

THE STATE TRADING CORPORATION OF INDIA LTD.

(A GOVT. OF INDIA ENTERPRISE)

Mogul's Court, 5th Floor, Basheerbagh, Hyderabad 500 001, India

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TENDER NO.: STC/HYD/GID/2013-14/W&CE-01 Dated 1st Nov, 2013

We have a firm enquiry for import/supply of following item(s) from one of our end user Customers:

Item. No.	Name of Item	Quantity (Nos.) (Approx.)
1.	Weaponry	1000
2.	Communication equipment (Digital VHF Handheld Radio)	200

TERMS AND CONDITIONS

You are requested to submit your most competitive offer (In Duplicate) for the above product range separately. Your offer in a sealed cover duly superscribing the Tender No. Item No. & Name of Item addressed to The Branch Manager, STC of India Ltd., Mogul's Court, 5th Floor, Basheerbagh, Hyderabad 500 001 and may be dropped in a separate Tender Box for Weaponry & Communication Equipment placed conspicuously on The STC Of India Ltd, Mogul's Court, 5th Floor, Basheerbagh, Hyderabad 500 001 by **1500 Hrs IST on 27.11.2013**. The tender will be opened **on the same day at 1530 Hrs IST on 27.11.2013** in presence of the Tenderers desirous to be present.

Your offer should be based on the following main terms and conditions:

1.	Prices:	Please quote your most competitive unit FOB Price and also on CIP Hyderabad (Andhra Pradesh) India by air basis for the main item(s) as well for recommended essential accessories and separately for spare parts, if any. (Break-up of insurance, airfreight, etc. may also be given) You are requested to submit certificate as per Annexure-A attached that prices quoted are competitive and in line with recent quotations submitted by you for similar items to other customers.
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2.	Specifications:	Weaponry (Annexure B) Communication Equipment's- (Digital VHF Handheld Radio) (Annexure C)
3.	Validity:	Your offer should be valid for acceptance for a period of six months from the date of your quotation.
4.	Delivery Schedule:	Please quote your firm CIP/CIF delivery schedule from the date of placement of order and establishment of Letter of Credit, whichever is later.
5.	Payment terms:	Letter of Credit & 100% payment will be released only after satisfactory delivery/demonstration of the equipment at the end user's premises and certificate to this effect from end user in prescribed format shall become the part of LC negotiation document. All bank charges incurred outside India including L/C confirmation charges, if required, shall be to your account.
6.	Supply Details :	You have to mention that so far how many weapons were supplied to which country/organization and the unit cost of each weapon for the past 5-6 years.
7.	Country of Origin:	You have to confirm the country of origin of the product(s) being offered by you and submit certificate of origin duly supported by the Chamber of Commerce as a part of your dispatch documents.
8.	Port of dispatch:	Please specify the Airport of dispatch of the consignment.
9.	Inspection:	Inspection will be conducted in India by the End user at their premises
10.	Schedule of tender	a) closing date & time for receipt of offer: <u>27.11.2013, 1500 HRS</u> b) opening of offers, date & time: <u>27.11.2013, 1530 HRS</u>
11.	Offers invited under Two bid system	All bidders are requested to submit their offers in two covers i.e Technical Bid & Price Bid (in duplicate). Both the covers should be separately sealed & super-scribed with Tender No, and Date of opening. The two covers should thereafter be kept in a master cover and sealed. This cover should also be super-scribed with the Tender No, & date, Item description & the date of tender opening. The Tenders will be opened on the closing day itself in the presence of Tenderers desirous to be present.
12.	Warranty:	The consignment will be warranted for a period of 12 months from the date of receipt of the material by the end-user Department, which is the consignee.
13.	Post-delivery inspection:	The Weaponry/communication Equipment along with accessories and spare parts, if any, will be inspected physically by the end-user Department (consignee) or their authorised representative at consignee's premises and Serviceability test will be carried out. If the Weaponry/Communication Equipment along with accessories

		and spare parts, if any, are found defective upon receipt and inspection, you would be required to replace the same under warranty at consignee's place in India free of cost to the satisfaction of consignee failing which entire amount (payment) along with applicable interest would be liable to be refunded.
14.	Maintenance after warranty:	You have to give an undertaking that you will provide maintenance support after the expiry of warranty period covering the life of the equipment. You would also be required to give an undertaking that you will supply spare parts, if and when required, at an agreed price during the life of the equipment.
15.	Liquidated damages:	In case of delay in supplies beyond the quoted delivery period, liquidated damages to the extent of 0.5% of the cost of the delayed supplies per week is applicable, subject to a maximum of 10%. Beyond this period, we reserve the right to either extend further or to cancel the contract.
16.	Earnest Money Deposit (EMD)	All offers shall be submitted along with an Earnest Money Deposit (EMD) @ 2% of CIP value quoted, in equivalent Indian Currency, in the form of Bid Bond, in US Dollars only (Annexure-D). However, for sake of convenience the foreign suppliers may submit the requisite EMD through their Indian Agents in equivalent Indian Currency, should they so desire.
17.	Performance Guarantee:	Upon award of the Tender/Order, you would be required to submit a Performance Guarantee for 10% value of the order for due performance of the Contract, valid up to the warranty period of the equipment. The format of Performance Guarantee to be submitted through a local Bank based in India, is attached at Annexure-E .
18.	Arbitration:	Any dispute or difference whatsoever arising between the parties out of or relating to the construction, meaning, operation or effect of the contract or the breach thereof shall be settled by arbitration in accordance with the Rules of Arbitration of the Indian Council of Arbitration, New Delhi and the award made in pursuance thereof shall be binding on the parties. The contract shall in all aspects be governed by Indian laws. The courts in India at New Delhi alone shall have jurisdiction in the matter. The language of Arbitration shall be English.
19.	No liability/ obligation of Govt. of India under the contract	It is expressly understood and agreed by and between the Seller and STC that STC is entering into this agreement solely on its own behalf and not on behalf of any other person or entity. In particular, it is expressly understood and agreed that the Govt. of India is not a party to this agreement and has no liabilities,

		obligations or right hereunder. It is expressly understood and agreed that STC is an independent legal entity with power and authority to enter into contracts, solely on its own behalf under the applicable laws of India and general principles of contract laws.
20.	Packing and Marking:	The weaponry / Communication Equipments along with accessories and spare parts, if any, shall be packed securely and marked properly to avoid loss or damage in transit. Each case shall have marking of Contract No. and Name of the consignee on two opposite sides and on top. These marks should also be shown on Invoice, packing list and on Airway Bill exactly as these appear on the cases.
21.	Proprietary Article Certificate	Please submit original Proprietary Article Certificate, if applicable, on your letterhead confirming that you are the actual manufacturer of the quoted items. Please also confirm that you are the only company that is authorised to supply the Original Equipment Manufactured and its spares into the territory of India.
22.	Force Majeure	<p>If at any time during the existence of the contract either party is unable to perform in whole or in part any obligation under this contract because of war, hostility, civil commotion, sabotage, terrorist attack, quarantine restrictions, acts of God and acts of Government (including but not restricted to prohibition of exports or imports) fires, floods, explosions, epidemics, strikes, embargoes then the date of fulfillment of engagement shall be postponed during the time when such circumstances are operative.</p> <p>Any waiver /extension of time in respect of the delivery of any installment or part of the goods occasioned due to reason mentioned above shall not be deemed to be waiver/extension of time in respect of the remaining deliveries.</p> <p>If operation of such circumstances exceed three months, each party shall have the right to refuse further performance of the contract in which case neither party shall have the right to claim eventual damages.</p> <p>The party which is unable to fulfill its engagements under the present contract must within 15 (fifteen) days of occurrence of any of the causes mentioned in this clause inform the other party of the existence or termination of the circumstances preventing performance of the contract. Certificate issued by the Chamber of Commerce in the country of Seller or the Buyer shall be sufficient proof of existence of the above circumstances and their duration. Non-availability of raw material will not be an excuse to the Seller for not performing their obligation under the contract.</p>

23.	Integrity Pact.	<p>1. Signing of Integrity Pact (IP) is mandatory for every bidder participating in this tender. A copy of the IP is enclosed (Annexure-F), which may be deemed to have been signed by STC. A downloadable format of IP is available on the STC website under the link http://www.stc.gov.in/corporatecommitments/Integrity-pact.aspx. The Bidder(s) and STC shall be bound by the provisions of IP in case any complaint relating to the tender is found substantiated.</p> <p>2. The IP shall be executed on a plain paper and duly signed on each page by the same signatory who signs the bid document.</p> <p>3. Any bid not accompanied by duly signed IP by the bidder shall be summarily rejected.</p> <p>4. All Associates whose contribution in the tender is above 5 crore shall sign IP with STC after the tender is awarded to the successful bidder. All bidders shall inform their associates accordingly.</p> <p>5. The Independent External Monitors (IEMs) for this tender shall be Mr.Ashok Sinha and Mr.Kaushlesh K. Sinha . All correspondence to them regarding implementation of IP should be addressed to : (Name of IEM) IEM, C/o Chairman & Managing Director, State Trading Corporation of India Ltd., Jawahar Vyapar Bhawan, Tolstoy Marg, New Delhi - 110 001.</p> <p>6. The Contract/Agreement to be signed between STC and successful Bidder will essentially include a clause that Integrity pact is a part of the contract and both STC and the Bidder(s) are bound by the provisions of the Integrity pact. A sample clause for inclusion in contract/agreement is given below:</p> <p>“That M/s _____(Bidder) and STC agree that integrity pact is a part of this contract and both the parties are bound by its provisions”.</p>
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SPECIAL INSTRUCTIONS TO THE TENDER NOTICE FOR COMPLIANCE OF THE TENDER PARTICIPANTS :-

- A. All Equipments to be offered with installation, supervision and complete training to operating staff.
- B. Standard Products should be offered, be of latest models and meet international specifications and norms of safety, environment, pollution etc. Models and specifications should be clearly spelt out.

- C. It is mandatory to enclose Product literature with the bids.
- D. In case equivalent make/model/brand is offered, a comparative statement with the make/ model/brand desired by customer should be enclosed with bid.
- E. Options on all machines to be offered for one year comprehensive Guarantee (parts, travel and labour included).
- F. Warranty/Guarantee on the items should be spelt out clearly.
- G. Service arrangements in / for India/ site should be mentioned clearly in the bids. Similarly services included in the price offered for equipment/machines should be mentioned.
- H. List of essential spares and consumables should be mentioned and prices offered for the same as optional items.
- I. Names where ever mentioned are for reference purpose, equivalent or better specification/ brand may be offered.
- J. List of essential spares and consumables should be mentioned and prices offered for the Same as optional items.

OTHER TERMS & CONDITIONS:

(A) Having regard to STC's Corporate policy, offers from Principal Manufacturers/ Distributors or their Authorized agents with Tender Specific authorization by their Principal Manufacturer/ Distributor in their favour as per **Annexure –G** enclosed only shall be considered. Offers otherwise submitted, if any, are thus liable to be rejected summarily. Offers can be sent by Courier/Speed Post, but has to reach us before the above Specified Time/Date.

(B) In case of Imported equipment, the Authorized agents may quote the prices for and on behalf of their principal manufacturers in the respective foreign currencies. Accordingly, upon award of order STC shall be entering into direct contract with the Principal Manufacturer.

(C) Quantity is indicative only and may be increased or decreased depending upon the price.

(D) STC would be selling the goods on High Seas Sales basis to the end user Department. All the Customs Clearance documents including High Seas Sales Agreement along with Invoice etc, shall be submitted to the End-user Department's Custom Clearing Agent.

(E) The offers received (other than conditional offers) after opening of bid(s) shall be forwarded to the End-User Department(s) for their evaluation.

(F) You are also requested to kindly give the details of after sales service arrangements in India, if any, along with complete address and contact numbers, etc. along with your offer so that the same could be notified to the End-User Department(s).

(G) For the purpose of equitable comparison and evaluation of the offers, prices quoted in different currencies will be converted to a single currency viz., Indian Rupees as per the TT Selling Rate established by the State Bank of India as on the date of Price Bid Opening. The Comparison of prices & identification of L1 Bidder would be on CIP Hyderabad Basis, duly delivered, commissioned etc. as the case may be on the date of opening of Price Bid.

(H) The Financial Bids of the Tenderers whose Technical Bids are approved shall be opened subsequently.

(I) Incomplete offers not conforming fully to Tender Enquiry requirements or with vague replies will not be considered. Conditional offers are liable to be rejected summarily. You must clearly indicate in your offer the different taxes and duties which you propose to charge extra mentioning clearly the present rates thereof. Vague offers like “DUTIES AS APPLICABLE” shall not be considered.

(J) Besides above, your offer must also conform to the other terms & conditions on which Ministry of Home Affairs, Government of India imports your products. You are required to submit along with your offer this tender document duly signed and stamped on each page in token of your acceptance of STC’s above tender terms.

(K) It shall be the exclusive right of STC to accept or reject the offer either wholly or partly without having to assign any reason thereof.

(L) The participating tenderers will sign & Stamp each page of the Tender document in token of their acceptance of STC’s tender terms & conditions unconditionally & unequivocally and submit same along with the offer(Technical Bid). The offer, not accompanied by STC’s Tender terms duly co-accepted, shall be summarily rejected.

(M) No deviation whatsoever, shall be acceptable. The tenderer has to certify that by duly signing and stamping as per **Annexure H**.

(N) Payment Against the letter of Credit for 100% of the value will be available against presentation of the following documents and also on proof of evidencing of shipment.

(a) Complete set of Original Air Way Bill. The Air Way Bill shall be in the name of THE STATE TRADING CORPORATION OF INDIA LTD., MOGUL’S COURT, 5TH FLOOR, BASHEERBAGH, HYDERABAD 500 001 (INDIA) and marked Freight Prepaid.

(b) Signed invoice in three copies giving letter of credit No., Order No. and date respectively. The invoice shall be in the name of : THE STATE TRADING CORPORATION OF INDIA LTD., MOGUL’S COURT, 5TH FLOOR, BASHEERBAGH, HYDERABAD 500 001 (INDIA). In case of Domestic Purchase the invoice shall be in the name of the End-User Department.

(c) Certificate of satisfactory installation/commissioning & training from the end-user department.

(d) Certificate showing goods of ORIGIN issued by Chamber of Commerce or Equivalent statutory Body in Duplicate.

(e) Specification and Packing list – three copies.

(f) Manufacturer’s guarantee certificate – three copies.

(g)Certificate from the manufacturer to the effect that the goods conform to the manufacturers standards and are new (Production Month in Year 2013) and free from any latent or patent defects and are strictly as per Specifications mentioned in Order No..... Dated

(h)Insurance Policy/ Certificate showing STC as beneficiary - one original and two copies.

(i)Copy of FAX MESSAGE (Fax No. +91-40-2323 6768) marked to STC, Hyderabad sent by the seller within 24 hours of issuance of Air Way Bill to buyer notifying the details of the AWB No., goods freighted, total invoice value, name of the Airline, Flight No., Airport and date of departure of the Flight, and expected time of its arrival at RGIA Airport, Hyderabad, India.

(j)Certificate by the seller that the freightment consists complete requirement as per list of goods given in the order.

(k)Certificate from the seller that one set of non-negotiable documents mentioned under (a) to (l) above has been airmailed/couriered to the following within 10 Days of departure of the Flight in addition to one set of non-negotiable document sent with the Flight to:

THE STATE TRADING CORPORATION OF INDIA LTD.,
MOGUL'S COURT, 5TH FLOOR,
BASHEERBAGH,
HYDERABAD 500 001 (INDIA)

O)Any further addendum/corrigendum to the tender shall be available on our website i.e. www.stc.gov.in & Govt Tender i.e. www.tenders.gov.in and no separate press advertisement will be issued for the same.

Branch Manager

**TO BE ESTABLISHED ON THE LETTER HEAD OF THE FIRM/COMPANY OF
THE FOREIGN SUPPLIER**

Ref. No.: _____

Dated: _____

The State Trading Corporation of India Ltd.
Mogul's Court, 5th Floor,
Basheerbagh,
Hyderabad 500 001
INDIA

Subject: **Offer for supply of Weaponry / Communication Equipment against your
Tender Enquiry No. STC/HYD/GID/2013-14/W &CE-01 dated 1ST NOV
2013**

Dear Sir,

With reference to our offer for supply of 1000 Nos. (Approx.) Weaponry / 200 Nos. Communication Equipment with usual accessories of your captioned tender, We would like to confirm the prices quoted by us are most competitive and in line with our recent prices which has been quoted by us for these items to other customers.

Thanking you,

Yours sincerely,
For (Name of Company of Foreign Supplier),

(Authorized Representative)

Specifications - Weapon:

S. No.	Important Technical Specifications	Important Specifications required for the weapon
1	Caliber	7.62 mm X 51 mm
2	Fire Power	Weapon having more fire power than the weaponry power of the Maoists
3	Mode of Fire	Weapon having both Semi Auto & Auto features.
4	Weight without Magazine	3.75 to 4.5 Kgs Approx.
5	Magazine Type	Box Type
6	Magazine Capacity	20 to 30 Rounds
7	Cyclic rate / Rate of fire	Above 700 - 800 Rounds per minute
8	Weapon Range	Range 500 to 600 mtrs and above range
9	Other Specifications of the weapon	a) Should not have stoppages b) Having ergonomic design c) Having high penetration power without any obstruction. d) No obstruction during EOF e) Barrel should not get heated while firing more number of rounds
10	Kind of Weapon	a) Better weapon than Ak-47 b) Weapon having high calibre of 7.62 mm x 51 mm. c) General in nature, but any specifications which gives thrust on rate of fire power / cyclic rate will be considered.

TECHNICAL SPECIFICATIONS –COMMUNICATION EQUIPMENT - DIGITAL VHF HANDHELD RADIO

	GENERAL
1	Frequency Range 136 to 174 MHz
2	Channel Capacity 16 or more (display)
3	Channel Spacing 12.5/25 KHz
4	Battery capacity 2000 mAh or higher capacity with Li-Polymer/ Li-ion/Ni-MH rechargeable
5	Mode of operation : Secure and Clear
6	Radio should operate in Analog Mode & Digital Mode
7	Average battery life : 10 hrs or more
8	Frequency Stability \pm 1.5 PPM or better
9	Antenna: Helical, Impedance 50 Ω
10	Light in Weight
	TRANSMITTER
1	RF Power Output 1 to 5 Watts (programmable)
2	Modulation Limiting \pm 2.5 KHz
3	FM Hum & Noise -40 db or better
4	Adjacent Channel Power -60 dB or better
5	Audio Response + 1, -3db
	RECEIVER
1	Analog Sensitivity : 30 μ V at 12db SINAD or better Digital Sensitivity : 0.30 μ V at 5% BER or better
2	Adjacent Channel selectivity -60 db or better
3	Inter-modulation 70 db or better
4	Audio Output Minimum 500 mW
5	Audio Distortion 3% or better
	ENCRYPTION
1	High grade 128 bit or higher Digital Encryption module built in/plug in type for secrecy
2	Programmable key management facility
	FEATURES
1	Simple press to talk
2	Low battery alert.
3	Busy Channel Lockout.
4	Remote killing facility
5	Capable of VOX hand free operation.
6	Channel Scanning facility
7	Emergency SOS/SIREN
8	Power level Low/High front panel switchable with soft key
9	Time-Out-Timer
10	Built-in Speaker with external speaker provision
11	PTT-ID, Call Alert, Individual call, Selective calling.
12	Alphanumeric Display
13	Should meet MIL-STD and Water Proof

	PREFERABLE FEATURES
1	Should have built-in GPS, to know the own position and to transmit the co-ordinates from one set to others.
2	Anti jamming
	INDICATORS
1	Encryption On/Off
2	Battery level
3	Signal strength
4	Low battery alert.
	ACCESSORIES
1	Antenna : Helical
2	Battery Packs : 3 Nos with each set
3	Battery charger: Single and Multi position
4	All necessary programming software and hardware for changing parameters like Frequency, Power, Modulation, Sensitivity, Channel Scanning etc of the sets.
5	All necessary programming software and hardware for key management of Encryption device.

ANNEXURE-D

PERFORMANCE BANK GUARANTEE FORMAT

(To be executed by any Nationalised Bank in India having their Branch in the State of End-user Department on stamp paper of Rs.100/-)

Name & Address of the Buyers(End-user Department)

1) Against Tender No. _____ dated _____ and Contract No. _____
Dated - _____ (hereinafter called the Contract) entered into between the STC of India Ltd., Hyderabad which expression shall, unless repugnant to the context or meaning, thereof include its successors, representatives & assigns for and on behalf of _____ (hereinafter called the Buyers/End user Department) and M/s. _____ (Name and Complete Address) (hereinafter called the Sellers) which expression shall, unless repugnant to the context or meaning, thereof include its successors, representatives & assigns this is to certify that at the request of the Sellers, we _____ Bank unconditionally and irrevocably guarantee to pay to the Buyers immediately on first demand, the amount of US \$/Rupees _____ (@ 10% of contract value) without any protest or demur or reference to the Sellers if the Sellers fail to perform all or any of their obligations under the said contract. The decision of the Buyer/End user _____ or The STC of India Ltd., Hyderabad duly communicated in writing to the bank that the sellers have failed to perform all or any of the obligations under the contract shall not be questioned and be final and conclusive. The said amount of US \$/Rupee _____ will accordingly forthwith be paid without any conditions or requirement of our proof whatsoever failing which interest @ 15% p.a. on monthly rest basis shall be payable by the Bank to Buyer.

2) It is fully understood that this guarantee is effective for a period upto _____ (12 Months + Delivery Period) and that we _____ Bank undertake not to revoke this guarantee during its currency (upto claim period) without the consent in writing of the Buyers.

3) We _____ Bank, further agree that the buyer shall have the fullest liberty, without affecting in any manner or obligations hereunder to vary/extend any of the terms and conditions of the said contract or/extend time of performance by the Sellers from time to time or to postpone for any time or from time to time any of the powers exercisable by the Buyers against the said sellers and/or forebear to enforce any of the terms & conditions relating to the said contract and we, _____ Bank shall not be released from its liabilities under this guarantee by reasons of any such exercise, variations or extension being granted to the said sellers or for any forbearance and/or commission on the part of the buyers, or any indulgence by the Buyers, to the said Sellers or by any other matter or thing whatsoever which under the law relating to the sureties would, but for this provision have the effect of so releasing us from our liability under this performance guarantee. We further agree that the validity period of this Performance Bank Guarantee will be extended by us upon receipt of any such request in writing from the Buyer and any charges on account thereof shall be to the account of seller on whose behalf the Bank Guarantee is being opened/issued.

4) We _____ Bank further agree that the guarantee herein contained shall not be affected / discharged by any change in the constitution of the said Sellers/Buyers/Bank.

5) The Guarantee will be governed by Indian Laws and will be subject to the jurisdiction of competent courts in the State of Buyer / End – user India alone.

6) No claim shall be admissible against the Buyer in respect of interest on Performance Guarantee regardless of the time of release.

7) The Bank further agrees that decision of the Buyer as to the failure on the part of - _____ to fulfill their obligations as aforesaid &/or as to the amount payable by the bank to the Buyer shall be final, conclusive & binding on the Bank.

8) This Guarantee will remain in force up to _____ (12 Months + Delivery Period) and any demand in respect thereof should reach Bank not later than 10 (Ten) working days (claim period) from the expiry of above validity date.

9) Notwithstanding anything contained hereto Banks liability under this Performance Bank Guarantee shall not exceed _____ (in words). Bank is liable to pay the guaranteed amount if Buyer serve upon in written claim/demand on or before the expiry date.

FOR _____ BANK

ACCEPTED

Witness:-

:

ANNEXURE-E

BID BOND PROFORMA

(To be executed by any first class international Bank through its branch office in Hyderabad (India) on stamp paper of Rs.100/-).

THE STATE TRADING CORPORATION OF INDIA LTD.,
MOGUL'S COURT,
5TH FLOOR, BASHEERBAGH,
HYDERABAD 500 001 (INDIA)

Dear Sirs,

1.WHEREAS M/s _____ (BIDDER) has offered to supply a quantity of _____ of _____ to STC of India Limited, and the bidders required to submit a Bid Bond at the rate of US\$ _____ along with the offer as a guarantee for fulfillment of all the terms and conditions of subsequent sale, we (Bank with full address) hereby unconditionally and irrevocably guarantee and undertake to pay immediately on first demand by STC the amount of US\$ _____ in case the bidder fails to perform any or all the obligations, undertaken by him as per STC's acceptance without any reservation, protest, demur and recourse to said bidder. Any such demand in writing made by STC, shall be conclusive and binding on us irrespective of any dispute or difference raised by the bidder. This Guarantee came into force on _____ & shall be irrevocable and shall remain valid till _____ in Hyderabad.

2.Notwithstanding anything mentioned herein before, our liability under this guarantee is restricted to US\$ _____ (US \$ _____ only) and it will remain in full force up to (one month from the last date of validity of offer). Unless a claim under the guarantee is filed against us on or before _____ all your rights under the said Guarantee shall be forfeited and we shall be relieved and discharged from all the liabilities there under. We, _____ (Bank) further agree that the Guarantee hereunder contained shall not be affected by any change in the terms of purchase originally offered by the bidder.

3.This bond will be governed by Indian Laws and will be subject to the jurisdiction of courts at Hyderabad in India alone.

DATE

FOR

PLACE

BANK

N.B. Bid Bond to be furnished in US Dollars only. Bid Bond in Indian Rupees will not be accepted.

INTEGRITY PACT

Between

The State Trading Corporation of India Limited, a company incorporated under the Companies Act 1956 and having its registered office at Jawahar Vyapar Bhawan, Tolstoy Marg, New Delhi - 110001 hereinafter referred to as “STC” and having its branch office at Mogul’s court ,5th floor Basheerbagh, Hyderabad

And

....., a company registered under and having its registered office at....., hereinafter referred to as “The Bidder”.

Preamble

STC is an international trading company dealing in purchase, sale, export and import of various commodities.

STC has invited tenders for purchase of ___ No’s of weaponry/ ___ No’s of Communication Equipment and intends to award contract/s for purchase of the same under laid down organizational procedures, STC values full compliance with all relevant laws of the land, rules, regulations, economic use of resources and of fairness/transparency in its relations with its bidders.

In order to achieve these goals, STC has appointed Independent External Monitors (IEMs), who will monitor the tender process and the execution of the contract for compliance with the principles mentioned above.

Section 1 – Commitments of STC

- (1) STC commits itself to take all measures necessary to prevent corruption and to observe the following principles:-
 - a. No employee of STC, personally or through family members, will in connection with the tender for or the execution of the contract, demand, take a promise for or accept, for self or third person, any material or immaterial benefit which he/she is not legally entitled to.
 - b. STC will, during the tender process treat all bidder(s) with equity and reason. STC will in particular, before and during the tender process, provide to all bidders/contractors the same information and will not provide to any bidder(s) confidential/additional information through which the bidder(s) could obtain an advantage in relation to the tender process or the contract execution.
 - c. STC will exclude from the process all known prejudiced persons.
- (2) If STC obtains information on the conduct of any of its employees which is a criminal offence under the Indian Penal Code (IPC) or Prevention of Corruption (PC) Act, or if there is a substantive suspicion in this regard, STC will inform its Chief Vigilance Officer and initiate disciplinary actions as per laid down procedures.

Section 2 – Commitments of the Bidder.

- (1) The Bidder commits to take all measures necessary to prevent corruption and to observe the following principles during participation in the tender process and during the contract execution.
 - a. The Bidder will not, directly or through any other person or firm, offer, promise or give to any of STC's employees involved in the tender process or in the execution of the contract or to any third person any material or other benefit which he/she is not legally entitled to, in order to obtain in exchange any advantage of any kind whatsoever during the tender process or during the execution of the contract.
 - b. The Bidder will not enter with other bidder(s) into any undisclosed agreement or understanding, whether formal or informal. This applies in particular to prices, specifications, certifications, subsidiary contracts, submission or non-submission of bids or any other actions to restrict competitiveness or to introduce cartelization in the bidding process.
 - c. The Bidder will not commit any offence under the relevant IPC/PC Act. Further the Bidder will not use improperly, for purposes of competition or personal gain, or pass on to others, any information or document provided by STC as part of the business relationship, regarding plans, technical proposals and business details, including information contained or transmitted electronically.
 - d. The Bidder of foreign origin shall disclose the name and address of its Agents/representatives in India, if any. Similarly the Bidder of Indian nationality shall furnish the name and address of its foreign principals, if any. All the payments made to the Indian agent/representative will be in Indian Rupees only.
 - e. The Bidder will, when presenting the bid, disclose any and all payments made or committed or intended to be made to agents, brokers or any other intermediaries in connection with the award of the contract.
- (2) The Bidder will not instigate third persons/firms to commit offences outlined above or be an accessory to such offences.

Section 3- Disqualification from tender process and exclusion from future tenders/contracts

If the Bidder/Contractor, before award of the contract or during execution thereof commits a transgression through a violation of Section 2 above or in any other form such as to put its reliability or credibility in question, STC shall be entitled to disqualify the Bidder/Contractor from the tender process or to terminate the contract, if already signed, on that ground.

If the Bidder/Contractor commits a serious violation of Section 2 above or in any other form such as to put its reliability or credibility as Bidder/Contractor into question, STC shall also be entitled to exclude the Bidder/Contractor from participating in the future tender processes for duration as may be considered appropriate by it.

Section 4 - Compensation for Damages and Forfeiture of EMD

- (1) If STC disqualifies the Bidder/Contractor from the tender process prior to the award of the contract according to Section 3, STC shall be entitled to demand and recover the damages equivalent to Earnest Money Deposit/Bid Security, by forfeiting the same as stipulated in the tender.
- (2) If STC terminates the contract according to Section 3, or if STC is entitled to terminate the contract according to Section 3, STC shall be entitled to demand and recover from the Bidder/Contractor liquidated damages as per contract or the amount equivalent to Performance Bank Guarantee stipulated in the tender.

Section 5 – Previous transgression

- (1) The Bidder/Contractor declares that it did not commit any transgressions in the last 3 years with any Company in any country with regard to any anti-corruption law or practice or with any other Public Sector Enterprise in India that could justify its exclusion from the tender process.
- (2) If the Bidder/Contractor makes incorrect statement on this subject, it may lead to disqualification from the tender process or termination of the contract if already awarded.

Section 6 – Equal treatment of all Bidders/Contractors/Subcontractors

- (1) The Bidder/Contractor undertakes to demand from all Subcontractor(s) a commitment in conformity with this Integrity Pact, and to submit it to STC before signing of the contract, if awarded in its favour.
- (2) STC will enter into agreements with identical conditions as this one with all bidders, contractors and subcontractors.
- (3) STC will disqualify from the tender process any bidder/contractor who does not sign this Pact with STC or violates its provisions.

Section 7 – Criminal charges against Bidder(s)/Contractor(s) /Subcontractor(s)

If STC obtains knowledge of conduct of a bidder, contractor or subcontractor or of an employee or a representative or an associate of the bidder, contractor or subcontractor which constitutes corruption, or if STC has substantive suspicion in this regard, STC will inform the same to its Chief Vigilance Officer.

Section 8 – Independent External Monitor /Monitors

- (1) STC has appointed competent and credible Independent External Monitor(s) (IEMs) for this Pact. The task of the Monitor is to review independently and objectively, whether and to what extent the parties comply with the obligations under this agreement.
- (2) The Monitor is not subject to instructions by the representatives of the parties and performs his functions neutrally and independently. He reports to the CMD, STC.
- (3) Bidders/Contractors accept that the Monitor has the right to access, without restriction, all project documentation of STC including that provided by the Bidder/Contractor. The Bidder/Contractor will also grant the Monitor, upon his request and demonstration of a valid interest, unrestricted and unconditional access to its project documentation. The same will also be applicable to Subcontractor. The Monitor shall treat the information and documents of STC and the Bidder/Contractor/Subcontractor with confidentiality.

- (4) STC will provide to the Monitor sufficient information about all meetings among the parties related to the Project provided such meetings could have an impact on the contractual relations between STC and the Contractor. The parties offer to the Monitor the option to participate in such meetings.
- (5) As soon as the Monitor notices, or believes to notice, a violation of this agreement, he will so inform the Management of STC and request the Management to discontinue or take correction action or to take other relevant action. The Monitor may in this regard submit non binding recommendations. Beyond this, the Monitor nhas no right to demand from the parties that they act in specific manner, refrain from action or tolerate action.
- (6) The Monitor will submit a written report to the CMD, STC within 8 to 10 weeks from the date of reference or intimation to him by STC and should the occasion arise, submit proposals for correcting problematic situations.
- (7) If the Monitor has reported to the CMD STC a substantiated suspicion of an offence under relevant IPC/PC Act, and the CMD STC has not, within the reasonable time taken visible action to proceed against such offence or reported it to the Chief Vigilance Officer, the Monitor may also transmit this information directly to the Central Vigilance Commission.
- (8) The word Monitor would include both singular and plural.

Section 9 – Pact Duration

This pact begins when both parties have legally signed it. It expires for the Bidder/Contractor twelve months after the last payment under the contract, and for all other bidders six months after the contract has been awarded.

If any claim is made/lodged during this time by either party, the same shall be binding and continue to be valid despite the lapse of this pact as specified above, unless it is discharged/determined by CMD, STC.

Section 10 – Other provisions

- (1) This Integrity Pact is an independent agreement between the parties and is subject to Indian Law. The arbitration clause if any in the tender / contract shall not apply to this agreement. Place of performance and jurisdiction is the Registered Office of STC. i.e. New Delhi.
- (2) Changes and supplements to this Pact as well as termination notices to be issued, if any, shall be made in writing. Side agreements have not been made.
- (3) If the Bidder/Contractor is a partnership firm or a consortium, this agreement shall be signed by all partners or consortium members.
- (4) Should one or several provisions of this agreement turn out to be void, the remainder of this agreement shall remain valid. In such a case, the parties will strive to come to an agreement to their original intentions.

(For & On behalf of STC)

(For & on behalf of The Bidder/Contractor)

(Office Seal)

(Office Seal)

Place :

Date:

Witness 1 : Name & Address

Witness 2 : Name & Address

ANNEXURE-G

It is to certify that M/s _____

(Name & Address of Tenderer) is our Authorised Distributor / Dealer. They are Authorised to submit tender for _____ (Name of Item) to the State Trading Corporation of India Ltd., Hyderabad against their Tender Notice

No _____ Dated _____.

The Equipment / Item is Guaranteed for minimum..... year Comprehensive free onsite Guarantee with Spare Parts from the date of completion of satisfactory testing, commissioning installation and Authorised Distributor / Dealer shall during the Guarantee period replace the parts if any, or rectify any manufacturing defect found during the above period so as to make the machinery operative and in perfect condition.

They are also Authorised to provide Annual Maintenance Contract and repairs contract for the period as desired by the purchase officer after the expiry of year comprehensive Guarantee They will be responsible to ensure adequate regular supplies of spare parts, consumables, non- consumables needed for the same whether AMC or otherwise.

In case of change of Authorised Distributor / Dealer, we will inform the purchase officer accordingly within 15 days of change of authorized distributor/ Dealer. The new Dealer / Distributor will be responsible for after sales & service and annual maintenance and repairs contract as above. In case of failure of Authorised Dealer / Distributor we will be responsible for providing after sales service of the equipment as per terms and conditions of tender and contract.

If there is any defect M/s _____ shall replace or upgrade the defective part/facility which shall also be subject to same guarantee as the original equipment. M/s _____ shall bear all costs, travel, labour, material cost which are required on rectification of defects onsite during the guarantee period.

**NAME & SIGNATURE OF THE PRINCIPAL MANUFACTURER/ DISRIBUTOR
WITH RUBBER STAMP**

Note: This Undertaking should be Typed & Signed by Principal Manufacturer/
Distributor on his

Original Letter Pad

(Stamp Paper in the name of the Bank

CERTIFICATE

Certified that the enclosed offer against Tender No.: STC/HYD/GID/2013-14/W&CE-01 dated 1st Nov 2013 is in total conformity with tender terms & conditions including special instructions and specifications without any deviation, whatsoever.

Place:
Date:

SIGNATURE OF THE TENDERER
NAME & DESIGNATION OF THE TENDERER
COMPANY SEAL

ANNEXURE- I

PRICE BID

ON THE LETTER HEAD OF THE COMPANY

Tender No. & Date :

Name of the Item Quoted :

S.No. of Item in Tender Document :

Price Format for Imported Equipment

Details	Qty (in Nos.)	Total Amount (in Foreign Currency) (Amount to be provided in words as well)
Ex-Works Price		
FOB (Airport) Price		
Insurance & Airfreight Charges upto Hyderabad, India		
Total CIP Price-RGI Airport, Hyderabad, India		

We have carefully gone through the Terms and Conditions of the Tender documents and hereby agree to abide by the same for the fulfillment of the contract. This is to also confirm that I am fully authorized by company for signing and submitting this price bid.

Place:
Date:

SIGNATURE OF THE TENDERER
NAME & DESIGNATION OF TENDERER
COMPANY SEAL