

(LETTER HEAD OF THE COMPANY)

REF: CPP BID NO.DATE:.....

STORES: 40MM HEAP ELECTRONIC FUZE (FILLED) WITH SD MECHANISM AS PER
ARDE DRG NO 2008-00-01-00-02-000-00DA AND SERRATED UPPER BODY AS
PER DRG. NO. 2008-00-01-00-001-12DB

ATC - COMPLIANCE STATEMENT FOR THE TENDER:

Only those Bids will be considered for price bid opening who have complied to all T&C.

S. NO.	Clause	Description	Compliance by Bidder Yes/No
01	Nomenclature of Item	40MM HEAP ELECTRONIC FUZE (FILLED) WITH SD MECHANISM AS PER ARDE DRG NO 2008-00-01-00-02-000-00DA AND SERRATED UPPER BODY AS PER DRG. NO. 2008-00-01-00-001-12DB	
02.	Qty. to be Purchased	28126 Nos.	
03.	Publish on	CPP PORTAL	
04.	Type of Tender	Single Tender	
05.	Delivery Period	Full Order qty. within 06 months (180 days) of placement of Supply Order	
06.	Tender to be issued to firms	On STE basis to M/s HBL Engineering Ltd., Hyderabad As per MILPM-2023 Para 2.17, Quote "If the vendor is established but not registered on the day of VSL TPC, it will be essential for the vendor to get registered before opening of bid for which factory should also liaise with the vendor. For any established vendor, which is not registered, it will be essential to get registration before opening of bid, else his offer will not be considered." Unquote. In case not registered: Established Supplier should get Registered before tender opening date. Contact for Registration :- 020 2592 2540/2562 (Registration office TC Cell), Email Address:- afkqatc@ord.gov.in	
07.	No. of Bids	Single Bid	
08.	Validity of Offer	90 days from the date of tender opening.	

Authorized Signature & Seal of the Bidder

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09.	Payment Terms	100% Payment on delivery and acceptance of material at factory premises can be accepted. In such cases, the payment will be released within 30 days only after receipt of following documents from the supplier : (i) Tax Invoice (ii) Bank Mandate form & Cancelled Cheque (iii) Hard copy of Performance Security Deposit	
10.	Option Clause Quantity	Applicable, 50% of SO quantity	
11.	Tender Opening Date	07 Days after publication of TE.	
12.	Inspection Authority and Type	Authorized representative of CGM/AFK at AFK premises for raw material and bulk inspection.	
13.	Tender Fee	NIL	
14.	EMD/Bid security declaration	Applicable as per MILSPM-2023	
15.	MSE Purchase preference (L1+15%)	Not Applicable since tender is being issued on STE basis	
16.	MII Reserve	Not Applicable since tender is being issued on STE basis	
17.	RA POST Technical Evaluation	No	
18.	Mode of Delivery	F.O.R. :- AFK Pune Premises	
19.	PV Clause	Not Applicable. Rate shall be firm and fixed.	
20.	Performance Security Deposit(PSD)	Applicable @ 05%, if the contract value exceeds above ₹ 05 lakh (as per latest guidelines of MILSPM- 2023) Successful Bidder can submit the Performance Security in the form of: Bank Guarantee: in favour of General Manager, Ammunition Factory, Khadki, Pune 411003 (Unit of Munitions India Ltd) OR In form of Account Payee Demand Draft : in favour of MUNITIONS INDIA LIMITED - AMMUNITION FACTORY KIRKEE, payable at PUNE. OR	

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		<p>In form of Fixed Deposit Receipt – with auto renewable facility.</p> <p>After award of contract, Successful Bidder has to submit the PSD within 30 days.</p> <p>PSD should be valid for 14 months from the date of last supply date.</p>	
21.	Guarantee/Warrantee Clause	<p>12 calendar months from the date of receipt and final acceptance of supply in Buyer's place / buyer's designated place, whichever is earlier.</p> <p>Timely Servicing / rectification of defects during warranty period: After having been notified of the defects / service requirement during warranty period, Seller has to complete the required Service /Rectification within 08 days' time limit. If the Seller fails to complete service / rectification with defined time limit, a penalty of 0.5% of Unit Price of the product shall be charged as penalty for each week of delay from the seller. Seller can deposit the penalty with the Buyer directly else the Buyer shall have a right to recover all such penalty amount from the Performance Security (PBG).Cumulative Penalty cannot exceed more than 10% of the total contract value after which 1the Buyer shall have the right to get the service / rectification done from alternate sources at the risk and cost of the Seller besides forfeiture of PBG. Seller shall be liable to re-imberse the cost of such service / rectification to the Buyer.</p>	
22.	Pre-contract Integrity Pact Clause	<p>Applicable being case value more than ₹5 Crore.</p>	
23.	Liquidated Damages (LD):	<p>The time for and the date of delivery of the stores stipulated in the Purchase Order shall be deemed to be the essence of the contract, and delivery must be completed not later than the dates specified therein. Should the Seller fail to deliver the material to our premises or any consignment thereof within the period prescribed for such delivery, Buyer shall be entitled to recover from the Seller agreed liquidated damages, and not by way of penalty a sum of 0.5% per week of delay or part thereof, subject to a maximum of 10% of the contract value, as our claim towards liquidated damages on the undelivered part of the order. The LD will be charged on the contract value (Basic Rate).</p>	

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		Imposition, recovery or settlement of this LD shall not affect Buyer's right to performance, compensation and termination of the agreement. Liquidated Damages in contracts with Price Variation formula shall be levied on the price as varied by the operation of the Price Variation clause.	
24.	Extension of Delivery Period	Applicable as per Clause No. 4.19 of MILSPM-2023	
25.	Conflict of interest Clause	Applicable	
26.	Tolerance	Applicable at (\pm 5%)	
27.	Distribution of Tender Quantity	100% on M/s HBL Engineering Ltd., Hyderabad	
28.	Participation Criteria	M/s HBL Engineering Ltd., Hyderabad is only eligible to participate in this Tender Enquiry as the tender is issued on STE basis. Offer of other than this firm will be summarily rejected.	
29.	Special Terms and Conditions	<p>a) The seller must submit the self-certificate in respect to raw material clearance at the time of bulk supply along with the necessary test reports as per the drawing and specification of the item. (Format attached).</p> <p>b) Participating firm is required to comply with all terms and conditions of tender enquiry. If firm is deviating from additional terms and conditions attached by buyer then such offers shall liable to be rejected.</p> <p>c) Drawings & Technical specification will be forwarded through mail to the firm on receipt of filled Non-disclosure agreement on email : afkpv4@ord.gov.in</p> <p>d) Without prejudice to Buyer's right to price adjustment by way of discount or any other right or remedy available to Buyer, Buyer may terminate the Contract or any part thereof by a written notice to the Seller, also participation of same seller may not considered in next upcoming tenders also (by Relevant TPC) if:</p> <p>i) The Seller fails to comply with any material term of the Contract.</p>	

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		<p>ii) The Seller informs Buyer of its inability to deliver the Material(s) or any part thereof within the stipulated Delivery Period or such inability otherwise becomes apparent.</p> <p>iii) The Seller fails to deliver the Material(s) or any part thereof within the stipulated Delivery Period and/or to replace/rectify any rejected or defective Material(s) promptly.</p> <p>iv) The Seller becomes bankrupt or goes into liquidation.</p> <p>v) The Seller makes a general assignment for the benefit of creditors.</p> <p>vi) A receiver is appointed for any substantial property owned by the Seller.</p> <p>vii) The Seller has misrepresented to Buyer, acting on which misrepresentation Buyer has placed the Purchase Order on the Seller.</p>	
30.	GST	Supplier shall ensure that the Invoice is raised in the name of Buyer with GSTIN of Consignee only. The GST No. of Buyer/ consignee is: 27AAOCM8781H2ZP	
		Bidders are advised to check applicable GST on their own before quoting. Buyer will not take any responsibility in this regards. GST reimbursement will be as per actuals or as per applicable rates (whichever is lower), subject to the maximum of quoted GST %.	
		GST applicable to the offered product <u>(to be filled by Bidder)</u>	
31.	NON DISCLOSURE AGREEMENT	NON DISCLOSURE AGREEMENT (On Bidder Letter Head) to be uploaded with bid: (Format is enclosed herewith)	
32.	Loading and Unloading:	Unloading at store will be under the scope of AFK	
33.	Advance Samples	Not Applicable	
34.	Arbitration	All disputes & differences arising out of or in any way touching or concerning this agreement (except those for which specific provision has been made therein) shall be referred to Sole Arbitrator to be appointed by CMD, Munitions India Ltd with the mutual consent of the parties.	

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35.	Clarifications in Drawings	Clarifications, if any, in the drawings to be sought within 10 days of placement of Supply Order. Practice of seeking clarification in the later stages is to be discouraged.	
36.	All Other Terms and Conditions	All clauses and provisions of MIL Store Procurement Manual-2023 are applicable. The manual can be referred from website>> https://munitionsindia.in >OUR UNITS>AMMUNITION FACTORY KHADKI>About Us>Reference>MILSPM.	
36.1		MSME Documents Submitted	
36.2		Quoted for at least 50 % of tender quantity	
36.3		Store Is Offered as per TE Specifications	
36.4		Jurisdiction Clause accepted.	
36.5		Access to Books of Accounts clause accepted	
36.6		Anti- Cartel Formation Clause accepted.	
36.7		Agents / Agency Commission Clause accepted.	
36.8		Agreed for condition of Nondisclosure of Contract documents	
36.9		Agreed for condition of Evaluation Criteria	
36.10		Validity of offer-as per tender.	
36.11		Guarantee/ Warranty Clause accepted.	
36.12		Pre-Integrity Pact Clause accepted	
36.13		Risk Purchase Clause accepted	
36.14		Bribes Clause accepted	
36.15		Classified / Confidentiality Clause accepted	
36.16		Intellectual Property Right Clause accepted	
36.17		Force Majeure Clause accepted	
36.18		Immunity to Govt. of India Clause accepted	
36.19		Termination Clause accepted	
36.20		Appropriation Clause accepted	
36.21		Obsolescence Clause accepted	
36.22		Product Liability Clause accepted	
36.23		Indemnity against Patent Rights accepted	
36.24		Export License Clause accepted	
36.25		Amendment & Waiver Clause accepted	
36.26		Exit Criteria Clause accepted	
36.27		Insolvency Clause accepted	
36.28		Product Support Clause accepted	

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36.29		Packing Conditions Clause accepted	
36.30		Price Variation Clause accepted	
37.	Additional Documents required from Seller:-	1)Non-Disclosure Agreement -Mandatory 2)Model Clause Certificate -Mandatory 3)Bid Security Declaration -Mandatory 4)Compliance Statement -Mandatory 5) Make in India certificate -Mandatory 6) Price Fall Clause Certificate -Mandatory 7) MSME Certificate -As per firm's registration 8)Vendor Registration Certificate -Mandatory For any queries regarding tender, contact PV (Direct) Section, Ammunition Factory, Khadki, Pune 411 003. Contact No. 020-25922632 Email : afkpv4@ord.gov.in	
38.	Buyers Right	Buyer reserves the right to reject/cancel/scrap the tender enquiry or change the quantity of tendered item without notifying any reason what so ever.	
	NOTE 1	Drawings/specifications will be issued to firms on submission of Non-Disclosure Agreement. (format enclosed)	
	NOTE 2	Bidders are requested to feed the PRODUCT NAME in their offer as mentioned in instant tender.	

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TO BE ATTACHED WITH THE BID

ANNEXURE-I

NON-DISCLOSURE AGREEMENT

"This component drawings shall be treated as confidential by the parties including their officers/employees and shall limit access to such of its officers/employees involved in relevant works on a need to know basis. Except with the written consent of the Buyer, the participating vendor(s) shall not disclose the specifications, plan, drawings, pattern or information thereof, to any third party, other than a person employed by the participating Bidders involved in relevant work on need to know basis. In case it is found that a participating firm(s) or its employee(s) is engaged in unethical practices, the firm shall be barred from participating in the future contracts and/or suspended and/or banned for a minimum period of three years and not more than ten years as decided by Competent Authority. In exceptional cases and those involving national security considerations the Competent Authority may order a longer period of banning of business dealings with an Entity, as deemed appropriate"

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ANNEXURE-II

REF: TE NO. DATE:.....

STORES:.....QUANTITY:.....

MODEL CLAUSE CERTIFICATE TO BE SUBMITTED FOR TENDERS

“I have read the clause regarding restrictions on procurement from a bidder of a country which shares a land border with India; I certify that this bidder is not from such a country or, if from such a country, has been registered with the Competent Authority. I hereby certify that this bidder fulfills all requirements in this regard and is eligible to be considered. [Where applicable, evidence of valid registration by the Competent Authority shall be attached.]”

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TO BE ATTACHED WITH THE BID.

BID SECURITY DECLARATION

To,
Sr. General Manager,
Ammunition Factory Khaki, Pune- 411003.

I/We, The undersigned, declare that:

I/We understand that, according to your conditions, bids must be supported by a Bid Security Declaration.

I/We accept that I/We may be disqualified from bidding for any contract with you for a period of one year from the date of notification if I am / We are in a breach of any obligation under the bid conditions, because I/We

a) have withdrawn / modified / amended, impairs or derogates from the Tender, my / our Bid during the period of bid validity specified in the form of Bid; or b) having been notified of the acceptance of our Bid by the purchaser during the period of bid validity.

(i) fail or refuse to execute the contract, if required, or

(ii) fail or refuse to furnish the Performance Security, in accordance with the Instructions to Bidders.

I / We understand this Bid Security Declaration shall cease to be valid if I am / we are not the successful Bidder, upon the earlier of

(i) the receipt of your notification of the name of the successful Bidder; or

(ii) Forty five days after the expiration of the validity of my / our Bid.

Signed in the (insert signature of person whose name and capacity are shown)

Capacity of:

Name :

Authorized Signature & Seal of the Bidder Date:../../.... required on all document

(Note: In case of a joint Venture, the Bid Security Declaration must be in the name of all partners to the joint Venture that submits the bid).

Authorized Signature & Seal of the Bidder

Date:../ ../ /

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TO BE ATTACHED WITH THE BID.

MAKE IN INDIA DECLARATION

REF: TE NO. DATE:.....

To,
Sr. General Manager,
Ammunition Factory Khadki, Pune- 411003.

I/ We, on behalf of M/s ----- declare that, local content for the item(s)
as tendered are:

S.No.	Item Nomenclature as per Tender/Item Code	% Local Content
1.	40MM HEAP ELECTRONIC FUZE (FILLED) WITH SD MECHANISM AS PER ARDE DRG NO 2008-00-01-00-02-000-00DA AND SERRATED UPPER BODY AS PER DRG. NO. 2008-00-01-00-001-12DB	<u>---To be filled by bidder.</u>

Signed in the (insert signature of person whose name and capacity are shown)
Capacity of:
Name :

Authorized Signature & Seal of the Bidder
Date:.... / /

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To
The General Manager
Ammunition Factory Khadki
Pune - 411003
(Kind Attention: Inspection Officer/ AFK)

Subject: Self Certification for Raw Material Clearance

We, [Company Name], hereby provide this self-certification for the clearance of raw materials used in the production of bulk products. We confirm that we have used the specified raw materials as mentioned in the drawings/specification.

By issuing this self-certification, we acknowledge and accept the following terms and conditions:

1. **Quality Responsibility:** We undertake full responsibility for the quality of the products manufactured using the specified raw materials. We guarantee that all products meet the required quality standards and adhere to the specifications provided by AFK.
2. **Warranty Period:** In the event of any quality issues arising within the warranty period specified by AFK, we will take complete responsibility for the rectification or replacement of any defective products. We will bear all associated costs and expenses incurred to resolve the quality issues promptly.
3. **AFK's Rights:** AFK reserves the right to take appropriate actions against us if any quality issues are observed within the warranty period. These actions may include but are not limited to issuing warnings, imposing penalties, or terminating our agreement with AFK based on the severity of the non-compliance.
4. **Regulatory Compliance:** We affirm that all products comply with the applicable laws, regulations, and standards governing their production, packaging, labelling, and distribution. We maintain accurate records of raw materials used and are ready to provide supporting documentation upon request.
5. **Lab Reports:** We will provide testing reports at the time of Bulk supply.
6. **Documentation:** We agree to maintain records of the raw materials used, production processes, quality control procedures, and any other relevant documentation. We will provide these records to AFK upon request as evidence of compliance with the specified raw materials usage.

By signing below, we acknowledge that we have read, understood, and agree to comply with all the terms and conditions outlined in this self-certification.

[Your Company Name]:

[Authorized Signatory]
[Name]
[Title]
[Date]

Authorized Signature & Seal of the Bidder
Date:.... / /

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PRICE FALL CLAUSE CERTIFICATE

(To be submitted in the bidder's company letter head)

I/We undertake that we have not offered to supply / supplied/ are not supplying same or similar products / systems or sub systems at a price lower than that offered against the Tender No.....dtd.....in respect of any Organization /Ministry/Department of the Govt. of India or its Subsidiaries or other PSU during the currency of the contract and if it is found at any stage that same or similar product /systems or sub systems was supplied by the bidder to any organization / Ministry / Department of the Govt. of India or its subsidiaries or other PSU at a lower price during the currency of the contract, then that very price will be applicable to the present case and the difference in the cost would be refunded by the bidder to buyer, if the contract has already concluded.

Date:

Signature of the Tenderer

Seal of the Firm

Authorized Signature & Seal of the Bidder

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ANNEXURE-'5B'

PRE-CONTRACT INTEGRITY PACT

(for cases valuing above Rs. 5 Cr and up to 100 Cr)

General

1. Whereas the GM/Sr.GM, hereinafter referred to as the Buyer and the first party, proposes to procure (Name of the Store/ Equipment), hereinafter referred to as Defence Stores, and M/s _____, represented by, Mr / Mrs _____, Chief Executive Officer (which term, unless expressly indicated by the contract, shall be deemed to include its successors and its assignees); hereinafter referred to as the Bidder/Seller and the second party, is willing to offer/has offered the stores.

2. Whereas the Bidder is a private company/public company/partnership/registered export agency, constituted in accordance with the relevant law in the matter and the Buyer is a Departmental Organisation under MIL, Ministry of Defence, Government of India Enterprises.

Objectives

3. Now, therefore, the Buyer and the Bidder agree to enter into this pre-contract agreement, hereinafter referred to as Integrity Pact, to avoid all forms of corruption by following a system that is fair, transparent and free from any influence / unprejudiced dealings prior to, during and subsequent to the currency of the contract to be entered into with a view to:-

3.1 Enabling the Buyer to obtain the desired defence stores at a competitive price in conformity with the defined specifications by avoiding the high cost and the distortionary impact of corruption on public procurement, and

3.2 Enabling bidders to abstain from bribing or any corrupt practice in order to secure the contract by providing assurance to them that their competitors will also refrain from bribing and other corrupt practices and the Buyer will commit to prevent corruption, in any form, by their officials by following transparent procedures.

Commitments of the Buyer

4. The Buyer Commits itself to the following:-

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

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

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

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

Commitments of Bidders

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

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

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

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

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

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

6.6 The Bidder, either while presenting the bid or during pre-contract negotiations or before signing the contract, shall disclose any payments he has made, is committed to or intends to make to officials of the Buyer or their family members, agents, brokers or any other intermediaries in connection with the contract and the details of services agreed upon for such payments.

6.7 The Bidder shall not use improperly, for purposes of competition or personal gain, or pass on to others, any information provided by the Buyer as part of the business relationship, regarding plans, technical proposals and business details, including information contained in any electronic

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data carrier. The Bidder also undertakes to exercise due and adequate care lest any such information is divulged.

6.8 The Bidder commits to refrain from giving any complaint directly or through any other manner without supporting it with full and verifiable facts.

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

7. Previous Transgression

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

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

8. Earnest Money/Security Deposit

8.1. **All procurement cases above Rs. 5 Cr and up to Rs. 100 Cr, Integrity Pact is required to be executed without any additional Financial Guarantee.** The EMD/SD/PBG required to be submitted by the vendor as prescribed in the respective Procurement Manual shall only act as the financial guarantee for the IP.

8.2. The validity of the IP will be the validity of the EMD/SD/PBG or the complete conclusion of contractual obligations to complete satisfaction of both the bidder and the buyer, whichever is later. In case there are more than one bidder, the Earnest Money/Security Deposit shall be refunded by the buyer to those bidder(s) whose bid does not qualify (do not qualify) after the stages of TEC/ TPC, as constituted by the Buyer, immediately after a recommendation is made by the TEC/TPC on bid(s) after an evaluation.

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

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

8.5 No interest shall be payable by the Buyer to the Bidder(s) on Earnest Money/Security Deposit for the period of its currency.

9. Company Code of Conduct

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

(LETTER HEAD OF THE COMPANY)

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10. Sanctions for Violation

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

- (i) To immediately call off the pre-contract negotiations without assigning any reason or giving any compensation to the Bidder. However, the proceedings with the other Bidder(s) would continue.
- (ii) The Earnest Money/Security Deposit/Performance Bond shall stand forfeited either fully or partially, as decided by the Buyer and the Buyer shall not be required to assign any reason therefore.
- (iii) To immediately cancel the contract, if already signed, without giving any compensation to the Bidder.
- (iv) To recover all sums already paid by the Buyer, and in case of an Indian Bidder with interest thereon at 2% higher than the prevailing Prime Lending Rate of State Bank of India (or Base Rate of State Bank of India in the absence of Prime Lending Rate) and in case of a Bidder from a country other than India with interest thereon at 2% higher than the LIBOR. If any outstanding payment is due to the Bidder from the Buyer in connection with any other contract for any other defence stores, such outstanding payment could also be utilized to recover the aforesaid sum and interest.
- (v) To encash the advance bank guarantee and performance-cum-warranty bond, if furnished by the Bidder, in order to recover the payments, already made by the Buyer, along with interest.
- (vi) To cancel all or any other Contracts with the Bidder.
- (vii) To ban the Bidder from entering into any bid from the Government of India for a minimum period of five years and not more than ten years at the discretion of the Buyer.
- (viii) To recover all sums paid in violation of this Pact by Bidder(s) to any middleman or agent or broker with a view to securing the contract.
- (ix) If the Bidder or any employee of the Bidder or any person acting on behalf of the Bidder, either directly or indirectly, is closely related to any of the officers of the Buyer, or alternatively, if any close relative of an officer of the Buyer has financial interest/stake in the Bidder's firm, the same shall be disclosed by the Bidder at the time of filing of tender. Any failure to disclose the interest involved shall entitle the Buyer to rescind the contract without payment of any compensation to the Bidder.

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

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

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

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

11. Fall Clause

11.1 The firm should accept a "fall clause" that it will not sell the same material/equipment, with similar tender conditions, at prices lower than the supply order rate placed on it. In case if the firm supplies or quotes a lower rate to other Governments, public sector organisations, it would reimburse the excess amount.

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

12. Independent Monitors

12.1 The Buyer has appointed Independent Monitor(s) for this Pact in consultation with the Central Vigilance Commission (**Names and Addresses of the Monitors to be given**) :

① Shri RAJENDRA KALLA (IES RETD.) -rajendra432000@yahoo.co.in
Address: 16, Munirka Enclave, Opp. Vasant Vihar Bus Depot, New Delhi - 110067

② Shri RAJNISH KUMAR VAISH (IAS RETD.) -rajnishkumar@gmail.com

12.2 As soon as the Monitor notices, or believes to notice, a violation of this Pact, he will so inform the GM/Sr.GM.

Address: Plot No. 10, Greenwoods Govt. Officers Welfare Society, Phase-II, Sector Omega-I, Greater Noida, UP - 201310

13. Examination of Books of Accounts

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

14. Law and Place of Jurisdiction

This Pact is subject to Indian Law. The place of performance and jurisdiction is the seat of the Buyer i.e. **the nearest location from the seat of the Buyer of a High Court or a Bench of High Court.**

15. Other Legal Actions

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

16. Validity

16.1 The validity of this Integrity Pact shall be from date of its signing and will remain valid upto the validity of the PBG or the complete conclusion of contractual obligations to complete satisfaction of both the Buyer and the Bidder/Seller, whichever is later.

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

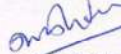
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17. The Parties hereby sign this Integrity Pact at _____ on _____

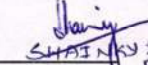
BUYER



(NISHITH DWIVEDI)
Designation: JE GM
Ordnance Factory AFK

BIDDER

(_____)
Chief Executive Officer
Name of Firm: _____

Witness

1. _____

SHRINIV RASTOGI
DGM

2. _____

D.C. JELEKAR,
AWM

Witness

1. _____

2. _____