

No: 01/MIL/OPS/MILSPM Review/23

Date: 29/09/2023

To,

The Sr GM / GMs

All Units under MIL

Sub: "MIL Stores Procurement Manual 2023" – Amendment of

Ref: a) 01/MIL/OPS/MILSPM Review/23

Dtd. 08/09/2023

b) 01/MIL/OPS/MILSPM Review/23

Dtd. 27/09/2023

Wrt above, Committee of Directors at MILCO has approved following amendments in MIL Stores Procurement Manual.

A: Rate Contract: Reg. of

MILSPM-2023 Clause	FOR	READ
6.3 (a)	<p>Munitions India Limited may, where feasible, conclude RCs through OTE on a 2- bids system for stores of standard type that are identified as common user items and are needed on recurring basis by various ordnance factories under MIL. <u>RCs can be finalized through LTE with PSUs in respect of items which are known to be manufactured only by them.</u> Munitions India Ltd. may procure these items, as Direct Demanding officer, under the RC concluded by Munitions India Limited. <u>The Munitions India Limited, on a case-to-case basis, may also specifically authorize the Munitions India Ltd. to conclude RCs under their delegated powers. Out of 12 factories under MIL, any factory can be authorized by MIL to conclude RCs.</u></p>	<p>Munitions India Limited may, where feasible, conclude RCs through OTE on a 2- bids system for stores of standard type that are identified as common user items and are needed on recurring basis by various ordnance factories under MIL. <u>RCs can be finalized with established vendors through LTE also in respect of direct items.</u> Munitions India Ltd. may procure these items, as Direct Demanding officer, under the RC concluded by Munitions India Limited. <u>The Munitions India Limited, on a case-to-case basis, may also specifically authorize any unit under Munitions India Limited to conclude RCs under their delegated powers.</u></p>

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B: Pre-contract Integrity Pact: Reg. of

MILSPM-2023	FOR	READ
Page No. 91 to 96	ANNEXURE-5A	ANNEXURE-5A Deleted Completely
Page No.97	ANNEXURE –‘5B’ PRE-CONTRACT INTEGRITY PACT (for cases valuing above Rs. 5 Cr and up to 100 Cr)	ANNEXURE –‘5’ PRE-CONTRACT INTEGRITY PACT (for cases valuing above Rs. 5 Cr)
ANNEXURE –‘5B’ Para 8.1, page No.99	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.	8.1 All procurement cases above Rs. 5 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.
ANNEXURE–‘5B’ 16. Validity Page No.101	16.1 The validity of this Integrity Pact shall be from date of its signing and will remain valid up to 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.	16.1 The validity of this Integrity Pact shall be from date of its signing and will remain valid up to the validity of the EMD/SD/PBG or the complete conclusion of contractual obligations to complete satisfaction of both the Buyer and the Bidder/Seller, whichever is later.
ANNEXURE-‘14’ STANDARD TENDER ENQUIRY FOR PROCUREMENT OF STORES: PART III, Page156	3.13: Pre-contract Integrity Pact: c) The Pre-contract Integrity Pact shall be valid, from the date of signing of the contract, for a period extending up to 5 years or completion of contractual obligations whichever is later. d) The Pre-contract Integrity Pact requires every Bidder to deposit along with his Bid the following amount as Security Deposit. i) Rs. 1 Cr (Additional financial guarantee), if the estimated cost procurement is above Rs. 100 Cr and up to Rs. 300 Cr.	3.13: Pre-contract Integrity Pact: c) The Pre-contract Integrity Pact shall be valid, from the date of signing of the contract, for a period till the complete conclusion of contractual obligations to complete satisfaction of both the Buyer and the Bidder/seller. d) The procurement cases above 5 Cr., IP is required to be executed without additional financial guarantee. The EMD/SD/PBG required to be submitted by the vendor as prescribed in the procurement manual shall only act as the financial guarantee for the IP.

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ii) Rs. 3 Cr (Additional financial guarantee), if the estimated cost procurement is above Rs. 300 Cr.

iii) All procurement cases above Rs. 5 Cr & 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 MILPM 2018 shall only act as the financial guarantee for the IP.

iv) For procurement cases above Rs. 5 Cr & up to Rs. 100 Cr, in case EMD is exempted and/or PSD is waived, separate Bank Guarantee of the PSD value required to be submitted by the vendor.

v) Bidder shall furnish the said EMD/ Security Deposit through any of the following instruments:

1) Bank Draft or Pay Order in favour of the GM/Sr.GM Finance & Accounts of Factories .

2) A Confirmed Guarantee by an Indian Nationalized Bank, promising payment of the guaranteed sum to the Buyer, on demand, within three working days without any demur whatsoever and without seeking any reasons whatsoever. The demand for payment by the Buyer shall be treated as conclusive proof for payment.

3) In case foreign suppliers, the Bidder may, if necessary, furnish the Bank Guarantee from a first class International Bank provided the same is confirmed/ verified by the State Bank of India.

vi) The EMD/ Security Deposit shall be valid up to a period of five years beyond the bid validity specified in the TE (or subsequent request made by the Buyer for validity extension) or the complete conclusion of contractual obligations to complete

i) The Buyer has nominated

(Name & address to be given) as Independent Monitor (IEM) for this Pact.

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	<p>validity extension) or the complete conclusion of contractual obligations to complete satisfaction of both the Bidder and the Buyer, whichever is later.</p> <p>vii) 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.</p> <p>viii) No interest shall be payable by the Buyer to the Bidder(s) on Earnest Money/Security Deposit for the period of its currency.</p> <p>ix) The Buyer has nominated</p> <p>_____ (Name & address to be given) as Independent Monitor (IEM) for this Pact.</p>	
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This is for information and necessary incorporation in future tender please.


(P K Samal)
DGM/Q

For Munitions India Ltd

Copy to:

1. CMD - For kind information please
2. All Directors - For kind information please
3. AGM/Finance I & II - For kind information please