

CONTROLLER GENERAL OF DEFENCE ACCOUNTS,
ULAN BATAR ROAD, PALAM, DELHI CANTT – 110010.
(IFA wing)

Ph No. 011 – 25665569 - 572, FAX No. 011- 25674779.

IFA Circular No. 09 of 2014.

No. IFA/133

Dated :- 27.08.2014

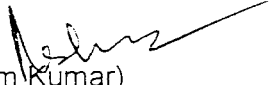
To

All PIFAs/IFAs

Sub :- Amendments to Defence Procurement Procedure (DPP)-2013

A copy of MoD (Acquisition Wing) ID No. 1(6)/D(Acq)/13 Dated 25.07.2014 & 19.08.2014 on the above subject is forwarded herewith for information and guidance please.

Encl :- As above.


(Ram Kumar)
Sr.AO (IFA Wing)

**MINISTRY OF DEFENCE
(ACQUISITION WING)**

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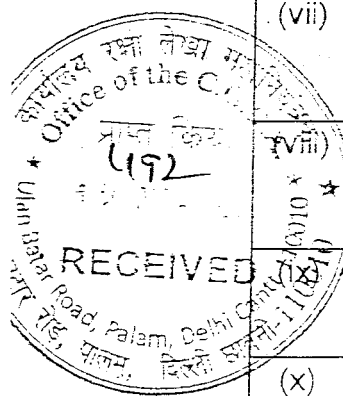
IFA

ERRATA TO DPP - 2013

1. The following amendments have been approved for inclusion in DPP 2013:-

(a) Typing errors/spelling mistakes.

<u>Ser No</u>	<u>Page No Para / Line /Column</u>	<u>For</u>	<u>Read</u>
(i)	Page 8 Para 18 / Line 5	'MoD (Fin) and Administrative Branch '	'MoD (Fin), 'Acquisition Manager' and Administrative Branch
(ii)	Page 9 Para 20 (a)	'Make(Indian)'	'Make'
(iii)	Page 22 Para 71 / Line 6	The following cases would fall under the preview of this provision	The following cases would fall under the purview of this provision:
(iv)	Page 74 Para 9/ Line 3	"..shall not to be released before completing an audit of the final ..."	".....shall not be released before completing an audit of the final"
(v)	Page 74 Para 9/ line 4	".... by the Ministry of its nominated agency"	".... by the Ministry or its nominated agency"
(vi)	Page 80 Para 2 (a) /line 8	" Bay and Make Indian"	"Buy and Make Indian"
(vii)	Page 80 Para 7 / Line 5	"....by the Indian Army"	"...by the Services/ ICG...."
(viii)	Page 93 Para 8 / Line 1	"The Indian Army	"Services/ ICG would like to"
(ix)	Page 83, Para 21	Technical Manager (Land System)	O/o Technical Managers
(x)	Page 89 Appendix 'B'/ Schedule II/ Chapter I	Compliance/ Partial compliance of Paras / Sub Paras of the Main Technical Document	Indicate reference Compliance / Partial compliance Indicate references of Paras/Sub Paras of the Main Technical Document



<u>Ser No</u>	<u>Page No Para / Line / Column</u>	<u>For</u>	<u>Read</u>
(xi)	Page 90 Para 3 / Line 3	'.....maximum within days....'	'... maximum within ___ days...'
(xii)	Page 99 Row 1/ Column 4 of table	Scale for <u>100</u> equipment	Scale for _____ equipment.
(xiii)	Page 99 Para 7 / line 1	Floppies	CDs
(xiv)	Page 103 Para 5(b) / Line 1	'...₹Compliance statement'	'Compliance statement'
(xv)	Page 113 Para 1.3.1/ Line 1	"...all items but excluding excise duty.."	"...all items excluding excise duty..."
(xvi)	Page 106	Appx 'F' (Refers to Part III of RFP)	Appx 'F' (Refers to Para 36 of RFP)
	Page 113 Reference to main text under Appendix	Appx 'G' (Refers to Part IV of RFP)	Appx 'G' (Refers to Para 39 (b) of RFP)
(xvii)	Page 110 Para 3 of Appx 'F' to Schedule IAdvance Payment Guarantee and Performance -cum- Warranty Guarantee.Advance Payment Guarantee and Performance -cum-Warranty Guarantee as given in Annexure II to Appx F.
(xviii)	Page 111	Annexure to Appendix F	Annexure I to Appendix F
(xix)	Page 112 Para 2/ Line 6	<u>9</u>	(
(xx)	Page 3 & 4, Para 4(a) & (c)/Line 8(reference Parts 1(a), 1(c) and 1(d) of "Evaluation Criteria & Price bid Format" i.e. Appx C. to Schedule I)(reference Parts 1.7(A), 1.7(C) and 1.7(D) of "Evaluation Criteria & Price bid Format" i.e. Appx G to Schedule I)

<u>Ser No</u>	<u>Page No Para / Line / Column</u>	<u>For</u>	<u>Read</u>
(xxi)	Page 121 Para 8.1(k) / Line 2	"....shall also deposit.-- Crore as Earnest Money / Security Deposit through"	"....shall also deposit ₹ ___ Crore as IPBG through"
(xxii)	Page 132/ Heading	" UNDERTAKING TO COMPLY WITH OFFSET REQUIREMENTS "	' REQUIREMENTS ' may be replaced with ' OBLIGATIONS '
(xxiii)	Page 145, Para 22	12 18	18
(xxiv)	Page 170 Para 42	The standard contract Document at Chapter V of DPP 2011	The Standard Contract Document at Chapter V of DPP 2013.
(xxv)	Page 173 First Text Block	'Study Group <u>of</u> divide Make Projects in categories'	'Study Group to divide indigenous development projects in categories'
(xxvi)	Page 175 First Block/ Line 1	participation	preparation
(xxvii)	Page 175 Line 6	1000	200
(xxviii)	Page 211 Para 1 (d) and Page 79 Para (d) / Line 3	Submission of incomplete price bid format	Submission of incomplete details in price bid format
(xxix)	Page 212 Para 6/ Line 2	DPP 2011	DPP 2013
(xxx)	Page 238 Para 6 (a) / Line 2	'Buy (Indian)'	'Buy (Global)'
(xxxi)	Page 287 Para 12 /Line 3	DPP 2011	DPP 2013
(xxxii)	Page 310 Para 11.1/ Line 2	INCOTERMS 2000	INCOTERMS 2010

<u>Ser No</u>	<u>Page No Para / Line / Column</u>	<u>For</u>	<u>Read</u>
(xxxiii)	Page 222 Para 34.9 Last line	Article 29 (PRODUCT SUPPORT)	Article 30 (PRODUCT SUPPORT)

(b) **Minor amendments.**(i) **Para 7.2, Page 48 of DPP-2013.**

For : The Technical and Commercial offset proposals have to be submitted by the vendor by a date to be specified in the RFP, which would normally be three months from the date of submission of the main technical and commercial proposals. The technical and commercial offset proposals should be submitted in two separate sealed covers to the Technical Manger of Acquisition Wing. The Technical Offset proposalsto be rejected. The technical and commercial offset proposals will be forwarded by the Technical Manager to the concerned Service Headquarters and Acquisition Manager respectively.

Read : The Technical and Commercial offset proposals have to be submitted by the vendor by a date to be specified in the RFP, which would be **12 weeks** from the date of submission of the main technical and commercial proposals. **Exact date as calculated and given in the RFP or intimated later by the Technical Managers will be binding.** The technical and commercial offset proposals should be submitted in two separate sealed covers to the Technical Manager of Acquisition Wing. The Technical Offset proposalsto be rejected. The technical and commercial offset proposals will be forwarded by the Technical Manager to the concerned Service Headquarters and Acquisition Manager respectively.

(ii) **Para 3(a), Page 131 of DPP-2013.**

For : The Technical and Commercial offset offers would have to be submitted by _____ (not earlier than 3 months from the date of submission of the technical and commercial offers of the main proposal). These offset offers would have to be submitted together in two separate sealed covers to the Technical Manager at the following address:

Read : The Technical and Commercial offset offers would have to be submitted by _____ (12 weeks from the date of submission of the technical and commercial offers of the main proposal). **Exact date as calculated and given in the RFP or intimated later by the Technical Managers will be binding.** These offset offers would have to be submitted together in two separate sealed covers to the Technical Manager at the following address:

(iii) Para 12.1, Page 127 of DPP-2013.

For : The Buyer has appointed Independent Monitors for this Pact in consultation with the Central Vigilance Commission (Names and Addresses of the Monitors to be given in RFP).

Read : The Buyer has appointed Independent Monitors for this Pact in consultation with the Central Vigilance Commission (**Names and Addresses of the Monitors as amended from time to time, can be referred to on the MoD website at www.mod.nic.in).**

2. These amendments will come into force with immediate effect.


 (Praveen Kumar)
 Director (Acquisition)
 Telefax: 23792865

To

CISC VCOAS VCNS VCAS DGCG

All Joint Secretaries/Additional FAs /Finance Managers/Technical Managers/ DGWE/ ACAS(Plans)/ACNS(P&P)/Directors/Deputy Secretaries.

Copy for information to:

PS to RM, PS to RRM, SO to Defence Secretary;

PPS to Secretary(DP), SO to SA to RM, PPS to FA(DS), Sr.PPS to DG(Acq), PPS to AS(R), PPS to AS(DP), PPS to FA(Acq) & AS, CGDA, Principal IFAs

 MoD ID No. 1(6)/D(Acq)/13 dated 25th July, 2014.

Copy also to: Director (NIC), Room No. 305-B, Sena Bhavan- with request to upload this ID on MoD website immediately for information of all concerned under intimation to this Secretariat.

Annexure II to Appendix F
(Refers to Para 3 of Appendix F)

INDEMNITY BOND FOR PERFORMANCE-CUM-WARRANTY

1. This deed made on this..... day ofby M/s _____, a company registered under The Companies Act 2013 having its registered office at _____ and acting through its corporate office at _____(hereinafter referred to as the "SELLER").
2. Whereas MoD, New Delhi acting on behalf of the President of India (hereinafter referred to as "BUYER") has placed a Contract No _____ dated _____
3. And whereas, the SELLER has agreed to execute this Indemnity Bond for performance-cum-warranty on the terms and conditions appearing hereinafter.
4. It is hereby agreed and declared by the SELLER that:-
 - (a) The SELLER shall duly and faithfully perform its obligation under the said contract and comply with the conditions in the said contract.
 - (b) The SELLER shall, in as much as with its control, refrain from such actions or actions as may cause loss, injury, damage to the BUYER.
 - (c) In the event of breach/default by the SELLER in complying and in case the breach/default is not remedied by the SELLER up to period of the notification of the breach/default by the BUYER, the SELLER shall indemnify to the BUYER, to the extent of ₹ _____ (Rupees _____ only) being _____% of the contract value of ₹ _____ (Rupees _____ only) of any direct losses or damages suffered by the BUYER due to failure of the SELLER.
 - (d) The SELLER shall be fully discharged of its obligations under this bond on meeting its liability as per Para c above which shall be restricted to the limit as provided at Para c above.
 - (e) The SELLER shall not be liable for any breach/default arising out of force majeure situation or due to any default, action, inaction or failure on the part of the BUYER. The liability of the SELLER under this bond shall remain and in full force until the fulfilment of the obligations of the SELLER under the said Contract.
 - (f) The SELLER hereby expressly, irrevocably, and unreservedly undertake and guarantee that in the event that the beneficiary submits a written demand to SELLER stating that they have not performed according to the warranty obligations for the PRODUCTS as per said Contract, SELLER will pay BUYER on demand and without demur any sum up to maximum amount of _____% of the contract value. BUYER'S

written demand shall be conclusive evidence to SELLER that such repayment is due under the terms of the said contract. SELLER undertakes to effect payment within _____ days from receipt of such written demand.

(g) The amount of warranty/ guarantee shall not be increased beyond ____ %. Unless a demand under this warranty/ guarantee is received by SELLER in writing on or before the expiry date (unless this warranty/ guarantee is extended by the SELLER) all rights under this guarantee shall be forfeited and SELLER shall be discharged from the liabilities hereunder. This warranty/ guarantee is personal to the BUYER and not assigned to a third party without prior written permission.

5. This Indemnity Bond for Performance-cum-Warranty guarantee shall be governed by Indian Law.

For _____

Signature:

Signature :

Name:

Name :

Witness

1.

2.

MINISTRY OF DEFENCE
(ACQUISITION WING)

Subject: Amendments to Defence Procurement Procedure(DPP)-2013.

The following amendments/additions have been approved for inclusion in the DPP-2013:-

(i) Addition of Para 24(d) in Chapter I of DPP-2013 [Page 10] as below:-

“(d) No prospective vendor shall be included in an Acquisition scheme after four weeks from accord of AoN. SHQ, on accord of AoN, would specify the cut-off date for vendors in that scheme by posting the following formulation on MoD website:-

“Vendors desirous of participating in the approved Acquisition scheme related to procurement offor which RFP is to be issued shortly are required to submit Appendix E by _____(date). No repeat No vendor will be considered for this scheme if its Appendix E is not received by due date.”

(ii) Amendment to Para 19 of Schedule I of Chapter I of DPP-2013 [Page 82]:

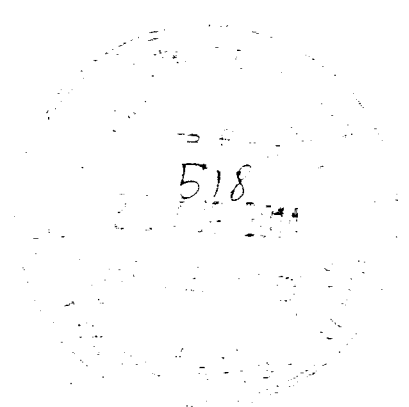
For

“Any queries/clarifications to this RFP may be sent to this office within _____days of issue of this RFP. A copy of the same may also be sent to (Address of the user directorate).”

Read

“19. Any queries/clarifications to this RFP may be sent to this office by _____(date). A copy of the same may also be sent to (Address of the user directorate). Replies to queries received from vendors upto the pre-bid meeting would be sent by SHQs to the office of TMs within two weeks of Pre-bid meeting and TMs should send the response to vendors within one week thereafter.”

Contd..



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29/08/14

(iii) Amendment to Appendix C to Chapter I [Page 41] and Annexure to Appendix A to Chapter I of DPP-2013 [Page 29].

(a) Amendment to Appendix C to Chapter I of DPP-2013 [Page 41]:

BROAD TIME FRAME FOR PROCUREMENT ACTIVITIES

For

Ser No	Stage of Procurement	Time (In weeks)	Cumulative Time (In weeks)	Offset Activity	Time (in weeks)	Cumulative Time (in weeks)
1.	Acceptance of Necessity	-	-	-	-	-

Read

S. No.	Stage of Procurement	Time (in weeks)	Cumulative Time (in weeks)	Offset Activity	Time (in weeks)	Cumulative Time (in weeks)
1.	Acceptance of Necessity (Date of issue of minutes of DAC/DPB/SCAPCHC meeting)	-	-	-	-	-

(b) Amendment to Annexure to Appendix A to Chapter I of DPP-2013 [Page 29]:

PROPOSED TIMELINE FOR PROCUREMENT

For

Ser No	Stage of Procurement	Time Line as per DPP-2013 (in weeks)	Time Line as per DPP-2013 (Cumulative Time - in weeks)	Proposed Time Line	Remarks/ Reason for variation
1.	Acceptance of Necessity	-	To		

Contd..

Read

Ser No.	Stage of Procurement	Time Line as per DPP-2013 (in weeks)	Time Line as per DPP-2013 (Cumulative Time - in weeks)	Proposed Time Line	Remarks/ Reason for variation
1.	Acceptance of Necessity (Date of issue of minutes of DAC/DPB/ SCAPCHC meeting)	-	To		

2. The above amendments are notified for information and compliance by all concerned **with immediate effect**.


(Praveen Kumar)
Director(Acq)
Telefax: 23792865

To

CISC VCOAS VCNS VCAS DGCG

All Joint Secretaries/Additional FAs /Finance Managers/Technical Managers/
DGWE/ ACAS(Plans)/ACNS(P&P)/Directors/Deputy Secretaries.

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MoD ID No. 1(6)/D(Acq)/13 dated 19.08.2014.

Copy also to: Director (NIC), Room No. 305-B, Sena Bhavan- with request to upload this ID on MoD website immediately for information of all concerned under intimation to this Secretariat.