition of LD.

- 17. Undertaking from the Bidders:** Bidder/firm/company/vendor will submit an undertaking that in the past they have never been banned / debarred for doing business dealings with Ministry of Defence/Govt. of India/any other Govt. organisation and that there is no enquiry going on by CBI/ED/any other Govt. agency against them.

- 18. Purchase Preference Policy:**

**Make in India:** This RFP complies with Public Procurement (Preference to Make in India), order 2017 by Department of Industrial Policy and Promotion, Ministry of



Commerce and Industry Government of India issued vide letter No. P-45021/2/2017-B.E-II dated 15th June 2017 and as amended (for updated details please refer to [www.dipp.gov.in](http://www.dipp.gov.in)).

19. Purchase preference to Micro and small enterprises (MSEs) will be given to MSEs as per provisions of Public Procurement Policy for Micro and Small Enterprises (MSEs) Order, 2012 as amended (for details please refer [www.dcmsme.gov.in](http://www.dcmsme.gov.in)).

20. Documents to be Furnished for Claiming Payment

- i) **Indigenous Sellers:** The payment of bills will be made on submission of the following documents by the Seller to the Buyer:
- a) Ink-signed copy of Contractor's Bill.
  - b) Ink-signed copy of Commercial Invoice / Seller's Bill.
  - c) Bank Guarantee for Advance, if applicable.
  - d) Guarantee/ Warranty Certificate, if applicable.
  - e) Performance Warranty Bond/ Indemnity Bond, if applicable.
  - f) Details for electronic payment viz. Bank name, Branch name and address, Account Number, IFS Code, MICR Number (if these details are not already incorporated in the Contract).
  - g) Copy of the Contract and amendments thereon, if any.
  - h) Self certification from the seller that the GST received under the contract would be deposited to the concerned taxation authority.
  - i) Any other document/ certificate that may be provided for in the Contract.

*(Note –Lab may specify any other documents required as per need)*

- ii) **Foreign Sellers:** In case of payment through Letter of Credit (LC), paid shipping documents are to be provided to the Bank by the Seller as a proof of dispatch of goods as per contractual terms /LC conditions so that the Seller gets payment from LC. The Bank will forward these documents to the Buyer for getting the goods/stores released from the Port/Airport. However, where the mode of payment is DBT, the paid shipping documents are to be provided to the paying authority by the Buyer. Documents will include:

- a) Clean on Board Airway Bill/Bill of Lading
- b) Original Invoice
- c) Packing List
- d) Certificate of Origin from Seller's Chamber of Commerce, if any.
- e) Certificate of Quality and year of manufacture from OEM.
- f) Dangerous Cargo Certificate, if applicable.
- g) Insurance Policy of 110% value in case of CIF/ CIP contract.

- h) Certificate of Conformity and Acceptance Test at PDI/FAT, if any.
- i) Physio-sanitary/ Fumigation Certificate, if any.
- j) Performance Warranty Bond / Warranty Certificate.
- k) Any other documents as provided for in the Contract.

*(Note –Lab may specify any other documents required as per need)*

## **21. Franking Clause:**

- i) **In Case of Acceptance of Store(s):** "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".
- ii) **In Case of Rejection of Store(s):** "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."

## **22. Claims:**

- i) The quantity claims for deficiency of quantity and/ or the quality claims for defects or deficiencies in quality noticed during the inspection shall be presented within 45 days of completion of inspection.
- ii) 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, within mutually agreed period, under Seller's arrangement without any financial implication on the Buyer.

## **23. Liability Clause:**

- a. Any damage caused to the property or suffered by the personnel of Buyer during the execution of Contract shall remain the liability of the Buyer. Such liability shall be fixed on Seller in case of grossly negligent act or omission on the part of Seller.
- b. This provision is limited to the relations between the Parties. It is without prejudice to the rights and actions to which the victims of damage, or any Social Security Organizations could prevail themselves legally.
- c. Either party would provide reasonable assistance to resolve the claim of other Party to mitigate loss or damage.
- d. Neither, the Seller shall be liable to the Buyer, nor shall the Buyer be liable to the Seller for any immaterial, punitive, indirect, special, incidental, or consequential loss or damage. This will hold good irrespective of whether such liability is based or claimed to be based on any breach of a Party's obligation under the Contract, or any negligent act or omission of a Party, its employees, servants, appointed representatives, sub-contractor or professional consultants, or such liability arises

otherwise out of or in connection with the Contract.

- e. The Buyer shall not be liable for any compensation in any manner to the Seller for whatsoever reason.
- f. The Seller shall be liable to the Buyer for any compensation in any manner for whatsoever reasons for a sum not exceeding value of the Contract.

**24. Risk and Expense Purchase:** In case Seller fails to honor the contractual obligations within the stipulated delivery period and as amended, Buyer may procure the said contracted goods/services through a fresh supply order/contract and the defaulting Seller has to bear the excess cost incurred, if any.

**25. INCOTERMS for Delivery and Transportation (for Foreign Bidders only):** Unless otherwise specifically agreed to by the Buyer and the Seller and incorporated in the Contract, the applicable rules and regulations for transportation of goods from foreign countries will be as per the contemporary version of International Commercial Terms (INCOTERM 2010) evolved by International Chamber of Commerce, Paris.

**26. Procedure for Cost Comparison:** The basis for comparison of cost in different situations would be as follows:

- a) The financial bids of the qualified bidders will be compared on the basis of price quoted in the price bid format of the RFP/Bid document.
- b) If the competition is only among Indian bidders, the financial comparison should be considered on the basis of FOR destination prices excluding statutory levies, taxes and duties payable on final product.
- c) If the competition is among Indian and foreign bidders, the CIP/CIF cost quoted by the foreign bidders at destination port will be basis of comparison with the basic cost (FOR destination basis) offered by Indian bidders excluding statutory levies, taxes and duties payable on final product.
- d) If competition is only among foreign bidders, the basis for comparison should be the CIF/CIP price (designated port). If CIF/CIP price is not available, additional 10% of FCA/FOB cost over and above quoted FCA/FOB cost to be loaded for comparison purpose only
- e) 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..
- f) The Buyer reserves the right to evaluate the offers received by adopting Discounted Cash Flow (DCF) method with a discounting rate in consonance with the existing Government borrowing rate. DCF method would be used for evaluation of bids in the following cases:
  - i) To compare different payment terms, including advance payments and progressive stage payments so as to bring them to a common denomination for determining lowest bidder.
  - ii) To deal with cases where entering into AMC for period in excess of one year is

a part of the contract for evaluation of the bid.

- g) **Net Present Value (NPV)**: NPV method is a variant of DCF method which may be used for evaluation of tenders. The NPV of a contract is equal to the sum of the present values of all the cash flows associated with it. When choosing among the various bids, the bid with the lowest NPV will be selected. The following formula may be used for calculating NPV of a bid:

$$NPV = \sum_{t=0}^N \frac{A_t}{(1+i)^t}$$

Where

- $A_t$  : Expected cash flow at time  $t$   
 $t$  : Time of expected cash flow  
 $N$  : Total period  
 $i$  : Discount rate

- h) Discount rate to be used under the method is to be the Government borrowing rate on the Date of Opening of Price Bids.
- i) If there is any 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 accordingly.
- j) If there is any discrepancy between words and figures, the amount in words will prevail for calculation of price.
- k) The best acceptable bid will be considered further for placement of the Contract after price negotiation as decided by the Buyer.

## **Part II (B) – Instructions for Online Bid Submission**

1. The bidders are required to submit soft copies of their bids electronically on the CPP Portal, using valid Digital Signature Certificates. The instructions given below are meant to assist the bidders in registering on the CPP Portal, prepare their bids in accordance with the requirements and submitting their bids online on the CPP Portal.
2. More information useful for submitting online bids on the CPP Portal may be obtained at: <https://eprocure.gov.in/eprocure/app>.

### **REGISTRATION**

- 1) Bidders are required to enroll on the e-Procurement module of the Central Public Procurement Portal (URL: <https://eprocure.gov.in/eprocure/app>) by clicking on the link "Online bidder Enrollment" on the CPP Portal which is free of charge.
- 2) As part of the enrolment process, the bidders will be required to choose a unique username and assign a password for their accounts.
- 3) Bidders are advised to register their valid email address and mobile numbers as part of the registration process. These would be used for any communication from the CPP Portal.
- 4) Upon enrolment, the bidders will be required to register their valid Digital Signature Certificate (Class II or Class III Certificates with signing key usage) issued by any Certifying Authority recognized by CCA India with their profile.
- 5) Only one valid DSC should be registered by a bidder. Please note that the bidders are responsible to ensure that they do not lend their DSC's to others which may lead to misuse.
- 6) Bidder then logs in to the site through the secured log-in by entering their user ID / password and the password of the DSC / e-Token.

### **SEARCHING FOR TENDER DOCUMENTS**

- 1) There are various search options built in the CPP Portal, to facilitate bidders to search active tenders by several parameters. These parameters could include Tender ID, Organization Name, Location, Date, Value, etc. There is also an option of advanced search for tenders, wherein the bidders may combine a number of search parameters such as Organization Name, Form of Contract, Location, Date, Other keywords etc. to search for a tender published on the CPP Portal.
- 2) Once the bidders have selected the tenders they are interested in, they may download the required documents / tender schedules. These tenders can be moved to the respective 'My Tenders' folder. This would enable the CPP Portal to intimate the bidders through SMS / e-mail in case there is any corrigendum issued to the tender document.
- 3) The bidder should make a note of the unique Tender ID assigned to each tender, in case they want to obtain any clarification / help from the Helpdesk.

**PREPARATION OF BIDS**

- 1) Bidder should take into account any corrigendum published on the tender document before submitting their bids.
- 2) Please go through the tender advertisement and the tender document carefully to understand the documents required to be submitted as part of the bid. Please note the number of covers in which the bid documents have to be submitted, the number of documents - including the names and content of each of the document that need to be submitted. Any deviations from these may lead to rejection of the bid.
- 3) Bidder, in advance, should get ready the bid documents to be submitted as indicated in the tender document / schedule and generally, they can be in PDF / XLS / RAR / DWF/JPG formats. Bid documents may be scanned with 100 dpi with black and white option which helps in reducing size of the scanned document.
- 4) To avoid the time and effort required in uploading the same set of standard documents which are required to be submitted as a part of every bid, a provision of uploading such standard documents (e.g. PAN card copy, annual reports, auditor certificates etc.) has been provided to the bidders. Bidders can use "My Space" or "Other Important Documents" area available to them to upload such documents. These documents may be directly submitted from the "My Space" area while submitting a bid, and need not be uploaded again and again. This will lead to a reduction in the time required for bid submission process.

**SUBMISSION OF BIDS**

- 1) Bidder should log into the site well in advance for bid submission so that they can upload the bid in time i.e. on or before the bid submission time. Bidder will be responsible for any delay due to other issues.
- 2) The bidder has to digitally sign and upload the required bid documents one by one as indicated in the tender document.
- 3) Bidder has to select the payment option as "offline" to pay the EMD as applicable and enter details of the instrument. Tender Fee can be paid through e-MRO portal of SBI or through offline mode.
- 4) Bidder should prepare the EMD as per the instructions specified in the tender document. The original should be posted/couriered/given in person to the concerned official, latest by the last date of bid submission or as specified in the tender documents. The details of the DD (Demand draft) /any other accepted instrument, physically sent, should tally with the details available in the scanned copy and the data entered during bid submission time. Otherwise the uploaded bid will be rejected.
- 5) Bidders are requested to note that they should necessarily submit their financial bids in the format provided and no other format is acceptable. If the price bid has been given as a standard BOQ format with the tender document, then the same is to be downloaded and to be filled by all the bidders. Bidders are required to download the BOQ file, open it and complete the white coloured (unprotected) cells with

their respective financial quotes and other details (such as name of the bidder). No other cells should be changed. Once the details have been completed, the bidder should save it and submit it online, without changing the filename. If the BOQ file is found to be modified by the bidder, the bid will be rejected.

- 6) The server time (which is displayed on the bidders' dashboard) will be considered as the standard time for referencing the deadlines for submission of the bids by the bidders, opening of bids etc. The bidders should follow this time during bid submission.
- 7) All the documents being submitted by the bidders would be encrypted using PKI encryption techniques to ensure the secrecy of the data. The data entered cannot be viewed by unauthorized persons until the time of bid opening. The confidentiality of the bids is maintained using the secured Socket Layer 128 bit encryption technology. Data storage encryption of sensitive fields is done. Any bid document that is uploaded to the server is subjected to symmetric encryption using a system generated symmetric key. Further this key is subjected to asymmetric encryption using buyers/bid openers public keys.
- 8) The uploaded tender documents become readable only after the tender opening by the authorized bid openers.
- 9) Upon the successful and timely submission of bids (ie after Clicking "Freeze Bid Submission" in the portal), the portal will give a successful bid submission message & a bid summary will be displayed with the bid no. and the date & time of submission of the bid with all other relevant details.
- 10) The bid summary has to be printed and kept as an acknowledgement of the submission of the bid. This acknowledgement may be used as an entry pass for any bid opening meetings.

#### **ASSISTANCE TO BIDDERS**

- 1) Any queries relating to the tender document and the terms and conditions contained therein should be addressed to the Tender Inviting Authority for a tender or the relevant contact person indicated in the tender.
- 2) Any queries relating to the process of online bid submission or queries relating to CPP Portal in general may be directed to the 24x7 CPP Portal Helpdesk.

### **Part III – Special Terms and Conditions**

#### **(Buyer to choose appropriate clause depending upon on the procurement case)**

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

1. **Apportionment of Quantity:** The Buyer reserves the right to apportion the quantity among \_\_\_\_ bidders in the ratio of \_\_\_\_\_ starting from Lowest Bidder (L1) and proceeding to Next Higher Bidder and so on subject to their consent to meet the L1's rates as well as terms and conditions, as negotiated. The bidders are requested to submit the price bid catering the need of apportioned quantity as well as total quantity, else the unit cost of the store(s) for total quantity will be considered for the apportioned quantity while evaluating the bid. *(Splitting of the quantity should be in favour of L1).*
2. **Performance cum Warranty Bond**
  - i) **Indigenous Bidder:** The Seller may be required to furnish a Performance cum Warranty Bond by way of Banker's Cheque / Demand Draft (DD)/Fixed Deposit Receipt/Bank Guarantee (BG), in favour of The Director (Lab Name), (Place), for a sum equal upto 10% of the Contract value. The BG should be valid upto 60 days beyond the scheduled date of delivery as per the terms of the contract or warranty period (if applicable). The specimen of BG is available on DRDO website.
  - ii) **Foreign Bidder:** The Seller may be required to furnish a Performance cum Warranty Bond by way of Bank Guarantee (BG) from Seller's Bank through an internationally recognized first class bank, in favour of The Director (Lab Name), (Place), for a sum equal upto 10% of the Contract value. The BG should be valid upto 60 days beyond the scheduled date of delivery as per the terms of the contract or warranty period (if applicable). The specimen of BG is available on DRDO website.

The Performance cum Warranty Bond will be forfeited by the Buyer, in case the conditions regarding adherence to delivery schedule and/or other provisions of the contract are not fulfilled by the Seller.

Or

#### **3. Security Deposit/ Performance Security Bond :**

- iii) **Indigenous Bidder:** The Seller may be required to furnish a Security Deposit by way of Demand Draft (DD)/Bank Guarantee (BG), in favour of The Director (Lab Name), (Place), for a sum equal to 5% of the Contract value. The BG should be valid upto 60 days beyond the scheduled date of delivery. The specimen of BG can be provided on request.
- iv) **Foreign Bidder:** The Seller may be required to furnish a Security Deposit by way of Bank Guarantee (BG) from Seller's Bank through an internationally recognized first class bank, in favour of The Director (Lab Name), (Place), for a sum equal to 5% of the Contract value. The BG should be valid upto 60 days beyond the



scheduled date of delivery. The specimen of BG can be provided on request.

The Security Deposit will be forfeited by the Buyer, in case the conditions regarding adherence to delivery schedule and/or other provisions of the contract are not fulfilled by the Seller

4. **Option Clause:** The Contract will have an Option Clause, wherein the Buyer can exercise an option to procure an additional quantity up to 50% of the original contracted quantity in accordance with the same terms and conditions of the Contract. This will be applicable within the currency of the Contract or as decided during commercial negotiations. It will be entirely the discretion of the Buyer to exercise this option or not.
5. **Repeat Order Clause:** The Contract will have a Repeat Order Clause, wherein the Buyer can order for additional quantity up to a maximum of up to 50%, including order placed under Option Clause, of the originally contracted quantity within six months from the date of successful supply. The Repeat Order will have rates on not exceeding basis (excluding taxes and duties) while the terms and conditions will remain unchanged. It will be entirely the discretion of the Buyer to exercise the Repeat order or not.
6. **Tolerance Clause:** To take care of any change in the requirement during the period starting from issue of RFP till placement of the Contract, Buyer reserves the right to increase or decrease up to < 25% > of the tendered quantity of the required goods without any change in the terms and conditions and rates quoted by the Seller. While awarding the Contract, the quantity ordered can be increased or decreased by the Buyer within this tolerance limit.
7. **Purchase Preference Clause:** Purchase preference will be granted to the nominated agencies for the specified quantity as per the policy of Govt. of India in vogue as per Public Procurement (Preference to Make in India), order 2017 as amended and Public Procurement Policy for Micro and Small Enterprises (MSEs) Order, 2012 as amended.
  - a) The minimum local content as per provisions of Public Procurement (Preference to Make in India), order 2017 dated 15 June 2017 for the subject procurement shall be 50% / or----- (specify the % amount as declared by the nodal ministry). The local supplier at the time of tender, bidding or solicitation shall be required to provide self-certification that the item offered meets the minimum local content and shall give details of the location(s) at which the local value addition is made.
  - b) In case of procurement for a value in excess of Rs.10 crores, the local supplier shall be required to provide a certificate from the statutory auditor or cost auditor of the company (in the case of companies) or from a practicing cost accountant or practicing chartered accountant (in respect of suppliers other than companies) giving the percentage of local content.
8. **Transfer of Technology (ToT):** Buyer is desirous of license production of (generic name of store(s)) under ToT. Buyer reserves the right to negotiate ToT terms subsequently but the availability of ToT would be a pre-condition for any further procurements. If negotiations for ToT are not held as a part of the negotiations for store(s), then

subsequent and separate ToT negotiations would continue from the stage where the store(s) has been selected. *(In such cases, Labs/Estts. would spell out the requirements and scope of ToT depending upon the depth of the technology which is required).*

9. **Permissible Time Frame for Submission of Bills:** To claim payment (part or full), the Seller shall submit the bill(s) along with the relevant documents within \_\_\_\_ days from the completion of the activity/supply *(Lab should mention the no. of days and the activity from which the counting will start).*

10. **Payment Terms : ( Lab/Estt to select and give specific payment terms)**

- a) **For Indigenous Seller:** The payment will be made as per the following terms, on production of the requisite documents:

(i) 100% payment within 30 days after receipt, satisfactory installation and acceptance of stores/equipment in good condition and submission of bills. ( 30 days will be counted from submission of bills).

Or

90% payment within 30 days after receipt, acceptance and satisfactory installation of stores/equipment in good condition or the date of receipt of the bill whichever is later. Balance 10% payment will be released after completion of warranty/guarantee period. This can also be released on furnishing an irrevocable bank guarantee/DD in the prescribed format for the equivalent amount valid for the duration of such warranty/ guarantee, wherever applicable (in case warranty clause is applicable)

Or .

Stage-wise/Pro rata payments as per the milestone/time described here. *(Payment milestone/time shall be identified by the Lab and mentioned here.)*

- (ii) Pro rata payment for the services rendered will be made as per the frequency described here. *(The frequency shall be pre-defined by the Lab)*

b) **For Foreign Seller: ( Lab/Estt to select and give specific payment terms)**

(i) 90% payment within 30 days after receipt, acceptance and satisfactory installation of stores/equipment in good condition or after receipt of necessary documents warranted by delivery terms. Balance 10% payment will be released after completion of warranty/guarantee period. This can also be released on furnishing an irrevocable bank guarantee, from first class bank of international repute, for equivalent amount valid for the duration of such warranty/guarantee, wherever applicable.

OR

100% payment within 30 days after receipt, satisfactory installation and acceptance of stores/ equipment in good condition or after receipt of necessary documents warranted by delivery terms.

OR

Stage-wise/Pro rata payments as per the milestone/time described here. (*Payment milestone/time shall be identified by the Lab and mentioned here.*)

(ii) Pro rata payment for the services rendered will be made as per the frequency described here. (*The frequency shall be pre-defined*)

### 11. Advance Payments:

No advance payment will be made.

OR

Interest free mobilization advance payment of \_\_% of the Contract value (excluding GST) may be made, preferably in not less than two installments, against submission of Bank Guarantee, in favour of The Director (Lab Name), (Place), of 110% of advance payment (from first class bank of international repute in case of foreign seller) by the firm (or against submission of Indemnity Bond by the Govt. organizations/ PSUs). In case of termination of the Contract/extension of delivery period due to default of the Seller or where advance taken has not been/could not be used for the purpose of order execution, interest free mobilization advance would be deemed as interest bearing advance, compounded quarterly, at the rate of 2% above (i) Prime Lending Rate/ **MCLR ( Marginal Cost of Funds Based Lending Rate)** of State Bank of India for Indian seller, and (ii) LIBOR/EURIBOR rate for the foreign seller. The rates as applicable on the date of receipt of advance will be considered for this.

### 12. Part Supply and Pro rata Payment

Part supply will not be acceptable.

OR

Full supply may be accepted in maximum \_\_\_\_\_ nos. of lots. However, Pro rata payment will not be made for the part supplies of the stores(s) made.

OR

Full supply may be accepted in maximum \_\_\_\_\_ nos. of lots. *Pro rata* payment will be made as per the applicable payment terms for the part supply of the stores(s).

Note: Taxes to be paid on Pro-Rata payment on deliverables. No taxes are paid at the time of advances & stage payments in Developmental Contract.

### 13. Mode of Payment

a) **For Indigenous Sellers:** It will be mandatory for the Bidders to indicate their bank account numbers and other relevant e-payment details to facilitate payments through ECS/NEFT mechanism instead of payment through cheque, wherever feasible.

b) **For Foreign Seller:**

i) The payment will be arranged through Letter of Credit from Reserve Bank of India/State bank of India/any other Public Sector Bank, as decided by the Buyer, to the Bank of the Foreign Seller as per mutually agreed terms and

conditions. The Letter of Credit will preferably be opened with validity of 90 days from the date of its opening, on extendable basis by mutual consent of both the parties. Letter of Credit opening charges in India will be borne by the Buyer. However, the extension charges, if any, will be borne by the party responsible for the extension.

- ii) For contract costing up to US \$ 100,000 (or equivalent), preferable mode of payment will be by Direct Bank Transfer (DBT). DBT payment will be made within 30 days of receipt of clean Bill of Lading / AWB /Proof of shipment and such other documents as are provided for in the contract, but such payments will be subject to the deductions of such amounts as the Seller may be liable to pay under the agreed terms of the Contract.

**14. Exchange Rate Variation (ERV) Clause:** This clause will be applicable only in case the delivery period exceeds 12 Months from the Effective Date of the Contract which involves import content (foreign exchange).

- i) Detailed time schedule for procurement of imported material and their value at the FE rates adopted for the Contract is to be furnished by the Bidder as per the format given below.

Year Wise and Major Currency Wise Import Content Break up

Year	Total cost of material	FE content outflow (Equivalent in ₹ in crores)			
		\$	€	£	Others

- ii) ERV will be payable/refundable depending upon movement of exchange rate with reference to exchange rate adopted for the valuation of the Contract. Base Exchange rate of each major currency used for calculating FE content of the Contract will be the SBI selling rate of the foreign exchange element on the date of the opening of Price Bids.
- iii) The base date for ERV would be the Date of opening of Price Bid and variation on the base date will be given upto the midpoint of manufacture unless the Bidder indicates the time schedule within which material will be imported by them. Based on information given above, the cut-off date/dates within the Delivery schedule for the imported material will be fixed for admissibility of ERV.
- iv) ERV clause will not be applicable under following circumstances:
  - a) Cases where delivery periods for imported content are subsequently to be refixed /extended except for reasons solely attributable to the Buyer or Force Majeure.
  - b) Cases where movement of exchange rate falls within the limit of  $\pm 2\%$  of the reference exchange rate adopted for the valuation of the Contract.
- v) The impact of notified ERV shall be computed on a yearly basis for the outflow as mentioned by the Bidder in their tender and shall be paid / refunded before the end of the financial year based on certification by the Buyer.

- 15. Buy-Back:** The Buyer is interested to trade the existing old goods while purchasing the new ones. Bidders may formulate and submit their bids accordingly. Interested Bidders can inspect the old goods to be traded through this transaction. The Buyer reserves the right to trade or not to trade the old goods while purchasing the new ones and the Bidders are to frame their bids accordingly covering both the options. Details for buy-back offer are as under –
- Details of Items for Buy-Back Scheme** – Make/Model, Specs, Year of Production/ Purchase, Period of Warranty/AMC etc.
  - Place for Inspection of Old Items** – Address, Telephone, Fax, e-mail, Contact personnel, etc.
  - Timings for Inspection** – All working days between the time of 1030 Hrs to 1630 Hrs.
  - Last Date for Inspection** – One day before the last date of submission of bids.
  - Period of Handing Over of Old Items to Successful Bidder** – Within \_\_\_\_ days of \_\_\_\_\_ (No. of days and condition to be specified by the lab).
  - Handling charges and transportation expenses to take out the old items will be on account of the successful Bidder.
- 16. Export License:** The Bidder is required to furnish full details and formats of End Use Certificate required for obtaining export clearance from the country of origin. This information will be submitted along with Techno-Commercial bid. In the absence of such information, it would be deemed that no document is required from the Buyer for export clearance from the country of origin.
- 17. Free Issue of Material (FIM):** The list of FIM are given below: (Lab has to provide the list as per the format given below)

Sl. No.	Description of Store(s)	Qty.	Unit Cost	Total Cost

**Free Issue of Material (FIM) as raw material:** FIM is government property and will be secured through a Bank Guarantee. In cases where cost of FIM exceeds the order value, Seller will submit the BG for the order value and insurance cover is taken by the Buyer for the balance amount through Nationalized Insurance Agency or their subsidiaries in favour of the Director of Lab/Estt. Indemnity Bond instead of Bank Guarantee may be accepted from PSUs and other Government organizations.

OR

**Stores issued as FIM for repair/ maintenance etc.:** FIM is government property and will be secured through a comprehensive insurance cover taken by Lab/Estt from Nationalized Insurance agency or their subsidiaries.

## **18. Terms of Delivery**

- For Foreign Bidder:** Foreign bidders are required to quote both on CIF/CIP (destination) and FCA/FOB (Gateway) basis. If CIP/CIF cost is not available, an

additional 10% of FCA/FOB cost over and above quoted FCA/FOB cost will be loaded on their respective bid for comparison purposes.

- **For Indigenous Bidder:** The delivery of goods shall be on FOR (destination) basis.

#### 19. Packing and Marking Instructions:

- 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, transshipment, 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. The packing cases should have provisions 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) A label in English shall be pasted on the carton indicating the under mentioned details of the item contained in the carton. 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 English language as follows:-
  - i) Contract No. \_\_\_\_\_
  - ii) Consignee \_\_\_\_\_
  - iii) Port / airport of destination \_\_\_\_\_
  - iv) Ultimate consignee \_\_\_\_\_
  - v) Package No. \_\_\_\_\_
  - vi) Gross/net weight \_\_\_\_\_
  - vii) Overall dimensions/volume \_\_\_\_\_
  - viii) 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 damage or deterioration during transportation by land, air or sea. In such case the Buyer shall finalize the marking with the Seller.
- h) Any other special specific packing requirement to be specified clearly depending upon nature of the stores.

## 20. Inspection Instructions:

- i) Raw material inspection
- ii) Part inspection
- iii) Stage/Subsystem inspection
- iv) Pre Delivery Inspection
- v) Factory Acceptance Test
- vi) Post Delivery inspection on receipt of store
- vii) **Inspection Authority:** The Inspection will be carried out by a representative of the Lab/Estt duly nominated by the Director.

**Or**

*(The Lab shall choose clauses as applicable and provide detailed procedure for inspection for each of the clauses. Any other inspection instruction ,if required, may be added.)*

## 21.Warranty:

- a) The Seller will declare that the goods, stores articles sold/supplied shall be of the best quality and workmanship and new in all respects and shall be strictly in accordance with the specifications and particulars contained/mentioned in the contract. The Seller will guarantee that the said goods/stores/articles would continue to conform to the description and quality for a period of, \_\_\_ months from the date of acceptance/installation of the said goods stores/articles. If during the aforesaid period of \_\_\_ months, the said goods/stores are discovered not to conform to the description and quality aforesaid, not giving satisfactory performance or have deteriorated, 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 without any financial implication on the Buyer.
- b) If the defective part/subsystem/system needs to be taken by the Seller outside Buyer's premises to rectify the defect, Seller shall provide a comprehensive (**during transit & storage insurance for repair period**) insurance cover of the equivalent amount to the Buyer to cover for the time taken to rectify the defective goods and deliver the repaired or replaced goods at the same location without any financial implications on Buyer.
- c) In cases of procurement of software, seller shall issue/provide upgrades of the software free of cost during the warranty period.

**22. Product Support:**

- i) The Seller agrees to provide Product Support for the stores, assemblies/sub-assemblies, fitment items, Spares and consumables, Special Maintenance Tools (SMT)/Special Test Equipments (STE) for a minimum period of \_\_\_\_years including \_\_\_\_ years of warranty period after the delivery.
- ii) The Seller agrees to undertake a Maintenance Contract for a minimum period of \_\_\_\_years/months. The seller is required to quote the price for both comprehensive and non-comprehensive maintenance of the equipment after the expiry of warranty period in the price bid.
- iii) Besides mandatory period, the Seller would be bound to give at least two years notice to the Buyer prior to closing the production line so as to enable a life time buy of spares before closure of the said production line.

**23. Annual Maintenance Contract (AMC) Clause:**

- i) The Seller would provide a Non- Comprehensive AMC for a period of \_\_\_\_ years.

OR

The Seller would provide a Comprehensive AMC for a period of \_\_\_\_ years. The AMC services should cover the repair and maintenance of all the equipment and systems purchased under the Contract and specify following:

- a) Maximum repair turnaround time for equipment/system would be \_\_\_\_ days.
- b) Required spares that may be stored at site by the Seller at their own cost to avoid complete breakdown of the equipment/system and to ensure serviceability.
- ii) The AMC services would be provided in two distinct ways:
  - a) **Preventive Maintenance Service:** The Seller will provide a minimum of \_\_\_\_ Preventive Maintenance Service visits during a year to the operating base to carry out functional checkups and minor adjustments/ tuning as may be required.
  - b) **Breakdown Maintenance Service:** In case of any breakdown of the equipment/system, on receiving a call from the Buyer, the Seller is to provide prompt maintenance service to make the equipment/system serviceable.
- iii) **Response Time:** The response time of the Seller should not exceed \_\_\_\_hours / days from the time breakdown intimation is provided by the Buyer.
- iv) Serviceability of \_\_\_\_% per year is to be ensured. This amounts to total maximum downtime of \_\_\_\_days per year. Also un-serviceability should not exceed \_\_\_\_days at any given time. Total down time would be calculated at the end of the year. If downtime exceeds permitted limit, LD/Extension/Termination may be considered as per merit of the case as decided by the Buyer.
- v) **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.



- vi) 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 items being taken out of location.
- vii) Period of AMC may be extended as per mutual agreement subject to satisfactory performance.
- viii) The Buyer reserves its right to terminate the maintenance contract at any time without assigning any reason whatsoever, after giving a notice of \_\_\_ 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 as per the Contract terms.

**24. Price Variation (PV) Clause:** (applicable only if DP is more than 18 Months) – A sample PV clause is indicated below) –

- i) The formula for Price Variation should ordinarily include a fixed element, a material element and a labour element. The figures representing the material element and the labour element should reflect the corresponding proportion of input costs, while the fixed element may range from 10 to 25%. That portion of the price represented by the fixed element will not be subject to variation. The portions of the price represented by the material element and labour element will attract Price Variation. The formula for Price Variation will thus be :

$$P_1 = P_0 \left\{ F + a \left( \frac{M_1}{M_0} \right) + b \left( \frac{L_1}{L_0} \right) + \dots \dots \dots \right\} - P_0$$

Where

ustment amount payable to the Seller (a minus figure will indicate a reduction in the Contract Price)

ntract Price at the base level

ad element not subject to Price Variation

igned percentage to the material element in the Contract Price

igned percentage to the labour element in the Contract Price

ge indices at the base month and year

ge indices at the month and year of calculation

terial indices at the base month and year

terial indices at the month and year of calculation

If more than one major item of material is involved, the material element can be broken up into two or three components such as  $M_x$ ,  $M_y$ ,  $M_z$ . Where price variation clause has to be provided for services (with insignificant inputs of materials) as for

example, in getting Technical Assistance normally paid in the form of *per diem* rate, the price variation formula should have only two elements, viz. a high fixed element and a labour element. The fixed element can in such cases be 50% or more, depending on the mark-up by the supplier of the *per diem* rate vis-à-vis the wage rates.

ii) Following conditions would be applicable to Price Adjustment –

- a) Base date shall be due date of opening of price bids.
- b) Date of adjustment shall be midpoint of manufacture.
- c) No price increase is allowed beyond original Delivery Period unless the delay is attributable to the Buyer or Force Majeure.
- d) Total adjustment will be subject to maximum ceiling of \_\_\_\_%.
- e) No price adjustment shall be payable on the portion of the payment made as an advance payment made in the Contract to the Seller

**25. Intellectual Property Rights (IPR):** The rights of Intellectual Property, developed under the Contract, will be either the property of Govt. of India or jointly owned by the Govt. of India and the Development Partner. The holding of rights of intellectual property will be decided by the Buyer based on the merits of the case. Even where IPR is jointly held, Govt. of India will have the marching rights on IPR, i.e., the Development Partner will have to give technical know-how/design data for production of the item to the designated Production Agency nominated by Govt. of India. The Development Partner will, however, be entitled to license fee / royalty from designated agency as per agreed terms and conditions. The Development Partner will also be entitled to use these intellectual properties for their own purposes, which specifically excludes sale or licensing to any third party (**Lab/Estt to incorporate suitable provisions from contract template on case to case basis for high value Developmental contracts**).

**26. Minimum Order Quantity:** Bidder may indicate the applicable minimum order quantity (MOQ) if the quantity demanded by the buyer is less than MOQ.

**27. Pre-Integrity Pact Clause:** An “Integrity Pact” would be signed between the Ministry of Defence/Buyer and the Bidder and the Bidder shall be asked to deposit (‘\_\_\_\_ crore’) as Earnest Money for Integrity Pact, in favour of The Director (Lab Name), (Place), in the form of appropriate Bank Guarantee (from a first class bank of international repute confirmed by the State Bank of India in case of foreign seller). This Earnest Money would be submitted by the Bidder along with Integrity Pact (IP) (as per format at **Annexure ‘A’**) in a separate envelope clearly marked as ‘IP and Earnest Money’. This is a binding agreement between the Buyer and Bidders for specific contracts in which the Buyer promises not to 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 essential elements of the Pact are as follows:

- i) A pact (contract) between the Government of India (Ministry of Defence) (the authority or the “Principal”) and firm submitting a bid for this specific activity (the

“Bidder”);

- ii) An undertaking by the Principal that its officials will not demand or accept any bribes, gifts etc., with appropriate disciplinary or criminal proceedings in case of violation;
  - iii) A statement by each Bidder that they have not paid, and will not pay, any bribes;
  - iv) 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 suspicion of a violation by that Bidder emerges;
  - v) 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.
  - vi) Undertaking on behalf of a Bidding company will be made “in the name and on behalf of the company’s Chief Executive Officer”.
  - vii) Any or all of the following set of sanctions could be enforced for any violation by a Bidder of its commitments or undertakings:
    - a. Denial or loss of contracts;
    - b. Forfeiture of the Earnest Money, Bid security, performance security bond and performance cum warranty bond;
    - c. Liability for damages to the Principal and the competing Bidders; and
    - d. Debarment of the violator by the Principal for an appropriate period of time.
  - viii) Bidders are also advised to have a company code of conduct clearly rejecting the use of bribes and other unethical behavior and compliance program for the implementation of the code of conduct throughout the company.
  - ix) The draft Pre-Contract Integrity Pact is attached as **Annexure ‘B’**. The Bidders are required to sign the pact and submit it separately
28. **Independent External Monitors (IEM)** : Particulars of IEMs appointed by MoD for this Pact in consultation with the Central Vigilance Commission are as under ( *applicable only when Pre- Integrity Pact Clause is applicable* ) :

S.No.	Name of IEM	e-mail id of IEM

29. **Evaluation and acceptance Criteria of Bids:** The bid will be considered and selected based on instructions contained in Part I and Part II of the RFP for further evaluation of bids as per sequence given below:

- a) **Techno-Commercial Bid Evaluation:** Bids will be evaluated based on vendor qualification requirement as per Part IV of RFP, if applicable, and bids of the qualified bidders will be considered for further evaluation as mentioned in

Part V of the RFP.

b) **Price Bid Evaluation:** The Price bid of those bidders whose Techno-Commercial bid (if applicable) has been accepted will be opened and comparative statement will be prepared. The best acceptable bid will be decided upon the lowest price quoted by the particular Bidder as per the Price Format given at Part VI of the RFP. *(The Lab should mention the basis for evaluation of commercial bid i.e. whether line wise or lot wise).*

**(Fall clause to be included for concluding RC/PA )**

30. **Fall Clause:** All RC/ PA will be governed by "Fall Clause". The following Fall Clause will invariably form part of the agreement:

- a) The prices charged for the stores supplied under the agreement by the Seller shall in no event exceed the lowest price at which the Seller sells the items of identical description to any other person/organization during the period till performance of all supply orders placed during the currency of the agreement is completed.
- b) If, at any time, during the said period, the Seller reduces the sale price of such stores or sells stores to any other person/organization at a price lower than the price chargeable under the agreement, he shall forthwith notify such reduction or sale to the authority which has concluded the RC/PA; and the price payable under the agreement for the stores supplied after the date of coming into force of such reduction or sale shall stand correspondingly reduced.
- c) However, the above stipulation will not apply to:
  - (i) *Export by the Contractor.*
  - (ii) *Sale of stores as original equipment at prices lower than the prices charged for normal replacement.*
  - (iii) *Sale of stores such as drugs, perishable goods which have expiry dates.*

31. **Certificate in respect of Fall Clause:**

- a) While submitting his bills for the goods supplied against the Rate Contract/  
Price Agreement, the Contractor shall give the following certificate also:

"I/We certify that the stores of description identical to the stores supplied to the Government under the contract herein have not been offered/sold by me/us to any other person/ organization up to the date of bill/the date of completion of supplies against supply orders placed during the currency of the RC/PA, at a price lower than the price charged to the Government under the contract."

- b) If the Contractor sells any goods at lower than the contract price, except covered by any of the three exceptions indicated above as per para 30 (c) of this part, such sales have also to be disclosed in the aforesaid certificate to be given by the Contractor to the Government. The obligations of the Contractor in this regard will be limited with reference to the goods identical to the contracted goods sold or agreed to be sold during the currency of the contract.
- c) The successful bidder shall maintain stocks at the station and shall make deliveries against supply orders from such stocks within the specified period.

**PART IV- Vendor Qualification Criteria (Optional)**  
**(Not required in case of Single Tender/ PAC Bidding)**

The broad criteria for qualifications of bidders should be in the following terms:

i) **Technical Capabilities**

- Expertise available in the critical areas to complete the task *(Lab should specify the requirements of manpower(experience) in specific areas)*

ii) **Manufacturing Facilities**

- Availability of Infrastructure required to carry out the activity *(Lab should specify the requirement of Infrastructure)*

iii) **Financial Capabilities**

- Should have minimum financial resources to execute the order *(Lab should specify the requirement of minimum annual turnover)*
- Numbers of such type of contracts executed in past.

iv) **Management Capabilities**

- Availability of Quality Management System, Quality Control System etc.
- Compliance of delivery schedule.

*(Lab may add any other vendor qualification criteria as per requirements of each specific case)*

*Note - For Turnover related yardstick, guidelines issued by CVC on pre-qualification criteria vide OM No. 12-02-1-CTE-6 of 17.12.2002 as amended should be referred.*

### **Part V – Essential Details of Items/Services Required**

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

Name/Description of Item(s)/Service(s)	Unit of Measure	Qty required

2. **Technical Details:** (Lab shall enclose the details of under-mentioned, as applicable, as an **Annexure-----**. Lab needs to see the applicability of Non-Disclosure Agreement (NDA) and accordingly edit sub-para(a))

- Specifications/Drawings:** Specifications/Drawings will be made available to the interested bidders by the RFP issuing authority after signing of a NDA with the Buyer. Specifications/drawings supplied by this office are to be returned with the Techno-Commercial Bid.
- Technical details with technical parameters
- Requirement of training/on-the-job training
- Requirement of installation/commissioning
- Full Inspection details as per provisions made in Para 20 of Part III of the RFP
- Requirement of Technical Documentation
- Nature of assistance required after completion of warranty as per provisions made in Para 22 of Part III of the RFP
- Requirement of on-site inspection
- Any other details, as considered necessary

3. Bidders are required to furnish clause by clause compliance of specifications bringing out clearly the deviations from specification, if any. Bidders are advised to submit compliance statement for the technical parameters separately in the following format along with the Techno-Commercial Bid:

Para of RFP specification s (item-wise)	Specification s of item offered	Compliance to RFP specifications – whether Yes / No	Remarks (In case of non-compliance, deviation from RFP to be specified in unambiguous terms. In case of compliance, catalogue/brochure reference, if available, to be indicated)

For Commercially-Off-The-Shelf (COTS) items, it is mandatory to enclose/ provide catalogue/technical brochure to support the claims of compliance.

4. **Delivery Period:** Expected Delivery Period for supply of items/rendering services would be \_\_\_\_\_ from the Effective Date of the Contract. Please note that the Contract can be cancelled unilaterally by the Buyer in case items are not received within the contracted delivery period. Extension of contracted delivery period with/ without LD clause will be at the sole discretion of the Buyer.
5. **Consignee details:** (The lab shall provide the consignee details)
- Name: \_\_\_\_\_
  - Address: \_\_\_\_\_
  - Contact details: \_\_\_\_\_

### **Part VI – Price Bid Format**

(Note for Lab/Estt: **Buyer would choose relevant BOQ template from CPP-Portal, download the required template, may edit to suit the requirement, validate it and upload it for seeking bidders offer).**

**Price Bid (BOQ): To be filled as per the format attached and to be uploaded in Cover 2 (for online bidding mode).**

Note for Lab/Estt: **While finalizing BOQ template, Buyer may seek following details from the Bidder.**

**( Remaining part is for reference only, not to be uploaded with the RFP).**

1. **Price Bid Format (to be used for L1 determination):** The Price Bid Format may seek following details from the Bidders:

- i) Basic cost of the item(s):

Sl. No.	Description of Item	Unit Price (Currency)	UoM	Qty	Total Price (Currency)
A					
B					
C					
Total Price of Item(s)					

- ii) Accessories

Accessories Detail	Description	Unit Cost	Total
A1			
A2			
-			
-			
An			

- iii) Packing and Forwarding Charges
- iv) Transit Insurance Charges
- v) Transportation Charges



- vi) Non Recurring Expenditure (NRE)
- vii) Installation / Commissioning Charges
- viii) Training Charges

S.N.O	Training Type	Training Charges
1.	a) Operational & Maintenance Training	
2.	b) Advance Level Training	
3.	Any other training as per requirement	

- ix) Technical Literature/Documentation
- x) Transfer of Technology Charges
- xi) Cost of Essential Tools (to meet the functional requirement as per RFP)
- xii) Extended Comprehensive Warranty Cost (in addition to standard warranty to cover RFP requirement)
- xiii) Any other Item cost

**Sub Total (basis for L1 determination)**

**Note In case Foreign Bidders CIF/CIP price is not available, additional 10% of FCA/FOB cost over and above quoted FCA/FOB cost to be loaded for comparison purpose only.**

DRDO is a public funded research institution and has been exempted from the payment of Customs Duty, as per the description of stores and conditions thereon, under Customs Notification No. 51/96 as amended. (Applicable where INCOTERM is DDP (destination)).

**2. Additional information in Price Bid on Taxes and Duties:**

- i) If GST is extra , then mention following:
  - a) Total value on which GST is leviable:
  - b) Rate of GST:
  - c) Total value of GST leviable:
- ii) If Local Tax is extra, then mention following:
  - a. Total value of Contract on which Local Tax is leviable:
  - b. Rate of Local Tax leviable:
  - c. Total value of Local Tax leviable:
- iii) Entry taxes:
- iv) Any other Taxes / Duties :
- v) Grand Total (Sub Total + GST + Local Tax + any other Tax/duty):
- vi) Comprehensive AMC cost per year (beyond warranty period specified in RFP)
- vii) Non- Comprehensive AMC cost per year (beyond warranty period specified in RFP)

**CNC INFORMATION**

1. Name of the Establishment :
2. Date and venue of meeting :
3. Description of stores/equipment/services etc :
4. Quantity :
  - (a) Normal Operational Life of store/equipment
  - (b) Likely Consumption/Use Pattern
5. Estimated cost :
6. Warranty Period as per RFP :
7. Purpose (For project or build-up) :
  - (a) If for project
    - (i) Name and No of the project :
    - (ii) Probable date of completion :
    - (iii) Sanctioned cost of the project (Rs.) :
    - (iv) Amount Spent so far (Rs.) :
    - (v) Amount Committed (Rs.) :
  - (b) Confirmation of acceptance of necessity with reference No and date of demand approval. :
8. Mode of purchase (OBM / LBM / PBM / SBM) :
9. CPP Portal Publication / Waiver reference :
10. Single Source Justification / PAC (as applicable) :
11. Dates on which
  - (a) Demand was placed :
  - (b) Tenders were invited:
  - (c) Tenders were due on: Original: Revised, if any:
  - (d) Techno-commercial bids opened on: :
  - (e) Bids valid upto :
  - (f) Is it first Tender (if not give details): :
12. No of firms from whom bids were invited, in case of LBM :
13. No of bids received :
14. No. of bids rejected by TCEC with vendor wise reasons :  
(enclose copy of TCEC report)

15. No. of bids and names of firms along with Regn. No :  
of each firm, (if any) recommended by TCEC for  
consideration.
16. a )Basis of users estimates of cost :
17. Rates paid for similar item/equipment/facility in the :  
past (DRDO/Other R&D Estt.), with ref. if any.
18. The previous source of supply, if any. :
19. Involvement of Indian agents and agency :  
commission payable for Imported items (Please  
specify whether the agents are registered).
20. Any other relevant information :

( )

Head, MMG / Member Secretary

**For use by Member(s)**

1. Benchmarking of cost :  
(mandatory for SBM/PBM )
2. Highest Offer :
3. Lowest Offer :
4. Final Negotiated Price :
5. Remarks (if any) :

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(NAME OF LAB/ESTT)

COMPARATIVE STATEMENT OF BIDS( CSB) FOR NON-CNC CASES

Supplies required by (Group/Div):

RFP No.:

Demand No(s):

Certified that following combined bids were opened by BOC as per procedure on \_\_\_\_ at \_\_\_\_ in the presence of desiring vendors.

Compliance to Part-I of RFP

No. of Bids received:

No. of Bids rejected: Due to non-compliance of Part-I of RFP

Name of the Bidder

Reason for Rejection

1

2

PART – I TECHNICAL

Item No.	Description & RFP Specifications	Bid No. 1 Specifications	Bid No. 2 Specifications	Bid No. 3 Specifications	Bid No. 4 Specifications
1					
2					
3					
4					
Overall Technical Compliance		Acceptable/Not-Acceptable	Acceptable/Not-Acceptable	Acceptable/Not-Acceptable	Acceptable/Not-Acceptable

PART – II (Commercial)					DRDO.BM.04	
					Page 2 of 3	
	Bid No. 1	Bid No. 2	Bid No. 3	Bid No. 4		
Item 1 (Nomenclature)						
Item 2 (Nomenclature)						
Item 3 (Nomenclature)						
Item 4 (Nomenclature)						
Packing, Forwarding & Transportation Charges						
Insurance Charges						
Installation Charges						
Training Charges						
Other Charges						
Basic Sub Total						
Exchange Rate (BC Selling Rate of SBI)						
Basic Sub Total in Rs. (for L1 Determination)						
Taxes/Duties applicable on Final Product being offered						
GST						
Local Tax						
Other Taxes						
Total Quoted Cost in Rs.						
Remarks						
Note In case Foreign Bidders CIF/CIP price is not available, additional 10% of FCA/FOB cost over and above quoted FCA/FOB cost to be loaded for comparison purpose only.						

Other Terms & Conditions	RFP Terms & Conditions	Bid No. 1 Specifications	Bid No. 2 Specifications	Bid No. 3 Specifications	Bid No. 4 Specifications
PAN No. / GSTIN					
Registration No. & Validity					
Bid Security Details (EMD)					

Bid Validity					
Delivery Schedule					
Delivery Terms & Place					
Warranty					
Payments Terms					
Performance Security Bond					
Performance Warranty Bond cum					
Liquidated Damages					
Any Other Points					
Remarks					

Prepared by \_\_\_\_\_

Decision/Remarks of the Recommending Officer		
Vendor No.		Item No.
Vendor No.		Item No.
Vendor No.		Item No.

(                      )

Signature with Date of Head of User Group  
Name:  
Designation:

(                      )

Signature with Date of Head MMG  
Name:  
Designation:

**Approved/Not-Approved**  
(                      )  
Signature with Date of CFA

(NAME OF LAB/ESTT)

**TECHNO COMMERCIAL - COMPARATIVE STATEMENT OF BIDS**

Supplies required by (Group/Div):

RFP No.:

Demand No(s):

Constitution of the TCEC:

**Compliance to Part-I of RFP**

**Compliance to Part-IV of RFP**

**No. of Bids received:**

**No. of Bids rejected:** Due to non-compliance of Part-I of RFP

Name of the Bidder		Reason for Rejection
1	i) ii) - n)	
2		

Details of deliberation by TCEC:

Details of Communication with Bidders:

**Part – I (FINANCIAL CAPABILITY)**

S.No	Financial Criteria	Lab Requirement	Bid No. 1	Bid No. 2	Bid No. 3	Bid No. 4
	Management Capability					
2	Financial Capability					
3	Turnover					
4	Experience					
n.	If any, As per RFP					
	<b>Overall Financial Compliance</b>		Acceptable/Not - Acceptable	Acceptable/Not- Acceptable	Acceptable/Not - Acceptable	Acceptable/Not - Acceptable

<b>* Reasons for Technical Rejection</b>						
<b>PART – III (Commercial)</b>						
<b>Other Terms &amp; Conditions</b>	<b>RFP Terms &amp; Conditions</b>	<b>Bid No. 1 Specifications</b>	<b>Bid No. 2 Specifications</b>	<b>Bid No. 3 Specifications</b>	<b>Bid No. 4 Specifications</b>	
PAN No. /GSTIN						
Registration No. & Validity						
Bid Security Details (EMD)						
Bid Validity						
Delivery Schedule						
Delivery Terms & Place						
Warranty						
Payments Terms						
Performance Security Bond						
Performance cum Warranty Bond						



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BG for FIM				
Liquidated Damages				
Packing & Forwarding				
Transit Insurance				
Export License Requirement (Details & Format)				
Installation & Commissioning				
Training Details				
GST				
Local Tax				
Other Taxes				
Any Other Points				
Remarks				
Issues for consideration of CNC:				
Recommendation of TCEC:				
_____	_____	_____	_____	_____
Member	Member	Member	Member	Member
(                      )				
Chairman, TCEC				
Approved/Not-Approved				
(                      )				
Director				

## Comparative Statement of BIDS FOR CNC Cases

Suppliers required by (Group/Div):		CNC Date:			
RFP No.:		Demand No(s):			
Price Details					
S.N.O		Bid No. 1	Bid No. 2	Bid No. 3	Bid No. 4
1(i)	Item 1 (Nomenclature)				
1(ii)	Item 2 (Nomenclature)				
-	Item 3 (Nomenclature)				
1(n)	Item 4 (Nomenclature)				
2.	Packing, Forwarding & Transportation Charges				
3.	Insurance Charges				
4.	Installation Charges				
5.	Training Charges				
	<b>a) Operational &amp; Maintenance Training</b>				
	<b>b) Advance Level Training (if any)</b>				
6.	Other Charges				
7.	Basic Sub Total				
8.	Exchange Rate (BC Selling Rate of SBI)				
9.	Basic Sub Total in Rs. (for L1 Determination)				
10.	Taxes/Duties applicable on Final Product being offered				
11.	GST				
12.	Local Tax				
13.	Total Quoted Cost in Rs.				
14.	Remarks				
	Note In case Foreign Bidders CIF/CIP price is not available, additional 10% of FCA/FOB cost over and above quoted FCA/FOB cost to be loaded for comparison purpose only.				

( )

Signature of Member Secretary

( )

Signature of Finance Member

**CNC Minutes**

**Name of the Lab/Estt.** :

**Meeting Held on** :

File/RFP Reference No. :

Description of Stores/Services etc. :

Whether for Project/Build up (If for :  
Project , give Project No. and PDC)

Mode of Procurement :  
(OBM/LBM/SBM/PBM)

CFA approval reference :

Estimated Cost (in Rs.) :

Bids : Invited ..... Firm(s)                      Received : ..... Firm(s)

No. of Bids rejected by TCEC :

No. of Bids to be considered by CNC :

Date of validity of bids as asked by the :  
Lab/Estt/Centre.

Extension of Validity of Bids (if any) :

Whether revised bids called, If Yes, :  
reasons thereof

No. of Firms/Vendors Invited for CNC : .....Firm(s)                      Attended : .....Firm(s)

**Initials (Member Secretary)**

File/RFP Reference No.

Description of Stores/Services etc.

2. The following members of CNC were present in the meeting:

Sh./ Ms	Chairman
Sh./ Ms	Member
Sh./ Ms	Member
Sh./ Ms	Member
Sh./ Ms	Member Secretary

3. Brief of the case, discussions before opening of bids and cost benchmarking:

4. Specific inputs from TCEC to CNC( if any) :

5. Discussions and clarifications from Bidders including Quantity apportionment(if any) :

6.

Firm Name	I				II	Total (I+II)
	Basic Price	Charges for Installation, Commissioning	Charges for Training, if any	Other Charges , if any	Taxes etc. to be payable by Lab, after giving applicable Exemption Certificates	
I.						
II.						
III.						

Detailed CSB as per Form DRDO.BM.06 / BOQ for e-procurement cases to be enclosed.

Exchange rate(s) (if applicable) as on:

Name of L1 VENDOR(S) (as per Bid Evaluation Criteria given in RFP) .....

**Initials (Member Secretary)**

File/RFP Reference No.

Description of Stores/Services etc.

7. Brief Discussion on Specific Issues (if any) including AMC:

8. **Waiver/Exemption recommended (if any) by Committee with justification:**

9. **Price Reasonability :**

The Committee examined the price bid / revised bid vis-à-vis technical specifications and commercial terms in the RFP. The offer of M/s ..... conforms to the specifications as per RFP and users requirements. The funds are also available within the approved budget. In the estimate of the committee, the agreed price is considered reasonable (**further elaborate for the particular case on need basis**).

#### 10. CNC RECOMMENDATIONS:

CNC recommends placement of order(s) on M/s ..... for the following price, terms and conditions mentioned below (**If more than one vendor recommended by CNC, respective recommendation should be mentioned in the minutes**):

TERMS & CONDITIONS				
1.	Description (with Brand, Make, Part No. etc)			:
2.	Qty. (mention Tolerance if any)			:
3.	Validity of Quotation			:
4.	Packing, Forwarding & Transportation Charges			:
5.	(a)	Applicable Statutory Levies		:
		(i)	GST	:
		(ii)	Local Tax	:
		(iii)	Any Other Tax/Duty	:
Initials (Member Secretary)				

File/RFP Reference No.			
Description of Stores/Services etc			
	(b)	Details/List of Items for which CDEC is required	:
6.	Transit Insurance		:
7.	Installation & Commissioning Details		:
8.	Training Details		:
9.	Delivery Schedule		:
10.	a)	Terms of Delivery (Free Delivery at Lab/Applicable INCOTERM)	:
	b)	Place of Delivery	:
11.	Liquidated Damages		: At the rate of 0.5% per week or part there of subject to maximum of 10% of order value excluding taxes and duties
12.	Inspection Details		:
13.	Warranty/Guarantee Details		:
14.	Payments Term		:
15.	Tax Deduction at Source		: As applicable as per GST Act.
16.	Performance Security Bond (for execution of the Supply Order/Contract)		:
17.	Performance cum Warranty Bond/Warranty Guarantee Bond		:
18.	Free Issue Material (FIM) Details		:
19.	Supply Order/Contract to be placed on		:
20.	Whether Option Clause is applicable		:
21.	Whether Repeat Order Clause is applicable		:
22.	Any Other Points (mention the applicability of PV, ERV and Export License)		:
23.	Remarks if any		:
24.	Apportionment of Quantity (If applicable)		:
25.	AMC/CAMC		:

**Initials (Member Secretary)**

File/RFP Reference No.

Description of Stores/Services etc.

<b>Financial Implications (Imported Stores)</b>	<b>Financial Implications (Indigenous Stores)</b>
FCA/FOB Cost:	Ex-works / FOR Cost:
10% Insurance & Freight:	Insurance & Freight (if any):
CIF/CIP Cost:	Taxes and Duties ( GST) :
Custom Duty:	Other Expenses (if any):
Total Cost in Foreign Currency:	Total Cost in Rs.:
Total Cost in Foreign Currency (in words):	Total Cost in Rs. (in words):
Total Cost in Rs:	
IGST	
Total Cost in Rs (in words):	
Expenditure Booking Head (s)	Major Head : Minor Head : Code Head : Unit Code :

( ) <b>Member Secretary</b>	( ) <b>Member</b>
( )	( )
<b>Member</b>	<b>Member</b>
( )	
<b>Chairman</b>	

**Expression of Interest (EOI)**

<b>Part 1</b>	
1.	Preamble
2.	Scope of work
3.	Procedure for response
4.	Section A: Instructions/Notes
4.1	General
4.2	Submission of Information/Documents
<b>Part 2</b>	Section A: Forms
5.1	Form A (1) Specific Experience (Minimum Criterion)
5.2	Form B (2) Experience Workforce
5.3	Form C (3) Willingness Certificate
5.4	Form D (4) Organization Structure/ Legal Status & Summary Sheet: Current Contract Commitments/ Works in Progress
5.5	Form E (5) Financial Capability
5.6	Form F (6) Litigation / Arbitration History
<b>Part 3</b>	Compliance Matrix
<b>Appendix A</b>	Eligibility Criteria



**Part 1**

## 1. Preamble :

1.1 *Brief introduction of Lab/Estt.*1.2 *Brief introduction of EOI*

1.3 The objective of this EOI is to shortlist technically suitable and competent applicants having in-depth knowledge and proven track record of having successfully executed same or similar kind of contracts. Applicants should be willing to execute the said contract, subject to fulfilling the eligibility criteria laid out as per Appendix A.

## 2. Scope of work :

Responsibility of the shortlisted applicant shall include but not limited to :-

...  
...  
...

## 3. Procedure for response :

*All required information regarding submission of response. For eg., Last date of submission of interest along with documentary proof, contact person address, phone no & email id, etc.*

## 4. Section A: Instructions/Notes :

## 4.1 : General

- (a) All copies of documents submitted along with EOI should be clear, legible and self certified by the authorized representative of the applicant.
- (b) Lab/Estt reserves the right to physically check the original documents / certificates, the copies of which are submitted along with the EOI.
- (c) The applicant language of Communication for all activities connected to this EOI and tasks thereof shall be in English.
- (d) Lab/Estt reserves the right to cancel this process of EOI at any time without any financial or otherwise liability and without assigning any reasons thereof.
- (e) The applicant must give a declaration stating that under the existing regulations of their country, there is no bar or restrictions on the Applicant for participation in this EOI.
- (f) The applicant may kindly note that shortlisted shipyard will be required to sign a Non Disclosure Agreement (NDA) and Integrity Pact (IP) at a later date as required by Lab/Estt.
- (g) The applicant must meet the minimum criteria regarding the applicants specific and particular experience, specified in this document, as demonstrated by the applicants responses provided in the **Forms at Part 2** other requested documentation.

- (h) The applicants may note that mere meeting of the minimum criteria does not entitle any company/firm/organization the right for appointment.
- (i) Lab/Estt will not be responsible/ liable to any party in any way for costs associated in preparation & submission of EOI.
- (j) This notice is issued only to elicit an Expression of Interest (EOI) from parties interested in the collaboration and does not constitute any binding/commitment from Labs/Estt to invite any or all of the parties in any the subsequent process.
- (k) Lab/Estt is also not obliged to share clarification related questions with other respondents than the one who seeks clarification.
- (l) Lab/Estt reserves the right to accept or reject any EOI proposal without signing any reasons whatsoever.
- (m) This EOI is being issued with no commitments and Labs/Estt reserves the right to withdraw the EOI and change or vary any part thereof or foreclose the EOI at any stage

4.2 : Submission of Information/Documents: Information should be submitted in the formats specified in this document. The Prequalification documents shall be submitted as follows:-

- (a) Two (hard) copies with all supporting documents.
- (b) One digital copy (on CD) of entire documentation.
- (c) With covering letter duly signed by Authorized Representative of the company with company's seal. Document in support of authorization granted to authorize representative to be submitted.

4.3: Failure by the applicant to provide information/documents, which is essential to evaluate the applicant's qualifications, or to provide timely clarification or substantiation of the information supplied may result in disqualification of the applicant.

4.4 Any information/clarification regarding this subject matter can be obtained from:-

*Contact details id of contact person of Lab/Estt (Address, phone, email-id)*

**Part 2 : Forms**

**5.1 : Form A – Specific Experience**

*Format for presenting past experience*

**5.2 Form B – Skilled Workforce requirement shall include following type of manpower but not limited to :**

<b>S. No</b>	<b>Type of Manpower</b>	<b>Educational qualification</b>	<b>Minimum Experience</b>

The above requirement of manpower is indicative and shall be mutually agreed upon during the detailed discussion with the vendor as per the final RFP to be issued by Lab/Estt.

### 5.3 Form C

#### *Willingness/ Undertaking Format*

(To be enclosed as part of Expression of Interest proposal on the letterhead of the company)

To

Lab/Estt

Date

Reference: Expression of Interest No. ----- dated----- 2019

Dear Sir,

We hereby confirm that we have examined the lab/Estt EOI document dated-----  
-----

We hereby confirm the following:

- i) That we agree to all terms and conditions of the EOI document.
- ii) ...
- iii) ...

Yours faithfully,

(Applicant Head Signature)

#### 5.4 Form D – Summary Sheet : Organization Structure / Legal Status/ Current Contract Commitments / Works in Progress

The Applicant firm shall submit with EOI, the organization structure , legal status of the applicant, place of Registration, principal place of business and brief on business activities undertaken by the applicant, the ownership details, shareholder pattern, details of manpower viz. discipline and geographical location wise permanent manpower strength for providing support in execution of proposed project, names and addresses of the present Directors and the Senior management and such other relevant details as the Applicant may like to share in the following format.

a) Corporate

.....

.....

b) Corporate Structure

.....

.....

c) Applicant's Technical Capacity (State total number of professional staff indicating each Individual's experience/ qualification):

.....

.....

d) Applicant's Facilities and Experience in Shipbuilding

.....

.....

Name & Signature of authorized representative of the Applicant:

Name and Stamp of Company:

Date:

e) Applicant should provide information on their work performed in the last \_\_\_\_ years and also the current commitments on all contracts that have been awarded, or for which a letter of intent or acceptance has been received , or for contracts approaching completion, but for which an unqualified, full completion certificate has yet to be issued in the following format.

Year	Project Name/Client	Contract No. & Date	Value of Contract	Stipulated Period of Completion	Actual date of completion

**5.5 Form E – Financial Capability**

**5.5.1** The Applicant shall furnish complete audited annual financial year statements for last \_\_\_\_ years including balance sheets, profit & loss account statement, Audit Reports and all other schedules of immediate preceding financial year, self-certification of being not under liquidation, court receivership or similar proceeding.

**5.5.2 Applicant** should provide financial information to demonstrate firm's capability for assessment of the financial status by Lab/Estt . If necessary, use separate sheets to provide complete banker information.

**5.5.3** Applicant should have positive net worth.

Banker	Name of banker(s)	
	Address of Banker(s)	
	Telephone	Contact name and title of Senior Bank official
	Fax	E-mail

### 5.6 Form F - Litigation /Arbitration History

Applicant should provide information on history of Court litigation or arbitration proceedings resulting from contracts executed in the last \_\_\_\_ years or currently under execution. The information should also be provided for any significant sub-contractors.

Year	Decree/Award for or against Applicant	Name of client, cause of litigation, and matter in dispute	Disputed amount (current value)

**Part 3 – COMPLIANCE TABLE**

**Compliance to all EOI Clauses**

Sl. No	Section / Para	Compliance of para/ sub para of the Man  (Yes/ No)	Reasons/ Justifications for non- compliance / Suggestions  (If any)	Remarks



## Appendix A

Technical eligibility Criteria

1.....

2.....

**INFORMATION PROFORMA**  
**Engagement of Agent by Foreign Vendor**

(Separate Sheets to be filled in case of Multiple Agents)

1. Procurement Case:  
(Tender Enquiry no. & Date) :
2. Has the Vendor engaged/proposes to engage any Agent [Yes/No]:
3. If Yes, Details of Engaged Agent:  
Name of the Firm/Individual:  
Address:  
Registration No.:  
TIN no/ GSTIN. :  
PAN no. :- 4. Date of Engagement:
- 5. Period of Engagement:
- 6. Scope of Work Terms & conditions of engagement and nature of responsibilities of engaged firm:
- 7. Payment Details:  
Payments made in last 12 months:  
Brief Terms of Payment:  
Agency commission payable for the present procurement case/RFP/tender enquiry:
- 8. Any Other Details:
- 9. Declaration: It is certified that the above information is true. Any change in the information, including termination of an Agent, will be intimated within two weeks of occurrence. Details of further payments will be intimated annually.

Place:

Date:

(Authorised Signatory)  
Vendor Name and Address

By Registered/Speed Post

**SUPPLY ORDER**

Phone No.: \_\_\_\_\_ Fax No.: \_\_\_\_\_ (Lab Supply Order No)

E-mail ID : \_\_\_\_\_ (Lab Address)

Ref No. : \_\_\_\_\_ Date :

To

M/s \_\_\_\_\_

Dear Sirs,

- Please refer to your Quotation No. \_\_\_\_\_ dated \_\_\_\_\_  
(Offer/Revised Offer No. \_\_\_\_\_ dated \_\_\_\_\_ as per CNC meeting dated \_\_\_\_\_, if applicable)
- I have the pleasure to place an order on you for the following items which may be supplied to **(Lab/Estt)** in \_\_\_\_\_ lot/lots **on or before** \_\_\_\_\_

Sl. No.	Item description (Details in Annexure-A)	Unit of Measure	Qty	Rate (per Unit) (Currency)	Extended Value (Qty x Rate) (Currency)
Sub Total					
Packing & Forwarding Charges					
Installation Charges, if any					
GST (@ ____% on Item Sl. No.____)					
<b>Total Order Value (Currency)</b>					
AMC (if any)/Any Other Charges *					

Total order value (in words):

Terms and conditions of supply are enclosed herewith.

- Name of the Manufacturer:

Country of Origin:

4. Name & Address of the ultimate Consignee: **Lab Name and Address**  
Intermediate Consignee / Port Consignee: **Name of the Consolidator and Address**
5. Terms of Delivery : FOR\_\_\_\_\_ (Place of Delivery)/(Applicable INCOTERMS)
6. The expenditure is debitable to  
Budget Head : **General - Buildup / Project - Capital / Revenue**  
Project No. : \_\_\_\_\_ Unit code : \_\_\_\_\_  
Major Head : **4076 / 2080** Minor Head : **052 / 110** Code Head: **929/21 or 856/01 or 04**
7. Please acknowledge order acceptance in the enclosed form.

Yours Sincerely

( \_\_\_\_\_ )

For Director

For and on behalf of the President of India

Encls: As above

**Copy to:**

- a) Local CDA (R&D) authority (paying authority) – 1 copy (ink-signed).
- b) Demanding officer – 1 copy.
- c) Stores Movement Control Div. (Receipt & Dispatch Section) – 1 copy.
- d) Bill Payment Section – 1 copy.
- e) Case file – 1 copy (ink-signed).

\* Case specific relevant details may be modified.

**Special Instructions (Foreign Procurement only):**

- a. **Price:** Price are as per scope of Supply and as agreed in CNC/subsequent communication.
- b. **Shipment:** By Air through the consolidation services of \_\_\_\_\_ whose House Air Way Bill only is acceptable. Shipment will be preferably through Air India under freight to pay basis at destination in Indian rupees. Payment will be made by freight forwarders \_\_\_\_\_. The following documents required for clearance at Indian airport should be sent to the freight forwarders, i.e., all copies of Invoice, Airway Bill, Packing List, Manufacturer's Technical Literature/Catalogue.
- c. Dispatch details with airways bill number should be intimated to (consolidator), and also to the Director, (Lab/Estt) \_\_\_\_\_ India by fax/E-mail.
- d. The supply against this order shall invariably be made, without mixing up with the supplies against other orders, if any, finalized on you by this Lab/Estt.
- e. Partial shipments are permitted/not permitted. Transshipment permitted/not permitted.
- f. Our order number and date in full should be quoted in all your future correspondence.
- g. **Insurance:** The buyer will obtain additional Insurance coverage if necessary through their freight forwarder.
- h. Full address, fax number, E-mail of freight forwarders:

**TERMS AND CONDITIONS FOR SUPPLY/PURCHASE ORDER**  
S.O. No. \_\_\_\_\_ dated \_\_\_\_\_  
**A (For Indigenous Suppliers)**

1. **Order Acceptance:** The firm should check the supply order and convey acceptance of the same within seven days of its receipt as per sample format **DRDO.SO.02** enclosed. If such acceptance or communication conveying firm's objection to certain parts of the supply order is not received *within the stipulated period*, the supply order is deemed to have been fully accepted by the firm.
2. **Free Issue of Material:** Lab/Estt will supply the required material (where applicable) as agreed and negotiated as enclosed at **Annexure-B** against submission of BG and/or Insurance cover.
3. **Bank Guarantee:** All Bank Guarantees as negotiated and mutually agreed to, if any, should be in the prescribed format from a **Scheduled Bank** only. **(Format of relevant BGs are available on DRDO Website).**
4. **Performance cum Warranty Bond:** 10 percent of order value towards Performance Bank Guarantee in the prescribed format from a **Scheduled Bank** is required. The PCWB should be valid upto 60 days beyond the completion of all contractual obligations including warranty period (if applicable)  

**OR**

**5-10 %** Percent of order value towards Performance Security Bond in the prescribed format from a **Scheduled Bank** is required. \_\_\_\_\_ Percent of order value towards Warranty Guarantee bond in the prescribed format from a **Scheduled Bank** is required.
5. **Delivery Schedule:** The delivery is to be made within the stipulated delivery date. In case a delay is expected, firm's written request for extension must reach the Director at least two week before the delivery date. Director reserves the right to extend the delivery period with/without Liquidated Damages.
6. **Liquidated Damages:** Liquidated Damages will be charged at the rate of 0.5% per week or part thereof, of basic cost (excluding taxes and duties on final product) of the delayed stores which the firm has failed to deliver within the period agreed for delivery subject to maximum of 10% of the total order value (excluding taxes and duties on final product). In cases where partial delivery does not help in achieving the objective of the contract, LD shall also be levied on the total cost (excluding taxes and duties on final product) of the supply order.
7. **Packing and Forwarding:** The equipment/stores ordered should be packed to withstand transportation hazards with clear safety and handling marking on all sides indicating order reference and consignee address as: Director, (Name of Lab/Estt). *Any special packing and handling conditions to be clearly indicated.*
8. **Delivery & Transit Insurance:** Free delivery at **Lab/Estt/Specified Place**. The supplier at his cost may do the transit insurance, if deemed necessary.
9. **Concessional GST Certificate:** These will be issued/not issued wherever necessary as agreed by CNC after order acceptance and confirmation of readiness to dispatch the material of your written request.
10. **Correspondence and Dispatch Instructions:** All correspondence must indicate the order reference. Any letter/fax/E-mail received without this reference will only lead

to inaction. Scheduled date of dispatch to be intimated two weeks in advance. Stores dispatched should be accompanied by delivery challan /packing slip etc. All documents confirming dispatch (LR/RR/GC note) should be sent by registered post/speed post/ courier ensuring delivery in time. Advance copy of the dispatch document may be sent by fax/E-mail. Any demurrage or warehousing charges levied due to late/non-receipt of dispatch information/documents will be deducted from the final bill.

11. **Inspection and Acceptance:** Director or his authorised representative will subject the store(s) to inspection and reserves the right to accept/reject part or full consignment. Stores rejected will be collected or replaced (if agreed to by Lab/Estt) by the supplier at his own cost and risk.

Or

As per RFP / recommended by CNC and approved by CFA

12. **Payment Terms:** As per RFP / recommended by CNC and approved by CFA.

13. **Mode of Payment:** Through ECS/NEFT only.

14. **Taxes and Duties:** Applicable taxes and duties will be paid at actuals subject to the provision of Denial Clause.

Or

As per RFP / recommended by CNC and approved by CFA.

15. **Submission of Bills:** Ink signed Contractor's bills (Copy of bill format available on DRDO website **DRDO.SM.03**) (**in duplicate**) duly completed to be submitted along with the following documents/information as applicable.

- a. Ink signed copy of Commercial Invoice
- b. Bank Guarantee / Indemnity Bond for advance, as applicable
- c. Self certification from the seller that the GST/CST/VAT/Service Tax received under the contract would be deposited to the concerned taxation authority.
- d. ECS mandate for payment
- e. Any other document/certificate (**Lab to specify**).

16. **Order Validity and Amendments:** This order is valid only within the stipulated delivery date of supply and as amended. Director, (Lab/Estt) at his discretion may short close/amend or cancel this order with or without assigning any reasons at any time beyond order validity date. The Buyer may, without prejudice to any other remedy for breach of supply order/contract, by written of default sent to the seller may terminate the supply order/contract in whole or in part, at any time if:
- a. the Seller is found to have made any false or fraudulent declaration or statement to get the supply order/contract or he is found to be indulging in unethical or unfair trade practices.
  - b. the item offered by the Seller repeatedly fails in the inspection and/or the Seller is not in a position to either rectify the defects or offer items conforming to the contracted quality standards.

17. **Standard Terms & Conditions:** Lab/Estt to include other applicable standard terms and conditions from Part (II) of RFP.
  18. **Special Terms & Conditions:** Lab/Estt to include other applicable special terms and conditions from Part (III) of RFP.
  19. **Jurisdiction:** (to be decided by concerned Lab/Estt.)
  20. **Risk and Expense Purchase:** In case Seller fails to honor the contractual obligations within the stipulated delivery period and as amended, Buyer may procure the said contracted goods/services through a fresh supply order/contract and the defaulting Seller has to bear the excess cost incurred, if any.
- \* The above mentioned clauses may be modified suitably for specific cases. Any other clause(s) may be added or deleted, if required.**

## TERMS AND CONDITIONS FOR SUPPLY/PURCHASE ORDER

S.O. No. \_\_\_\_\_ dated \_\_\_\_\_

### B (For Foreign Suppliers)

1. **Order Acceptance:** The firm should check the supply order and convey acceptance of the same within seven days of its receipt as per sample format **DRDO.SO.02** enclosed. If such acceptance or communication conveying firm's objection to certain parts of the supply order is not received within *ten days (please specify the period)*, the supply order is deemed to have been fully accepted by the firm.
2. **Free Issue of Material:** Lab/Estt will supply the required material (where applicable) as agreed and negotiated as enclosed at **Annexure-B** against submission of BG and/or Insurance cover.
3. **Bank Guarantee:** All Bank Guarantees as negotiated and mutually agreed to, if any, should be in the prescribed format from a **First Class International Bank** only. **(Format of all BGs are available on DRDO Website)**
4. **Performance cum Warranty Bond:** 10 percent of order value towards Performance Bank Guarantee is required in the prescribed format from an **International First Class Bank** only. The PCWB should be valid upto 60 days beyond the completion of all contractual obligations including warranty period (if applicable)

OR

- 5-10** Percent of order value towards Performance Security in the prescribed format from a **First Class International Bank** is required. \_\_\_\_\_ Percent of order value towards Warranty bond in the prescribed format from a **First Class International Bank** is required.
5. **Delivery Schedule:** The delivery is to be made within the stipulated delivery date. In case a delay is expected, firm's written request for extension must reach the Director at least two week before the delivery date. Director reserves the right to extend the delivery period with/without Liquidated Damages.
  6. **Liquidated Damages:** Liquidated Damages will be charged at the rate of 0.5% per week or part thereof, of basic cost (excluding taxes and duties on final product) of the delayed stores which the firm has failed to deliver within the period agreed for delivery subject to maximum of 10% of the total order value (excluding taxes and duties on final product). In cases where partial delivery does not help in achieving the objective of the contract, LD shall also be levied on the total cost (excluding taxes and duties on final product) of the supply order.
  7. **Packing and Forwarding:** The equipment/stores ordered should be packed to withstand transportation hazards with clear safety and handling marking on all sides indicating order reference and consignee address as: Director, (Name of Lab/Estt). *Any special packing and handling conditions to be clearly indicated.*
  8. **Delivery & Transit Insurance:** Terms of delivery as per agreed INCOTERMS.



9. **Custom duty exemption Certificate:** CDEC will be issued as decided in CNC/negotiations and approved by CFA.
10. **Correspondence and Dispatch Instructions:** All correspondence must indicate the order reference. Any letter/fax/E-mail received without this reference will only lead to inaction. Stores dispatched should be accompanied by a set of documents as prescribed in Letter of Credit.
11. **Inspection and Acceptance:** Director or his authorised representative will subject the store(s) to inspection and reserves the right to accept/reject part or full consignment. Stores rejected will be made good at supplier risk and expense and delivered upto destination. *Requirement of Pre Dispatch Inspection/Factory Acceptance Test to be mentioned.*

**OR**

As per RFP / recommended by CNC and approved by CFA.

12. **Payment Terms:** As per RFP / recommended by CNC and approved by CFA.
13. **Mode of Payment:** Through Letter of Credit/Sight Draft/Direct Bank Transfer.
14. **Taxes and Duties:** All offshore taxes which are due in connection with the delivery of equipment and documentation and performance of services under the present contract shall be borne by the seller. All taxes, duties, levies and charges which are to be paid for the delivery of stores/services, including advance samples, shall be paid by the parties under the Contract in their respective countries. However, the corporate/ individual income tax, if applicable, will continue to be paid by the concerned party/ individual.
15. **Documents to be furnished for Claiming Payment:**
  - (i) **Clean on Board Airway Bill/Bill of Lading**
  - (ii) **Original Invoice**
  - (iii) **Packing List**
  - (iv) **Certificate of Origin (*Indicate if required from Chamber of Commerce*)**
  - (v) **Certificate of Quality and current manufacture from OEM.**
  - (vi) **Dangerous Cargo Certificate, if applicable.**
  - (vii) **Insurance Policy of 110% value in case of CIF/ CIP contract**
  - (viii) **Certificate of Conformity and Acceptance Test at PDI, if any.**
  - (ix) **Phyto-sanitary/ Fumigation Certificate, if any.**
  - (x) **Any other documents (*Lab to specify*).**
16. **Order Validity and Amendments:** This order is valid only within the stipulated delivery date of supply and as amended. Director, (Lab/Estt) at his discretion may short close/amend or cancel this order with or without assigning any reasons at any time beyond order validity date. The Buyer may, without prejudice to any other remedy for breach of supply order/contract, by written of default sent to the seller may terminate the supply order/contract in whole or in part, at any time if:

- a. The Seller is found to have made any false or fraudulent declaration or statement to get the supply order/contract or he is found to be indulging in unethical or unfair trade practices.
  - b. The item offered by the Seller repeatedly fails in the inspection and/or the Seller is not in a position to either rectify the defects or offer items conforming to the contracted quality standards.
17. **Bank Charges:** All banking charges payable in India are to buyer's account and bank charges outside India to seller's account. Charges due to any amendment to LC to be borne by party at fault.
18. **Standard Terms & Conditions:** Lab/Estt to include other applicable standard terms and conditions from Part (II) of RFP.
15. **Special Terms & Conditions:** Lab/Estt to include other applicable special terms and conditions from Part (III) of RFP.
16. **The above mentioned clauses may be modified suitably for specific cases. Any other clause(s) may be added or deleted, if required.**

\* The above clauses may be modified suitably for specific cases. Any other clause(s) may be added or deleted, if required.

**(To be Submitted on Company's Letter Head)**

To

The Director

(Lab/Estt Address)

**SUPPLY ORDER ACCEPTANCE**

Dear Sir,

Please refer to your Supply Order No\_\_\_\_\_ dated \_\_\_\_ for  
supply/service of

a)

b)

c)

2. I hereby accept the supply/service order with the terms and conditions given therein/  
attached thereto.

Date:

Yours Sincerely

Signature

( )

Name & Designation

Company Seal

**(DRAFT) CONTRACT DOCUMENT**

***(Nomenclature of the Stores/Services for which Contract is entered)***

**Between**

**The PRESIDENT of INDIA**

**Represented By**

**DIRECTOR**

***[Name of the Lab/Estt. with Address (Buyer)]***

**and**

***[Name and Address (Seller)]***

**Contract No. :**

**Dated:**

**Signature of Seller**

**Signature of Buyer**

***\* Contact No. & signature of both parties should appear on all pages of the contract***

***\* This is a generic template for drafting the contract. Case specific contract will be governed by Govt. to Govt. agreement, if applicable.***

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### **PREAMBLE**

This contract is made on the (date) day of (Month & Year) in\_\_\_\_\_ (Name of the place), between the President of India represented by the Director, \_\_\_\_\_ (Lab Name), DRDO/Ministry of Defence, Govt of India, hereinafter referred to as the Buyer (which terms unless excluded by the context, shall be deemed to include his successor in office) on one part, and M/s (Name of the Company ) duly represented by\_\_\_\_\_, and incorporated under the laws of \_\_\_\_\_, having its registered office at \_\_\_\_\_ (which terms unless expressly indicated by the context shall be deemed to include its successors and its assignee), hereinafter referred to as the Seller on the other part. The Buyer and Seller shall collectively be referred to as the Parties.

WHEREAS, the Buyer agrees to buy and the Seller agrees to supply the Goods/render Services as specified in this Contract and in accordance with the terms and conditions of this Contract.

Parties have agreed to the following:-

### **DEFINITION OF EXPRESSIONS**

*(Some common definitions are given under. This list is not exhaustive, Lab may add as per the need)*

For the purposes of this Contract, the following terms shall have the indicated meanings:

<b>Background Information</b>	means any existing Information generated, possessed or owned by the Parties prior to the Contract signature or out of the course of the Contract Performance, but which is necessary or useful to attain the objectives of the Contract.
-------------------------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------



<b>Background Intellectual Property Rights</b>	means legal rights in Background Information and other intangible property protected by law, including but not limited to, patents, registered and unregistered designs, copyrights and trademarks.
<b>Contract</b>	shall mean this Contract and its Annexures and including all subsequent amendments agreed to in writing by both Parties.
<b>Effective Date of Contract (EDC)</b>	shall mean Effective Date of the Contract i.e., the date from where the counting of time schedule commences towards achievement of contractual obligations of the Parties.
<b>Foreground Information</b>	means any Information pertaining to subject matter of the Contract, conceived, generated or developed by either Party in the course of the Contract Performance
<b>Foreground Intellectual Property Rights</b>	means legal rights in Foreground Information and other intangible property protected by law, including but not limited to, patents, registered and unregistered designs, copyrights and trademarks.

<b>Information</b>	means any information, knowledge or data, regardless of its form and characteristics, including but not limited to that of a scientific or technical nature, experimental and test data, designs, improvements, manufacturing or assembling data, engineering or other documentation, specifications, test methods, test results, designs, or other information data or results of a technical character, photographs, software (including source code), reports, manuals, processes, techniques, inventions (whether patented or not), product, prototype, technical writings, sound recordings, semiconductor topography, pictorial reproductions, drawings and other graphical representations, films whether on magnetic tape or any storage device, in computer memory, or in whatever form presented, and whether or not subject to copyright or other legal protection, know-how.
<b>Intellectual Property Rights</b>	means legal rights in Information and other intangible property protected by law, including but not limited to, patents, registered and unregistered designs, copyrights and trademarks.
<b>Installation</b>	shall mean installation of the equipment as per agreed installation specifications as in Annexure.....
<b>Parties / Party</b>	shall mean the Buyer and/or Seller as per the context.

<b>Specifications or Technical Specifications</b>	shall mean the technical specifications as defined in scope of the Contract as well as any accepted modification of such technical specifications.
<b>Third Party</b>	shall mean any Party other than the Contracting Parties.

## **ARTICLE 1**

### **SCOPE OF CONTRACT**

**1.1** The Seller undertakes to sell and deliver (*nomenclature of Stores/Services and accompanied accessories*) to the Buyer and the Buyer undertakes to accept and pay for the same according to the technical specifications stipulated in **Annexure-I** to this contract and the quantities, unit prices and total value, as per the terms and conditions stipulated in the Contract.

**1.2** The prices for the delivered goods/services are quoted Ex-Works/FCA/CIP/DAT/ FOR (*specify only one as agreed to by the Parties*) and fixed in INR/US \$/Euro/PS £, etc. (*specify currency of payment*) according to the International Rules for Interpretation of trade terms issued by the International Chamber of Commerce/INCOTERMS Edition 2010.

**1.3** The total Contract value of the goods/services, and Documentation to be supplied / Services rendered according to this contract amounts to INR/US \$/ Euro/PS £, etc. \_\_\_\_ (*specify amount in words also*).

### **OR**

The total contract value of the goods/services, and Documentation to be supplied/services rendered according to this contract amounts to INR/US \$/ Euro/PS £, etc. \_\_\_\_ (*in words*). Out of this Non-Recurring Expenditure (NRE), pertaining to Design and Development amounts to INR/US \$/Euro/PS £, etc. \_\_\_\_ (*in words*); and cost of deliverables amounts to INR/US \$/Euro/PS £, etc. ---- (*in words*).

## **ARTICLE 2**

### **GOVERNMENT CLEARANCES**

**2.1** It shall be the responsibility of Seller to seek and obtain necessary government clearances, approvals and authorizations in their country or from any other country as required for the execution of the Contract within\_\_\_\_\_months.

## **ARTICLE 3**

### **EFFECTIVE DATE OF CONTRACT**

**3.1** The Contract shall come into effect/force (Effective Date **T<sub>0</sub>**) on the latest date of fulfillment of the following conditions (***either one or more as agreed***):

- a) Signature of the Parties
- b) Grant of Export License from the Seller's Government
- c) Release of advance payment against BG
- d) *Specify any other conditions*

**3.2** Contract shall remain valid until the completion of last of the obligations of the Parties under the Contract. The deliveries, supplies and performance of the services shall commence from the effective date of the Contract.

## **ARTICLE 4**

### **ADVANCE BANK GUARANTEE [Optional]**

**4.1 For Foreign Seller:** An Advance Guarantee Bond will be issued in the form of a Bank Guarantee by (Seller's Bank) through an recognized International First Class Bank in favour of Director (Lab/Estt), Ministry of Defence, Government of India to be confirmed by State Bank of India for a sum equal to 110% of the total value of advance i.e., for US \$/Euro/PS £, etc. \_\_\_\_\_ (in words US \$/Euro/PS £, etc. \_\_\_\_\_ only). In case of termination of the Contract/extension of delivery period due to default of the Seller or where advance taken has not been/could not be used for the purpose of order execution, interest free mobilization advance would be deemed as interest bearing advance, compounded quarterly, at the rate of 2% above London Inter Bank Offering Rate (LIBOR) rate. The LIBOR rate as applicable on the date of receipt of advance will be considered for this.

**OR**

**For Indian Seller:** An Advance Guarantee Bond will be issued in the form of a Bank Guarantee by (Seller's Bank ) in favour of Director (Lab/Estt) from any scheduled bank in India, for a sum equal to 110% of the total value of advance. In case of termination of the Contract/extension of delivery period due to default of the Seller or where advance taken has not been/could not be used for the purpose of order execution, interest free mobilization advance would be deemed as interest bearing advance, compounded quarterly, at the rate of 2% above Marginal Cost Lending Rate (MCLR) of State Bank of India. The MCLR rate as applicable on the date of receipt of advance will be considered for this.

**4.2** The Advance Bank Guarantee Bond shall be considered open upon receipt by the Buyer's bank.

**4.3** The Advance Bank Guarantee Bond shall remain valid till two months beyond the scheduled supply/installation of last of the store/service .i.e\_\_\_\_\_ (Specify date).

**OR**

The Advance Bank Guarantee Bond shall be proportionately and automatically reduced until full extinction along with and pro rata to the value of each delivery as per the terms of the contract.

**4.4** Where extension of an Advance Guarantee is necessitated, the costs/charges for same shall be borne by the Party whose default causes such an extension.

## **ARTICLE 5**

### **PERFORMANCE CUM WARRANTY BOND**

#### **5.1 Performance-cum-Warranty Bond**

- i) **Foreign Seller:** The Seller is required to furnish a Performance cum Warranty Bond by way of Bank Guarantee (BG) from Seller's Bank through a recognized International first class bank, in favour of The Director (Lab Name), (Place), for an amount of Rs. \_\_\_\_\_ (5-10%) of the Contract value (excluding taxes and duties). The BG should be valid upto 60 days beyond the scheduled date of delivery as per the terms of the contract or warranty period (if applicable).

**OR**

**Indian Seller:** The Seller may be required to furnish a Performance cum Warranty Bond by way of Banker's Cheque / Demand Draft (DD)/Fixed Deposit Receipt/Bank Guarantee (BG), in favour of The Director (Lab Name), (Place), for an amount of Rs. \_\_\_\_\_ (5-10%) of the Contract value (excluding taxes and duties). The BG should be valid upto 60 days beyond the scheduled date of delivery as per the terms of the contract or warranty period (if applicable).

**(ii)** The Performance cum Warranty Bond shall be considered open upon receipt by the Buyer's bank

**(iii)** In case any Contractual obligation remains outstanding, the Seller shall extend the Performance cum Warranty Bond as asked by the Buyer till such time the Seller settles all claims and completes all contractual obligations.

**(iv)** The Performance cum Warranty Bond will be forfeited by the Buyer, in case the conditions regarding adherence to delivery schedule, warranty and any other provision of the contract are not fulfilled by the Seller.

## **ARTICLE 6**

### **PAYMENT TERMS**

**6.1** The Accounting and Payment currencies shall be \_\_\_\_\_ (INR/USD/Euro/Pound Sterling etc).

**6.2** To claim payment (part or full), the Seller shall submit the bill(s) along with the relevant documents within \_\_\_\_ days from the completion of the activity/supply.

**6.3** The total contract price referred to in **ARTICLE-1** of the Contract shall be paid as follows:

**(a)** (Lab/Estt to mention the agreed payments terms as approved by the CFA)

#### 6.4 Mode of Payment

- a) **For Indian Seller:** The payment(s) shall be made through ECS or NEFT mechanism wherever feasible or through account payee cheque.
- b) **For Foreign Seller:**

The payment shall be made through irrevocable LC from *(Buyer's bank name)* in favour of Seller as per mutually agreed terms & conditions. The Letter of Credit will be opened within 30 days on the receipt of intimation from Seller with a validity of 90 days from the date of its opening.

**OR**

The payment shall be made by Direct Bank Transfer (DBT). DBT payment will be made within 30 days of receipt of clean Bill of Lading / AWB / Proof of shipment and such other documents as agreed for in the contract, but such payments will be subject to the Liquidated Damages of such amounts as the Seller may be liable to pay under the agreed terms of the contract.

#### 6.5 Following Documents shall be furnished for claiming payment :

- i. **Indian Seller:** The payment of bills shall be made on submission of the following documents by the Seller to the Buyer:
- (i) Ink-signed copy of Contractors bill.
  - (ii) Ink-signed copy of Commercial invoice / Seller's bill.
  - (iii) Bank Guarantee for advance, if applicable.
  - (iv) Guarantee / Warranty certificate as applicable.
  - (v) Performance cum Warranty Bond / Indemnity Bond as applicable.
  - (vi) Details for electronic payment viz. Account holder's name, Bank name, Branch name and address, Account type, Account number, IFSC code, MICR code as required in the ECS mandate.

**(vii)** Self certification from the Seller that the CST/VAT/Service Tax received under the contract would be / have been deposited to the concerned taxation authority.

**(viii)** *Specify any other document*

ii. **Foreign Seller:** In case of payment through Letter of Credit (LC), shipping documents are to be provided to the Bank by the Seller as proof of dispatch of goods as per contractual terms/LC conditions so that the Seller gets payment from LC. However, where the mode of payment is DBT, the shipping documents are to be provided to the paying authority through the Buyer. Following documents shall be presented by the Seller :

- (i)** Clean on Board Airway Bill/Bill of Lading
- (ii)** Three copies of Original Invoice
- (iii)** Packing List
- (iv)** Certificate of Origin from Seller's Chamber of Commerce, where required.
- (v)** Certificate of Quality and current manufacture from OEM where required.
- (vi)** Dangerous Cargo Certificate, if applicable.
- (vii)** Insurance cover of 110% value in case of CIF / CIP contracts.
- (viii)** Certificate of Conformity and Acceptance Test at PDI, where required.
- (ix)** Phyto-sanitary / Fumigation Certificate, if applicable.
- (x)** Guarantee / Warranty Certificate as applicable.
- (xi)** In case of "Training", a certificate from Buyer that training program has been completed.
- (xii)** *Any other documents **(Lab to specify)***

**6.6** The Seller will give a notification to the Buyer about the readiness of goods for dispatch \_\_\_\_\_ days *(to be specified)* prior to the delivery of the consignment.



**6.7 Applicable for payment through LC only –**

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- (i) Consequent on receipt of the notification that Stores are ready, the Buyer shall open the Letter of Credit (LC) before expiry of \_\_\_\_\_ days (to be specified).
- (ii) The Letter of Credit will be opened through (name of Buyer's Bank) with Seller's Bank, i.e., \_\_\_\_\_ Account No. \_\_\_\_\_ in favour of Seller and will be valid for a period of \_\_\_\_\_ days/ months (to be specified) from the date of opening.
- (iii) All expenses connected with establishment of the Letter of Credit in India will be borne by the Buyer and those outside India will be borne by the Seller.
- (iv) Where the amendment of the validity of Letter of Credit is necessitated, the Bank charges for amendment shall be borne by the Party whose default causes such an amendment.
- (v) The Letter of Credit shall be subject to and shall be governed by the Uniform Customs and Practices for Documentary Credits (July 2007 Version) issued by the International Chamber of Commerce (Publication Ref UCP 600).

**6.8** In case of payment through Sight Draft/DBT, three copies of Seller's Commercial Invoices, shipping documents, packing list and the specifications will be sent by the Seller to the Buyer (Director, Lab/Estt of DRDO) within 3 days from the date of shipment of the Goods/Services rendered.

**6.9** Any demurrage charges incurred by the Port Consignee due to late submission/incorrect submission of the shipping documents by the Seller would be borne by the Seller.

**6.10** All payments will be carried out with reference to the number of this Contract.

**6.11** Seller's Banker address and account number are as under:-

Name of Bank and address

Account No. :

SWIFT Code:

## ARTICLE 7

### PRICE VARIATION [Optional]

**7.1** The formula for Price Variation is as under:

$$P_1 = P_0 \left\{ F + a \left( \frac{M_1}{M_0} \right) + b \left( \frac{L_1}{L_0} \right) + \dots \dots \dots \right\} - P_0$$

Where

$P_1$	:	Adjustment amount payable to the Seller (a minus figure will indicate a reduction in the Contract Price)	To be determined
$P_0$	:	Contract Price at the base level	Indicate
F	:	Fixed element not subject to Price Variation	Indicate
a	:	Assigned percentage to the material element in the Contract Price	Indicate
b	:	Assigned percentage to the labour element in the Contract Price	Indicate
$L_0$	:	Wage indices at the base month and year	Indicate
$L_1$	:	Wage indices at the month and year of calculation	To be determined
$M_0$	:	Material indices at the base month and year	Indicate
$M_1$	:	Material indices at the month and year of calculation	To be determined

Following conditions would be applicable to Price Adjustment –

- a) Base date shall be due date of opening of price bids.
- b) Date of adjustment shall be midpoint of manufacture.
- c) No price increase is allowed beyond original Delivery Period unless the delay is attributable to the Buyer or Force Majeure.
- d) Total adjustment will be subject to maximum ceiling of \_\_\_\_%.
- e) No price adjustment shall be payable on the portion of the payment made as an advance payment made in the Contract to the Seller

**7.2 Price variation on account of Exchange Rate Variation (ERV) (Optional):** Detailed time schedule for procurement of imported material and their value at the FE rates adopted for the Contract is as under :.

Year wise and major currency wise import content break up

Year	Total cost of material	FE content outflow (Equivalent in Rs. in Crores)			
		\$	€	£	Others

- i) ERV will be payable/refundable depending upon movement of exchange rate with reference to exchange rate adopted for the valuation of the Contract. Base Exchange rate of each major currency used for calculating FE content of the Contract based on the SBI selling rate of the foreign exchange element on the date of the opening of Price Bids are as under:

Currency	\$	€	£	Others
Exchange Rate				

- ii) The base date for ERV would be the date of opening of price bids and variation on the base date will be given up to \_\_\_\_\_ (specify date).

OR

The impact of notified ERV shall be computed on an yearly basis for the outflow as mentioned by the Seller and shall be paid / refunded before the end of the financial year based on the certification of the Buyer. The import schedule of the Indian Seller is as per **Annexure- II**.

i) ERV clause will not be applicable in case delivery periods for imported content are subsequently re fixed /extended, except for reasons solely attributable to the Buyer or Force Majeure.

## **ARTICLE 8**

### **SPECIFICATIONS**

**8.1** The Seller guarantees to meet the specifications as per **Annexure-I**

**8.2** 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 or obsolescence. This will, however, not in any way adversely affect the end specifications of the equipment/goods and the cost.

**8.3** Where applicable, the up gradation/alteration in the design, drawings and specifications, as per 8.2, will be supported by necessary changes in Maintenance tools/Test equipment/Test Jigs and the same shall be provided to the Buyer, free of cost, within \_\_\_\_ days of affecting such up gradation /alterations.

## **ARTICLE 9**

### **QUALITY**

**9.1** The quality of the goods/stores delivered/services rendered according to the contract shall correspond to the specifications enumerated as per **Annexure-I**. The Seller confirms that the goods/stores to be supplied under the contract shall be new i.e., not manufactured before \_\_\_\_\_ (year of Contract).

**ARTICLE 10**  
**FREE ISSUE OF MATERIALS (FIM) [Optional]**

**10.1** The following equipment/material will be provided by the Buyer to the Seller at his own expenses at (*nominated place*).

The list of FIM is given below: (Buyer has to provide the list as per the format given below):

Sl.No.	Description of Store(s)	Qty.	Unit Cost	Total Cost

i. **Free Issue of Material (FIM) as raw material:**

- a. Seller will submit the BG for \_\_\_\_\_ (specify the amount) (***Indemnity Bond instead of Bank Guarantee may be accepted from PSUs and other Government organizations***).
- b. Buyer will arrange insurance cover for \_\_\_\_\_ (specify the amount) through Nationalized Insurance Agency or their subsidiaries in favour of the Director of Lab/Estt.

OR

- i. **Stores issued as FIM for repair/ maintenance etc.:** Buyer will arrange insurance cover for \_\_\_\_\_ (specify the amount) through Nationalized Insurance Agency or their subsidiaries in favour of the Director of Lab/Estt.

**ARTICLE 11**  
**CONTRACT MONITORING & REVIEW**

**11.1** A Contract Monitoring Committee (CMC)/ Progress Review Committee (PRC) will be constituted by the Buyer. CMC/PRC will be conducted on a regular basis to monitor the activities and progress. The Committee shall review the progress of the Contract as per the stipulated milestones and recommend remedial measures if the progress is not as per contract and will report to the Buyer.

The Committee will meet at least once in every quarter of the Contract duration or at \_\_\_\_\_ intervals at a venue decided mutually.

**11.2** Seller will extend all support and information and depute suitable representatives for CMC/PRC.

**11.3** All expenses in respect of travel, stay and medical etc., of the Committee Members shall be borne by the respective Party.

## **ARTICLE 12**

### **PRE DESPATCH INSPECTION (PDI) & ATP [Optional]**

**12.1** The Buyer representatives will carry out Pre Despatch Inspection (PDI) of the goods/equipment in order to check their compliance with specifications in accordance with Acceptance Test Procedures at **Annexure-III**. Upon successful completion of PDI, the Seller and Buyer will issue and sign a Certificate of Conformity as per specimen at **Annexure-IV**.

**12.2** The Seller shall intimate the Buyer at least \_\_\_\_ days before the scheduled date of PDI. The Buyer will send his authorised representatives to attend the PDI.

**12.3** The list of Buyer's representatives will be communicated to Seller at least (\_\_\_\_ days) in advance to apply for the necessary authorizations and clearances. The names must also have details of title, date and place of birth, passport numbers including date of issue and date of expiry, address, etc in case PDI is conducted outside India.

**12.4** The Buyer reserves the right not to attend the PDI or to request for a delay in the beginning of the PDI in order to depute its representatives to attend such tests.

**12.4.1** In case of delay, Buyer shall inform in writing to the Seller, \_\_\_\_ days before the date of the beginning of the PDI. If delay in PDI, due to request of Buyer results in delay in delivery of equipment/goods or in achieving a milestone, Liquidated Damages would be waived-off by the Buyer for such period.

**12.4.2** In case Buyer does not wish to attend the PDI, then the Buyer shall intimate same to the Seller in writing.

**12.4.3** In case the Buyer does not attend the PDI as per schedule, 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 Sellers 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 Parties.

**12.5** 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 in Seller's premises.

**12.6** All costs associated with the visit of Buyer's representative for PDI at Seller's premises such as stay, travel expenses, boarding and lodging accommodation, daily expenses, etc., shall be borne by the Buyer.

### **ARTICLE 13**

#### **PACKING AND MARKING**

**13.1** 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. The packing cases should have prominently displayed instructions for lifting by crane/fork lift truck. Tags with proper marking shall be fastened to the special equipment, which cannot be packed.

**13.2** 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 or as specified by the Buyer.

***(Lab/Estt to mention any specific conditions for packing, transportation and storage)***

**13.3** A label in English shall be pasted on the carton indicating the pertinent details of the item contained in the carton.

**13.4** The Seller shall mark each package with indelible paint in English language as follows:-

Contract No. -----

Port/Intermediate Consignee -----

Port/Airport of destination -----

Ultimate Consignee ----- (Name of the Lab/Estt.)

Package No. a/b -----

Gross/Net Weight: ----- kg

Overall dimensions/volume: ----- cm/cu m

Where: a = Serial No. of Package;

b = Total number of Packages in the particular Consignment.

**13.5** If necessary, each package shall be marked with warning inscriptions:

< Top >, "Do not turn over", category of cargo, order of packing and stacking etc., will be prominently marked on each carton/ package.

**13.6** 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 damage or deterioration during transportation by land, air or sea. In such case the Buyer shall finalize the marking with the Seller.

#### **ARTICLE 14**

##### **DELIVERY**

**14.1** The delivery of the goods/services shall be completed within \_\_\_\_\_ months (to be specified) from the Effective Date of the Contract.

**14.2** Part delivery is not acceptable.

OR

Part delivery is acceptable in accordance with the under mentioned schedule clearly specifying the item, the quantity and the duration from the effective date of the Contract:-

<u>No</u>	<u>Equipment/Service/Activity</u>	<u>Quantity</u>	<u>Duration from EDC</u>
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1.

2.

Note : For large and long duration Contracts, deliverables and their schedule and/or a complete programme schedule may be attached as **Annexure-V** with the Contract.

**14.3 Consignee:**

Intermediate Consignee: *(Name of the Freight Forwarder to be specified).*

Ultimate Consignee: Director, *(Name of the Lab/Estt.)*



**14.4** The Seller shall intimate to the Buyer by letter or fax, \_\_\_\_\_ days in advance, the anticipated date of delivery of each consignment. The information shall consist of quantities of the goods and all other details required in connection with the shipment of the consignment.

**14.5** Invoices and other dispatch documents shall be prepared in favour of Director Lab/Estt.

**14.6** The Seller will also forward a copy of the Airway Bill and Commercial Invoice by fax on the day of dispatch to Director, Lab/Estt.

#### **ARTICLE 15**

##### **TERMS OF DELIVERY**

**15.1 For Indian Seller:** The delivery of goods/equipment shall be on FOR \_\_\_\_\_ (destination) basis / *(any other terms as agreed)*.

**15.2 For Foreign Seller:** Unless otherwise specifically agreed to by the Buyer and the Seller and incorporated in the Contract, the applicable rules and regulations for transportation of goods from foreign countries will be as per the contemporary version of International Commercial Terms (INCOTERMS 2010) evolved by International Chamber of Commerce, Paris. The delivery of goods/equipment shall be on \_\_\_\_\_ (destination) basis.

#### **ARTICLE 16**

##### **AIRLIFT (IF ORIGINAL DELIVERY IS TERM NOT BY AIR)**

**16.1** Should the Buyer intend to airlift all or some of the stores the Seller shall pack the stores accordingly on receipt of intimation to that effect from the Buyer. Such deliveries will be agreed upon well in advance and paid for as may be mutually agreed.

#### **ARTICLE 17**

##### **LIQUIDATED DAMAGES (LD)**

**17.1** Liquidated Damages will be charged at the rate of 0.5% per week or part thereof, of basic cost (excluding taxes and duties on final product) of the delayed stores which the Seller has failed to deliver within the period agreed for delivery subject to maximum of 10% of the total order value (excluding taxes and duties on final product). In cases where partial delivery does not help in achieving the objective of the contract, LD shall also be levied on the total cost (excluding taxes and duties on final product) of the contract.

**(Grace Period if approved by the CFA, same to be incorporated)**

## **ARTICLE 18**

### **JOINT RECEIPT INSPECTION (JRI) IN INDIA [Optional]**

**18.1 FOR STORES REQUIRING ONLY QUANTITY VERIFICATION:** The Parties agree that the Joint Receipt Inspection (JRI) of delivered goods shall be conducted at location nominated by Buyer. JRI shall be completed within \_\_\_\_ days of arrival of goods at \_\_\_\_ (*named place*). JRI will consist of Quantitative checking to verify that the quantities of the delivered goods correspond to the quantities without any visible damages as defined in the Contract and the Invoices.

**18.2 FOR STORES REQUIRING QUANTITY & FUNCTIONALITY VERIFICATION:** The Parties agree that the Joint Receipt Inspection (JRI) of delivered goods shall be conducted on arrival at location to be nominated by Buyer and informed to Seller. JRI shall be completed within \_\_\_\_ days of arrival of goods at named place. JRI will consist of:-

(a) Quantitative checking to verify that the quantities of the delivered goods correspond to the quantities without any visible damages as defined in the Contract and the Invoices.

(b) Complete functional checking of the Equipment as per JRI procedure agreed by both Parties. The JRI procedure is placed at **Annexure- VI**.

**18.3** Upon completion of each JRI, JRI proceedings and JRI Certificate will be signed by both Parties. In case the Seller representative is not present then the JRI proceedings and JRI Certificate shall be signed by the Buyer representative only and the same shall be binding on the Seller.

## **ARTICLE 19**

### **WARRANTY**

**19.1** Seller Warrants to Buyer that seller is authorised to sell the goods/equipment under consideration in the Contract.

**19.2** The Seller warrants that the goods supplied under the Contract conform to technical specifications prescribed and shall perform according to the said technical specifications.

**19.3** The Seller warrants for a period of \_\_\_\_ months from the date of acceptance of stores by Joint Receipt Inspection or date of installation and commissioning whichever is later, that the goods/stores supplied under this Contract and each component used in the manufacture thereof shall be free from all types of defects/failures.

**19.4** If within the period of Warranty, the Buyer reports that Goods have failed to perform as per the specifications, the Seller shall either replace or rectify the same free of charge, within \_\_\_\_\_ days of notification of such to the Seller, provided that the goods are used and maintained by the Buyer as per instructions contained in the Operating Manual. Spares required for warranty repair shall be provided free of cost by the Seller.

**19.5** If the defective part/subsystem/system needs to be taken by the Seller outside Buyer's premises to rectify the defect, Seller shall provide a comprehensive (**during transit & storage insurance for repair period**) insurance cover of the equivalent amount to the Buyer to cover for the time taken to rectify the defective goods and deliver the repaired or replaced goods at the same location without any financial implications on Buyer.

**19.6** 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.

**19.7** Seller 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 cumulative downtime period for the equipment does not exceed \_\_\_\_ % of the warranty period. In case cumulative down time exceeds \_\_\_\_ % of the warranty period, the warranty period will be extended with equal duration.

**19.8** In cases of procurement of software, seller shall issue/provide upgrades of the software free of cost during the warranty period.

**19.9** If a particular equipment/goods fails frequently and/or, the cumulative down time exceeds \_\_\_\_% of the warranty period, the particular item/component/sub component shall be replaced free of cost by the Seller within \_\_\_\_\_ days of receipt of the notification from the Buyer. Warranty of the replaced equipment would start from the date of acceptance after JRI by the Buyer or date of installation and commissioning.

## **ARTICLE 20**

### **CLAIMS**

**20.1** The claims will be presented Either:-

- (a) On Quantity of the stores: In case it does not correspond to the quantity shown in the Packing List/Insufficiency in packing;

OR

**(b)** On Quality of the stores: In case it does not correspond to the quality mentioned in the Contract.

**20.2** The claims for deficiency of quantity/quality shall be presented within \_\_\_\_ days of completion of Joint Receipt Inspection (JRI) and acceptance of goods. The claim shall be submitted to Seller as per format at **Annexure –VII**.

**20.3** 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.

**20.4** 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 with no financial implications on Buyer.

**20.5** Claims may also be settled by deduction of cost of goods under claim from bonds submitted by the Seller or deduction from payment due to Seller or payment of claim amount by Seller through demand draft drawn on an Indian Bank as intimated by the Buyer.

**20.6** The quality claims will be raised by the Buyer **with/without** any certification/countersigning by Seller or their representative as per mutually agreed terms.

## **ARTICLE 21**

### **TRAINING [Optional]**

**21.1** The Seller shall provide training to the personnel of the Buyer free of charge or (mention the cost and currency which is included /not included in the total cost of the Contract):

- (a)** Training at OEM'S premises for a maximum of (\_\_) officials for \_\_\_\_days.
- (b)** Training at Seller's premises for a maximum of (\_\_) officials for \_\_\_\_days.
- (c)** Training at Buyer's premises for a maximum of (\_\_) officials for \_\_\_\_days.
- (d)** The training schedule will be decided between Seller and Buyer well in advance to facilitate them to plan logistics.

All expenses and charges in respect of participants of both Parties including travel, stay and medical expenses would be borne by respective Party.

**ARTICLE 22**

**TAXES AND DUTIES**

*(in case of Indian Seller)*

**22.1** All taxes, duties, levies and charges which are to be paid for the delivery of goods, including advance samples, shall be paid by the Seller as agreed under the present contract. The changes in these taxes by the Govt. within the delivery period would be admitted by Buyer. Beyond the schedule delivery, Buyer reserves its right to reject the change in taxes.

**OR**

*(in case of Foreign Seller)*

All offshore taxes which are due in connection with the delivery of equipment and documentation and performance of services under the present Contract shall be borne by the Seller. All Indian taxes, excluding personal and corporate income tax, which are due in connection with the delivery of equipment and documentation and performance of services under the present Contract, shall be borne by the Buyer in addition to the prices.

**ARTICLE 23**

**TRANSFER OF TECHNOLOGY [Optional]**

**23.1** Technology for the manufacturing of following Items would be transferred to the Buyer or Buyer nominated Agency under Technology Transfer from Seller as per details given in **Annexure – VIII**.

**ARTICLE 24**

**ANNUAL MAINTENANCE CONTRACT [Optional]**

**24.1** The Seller would provide a Non- Comprehensive AMC for a period of \_\_\_\_ years.

**OR**

The Seller would provide a Comprehensive AMC for a period of \_\_\_\_ years. The AMC services should cover the repair and maintenance of all the equipment and systems purchased under the Contract.

- a) Maximum repair turnaround time for equipment/system would be \_\_\_\_ days.
- b) Required spares so as to attain to avoid complete breakdown of the equipment/system and ensure serviceability may be stored at site by the Seller at their own cost.

**24.2** The AMC services would be provided in two distinct ways:

- a) **Preventive Maintenance Service:** The Seller will provide a minimum of \_\_\_\_ (to be filled) visits during a year. Preventive Maintenance Service will be carried out at the designated place (to be specified by the Buyer).
- b) **Breakdown Maintenance Service:** In case of any breakdown of the equipment/system, on receiving a call from the Buyer, the Seller is to provide prompt maintenance service to make the equipment/system serviceable at the designated place ( to be specified by the Buyer ).

**24.3** **Response Time:** The response time of the Seller should not exceed \_\_\_\_ hours/days from the time the breakdown intimation is provided by the Buyer.

**24.4** Serviceability of \_\_\_\_% per year is to be ensured. This amounts to total maximum downtime of \_\_\_\_ days per year. Also un-serviceability should not exceed \_\_\_\_ days at any given time. Total down time would be calculated at the end of the year. If downtime exceeds permitted limit, Extension/Termination may be considered as per merit of the case as decided by the Buyer.

**24.5** 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 comprehensive insurance cover to the Buyer to cover the estimated current value of items being taken out of location.

**24.6** The Buyer reserves its right to terminate the maintenance Contract at any time without assigning any reason whatsoever after giving a notice of \_\_\_\_ 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 as per the Contract terms.

**ARTICLE 25**

**NON DISCLOSURE OF CONTRACT DOCUMENTS**

**25.1** 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.

**ARTICLE 26**

**NOTICES**

**26.1** Any notice required or permitted by this Contract shall be written in English language and may be delivered personally or may be sent by Letter or Fax addressed to the last known address of the Party to whom it is sent. Fax notice shall be followed by post copy in confirmation.

**ARTICLE 27**

**TRANSFER AND SUB-LETTING**

**27.1** 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 Contract or any part thereof without written consent of the Buyer

**ARTICLE 28**

**INTELLECTUAL PROPERTY RIGHTS**

**28.1** The ownership of Background Information and Background Intellectual Property Rights, created by the Parties prior to the Contract, shall rest with the owning Party. However, the Parties shall be deemed to have royalty free, all paid up and nonexclusive rights to use and reproduce each other's such Background Information and Background Intellectual Property Rights for the purposes of the Development and Production work performed under this Contract.

**28.2** The ownership of Foreground Information and Foreground Intellectual Property Rights shall be owned jointly by the Parties. However, Parties shall be deemed to have a royalty-free, all paid up license to use such each other's Foreground Information and Foreground Intellectual Property Rights for the purposes of Development and Production work performed under this Contract.

**28.3** All documentation considered, as Background Information as well as Background Intellectual Property Rights shall be marked accordingly. However, lack of marking as required above shall in no event derogate from the owner's right in the applicable Background Information as well as Background Intellectual Property Rights under the contract.

**28.4** All documentation considered, as Foreground Information as well as Foreground Intellectual Property Rights shall be marked accordingly. However, lack of marking as required above shall in no event derogate from the owner's right in the applicable Foreground Information as well as Foreground Intellectual Property Rights under the contract.

**28.5** Buyer shall be deemed to have all rights including a nonexclusive, irrevocable, royalty-free and all paid-up license for development, series production, product maintenance, continuing engineering support, product improvement, either by itself or by its licensees in India, any and all Background Information and Background Intellectual Property Rights, as well as Foreground Information and Foreground Intellectual Property Rights of the Parties, whether or not legally protected, for the purposes of Defence applications in India.

**28.6** In the event of either Party wishing to carry, use or deploy any Foreground Information and Foreground Intellectual Property Right, in any country other than India, explicit approval of the other Party to this Contract would be taken in advance.

**28.7** The prices stated in the present Contract shall be deemed to include all amounts payable to Seller for the use of any and all of its Background Information and Background Intellectual Property Rights, as well as Foreground Information and Foreground Intellectual Property Rights, whether legally protected or not, including but not limited to patents, copyrights, registered and unregistered designs, trademarks etc. for the purposes of Development and Production work performed under this Contract including for the purposes as mentioned in Article 28.5.

**28.8** Seller warrants and assures Buyer that to the best of their knowledge there is no infringement of any Intellectual Property Rights including but not limited to Patent, Copyright, Design, Trademark or any other legal rights occasioned by supply, transfer, manufacturing, use of any Deliverables including Information, Technology, Equipment, Documentation of Seller.



**28.9** Seller undertakes to indemnify Buyer against all costs, expenses and claims for damages made by any Third Party at any time arising from infringement of any Intellectual Property Rights including but not limited to patent, copyright, design, trademark or any other legal rights occasioned by supply, transfer, manufacturing, use of any deliverables including Information, technology, equipment, documentation of Seller. In the event of any such claim or suit or any other proceedings by any Third Party, Seller at their own cost agrees to:

- a) Negotiate an agreement with such Third Party so that Deliverables including equipment, documents, information, technology under the Contract are no longer infringe upon under any Intellectual Property Rights including but not limited to Patent, Copyright, Design, Trademark or any other legal rights of such Third Party.
- b) Modify at his own cost the Deliverables including equipment, documents, information, technology under the Contract suitably or to substitute suitably the same thereafter subject to the full satisfaction and requirement of Buyer.
- c) Defend any claim, suit or proceeding at their own cost and expenses and satisfy the decree/order in any such claim, suit or proceedings at their own expenses and cost.

Provisions of the above shall survive the expiry or termination of the present Contract for a period of \_\_\_\_ years.

#### **ARTICLE 29**

##### **PRODUCT SUPPORT [Optional]**

**29.1** The Seller agrees to provide product support for the stores, assemblies/sub-assemblies, fitment items and consumables, maintenance tools/test equipment/parts/consumables subcontracted from other agencies/ manufacturers by the Seller for a minimum period of (\_\_\_\_years) including (\_\_\_\_ years) of Warranty period after the delivery of (name of equipment). Besides mandatory period, the Seller would be bound to give at least two years notice to the Buyer prior to closing the production line so as to enable a life time buy of spares before closure of the said production line. The Seller agrees to undertake Maintenance Contract for a minimum period of (\_\_\_\_months), extendable till such period and at terms and conditions as mutually agreed between the Supplier and the Buyer.

**ARTICLE 30**

**OPTION CLAUSE [Optional]**

**30.1** The Buyer shall have the right to place order on the Seller on or before \_\_\_\_\_ (year from the effective date of this Contract) for the main equipment, spares, facilities or services as per the cost, terms and conditions set out in this Contract up to a maximum of additional 50% of the original contracted quantity.

**ARTICLE 31**

**REPEAT ORDER [Optional]**

**31.1** The Buyer can order up to 50% quantity of the original contracted quantity under the present Contract within six months from the date of completion of supply of the original Contract. The Repeat Order will have rates on not exceeding basis (excluding taxes and duties) while the terms & conditions will remain unchanged. It will be entirely the discretion of the Buyer to exercise the Repeat Order or not.

**ARTICLE 32**

**SECURITY**

**(If Seller is from foreign country)**

**32.1** Parties agree to abide by the official regulations concerning security of their respective countries in the implementation of the Contract.

**32.2** Parties agree to treat classified information passed on to them under the Contract in accordance with the security agreement in force between the Govt. of India and the Govt. of Seller. Nothing provided under other articles of the present Contract shall be deemed to prejudice the application of such security agreement placed at **Annexure IX**.

**ARTICLE 33**

**WORKING CONDITIONS FOR PERSONNEL [Optional]**

**33.1** Each Party undertakes to depute, at the contractually agreed dates, the personnel corresponding to the requisite contractual obligations. Each Party will assist the other's personnel and will provide them with the necessary means and facilities to conduct their missions.

**33.2** The deputed personnel shall at all times be deemed to be employees of the respective side and will remain under their administrative control and shall be subject to their instructions only.

**33.3** Each Party will have the right at any moment during the performance of the Contract to replace any member of their personnel involved in such performance at their own cost.

**33.4** The deputed personnel to the other Party shall not participate in a work other than the one related to their proper mission as defined by the deputing Party or in operational activities (such as military or anti-riot activities, etc...).

**33.5** During their stay at the other Party's premises, the deputed personnel shall abide by the laws and regulation in force in the host country.

#### **ARTICLE 34**

##### **FRANKING CLAUSE**

**In Case of Acceptance of Store(s):** 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.

**In Case of Rejection of Store(s):** 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.

#### **ARTICLE 35**

##### **TERMINATION**

**35.1** 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 ( \_ 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 for Force Majeure by more than ( \_\_ months).
- (d)** The Buyer has noticed that the Seller has utilized the Services of any Indian/Foreign

Agent in getting this Contract and paid any commission to such Individual/Company etc outside the information to Buyer.

(e) As per decision of arbitration tribunal (**ARTICLE 37**).

**35.2** In the event of termination, accounts will be settled in mutual consultation and Parties shall not be entitled for any damages incidental, consequential or indirect.

#### **ARTICLE 36**

##### **LAW**

**36.1** The present Contract shall be considered and made in accordance to the laws of Republic of India. This contract shall be governed by and interpreted in accordance with the laws of the Republic of India.

#### **ARTICLE 37**

##### **ARBITRATION**

**(Choose any relevant option)**

**37.1** All disputes or differences arising out of or in connection with the present Contract, including the one connected with the validity of the present Contract or any part thereof, shall be settled by mutual/bilateral discussions.

**37.2** The language of the Arbitration shall be English.

**37.3** The Parties shall continue to perform their respective obligations under this Contract during the pendency of the arbitration proceedings except in so far as such obligations are the subject matter of the said arbitration proceedings.

**37.4** The Arbitration Tribunal shall have its seat at \_\_\_\_\_ (name of city) in India.

**37.5** The Arbitration Proceedings shall be conducted in India under the Indian Arbitration and Conciliation Act, 1996 as amended and the award of such Arbitration Tribunal shall be enforceable in Indian Courts only.

**(Option -1)**  
**(For Foreign Vendor)**

**37.6** Any dispute, disagreement or question arising out of or relating to this Contract or relating to construction or performance (except as to any matter the decision or determination whereof is provided for by these conditions), which cannot be settled amicably, shall within sixty (60) days or such longer period as may be mutually agreed upon, from the date on which either Party informs the other in writing by a notice that such dispute, disagreement or question exists, will be referred to the Arbitration Tribunal consisting of Three Arbitrators.

**37.7** Within sixty (60) days of the receipt of the said Notice, one arbitrator shall be nominated in writing by Seller and one arbitrator shall be nominated by Buyer.

**37.8** The Third Arbitrator, who shall not be a Citizen or Domicile of the Country of either of the Parties or of any other Country unacceptable to any of the Parties shall be nominated by the Parties within (90) days of the receipt of the notice mentioned above, failing which the Third Arbitrator may be nominated under the provision of Indian Arbitration and Conciliation Act, 1996 as amended or by dispute resolution institutions like Indian Council of Arbitration(ICA) and ICADR are not acceptable to the Seller, then the third arbitrator may be nominated by the President of International Chamber of Commerce, Paris, but the said nomination would be after consultation with both the parties and shall preclude any citizen with domicile of any country as mentioned above. The arbitrator nominated under this Clause shall not be regarded nor act as an umpire.

**37.9** The decision of the majority of the arbitrator shall be final and binding on the Parties to this contract.

**37.10** Each Party shall bear its own cost of preparing and presenting its case. The cost of arbitration including the fees and expenses of the third arbitrator shall be shared equally by the Seller and the Buyer, unless otherwise awarded by the Arbitration Tribunal.

**37.11** In the event of a vacancy caused in the office of the Arbitrators, the Party which nominated such Arbitrator shall be entitled to nominate another in his place and the arbitration proceedings shall continue from the stage they were left by the retiring Arbitrator.

**37.12** In the event of one of the Parties failing to nominate its arbitrator within 60 days as above or if any of the Parties does not nominate another Arbitrator within 60

days of the place of Arbitrator falling vacant, then the other Party shall be entitled after due notice of at least 30 days to request the President of International Chamber of Commerce, Paris or dispute resolution Institutions in India like Indian Council of Arbitration and ICADR to nominate another Arbitrator as above.

**37.13** If the place of the Third Arbitrator falls vacant, his substitute shall be nominated according to the provisions herein above stipulated.

**OR**

**(Option - 2)**

**(Indian Private Supplier)**

**37.6** Any dispute, disagreement of question arising out of or relating to this Contract or relating to construction or performance (except as to any matter the decision or determination whereof is provided for by these conditions), which cannot be settled amicably, shall within sixty (60) days or such longer period as may be mutually agreed upon, from the date on which either Party informs the other in writing by a notice that such dispute, disagreement or question exists, will be resolved by Arbitration in accordance with either of following provisions:

The case of Arbitration may be referred to Competent Financial Authority (CFA) of buyer or some other person appointed by CFA who will be sole arbitrator and the proceedings shall be conducted in accordance with procedure of Indian Arbitration and Conciliation Act, 1996 as amended.

**OR**

The case of arbitration may be referred to International Centre for Alternative Dispute Resolution (ICADR) for the appointment of arbitrator and proceedings shall be conducted in accordance with procedure of Indian Arbitration and Conciliation Act, 1996 as amended.

**(Option -3)**

**(For Central Public Sector Enterprises (CPSEs))**

**37.6** In the event of any dispute or difference relating to the interpretation and application of the provisions of commercial contract(s) between Central Public Sector Enterprises (CPSEs) and DRDO, such disputes of difference shall be taken up by either party for resolution through Administrative Mechanism for Resolution of CPSEs Disputes (AMRC) as

per provisions of Department of Public Enterprises OM No. 4(1)/2013-DPE (GM)/FTS-1835 dated 22-05-2018.

**(Option -4)**  
**(For Defence PSUs)**

**37.6** The case of arbitration shall be referred to the Secretary Department of Defence R&D for the appointment of arbitrator(s) and proceedings.

**ARTICLE 38**

**PENALTIES FOR USE OF UNDUE INFLUENCE**

**38.1** The Seller undertakes that he has not given, offered or promised to give, directly or indirectly any gift, consideration, reward, commission, fees brokerage or inducement to any person in service of the Buyer or otherwise in procuring the Contracts or forbearing to do or for having done or forborne to do any act in relation to the obtaining or execution of the Contract or any other Contract with the Government for showing or forbearing to show favour or disfavour to any person in relation to the Contract or any other Contract with the Government. Any breach of the aforesaid undertaking by the Seller or any one employed by him or acting on his behalf (whether with or without the knowledge of the Seller) or the commission of any offers by the Seller or anyone employed by him or acting on his behalf, as defined in Chapter IX of the Indian Penal Code, 1860 or the Prevention of Corruption Act, 1988 or any other Act enacted for the prevention of corruption shall entitle the Buyer to cancel the contract and all or any other contracts with the Seller and recover from the Seller the amount of any loss arising from such cancellation. A decision of the Buyer or his nominee to the effect that a breach of the undertaking had been committed shall be final and binding on the Seller.

**38.2** Giving or offering of any gift, bribe or inducement or any attempt at any such act on behalf of the Seller towards any officer/employee of the Buyer or to any other person in a position to influence any officer/employee of the Buyer for showing any favor 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.

**ARTICLE 39**

**AGENTS / AGENCY COMMISSION**

**39.1** The Seller confirms and declares to the Buyer that the Seller is the Original Manufacturer of the Stores 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 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 London Inter Bank Offered Rate (LIBOR) rate for foreign vendors / 2% per annum above Prime Lending Rate of SBI for Indian vendors. The Buyer will also have the right to recover any such amount from any contracts concluded earlier with the Government of India.

Or

The Seller confirms and declares that they have engaged an agent, individual or firm, for promotion of their product. Relevant details are as under:

- a) Name of the Agent
- b) Agency Agreement between the Seller and the agent giving details of their contractual obligation
- c) PAN Number, name and address of bankers in India and abroad in respect of the agent
- d) The nature of services to be rendered by the agent and
- e) Percentage/ amount of Commission payable to the agent.



The payment to the Indian Agent by the Seller will be made through inward foreign exchange remittance through banking channels.

**ARTICLE 40**

**FORCE MAJEURE**

**("Force Majeure to be certified by concerned authority")**

**40.1** Should any Force Majeure circumstances arise, each of the contracting Party shall be excused for the non-fulfillment or for the delayed fulfillment of any of its contractual obligations, if the affected Party within (\_\_\_\_ days) of its occurrence informs in a written form to the other Party.

**40.2** Force Majeure shall mean fires, floods, natural disasters or other acts, that are unanticipated or unforeseeable, and not brought about at the instance of, the Party claiming to be affected by such event, or which, if anticipated or foreseeable, could not be avoided or provided for, and which has caused the non-performance or delay in performance, such as war, military operations, turmoil, strikes, sabotage, explosions, quarantine restriction, act or actions of State authorities or any other circumstances beyond the control of either Party that have arisen after the conclusion of the present contract.

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

**ARTICLE 41**

**AMENDMENTS**

**41.1** No provision of this 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 Effective Date of this Contract and signed on behalf of both Parties and which expressly states to amend this Contract.

**ARTICLE 42**

**ACCESS TO BOOKS OF ACCOUNTS**

**42.1** In case it is found to the satisfaction of the Buyer that the Seller has engaged an Agent without information to Buyer 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/ Books of Accounts.

#### **ARTICLE 43**

##### **INTERPRETATION**

**43.1** In event of any conflict or discrepancy between the Articles of this Contract and any Annexure to the Contract, the Articles shall prevail.

**43.2** The Contract together with its Annexure constitutes the entire agreement and supersedes and cancels all prior representations, negotiations and commitments whether oral or written including the Buyer's general conditions of purchase, and shall be considered as the entire agreement between the Parties with respect to its subject matter and there shall be no

terms, obligations, covenant, representations, warranties, statements or conditions other than those contained herein.

**43.3** Waiver: The failure of either Party to enforce any provision of the Contract shall not be considered as a waiver of such provision or of the right of such Party thereafter to enforce the same.

#### **ARTICLE 44**

##### **LIABILITIES**

**44.1** It is agreed that any damage caused to the property or suffered by the personnel of Buyer during the execution of Contract shall remain the liability of the Buyer. Such liability shall be fixed on Seller in case of grossly negligent act or omission on the part of Seller.

**44.2** This provision is limited to the relations between the Parties. It is without prejudice to the rights and actions to which the victims of damage, or any Social Security Organizations could prevail themselves legally.

**44.3** Nothing herein shall relieve an indemnified Party from the duty to mitigate loss or damage and to provide reasonable assistance to resolve the claim.

**44.4** Neither, the Seller shall be liable to the Buyer, nor shall the Buyer be liable to the Seller for any immaterial, punitive, indirect, special, incidental, or consequential loss or

damage. This will hold good irrespective of whether such liability is based or claimed to be based on any breach of a Party's obligation under the Contract, or any negligent act or omission of a Party, its employees, servants, appointed representatives, sub-contractor or professional consultants, or such liability arises otherwise out of or in connection with the Contract.

**44.5** Notwithstanding anything contrary to this Contract the Buyer shall not be liable for any compensation in any manner to the Seller for whatsoever reason.

**44.6** Notwithstanding anything contrary to this Contract the Seller shall not be liable for any compensation in any manner to the Buyer for whatsoever reason for a sum exceeding value of the Contract.

#### **ARTICLE 45**

##### **BUY BACK**

The Buyer has agreed to trade the existing old goods while purchasing the new ones. The details for buy-back arrangement are as under:

**45.1** Details of Items for Buy-Back – *Make/Model, Specs, Year of Production/ Purchase, Period of Warranty/AMC etc.*

**45.2** Details of handing over of old Items/goods to Seller: Within \_\_\_\_ days of \_\_\_\_\_ *(No. of days and condition to be specified by the lab).*

Handling charges and transportation expenses to take out the old items will be on account of the Seller.

#### **ARTICLE 46**

##### **INTEGRITY PACT**

Integrity Pact (signed for this present Contract) is part of this contract and both parties are bound by its provisions. The validity of this Integrity Pact shall be from date of its signing and extend upto 5 years or the complete execution of the contract to the satisfaction of both the BUYER and the BIDDER/Seller, including warranty period, whichever is later.

#### **ARTICLE 47**

##### **SURVIVING ARTICLES**

All terms, which either by implication or expressly survive the expiry or termination of the Contract shall survive. In particular **ARTICLES 23, 25, 28, 29, 31, 32, 37, 38, 39, 42 , 44 and 46** will survive the expiry or termination of the Contract.

## **ARTICLE 48**

### **LEGAL ADDRESSES OF THE CONTRACTING PARTES**

The Legal addresses of Contracting Parties are:

Seller:	Buyer:
	Director _____ DRDO, Ministry of Defence, GOI India.

## **ARTICLE 49**

### **TESTIMONIAL AND SIGNATURE OF PARTIES**

The authorized signatory of the Seller should be shown to have been so authorized by the Resolution of the Board of Directors of the Company of the Seller or duly authorized by the Memorandum/Articles of Association of the Company along with supporting documents for the same.

The parties have signed the contract in two original copies on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

<b><u>For Seller</u></b>	<b><u>For Buyer</u></b>
<b>Signature</b>	<b>Signature</b>
<b>Name</b>	<b>Name</b>
<b>Designation</b>	<b>Designation</b>
<b>Office Seal</b>	<b>Office Seal</b>
<b>Witness1</b>	<b>Witness1</b>
<b>Witness2</b>	<b>Witness2</b>

(Lab name)

FE FORECAST for Financial Year (FY): \_\_\_\_\_

(in lakh)

	Capital	Revenue	Total
Total FE allocated in previous FY (Bulk)	-----	-----	-----
FE released in previous FY	-----	-----	-----
FE cash outgo in previous financial year	-----	-----	-----
FE released in previous year on commitment	-----	-----	-----
Forecast estimates on cash outgo			

Quarter	I	II	III	IV	Total
Capital					
Revenue					
Total					

The FE requirement proposal should be duly supported by following details:

Item (Revenue)	Approx. FE cost	Ref. Number (Order no. / Demand no.)	Likely Cash Outgo (Month-Year)	Build up / Projects (Give Project no.)
Total				

Item (Capital)	Approx. FE cost	Ref. Number (Order no. / Demand no.)	Likely Cash Outgo (Month-Year)	Build up / Projects (Give Project no.)
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Total

Signature of Head MMG

**(Name of Lab/Estt.)**

**PROFORMA FOR CASE WISE RELEASE OF FOREIGN EXCHANGE (at LAB/ESTT Level)**

**Supply Order No:**

**Date:**

1. Brief description of the item to be imported
2. (a) Indicate whether item required against project/build-up  
(b) Whether projected in forecast budget estimates. Yes/No  
If so, give reference.
3. (a) Name & No. of the Project  
(b) PDC of the project  
(c) Foreign Exchange component of the project  
(d) Amount FE already committed in the project
4. **Details of Seller**  
(a) Name & Address  
(b) Country of import  
(c) Does the firm have any Indian Agent? If 'Yes';  
Indicate Name, Address & Registration No.
5. **Foreign Exchange against SO/Contract**  
(a) FCA/FOB cost (FE)  
(b) CIF/CIP cost (FE)  
(c) Exchange rate used (BC Selling Rate of SBI)  
(d) CIF/CIP cost (RE)  
(e) Cost of installation & commissioning, if any

- (f) Cost of training, if any
  - (i) In India (supported with details)
  - (ii) In foreign country (supported with details)
- (g) Amount towards Customs, Freight, Insurance Charges if any
- (h) Total FE Required Against SO/Contract
- (i) FE Already Released Against SO/Contract
- (j) Balance FE to be Released Against SO/Contract

**6. Bulk Allocation Details**

- (a) Total Bulk Allocation for Financial Year
- (b) Total FE Released (Excluding Current Case)
- (c) Balance Bulk Allocation
- (d) FE Required for Instant Case
- (e) Likely delivery date of the item.
- (f) Payment Due on month & year

**CERTIFICATE**

It is certified that the expenditure on this proposal will be met from the allocation available in Lab/Estt for the year in which the expenditure is to be incurred.

Signature of Head (Budget)

Signature of Head (MMG)

Date.

Date.

Signature

DIRECTOR

Release of FE has been noted vide No. ....

O/o CDA (R&D)

**Format for Earnest Money Deposit (EMD) / Bid Security Bank Guarantee**

Whereas M/s ..... (hereinafter called the "Bidder") has submitted their offer dated ..... for the supply of ..... (hereinafter called the "Bid") against the Buyer's Request For Proposal (RFP) No. .... Know all men by these presents that we (Banker) ..... of ..... having our registered office at ..... are bound unto ..... (hereinafter called the "Buyer" ) in the sum of Rs..... for which payment will and truly to be made to the said Buyer. The Bank binds itself, its successors and assigns by these presents.

Sealed with the Common Seal of the said Bank this..... day of .....20...

The conditions of obligations are –

- (1) If the Bidder withdraws or amends, impairs or derogates from the bid in any respect within the period of validity of this Bid.
- (2) If the Bidder having been notified of the acceptance of his Bid by the Buyer during the period of its validity.
  - (a) If the Bidder fails to furnish the required Performance Bond/ Performance- cum - Warranty Bond for the due performance of the contract.
  - (b) Fails or refuses to accept/execute the contract.

We hereby expressly, irrevocably and unconditionally undertake to pay the Buyer up to the above amount upon receipt of its first written demand, without the Buyer having to substantiate its demand, provided that in its demand the Buyer will note that the amount claimed by it is due to it owing to the occurrence of one or both of the two conditions, specifying the occurred condition(s).

We further agree that any change in the constitution of the bank or the constitution of the Seller shall not discharge our liability hereunder.

This guarantee will remain in force till *(Specify Date) (45 days beyond Bid validity period from the last Date of Submission of Bid)* and any demand in respect thereof should reach the Bank not later than the above date.

(Signature with Date of the authorized officer(s) of the Bank)

Name and designation of the officer(s)

Seal, name & address of the Bank and address of the Branch



### Format for Bank Guarantee For Advance Payment

From:

Bank .....

To

The Director.(Lab/Estt.)

Sir,

With reference to Supply Order/Contract No. \_\_\_\_\_dated \_\_\_\_\_concluded between the President of India (represented through Director, Lab/Estt. Name), hereinafter referred to as 'the Buyer' and M/s \_\_\_\_\_ hereinafter referred to as the "the Seller" for the development and supply of \_\_\_\_\_ as detailed in the above Supply Order /Contract hereinafter referred to as "the Said Contract" and in consideration of the Buyer having agreed to make an advance payment of Rs./foreign currency)\_\_\_\_\_( Rupees \_\_\_\_\_ Only ) in accordance with the terms of the Said Contract to the Seller, we the \_\_\_\_\_ bank, here in after referred to as 'the Bank' do hereby irrevocably undertake and guarantee to you that if the Seller fail to develop and supply the stores/services in accordance with the terms of the Said Contract for any reason whatsoever or fail to perform the Said Contract in any respect or should whole or part of the Said Contract on account of payments at any time become repayable to you for any reason whatsoever, we shall, on demand and without demur pay to you all and any sum upto a maximum of Rs./foreign currency)\_\_\_\_\_ (Rupees \_\_\_\_\_ only) (which is 110% of Advance Amount to be paid) in accordance with the provisions contained in clause \_\_\_\_\_ of the Said Contract.

2. We further agree that the Buyer shall be the sole judge as to whether the Seller has failed to develop and deliver the stores/services in accordance with the terms of the Said Contract or has failed to perform the Said Contract in any respect or the whole or part of, the advance payment made to Seller has become repayable to the Buyer and to the extent and monetary consequences thereof by the Buyer.
3. We further hereby expressly, irrevocably and unconditionally undertake to pay the amount due and payable under this Guarantee without any demur merely on a written demand from the Buyer stating the amount claimed. Any such demand made on the Bank shall be conclusive and binding upon us as regards the amounts due and payable by us under this Guarantee and without demur. However, our liability under this Guarantee shall be restricted to an amount not exceeding Rs./foreign currency)\_\_\_\_\_ (Rupees\_\_\_\_\_only).

4. We \_\_\_\_\_ (*Name of the Bank*) further agree that the Guarantee herein contained shall remain in full force and effect till (*Specify date*) (*for a period of **60 days** from the date on which final delivery including installation and commissioning of the stores/services was made and accepted by the Buyer or as agreed in the terms of Said Contract whichever falls later*) unless the Buyer in his sole discretion discharges the Guarantee earlier. The Bank Guarantee shall get progressively reduced by amount of part supplies accepted.
5. We further agree that any change in the constitution of the bank or the constitution of the Seller shall not discharge our liability hereunder.
6. We further agree that the Buyer shall have the fullest liberty without affecting in any way our obligations hereunder with or without our consent or knowledge to vary any of the terms and conditions of the Said Contract or to extend the time of development/delivery from time to time or to postpone for any time or from time to time any of the powers exercisable by the Buyer against the Seller and either to forbear or enforce any of the terms and conditions relating to the Said Contract and we shall not be relieved from our liability by reason of any such variation or any indulgence or forbearance shown or any act or omission on the Buyer or by any such matter or thing whatsoever which under the law relating to sureties would but for this provision have the effect of so relieving us.
7. We lastly undertake not to revoke the Guarantee during its currency except with the prior consent of the Buyer in writing.

Yours Sincerely ,  
( Authorised Signatory)

Place:

Date:

Witness:

1. ....
2. ....

Seal of the Bank

**Format for INDEMNITY BOND IN LIEU OF BANK GUARANTEE FOR ADVANCE PAYMENT**

To

The Director, Lab/Estt

Whereas We, M/s\_\_\_\_\_ have entered into a contract with you in accordance with the terms and conditions of the Supply Order / Contract No. \_\_\_\_\_ (hereinafter referred to as " the Said Contract")

Whereas, under the Said Contract you have agreed to make certain advance payment to us on our furnishing an Indemnity Bond.

We, M/s \_\_\_\_\_ hereby undertake as follows:

1. In consideration of your agreeing to pay the advance payment in accordance with the Said Contract on our furnishing indemnity Bond, we hereby undertake to indemnify you and keep you indemnified from time to time to the extent of Rs. (a)\* being the (b)\* % of the contract value (c)\* (amount of Contract value) as advance payment granted to us in accordance with Said Contract against any loss or damage caused to or suffered by you by reason of any breach or breaches on our part of any of the terms and conditions contained in the Said Contract and in the event we shall make any default or defaults in carrying out any of the works under the Said Contract, we shall forthwith on demand pay to you such sum of Rs. (d)\* (110% of Advance payment amount) as may be claimed by you as your losses and damages, costs, charges or expenses by reason of such default or defaults on our part.
2. Notwithstanding anything to the contrary in these presents or in the Said Contract your decision as to whether we have made any default or defaults or committed any breach of the contract or the amount or amounts to which you are entitled by reasons thereof will be binding on us for the purposes of this indemnity and we will pay the same on demand without demur. This will be without prejudice to your other rights under the contract and/or this indemnity.

3. The indemnity shall continue and hold good until the receipt of the equipment at site /completion of services/ completion of Service Contract/ completion of Development Contract/ completion of Development & Fabrication Contract when the indemnity bond shall get progressively reduced and finally on completion of supplies and acceptance/Completion of services/ completion of Service Contract/ completion of Development Contract/ completion of Development & Fabrication Contract or as agreed in the Said Contract, automatically cease to continue and the same shall be released to us.
4. You shall have the fullest liberty from time to time to enforce or forbear to enforce any of the terms and condition of the Said Contract and we shall not be released from our liability under this indemnity by the exercise of your liberty with reference to the matter aforesaid or by reason of any time being given to us or any forbearer act of omission on your part or any indulgence by you to us or by any variations or modifications of the Said Contract or any other act, matter or thing whatsoever on your part.
5. This indemnity bond and the powers and provisions herein contained are in addition to and not by way of limitation or substitute for any other guarantees, indemnities hereto before given to you by us and this indemnity does not revoke or limit such indemnities or guarantees.

Yours Sincerely ,

(            Authorised Signatory            )

Name and Seal

Witness:

1. ....

2. ....

- \* a) Amount of advance
- \* b) % of contract Value
- \* c) Amount of Contract value
- \* d) 110% of Advance Payment amount

**FORMAT for BANK GUARANTEE FOR PERFORMANCE (SECURITY) BOND**

To,

The Director, (Lab/Estt. Name & address)

Dear Sir/Madam,

Reference your RFP No/Contract / Supply Order No. \_\_\_\_\_ dated \_\_\_\_\_ for supply of stores / services of \_\_\_\_\_

1. You, on behalf of President of India, have entered/agreed to enter into a contract with reference no. as given above with M/s. \_\_\_\_\_ (herein after referred to as the "Seller") for the supply of stores / services of \_\_\_\_\_ (herein after referred to as "Stores") for the price and on the terms and conditions contained in the Said Contract.
2. In accordance with the terms of Said Contract you have agreed to exempt the security deposit for the due fulfillment by the said Seller of the terms and conditions contained in the Said Contract, on production of a Bank Guarantee for Rs.(/foreign currency)\_\_\_\_\_ (Rupees \_\_\_\_\_ only) being \_\_\_\_\_ % of the total value (Rs(/foreign currency)\_\_\_\_\_) of the Stores to be supplied to you.
3. In consideration thereof, we hereby at the request of the Seller, expressly, irrevocably and unconditionally undertake and guarantee to pay on written demand, without demur and without reference to the Seller, an amount not exceeding Rs(/foreign currency)\_\_\_\_\_(Rupees \_\_\_\_\_ only) against any loss or damage caused to or suffered or would be caused to you by reason of any breach by the said Seller of any of the terms and conditions contained in the Said Contract or by reason of the Seller's failure to perform the Said Contract. Your demand shall be conclusive evidence to us as regards to the amount due and payable by the Bank under this guarantee. However, liability under this guarantee shall be restricted to an amount not exceeding Rs. (/foreign currency)\_\_\_\_\_. Payment by us to you will be made within thirty (30) days from receipt of your written request making reference to this guarantee and on demand.
4. We further agree that the guarantee herein contained shall remain in full force and effect during the period that would be taken for the performance of the Said Contract and that it shall continue to be enforceable till all your dues under or by virtue of the Said Contract have been fully paid and its claims satisfied or discharged or till you certify that the terms and conditions of the Said Contract have been fully and properly

carried out by the Seller and accordingly discharges the guarantee. Notwithstanding anything herein contained, our liability under this guarantee is restricted to Rs. (/foreign currency)\_\_\_\_\_ (Rupees \_\_\_\_\_ only) and the guarantee shall remain in force up to and including the \_\_\_\_\_ day of being reported to us by you and returned to us duly discharged.

5. This guarantee shall not be revoked without your express consent and shall not be affected by your granting any indulgence to the Seller, which shall include but not be limited to postponement from time to time of the exercise of any powers vested in you or any right which you may have against the Seller and to exercise the same in any manner at any time and either to forbear or to enforce any covenant contained or implied in the Said Contract or any other course or remedy or security available to you, and our Bank shall not be released from its obligations under this guarantee by your exercising any of your rights with reference to matters aforesaid or any of them or by reason of any other act or forbearance or other acts of omission or commission on your part or any other indulgence shown by you or by any other matter or thing whatsoever which under law would, but for this provision, have the effect of relieving our Bank from its obligation under this guarantee.
6. Unless a demand or claim under this guarantee is made on us in writing on or before the aforesaid expiry date as provided above or unless this guarantee is extended by us, all your rights under this guarantee shall be proscribed and we shall be discharged from the liabilities hereunder.
7. This guarantee shall not be affected by any change in the constitution of our Bank or of the Seller or for any other reason whatsoever.

Date:

Sd.....

Place:

Authorised Signatory

Seal of the Bank

Witness:

1. ....

2. ....

**Format for BANK GUARANTEE FOR WARRANTY GUARANTEE BOND**

To

The Director, (Lab/Estt. Name & address)

Dear Sir/Madam,

Reference your Contract No. \_\_\_\_\_ dated \_\_\_\_\_ for supply of stores/services of \_\_\_\_\_

- 1 You, on behalf of President of India (herein after referred to as "Buyer"), have entered into a contract with reference no as given above with M/s. \_\_\_\_\_ (herein after referred to as the "Seller") for the supply of stores/services of \_\_\_\_\_ (herein after referred to as "Stores") for the price and on the terms and conditions contained in the Said Contract.
- 2 In accordance with the terms of Said Contract the Seller has undertaken to produce a bank guarantee for Rs. (/foreign currency)\_\_\_\_\_ (Rupees \_\_\_\_\_ only) being \_\_\_\_\_ % of the total value of the Stores supplied to you, for the due fulfillment of its obligations as per terms of warranty of the Said Contract.
- 3 In consideration thereof, we hereby expressly, irrevocably and unconditionally undertake and guarantee as principal obligors on behalf of the Seller that in the event that the Buyer submits a written demand to us that the Seller has not performed according to the contractual obligations included in the Said Contract, we will pay you on written demand, without demur and without reference to the Seller any sum up to a maximum amount of Rs. (/foreign currency) \_\_\_\_\_(Rupees \_\_\_\_\_ only).Your demand shall be conclusive evidence to us that such repayment is due under the terms of the Said Contract. Payment by us to you will be made within thirty (30) days from receipt of your written request making reference to this guarantee and on demand.

4. This guarantee shall not be revoked without your express consent and shall not be affected by your granting any indulgence to the Seller, which shall include but not be limited to postponement from time to time of the exercise of any powers vested in you or any right which you may have against the Seller and to exercise the same in any manner at any time and either to forbear or to enforce any covenant contained or implied in the Said Contract or any other course or remedy or security available to you, and our Bank shall not be released from its obligations under this guarantee by your exercising any of your rights with reference to matters aforesaid or any of them or by reason of any other act or forbearance or other acts of omission or commission on your part or any other indulgence shown by you or by any other matter or thing whatsoever which under law would, but for this provision, have the effect of relieving our Bank from its obligation under this guarantee.
5. Notwithstanding anything herein contained, our liability under this guarantee is restricted to Rs(/foreign currency) \_\_\_\_\_ (Rupees \_\_\_\_\_ only) and the guarantee shall remain in force up to and including the \_\_\_\_\_ day of being reported to us by you and returned to us duly discharged.
6. Unless a demand or claim under this guarantee is made on us in writing on or before the aforesaid expiry date as provided above or unless this guarantee is extended by us all your rights under this guarantee shall be proscribed and we shall be discharged from the liabilities hereunder.
7. This guarantee shall not be affected by any change in the constitution of our Bank or of the Seller or for any other reason whatsoever.

Date:

Sd.....

Place:

Authorised Signatory

Seal of the Bank

Witness:

1. ....
2. ....



**Format for BANK GUARANTEE FOR PERFORMANCE-CUM-WARRANTY BOND**

To

The Director, (Lab/Estt. Name & address)

Dear Sir/Madam,

- 1 Whereas The President of India represented through Director, Lab/Estt. (hereinafter referred to as "Buyer") have entered /agreed to enter into vide RFP No/ Supply Order/Contract No\_\_\_\_\_ dated \_\_\_\_\_ (hereinafter referred to as the said contract) with M/s.\_\_\_\_\_ (hereinafter referred to as the "Seller") for supply of Stores/Services as per contract and whereas the Seller has undertaken to produce a bank guarantee for\_\_\_\_\_(%) of total contract value(excluding Taxes and Duties) amounting to Rs./foreign currency) \_\_\_\_\_ to secure its obligations towards Performance-cum-Warranty to the Buyer.
- 2 We the \_\_\_\_\_ bank hereby expressly, irrevocably and unconditionally undertake and guarantee as principal obligators on behalf of the Seller that, in the event that the Buyer declares to us that the amount claimed is due by way of loss or damage caused to or would be caused or suffered by the Buyer by reason of breach/failure to perform by the Seller of any of the terms and conditions in the contract related to Performance and Warranty clauses, we will pay you, on demand and without demur, all and any sum up to maximum of Rs./foreign currency)\_\_\_\_\_ only. Your written demand shall be conclusive evidence to us that such repayment is due under the terms of the said contract. We undertake to effect payment upon receipt of such written demand.
- 3 We shall not be discharged or released from this undertaking and guarantee by any arrangements, variations made between you and the Seller, indulgence to the Seller by you, or by any alterations in the obligations of the Seller or by any forbearance whether as to payment, time performance or otherwise.

4. This Performance-cum-Warranty guarantee shall remain valid up to \_\_\_\_\_ *(for a period of 60 days beyond the date of completion of all the contractual obligations including warranty obligations as specified in the contract.)*
5. Unless a demand or claim under this guarantee is made on us in writing or on before the aforesaid expiry date as provided in the above referred contract or unless this guarantee is extended by us, all your rights under this guarantee shall be forfeited and we shall be discharged from the liabilities hereunder.
6. This guarantee shall be continuing guarantee and shall not be discharged by and change in the constitution of the Bank or in the constitution of M/s \_\_\_\_\_. We undertake not to revoke this guarantee during the currency except with previous consent of Buyer in writing.

Date:

Sd.....

Place:

Authorised Signatory

Seal of the Bank

Witness:

1. ....

**2.....**

**Format for INTEGRITY PACT BANK GUARANTEE (IPBG)**

To

The Director, (Lab/Estt. Name & address)

Dear Sir/Madam,

1. In consideration of President of India represented through Director, *Lab/Estt.* (herein after referred as "Buyer") on the first part and M/s. \_\_\_\_\_ (herein after referred to as "Bidder") on the second part, having agreed to accept Rs. (/foreign currency) \_\_\_\_\_ in the form of Bank Guarantee towards Integrity Pact for the Request for Proposal (RFP) No. \_\_\_\_\_ Dated \_\_\_\_\_ for procurement of \_\_\_\_\_. We \_\_\_\_\_ (Name of the Bank, herein after referred to as the "Bank") do hereby expressly, irrevocably and unconditionally undertake to pay to the Buyer on written demand within 30 working days without any demur and without seeking any reasons whatsoever an amount not exceeding Rs. (/foreign currency) \_\_\_\_\_ for breach of Pre-Contract Integrity Pact. The guarantee will remain valid up to 5 Years from the date of submission \_\_\_\_\_ (Date) or the complete conclusion of the contractual obligations to the satisfaction of Buyer including warranty period whichever is later. The Integrity Pact Bank Guarantee shall be extended from time to time as required by the Buyer.
2. We undertake not to revoke this guarantee during this period except with the previous consent of the Buyer in writing and we further agree that our liability under the guarantee shall not be discharged by any variation in the term of the commercial offer.
3. No interest shall be payable by the Buyer to the Bidder on the guarantee for the period of its currency.
4. Unless a demand or claim under this guarantee is made on us in writing or on before the aforesaid expiry date as provided in the above referred Integrity Pact or unless this guarantee is extended by us, all your rights under this guarantee shall be forfeited and we shall be discharged from the liabilities hereunder.

5. This guarantee shall be continuing guarantee and shall not be discharged by any change in the constitution of the Bank or in the constitution of Bidder.

Date:

Sd.....

Place:

Authorised Signatory

Seal of the Bank

Witness:

1. ....

2. ....

**Format for BANK GUARANTEE FOR FREE ISSUE MATERIAL(FIM)/STORES FOR REPAIR or  
MAINTENANCE**

To,

The Director, (Lab/Estt. Name & address)

Dear Sir/Madam,

Reference your Contract / Supply Order No. \_\_\_\_\_ dated \_\_\_\_\_ for supply of stores / services of \_\_\_\_\_

1. You, on behalf of President of India, have entered into a contract with reference no. as given above with M/s. \_\_\_\_\_ (herein after referred to as the "Seller") for the supply of stores / services of \_\_\_\_\_ (herein after referred to as "Stores") for the price and on the terms and conditions contained in the Said Contract.
2. You have agreed to supply the \_\_\_\_\_ (*stores for repair / Free Issue Material*) for the due fulfillment of the terms and conditions contained in the Said Contract, on production of a Bank Guarantee for Rs. (/foreign currency)\_\_\_\_\_ (Rupees \_\_\_\_\_ only).
3. In consideration thereof, we hereby at the request of the Seller, expressly, irrevocably and unconditionally undertake and guarantee to pay on written demand, without demur and without reference to the Seller, an amount not exceeding Rs(/foreign currency)\_\_\_\_\_ (Rupees \_\_\_\_\_ only) against any loss or damage caused to or suffered or would be caused to you by reason of any breach by the said Seller of any of the terms and conditions contained in the Said Contract or by reason of the Seller's failure to perform the Said Contract. Your demand shall be conclusive evidence to us as regards to the amount due and payable by the Bank under this guarantee. However, liability under this guarantee shall be restricted to an amount not exceeding Rs. (/foreign currency)\_\_\_\_\_. Payment by us to you will be made within thirty (30) days from receipt of your written request making reference to this guarantee and on demand.
4. We further agree that the guarantee herein contained shall remain in full force and effect during the period that would be taken for the performance of the Said Contract and that it shall continue to be enforceable till all your dues under or by virtue of the Said Contract have been fully paid and its claims satisfied or discharged or till you certify that the terms and conditions of the Said Contract have been fully and properly

carried out by the Seller and accordingly discharges the guarantee. Notwithstanding anything herein contained, our liability under this guarantee is restricted to Rs. (/foreign currency)\_\_\_\_\_ (Rupees \_\_\_\_\_ only) and the guarantee shall remain in force up to and including the (Specify Date) \_\_\_\_\_ day of being reported to us by you and returned to us duly discharged.

5. This guarantee shall not be revoked without your express consent and shall not be affected by your granting any indulgence to the Seller, which shall include but not be limited to postponement from time to time of the exercise of any powers vested in you or any right which you may have against the Seller and to exercise the same in any manner at any time and either to forbear or to enforce any covenant contained or implied in the Said Contract or any other course or remedy or security available to you, and our Bank shall not be released from its obligations under this guarantee by your exercising any of your rights with reference to matters aforesaid or any of them or by reason of any other act or forbearance or other acts of omission or commission on your part or any other indulgence shown by you or by any other matter or thing whatsoever which under law would, but for this provision, have the effect of relieving our Bank from its obligation under this guarantee.
6. Unless a demand or claim under this guarantee is made on us in writing on or before the aforesaid expiry date as provided above or unless this guarantee is extended by us, all your rights under this guarantee shall be proscribed and we shall be discharged from the liabilities hereunder.
7. This guarantee shall not be affected by any change in the constitution of our Bank or of the Seller or for any other reason whatsoever.

Date:

Sd.....

Place:

Authorised Signatory

Seal of the Bank

Witness:

1. ....

2. ....

**OPENING OF LETTER OF CREDIT**

Phone: \_\_\_\_\_ Letter No. \_\_\_\_\_  
 E-mail : \_\_\_\_\_ Government of India  
 Fax : \_\_\_\_\_ R&D Organisation  
 \_\_\_\_\_ Name of the Lab/Estt  
 \_\_\_\_\_ Date:

To

The Manager  
 State Bank of India  
 Foreign Exchange Division, (Branch Address)

**Sub: OPENING OF LETTER OF CREDIT**

Dear Sir,

I am directed to state that in accordance with Article/Condition No.....of the Contract/Supply Order No. \_\_\_\_\_ dated \_\_\_\_\_. A copy of which is enclosed in duplicate, you are requested to kindly open an letter of credit by Air Mail with State Bank of India \_\_\_\_\_ (Name and address of the foreign branch) in favour of the beneficiary M/s \_\_\_\_\_ through \_\_\_\_\_ (Name and address of the supplier's bank) for \_\_\_\_\_ (Currency and amount in figures and words).

- 2 PCDA (R&D)/CDA (R&D) **<Location>** is also being requested to issue necessary authorisation letter to you for this purpose.
- 3 Adequate funds are/will be available in the current/next year's budget and will be arranged before the payment becomes due.
- 4 The FE amounting to Rs \_\_\_\_\_ has been released on cash outgo/commitment basis by the competent authority, as intimated vide letter no. \_\_\_\_\_ dt. \_\_\_\_\_ and this amount has also been noted by IFA(R&D) under Code No. \_\_\_\_\_.
- 5 The terms and conditions of the Letter of Credit would be as follows:
  - a) Nature of LC : Irrevocable and/or divisible
  - b) Part shipment : Allowed / not allowed
  - c) Trans shipment : Allowed/not allowed
  - d) Description of goods/services :

- e) Validity : ..... days
- f) Delivery Basis and Place of : (*Specify Incoterm and Port of Dispatch*)  
Delivery \_\_\_\_\_
- g) Port/Airport of landing in India :
- h) Landing Officer : Embarkation HQrs .....  
(if Embarkation HQrs is involved)
- i) Intermediate Consignee :  
(if applicable)
- j) Ultimate Consignee : Director .....  
(*Name & address of the Lab/Estt*)
- k) Airlift should be made through the consolidation services of  
\_\_\_\_\_ (**Specify ACA Name**) whose HAWB/AWB will only be  
acceptable for negotiation or payment
- l) The LC is to be negotiated against the following documents
- |                                                                                                                                                                     |              |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|
| (i) Original, Clear Bill of Lading /Airway Bill. Bill of Lading /Airway Bill must show that the goods have been shipped/air freighted with freight pre-paid /to pay | _____ Copies |
| (ii) Signed invoices:                                                                                                                                               | _____ Copies |
| (iii) Certificate of origin ( <b>Specify if required from Chamber of Commerce</b> )                                                                                 | _____ Copies |
| (iv) Certificate of inspection / PDI / FAT :                                                                                                                        | _____ Copies |
| (v) Packing List                                                                                                                                                    | _____ Copies |
| (vi) Insurance Policy for 110% if CIP/CIF Contract                                                                                                                  | _____ Copies |
| (vii) Phyto - Sanitary / Fumigation Certificate, if applicable                                                                                                      | _____ Copies |
| (viii) Dangerous Cargo Certificate                                                                                                                                  | _____ Copies |
| (ix) Warranty Certificate                                                                                                                                           | _____ Copies |
| (x) Any other documents / certificates                                                                                                                              | _____ Copies |
- 6 You are requested to forward the documents immediately after negotiation to this office under advice to PCDA (R&D)/CDA (R&D).
- 7 All Bank expenses inside India are to be borne by the buyers and outside India are to be



borne by the beneficiary.

8 The following documents are enclosed:

- (a) Application and Guarantee for Letter of Credit on Form No. 2
- (b) Copies of Supply order/Acceptance tender No.
- (c) Form A1 for direct remittance (if applicable)
- (d) Copy of FE release.
- (e) Terms & Conditions of LC

9 The expenditure is debitable to

Budget Head : **General- Buildup/ Project - Capital / Revenue**

Project No. :

Unitcode :

Major Head : **4076 / 2080** Minor Head : **052 / 110** Code Head: **929/21 or 856/04**

Yours Sincerely,

Encl: As above

**Head MMG**

**For Director Lab / Estt.**

Copy to :

PCDA (R&D)/CDA (R&D) - It is requested that an authorisation letter may please be sent to the Bank to open a Letter of Credit or effect direct remittance to the foreign party under intimation to this office.

**APPLICATION & GUARANTEE FOR LETTER OF CREDIT ON FORM NO.2**

To,

The Branch Manager  
 State Bank of India,  
 Foreign Exchange Division

.....

Dear Sir,

I/We request you to establish a Letter of Credit as under with your Branch/ Correspondent in \_\_\_\_\_ for my/our account by Airmail/Full text/ Cable as follows:

To

.....

.....

.....

**LETTER OF CREDIT NO \_\_\_\_\_**

Dear Sir,

You are hereby authorised to draw on \_\_\_\_\_ for a sum not exceeding CIF/CIP/FOB/FCA(say \_\_\_\_\_) available by your drafts on them at sight \_\_\_\_\_ days from date of AWB/B/L drawn for \_\_\_\_\_ % of the invoice value and accompanied by:

- 1 Complete set of Clean on Board Bill of Lading/Airway bill to order and blank endorsed. Bill of Lading/Airway Bill must show that goods have been shipped/Air freight paid/to pay. It shall incorporate letter of Credit No \_\_\_\_\_
- 2 Insurance Policies or Certificates in duplicate covering Marine and War Risks, also Riots, Strikes. Civil Commotion and Malicious damage for the C.I.F. value plus .....%.

**OR**

Insurance Policies or Certificates in duplicate covering Marine Air Insurance as per institute Cargo Clauses (F.P.A/W.A./All Risks\*) and perils as per Institute Strikes, Riots and Civil Commotion Clauses. War Risks as per Institute Clauses, Cover for C.I.F. value plus.....%.

- 3 Signed invoices in \_\_\_\_\_ (copies).
- 4 Certificate showing goods to be of \_\_\_\_\_ (name of country) origin. (**Specify if required to be issued by a Chamber of Commerce**)
- 5 Packing list.
- 6 Test certificate/inspection certificate dated \_\_\_\_\_ and issued by \_\_\_\_\_ specifying date content, wording etc.
- 7 Shipping Specifications evidencing shipment of \_\_\_\_\_ from \_\_\_\_\_ to \_\_\_\_\_.
- 8 All documents must bear this LC No. \_\_\_\_\_ and date evidencing shipment/dispatch of \_\_\_\_\_ from \_\_\_\_\_ to \_\_\_\_\_. Partial shipment/dispatch permitted/prohibited.

Transshipment permitted/prohibited.

**Credit Expiry Date:** This credit is valid in \_\_\_\_\_ (name of country) until \_\_\_\_\_. All bank charges outside India are for beneficiary's account.

Import Licence No. \_\_\_\_\_ Date \_\_\_\_\_ Amount to be marked O.G.L. Item No. \_\_\_\_\_ Appendix \_\_\_\_\_ List No. \_\_\_\_\_ Part No. \_\_\_\_\_ of Import & Export Policy.

Drafts\* drawn under this credit are to bear the following clause Drawn under State Bank of India, \_\_\_\_\_ Credit No \_\_\_\_\_ Dated \_\_\_\_\_

Purchasers have to note the amount of the drafts separately on the back hereof.

Drafts drawn under this Letter of Credit are negotiable by the State Bank of India \_\_\_\_\_ only.

We hereby guarantee to protect the drawers/endorsers and bonafide holders from any consequences which may arise in the event of the non-acceptance or non-payment of drafts drawn in accordance with the terms of this credit In consideration of your opening a Letter of Credit as above. I/We hereby undertake to accept and pay in due course all drafts drawn within the terms thereof and/or to take up and pay for all documents negotiated there under on presentation, and in default of my/our so doing you may sell the goods before or after arrival and I/We undertake to reimburse you for any shortfall that may occur and I/We hereby further undertake forthwith on demand made by you in writing to Deposit with you such sum or security or further sum of security as you may from time to time specify as security for the due fulfillment of our obligations hereunder and any security so deposited with you may be sold by you on your giving reasonable notice of sale to us and the said sum or the proceeds of sale of the security may be appropriated by you in or towards satisfaction of our said obligations and any liability arising out of the non – fulfillment thereof.

You have a lien on all goods, documents and policies and proceeds thereof for any obligations or liabilities present or further incurred by you under or arising out of this credit.

\*I/We approve of the negotiation of drafts drawn under this credit being confined to your branches.

The related shipping documents have to be surrendered to me/us against payment.

The transmission of instructions under the above credit and the forwarding of documents are entirely at my/our risk. You are not to incur any liability beyond seeing that the drafts and documents purport to comply with the terms and conditions of this credit.

This credit is issued subject to the uniform customs and practices for documentary credits (2000 revision) International Chamber of Commerce Publication No. 600.

- 1 The drawing under L/C is (not to exceed the aggregate sum of \_\_\_\_\_& the invoice will not be made for a value exceeding the draft amount. The FOB/FCA/CIF/CIP/\_\_\_ (**Specify any other**) value of the invoice after deduction of agents commission/rebate, if any must not exceed the L/C amount.
- 2 The transport document which is produced by reprographic system or as a result of automated or computerised systems or a carbon copy will not be accepted as an original document even if it is marked as original or appears to have been authenticated.
- 3 The transport document:
  - a) Must contain all the conditions of carriage on the original document
  - b) Must not indicate the place of final destination as being different from the port of discharge.
  - c) Must not contain the indication "intended" or similar qualification in relation the vessel or other means of transport of loading or port of discharge
  - d) Must be issued by the carrier or his agent and not by any freight forwarder.
  - e) Must not contain a provision that goods may be carried on deck.
  - f) Bearing reference by stamp or otherwise to costs additional to the freight charges are not acceptable.
  - g) Short form or blank backs are not acceptable.
  - h) Bearing a date of issuance prior to that of the credit is not acceptable.
- 4 Negotiation under reserve on account of discrepancy (ies) not permitted without opening Banks approval.

In-case of non payments of the bill (s) ; the bank has the right to crystallise our foreign currency liability into Indian Rupee on the 10th day of receipt of documents payable on demand or due date of issuance draft/bill ( as the may be) at the Banks prevailing bill selling rate and to charge interest at prescribed penal rate(s).

If at any time and from time to time hereafter and at our request, you will have to enhance the amount of the Letter of Credit or amend any of the terms thereof (including extension of the validity of the credit for shipment and or negotiation of documents), then notwithstanding the amount and the terms specified in this application, our guarantee shall cover and be deemed to cover the entire amount of the enhanced Letter of Credit issued by you and any other amendments effected thereto and our liability will be for the entire amount of Letter of Credit so enhanced and/or amended at our request. We shall continue to be bound by all other terms and conditions of the Application and Guarantee, notwithstanding such enhancement or amendment from time to time as you may take at our request, in the value and the terms of the Letter of Credit.

**N.B.:** All alterations and additions to this Letter of Request are to be initiated by the applicant

**\* Delete as necessary on both application form and credit form.**

Place

Signature of applicant

Date

under official seal

**Counter Signed**

**Accounts Officer**

**Form A1: Payment against import of stores**

(To be printed on White paper)	A.D. Code No.	_____													
	Form No.	_____													
	(To be filled by authorised dealer)														
<b>Form A1</b>	_____														
<b>(For Import Payments only)</b>	<b>Serial No.</b>	_____													
	<b>(for use of Reserve Bank of India)</b>														
	<b>(To be completed by authorised dealer)</b>														
.....															
I/We wish to purchase	_____	_____													
	(Name of currency)	(Amount in words)													
through	_____	for													
	(Name and address of the authorised dealer)														
payment to	_____														
	(Name and address of the beneficiary of the remittance)														
in payment of imports into India, detailed below:															
<b>Details of goods imported or to be imported into India</b>															
<b>Section A: Import Licence particulars</b>															
Import Licence					Date of Issue			Date of expiry			Face value of licence	Amount to be endorsed (In Rs.) @			
Prefix		Licence No.	Suffixes					Date	Month	Year			Date	Month	Year
1	2		1	2	3	4	5								

@ Actual amount endorsed in rupees against each licence involved, should be stated under this column.

Note: If more than one licence is involved, particulars of all licences should be furnished. If the space is inadequate, separate statement may be attached. The amount utilised against each licence should invariably be indicated.

## Section B: Import particulars

Invoice Details				Quantity of goods	Description of goods	Harmonised System of Classification	Country of origin of goods	Country from which goods are consigned	Mode of shipment (air, sea post, rail, river, transport port, etc.)	Date of shipment (if not known approximate date)
No and date	Terms (C.I.F., F.O.B., etc.)	Currency	Amount							

## Section C: Other particulars

1	Details of forward purchase contract, _____	_____	_____	_____
	if any, booked against the import	(No. & date of Contract)	(Currency and Amount of Contract)	(Balance under the Contract)
2	If remittance to be made is less than invoice value, reasons therefore (i.e. part remittance, installment etc.)			

.....

I/We hereby declare that the statements made by me/us on this form are true and that I/we have not applied for an authorisation through any other bank.

I/We declare and also understand that the foreign exchange to be acquired by me/us pursuant to this application shall be used by me/us only for the purpose for which it is acquired and that the conditions subject to which the exchange is granted will be complied with.

		.....	
		(Signature of Applicant/Authorised Official)	
		Name and Address of Applicant	
		.....	
Stamp		Importer's Code Number	<b>0100000011</b>
		Nationality	<b>INDIAN</b>
Date:	.....		

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**NOTE : For remittances covering intermediary trade, form A2 should be used.**

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## Declaration to be furnished by Applicant

I/We declare that		
a	the import licence/s against which the remittance is sought is/are valid and has/have not been cancelled by DGFT.	
b	the goods to which this application relates <u>have been / will be</u> imported into India on my/our own account	
c	the import is on behalf of @The President of India through Director Lab./ Estt., Address and	
d	the invoice value of the goods which is declared on this form is the real value of the goods imported / to be imported into in India.	
If the import have been made	I/We attach the relative Customs-stamped Exchange Control copy of Bill of Entry / Post parcel wrapper (for imports by post) /Courier Wrapper (for imports through courier)	
Or		
If the import is to be made	I/We undertake to produce within three months to the authorised dealer the Customs-stamped Exchange Control copy of Bill of Entry / Post parcel wrapper (for imports by post) /Courier Wrapper (for imports through courier)	
Date:	.....	.....
		(Signature of Applicant/Authorised Official)



**Space for comments of the authorised dealer**

(While forwarding the application to Reserve Bank for approval, reference to Exchange Control Manual paragraph/ A.D. Circular in terms of which the reference is made should invariably be cited. If any remittance application on account of the same import was referred to Reserve Bank earlier, reference to the last correspondence/approval should also be cited).

		.....
		(Signature of Authorised Official)
		Name .....
	Stamp	Designation .....
		Name and Address of .....
Date: _____		Authorised dealer .....

**Certificate to be furnished by Authorised Dealers (Applicant's Banker)**

We hereby certify that

(a) this payment is

Put a tick (✓) in the relevant block	(i)	an advance remittance
	(ii)	in retirement of bills under Letter of Credit opened through us
	(iii)	against documents received through our medium for collection
	(iv)	on account of documents received direct by the applicant/s against undertaking furnished by the latter to submit Customs-stamped Exchange Control copy of Bill of Entry of Post Parcel/courier wrapper within three months
	(v)	on account of documents received direct by the applicant/s against Customs-stamped Exchange Control copy of Bill of Entry/post parcel/courier wrapper (attached) submitted by the latter
	(vi)	_____
		(any other case, to be explained)

(b) all the Exchange Control regulations applicable to the remittance have been complied with

(c) the payment to the supplier of the goods has been / will be made through \_\_\_\_\_ (Name & Address of the foreign bank)

We also certify/undertake that the relevant Customs-stamped Exchange Control copy of Bill of Entry or post parcel/courier wrapper

\* shall be verified by us within three months [vide certificate (a)(ii) and (iii) above].

\* has been verified [vide certificate (a) (v) above].

\* shall be obtained from the applicant/s within three months [vide certificate (a) (i) and (iv) above].

		_____
		Stamp and Signature of Authorised Official)
	Stamp	Name & Designation _____
		Name & Address of Authorised Dealer _____
Date: _____		

<b>DRDO.LC.04</b> <b>Page 1 of 13</b>				
<b>FORM A2</b>	AD Code No.	_____		
(for payments other than imports and remittances covering intermediary trade)	Form No.	_____		
(To be filled in by the Authorised Dealer)				
Serial No.		_____		
(For use of Reserve Bank of India)				
<b><u>Application for Remittance Abroad</u></b>	Currency	_____	Amount	_____
	Equivalent to Rs	_____		
(To be completed by Authorised Dealer)				
I/We wish to purchase/transfer	_____			
	(Name of currency and amount in words)			
through _____			for payment	
(Name and address of Authorised Dealer)				
to	_____			
(Name and address of the beneficiary)				
by remitting the amount / by credit to the account of		_____		
(Full title of the account & country of non-resident bank and name of AD with whom account is maintained)				
_____				
for the purpose indicated below:				
(Remitter should put a tick (✓) against an appropriate purpose code. In case of doubt/difficulty, consult your banker.)				

## Annex I: Purpose Codes for Reporting under FETERS

## A. Payment Purposes (for use in BOP file)

Gr. No.	Purpose Group Name	Purpose Code	Description
0	Capital Account	S0017	Acquisition of non-produced non-financial assets (Purchase of intangible assets like patents, copyrights, trademarks etc., land acquired by government, use of natural resources) – Government
		S0019	Acquisition of non-produced non-financial assets (Purchase of intangible assets like patents, copyrights, trademarks etc., use of natural resources) – Non-Government
		S0026	Capital transfers ( Guarantees payments, Investment Grand given by the government/international organisation, exceptionally large Non-life insurance claims) – Government
		S0027	Capital transfers ( Guarantees payments, Investment Grand given by the Non-government, exceptionally large Non-life insurance claims) – Non-Government
		S0099	Other capital payments not included elsewhere
	Financial Account		
	Foreign Direct Investments	S0003	Indian Direct investment abroad (in branches & wholly owned subsidiaries) in equity Shares
		S0004	Indian Direct investment abroad (in subsidiaries and associates) in debt instruments
		S0005	Indian investment abroad – in real estate

		S0006	Repatriation of Foreign Direct Investment made by overseas Investors in India – in equity shares
		S0007	Repatriation of Foreign Direct Investment in made by overseas Investors India – in debt instruments
		S0008	Repatriation of Foreign Direct Investment made by overseas Investors in India – in real estate
	Foreign Portfolio Investments	S0001	Indian Portfolio investment abroad – in equity shares
		S0002	Indian Portfolio investment abroad – in debt instruments
		S0009	Repatriation of Foreign Portfolio Investment made by overseas Investors in India – in equity shares
		S0010	Repatriation of Foreign Portfolio Investment made by overseas Investors in India – in debt instruments
	External Commercial Borrowings	S0011	Loans extended to Non-Residents
		S0012	Repayment of long & medium term loans with original maturity above one year received from Non- Residents
	Short term Loans	S0013	Repayment of short term loans with original maturity up to one year received from Non-Residents
	Banking Capital	S0014	Repatriation of Non-Resident Deposits (FCNR(B)/NR(E)RA etc)

		S0015	Repayment of loans & overdrafts taken by ADs on their own account.
		S0016	Sale of a foreign currency against another foreign currency
	Financial Derivatives and Others	S0020	Payments made on account of margin payments, premium payment and settlement amount etc. under Financial derivative transactions.
		S0021	Payments made on account of sale of share under Employee stock option
		S0022	Investment in Indian Depositories Receipts (IDRs)
		S0023	Remittances made under Liberalised Remittance Scheme (LRS) for Individuals
	External Assistance	S0024	External Assistance extended by India. e.g. Loans and advances extended by India to Foreign governments under various agreements
		S0025	Repayments made on account of External Assistance received by India.
	1 Transport	S0201	Payments for surplus freight/passenger fare by foreign shipping companies operating in India
		S0202	Payment for operating expenses of Indian shipping companies operating abroad
		S0203	Freight on imports – Shipping companies
		S0204	Freight on exports – Shipping companies
		S0205	Operational leasing/Rental of Vessels (with crew) – Shipping companies
		S0206	Booking of passages abroad – Shipping companies

		S0207	Payments for surplus freight/passenger fare by foreign Airlines companies operating in India
		S0208	Operating expenses of Indian Airlines companies operating abroad
		S0209	Freight on imports – Airlines companies
		S0210	Freight on exports – Airlines companies
		S0211	Operational leasing / Rental of Vessels (with crew) – Airline companies
		S0212	Booking of passages abroad – Airlines companies
		S0214	Payments on account of stevedoring, demurrage, port handling charges etc.(Shipping companies)
		S0215	Payments on account of stevedoring, demurrage, port handling charges, etc.(Airlines companies)
		S0216	Payments for Passenger - Shipping companies
		S0217	Other payments by Shipping companies
		S0218	Payments for Passenger - Airlines companies
		S0219	Other Payments by Airlines companies
		S0220	Payments on account of freight under other modes of transport (Internal Waterways, Roadways, Railways, Pipeline transports and others)
		S0221	Payments on account of passenger fare under other modes of transport (Internal Waterways, Roadways, Railways, Pipeline transports and others)

		S0222	Postal & Courier services by Air
		S0223	Postal & Courier services by Sea
		S0224	Postal & Courier services by others
2	Travel	S0301	Business travel.
		S0303	Travel for pilgrimage
		S0304	Travel for medical treatment
		S0305	Travel for education (including fees, hostel expenses etc.)
		S0306	Other travel (including holiday trips and payments for settling international credit cards transactions)
3	Construction Services	S0501	Construction of projects abroad by Indian companies including import of goods at project site abroad
		S0502	Cost of construction etc. of projects executed by foreign companies in India.
4	Insurance and Pension Services	S0601	Life Insurance premium except term insurance
		S0602	Freight insurance – relating to import & export of goods
		S0603	Other general insurance premium including reinsurance premium; and term life insurance premium
		S0605	Auxiliary services including commission on insurance
		S0607	Insurance claim Settlement of non-life insurance; and life insurance (only term insurance)
		S0608	Life Insurance Claim Settlements
		S0609	Standardised guarantee services
		S0610	Premium for pension funds
		S0611	Periodic pension entitlements e.g. monthly quarterly or yearly payments of pension amounts by Indian Pension Fund Companies.



		S0612	Invoking of standardised guarantees
5	Financial Services	S0701	Financial intermediation, except investment banking - Bank charges, collection charges, LC charges etc.
		S0702	Investment banking – brokerage, under writing commission etc.
		S0703	Auxiliary services – charges on operation & regulatory fees, custodial services, depository services etc.
6	Telecommunication, Computer & Information Services	S0801	Hardware consultancy/implementation
		S0802	Software consultancy / implementation
		S0803	Data base, data processing charges
		S0804	Repair and maintenance of computer and software
		S0805	News agency services
		S0806	Other information services- Subscription to newspapers, periodicals
		S0807	Off-site software imports
		S0808	Telecommunication services including electronic mail services and voice mail services
		S0809	Satellite services including space shuttle and rockets etc.
7	Charges for the use of intellectual	S0901	Franchises services
		S0902	Payment for use, through licensing arrangements, of produced originals or prototypes (such as

	property n.i.e		manuscripts and films), patents, copyrights, trademarks and industrial processes etc.
8	Other Business Services	S1002	Trade related services – commission on exports / imports
		S1003	Operational leasing services (other than financial leasing) without operating crew, including charter hire- Airlines companies
		S1004	Legal services
		S1005	Accounting, auditing, book-keeping services
		S1006	Business and management consultancy and public relations services
		S1007	Advertising, trade fair service
		S1008	Research & Development services
		S1009	Architectural services
		S1010	Agricultural services like protection against insects & disease, increasing of harvest yields, forestry services.
		S1011	Payments for maintenance of offices abroad
		S1013	Environmental Services
		S1014	Engineering Services
		S1015	Tax consulting services
		S1016	Market research and public opinion polling service
		S1017	Publishing and printing services
		S1018	Mining services like on-site processing services analysis of ores etc.
		S1020	Commission agent services
		S1021	Wholesale and retailing trade services.
		S1022	Operational leasing services (other than financial leasing) without operating crew, including charter

			hire- Shipping companies
		S1023	Other Technical Services including scientific/space services.
		S1099	Other services not included elsewhere
9	Personal, Cultural & Recreational services	S1101	Audio-visual and related services like Motion picture and video tape production, distribution and projection services.
		S1103	Radio and television production, distribution and transmission services
		S1104	Entertainment services
		S1105	Museums, library and archival services
		S1106	Recreation and sporting activities services
		S1107	Education (e.g. fees for correspondence courses abroad )
		S1108	Health Service (payment towards services received from hospitals, doctors, nurses, paramedical and similar services etc. rendered remotely or on-site)
		S1109	Other Personal, Cultural & Recreational services
10	Govt. not included elsewhere (G.n.i.e.)	S1201	Maintenance of Indian embassies abroad
		S1202	Remittances by foreign embassies in India
11	Secondary Income	S1301	Remittance for family maintenance and savings
		S1302	Remittance towards personal gifts and donations

		S1303	Remittance towards donations to religious and charitable institutions abroad
		S1304	Remittance towards grants and donations to other governments and charitable institutions established by the governments.
		S1305	Contributions/donations by the Government to international institutions
		S1306	Remittance towards payment / refund of taxes.
		S1307	Outflows on account of migrant transfers including personal effects
12	Primary Income	S1401	Compensation of employees
		S1402	Remittance towards interest on Non-Resident deposits (FCNR(B)/NR(E)RA, etc.)
		S1403	Remittance towards interest on loans from Non-Residents (ST/MT/LT loans) e.g. External Commercial Borrowings, Trade Credits, etc.
		S1405	Remittance towards interest payment by ADs on their own account (to VOSTRO a/c holders or the OD on NOSTRO a/c.)
		S1408	Remittance of profit by FDI enterprises in India (by branches of foreign companies including bank branches)
		S1409	Remittance of dividends by FDI enterprises in India (other than branches) on equity and investment fund shares
		S1410	Payment of interest by FDI enterprises in India to their Parent company abroad.
		S1411	Remittance of interest income on account of Portfolio Investment in India
		S1412	Remittance of dividends on account of Portfolio

			Investment in India on equity and investment fund shares
13	Others	\$1501	Refunds / rebates / reduction in invoice value on account of exports
		\$1502	Reversal of wrong entries, refunds of amount remitted for non-exports
		\$1503	Payments by residents for international bidding
		\$1504	Notional sales when export bills negotiated/ purchased/ discounted are dishonored/ crystallised/ cancelled and reversed from suspense account
		\$1505	Deemed Imports (exports between SEZ, EPZs and Domestic tariff areas)
14	Maintenance and repair services n.i.e	\$1601	Payments on account of maintenance and repair services rendered for Vessels, ships, boats, warships, etc.
		\$1602	Payments on account of maintenance and repair services rendered for aircrafts, space shuttles, rockets, military aircrafts, helicopters, etc.
15	Manufacturing services (goods for processing)	\$1701	Payments for processing of goods

*Please give full details			
I / We hereby declare that the statements made by me / us on this form are true and that I / we have not applied for an authorisation through any other bank.			
I / We declare and understand that the foreign exchange to be acquired / payment to be made by me /us pursuant to this application shall be used / made by me / us only for the purpose for which it is acquired / to be made and that the conditions subject to which the exchange/permission is granted will be complied with.			
I/We desire to travel to _____via _____for the purpose of_____			
Passage has been booked through_____			
(Name of airline/shipping co. or passage agent)			
_____The date of departure is _____The exchange is required in the form of			
	<u>Currency</u>	<u>Amount</u>	
Notes & Coins	_____	_____	
TCs	_____	_____	
Draft	_____	_____	
Letter of Credit	_____	_____	
Total	_____	_____	
Name of Applicant (s)		Nationality of Applicant (s)	
Address of Applicant (s)			
Date		Signature of Applicant(s)/Authorised Official	
(Space for comments of the Authorised Dealers)			
(While forwarding the application to Reserve Bank of India for approval, reference to ECM paragraph / AD circular in terms of which the reference is made should invariably be cited.)			
Approval for similar remittances was obtained from the Reserve Bank of India vide permit No. _____ dated _____.			
		(Stamp and Signature of Authorised Official)	
		Name & Designation _____	
Date _____		Name & Address of Authorised Dealer _____	

**Certificate to be furnished by Authorised Dealers (Applicant's Banker)**

We hereby certify that

A	the remittance has been made  In terms of authority delegated to authorised dealers vide paragraph _____ of the Exchange Control Manual and / or AD Circular No. _____ dated _____  or  In terms of Reserve Bank Permit No. _____ dated _____
B	all the Exchange Control regulations applicable to the remittance have been complied with.
C	documentary evidence in support of the payment has been verified.
D	payment to the beneficiary has been/will be made through _____ _____
(Name and address of the designated bank in ACU member country)	
	_____
	Stamp and Signature of Authorised Official)
	Name & Designation _____
	Name & Address of Authorised Dealer _____
Date: _____	

**RATE CONTRACT BETWEEN DRDO LAB/ESTT AND CONTRACTOR**

(Name & Address of the Contractor)

Rate Contract No. \_\_\_\_\_

Date \_\_\_\_\_

Quotation Ref. \_\_\_\_\_ dated \_\_\_\_\_

This Rate Contract is entered into between the President of India through The Director, (Lab/Estt.), hereinafter called Buyer and M/s \_\_\_\_\_ hereinafter called Contractor, for supply of Stores/Services of \_\_\_\_\_. The contract has been concluded as per the following Annexures:

i	Annexure – A	-	Scope of Contract
ii	Annexure – B	-	Terms and Conditions of Contract
iii	Annexure – C	-	Agreed Specifications, Rates and Price List of Stores /Services
iv	Annexure – D	-	Addresses of the Corporate and Regional offices of the Contractor (Applicable for this Contract only)
v	Annexure – E	-	Addresses of DRDO Labs/Estts (Applicable for this contract only)

Authorised Signatory  
For and on behalf of  
M/s (Name of the Contractor)

For DIRECTOR (Lab/Estt.)  
for and on behalf of  
President of India

Office Seal

Office Seal



**Annexure-A**

**SCOPE OF CONTRACT**

a)	For this contract, Buyer will include any DRDO Lab/Estt as given in <b>Annexure-E</b> . DRDO reserves the right to add/delete any of its units in Annexure-E during the currency of the contract.
b)	The Contractor or their authorised regional offices as given in <b>Annexure-D</b> will be termed as Contractor within the scope of this contract.
c)	The Lab/Estt will place order on Contractor or their authorised regional offices of their requirements on agreed terms and conditions as per <b>Annexure - B</b> and agreed rates as per <b>Annexure-C</b> .
d)	The Contractor will make all efforts to supply the items/Services not later than ____ days from receipt of Supply Order/Contract. In case of remote stations, the time limit however, will be ____ days.
e)	The Contractor will submit their bills duly stamped and pre-receipted for payment in duplicate along with Invoice, Contractor's Bill, Inspection Note (if applicable), Certificate in respect of Fall Clause, Warranty Certificate, Job Completion Certificate and <i>(any other documents to be listed here)</i> duly filled to the Director, Lab/Estt placing Supply Order/Contract.
f)	The Lab/Estt will make all efforts for payment within 30 days after the receipt of the Stores/Services as per specifications, acceptance of Stores/Satisfactory completion of Services and submission of bills along with the necessary documents whichever is later.
g)	All items must have a <i>(minimum specify)</i> period of shelf life from the date of supply, wherever applicable. Part supply will be avoided unless specifically agreed to.

h)	Buyer reserves the right	
	i)	To enter into parallel rate contracts, simultaneously or at any time during the period of the rate contract with one or more contractors.
	ii)	To purchase the rate contracted item through ad-hoc contract with a new contractor in case of emergency.
	iii)	To terminate the contract by giving one month's notice in writing.
i)	Delivery of item/provision of service should be on any working day between ____ hrs and ____ hrs only.  If NA, please mention specifically.	
j)	Normally delivery should be in Material Management group and not to the user groups or as directed by the Director of the Lab/Estt.	
k)	Minimum Order Quantity: All supply orders should be for a minimum of (Qty) as far as possible. In case any Lab/Estt. Require lesser quantity; they may contact Contractor's Regional office as per Annexure-D for acceptance of such order.	
Note: <b>Please modify the scope as per requirement.</b>		

## Annexure-B

## TERMS AND CONDITIONS \*

1.	<b>Contract Effective Date (CED)</b> <p>The contract is effective from (date) _____ (RC concluding Lab/Estt. to specify the Date).</p>
2.	<b>Period of Contract</b> <p>The contract will be operative for all supply orders placed w.e.f CED and will be valid for _____ <b>year(s)(as per RFP)</b> with an option to extend upto maximum of another _____ <b>year(s)(as per RFP)</b> respectively on the mutually agreed terms and conditions subject to satisfactory performance during the original contract period.</p>
3.	<b>Termination of Contract</b> <p>The contract may be terminated by giving one month notice from either side and the contractor will not be entitled for any compensation on account of such termination. In case of termination on account of non satisfactory service, the performance (security) bond will be forfeited.</p>
4.	<b>Volume of Supply</b> <p>No guarantee can be given for any definite volume of supply, which will be offered to the contractor. Refusal or inability to handle any supply order from any Labs/Estts shall be deemed to be a breach of the contract. In the event of such breach, the Buyer reserves the right to obtain these stores / services from any other contractor and charge the damages / excess payments, if any, from the contractor.</p>
5.	<b>Scope of Supply</b> <p>The contractor will supply the Stores/ Services in accordance with the specifications as per Annexure-C on a supply order from a DRDO Lab/Estt.</p>
6.	<b>Price List</b> <p>The Contractor's price list as approved by RC concluding Lab/Estt. and given at Annexure-C is subject to Fall Clause. This includes packing and forwarding charges, if any.</p>

7.	<b>Delivery</b>	
	Delivery of items will be on FOR basis to ordering Lab/Estt or as specified in terms and conditions of the Supply Order. Delivery should be made within ____ days in ____ lots from the receipt of order.	
8.	<b>Packing &amp; Forwarding</b>	
	All items will be supplied in secure and transportable packing (as specified in the terms and conditions) and forwarded to ordering Lab/Estt by the Contractor with his own arrangement. Any damage in transit will be to the Contractor's account <i>(any specific packaging requirement should be spelled out explicitly)</i> .	
9.	<b>Acceptance of Order</b>	
	The Contractor will accept all orders for Stores/Services given in their price list at Annexure-C.	
10.	<b>Inspection and Acceptance</b>	
	After receipt of stores, the Director or his rep from the Lab/Estt will complete acceptance as per specifications agreed within ____ days from the date of supply.	
11.	<b>Rejected Items</b>	
	The Lab/Estt will inform the Contractor within ____ days of receipt of stores about the rejected items and the reasons thereof. The Contractor will replace all rejected items within ____ days at his risk and expenses.	
12.	<b>Payment Terms</b>	
	a)	100 % payment will be arranged after inspection and acceptance within 30 days from the date of acceptance of the Stores/Services or submission of Bills whichever is later.

	b)	<p>While submitting his bills to the Buyer for the goods supplied against the rate contract, the Contractor shall give the following certificate also:</p> <p>"I/We certify that the stores of description identical to the stores supplied to the Buyer under the contract herein have not been offered/sold by me/us to any other person/organisation up to the date of bill/the date of completion of supplies against supply orders placed during the currency of the rate contract, at a price lower than the price charged to the Buyer under the contract."</p> <p>If the Contractor sells any goods at lower than the contract price, such sale is covered by any of the three exceptions indicated under Fall Clause, such sales have also to be disclosed in the aforesaid certificate to be given by the Contractor to the Buyer. The obligations of the Contractor in this regard will be limited with reference to the goods identical to the contracted goods sold or agreed to be sold during the currency of the contract.</p>
	c)	No part payment will be made against the part delivery.
13.	<b>Liquidated Damages (LD)</b> Buyer may deduct LD at the rate of 0.5 % per week or part thereof from contractor, on the basic cost of the delayed Stores which the contractor has failed to deliver within the period agreed for delivery in the contract. The maximum quantum of LD would be 10 % of the total order value (excluding taxes and duties).	
14.	<b>Price Escalation</b> No price escalation will be allowed except the increase on account of statutory levies for supplies ordered during the currency of the contract.	
15.	<b>Fall Clause</b>	
	i)	The prices charged for the stores supplied under the contract by the Contractor shall in no event exceed the lowest price at which the contractor sells the stores of identical description to any other person/organisation during the period till performance of all supply orders placed during the currency of the rate contract is completed.

	ii)	If, at any time, during the said period, the Contractor reduces the sale price of such stores or sells stores to any other person/organisation at a price lower than the price chargeable under the contract, he shall forthwith notify such reduction or sale to the concerned Head of the Department and the price payable under the contract for the stores supplied after the date of coming into force of such reduction or sale shall stand correspondingly reduced.  The above stipulation will, however, not apply to:	
		a)	Export by the Contractor.
		(b)	Sale of goods as original equipment at prices lower than the prices charged for normal replacement.
		(c)	Sale of Stores such as Drugs, perishable goods which have expiry date.
16.	<b>Arbitration</b>  In the event of any dispute or differences arising out of this supply order/agreement such disputes or differences shall be resolved through mutual discussion. If a solution is not found possible the unresolved disputes shall be referred to the sole arbitration of CFA or his nominee whose decision will be final and binding on both the parties.		
17.	<b>Addition/Deletion of Regional Offices</b>  Any addition/deletion in the regional offices list as given at Annexure-D will be immediately intimated to the RC concluding Lab/Estt with a copy to Director, <b>DMM/_____</b> , DRDO HQrs, DRDO Bhawan, New Delhi-110011.		
18.	<b>Performance (Security) Bond/Performance Cum Warranty Bond (PCWB)</b>  A bank guarantee of Rs. _____ (Rupees _____ only) will be submitted in the name of Director, RC concluding Lab/Estt. _____ as performance (security) bond/ Performance Cum Warranty Bond (PCWB) valid for 60 Days beyond the validity of the rate contract.		

19.	<p><b>Force Majeure clause</b></p> <p>If at any time during the currency of the contract, the performance in whole or in part by either party of any obligation under this contract shall be prevented or delayed by reasons of any war, hostility, acts of the public enemy, civil commotion, sabotage, fires, floods, explosions, epidemics quarantine, restriction strikes, lockouts, or acts of God (hereinafter referred to as "events") then provided notice of the happening of any such event is given by either party to the other within 10 Days from the date of occurrence thereof, neither party shall, by reasons of such event, be entitled to terminate the contract nor shall either party have claim for damages against the other in respect of such non-performance or delay in performance.</p>
20.	<p><b>Law</b></p> <p>The Contract shall be considered and made in accordance with the laws of the Republic of India and shall be governed by and interpreted in accordance with the laws of the Republic of India and the place of jurisdiction is the station of RC concluding Lab/Estt.</p>
21.	<p><b>Amendment to RC</b></p> <p>No provision of this Contract shall be changed or modified in any way (including this provision) either in whole or in part except when both the parties are in written agreement for amending this Contract.</p>
22.	<p><b>Transfer and Sub-letting</b></p> <p>The contractor 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 Contract or any part thereof without written consent of the Buyer.</p>
23.	<p><b>Notices</b></p> <p>Any notice required or permitted by the Contract shall be written in English language and may be delivered personally or may be sent by FAX or registered pre-paid mail/airmail/e-mail, addressed to the last known address of the party to whom it is sent.</p>

24.	<p><b>Warranty</b></p> <p>The contractor will declare that the goods, stores articles sold/supplied shall be of the best quality and workmanship and new in all respects and shall be strictly in accordance with the specifications and particulars contained / mentioned in the contract. The Contractor will guarantee that the said goods/stores/articles would continue to conform to the description and quality for a period of, _____ from the date of acceptance / installation of the said goods stores/articles. If during the aforesaid period of _____, the said goods/stores are discovered not to conform to the description and quality aforesaid, not giving satisfactory performance or have deteriorated, the Buyer shall be entitled to call upon the Contractor to rectify the goods/stores/articles or such portion thereof as is found to be defective by the Buyer within a reasonable period without any financial implication on the Buyer.</p> <p>In cases of procurement of software, Contractor shall issue/provide up grades of the software free of cost during the warranty period.</p>
25.	<p><b>Taxes and Duties</b></p> <p>a. GST will be applicable at actuals.</p> <p>b. DRDO is a public funded research institution and has been given provision of concessional GST payment, under Notification No. 47/2017-Integrated Tax (Rate) dtd 14 Nov 2017 &amp; Notification No. 45/2017-Central Tax (Rate) dtd 14 Nov 2017 as amended as per the description of stores and conditions thereon.</p> <p>c. Custom Duty – Prices are inclusive of applicable Custom Duty.</p>
26.	<p><b>Denial Clause</b></p> <p>Variations in the rates of statutory levies within the original delivery schedule will be allowed if taxes are explicitly mentioned in the contract/ supply order and delivery has not been made till the revision of the statutory levies. Buyer reserves the right not to reimburse the enhancement of cost due to increase in statutory levies beyond the original delivery period of the contract / supply order even if such extension is granted without imposition of LD.</p>
27.	<p><b>Any other Clause(s)</b></p> <p>The RC concluding Lab/Estt may include contract specific clauses on need basis.</p>
28.	<p>Estimated amount for this contract :</p>
<p><b>Note: The Rate Contract may be updated by adding/deleting/modifying any clauses as recommended by CNC.</b></p>	



**AGREED SPECIFICATIONS AND PRICE LIST OF CONTRACTOR**

**Annexure-D**

**ADDRESSES OF THE CORPORATE AND REGIONAL OFFICES OF THE CONTRACTOR**

Annexure-E

DRDO LABS/ESTTS ADDRESSES

(As applicable to this Contract only)

Sl. No. (1)	Labs/Estts (2)	Grams (3)	Fax/E-Mail (4)

Phone:  
Fax:  
Email  
M/s \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Lab's Name and Address:

Supply Order No.: \_\_\_\_\_ date \_\_\_\_\_

**Sub: Supply of Stores/Provision of Services against Rate Contract**

Ref: Rate Contract No. \_\_\_\_\_ dtd \_\_\_\_\_ and valid upto \_\_\_\_\_

Dear Sir

You are requested to supply the following items subject to terms and conditions stipulated on or before \_\_\_\_\_

S. No.	Description of Stores/Services	RC Item Sl. No.	UoM	Qty.	Rate Per Unit (Rs.)	Price (Rs.)
Total Basic Price (A)						
Tax @ _____ % on Item No(s) _____						
Tax @ _____ % on Item No(s) _____						
Total Taxes (B)						
Total Price (A+B)						
Total Price in words :- Rupees _____						

The expenditure is debitable to

Budget Head : **General - Buildup / Project - Revenue**

Project No. :

Unitcode :

Major Head : **2080** Minor Head : **110** Code Head: **856/01**

(Sign)  
(Head MMG)  
For Director

Terms and Conditions as per RC under reference will be applicable along with this Supply Order.

Copy to:

PCDA(R&D)/CDA (R&D) (Place)

Lab/Estt

Phone:

CDEC No.

Fax:

Govt. of India, Ministry of Defence

Research &amp; Development Orgn.

(Lab/Estt. Name &amp; Address)

**CUSTOM DUTY EXEMPTION CERTIFICATE – DIRECT IMPORT****(Under Custom Notification No. 51/96 dt. 23.07.96 & as amended)**

1. Name of the Supplier :
2. No. and date of purchase order placed on the Supplier by the Lab/Estt. :
3. Master Airway Bill (MAWB) No. & date :
4. House Airway Bill (HAWB) No. & date :
5. Flight No./Vessel No. and date :
6. Invoice No. and date :
7. Details of items/ stores being imported :

Sl. No.	Item Code	Name / Description	Qty / No's	Total Value		No. of Packages	Weight of Packages
				Currency	FCA / CIP		
<b>Total FCA / CIP Cost</b>							

It is certified that the above mentioned items/ stores being imported by the Lab/ Estt. against the said purchase order are required for Research & Development purposes only. These items are covered by Notification No. as mentioned above and are eligible for the exemption from payment of custom duty. This Lab / Estt. Is not engaged in any commercial activity. Copy of authorization letter issued by DRDO HQrs. is enclosed.

Date:

**Signature of the Lab/ Estt. Director**  
(with official Seal)

**Authorisation to Lab Director for issue of Custom Duty Exemption  
Certificate**

**GOVERNMENT OF INDIA**

**MINISTRY OF DEFENCE**

**DEPARTMENT OF DEFENCE RESEARCH AND DEVELOPMENT**

**Certificate No. / CDE**

**Ref. No.: DFMM/CDE/**

**CERTIFICATE**

This is to certify that **<LAB NAME>** is a public funded research institution under the administrative control of the Department of Defence Research & Development of the Government of India and is entitled to avail Custom Duty Exemption in terms of Government Notification No. 51/96-Custom dated 23 July 1996 and as amended.

The specimen signatures of the **DIRECTOR, <LAB NAME>** are appended below. It is submitted that the above signatory is holding the rank in pay scale higher than that of the Deputy Secretary to Govt. of India.

-----  
**(Director)**

**or**

**Officer (Dy. Secy &  
above) Nominated by  
Director**

-----  
**(Director)**

**or**

**Officer (Dy. Secy &  
above) Nominated  
by Director**

-----  
**(Director)**

**or**

**Officer (Dy. Secy & above)  
Nominated by Director**

This certificate is valid from **<FROM DATE>** to **<TO DATE>**

Date:

**Director General (R & M)**

Phone:

Fax:

Concessional GST No.

Govt. of India, Ministry of Defence

Research &amp; development Orgn.

(Lab/Estt. Name &amp; address)

**CONCESSIONAL GST CERTIFICATE**

This concessional certificate is issued for the procurement of goods as per notification no. **<as specified in Central/Integrated/State/UT Notification>** dtd **<as specified in Central/Integrated/State/UT Notification>**.

Work Center: Lab/Estt Name (A Public Funded Research Institution)

1. Name of organisation : DRDO
2. Name of the Department under which Defence oriented : Dept. of Defence (R&D)  
Procurement is executed
3. Description of Scientific and technical Goods :
4. Supply order No. & Date :
5. Value of ordered Goods
6. % Of concessional (Central/Integrate/State/UT)Tax :  
applicable
7. The purpose for which it is used :
8. Name & address of supplier :

Certified that the above Goods are required exclusively for research purpose. These items are covered by Notification no. as mentioned above and are eligible for the payment of GST (CGST/IGST/SGST) @ **< as specified in Central/Integrated/State/UT Notification>** % . Copy of authorization Letter issued by DRDO HQrs is enclosed.

Signature of the Lab/Estt. Director/  
Authorised Officer  
(with Official Seal)

Date:

**GOVERNMENT OF INDIA**  
**MINISTRY OF DEFENCE**

**DEPARTMENT OF DEFENCE RESEARCH AND DEVELOPMENT**

**Certificate No.     / Integrated Tax (Rate)**

**Ref. No.: DFMM/IT (Rate)/**

**CERTIFICATE**

This is to certify that **<Lab Name>** is a public funded institution under the administrative control of the Department of Defence Research & Development of the Government of India and is entitled to avail concessional rate of tax @ 5% in terms of Government Notification No. 47/2017 Integrated Tax (Rate) dated 14 November 2017.

The specimen signatures of the **DIRECTOR / Officer (Deputy Secretary & above) Nominated by Director <Lab Name>** are appended below.

-----	-----	-----
<b>(Director)</b>	<b>(Director)</b>	<b>(Director)</b>
<b>Or</b>	<b>Or</b>	<b>Or</b>
<b>Officer (Dy. Secy &amp; above)</b>	<b>Officer (Dy. Secy &amp; above)</b>	<b>Officer (Dy. Secy &amp; above)</b>
<b>Nominated by Director</b>	<b>Nominated by Director</b>	<b>Nominated by Director</b>

It is submitted that the above signatory is holding the rank in pay scale not below the rank of the Deputy Secretary to Govt. of India.

This certificate is valid from **<Date>** to **<Date>**

Dated:

**DIRECTOR GENERAL (R & M)**



**GOVERNMENT OF INDIA  
MINISTRY OF DEFENCE**

**DEPARTMENT OF DEFENCE RESEARCH AND DEVELOPMENT**

**Certificate No.     / Central Tax (Rate)**

**Ref. No.: DFMM/CT (Rate)/**

**CERTIFICATE**

This is to certify that **<Lab Name>** is a public funded institution under the administrative control of the Department of Defence Research & Development of the Government of India and is entitled to avail concessional rate of tax @ 2.5% in terms of Government Notification No. 45/2017 Central Tax (Rate) dated 14 November 2017.

The specimen signatures of the **DIRECTOR / Officer (Deputy Secretary & above) Nominated by Director <Lab Name>** are appended below.

-----	-----	-----
<b>(Director)</b>	<b>(Director)</b>	<b>(Director)</b>
<b>Or</b>	<b>Or</b>	<b>Or</b>
<b>Officer (Dy. Secy &amp; above)</b>	<b>Officer (Dy. Secy &amp; above)</b>	<b>Officer (Dy. Secy &amp; above)</b>
<b>Nominated by Director</b>	<b>Nominated by Director</b>	<b>Nominated by Director</b>

It is submitted that the above signatory is holding the rank in pay scale not below the rank of the Deputy Secretary to Govt. of India.

This certificate is valid from **<Date>** to **<Date>**

Dated:

**DIRECTOR GENERAL (R & M)**

**GOVERNMENT OF INDIA  
MINISTRY OF DEFENCE**

**DEPARTMENT OF DEFENCE RESEARCH AND DEVELOPMENT**

**Certificate No.**

**/State/UT Tax (Rate)**

**CERTIFICATE**

This is to certify that **<Lab Name>** is a public funded institution under the administrative control of the Department of Defence Research & Development of the Government of India and is entitled to avail concessional rate of tax @ **<as specified in State/UT Notification>**% in terms of Government Notification No. **<as specified in State/UT Notification>** State/UT Tax (Rate) dated **<date of issue of State/UT Notification>**.

The specimen signatures of the **DIRECTOR/ Officer (Deputy Secretary & above) Nominated by Director <Lab Name>** are appended below.

-----

-----

-----

**(Director)**

**(Director)**

**(Director)**

**Or**

**Or**

**Or**

**Officer (Dy. Secy & above)  
Nominated by Director**

**Officer (Dy. Secy & above)  
Nominated by Director**

**Officer (Dy. Secy & above)  
Nominated by Director**

It is submitted that the above signatory is holding the rank in pay scale not below the rank of the Deputy Secretary to Govt. of India.

This certificate is valid from **<Date>** to **<Date>**

Dated:

**DIRECTOR GENERAL (R & M)**