

Tele: 6678(VB)
Fax: 011-25694702

Dte of Information Technology
Air HQ Computer Center
Subroto Park, New Delhi – 110 010

Air HQ/99026/1034/DIT

19 Aug 2009

M/S.....
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INVITATION OF COMMERCIAL BIDS
FOR UPGRADATION OF EXISTING ERDAS SOFTWARE
REQUEST FOR PROPOSAL (RFP) NO Air HQ/99026/1034/DIT DATED 19 AUG 2009

1. Bids in sealed cover are invited for supply of items listed in Part III of this RFP. Please super scribe the above mentioned Title, RFP number and date of opening of the Bids on the sealed cover to avoid the Bid being declared invalid.

2. The address and contact numbers for sending Bids or seeking clarifications regarding this RFP are given below:-

(a) Bids/queries to be addressed to: Dte of Information Technology
Air HQ Computer Center
Subroto Park, N. Delhi- 10

(b) Postal address for sending the Bids: Dte of Information Technology
Air HQ Computer Center
Subroto Park, N. Delhi- 10

(c) Name/designation of the contact personnel: Wg Cdr LK Taneja

(d) Telephone numbers of the contact personnel: 011-25686392/011-25694702

(e) E-mail ids of contact personnel: NA

(f) Fax number: 011-25694702

3. This RFP is divided into five Parts as follows:-

(a) **Part I** - Contains General Information and Instructions for the Bidders about the RFP such as the time, place of submission and opening of tenders, Validity period of tenders, etc.

(b) **Part II** - Contains essential details of the items/services required, such as the Schedule of Requirements (SOR), Technical Specifications, Delivery Period and Consignee details.

(c) **Part III** - Contains Standard Conditions of RFP, which will form part of the Contract with the successful Bidder.

(d) **Part IV** - Contains Special Conditions applicable to this RFP and which will also form part of the contract with the successful Bidder.

(e) **Part V** - Contains Evaluation Criteria and Format for Price Bids.

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

5. Please acknowledge receipt.

Thanking You.

Yours faithfully,

(RK Gautam)
CMO
DDIT (P)
For VCAS

Part I

(General information)

1. Last date and time for depositing the Bids: 22 Sep 2009 at 1100 hrs

Note:- The sealed Commercial Bids commercial should be deposited/reach by the due date and time. The responsibility to ensure this lies with the Bidder.

2. **Manner of depositing the Bids:** Sealed Bids should be either dropped in the Tender Box marked as Directorate of Information Technology, Air HQ (VB) by the due date and time. Late tenders will not be considered. No responsibility will be taken for postal delay or non-delivery/non-receipt of Bid documents. Bids sent by FAX or e-mail will not be considered (unless they have been specifically called for by these modes due to urgency).

Time and date for opening of Bids: 22 Sep 2009 at 1130 hrs

3. **Single bid (Commercial bid) system:** Sealed quotation (Commercial bid will be opened by a committee at **1130hrs on 22 Sep 2009 at 1130 hrs** at Air HQ Vayu Bhavan, Rafi Marg, New Delhi-11. Your authorised representative from the Company can attend the tender opening. If due to any exigency the due date for opening of tenders is declared as closed holiday, in such cases the tenders will be opened on next working day at the same time or any other day/time as intimated by the Buyer.

Location of the Tender Box:

4. Air HQ Vayu Bhavan, Rafi Marg, New Delhi-11(Only those Bids that are found in the tender box will be opened. Bids dropped in the wrong Tender Box will be rendered invalid.) Place of opening of the Bids: **Air HQ, Vayu Bhavan, Rafi Marg, New Delhi-11.**

5. The Bidders may depute their representatives, duly authorized in writing, to attend the opening of Bids on the due date and time. Rates and important commercial/technical clauses quoted by all Bidders will be read out in the presence of the representatives of all the Bidders. This event will not be postponed due to non-presence of your representative.

6. **Forwarding of Bids** - Bids should be forwarded by Bidders under their original memo / letter pad inter alia furnishing details like TIN number, VAT/CST number, Bank address with EFT Account if applicable, etc and complete postal & e-mail address of their office.

7. **Clarification regarding contents of the RFP:** A prospective bidder who requires clarification regarding the contents of the bidding documents shall notify to the Buyer in writing about the clarifications sought not later than 14 (fourteen) days prior to the date of opening of the Bids. Copies of the query and clarification by the purchaser will be sent to all prospective bidders who have received the bidding documents.

8. **Modification and Withdrawal of Bids:-** A bidder may modify or withdraw his bid after submission provided that the written notice of modification or withdrawal is received by the Buyer prior to deadline prescribed for submission of bids. A withdrawal notice may be sent by fax but it should be followed by signed confirmation copy to be sent by post and such signed confirmation should reach the purchaser not later than the deadline for submission of bids. No bid shall be modified after the deadline for submission of bids. No bid may be withdrawn in the interval between the deadline for submission of bids and

expiration of the period of bid validity specified. Withdrawal of a bid during this period will result in Bidder's forfeiture of bid security.

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

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

11. **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 delisted for the given range of items as mentioned in this RFP.

12. **Validity of Bids:-** The Bids should remain valid 180 days from the last date of submission of the Bids.

13. **Earnest Money Deposit:-** Bidders are required to submit Earnest Money Deposit (EMD) for amount of **Rs 25 thousand** along with their bids. The EMD may be submitted in the form of an Account Payee Demand Draft, Fixed Deposit Receipt, Banker's Cheque or Bank Guarantee from any of the public sector banks or a private sector bank authorized to conduct government business as per Form DPM-16 (Available in MoD website and can be provided on request). EMD is to remain valid for a period of forty-five days beyond the final bid validity period. EMD of the unsuccessful bidders will be returned to them at the earliest after expiry of the final bid validity and latest on or before the 30th day after the award of the contract. The Bid Security of the successful bidder would be returned, without any interest whatsoever, after the receipt of Performance Security from them as called for in the contract. EMD is not required to be submitted by those Bidders who are registered with the Central Purchase Organization (e.g. DGS&D), National Small Industries Corporation (NSIC) or any Department of MoD or IAF or MoD itself. The EMD will be forfeited if the bidder withdraws or amends impairs or derogates from the tender in any respect within the validity period of their tender.

Part II
(Essential Details of Items/Services required)

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

SL. No.	Item Description	Para of RFP specifications item wise	Specification of items offered	Compliance to RFP Specification - whether Yes/No	In case of non compliance, deviation from the RFP to be specified in unambiguous terms
1	Image Analysis software:- Upgradation of existing ERDAS Imagine Professional from existing IRIX to latest window based version.				
2	Image Analysis software:- Upgradation of existing ERDAS Imagine Virtual GIS from existing IRIX to latest window based version				
3	Upgradation of existing Arc View 3.x to Arc GIS Arcview 9.2				
4	Two weeks training of 20 personnel on upgraded software.(for SI No 1,2 &3)				

2. **Commercial Bid System** - In respect of Commercial bid system, Bidders are required to furnish clause by clause compliance of specifications bringing out clearly the deviations from specification, if any. The Bidders are advised to submit the compliance statement as per above format along with commercial bid.

3. **Delivery and installation Schedule:** -Delivery of tendered equipments is to be done at DIT, Air HQ Computer Centre, and Subroto Park New Delhi-10 within **eight weeks** after the date of supply order. Installation and training are to be completed with **in four weeks** from the date of receipt of items by user from DIT. Please note that Contract can be cancelled unilaterally by the Buyer in case items are not received within the contracted delivery period. Extension of contracted delivery period will be at the sole discretion of the Buyer, with applicability of LD clause.

4. **Consignee details** - DIT, Air HQ Computer Centre, Subroto Park, New Delhi.

Part III

(Standard Conditions of RFP)

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

1. **Law:** The Contract shall be considered and made in accordance with the laws of the Republic of India. The contract shall be governed by and interpreted in accordance with the laws of the Republic of India.
2. **Effective Date of the Contract:** The contract shall come into effect on the date of signatures of both the parties on the contract (Effective Date) and shall remain valid until the completion of the obligations of the parties under the contract. The deliveries and supplies and performance of the services shall commence from the effective date of the contract.
3. **Arbitration:** All disputes or differences arising out of or in connection with the Contract shall be settled by bilateral discussions. Any dispute, disagreement or question arising out of or relating to the Contract or relating to construction or performance, which cannot be settled amicably, may be resolved through arbitration. The standard clause of arbitration is as per Forms DPM-7, DPM-8 and DPM-9 (Available in MoD website and can be provided on request).
4. **Penalty for use of Undue influence:** -The Seller undertakes that he has not given, offered or promised to give, directly or indirectly, any gift, consideration, reward, commission, fees, brokerage or inducement to any person in service of the Buyer or otherwise in procuring the Contracts or forbearing to do or for having done or forborne to do any act in relation to the obtaining or execution of the present Contract or any other Contract with the Government of India for showing or forbearing to show favour or disfavour to any person in relation to the present Contract or any other Contract with the Government of India. Any breach of the aforesaid undertaking by the Seller or any one employed by him or acting on his behalf (whether with or without the knowledge of the Seller) or the commission of any offence 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. Giving or offering of any gift, bribe or inducement or any attempt at any such act on behalf of the Seller towards any officer/employee of the Buyer or to any other person in a position to influence any officer/employee of the Buyer for showing any favour in relation to this or any other contract, shall render the Seller to such liability/ penalty as the Buyer may deem proper, including but not limited to termination of the contract, imposition of penal damages, forfeiture of the Bank Guarantee and refund of the amounts paid by the Buyer.
5. **Agents / Agency Commission:** The Seller confirms and declares to the Buyer that the Seller is the original manufacturer of the stores/provider of the services referred to in this Contract and has not engaged any individual or firm, whether Indian or foreign whatsoever, to intercede, facilitate or in any way to recommend to the Government of

India or any of its functionaries, whether officially or unofficially, to the award of the contract to the Seller; nor has any amount been paid, promised or intended to be paid to any such individual or firm in respect of any such intercession, facilitation or recommendation. The Seller agrees that if it is established at any time to the satisfaction of the Buyer that the present declaration is in any way incorrect or if at a later stage it is discovered by the Buyer that the Seller has engaged any such individual/firm, and paid or intended to pay any amount, gift, reward, fees, commission or consideration to such person, party, firm or institution, whether before or after the signing of this contract, the Seller will be liable to refund that amount to the Buyer. The Seller will also be debarred from entering into any supply Contract with the Government of India for a minimum period of five years. The Buyer will also have a right to consider cancellation of the Contract either wholly or in part, without any entitlement or compensation to the Seller who shall in such an event be liable to refund all payments made by the Buyer in terms of the Contract along with interest at the rate of 2% per annum above LIBOR rate. The Buyer will also have the right to recover any such amount from any contracts concluded earlier with the Government of India.

6. **Access to Books of Accounts:** In case it is found to the satisfaction of the Buyer that the Seller has engaged an Agent or paid omissions or influenced any person to obtain the contract as described in clauses relating to Agents/Agency Commission and penalty for use of undue influence, the Seller, on a specific request of the Buyer, shall provide necessary information/ inspection of the relevant financial documents/information.

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

8. **Liquidated Damages:** In the event of the Seller's failure to submit the Bonds, Guarantees and Documents, supply the stores/goods and conduct trials, installation of equipment, training, etc as specified in this contract, the Buyer may, at his discretion, withhold any payment until the completion of the contract. The BUYER may also deduct from the SELLER as agreed, liquidated damages to the sum of 0.5% of the contract price of the delayed/undelivered stores/services mentioned above for every week of delay or part of a week, subject to the maximum value of the Liquidated Damages being not higher than 10% of the value of delayed stores.

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

- (a) The delivery of the material is delayed for causes not attributable to Force Majeure for more than (20 weeks) after the scheduled date of delivery.
- (b) The Seller is declared bankrupt or becomes insolvent.
- (c) The delivery of material is delayed due to causes of Force Majeure by more than (3 months) provided Force Majeure clause is included in contract.
- (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.
- (e) As per decision of the Arbitration Tribunal.

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

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

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

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

14. **Taxes and Duties**

General

(a) If Bidder desires to ask for excise duty or Sales Tax / VAT extra, the same must be specifically stated. In the absence of any such stipulation, 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 inclusive of such 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 of such offers summarily.

(d) If a Bidder is exempted from payment of any duty/tax upto any value of supplies from them, he should clearly state that no such duty/tax will be charged by him up to the limit of exemption which he may have. If any concession is available in regard to rate/quantum of any Duty/tax, it should be brought out clearly. Stipulations like, the said duty/tax was presently not applicable but the same will be charged if it becomes leviable later on, will not be accepted unless in such cases it is clearly stated by a Bidder that such duty/tax will not be charged by him even if the same becomes applicable later on. In respect of the Bidders, who fail to comply with this requirement, their quoted prices shall be loaded with the quantum of such duty/tax which is normally applicable on the item in question for the purpose of comparing their prices with other Bidders.

(e) Any change in any duty/tax upward/downward as a result of any statutory variation in excise taking place within contract terms shall be allowed to the extent of actual quantum of such 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.

(a) **Customs Duty –**

(i) For imported stores offered against forward delivery, the Bidder shall quote prices thereof exclusive of customs duty. The Bidder shall specify separately the C.I.F. prices and total amount of customs duty payable. They will also indicate correctly the rate of customs duty applicable along with Indian Customs Tariff Number. Customs duty as actually paid will be reimbursed on production of necessary documents i.e.

(ii) Triplicate copy of the bill of entry; (ii) copy of bill of lading; (iii) a copy of foreign principal's invoice. However, if the Bidder imports the stores in question against his own commercial quota Import Licences, he will also be required to submit in addition the triplicate copy of bills of entry etc. a certificate from his Internal Auditor on the bill itself, to the effect that the following items/quantity in the bill of entry related to the stores imported against Defence Buyer contract number..... dated.....

(iii) Subsequent to the reimbursement of customs duty, the Bidder will submit to the concerned Payment Authority a certificate to the effect that he has not obtained any refund of customs duty subsequent to the payment of duty to the Customs authority by him. In addition, he shall also submit to the Paying Authority concerned a certificate immediately after a period of three months from the date of payment of the duty to customs authorities to the effect that he has not applied for refund of the customs duty subsequent to the payment of duty to the customs authorities by him.

(iv) In case the Bidder obtains any refund of customs duty, subsequently to the payment of the same by him to the customs authorities and reimbursement of the customs duty to him by the Payment Authority, he should forthwith furnish the details of the refund obtained and afford full credit of the same to the Buyer.

(b) **Excise Duty -**

(i) Where the excise duty is payable on advalorem basis, the Bidder should submit along with the tender, the relevant form and the Manufacturer's price list showing the actual assessable value of the stores as approved by the Excise authorities.

(ii) Bidders should note that in case any refund of excise duty is granted to them by Excise authorities in respect of Stores supplied under the contract, they will pass on the credit to the Buyer immediately along with a certificate that the credit so passed on relates to the Excise Duty, originally paid for the stores supplied under the contract. In case of their failure to do so, within 10 days of the issue of the excise duty refund orders to them by the Excise Authorities the Buyer would be empowered to deduct a sum

equivalent to the amount refunded by the Excise Authorities without any further reference to them from any of their outstanding bills against the contract or any other pending Government Contract and that no disputes on this account would be raised by them.

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

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

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

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

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

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

(c) Sales Tax / VAT

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

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

(d) Octroi Duty & Local Taxes

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

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

Part IV

(Special Conditions of RFP)

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

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

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

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

4. **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 50% plus/minus increase or decrease the quantity of the required goods upto that limit without any change in the terms & conditions and prices quoted by the Seller. While awarding the contract, the quantity ordered can be increased or decreased by the Buyer within this tolerance limit.

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

(b) 80% of the total cost of the order after delivery, inspection, acceptance of items and duly supported by zerox copy of BG, at **DIT Air HQ Computer Centre , IAF , Subroto Park , New Delhi 110010**. Inspecting agency will be the rep of DIT.

(c) 20% of total cost of the supply order after installation of softwares at user site (Delhi Area).

6. **Paying Authority:**

(a) **Indigenous Sellers:** (Name and address, contact details). The payment of bills will be made on submission of the following documents along with the bill by CDA (AF), RK Puram, New Delhi-66

- (i) Ink-signed copy of contingent bill / Seller's bill.
- (ii) Ink-signed copy of Commercial invoice / Seller's bill.
- (iii) Copy of Supply Order/Contract with U.O. number and date of IFA's concurrence, where required under delegation of powers.
- (iv) CRVs in duplicate.
- (v) Claim for statutory and other levies to be supported with requisite documents / proof of payment such as Excise duty challan, Customs duty clearance certificate, Octroi receipt, proof of payment for EPF/ESIC contribution with nominal roll of beneficiaries, etc as applicable.
- (vi) Exemption certificate for Excise duty / Customs duty, if applicable.
- (vii) Guarantee / Warranty certificate if applicable.
- (viii) DP extension letter with CFA's sanction, U.O. number and date of IFA's concurrence, where required under delegation of powers, indicating whether extension is with or without LD.
- (ix). Details for electronic payment viz Account holder's name, Bank name, Branch name and address, Account type, Account number, IFSC code, MICR code (if these details are not incorporated in supply order/contract).
- (x). Any other document / certificate that may be provided for in the Supply Order / Contract.
- (xi) Xerox copy of PBG.

7. **Fall clause** - The following fall clause will form part of the contract placed on successful Bidder –

- (a) The price charged for the stores supplied under the contract by the Seller shall in no event exceed the lowest prices at which the Seller sells the stores or offer to sell stores of identical description to any persons/ Organisation including the purchaser or any department of the Central government or any Department of state government or any statutory undertaking the central or state government as the case may be during the period till performance of all supply Orders placed during the currency of the rate contract is completed.
- (b) If at any time, during the said period the Seller reduces the sale price, sells or offer to sell such stores to any person/organisation including the Buyer or any Deptt, of central Govt. or any Department of the State Government or any Statutory undertaking of the Central or state

Government as the case may be at a price lower than the price chargeable under the contract, the shall forthwith notify such reduction or sale or offer of sale to the Director general of Supplies & Disposals and the price payable under the contract for the stores of such reduction of sale or offer of the sale shall stand correspondingly reduced. The above stipulation will, however, not apply to:--

- (i) Exports by the Seller.
 - (ii) Sale of goods as original equipment at price lower than lower than the prices charged for normal replacement.
 - (iii) Sale of goods such as drugs which have expiry dates.
 - (iv) Sale of goods at lower price on or after the date of completion of sale/placement of the order of goods by the authority concerned under the existing or previous Rate Contracts as also under any previous contracts entered into with the Central or State Govt. Depts., including their undertakings excluding joint sector companies and/or private parties and bodies.
- (c) The Seller shall furnish the following certificate to the Paying Authority along with each bill for payment for supplies made against the Rate contract - "We certify that there has been no reduction in sale price of the stores of description identical to the stores supplied to the Government under the contract herein and such stores have not been offered/sold by me/us to any person/ organization including the purchaser or any department of Central Government or any Department of a state Government or any Statutory Undertaking of the Central or state Government as the case may be upto the date of bill/the date of completion of supplies against all supply orders placed during the currency of the Rate Contract at price lower than the price charged to the government under the contract except for quantity of stores categories under sub-clauses (a),(b) and (c) of sub-para (ii) above details of which are given below -".

08. **Risk & Expense clause –**

- (a) Should the stores or any installment thereof not be delivered within the time or times specified in the contract documents, or if defective delivery is made in respect of the stores or any installment thereof, the Buyer shall after granting the Seller 45 days to cure the breach, be at liberty, without prejudice to the right to recover liquidated damages as a remedy for breach of contract, to declare the contract as cancelled either wholly or to the extent of such default.
- (b) Should the stores or any installment thereof not perform in accordance with the specifications / parameters provided by the SELLER during the check proof tests to be done in the Buyer's country, the BUYER shall be at liberty, without prejudice to any other remedies for breach of contract, to cancel the contract wholly or to the extent of such default.

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

(d) Such default.

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

9. Any excess of the purchase price, cost of manufacturer, or value of any stores procured from any other supplier as the case may be, over the contract price appropriate to such default or balance shall be recoverable from the SELLER. Such recoveries shall not exceed 100% of the value of the contract."

10. **Force Majeure clause**

(a) Neither party shall bear responsibility for the complete or partial non-performance of any of its obligations (except for failure to pay any sum which has become due on account of receipt of goods under the provisions of the present contract), if the non-performance results from such Force Majeure circumstances as Flood, Fire, Earth Quake and other acts of God as well as War, Military operation, blockade, Acts or Actions of State Authorities or any other circumstances beyond the parties control that have arisen after the conclusion of the present contract.

(b) In such circumstances the time stipulated for the performance of an obligation under the present contract is extended correspondingly for the period of time of action of these circumstances and their consequences.

(c) The party for which it becomes impossible to meet obligations under this contract due to Force Majeure conditions, is to notify in written form the other party of the beginning and cessation of the above circumstances immediately, but in any case not later than 10 (Ten) days from the moment of their beginning.

(d) Certificate of a Chamber of Commerce (Commerce and Industry) or other competent authority or organization of the respective country shall be a sufficient proof of commencement and cessation of the above circumstances.

(e) If the impossibility of complete or partial performance of an obligation lasts for more than 6 (six) months, either party hereto reserves the right to terminate the contract totally or partially upon giving prior written notice of 30 (thirty) days to the other party of the intention to terminate without any liability other than reimbursement on the terms provided in the agreement for the goods received.

11. **Specification:** The following Specification clause will form part of the contract placed on successful Bidder - The Seller guarantees to meet the specifications as per Part-II of RFP and to incorporate the modifications to the existing design configuration to meet the specific requirement of the Buyer Services as per modifications/requirements recommended after the Maintenance Evaluation Trials. All technical literature and drawings

shall be amended as the modifications by the Seller before supply to the Buyer. The Seller, in consultation with the Buyer, may carry out technical up gradation/ alterations in the design, drawings and specifications due to change in manufacturing procedures, indigenization or obsolescence. This will, however, not in any way, adversely affect the end specifications of the equipment. Changes in technical details, drawings repair and maintenance techniques along with necessary tools as a result of up gradation/ alterations will be provided to the Buyer free of cost within 15 days of affecting such up gradation /alterations.

12. **OEM Certificate/ authorisation:** In case the Bidder is not the OEM, the agreement certificate/authorisation from the OEM for selling the items shall be mandatory.

13. **Earliest Acceptable Year of Manufacture:** Quality/ Life certificate will need to be enclosed with the Bill.

14. **Buyer Furnished Equipment:** The following equipment will be provided by the Buyer at his expense to the Seller:

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

(a) The Seller shall provide packing and preservation of the equipment and spares/goods contracted so as to ensure their safety against damage in the conditions of land, sea and air transportation, 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, and with seasoned wood. The packing cases should have hooks for lifting by crane/fork lift truck. Tags with proper marking shall be fastened to the special equipment, which cannot be packed.

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

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

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

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

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

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

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

17. **Quality Assurance:** Seller would provide the Standard Acceptance Test Procedure (ATP) within __ month of this date of contract. Buyer reserves the right to modify the ATP. Seller would be required to provide all test facilities at his premises for acceptance and inspection by Buyer. The details in this regard will be coordinated during the negotiation of the contract. The item should be of the latest manufacture, conforming to the current production standard and having 100% defined life at the time of delivery.

18. **Inspection Authority:** The Inspection will be carried out by Rep of DIT. The mode of Inspection will be Departmental Inspection / User Inspection / Joint Inspection / Self-certification.

19. **Pre-Dispatch Inspection** - The following Pre-dispatch Inspection clause will form part of the contract placed on successful Bidder -

(a) The Buyer's representatives will carry out Pre-Dispatch Inspection (PDI) of the stores/equipment in order to check their compliance with specifications in accordance with its usual standard procedures. Upon successful completion of such PDI, the Seller and Buyer will issue and sign a Certificate of Conformity as per the specimen at Form DPM-21 (Available in MoD website and can be given on request).

(b) The Seller shall intimate the Buyer at least 45 days before the scheduled date of PDI. The time required for completing visa formalities by the Seller should not be included in this notice. The Buyer will send his authorised representative(s) to attend the PDI.

(c) The list of Buyer's representatives together with their particulars including name, title, date and place of birth, passport numbers including date of issue and date of expiry, address, etc. must be communicated by the Buyer at least 14 days in advance to apply for the necessary authorisations and clearances to be granted.

(d) The Buyer reserves the right not to attend the PDI or to request for postponement of the beginning of the PDI by a maximum of fifteen (15) days from the date fixed for such PDI in order to allow his representative(s) to attend such tests, in which cases he shall inform in writing the Seller within 15 days before

the date of the beginning of the PDI. Should the Buyer request for such postponement, liquidated damages, if any, shall not apply. In case the Buyer informs the Seller within the period mentioned hereinabove that he cannot attend the PDI or in case the Buyer does not come at the postponed date requested by him for performance of the PDI as mentioned above, the Seller shall be entitled to carry out said tests alone as scheduled. The Certificate of Conformity and the Acceptance Test Report will be signed by the Seller's QA representative alone and such documents bearing the sole signature of the Seller's QA representative shall have the same value and effect as if they have been signed by both the parties. In case Buyer does not elect to attend the PDI, the Buyer shall intimate the Seller in writing that it does not wish to attend the PDI.

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

(f) All costs associated with the stay of the Buyer's Representative(s) in the country here the PDI is to be carried out, including travel expenses, boarding and lodging, accommodation, daily expenses, shall be borne by the Buyer.

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

20. **Joint Receipt Inspection:** The following Joint Receipt Inspection clause will form part of the contract placed on successful Bidder –

(a) The Parties agree that the Joint Receipt Inspection (JRI) of delivered goods shall be conducted on arrival in India at location to be nominated by the Buyer. JRI shall be completed within 120 days (for armament/ammunition)/ 90 days (for other than armament/ammunition) of arrival of good at the Port Consignee. JRI will consist of

(i) Quantitative checking to verify that the quantities of the delivered goods correspond to the quantities defined in this contract and the invoices.

(ii) Complete functional checking of the stores/equipment as per specifications in the contract and as per procedures and tests laid down by Buyer but functional checking of spares shall not be done.

(iii) Check proof and firing, if required.

(b) JRI will be carried out by the Buyer's representative(s). The Buyer will invite the Seller with a prior notice of a minimum of fifteen (15) days to attend the JRI for the delivered goods. The Seller shall have the right not to attend the JRI. The bio data of the Seller's representative will need to be communicated fifteen (15) days prior to the despatch of goods to the Buyer for obtaining necessary security clearance in accordance with the rules applicable in the Buyer's country.

(c) Upon completion of each JRI, JRI proceedings and Acceptance Certificate will be signed by both the parties. In case the Seller's representative is not present, the JRI proceedings and Acceptance Certificate shall be signed by the Buyer's representative only and the same shall be binding on the Seller. Copy of JRI proceedings and Acceptance Certificate shall be despatched to the Seller within 30 days of completion of the JRI. In case of deficiencies in quantity and quality or

defects, details of these shall be recorded in the JRI proceedings, Acceptance Certificate shall not be issued and claims raised as per the Article on Claims in the contract. In case of claims, Acceptance Certificate shall be issued by Buyer's representative after all claims raised during JRI are settled. If the Buyer does not perform the JRI as mentioned above for reasons exclusively attributable to him, the JRI in India shall be deemed to have been performed and the stores/equipment fully accepted.

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

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

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

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

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

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

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

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

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

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

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

23. **Warranty -**

(b) The following Warranty will form part of the contract placed on successful Bidder -

(i) The Seller warrants that the goods supplied under the contract conform to technical specifications prescribed and shall perform according to the said technical specifications.

(ii) The Seller warrants for a period of 12 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 the contract and each component used in the manufacture thereof shall be free from all types of defects/failures.

(iii) If within the period of warranty, the goods are reported by the Buyer to have failed to perform as per the specifications, the Seller shall either replace or rectify the same free of charge, within a maximum period of 45 days of notification of such defect received by the Seller, provided that the goods are used and maintained by the Buyer as per instructions contained in the Operating Manual. Warranty of the equipment would be extended by such duration of downtime. Record of the down time would be maintained by the user in the logbook. Spares required for warranty repairs shall be provided free of cost by the Seller. 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.

(iv) The Seller also warrants that necessary service and repair back up during the warranty period of the equipment shall be provided by the Seller and he will ensure that the downtime is within 95 % of the warranty period.

(v) The Seller shall associate technical personnel of the Maintenance agency and Quality Assurance Agency of the Buyer during warranty repair and shall also provide the details of complete defects, reasons and remedial actions for defects.

(vi) If a particular equipment/goods fails frequently and/or, the cumulative down time exceeds 95% of the warranty period, the complete equipment shall be replaced free of cost by the Seller within a stipulated period of 15 days of receipt of the notification from the Buyer. Warranty of the replaced equipment would start from the date of acceptance after Joint Receipt Inspection by the Buyer/date of installation and commissioning.

(vii) In case the complete delivery of Engineering Support Package is delayed beyond the period stipulated in this contract, the Seller undertakes that the warranty period for the goods/stores shall be extended to that extent.

Part V

(Evaluation Criteria & Price Bid issues)

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

(a) The OEMs can participate directly for this case. In case OEM does not wish to participate directly they may authorise more than one vendor to bid on their behalf for this tender.

(b) The OEM while authorizing vendors to quote for this tender must give an undertaking that in case of any default in execution of this tender by the vendor, the OEM will take all necessary steps for successful execution of this tender.

(c) No change of OEM authorisation by the vendor will be permitted at a later stage in procurement process. **Interested Vendors are to submit authorisation from OEM for all items.** The tender reference number for this case should also be mentioned on authorisation letter.

(d) The Quoted products should be ISO certified.

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

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

(i) In cases where only indigenous Bidders are competing, all taxes and duties (including those for which exemption certificates are issued) quoted by the Bidders will be considered. The ultimate cost to the Buyer would be the deciding factor for ranking of Bids.

(g) The Bidders are required to spell out the rates of Customs duty, Excise duty, VAT, Service Tax, etc in unambiguous terms; otherwise their offers will be loaded with the maximum rates of duties and taxes for the purpose of comparison of prices. If reimbursement of Customs duty / Excise Duty / VAT 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 duties will be entailed after the opening of tenders. If a Bidder chooses to quote a price inclusive of any duty and does not confirm inclusive of such duty so included is firm and final, he should clearly indicate the rate of such duty and quantum of excise duty included in the price. Failure to do so may result in ignoring of such offers summarily. If a Bidder is exempted from payment of Customs duty / Excise Duty / VAT duty upto any value of supplies from them, they should clearly state that no excise duty will be charged by them up to the limit of exemption which they may have. If any concession is available in regard to rate/quantum of Customs duty / Excise Duty / VAT, it should be brought out clearly. Stipulations like, excise duty was presently not applicable but the same will be charged if it becomes leviable later on, will not be accepted unless in such cases it is clearly stated by a Bidder that excise duty will not be charged by him even if the same becomes applicable later on. In respect of the

Bidders who fail to comply with this requirement, their quoted prices shall be loaded with the quantum of excise duty which is normally applicable on the item in question for the purpose of comparing their prices with other Bidders. The same logic applies to Customs duty and VAT also.

(h) If there is a discrepancy between the unit price and the total price that is obtained by multiplying the unit price and quantity, the unit price will prevail and the total price will be corrected. If there is a discrepancy between words and figures, the amount in words will prevail for calculation of price.

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

2. **Price Bid Format:** The Price Bid Format is given below and Bidders are required to fill this up correctly with full details:-

S.No.	Item Specifications	Qty	Unit Price	Total amount
1	Image Analysis software:- Upgradation of existing ERDAS Imagine Professional from existing IRIX to latest window based version.	03		
2	Image Analysis software:- Upgradation of existing ERDAS Imagine Virtual GIS from existing IRIX to latest window based version	01		
3	Upgradation of existing Arc View 3.x to Arc GIS Arcview 9.2	01		
4	Two weeks training of 20 personnel on upgraded software.(for SI No 1,2 &3)	02 Weeks on site trainin g		
5	Installation Charges if any			
Grand Total				

3. **PLEASE SPECIFY THE FOLLOWING:-**

(ALL COLUMNS ARE TO BE FILLED OTHERWISE THE OFFER IS LIABLE TO BE REJECTED)

Sl No.	Details	To be filled by the firm
1	Is Excise duty extra? (Answer in YES/NO)	
	If yes, Total value of items on which Excise Duty is leviable:	
	Rate of Excise duty (item-wise if different ED is applicable)	
	Surcharges on Excise Duty	
	Total value of excise duty payable:	
	Is Excise Duty Exemption (EDE) required:	
	. If yes, then mention and enclose the following: Excise notification number under which EDE can be given:	
2	Is VAT extra?	
	If yes, then mention the following: Total value on which VAT is leviable: ii. Rate of VAT: iii. Total value of VAT leviable:	
3	Is Service Tax extra?	
	If yes, then mention the following: i. Total value of Services on which Service Tax is leviable: ii. Rate of Service Tax leviable: iii. Total value of Service Tax leviable:	
4	Is Custom Duty Exemption (CDE) required:	
	If yes, then mention the following: Custom notification number under which CDE can be given(Enclose a copy)	
	CIF value of stores to be imported:	

	Rate of Customs Duty payable:	
	Total amount of Customs Duty payable:	
5.	Octroi / Entry taxes	
6.	Any other duty / levy	
7.	Any other Taxes / Duties / Overheads / Other costs	

EMD Bank Guarantee format

Whereas(hereinafter called the Bidder") as submitted their offer dated.....for the supply Of (hereinafter called the "Bid") against the Buyer's Request for proposal No.

KNOW ALL MEN by these presents that WEof Having our registered office at are bound unto (hereinafter called the "Buyer) in the sum offor 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 of20..... 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 tender.

(2) If the Bidder having been notified of the acceptance of his tender by the Buyer during the period of its validity.

a) If the Bidder fails to furnish the Performance Security for the due performance of the contract.

b) Fails or refuses to accept/execute the contract.

WE 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 the two conditions, specifying the occurred condition or conditions.

This guarantee will remain in force upto and including 45 days after the period of tender validity and any demand in respect thereof should reach the Bank not later than the above date.

.....

(Signature of the authorized officer of the Bank) Name and designation of the officer
Seal, name & address of the Bank and address of the Branch

Performance Bank Guarantee Format

From:
Bank _____
To,
The President of India, Ministry of Defence,
Government of India
Directorate of Information Technology
Subroto Park, New Delhi-10.

Dear Sir,

1. Whereas you have entered into a contract No. _____ dated _____ (hereinafter referred to as the said Contract) with M/s _____, hereinafter referred to as the "seller" for supply of goods as per Part-II of the said contract to the said seller and whereas the Seller has undertaken to produce a bank guarantee for (%) of total Contract value amounting to _____ to secure its obligations to the President of India. We the _____ bank hereby expressly, irrevocably and unreservedly undertake and guarantee as principal obligors on behalf of the seller that, in the event that the President of India declares to us that the goods have not been supplied according to the Contractual obligations under the aforementioned contract, we will pay you, on demand and without demur, all and any sum up to a maximum of _____ Rupees _____ 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.

2. 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.

3. In no case shall the amount of this guarantee be increased.

4. This guarantee shall remain valid for months from the date of JRI acceptance of test consignment in India or until all the store, spares and documentation have been supplied according to the contractual obligations under the said 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 a continuing guarantee and shall not be discharged by and change in the constitution of the Bank or in the constitution of M/s _____.