



MMD -Terms And Conditions for Procurement

1) Commercial Terms

i) Earnest Money Deposit (EMD)

Bidders should make payment towards EMD in the form of Demand Draft/Pay Order for the amount, as mentioned in the RFQ, payable in Mumbai in favour of Air India Ltd. EMD should be submitted at our Cash Section, First Floor, Finance Dept., Old Airport, Kalina, Santacruz (E), Mumbai 400029 before 1400 hrs on any working day on or before the close date of the RFI/RFQ.

The receipt towards said payment made should be enclosed along with your RFI (Technical bid). The EMD would be interest free and will be refunded after the finalization of the contract. SSI/Charitable institution/Social Welfare organisations/widows associations/A-I co-op society/Handicraft Boards/Khadi village, cottage industries, National consumers co-operative federation and any not for profit organization will be exempted from EMD.

ii) Payment terms

Payment terms - within 30 days of delivery of goods.

Services:-Payment will be made within 30 days of receipt of your certified invoices.

iii) Mode of Payment

Payment will be made through ECS mode.

iv) Security Deposit (Applicable for Goods)

- Security Deposit will be applicable to the successful bidder at the rate of 5% of the PO value and should be in the form of either Bank Guarantee, Demand Draft or Pay Order.
- This Security Deposit will be interest free.
- SSI/Charitable institutions/Social welfare organizations/widows associations/A-I co-op society/Handicraft Boards/Khadi village, cottage industries, National consumers cooperative federation and any not for profit organisation will be exempted from security Deposit.
- Security Deposit will be refunded on successful completion of delivery and or warranty period as applicable.

v) Performance Guarantee (applicable for Services)

- Successful Bidder/s who is awarded the final contract is required to submit interest free Performance
- Bank Guarantee equivalent to 5% of the purchase order. This can be in the form of Bank Guarantee,
- Demand Draft or Pay Order.
- Performance Guarantee will be applicable from the date of commencement of service period.
- Performance Guarantee will be refunded on the successful completion of service period.



vi) Penalty Clause (Applicable for Goods)

For delayed deliveries a penalty of 0.5% per week or part thereof of the value of the undelivered portion of the goods (excluding taxes and delivery charges) subject to a maximum of 5% of the value of the undelivered part will be recovered from security deposit or from amount due to vendor after due notification to vendor.

vii) Price Negotiation

Post-tender negotiations will be in exceptional cases with the L1 bidder only. You are, therefore, requested to submit your best quote at the initial stage itself.

viii) Fall in Price

Price should remain firm till the completion of the contract period.

During the contract period, if for any reason there is a downward revision in prices, the successful bidder will be responsible for passing on the benefits to Air India.

ix) Price Preference

15% price preference will be applicable to SSI/NSI Units

x) Purchase Preference: Will be given to eligible tenderers as per the Govt. guidelines/notifications.

xi) Exit clause

The contract may be terminated under the following circumstances

- (a) In the event of unsatisfactory performance during the contract period, contract shall be terminated with one month's advance notice.
- (b) If there is change in Air India requirement, contract shall be terminated with three months advance notice.

2) Technical Terms

i) Quality Assurance Certificate

Every supply should be accompanied with a 'Quality Assurance Certificate' (QAC) indicating that the goods so supplied are in conformity with the specifications give in the purchase order.

ii) In-house inspection

Air India reserves the right to inspect the goods/items at its discretion before accepting the material. In case any deviation in quality is found at the time of supply, then the same will be rejected and should be replaced free of cost.

Non adherence to this clause may lead to cancellation of Purchase Order and Air India reserves the right to withhold the invoice for that shipment.



iii) Samples

Wherever applicable, samples should be submitted to the concerned buyer on or before the due date of the tender.

Successful bidder/s should supply goods/items exactly as per the specifications given in this document/PO. In case samples need to be developed for submission, Air India will not bear any development cost relating to the product and no claim whatsoever in this regard will be entertained.

iv) Shelf Life

Successful Bidder/s should ensure that at least 90% of shelf life of the goods/items being supplied is available on the day of delivery.

3) Award Decision

i) Award Criteria

The technically qualified vendor whose net price (on common platform such as landed cost) works out to be the lowest will be determined as L1.

In case of multiple items in a tender the overall value of all the items (or majority of common items quoted) will be determined to arrive at L1 in terms of value, unless stated otherwise.

Air India reserves the right to divide the PO between more than one vendor, at its sole discretion.

4) Other Terms & Conditions

i) Validity of Quote

Your quote must be valid for a minimum period of 90 days.

ii) Submission of Bid (Two Bid System)

Please submit your quotation in two bid system i.e. RFI(Techno Commercial Bid) and RFQ(Price Bid)

quotes in two separate sealed envelopes, clearly identifiable by the RFI, RFQ No.

Both the RFI and RFQ envelopes can be put in Master envelope. This master envelope should be super

scribed with both RFI and RFQ no. and the close date along with Contact Person's name and e-mail ID. Please note that non adherence to this aspect may result in rejection of your bid. However, if the techno-commercial bid and the price bid are in open condition, when the sealed master envelope was opened, your bid will stand disqualified.

(a) Techno Commercial Bid

In the Techno Commercial Bid, you must provide detailed technical specifications of the item/s offered by you as mentioned in the RFI, Annexure (if any).

You must also provide acceptance to Air India's Terms and Conditions. Any deviations from the specifications or terms and conditions must be clearly spelt out in Technical Bid.

Your Technical bid should not mention any rates/prices.



(b) Price Bid

Your price bid should be submitted strictly as per the format give in RFQ
Any other applicable taxes/levies should be clearly mentioned in your quotation.
Please specify the exact percentage of taxes/levies.

Your Quotation should be addressed to Executive Director - MMD and submitted on or before the close date and time at the following address duly super scribed by RFI/RFQ no. and close date along with contact person's name and e-mail ID.

**Executive Director MMD,
Materials Management Dept
1st floor, Tender Receiving Cell
Air India Limited,
Old Airport, Kalina,
Santa Cruz (East),
Mumbai -400029**

iii) Intention to Quote :

You are requested to confirm your intention to quote/regret preferably by email to the buyer of this RFI/RFQ or on our fax no. 00 91 22 26157021

In case you have forwarded your quote, please advise courier details in advance preferably by email to the buyer of this RFI/RFQ or on our fax no. 00 91 22 26157021

iv) Executive Director, Materials Management reserves the right to, accept or reject, in part or whole, any or all tenders received, without assigning any reason whatsoever.

Note: The above are General Terms and conditions of procurement of Air India. However, participants to any tender should read the terms and conditions as mentioned in the tender document.