

ALLIANCE AIR AVIATION LIMITED

Registered Office:

**Alliance Bhawan,
Domestic Terminal 1, I.G.I Airport,
New Delhi-110037, Delhi, India (IN)**

**Tender for selection of Maintenance Service Provider (MSP) to conduct Rectification/ Repair/
Hot Section Inspection (HSI)/ Overhaul of Forty (43) PW127M (Turboprop) Engine**

Last Date & Time of submission of Technical Bid: - 30 Nov 2023, 15:00 Hrs. (IST)

Last Date& Time of opening of Technical Bid: - 30 Nov 2023, 15:30 Hrs. (IST)

DISCLAIMER

The information contained in this tender document (hereinafter referred to as “**Tender**”) or and any information pertaining to the aforesaid subject matter subsequently provided to the Bidders in any form by Alliance Air Aviation Limited (hereinafter referred to as “**AAAL or Alliance Air**”) shall be subject to the terms and conditions to which such information is provided herein and any other terms and conditions as may be prescribed by Alliance Air. By applying to the present bid, it is to be construed that the bidder is making an unconditional offer and accepts the terms and conditions of the present Tender without any reservations.

The purpose of this Tender is to provide all Bidders with the information that may be useful to them in the formulation of their proposals/ bids (the “**Bid(s)**”) in response to this Tender. The statements and facts contained herein, which reflect various assumptions and assessments arrived at by Alliance Air do not purport to contain all/exhaustive information on the aforesaid subject matter that each Bidder may require for the purpose/s of submitting their Bids. (Technical And Financial)

Each Bidder should conduct its own due diligence, investigations, and analysis and should check the accuracy, adequacy, correctness, reliability, and completeness of the assumptions, assessments, and information contained in this Tender and shall obtain independent advice from appropriate sources at its own cost.

The information provided in this Tender to the bidder is on a wide range of matters, some of which depend upon the interpretation of the law. The information given is not an exhaustive account of statutory requirements and should not be regarded as a complete or authoritative statement of law. Alliance Air accepts no responsibility for the accuracy or otherwise of any interpretation or opinion on the law expressed herein.

Alliance Air also accepts no liability of any nature whether resulting from negligence or otherwise however caused arising from reliance of any Applicant/Bidder upon the statements contained in this Tender.

Alliance Air may, in its absolute discretion, but without being under any obligation to do so, update, amend, or supplement the information, assessment, or assumption contained in this Tender, from time to time till the opening of the Bids.

The Tender does not imply that Alliance Air is bound to select a Bidder or appoint the successful Bidder, as the case may be. Alliance Air reserves the right to reject all or any of the Bids without assigning any reason whatsoever at any time.

The Bidders shall bear any, and all costs associated with or relating to the preparation and submission of their Bids including, but not limited to preparation, copying, postage, delivery fees, expenses associated with any demonstrations or presentations which may be required by Alliance Air, or any other costs incurred in connection with or relating to their Bid. All such costs and expenses shall remain with the Bidder and Alliance Air shall not be liable in any manner whatsoever for the same or any other costs or other expenses incurred by the Bidders in preparation or submission of the Bid, regardless of the conduct or outcome of the Bid selection process as contained herein.

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Notice Inviting Tender

From: -

Executive Director (Engineering)

Alliance Bhawan (Engineering Department)
Domestic Terminal -1, I.G.I Airport,
New Delhi 110037, Delhi India (IN)

Subject: - **Tender for selection of Maintenance Service Provider (MSP) to conduct Rectification/ Repair/ Hot Section Inspection (HSI)/ Overhaul of Forty-Three (43) PW127M Engine (Turboprop) installed on Alliance Air's aircraft fleet.**

All Prospective Bidders,

Alliance Air Aviation Limited ("Alliance Air or AAAL") invites responses ("Proposals/Bids") to this Tender for the selection of a Maintenance Service Provider (MSP) to conduct Rectification/ Repair/ Hot Section Inspection (HSI)/ Overhaul (OH) of Forty-Three (43) PW127M Engine installed on Alliance Air's aircraft fleet. The complete bidding document is available on the website "www.allianceair.in/tender" for the purpose of downloading.

Interested Bidder(s) submit the Technical Bid, consisting of the Technical Bid response **in Appendix II**, along with a cover letter, the Variance statement – Technical at **Annexure II** if any, and the Financial Bid, consisting of **Appendix III**, along with a cover letter, the Variance Statement - Financial duly stamped and signed.

A successful bidder will be selected based on the criteria described in this Tender.

Bidders are advised to study this Tender document carefully, before submitting their Bids, in response to the Tender Notice. Submission of a Bid in response to this Notice shall be deemed to have been done after careful study and examination of this Tender document with the full understanding of its terms, conditions, and implications.

Alliance Air may, in its sole discretion, extend the due date and time for submission of Bids by issuing an addendum /corrigendum to that effect, in which case all rights and obligations of the Bidders previously subject to the original due date and time for submission of Bids will thereafter be subject to the due date and time as extended.

Amendments, corrigendum, clarifications if any, and any extensions of the due date and time of opening of the Bids, as per the sole discretion and requirements of Alliance Air, will be intimated and hosted only on the website (www.allianceair.in). NIT (Notice Inviting Tender) would be published in newspapers/print media which may please be noted. It is the Bidder's responsibility to visit the said website regularly for the aforesaid updates/extensions, as necessary.

The tender document/form downloaded from the website (www.allianceair.in) should not be tampered with/modified in any manner. In case, if the same is found to be tampered /modified in any manner, the tender will be completely rejected.

All rights to accept or reject any or all Bids are reserved with Alliance Air.

E.D (Engineering)

Alliance Air Aviation Limited

Summary of Bidding Information

S. No	Particulars	Details
1	Name of Tender	Tender for selection of Maintenance Service Provider (MSP) to conduct Hot Section Inspection (HSI)/ Rectification/ Repair/ Overhaul of Forty-Three (43) PW127M Engine installed on Alliance Air's aircraft fleet.
2	Date of issue of the Tender	01 Nov 2023
3	Period of Contract	Thirty-Six (36) ,Months
4	Pre-Bid Meeting	21 Nov 2023
5	Last Date, Time, and Place for Submission of Bids	30 Nov 2023, 15:00 Hrs. (IST), Material Management Department (MMD) Alliance Bhawan, Domestic Terminal -1 I.G.I Airport, New Delhi 110037, Delhi, India (IN)
6	Time and Date of opening of Technical Bid/s	30 Nov 2023, 15:30 Hrs. (IST), Material Management Department (MMD) Alliance Bhawan, Domestic Terminal -1 I.G.I Airport, New Delhi 110037, Delhi, India (IN))
7	Date and Time of opening financial bid.	Bidders qualifying in Technical Evaluation will be informed through email.
8	Venue of Tender opening	Material Management Department (MMD) Alliance Bhawan, Domestic Terminal -1 I.G.I Airport, New Delhi 110037, Delhi, India (IN)
9	Validity of Bids	180 Days
10	Bid System	Two Bid System 1. Technical Bid 2. Financial Bid

Introduction and General Details Relating to the Tender

Overview

Alliance Air Aviation Limited (Alliance Air), a company incorporated under the Companies Act 1956, having its registered office at Alliance Bhawan, Domestic Terminal-1, I.G.I Airport, New Delhi-110037, Delhi, India (hereinafter referred to as “**AAAL or Alliance Air** “currently operates a fleet of 18 ATR 72-212A, (Version 600, 70/72-seater), 02 ATR42-500 (Version 600) and 01 Dornier aircraft (DO 228) under the brand “**Alliance Air**” and operates Domestic and International flights within India and its neighboring countries.

The majority of the aircraft maintenance of Aircraft is performed by AI Engineering Services Ltd (AI ESL). AI ESL’s maintenance facilities (CAR 145 organization) are approved by the Director-General of Civil Aviation (DGCA) of India, India’s Civil Aviation Regulatory Authority.

The details to be provided in the two bid systems have been listed in this Tender Document. Bidders are requested to furnish all mandatory and general details specifying whether the system being offered supports the requirement.

The Bidder in response to this Tender must meet the specified mandatory requirements.

The contract executed with the successful Bidder pursuant to this Tender shall be for Thirty-Six (36) months from the date of executing the agreement between the service provider and Alliance Air, which is further annually extendable maximum for Twenty-Four (24) months on the same terms and conditions by both parties.

Purpose of Tender

Alliance Air is pleased to invite Bid(s) under the Two (02) Bid System for the selection of an EASA & FAA approved Maintenance Service Provider (MSP), to conduct Hot Section Inspection (HSI)/rectification/ repair/ overhaul of approximately Forty Three (43) PW127M Engines installed on Alliance Air's aircraft fleet for Thrity-Six (36) months, which may be further annually extendable maximum for Twenty-Four (24) months on the same terms and conditions.

The selected MSP shall be fully responsible and approved by DGCA and EASA and/or FAA to perform HIS/rectification/repair/Overhaul of approximately Thirty Six (36) PW127M Engines/ Modules undertaken at its facility.

In the event of AOG situation(s), the MSP shall be required to provide a similar engine on Lease.

PW127M Engines installed on AAAL's fleet aircraft are being maintained on an **"On Conditions"** basis. All Engines are enrolled with CAMP EHM services for ECTM. The following are the expected/approximate numbers of Engines that will be falling due for scheduled HSI & Overhaul in the next thirty-six (36) months: -

S. No	Duration	HSI	Overhaul
1.	36 Months	20	16

- 10% of total float engines for un-scheduled Maintenance (if any).

Under a definitive Agreement (defined under the heading "Maintenance Agreement" under General Terms and Conditions of the tender), MSP shall provide specified maintenance services on a "Fixed Price" and "Time and Material" basis to AAAL, for a period of thirty-six (36) months and at the sole discretion of AAAL, may annually be extendable with the same terms and conditions for next Twenty-Four (24) months.

Submitted Bids would be evaluated on the basis of rates including relevant labour costs, material (expandable and consumable) costs, component(s) new or repair or overhaul costs, handling and transportation costs, & insurance costs. Bidder qualified after subsequent approval of AAAL management and bidder's concurrence, terms of the agreement will be finalized after discussion between MSP and Alliance Air taking into consideration Bidder's requirement(s).

For the avoidance of doubt, there shall be no variance(s) in the Agreement from the Terms and conditions of this Tender and the Bid submitted by the MSP and terms and conditions of this Tender shall be considered as part and parcel of this Agreement.

Only DGCA or FAA and EASA approved Engine(s) repair facilities having Hot Section Inspection/ Overhaul/ Repair capability for PW127M Engines, performed at least Twenty (20) HSI and Ten (10) overhauls of PW127M (Turboprop) engines in the last Three (03) years, are considered for bids evaluation by AAAL.

Schedule III**Terms & Conditions of the Tender****1. Definitions: -**

The following words, as used in the Tender shall have the meaning ascribed to them below: -

- a. **“AAAL”, Alliance Air Aviation Limited”, Alliance Air”** or the Airline” shall mean **“Alliance Air Aviation Limited**, a company incorporated under Companies Act 1956, having its registered office at Alliance Bhawan, Domestic Terminal-1, I.G.I Airport, New Delhi-110037, Delhi, India (IN)”.
- b. **“Applicable Law”** means all the laws, acts, ordinances, rules, regulations, notifications, guidelines, or bylaws, in force and effect, as of the date hereof and which may be promulgated or brought into force and effect hereinafter preferably in India, including judgments, decrees, injunctions, writs or orders of any court of record, as may be in force and effect during the subsistence of the Contract, and applicable to the Tender.
- c. **“Bid”/Proposal”** means the proposal submitted by the Bidder(s) in response to this Tender in accordance with the provisions thereof including Technical Bid and Financial Bid as described along with all other documents forming part in support thereof.
- d. **“Bidder”** or **“Tenderer”** shall mean an eligible entity who has submitted the sealed/closed Bid for this Tender through its authorized signatory or vide Postal, courier or hand delivery.
- e. **“Contract”** or **“Agreement”** shall mean the agreement entered between Alliance Air and the Successful Bidder, confirming its acceptance of the Tender, on the terms and conditions mentioned therein.
- f. **“Successful Bidder”** shall mean the Bidder whose Technical Bid and Financial Bid has been accepted by AAAL and who further declared as L1 after Technical and Financial bid evaluation and LOI is consequently issued by AAAL and the same has been accepted/acknowledged by such Successful Bidder/Tenderer vide a letter. AAAL shall enter into an agreement/contract with the L1 bidder.
- g. Any other term(s) not defined hereinabove but defined elsewhere in this Tender shall have the meaning(s) ascribed to such term(s) therein and shall be deemed to have been included in this Section.
- h. The term **“Day”** shall mean the working business days of AAAL.
- i. The term **“Service(s)”** shall mean the service(s) to be provided by the successful bidders as mentioned in the tender.
- j. The **“L 1”** means bidder with the lowest quote, and **“L 2”** means bidders with the second lowest quote.

2. Terms of Tender

Alliance Air is inviting bids for the selection of a Maintenance Service Provider (MSP) to conduct scheduled Rectification/ Repair/ Hot Section Inspection (HSI)/ Overhaul of approximately thirty-six (36) PW127M Engines and unscheduled Rectification/Repair/Hot Section Inspection/Overhaul of 10% of total float engines installed on Alliance Air’s aircraft fleet for thirty-six (36) months.

- i. Agreement Period : - Thirty-Six (36) Months
- ii. Pratt & Whitney PW127M Engines : - Approximately Forty (40) Engines
Two (02) Engines on each Aircraft.
One (01) owned & Two (02) rental engine

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The Applicant(s)/Bidder(s) are required to submit their bids in a sealed/closed envelope, clearly identifiable as follows: -

- a. "Technical **Bid**" for the selection of a Maintenance Service Provider (MSP) to conduct Rectification/Repair/(H.S.I)/Overhaul of approximately Forty-Three (43) PW127M Engines installed on Alliance Air's aircraft fleet.
- b. "Financial **Bid**" for the selection of a Maintenance Service Provider (MSP) to conduct Rectification/Repair/(H.S.I)/Overhaul of approximately Forty-Three (43) PW127M Engines installed on Alliance Air's aircraft fleet.
- c. **Important: - Please Complete the Annexures as provided in this tender with the requested information and submit them as a part of the Bid.**
- d. Only DGCA or FAA and EASA approved Engine repair facilities having Rectification/Repair/Hot Section Inspection/Overhaul/ capability for PWM127 Engines, performed at least Twenty (20) H.S.I and Ten (10) overhauls of PW127M engines in the last Three (03) years, are considered for bids evaluation by AAAL. **The offers from Agents/Brokers would not be entertained.**

3. Pre-Bid Meeting

In the event of any further clarification(s) relating to this Tender is required to be sought from AAAL, the interested bidder may request the same through email.

For Technical Clarification(s): - cam@allianceair.in

For Tender Clarification(s):- mmd@allianceair.in

Interested bidder(s) may also request a Video-Conference call with AAAL's official assigned for this tender on the date and time mentioned above. Such VC conducted by AAAL officials with the bidder(s) would also be documented by preparing the records note of discussion and filled accordingly. Such VC should be scheduled no later than Seven (07) days prior to the closing date and time of the tender.

AAAL shall endeavor to provide clarifications and such further information as it may, in its sole process. However, AAAL reserves the right not to respond to all/any questions or provide any clarifications in its sole discretion and nothing contained herein shall be taken or read or assumed as compelling or requiring AAAL to respond to any question(s) or to provide any clarification(s). AAAL may also on its own motion if deemed necessary, issue interpretations and clarifications regarding this Tender documents. Verbal clarifications and information(s) given by AAAL, or its employees or representatives shall not be in any way or manner binding on AAAL.

4. Instructions/ Information to Bidders: -

General Instructions

- a. The Bids shall be typed in the English language, and all correspondence and documents related to the Bid exchanged by the Bidder and Alliance Air shall be written in the English language. Before submitting the Bid, the Bidder should carefully examine the Tender document, terms & conditions of assignment and specifications.
- b. Bids must be sent, only at the sole risk of the Bidder. Bids received late, delivered at a different address other than as specified in the Tender or lost in transit will not be accepted irrespective of whether the delay has arisen on account of the delivery system i.e., Postal, courier or hand delivery. It is hereby clarified that Bids sent only by the mode mentioned hereinabove shall be accepted by Alliance Air. Bids sent by any other mode may be liable to be rejected.
- c. The Bidder shall abide by the Tender Conditions and submit their Bids in accordance with the requirement laid down in this Tender and complete the annexed form of Tender and information called for therein and shall sign and date each page of the documents.

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- d. The Tender shall contain the name with designation, address, Tel. No and email for communicating with the Bidder in connection with the Tender.
- e. Bidders shall read and confirm the terms and conditions outlined in this document and ensure that they are eligible in all respects in order for their applications to be processed at various levels. The columns that are left blank or incomplete shall be interpreted to the Bidder's disadvantage. The submission of a Bid implies that the Bidder has read the conditions of the Tender and is fully aware of the scope of work, specifications, and project execution/solution implementation requirements.
- f. Alliance Air reserves the right to accept or reject any bid without assigning any reason whatsoever and to annul the bidding process and reject any Bids, at any time prior to the award of the contract, without thereby incurring any liability to the affected Bidder or any obligation to inform the affected Bidder of the grounds for Alliance Air's action. Alliance Air also reserves the right to extend the validity period of the Tender.
- g. All Bidders are to note that even though they may be qualified after evaluation of the Technical Bid, in the event their Financial Bid is found incomplete or not submitted in a format as prescribed herein, their Bid submitted thereon shall be rejected by AAAL.
- h. Alliance Air has the right to amend and/or re-issue the Tender document without the Bidder(s) having any right to object to such reissue.
- i. Bidders shall be required to sign all pages of the Technical Bid and the Financial Bid, and all signed pages should be in ascending order, along with an index of submissions. The individual signing the Tender or other documents in connection with the Tender should submit proof of being an authorized signatory and certify the capacity in and/or authority in which they are signing the Bid.
- j. All financial quotes must be in USD (\$) only. Further, the price quoted should remain valid for acceptance for a minimum period of 180 days from the date of opening of the Financial Bids or such period as mutually agreed by AAAL and the Bidder, beyond the initial 180 days.
- k. The Financial Bid should be quoted in USD (\$) only as per the format for the Financial Bid in Appendix III.
- l. The quoted rates should be clearly typed in figures as well as in words and should be free from over-typing or overwriting. Overwriting/overtyping, if any, must however be authenticated by full signature by the authorized signatory who signs the Bid and should be duly stamped.
- m. Alliance Air reserves the right to award the contract to the successful bidder as it may deem eligible as per its requirements.
- n. A Bidder shall be liable for disqualification, if any legal, financial, or technical adviser of Alliance Air in relation to the Tender is engaged by the Bidder, its member, or any associate thereof, as the case may be, in any manner for matters related to or incidental to the Tender during the Tender process or subsequent to the execution of the Contract. In the event, any such adviser is engaged by the Successful Bidder, as the case may be, after issuance of the Agreement or execution of the Agreement for matters related to or incidental to the Tender, then notwithstanding anything to the contrary contained herein or in Contract and without prejudice to any other rights or remedies of Alliance Air, including the forfeiture and appropriation of the Security Deposit, Alliance Air shall have the right to terminate the Contract, without being liable in any manner whatsoever to the Successful Bidder for the same.
- o. At any time prior to the last date for submission of Bids, Alliance Air may for any reason, whether at its own initiative or in response to a clarification requested by a Bidder, modify this Tender document by an amendment. In order to afford a reasonable time for Tenderers

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to take such amendments into account for the preparation and submission of their Bids, Alliance Air may, at its discretion, extend the last date for the submission of Bids through an announcement on its website.

- p. Bids must be comprehensive in all respects and inclusive of all costs related to the work scope as detailed in the Tender. It is to be noted that an increase in the price, other than what has been quoted in the Financial Bid, would not be accepted by Alliance Air after the closing date of the Tender for any reason whatsoever.
- q. The Bidder shall bear all costs associated with the preparation and submission of the Bids, including the cost of presentations/demonstrations for the purposes of clarification/evaluation of the bids and negotiations with the Successful Bidder, etc. Alliance Air will not be responsible or liable for any such costs, regardless of the conduct or outcome of the bidding process.
- r. AAAL may extend the date for submitting the Bids and/or opening of the Tender if Considered necessary at its sole discretion. Amendments/clarifications/Addendums, if any, to the Tender documents including changes in the dates, time and place for submitting the Bids and/or opening the Tender would be hosted/notified/displayed on the website of Alliance Air, www.allianceair.in/tender, and no such separate communication will be sent in this regard.

The Bidders may therefore visit Alliance Air's website regularly till the date of closing of the Tender. Queries, if any, in respect of the Tender may be addressed to the following officials.

Technical Queries	For Queries on Tender Clauses.
<p>Continuing Airworthiness Manager (CAM)</p> <p>Alliance Bhawan (Engineering Dept) Domestic Terminal-1, I.G.I Airport, New Delhi 110037, Delhi, India (IN)</p> <p>Email: - cam@allianceair.in</p>	<p>Material Management Department (MMD)</p> <p>Alliance Bhawan Domestic Terminal-1, I.G.I Airport, New Delhi 110037, Delhi, India (IN)</p> <p>Email: - mmd@allianceair.in</p>

- **“Technical Bid” for Tender for Selection of Maintenance Service Provider (MSP) to conduct Rectification/Repair/Hot Section Inspection/Overhaul on approximately Forty-Three (43) PW127M Engines installed on Alliance Air fleet's aircraft”.**

- s. AAAL shall endeavor to respond to the queries raised or clarifications sought by the bidders. However, AAAL reserves the right not to respond to any or provide any clarification, in its sole discretion, and nothing in this Clause shall be taken or read as compelling or requiring AAAL to respond to any query or to provide any clarification. No queries and or communication-related to this tender shall be entertained after the last date and time of receipt of bids.
- t. The acceptance of the Tender Bids is subject to AAAL receiving requisite approvals from its Board and concerned Regulatory/Government authorities etc.
- u. AAAL reserves the right to terminate the process of tendering at any stage, and not to proceed further at its sole discretion, without assigning any reason thereof without notice or liability. AAAL also reserves the right to reject any Bid (Partially/in its entirety) without assigning any reasons whatsoever and without any liability whatsoever.

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v. AAAL reserves the right not to award the contract to a successful or any bidder.

Any queries or requests for additional relevant information concerning this tender shall be submitted in writing or e-mail to the officer designated below: -

Executive Director (Engineering)
Alliance Bhawan (Engineering Department)
Domestic Terminal 1, I.G.I Airport,
New Delhi 110037, Delhi, India (IN)

5. Bid Submission

- a. Bids should be submitted on the letterhead of the Bidder's company with all pages duly stamped and signed by the authorized signatory/signatories of the Bidder's Company.
- b. The bid should be valid for a period of at least 180 days from the last date for submitting the Tender.
- c. Bidders are required to submit two separate sealed envelopes superscribed as Technical Bid and Financial Bid respectively. These shall also be superscribed on each of the envelopes as **"Tender for Selection of Maintenance Service Provider (MSP) to conduct Rectification/ Repair/ Hot Section Inspection (HSI) / Overhaul on approximately Forty-Three (43) PW127M (Turboprop) Engines installed on Alliance Air fleet's aircraft"**.
- d. The name of the authorized person with designation, address, contact numbers, and email address for official communications shall also be mentioned on each of the envelopes.
- e. The two-bid system i.e., **Technical Bid** and **Financial Bid**, being adopted for this Tender, the process will be carried out in 2 stages. Technical Bids will be opened at the venue mentioned above at a specified time and date, and the financial bid of bidders who qualifies in the technical bid will be opened later.
- f. The tender response is to be made in a Two (02) Bid system, i.e.
 - i. Technical Bid
 - ii. Financial Bid.
- g. No changes will be permitted to the Bid document after the opening of the bids.
- h. Bidders are advised to quote strictly in accordance with the formats in **Annexure I, Annexure II, Appendix II, and Appendix III** enclosed with the Tender Document. Otherwise, the Bidder may invite the risk of disqualification of their Bid.
- i. Bidder/s have to submit the "Technical Bid" and "Financial Bid" through the below-mentioned mode: -
 - Hard Copies in two (2) separate sealed/closed envelopes, Super Scribed in bold.
 - **"Financial Bid"** for Tender for Selection of Maintenance Service Provider (MSP) to conduct Rectification/Repair/ Hot Section Inspection/ Overhaul on approximately Forty-Three (43) PW127M Engines installed on Alliance Air fleet's aircraft".
 - Both envelopes should be submitted in **"Master Envelope"** in sealed/closed condition, superscribed in bold with **"Tender for Selection of Maintenance Service Provider (MSP) to conduct Rectification/Repair/ Hot Section Inspection/Overhaul on approximately Forty-Three (43) PW127M Engines installed on Alliance Air fleet's aircraft"**.

Duly addressed and deposited in the Tender Box placed at the address mentioned below: -

Material Management Department (MMD)

Alliance Bhawan,
Domestic Terminal-1, I.G.I Airport,
New Delhi 110037, Delhi, India (IN)

The last date of receipt of bids is 30 Nov 2023 latest by 15:00 Hrs. (IST).

- If the Bidder so desires, a duly authorized representative of the Bidder's company/organization can be present at the time of opening of the Tender. The representative must carry an authority letter from the Bidder's Company/Organization authorized signatory for participating in the Tender opening, a copy of which may preferably be sent by e-mail in advance to the address specified above.
- j. Acceptance of the terms & conditions of this Tender should be expressly indicated by the Bidder in its offer. Any terms & conditions, which are not acceptable, should be specified in the Variance Statement of Terms & Conditions as per the format in Appendix II in respect of technical requirements & conditions and Appendix III in respect of General and Financial terms & conditions. In case, no variance is given by the bidder in its Bid, the same shall not be considered during the Lease Agreement negotiation stage.
- k. Terms that are not specified in this Tender by Alliance Air and the Bidder wants to add should also be specified in the Variance Statement of Terms & Conditions (if any) as per the format in Annexure II in respect of technical & financial requirements in respect of terms & conditions.
- l. If any bid(s) are received after the Due date and Time, such Bids will be declared invalid and will be rejected. Alliance Air reserves to itself the liberty to reject all or any Bid Without assigning any reason.

Note: -

- Bidders should not disclose the financial terms in any other part of their bid.
- A conditional bid will not be considered for the evaluation.
- If a Bidder submits more than one Bid, all the Bids submitted by the Bidder would be summarily rejected.

6. Evaluation of Bids

- i. This Tender is a two-bid process and accordingly, the evaluation of the Bids shall be done in two stages.
 - Stage 1** – Evaluation of the Technical Bid(s).
 - Stage 2** – Evaluation of the Financial Bid(s).
- ii. Bidders will have to qualify through each stage to progress to the next stage of evaluation.
- iii. The evaluation of the bid(s) shall be performed as per the methodology provided under the provisions relating to the evaluation of the bid(s) as specified in Appendix IV.
- iv. The Bids of only those Bidders whose Technical Bids have been assessed by Alliance Air as meeting the minimum requirements spelt out in Annexure T1 will be taken up for Financial Bid evaluation.

7. Basis of Evaluation

a. Technical Bid (**Annexure T1**)

Contains conditions, which are mandatory and need to be fulfilled by the Bidders. The

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response for each of the conditions in this Part shall only be written as 'YES'. Only those Bids that contain the response 'YES' against all the conditions, will be eligible for further processing. **For the avoidance of any doubt, if the response to any of the condition/s in Annexure(s) read as "NO", or "Noted" or is left blank, the bid will not be processed any further and no evaluation will be done further.** The Bidder will be rejected, and their Financial Bid will not be taken up for further evaluation.

b. **Financial Bid (Annexure F1)**

Bidders have to provide their quotations as mentioned in Annexure F1. The "L1" bidder will be decided based on the quotation found to be lowest after the Financial Bid evaluation by Alliance Air.

8. **Earnest Money Deposit (EMD): -**

Bidder(s) participating in the tender process has to submit EMD. An amount of USD 1.2 Million is to be submitted along with bid documents in the form of a Demand Draft/Bankers Cheque (if applicable) or via wire transfer, preferably Indian Bank.

9. **Security Deposit**

- a. The Successful Bidders would be required to submit an interest-free refundable security deposit equal to the three percent (3 %) of annual tender value ("**Security Deposit**" and "**SD**") or the Security Deposit could be paid by the Successful Bidder by executing irrevocable performance bank guarantee in favour of AAAL for an equivalent amount as stated above ("**Performance Bank Guarantee**" and "**PG**") in the form of SBLC or Bank Deposit. The expenses incurred towards submission of the Security Deposit / Performance Bank Guarantee will have to be borne by the Successful Bidders. The Security Deposit/Performance Bank Guarantee shall be retained by AAAL through the period of the Agreement and till completion of the Warranty the of last engine serviced the at MSP facility, post which, the Security Deposit/Performance Bank Guarantee shall be returned/discharged (after adjusting damages, if any, arising out of the performance of MSP under the Agreement) by AAAL within 3 (three) months.
- b. The successful bidder shall submit the Security Deposit/ Performance Bank Guarantee within Fifteen (15) days prior to the execution of the agreement. The Performance Bank Guarantee should be valid for Ninety (90) days beyond the completion of the Warranty period of the Last Engine serviced and received after repairs from MSP. It is clarified that the Performance Bank Guarantee shall be the stand-alone document to the agreement in case the same is furnished by the Successful bidder.
- c. The Security Deposit/Performance Bank Guarantee will not carry any interest.
- d. Notwithstanding anything mentioned to the contrary in this Tender or the Agreement, upon any default or breach of obligations by the Successful Bidder under the agreement, AAAL may at its sole discretion invoke the Security Deposit/ Performance Guarantee to satisfy its claim against the Successful Bidder by way of imposition of damages or otherwise, irrespective of any other remedy under this Tender or the Agreement. In such an event, the Successful Bidder shall be obligated to ensure that the Security Deposit/ Performance Bank Guarantee is restored to its original value within seven (07) working days from such invocation failing which the same shall be deemed as a material breach by the Successful Bidder and entitle AAAL to terminate the Agreement.

10. **Payment Terms**

- a. The payment(s) would be made by AAAL within Forty-Five (45) days from the receipt of the Complete Invoice or Serviced Engine which may be later, through wire transfer. Invoice sent by MSP must be complete will relevant enclosures.
- b. If a credit term is offered for less than Forty-Five (45) days from the date of the Invoice, a loading @ 0.05% per day, will be applied for comparative evaluation of the financial bid. Kindly

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refer to the clause relating to the loading

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- c. criteria for evaluating Financial Bid.
- d. Invoicing address for payment will be notified in the Agreement.
- e. Discount, if any offered, shall be adjusted with each invoice.
- f. It is clarified that whenever under the Agreement any sum of money is recoverable from MSP, AAAL shall be entitled to recover/deduct such sum from the payment(s) due to MSP and/or Security Deposit or Performance Bank Guarantee held by AAAL. In the event said Security Deposit/Performance Bank Guarantee is insufficient, the balance of the total amount recoverable shall be deducted from any sum due to the MSP under the agreement or any other contract with AAAL. In case, this collective amount seems insufficient to cover the said full amount recoverable, MSP shall pay to AAAL on demand the balance amount, if any, within Fourteen (14) days of the demand with applicable 18% interest on the amount from the due date specified in the demand notice. If any amount due to AAAL is so set off against the Security Deposit/Performance Bank Guarantee is restored to its original value within Seven (07) working days from such set-off. Non-Restoration of Security Deposit/ Performance Bank Guarantee will be treated as the event of default, leading to the right of AAAL to take appropriate remedial action against MSP, including termination of the Agreement.

11. Mode of Payment

Payment will be made through wire transfer mode. Bidder(s) should provide their bank details to enable AAAL to remit the payment, must be mentioned in agreement before execution.

12. Validity of Price

- a. The quoted rates should remain firm till the completion of thirty-six (36) months from the date of signing of the Agreement.
- b. All orders received during the term of the contract must be completed by the Successful Bidder at the contract rates notwithstanding that delivery is to be made after the expiry of the Agreement. For a further Twenty-Four (24) months extension, escalation cost must be provided in the Financial BID for evaluation.

13. Escalation in Cost

Bidder(s) must provide escalation cost in percentage (%) for a further Twenty-Four (24) months agreement, i.e 4th and 5th-year agreement. If the price remains fixed for all Five (05) years of the Agreement, bidders must quote Zero Percentage (0%) as escalation Value.

14. Price Negotiation

As it is not the general norm for AAAL to carry out price negotiations with any Bidder, other than the most competitive Bidder (in the case of this Tender L-1), the Bidders are advised to submit their best quotes in the very first response to this Tender as per the commercial Bid format enclosed at Appendix III. However, AAAL reserves the right to carry out negotiations with the Successful Bidder who has been evaluated by AAAL as having offered the lowest Bid in response to the Tender.

15. Documents required for remittance and other statutory requirements.

The bidder agrees to obtain and provide the documents which are statutorily required for remittance, taxation or any statutory purpose as per applicable laws. At present, a **TRC (Tax Residency Certificate)** issued by the competent authority of the remittee, a duly filled-in **Form 10 F** (format to be provided by AAAL during the agreement stage) and a declaration towards **No Permanent Establishment (NO PE Certificate)** is statutorily required to enable remittance to the foreign vendor.

In addition, AAAL desires the MSP to obtain an Indian PAN (Permanent Account Number) to meet tax obligations in India.

16. Turn Around Time (TAT)

- a. In the Technical Bid Applicant / Bidder is required to provide the Shop-in to Shop-out TAT, in number of calendar days, for the complete PW127M Engine. AAAL expects the shop-in shop-out TAT to be within 30 (Thirty)-calendar days for the complete PW127M Engine Hot Section Inspection (HSI). This should include all repairs as applicable to HSI. Additionally, MSP is also required to provide the TAT for the overhaul of the PW127M Engine(s)/ Engine- Module(s) along with all repairs in the individual modules. The desirable time limit for the overhaul is 45 days.
- b. Applicant/Bidder is required to agree that in case of non-compliance of the stipulated Shop-in to Shop-out TAT for HSI, as mentioned in Para 16 (a) above, loading of US\$ 2500 per day will be applicable for evaluation purpose.

17. Time and Material Charges

The MSP should quote the rates and charges that are applicable to Engines requiring maintenance Services other than Hot Section Inspection (HSI) on case to case basis at MSP facility, which are the rates, charges and associated fees for MSP facility labour Services including, without limitation, material prices for new and used serviceable parts, test cell fee/ test cell labour, packaging material, rental engine, subcontractor markup charges and rates and charges for time and material (see Appendix III, Charges for Time and Material).

18. Warranty

- a. Bidders are required to agree that the Warranty period shall be a minimum of 12 (Twelve) months for the PW127M Engines or 2000 Flying Hours, whichever is later, under this Tender (the "Warranty Period"). Warranty shall commence after 7 (seven) days of receipt of the PW127M Engine in India or its installation on aircraft, whichever is earlier (the "Warranty"). Applicant/Bidder is also required to warrant its subcontractor's work. It is clarified, that in the event MSP sub-contracts work related to PW127M Engines as stated in this Tender to any subcontractor, Bidder shall primarily be responsible for the work conducted/carried out by such sub-contractor and will ensure that it meets OEM's technical requirement and approval as stated within Tender thereof.
- b. In case of Warranty applicability, Applicant/Bidder is required to agree to bear the full labour costs related to work covered under the Warranty and replacements cost of damaged material, consequential damage and also the transportation costs for the Engine (incoming & outgoing) returned for Warranty repairs.
- c. Applicant/Bidder is also required to agree to take up any Warranty claims/issues with manufacturers on behalf of AAAL without any applicable costs.

19. Guarantee

- a. Inter Turbine Temperature (ITT) Margin Guarantee
 - i. The minimum difference between **Inter Turbine Temperature (ITT)**, as measured in the MSP's test cell with MSP's equipment, at Ninety per cent (90%) torque, OAT 15° C with Pressure Altitude Zero (0) feet, and the maximum operational ITT allowed in the Engine Manual is defined as ITT margin. MSP shall Guarantee a minimum ITT margin of 35° C for 2nd HSI and minimum ITT margin of C for Overhaul.
 - ii. Should such of Engine not achieve the above-mentioned guaranteed ITT Margin Post-Maintenance test, MSP shall compensate AAAL for each 1° C ITT margin shortfall and relevant compensation shall be quoted by MSP accordingly. For ITT margin shortfall above 5° C in the case of 1st HSI and by above 2° C in the case of 2nd HSI, both AAAL and MSP shall agree on financial compensation as mutually agreed upon.
- b. **Time On-Wing Guarantee**
 - i. An Engine which has undergone HSI or Overhaul, is expected to remain On-Wing for

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a minimum expected time, and should not be removed from revenue service(s) due to performance deterioration (low ITT Margin) solely, provided that such deterioration is not caused due to FOD, Bill of Material object damage, Incident, Accident, Bird-Strike, Engine Operation Outside operational limits, abnormal operational or failure of any part outside the bare Engine. The minimum continued Time-On-Wing for AAAL Engines is:

PW127M: - 2000 FH

MSP shall provide compensation to AAAL as per the formula mentioned below or any other as mutually agreed upon: -

$$\frac{(\text{Guaranteed Time On Wing}) - (\text{Actual Time On Wing})}{\text{Guaranteed Time On Wing}} \times (\text{Cost of last shop visit of the relevant Engine})$$

** Any negative value shall be considered null & void.

20. Damages

Liquidated Damages

- If the TAT as quoted by the Applicant/Bidder is exceeded due to the reasons solely attributable to the Bidder, liquidated damages shall be levied at the rate of 1.25 % (one point two five percent) per day of the value of the shop visit invoice (excluding delivery charges). Such liquidated damages would be settled from the amount due to the Bidder or from the Security Deposit or Performance Bank Guarantee, as the case may be.
- AAAL further reserves the right to annul the Agreement in the event of recurring delays / failure to produce the Engines that are solely attributable to the Bidder, and to enter into a fresh Agreement with any other source at the cost and risk of the Bidder. In such case, Security amount/Performance Bank Guarantee will also be forfeited.

21. Quality Audit

MSP agrees that AAAL's quality control personnel shall visit MSP facility as and when required, for the quality audit, where the Engines will be undergoing HSI/Rectification/Repair/Overhaul. Local Aviation Regulatory Authorities of India, such as DGCA's officers, may also accompany AAAL's personnel for conducting such an Audit.

22. Agreement

After evaluation of the offers, AAAL will enter into an agreement with the successful Bidder for a period of Twenty-Four (24) months, as per the terms & conditions of this Tender and the negotiated terms, from the date of signing of agreement, further extendable for a period of Twenty-Four (24) months in yearly increment at the sole discretion of AAAL, unless terminated by either party, giving to the other party not less than Ninety (90) days in advance written notice prior to the date such termination becomes effective.

23. Letter of Intent (LOI)

- All the terms and conditions of this Tender shall be deemed to be included in the LOI and also in the agreement either by way of reference or by specific inclusion therein, as may be deemed appropriate by AAAL.
- AAAL reserves the right to terminate this Tender at any time before the execution of the agreement for any reasons whatsoever without being liable in any manner. Any binding commitment with respect to the matters referenced in the LOI will result only from the execution of the final agreement.

24. Notifications

Any liquidation/merger/takeover/ amalgamation of the prospective MSP should be intimated to AAAL promptly. In such an eventuality, AAAL reserves the right to continue/discontinue the

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contract/ Agreement. If AAAL chooses to continue, the MSP should agree to reimburse any resultant cost burden on AAAL, due to such liquidation/merger / take over/ amalgamation of prospective MSP.

25. Termination

- a. Prior to the termination of the agreement between both parties, either party may terminate the lease agreement by giving to the party one hundred eighty (180) days' written notice.
- b. If, as a result of an unforeseen event (Force Majeure) or any other reason (other than MSP's willful misconduct, not directly attributable to AAAL or an intentional breach in the performance of MSP's obligations to deliver the service(s) under and subject to the conditions in the agreement), takes place after the execution of the agreement or does not happen, AAAL shall be entitled to terminate the Lease or to reject the Aircraft when it is offered for Delivery because of the delay.
- c. AAAL can terminate the contract of the successful Bidder with immediate effect at its sole discretion, if the Successful Bidder has committed any corrupt and/or fraudulent practice, an offence under the Provision of Corruption Act, 1988 as amended time to time, or any other applicable guidelines issued by the Central Vigilance Commission time to time.
- d. AAAL and/or the Successful Bidder may terminate the contract in case of the prevalence of a Force Majeure Event in the manner provided in the contract and Clause 39 (Force Majeure) hereunder.
- e. Upon termination of this contract for any reasons stipulated herein, the Successful Bidder shall return all the Property including Confidential Information of AAAL to AAAL that may be in the Successful Bidder's possession, within seven (07) days from the date of termination. The Successful Bidder agrees that withholding such property including Confidential Information beyond the stipulated time period may attract consequences including but not limited to injunctive reliefs and any other equitable remedies available under the provision of law.

26. Regulatory Agency Clearances

- a. The Agreement execution will be subject to requisite approvals of the AAAL Board and related government/regulatory agencies such as the Reserve Bank of India, DGCA, India etc. and export/import approvals.
- b. The Bidder is also required to confirm that it has obtained the required approvals of relevant authorities and/or agencies to offer the subject Aircraft under this Tender. The Bidder is also required to submit proof on the letterhead of the Bidder company that the person signing the Bids is authorized to do so and act on behalf of the Bidder.

27. Dispute Resolution, Jurisdiction and Governing Law

The construction, interpretation, validity and performance of this tender shall be governed in accordance with the laws of India. Any dispute whatsoever, arising out of or in connection with the Tender shall be subject to the jurisdiction of the Courts of New Delhi only.

28. Integrity Pact

The parties are required to sign and submit the enclosed Integrity pact (Annexure III) (without any addition/deletion/changes in the attached format) along with the offer in the Technical Bid (the "Integrity Pact"). Also, refer brief on Integrity Pact and Independent External Monitor (IEM) attached along with the Integrity Pact Smt. Dolly Chakrabarty is the IEM, and her contact details are as:

<p style="text-align: center;">Smt. Dolly Chakrabarty Address :- I -1732, Second Floor Chittaranjan Park, New Delhi 110019, Delhi, India (IN)</p>

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The Successful Bidder shall hold harmless and indemnify AAAL (ALLIANCE AIR) from and against any and all damages, losses, and expenses arising out of any claim directly attributable to deficient Services, willful misconduct or gross negligence of the MSP including but not limited to claims from tax authorities or for infringement of patents, copyrights, design etc. for use or supply of products/services by them pursuant to the execution of the Agreement. Similarly, Successful Bidder shall at its own cost defend and indemnify ALLIANCE AIR against any third-party claims, or rights, including but not limited to trademark, trade secret, industrial disputes on designs etc. for the use of products by them in fulfillment of/ discharging the obligations under the Agreement.

29. Fraudulent Practices

Alliance Air requires that Bidders observe the highest standard of ethics during the bidding process and execution of contracts. In pursuance of this, AAAL,

- a. Shall reject the Bid for the award if it determines that the Bidder recommended for the award has engaged in corrupt or fraudulent practices in competing for the contract in question.
- b. Shall declare a Bidder ineligible and blacklist such Bidder, for a stated period of time if it at any time determines that the Bidder has engaged in corrupt or fraudulent practices in competing for, or in executing a contract.
- c. Shall rescind the contract forthwith, in case of successful Bidder adopting fraudulent/corrupt practices during the currency of the contract.

30. Litigation History

The Bidder should provide accurate information about any litigation or arbitration resulting from contracts for providing services similar to the ones sought in this tender, in the past since the time it has been in business of its incorporation. A consistent history of awards against the Bidder may result in rejection of the Bid. Suppression of any information or material in this regard would be construed as a fundamental breach and AAAL reserves its right to take appropriate action including cancellation of the Bid, termination of the Contract/Agreement as the case may be, Blacklisting the Bidder etc., as may be deemed fit and proper by AAAL at any time without requiring giving any notice to the Bidder in this regard.

31. Blacklisting of Bidder

If at any time during the bidding process and/or prior to or after the award of LOI/ contract it comes to the knowledge of AAAL that the Bidder has been blacklisted at any time by any Government / Government agency / Financial Institution in India in the past, AAAL will be entitled to take all or any of the following actions: -

- a. Terminate the contract/LOI/Term Sheet/Initial Contract.
- b. Such bidders will also not be eligible to participate in the tender hosted by AAAL for next three (03) years.

32. Contract

After evaluation of the Bids and approval of its Board of Directors, Alliance Air Aviation Limited will enter into the Agreement with the selected bidder for the agreed terms and conditions of this Tender and the negotiated terms (the "Contract"). All disputes and differences, if any, arising out of this Tender shall be subject to Indian Laws and shall exclusively be subject to the jurisdiction of the Courts of New Delhi, India. By submitting their Bid, the Bidders also unconditionally agree to the said jurisdiction.

33. Contract Validity

The validity of the contract comes to an end *IPSO FACTO* by efflux of time unless otherwise extended/terminated. The Contract Period shall be for Twenty-Four (24) months from the date of execution of the agreement by both parties terminated earlier as per the terms and conditions of

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the tender.

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34. Fall Clause

The prices quoted for services supplied under the Contract should under no event be higher than the lowest prices at which the party sells/lease the items of identical description to any other Airlines/ Govt. organization/ PSU's/ Central Govt, / State Govt. Autonomous bodies/ Central/ State Universities/ Central/ State Institutions during the period of Contract failing which the "FALL CLAUSE" will be applicable. In case, if the price charged by the Bidder is more, the Successful Bidder will provide an Undertaking providing Alliance Air to exercise the right to recover the excess charged amount from the subsequent/ unpaid bills.

35. Draft Agreement

It is desired that the bidder submits a copy of their draft agreement along with the Technical Bid, without the cost components.

36. Grounds for Rejection of Bids

The Bids are liable to be rejected forthwith i.e., without being evaluated, on the following grounds:

- a. If the Bid has been received after the due date/time of submission of the Bids.
- b. If the Bid has not been signed by the authorized signatory of the Tenderer.
- c. If the Tenderer's response is not received as mentioned in the Tender document.
- d. If the information given in response to the Tender is incomplete, incorrect, ambiguous, without requisite supporting documents, unverified, unattested and/or submission of illegible copies or unexplained materials and/or Bids not received as per the desired formats & bidding instructions.
- e. If the price indication has been provided in the Technical Bid.
- f. If the Bid is not presented neatly and corrections if any are not duly authenticated with full authorized signatures of the person who has signed the Bid document,
- g. If the Bid has been received without the undertaking of acceptance of all terms & conditions.
- h. If the Bid (Technical/Financial) is incomplete in any manner.
- i. If the Bid received is conditional.

The above list is only illustrative, there can be other relevant grounds for the rejection of Bids and any other reasons as Alliance Air may deem fit.

37. Exit Clause

- a. AAAL shall have the right to terminate the Agreement without assigning any reason whatsoever by giving 3 (Three) months advance notice in writing to MSP.
- b. If there is a change in AAAL's requirements, AAAL shall terminate the Agreement by giving (3) three months' advance notice in writing to MSP. In such a case, MSP shall not be entitled to any compensation whatsoever for any costs incurred or to be incurred on this account.
- c. AAAL shall be entitled to terminate the Agreement under any of the following circumstances:
 - i. If MSP commits any breach of the terms and conditions of the Agreement, which breach is not remedied by MSP within 1 (one) month after receipt of the written notice from AAAL requiring the Successful Bidder to rectify the said breach.
 - ii. In the event of unsatisfactory progress/execution and frequent delays/extensions to the project or failure to execute the contract solely attributed to the MSP, AAAL shall be entitled to terminate the Agreement by giving 1 (one) month's written notice to MSP.

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- d. It is clarified that in the event of termination of the Agreement, MSP shall be liable to complete all the open jobs in hand and return back all such Engines in the time frame as decided upon by AAAL and informed to MSP.

38. Disqualification of Bid

- a. Any Bidder and/ or any of its director/s, who has been blacklisted or debarred from participating in any tender either by any Government agency or Corporation or any Public Sector Undertaking (in India or elsewhere) shall not be allowed to participate in the Tender.
- b. Further Bidders are subject to be disqualified if Bidder/Tenderer or any of its constituent partners/directors (as applicable) have:
- i. made a misleading or false representation in the forms, statements, and attachments submitted which was/were discovered at any point either after the submission of the Bid or on/ before the opening of the Bids or during the Bid evaluation process; or
 - ii. records of poor performance since the time of its incorporation, as on the date of submission of Bids such as abandoning the work, rescinding of any contract for which the reasons are attributable to the non-performance of the Bidder/Tenderer, inordinate delays in completion, any history of litigation/arbitration awarded against the Bidder/Tenderer or any of its constituents or financial failure due to bankruptcy etc.
 - iii. been debarred by Alliance Air or its affiliates as on the date of submission of the Bid.
 - iv. been into any kind of running legal dispute or arbitration in the past /present with Alliance Air or its associated companies within the last 5 (five) years.
 - v. A Bidder who submits more than one Bid will cause all the Bids with such Bidder's participation to disqualify.
 - vi. In addition to the above, Alliance Air shall be entitled to:
 - a) Reject the Bid or proposal for the award of the Contract; or
 - b) rescind the Contract forthwith of such Bidder and shall blacklist the Bidder from participating in any tender issued by Alliance Air, without being liable in any manner whatsoever to the Bidder if Alliance Air determines that the Bidder has, directly or indirectly or through an agent, engaged in corrupt, fraudulent, coercive, undesirable, or restrictive practice in the Tender process.
 - vii. In addition to the above-mentioned remedies, Alliance Air shall declare the said Bidder ineligible and blacklist such Bidder for a period of three (03) years.

39. Force Majeure

- a. Neither the Successful Bidder nor Alliance Air (herein referred Party/Parties) shall be in breach of any obligation under the Contract in case of failure or delay in performance of the obligations in whole or part by reason in the event of Force Majeure as defined below.
- b. "Force Majeure" is hereby defined as extraordinary events or circumstance which is beyond the reasonable control of Successful Bidder (including its subcontractors for the Services/ part thereof delegated to it with the prior written approval of Alliance Air) or Alliance Air as the case may be, which they could not foresee or with a reasonable amount of diligence could not have foreseen including the following events: war, hostilities; riot, strike or disorder; act of God, fire, frost, earthquake, flood, droughts, storm, lightning; epidemic, pandemic, quarantine restrictions; embargoes, explosion, accidents by fire, and central or state government restriction in operation (each, a "Force Majeure" event).
- c. In such case, the affected Party shall give immediate notice in writing (in any case not later than 5 days from the date of occurrence of such an event) and shall thereafter keep the other Party informed of the developments in such Force Majeure situation. Upon notification from the

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affected party of the existence of a Force Majeure Event, the Parties shall use reasonable efforts to re-plan and reschedule delivery/ performance of Services/ respective obligations under the Contract.

- d. Notwithstanding the occurrence of a Force Majeure Event, the Affected Party shall use its best reasonable efforts and due diligence to mitigate the economic and other effects of the event of Force Majeure and shall reasonably allocate its available resources, giving priority to its obligations under the Contract.
- e. In the event of Force Majeure lasting for more than 30 (thirty) days, either Party may after mutual consultation with each other, terminate the Contract. It is understood by the Parties that such early termination in terms of this Clause shall not exclude the Parties from fulfilling the obligations accrued prior to such termination.

40. Subcontracting

MSP shall not be allowed to sub-contract or delegate or outsource or assign the project contract or any of the activities of the project contract to any third party, without the prior written consent of AAAL.

41. Contract Survivability:

- a. In the event either party is acquired by or merges with another company/entity by operation of law, the terms and conditions of the contract resulting from the award of this tender shall remain in full force and effect with the acquiring company/entity, on the same terms and conditions.
- b. Notwithstanding anything mentioned to the contrary, AAAL shall have the right to terminate the Agreement and claim liquidated damages in case MSP is acquired by or merges with any third- party entity during the subsistence of the Agreement and is thereby unable to undertake the maintenance services as contemplated herein or in the Agreement.

42. Notices

Any notice by one Party to the other pursuant to the Contract shall be sent in writing to the address specified for that purpose in the Contract.

43. Severability

If any clause, section, or provision of this Contract is found to be invalid, illegal, or unenforceable, by the provisions of the applicable law, such invalidity, illegality, or unenforceability shall not render the remaining clauses, sections or provisions hereof invalid, illegal or unenforceable. In such a case, the Parties shall amend this Contract as appropriate, seeking to achieve the minimum extent necessary to make this Contract, legally valid and enforceable.

44. Amendment of Tender Document

- a. At any time prior to the last date for submission of Bids, AAAL may for any reason, whether at its own initiative or in response to a clarification requested by a prospective Bidder, modify this Tender document by an amendment.
- b. The amendments if any, will be notified on website www.allianceair.in and will be binding on the Bidders to comply with. The Bidders are therefore advised to visit the website regularly till the date of closing of the Tender. No separate information would be given in the newspaper.
- c. In order to afford reasonable time to the Bidders to take such amendments into account for preparation and submission of their Bids, AAAL may, at its discretion, extend the last date for the submission of Bids through an announcement on its website.

45. Amendment of Agreement

No amendment, modification, variation, or waiver of any provision of the contract shall be binding

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or effective unless the same has been made in writing and signed by a duly authorized representative of each of the parties hereto.

E.D Engineering
Alliance Air Aviation Limited

Technical Specification

1. Technical Requirements to be compiled by the Bidder.

- a. The Applicant / Bidder should have been approved by DGCA or FAA and EASA for Rectification/Repair/Hot Section Inspection/Overhaul & Testing of PW127M Engines installed on ATR aircraft family since 1st Jan-2015. Applicant / Bidder should enclose the relevant copies of current approval of DGCA or FAA and EASA, and approval of the local regulatory Authority of the Applicant / Bidder in their Technical Bid response. In addition, the Applicant/Bidder must also agree to obtain approval as a Part 145 Organisation from the Directorate General of Civil Aviation (DGCA) of India (if not already approved) within 30 days of being selected Bidder as the MSP under this Tender and also agree to comply with any directives/instructions/inspection issued by the DGCA of India.
- b. The Applicant/Bidder must be a DGCA or FAA and EASA approved engine repair facility capable of undertaking Hot Section Inspection/overhaul/repair and testing of PW127M Engines and associated components/accessories. The Applicant/Bidder could be a company, joint venture, consortium or collaboration but it must ensure that the facility is capable of servicing PW127M Engines and fulfills the technical requirements of Appendix I and Annexure-T1. Each of constituent member on behalf of whom the consortium would be applying/Bidding, must also fulfill the technical requirements individually.
- c. The Applicant/Bidder should have performed 20 HSI and 10 overhaul of PW127M Engines in last Three (03) years. Towards the same, Bidder is required to provide details of Engine Serial numbers, rating and customer name for 20 HSI and 10 overhaul of PW127M Engines on which Bidder has performed Core HSI /overhaul, along-with relevant documentary proof for the same in their Technical Bid response.
- d. The bidder should submit its confirmation, that it is in regular receipt of all latest/current PW127M Engines relevant Technical Publications, Ads, SBs, and New Parts etc. from OEM and is approved by OEM to carryout HSI and Overhaul of PW127M Engines of the variant applicable to Alliance Air.

2. Technical Requirements: - Engines

- a. AAAL will maintain control of the Engine 'work-scope' requirements at all times and will have the right to change the work-scope during the early stages of the PW127M Engine shop visit after strip inspection and feedback thereof on any discrepancy. Any changes to the work-scope at later stages, during the course of work, shall be decided mutually through joint consultation.
- b. Whenever Engine is tested at the shop, the performance recovery is required to be complied with. The long term (<90 days) preservation of Engine has to be complied at shop release which should be included in work scope.
- c. The Applicant/Bidder shall inform if Hot Section Inspection/overhaul/repair and test capabilities of QEC items and Line Replaceable units (LRUs), is performed in-house or by FAA / EASA approved sub-contractor. This shall also include electrical harnesses.
- d. Replacement parts on the Engines shall be new or original parts after repairs/servicing (Exchange Parts). If any overhaul conditioned (OHC) part or exchange part is installed on the Engines, it shall only be with the prior written approval of AAAL. All such serviceable parts installed by MSP on Engines shall have proper documents, and traceability to 'back to birth' history in case of Life Limited Parts (LLP), and traceability to last overhaul for other parts. Such parts having used age, offered for installation shall be either the same or lower age and of same or higher modification standard than corresponding AAAL parts. Documentation for the same will be provided with shop release document.

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- e. No Parts with Parts Manufacturing Approval (PMA) and Repaired parts under Designated Engineering Representative (DER) approval will be installed without prior written approval of AAAL.
- f. Strip condition and investigation reports with photographs of damaged parts shall be made available in a timely manner (within agreed time frame from induction of Engine) and should be included in shop visit report. Strip reports shall also include list of all scrapped items with manual reference for scrappage. Post-test video BSI reports shall be made available along with the Engine to AAAL.
- g. Packaging, shipments, and transportation requirements must be to industry specific ATA standards and acceptable to AAAL.
- h. MSP shall take delivery of the Engine for maintenance at AAAL facility (inside the hangers) at New Delhi (DEL), Hyderabad (HYD) and Kolkata (CCU) and arrange its transportation to MSPs facility at its own expenses (without any obligation of AAAL to pay any cost and expenses). MSP shall re-deliver the Engine after completion of agreed work scope to AAAL at port of MSP facility and book the Engine on freight pre-pay basis showing consignee name as "Alliance Air Aviation Limited". Customs & other formalities in India will be of AAAL's responsibility. If the Bidder does not quote for the transportation cost, for evaluation purpose, relevant loading will be done.
- i. All repairs must be up to manufacturer's approved repair standard. An NTO (No Technical Objection) should be sought from Original Equipment Manufacturer (OEM) for the repairs not covered within applicable repair manuals and prior written concurrence from AAAL must also be taken before incorporation of the same. The NTO copy will be provided to Alliance Air with the release documentation.
- j. Engines shall be thoroughly checked by the MSP at the time of receipt and dispatch. A list of all the missing items, if applicable, must be sent to AAAL immediately on induction and prior to commencement of repairing and replacement of parts.
- k. Engines/accessories removed following any incident/accident must have shop priority so that the investigation into such incident can be dealt with quickly.
- l. MSP must respond to quality complaints formally and promptly and should revert with action taken report thereon.
- m. Engine release documentations should be in a format acceptable to and approved by AAAL. A list of all Airworthiness Directives (AD) and Service Bulletins (SB) with applicability/compliance data applicable to the engine model should be provided in the shop visit report. Electronic copy of engine shop visit report along with hardcopies to be provided after each engine shop visit. The following documents and reports are to be a part of the documentation package.
 - i. Airworthiness Approval Tag 8130-3 and EASA Form 1 (Dual tag) and DGCA, India tag for the work performed on engine/module.
 - ii. Major repair and alterations report.
 - iii. Engine delivery report and Engine test logs and Build Data as applicable.
 - iv. Airworthiness directive status report.
 - v. Service bulletin compliance report.
 - vi. Status of life limited parts report along with 'Back to Birth' details for the replacement LLPs.
 - vii. A pre-induction Investigation report including BSI report along with list of missing parts at induction.
 - viii. Detailed Strip report giving photographic record.
 - ix. Detailed Investigation Report as to the probable cause of failure of the engine and / or abnormal wear of parts and recommendations to obviate the same.
 - x. List of items scrapped along with manual reference and no repair correspondence

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- from OEM for scrappage and scrap tags.
- xi. List of items in the repair cycle and proposed to be getting credited to AAAL's designated. serviceable parts' kitty stock.
 - xii. Post Test Videoscope report (both hard copy and Electronic format).
 - xiii. Shop Visit Report (including Test Cell data)
 - xiv. Major Item List
 - xv. Fits and Clearances measured value sheet.
 - xvi. Long term Preservation documentation.
 - xvii. Dirty Fingerprints.
 - xviii. Copies of NTO.
 - xix. Component/LRU S/N, Life done, and work complied.
 - xx. Detailed list of items replaced with P/N , S/N and life done.
- n. Parts that may be scrapped during any engine shop visit shall be held by MSP for a period of at least Six (06) months after complete scrutiny of invoice for release of final payment is accomplished. MSP shall allow inspection and eventual disposition of such parts if desired by AAAL. MSP may at disposal provide a certificate that no repair on the disposed parts has been published by OEM. MSP shall inform AAAL before actual disposal of scrapped parts beyond the specified holding period of six (06) months. A separate quarterly status report on serviceable and scrapped parts held at MSP location shall be provided by MSP to AAAL on regular basis.
- o. MSP must assist AAAL by providing lab reports, estimated cost of repairing / servicing an Engine, due to FOD (Foreign Object Damage) whenever requested by AAAL for insurance claim or otherwise for any purpose whatsoever. MSP will on approval of Alliance Air, liaison with insurance personnel so designated for inspection, and repair of Engine to standards of Alliance Air. Proper approval will be taken for use of new /repaired/ exchanged parts.
- p. The work-scope of AAAL's Engine during any engine shop visit at MSP's facility would be held jointly by AAAL's representative and MSP's engineering personnel. In case of a leased engine/ engine associated with a leased aircraft, there may be participation from relevant bidder for which MSP shall have no objection and shall, without any demur or protest, provide full co-operation and participation at desired levels. MSP shall also extend similar cooperation to the representatives of the relevant engine manufacturers, Indian Regulatory Authority (DGCA), AAAL's Insurer if required.
- q. MSP must provide its repair capability directory for PW127M Engines parts along with the repair pricing including component/ LRU repair.

3. Onsite Inspection/Training

MSP shall extend opportunity for onsite inspection/Training on FOC basis to AAAL nominated representative for each AAAL's Engine wherein H.S./overhaul is carried out at MSP facility. MSP shall also support AAAL and its subsidiaries for getting approvals from local/EASA/FAA authorities. If required, MSP shall help in identifying tooling and procedure to comply with the above.

4. Onsite Representative

- a. MSP should provide minimum 3 (three) days accommodation and an office provision with internet / international telephone/ fax facility at the MSP's facility on free-of-charge basis to AAAL on-site visit for each engine shop-visit.
- b. AAAL may depute audit team to perform quality audit of the MSP's facility, as per requirements of DGCA, before start of work under the Agreement. MSP shall be allotted Engine work only on its meeting all technical requirements and successfully passing the quality audit. Such quality audits may also be performed on regular basis during the term of the Agreement. MSP shall extend full assistance to AAAL in performing the audit. The quality manual of the shop shall be made available to Alliance Air. Additionally, all FAA, EASA and DGCA, India approvals

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for shop and sub-contractor will be made available and on renewal, copies will be provided. In the event of restrictions imposed by any regulator on the approvals the same should be brought to notice of Alliance Air for appropriate action there off.

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Appendix II

(On Bidder's Letter Head)

Covering Letter for Technical Bid

Executive Director (Engineering)

Alliance Bhawan (Engineering Department)
Domestic Terminal 1, I.G.I Airport
New Delhi 110037, Delhi
India (IN)

Subject: - **Technical Bid for Tender for selection of Maintenance Service Provide to carryout Rectification/Repair/Hot Section Inspection (HSI)/ Overhaul on PW127M (Turboprop) Engines.**

Dear Sir,

With reference to your Tender Ref No: - **AAAL/PW127M-MSP/ED-I23/000**, Dated 00 Aug 2023 for selection of maintenance service provider for Hot Section Inspection of PW127M (Turboprop) Engines, we hereby submit our technical Bid.

We submit **Appendix II** as our response along with Statement of Variance as **Annexure II (Technical) and Integrity Pact as Annexure III.**

We also agree to the General Terms & Conditions of your Tender detailed in **Schedule III**. We hereby confirm that our offer submitted above is valid for 180 (one hundred and eighty) days from the last date of submission of the Bids against this Tender.

All the specifications, terms and conditions of your Tender have been read, understood, and hereby agreed.

Enclosures: -

Signature:- _____

Name:- _____

Designation:- _____

Company Seal:- _____

TECHNICAL BID

The prospective Bidders are required to note that all the AAAL specified “MUST” conditions, under this Annexure “E” are met with and responded with a “Yes” only in order to qualify for the technical evaluation. The commercial Bids of only those Bidders would be opened who qualify the technical evaluation.

S. No.	Conditions	Desired Response	Bidder Response
1	Applicant/Bidder is an EASA Approved Organisation since, 1st Jan-2015.	MUST	Yes
2	Applicant/Bidder is an FAA Approved organization since 1st Jan-2015.	MUST	Yes
3	Copy of current EASA Certificate of approval along with the complete scope of approval, and ratings attached.	MUST	Yes
4	Copy of current FAA Certificate along with the complete scope of approval, ratings attached.	MUST	Yes
5	The FAA/EASA Certificates are valid at the time of Tender opening and the Bidder agrees to renew the approvals throughout the duration of the Agreement if selected by AAAL.	MUST	Yes
6	The Bidder possesses approvals from DGCA of India. In case the Bidder does not have current DGCA approvals, the Bidder must agree to obtain approval from DGCA of India before the first Engine can be sent to them or within one month from the signing of the Agreement, whichever is earlier. Applicant/Bidder also agrees to comply with any directive/instruction issued by Civil Aviation Authority of India (DGCA).	MUST	Yes
7	At least 20 HSI and 10 overhaul of PW127M (Turboprop) Engines have been completed by the Applicant/Bidder since 1st Jan- 2018, and must furnish details of S/N’ s, customers name on which HSI/overhaul has been performed by the Applicant/Bidder, along-with the related documentation thereof.	MUST	Yes
8	The Bidder confirms to have submitted the duly signed “ Integrity Pact” declaration as per requirements of the Tender referenced at Annexure III (without any addition/ deletion/ changes in the attached format).	MUST	Yes
9	Bidder confirms that it is in regular receipt of all current/latest PW127M related technical Publications, ADs, SBs, and New parts etc. from OEM.	MUST	Yes
10	Bidder agrees to provide ‘to & fro’ supply chain movement (by air transportation) service of AAAL Engines, from the AAAL’s facility in India (from New Delhi, Hyderabad & Kolkata) to MSP facility. (Appendix III)	DESIRABLE	Yes / No
11	Applicant/Bidder is required to provide the Shop-in to Shop-out TAT in number of calendar days, for the complete PW127M Engine in the Technical Bid. AAAL expects the shop-in shop-out TAT to be within 30 (Thirty)- calendar days for HSI and 45 Days for complete Overhaul of PW127M engine. In case TAT is not provided, 30 days for HSI and 45 days for Overhaul as	DESIRABLE	Days

	per Tender terms shall be taken as TAT.		
12	Bidder agrees that the Warranty period shall be 12 (Twelve) months or 2000 Flying Hours, whichever is later, for the PW127M Engines serviced under this Tender.	DESIRABLE	Yes / No
13	Bidder agrees that the Warranty shall commence after 7 (seven) days of receipt of the PW127M Engine in India and its installation on aircraft, whichever is earlier. MSP is also required to warrant its subcontractor's work (if any).	MUST	Yes
14	In case of Warranty applicability, Bidder agrees to bear the full labour costs related to work covered under Warranty, the replacement cost of damaged material and consequential damages if any, and also the supply chain movement (by air transportation) costs for the Engines returned for Warranty repairs and commitment of TAT of 45 days for HSI and 60 days for Overhaul for such events.	MUST	Yes
15	MSP agrees to take up any Warranty claims/issues with manufacturers on behalf of AAAL.	MUST	Yes
16	Bidder agrees that the payment for its final invoices be made within forty-five (45) days from the receipt of serviced Engine or receipt of the complete invoice, whichever is later, by wire transfer.	DESIRABLE	Yes / No
17	Bidder agrees that if a credit term is offered for less than forty-five (45) days from the date of the invoice, as per AAAL condition, a loading @0.05 % (Zero-point zero five percent) per day, will be applied for comparative evaluation of the commercial Bids. (Point vi, Appendix IV regarding loading criteria for evaluating the commercial Bids, may be referred for this aspect)	MUST	Yes
18	MSP agrees to guarantee a minimum ITT margin of 35°C, subsequent to 1 st HSI and 35° C for 2 nd HIS and 35°C for Overhaul (clause 19 of Schedule III may be referred).	MUST	Yes
19	MSP agrees that should such Engine not achieve the above-mentioned guaranteed ITT Margin post-maintenance test, MSP shall compensate AAAL for each 1° C ITT margin shortfall and relevant compensation shall be quoted by MSP accordingly. For ITT margin shortfall above 5° C in case 1st HSI and by above 2° C in case of 2nd HSI, both AAAL and MSP shall agree on a financial compensation as mutually agreed upon. (Clause 19 of Schedule III may be referred)	MUST	Yes
20	MSP agrees to provide compensation to AAAL for "Time on-wing guarantee" , as per formula specified at clause 19, subclause b of Schedule III" or as mutually agreed upon. ** Any negative value shall be considered as null & void.	MUST	Yes
21	Bidders or its affiliates self-declaration of its capability to service/rectify/repair/overhaul the following: a. All the various modules (cold section/TM/RGB) of the	MUST	Yes

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	PW127M Engine, b. Complete capability for Engine piece part repairs, c. Details of outsourced capabilities for repair/servicing of Engines. A detailed listing along-with the Bidder' s reply, in response is submitted for information. Also, list of all repairs and prices thereof will be provided along with Bid.		
22	In case the Engine serviced by the Bidder fails within Warranty period, Bidder will provide rent free replacement Engine for the period, its serviced Engine remains unserviceable. If the Bidder is unable to provide the replacement Engine and AAAL arranges its own replacement Engine, Bidder will compensate AAAL all charges including rentals, transportation charges, insurance charges borne by AAAL. For such instance USAGE charges shall be borne by AAAL for the replacement engine. No security deposit or advance rental is payable for lease/ rental engine. No re-certification charges should be charged.	MUST	Yes
23	In the event, due AOG requirements, MSP shall be required to provide Engine on Lease/Rent.	DESIRABLE	Yes/No
24	MSP agrees to provide TRC (Tax Residency Certificate) issued by MSP' s country, submit Form 10F under Indian Income Tax Law (format will be provided by AAAL during agreement stage), and declaration towards no permanent establishment in India (NO PE Certificate) which are statutorily required to enable remittance to the foreign vendor, before signing of Agreement with AAAL. (Clause 15, Schedule I)	MUST	Yes
25	MSP agrees that AAAL quality personnel shall visit MSP facility, as and when required, for the quality audit where the Engines will be refurbished. Local Aviation Regulatory Authorities of India, such as DGCA, may also accompany for such audit.	MUST	Yes
26	MSP to confirm whether MSP has any ongoing disputes with any entity/ individual/ Alliance Air Ltd (and its subsidiaries)/ Government and statutory agencies, which may affect the performance of its services under this tender. (If Yes, please provide the name of the entity/individual, result and status of the case)	MUST	Yes

Bidders Signature appended for offers submitted against this Appendix II.

Signature:- _____

Name:- _____

Designation:- _____

Company Seal:- _____

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Appendix III

(On Bidder's Letter Head)
Covering Letter for Financial Bid

Executive Director (Engineering)

Alliance Bhawan (Engineering Department)
Domestic Terminal 1, I.G.I Airport
New Delhi 110037, Delhi
India (IN)

Subject: - **Financial Bid for Tender for selection of Maintenance Service Provide for to carryout Rectification/Repair/Hot Section Inspection (HSI)/ Overhaul on PW127M (Turboprop) Engines.**

Dear Sir,

With reference to your **Tender Ref: - AAAL/PW127M-MSP/ED-K23/393**, Dated 01 Nov 2023 for selection of maintenance service provider for Rectification/Repair/Hot Section Inspection/Overhaul of PW127M Engines, we submit our best offer in the form at Appendix III.

We also agree to the Terms & Conditions of your Tender detailed in **Schedule III**. We hereby confirm that our offer submitted above is valid for 180 (one hundred and eighty) days from the last date of submission of the Bids against this Tender.

All the specifications, terms and conditions of your Tender have been read, understood, and hereby agreed.

Enclosures: -

Signature:- _____

Name:- _____

Designation:- _____

Company Seal:- _____

FINANCIAL BID**A. Maintenance Service****Rates and Charges for Time and Material**

Hot Section Inspection	1st Year	2nd Year	3rd Year
1 st Hot Section Inspection (HSI)			
2 nd Hot Section Inspection (HSI)			

The MSP should quote the rates and charges that apply to Engines requiring Maintenance Services other than Hot Section Inspection (H.S.I) on case-to-case basis, as per the below tables.

1. Labour	1st , 2nd and 3rd Year (USD)	Escalation % for 4th & 5th Year
“Not to Exceed (NTE)” labour cost for overhaul of Engine (It should include labour cost for both fixed and non-routine tasks)		
“Not to Exceed (NTE)” labour cost for overhaul of TBM (It should include labour cost for both fixed and non-routine tasks)		
“Not to Exceed (NTE)” labour cost for overhaul of RGB (It should include labour cost for both fixed and non-routine tasks)		
Hourly Labour Rate		
2. Parts	Discount (List Less) %	
New parts embodied at time of Engine shop visit		
New LCF/LLP embodied at time of Engine shop visit		
Used serviceable parts		
Exchange Parts		
3. Others	Flat Rate 1st ,2nd and 3rd Year (USD)	Escalation % for 4th Year and 5th Year
Test Cell Fee (for overhaul and repair) (Including fuel & oil)	Complete Engine:	
	Turbo machine:	

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	RGB:			
Test cell labour (for repair)	Complete Engine:			
	Turbo machine:			
	RGB:			
Packaging Material	Complete Engine:			
	Turbo machine:			
	RGB:			
Shipping preparation labour (for repair)	Complete Engine:			
	Turbo machine:			
	RGB:			
Bulk Issue		Overhaul	Repair	
	Complete Engine:			
	Turbo machine:			
	RGB:			
Video Borescope charges				
Subcontract Charges	Mark-up %			
4. Rental Engine	Fixed Monthly Rental (USD)	Hourly Usage Rate (USD)		
Model-PW127M				
5. PW127M	Flat Rate 1st Year and 2nd Year (USD)			
Accessories List	Functional Test	Bench Check	Refurbishment	Overhaul
Ecology Drain Tank				
Electronic Engine Control (EEC)				
Fuel Cooled Oil Cooler				
Thermostatic valve of FCOC				
Fuel Heater				
Ignition Cable				
Ignition Exciter				
Intercom pressor Bleed Valve				

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Servo valve				
NH Sensor				
NL Sensor				
NP sensor				
Overspeed Governor				
Hydraulic Pump				
Propeller Overspeed Governor				
T1.8 Sensor				
Torque Sensor				
Wiring Harness				
Data Collection Unit (DCU)				
O/S solenoid Valve				
Press probe Pulse Pick-Up(Np)				
Probe Pulse Pick up (NL)				
Probe Pulse Pick up (NH)				
Torque Trim Characterization Plug				
Oil Pressure switches				
T6(ITT) Probes				
T6 Busbar & Harness Assy				
Auto feather Unit (AFU)				
Fuel Pump				
Mechanical Fuel Control Unit (MFCU)				
Escalation Value in % for 3rd & 4th Year				

B. Charges for Supply Chain Movement by Air of Engine(s)

S. No	From	Charged per Engine, for 'to & fro' Supply Chain Movement by Air or Engines from AAAL Facility to MSP Location & Back to AAAL facility for 1 st , 2 nd and 3 rd Year. (USD)

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1	<p>a. AAAL facility inside the Airport (New Delhi, Hyderabad, Kolkata (India) to MSP facility</p> <p>b. MSP facility to AAAL facility (New Delhi, Hyderabad, Kolkata- India)</p>	
2	Escalation Value in % for 4th & 5th Year	

Approximate weight of the One (01) Engine (Including Transportation Stand): **812 Kgs**

Approximate Dimension of the One (01) Engine (Including Transportation Stand:-

(236 x 95 x 116) cms

(Charges in US \$ to be quoted as lump-sum including Air Freight, Local transit on-road transportation at MSP facility to Airport & at AAAL's Facility to Airport in India (Incoming & outgoing supply chain movement), Customs clearance charges, local taxes, duties of MSP's country and of India except Import Customs Clearance in India that will be covered by AAAL).

Bidder's Signature appended for offers submitted against the Appendix III.

Signature : _____

Name :- _____

Designations:- _____

Company Seal :- _____

EVALUATION CRITERIA

1. TECHNICAL BID

- a. The technical evaluation would be carried out on the basis of the response offered by the Applicant/Bidder to the table attached at Appendix II. The prospective Bidders are required to note that all the AAAL specified "MUST" conditions, under the Appendix II are met, in order to qualify for the Technical Evaluation exercise. However, AAAL at its own discretion has an option to waive off the must condition on selective item, subject to approval of competent authority. The commercial Bids of only those Bidders would be opened who qualify the technical evaluation exercise.
- b. In the Technical Bid, the Bidders while confirming acceptance of AAAL's terms and conditions must provide complete technical details listed in "Technical Specifications" attached as Appendix I. Deviations, if any, from the specifications, or terms and conditions, must be clearly spelt out in the Technical Bid – Annexure 'T1'.
- c. The Bidders shall provide copies of approvals (FAA, EASA, others) and capability list currently held with them related to PW127M Engine repairing/servicing. Bidders may also provide all relevant details / documentations, customer details being serviced by the Applicant/Bidder, literature, accreditations, approvals, certifications etc. in support of their Bid for reference purposes.
- d. Bidders are also required to note that there should be no mention of the financial rates/prices in the technical Bid response.

2. FINANCIAL BID

a. Details of Financial Bid

The Financial Bid should be submitted with a covering letter, format of which is provided as Appendix III. The financial Bid shall provide prices strictly against each of the Items listed in various table formats given in Annexure F1. All the columns and rows in the tables listed in these three annexures to be filled in single/same currency, preferably in US Dollars.

Any other charges / fee / applicable taxes / levies with the percentages thereof should be clearly mentioned in the Commercial Bid. In absence, of additional information that the Bidder may like to inform, the prices quoted will be treated as net i.e. all inclusive.

The Commercial Bid will be evaluated based on the most competitive price quoted by the Bidders in their offers for the respective option / features and the overall least cost to AAAL for the selected / chosen option.

The selected offer to be declared as L-1 offer would be the offer amongst all offers, which would have the least value when calculated by the formula, as explained in para 2 below.

The elaborate and detailed explanation for the Commercial Bid evaluation process is as per the following para 2 onwards, which the prospective Bidders are required to study and familiarise themselves with before submitting their Bids against this Tender.

b. Evaluation Criteria based on the Financial Bid for complete Engine.

The main purpose of the Tender is for "Selection of MSP for complete Rectification/Repair/Hot Section Inspection/Overhaul of PW127M Engines of AAAL. The evaluation will be based on rates quoted in Annexure F1, as per the criteria defined below: (basis, approximate estimate of the number of Engines that will fall due for the HSI and Overhaul in the years 2024 and 2025).

Various prices provided by Bidders in the tables mentioned in Appendix III, shall be used to find the average cost typical HSI and Overhaul work scope that AAAL would be outsourcing during this period.

Various costs required to be included in the Engine model, would be;

- i. Cost (A) and Cost (B) as per Table Below (To be taken from the response received from the Bidders as per Appendix III, table 1)

Table 1		
Work Scope	Firm Fixed Price (FFP) FOR 1 st , 2 nd , and 3 rd Year (USD) (*With all necessary Inclusion & Exclusions Workslope)	Cost Nomenclature
1st Hot Section inspection (HSI)		Cost (A)
2nd Hot Section inspection (HSI)		Cost (B)

- ii. Cost (C), Cost (D) and Cost (E) per table below (To be taken from the response received from the Bidders as per Appendix III, table 2)

Table 2		
Parts Cost not Included in FFP of 1 st HSI / 2 nd HSI/Overhaul	1 st & 2 nd Year (USD)	Cost Nomenclature
HPT Blades		Cost (C)
PT Blades		Cost (D)
Overhaul		Cost (E)

- iii. As per AAAL estimate, out of the total 43 Engines, 05 Engines will fall due for HSI-1 and 15 Engines will fall due for HSI-2; and 16 Engines will be overhauled. From the commercial Bids received, the average cost will be calculated as per below:

$$\text{Total (T1)} = \frac{[(005 \times A) + (15 \times B) + (16 \times E) + (16 \times C) + (16 \times D)]}{43}$$

- iv. Loading criteria (T2) for warranty Period (Required by AAAL as per point 18 "Terms & Conditions" Schedule II, i:e Twelve (12) Months after its receipt at AAAL or its installation as applicable. In case Warranty Period quoted by a Bidder is less than the duration of Twelve (12) months, loading shall be applicable to the total cost T1 as given below: -

For warranty quoted less than 12 months (T2) = @10% per annum of T1 on prorated basis

- v. Loading criteria (T3) for Turn Around Time (TAT) higher than the Tendered TAT i:e 30

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days applicable to total cost (T1) as given below :-

USD 2500 per day, Over & Above the Turn Around Time (TAT) of 30 days

Loading criteria (T4) for payments terms (required by AAAL as per "Terms and Conditions of Tender", i.e to be paid within Forty-five (45) days from the receipt of serviced Engine(s) and its Invoice(s), whichever is later , by wire transfer only.

In case of Bidder quoting payment terms with credit periods than the Tender required credit terms, loading shall be applicable to total cost (T1) as given below (T4) :-

0.05% of the T1 per day for each day less than the Tender requirement of credit terms i.e 45 days.

For example, if the terms quoted by Bidder is 20 days , in this case since , bidder have given lesser credit period, the cost of repair estimated at T1 will be loaded for extra cost T4 as calculated below :-

$$T4 = T1 * (0.05 * 10 Engines) \%$$

- vi. Loading criteria (T5) for supply chain movement (by air shipment for both incoming & outgoing) Services i.e. Engine delivery and re-delivery between MSP' s facility and AAAL' s facility at New Delhi/Hyderabad/Kolkata or any other station mutually agreed by AAAL and MSP, shall be at the expense of MSP). In case of Bidder' s not quoting supply chain movement charges as per Annexure F1 , loading shall be applicable to total cost T1 as given below (T5):

An Amount which will be opened during the commercial Bid opening process , which will be added as a loading charge to the T1 against Bidders cost for not providing the logistic charges. Such of the cost to be used for loading would be the cost of transportation pertaining to the nearest city / airport of the location of the Bidder.

Bidder who shall agree to provide supply chain movement (by air shipment) service and have provided such charges separately as per the commercial Bid format, the values quoted shall be taken for evaluation.

- vii. The total average HSI cost (for first two (02) years) shall be derived after adding all cost of loading criteria as mentioned above, i.e

$$T = T1 + T2 + T3 + T4 + (T5 \text{ or actual logistic cost quoted by the bidder as per Annexure G3})$$

Note :- T2, T3 and T4 loading charges shall only be applied, in case quoted submitted by Bidder are different from the Tender requirement.

- viii. The bidder with lowest value for total "T" shall be selected as L1 to carryout Rectification/ Repair/ Hot Section Inspection (HSI)/ Overhaul of PW127M Engines.

To be submitted on the Letter Head of Bidder's Company
Format for Submitting Bidder's Profile

a. Profile of the Bidder

S.No	Particulars	Details (Attach documentary proof where required)		
1.	Name of Bidder's Company Address of Bidder's Company			
2.	Contact Person(s) Name with contact Details	Name :- Contact Number Email:-		
3.	Bidder is required to submit a proof on the letterhead of the bidder's company that person signing the bid is authorized to do so and act on behalf of bidder.			
4.	Maintenance Service Providers (MSP) is DGCA and FAA or EASA approved. Authorized to provide work scope as mentioned in tender as per DGCA, Civil Aviation Regulatory Authority of India.			
5.	The Bidder agrees to provide the uninterrupted Maintenance Services for continuous twenty-four (24) months on agreed terms and conditions. Contract annually extendable for next twenty-four (24) months.			
6.	In case of AOG, bidders agree to provide Engine or Engines of same make and model i.e PW127M on Lease			
7.	HSI & Overhaul carried out in last three (03) years	HSI		Overhaul
8.	Client in last three (03) years	S. No	HSI	Overhaul
9.	Does the Bidder have PAN issued by Indian Tax Authorities If yes, PAN Number			
10.	Bidder must quote all the prices in Jan 2023 Economic Conditions. The quoted price should be valid for a period of at least 180 days from the date of opening the Financial Bids or for such period as			

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Date 01 Nov 2023

	mutually agreed by AAAL and the bidder, beyond the initial 180 days. Price quoted should be in USD (\$) only.	
11.	The Bidders is also required to confirm that it has obtained their required approvals to offer their services under this Tender.	
12.	Regulatory Agency(ies) Clearances The agreement execution will be subject to requisite approvals of AAAL Board and related Government/Regulatory Agencies such as Reserve Bank of India (RBI), DGCA, India etc. and Export/Import approvals required if any.	
13.	Integrity Pact The parties are required to sign and submit the enclosed Integrity pact (Annexure) without any addition/deletion/ changes/ tampered in the attached format) along with the offer in the Technical Bid.	
14.	Warrant/Guarantee All warranties and guaranties including, but not limited to FOC (Free of Cost) training(s) or support available should be assigned to AAAL and should be very clearly specified in the Technical Bid.	
15.	Security Deposit As per clause 9, page 15 of 59	
16.	Cross-Collateralization of payments or funds will not be allowed.	

(To be submitted on the Letter Head of Bidder's Company)

Format for submitting Variance Statement of Terms & Conditions

Variance Statement-Technical Bid Requirements and General Terms & Conditions

a. Variation w.r.t AAAL specified Technical Requirements & Conditions

S. No	Terms & Conditions of AAAL Tender		Offer by the Bidder
	Ref	Description	

b. Additional Technical Terms & Conditions Specified by the Bidder

S. No	Ref	Description of Additional Terms & Conditions

*Additional page may be used if required.

Signature :- _____

Name :- _____

Designation :- _____

Company Seal :- _____

Tender Ref: - AAAL/PW127M-MSP/ED K23/393

Date 01 Nov 2023

(To be submitted on the Letter Head of Bidder's Company)

Format for submitting Variance Statement of Terms & Conditions

Variance Statement of General and Financial Terms & Conditions

a. Variation w.r.t AAAL specified General & Financial Terms & Conditions

S.No	Terms & Conditions of AAAL Tender		Offer by the Bidder
	Ref	Description	

b. Additional Financial Terms & Conditions Specified by the Bidder

S.No	Ref	Description of Additional Terms & Conditions

*Additional page may be used if required.

Signature:- _____

Name :- _____

Designation:- _____

Company Seal :- _____

Annexure III

Integrity Pact

BETWEEN

Alliance Air Aviation Limited (AAAL), hereinafter referred to as “**The Principal**”,

And

_____ Hereinafter referred to as “**The Bidder/ Contractor.**”

PREAMBLE

The principal intends to award, under laid down organizational procedures, contract(s) for _____. The principal 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 Bidder(s) and/or Contractor(s).

In order to achieve these goals, the principal will appoint an Independent External Monitor (IEM), who will monitor the tender process and the execution of the contract for compliance with the principles mentioned above.

Section 1 – Commitments of the Principal

1. The principal commits itself to take all measures necessary to prevent corruption and to observe the following principles:
 - a. No employee of the principal, personally or through family members, will in connection with the tender for, or the execution of a contract, demand, take a promise for or accept, for self or third person, any material or immaterial benefit which the person is not legally entitled to. The word ‘take’ shall also include the past and future.
 - b. The principal will, during the tender process, treat all Bidder(s) with equity and reason. The principal will in particular, before and during the tender process, provide to all Bidder(s) 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. The principal will exclude from the process all known prejudiced persons and persons who would be known to have a connection or nexus with the prospective bidder.
2. If the Principal obtains information on the conduct of any of its employees which is a criminal offence under the IPC/PC Act or the conduct rules of the principal, or if there be a substantive suspicion in this regard, the Principal will inform the Chief Vigilance Officer and in addition can initiate disciplinary actions.

Section 2 – Commitments of the Bidder(s)/ contractor(s)

1. The Bidder(s)/ Contractor(s) commits themselves to take all measures necessary to prevent corruption in their dealings with AAAL. He commits himself to observe the following principles during his participation in the tender process and during the contract execution.

- a. The Bidder(s)/ Contractor(s) will not, directly or through any other person or firm, offer, promise or give to any of the Principal's employees involved in the tender process or 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(s)/Contractor(s) will not enter with other Bidders 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(s)/Contractor(s) will not commit any offence under the relevant IPC/PC Act; further the Bidder(s)/ Contractor(s) will not use improperly, for purposes of competition or personal gain, or pass on to others, any information or document provided by the principal as part of the business relationship, regarding plans, technical proposals and business details, including information contained or transmitted electronically.
 - d. The Bidder(s)/Contractors(s) of foreign origin shall disclose the name and address of the Agents/representatives in India, if any. Similarly, the Bidder(s)/Contractors(s) of Indian Nationality shall furnish the name and address of the foreign principals, if any. Further details as mentioned in the "Guidelines on Indian Agents of Foreign Suppliers" shall be disclosed by the Bidder(s)/Contractor(s). Further, as mentioned in the Guidelines all the payments made to the Indian agent/representative have to be in Indian Rupees only. Copy of the "Guidelines on Indian Agents of Foreign Suppliers" is placed at (Page nos. 6-7).
 - e. The Bidder(s)/Contractor(s) will, when presenting his bid, disclose any and all payments he has made, is committed to or intends to make to agents, brokers or any other intermediaries in connection with the award of the contract.
 - f. This integrity pact shall override the confidentiality clause, if any, in the offer submitted by the Contractor/Bidder and in the agreement entered into by the Principal with the Contractor/Bidder.
2. The Bidder(s)/Contractor(s) will not instigate third persons to commit offences or acts outlined above or be an accessory to such offences.

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

If the Bidder(s)/Contractor(s), before award or during execution has committed a transgression through a violation of Section 2, above or in any other form such as to put his reliability or credibility in question, the principal is entitled to disqualify the Bidder(s)/Contractor(s) from the tender process or take action as per the procedure mentioned in the "Guidelines on Banning of business dealings". A copy of the "Guidelines on Banning of business dealings" is placed at Page nos. 51 – 60.

Section 4 – Compensation for Damages

1. If the Principal has disqualified the Bidder(s) from the tender process prior to the award according to Section 3, the principal is entitled to demand and recover the damages equivalent to Earnest Money Deposit/Bid Security and other actual damages due to the consequential delay.
2. If the Principal has terminated the contract according to Section 3, or if the Principal is entitled to terminate the contract according to Section 3, the Principal shall be entitled to demand and recover from the Contractor liquidated damages of the Contract value or the amount equivalent to Performance Bank Guarantee.

3. The Contractor/Bidder shall not be entitled to claim from the Principal any amounts either as damages or otherwise, on account of termination.

Section 5 – Previous transgression

1. The Bidder declares that no previous transgressions occurred in the last 3 years with any other Company in any country conforming to the corruption approach or with any other Public Sector Enterprise in India that could justify his exclusion from the tender process.
2. If the Bidder makes an incorrect statement on this subject, he can be disqualified from the tender process or action can be taken as per the procedure mentioned in “Guidelines on Banning of business dealings”.

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

1. The Bidder(s)/ Contractor(s) undertakes(s) to demand from all subcontractors a commitment in conformity with this Integrity Pact, and to submit it to the Principal before contract signing.
2. The principal will enter into agreements with identical conditions as this one with all Bidders, Contractors and Subcontractors.
3. The principal will disqualify from the tender process all bidders who do not sign this Pact or violate its provisions.

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

If the Principal obtains knowledge of conduct of a Bidder/ Contractor/ or Subcontractor, or of an employee or a representative or an associate of a Bidder/, Contractor /or Subcontractor which constitutes corruption, or if the principal has substantive suspicion in this regard, the Principal will inform the same to the Chief Vigilance Officer.

Section 8 – Independent External Monitor/Monitors(IEM)

1. The Principal appoints competent and credible Independent External Monitor (“IEM”)for this Pact. The task of the IEM is to review independently and objectively whether and to what extent the parties comply with the obligations under this agreement.
2. The IEM is not subject to instructions by the representatives of the parties and performs his functions neutrally and independently. He/she shall report to the Chairman, AAAL.
3. The Bidder(s)/Contractor(s) accepts that the IEM has the right to access without restriction to all Project documentation of the Principal including that provided by the Contractor. The Contractor will also grant the IEM, upon his/her request and demonstration of a valid interest, unrestricted and unconditional access to his project documentation. The same is applicable to Subcontractors. The IEM is under contractual obligation to treat the information and documents of the Bidder(s)/ Contractor(s)/ Subcontractor(s) with confidentiality.
4. The Principal will provide to the IEM sufficient information about all meetings among the parties related to the Project provided such meetings could have an impact on the contractual relations between the Principal and the Contractor. The parties offer to the IEM the option to participate in such meetings.
5. As soon as the IEM notices, or believes to notice, a violation of this agreement, he/she will so inform the Management of the Principal and request the Management to discontinue or take corrective action, or to take other relevant action. The IEM can in this regard submit non-binding recommendations. Beyond this, the IEM has no right to demand from the parties that they act in a specific manner, refrain from action or tolerate action.
6. The IEM will submit a written report to the Chairman, AAAL within 8 to 10 weeks from the date of reference or intimation to him by the Principal and, should the occasion arise, submit proposals for correcting problematic situations.

7. IEM shall be entitled to compensation on the same terms as being extended to / provided to Independent Directors on the AAAL Board.
8. If the IEM has reported to the Chairman AAAL, a substantiated suspicion of an offence under relevant IPC/ PC Act, and the Chairman AAAL has not, within the reasonable time taken visible action to proceed against such offence or reported it to the Chief Vigilance Officer, the IEM may also transmit this information directly to the Central Vigilance Commissioner.
9. The word 'Monitor' would include both singular and plural.

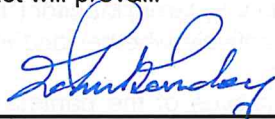
Section 9 – Pact Duration

This Pact begins when both parties have legally signed it. It expires for the Contractor 3 years after the last payment under the contract, and for all other Bidders 12 months after the contract has been awarded to the successful bidder.

If any claim is made/lodged during this time, 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 the Board of AAAL.

Section 10 – Other provisions

1. This agreement is subject to Indian Law. Place of performance and jurisdiction is the Registered Office of the Principal, i.e., New Delhi.
2. Changes and supplements as well as termination notices need to be made in writing. Side agreements have not been made.
3. If the Contractor is a partnership or a consortium, this agreement must be signed by all partners or consortium members and in the case of a Company by an authorized representative.
4. Should one or several provisions of this agreement turn out to be invalid, the remainder of this agreement remains valid. In this case, the parties will strive to come to an agreement on their original intentions.
5. Issues like Warranty/Guaranty etc. shall be outside the preview of IEMs.
6. In the case of any contradiction between the integrity pact and its Annexure, the clause in the integrity Pact will prevail.



(for & on behalf of Principal)
 कार्यपालक निदेशक (इंजीनियर) / Executive Director (Engg.)
 एलायंस एअर एविएशन लिमिटेड / Alliance Air Aviation Limited
 (Office Seal)
 Place :- New Delhi, India (IN) Delhi-110037

Witness 1

Name :- _____

Address :- _____

Witness 2

Name :- _____

Address :- _____

(for & on Bidder/Contractor)
 (Office Seal)

Place :- _____

Witness 1

Name :- _____

Address :- _____

Witness 2

Name :- _____

Address :- _____

GUIDELINES ON BANNING OF BUSINESS DEALINGS

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1. Introduction

- 1.1 AAAL, being a Public Sector Enterprise and 'State', within the meaning of Article 12 of the Constitution of India, has to ensure preservation of rights enshrined in Chapter III of the Constitution. AAAL has also to safeguard its commercial interests. AAAL deals with Agencies, who have a very high degree of integrity, commitment and sincerity towards the work undertaken. It is not in the interest of AAAL to deal with Agencies who commit deception, fraud or exercise of coercion or undue influence or other misconduct in the execution of contracts awarded / orders issued to them. In order to ensure compliance with the constitutional mandate, it is incumbent on AAAL to observe principles of natural justice before banning business dealings with any Agency.
- 1.2 Since banning of business dealings involves civil consequences for an Agency concerned, it is incumbent that adequate opportunity of hearing is provided and the explanation, if tendered, is considered before passing any order in this regard keeping in view the facts and circumstances of the case.

2. Scope

- 2.1 The General Conditions of Contract (GCC) of AAAL generally provide that AAAL reserves its rights to remove from list of approved suppliers/contractors or to ban business dealings if any Agency has been found to have committed misconduct, violation of any law or any term of the agreement and also to suspend business dealings pending investigation. If such a provision does not exist in any GCC, the same may be incorporated.
- 2.2 Similarly, in the case of sale of material there is a clause to deal with the Agencies/customers/buyers, who indulge in lifting of material in unauthorized manner. If such a stipulation does not exist in any sale order, the same may be incorporated.
- 2.3 However, absence of such a clause does not in any way restrict the right of Company (AAAL) to take action/decision under these guidelines in appropriate cases.
- 2.4 The procedure of (i) Removal of Agency from the List of approved suppliers / contractors; (ii) Suspension and (iii) Banning of Business Dealing with Agencies, has been laid down in these guidelines.
- 2.5 These guidelines apply to all the Departments/Stations and subsidiaries of AAAL.
- 2.6 It is clarified that these guidelines do not deal with the decision of the Management not to entertain any particular Agency due to its poor/inadequate performance or for any other reason.
- 2.7 The banning shall be with prospective effect, i.e., future business dealings.

3. Definitions

In these Guidelines, unless the context otherwise requires:

- i) 'Party/Contractor/Supplier/Purchaser/Customer' shall mean and include a public limited company or a private limited company, a firm whether registered or not, an individual, a cooperative society or an association or a group of persons engaged in any commerce, trade, industry, etc. 'Party/Contractor/Supplier/Purchaser/Customer' in the context of these guidelines is indicated as 'Agency'.
- ii) 'Inter-connected Agency' shall mean two or more companies having any of the following features:
 - a) If one is a subsidiary of the other.
 - b) If the Director(s), Partner(s), Manager(s) or Representative(s) are common.
 - c) If Management is common.

- d) If one owns or controls the other in any manner.
- iii) 'Competent Authority' and 'Appellate Authority' shall mean the following:
- a) **For Company (entire AAAL) Wide Banning:**
- i) The CEO shall be the 'Competent Authority' for the purpose of these guidelines. Chairman, AAAL shall be the 'Appellate Authority' in respect of such cases.
- ii) In case the foreign supplier is not satisfied by the decision of the First Appellate Authority, it may approach AAAL Board as Second Appellate Authority.
- b) **For Departments:**
- Any officer not below the rank of Head of Department (HoD) or Chief of Department (Post Holders) nominated by the CEO shall be the 'Appellate Authority' in all such cases.
- c) **For Corporate Office only:**
- For procurement of items / award of contracts, to meet the requirement of Corporate Office only, Chief of MMD shall be the "Competent Authority" and Head of Engineering shall be the "Appellate Authority".
- d) Chairman, AAAL shall have overall power to take Suo-moto action on any information available or received by him and pass such order(s) as he may think appropriate, including modifying the order(s) passed by any authority under these guidelines.
- iv) 'Investigating Department' shall mean any Department or Unit investigating into the conduct of the Agency and shall include the Vigilance Department, Central Bureau of Investigation, the State Police or any other authority or agency set up by the Central or State Government having powers to investigate.
- v) 'List of approved Agencies - Parties/Contractors/Suppliers/ Purchasers/Customers' shall mean and include list of approved/registered **Agencies Parties/Contractors/Suppliers/ Purchasers/Customers, etc.**

4. Initiation of Banning/Suspension

Action for banning/suspension of business dealings with any Agency should be initiated by the department having business dealings with them after noticing the irregularities or misconduct on their part. The Vigilance Department of AAAL shall have the right to recommend banning/suspension and this shall be binding on the Executive Director (Engineering)/Head of Revenue Management (HRM), and non-compliance of these recommendations/instructions shall be deemed to be a misconduct on the part of the Head of the Department/SBU.

5. Suspension of Business Dealings

- 5.1 If the conduct of any Agency dealing with AAAL is under investigation by any department (except Foreign Suppliers of imported coal/coke), the Competent Authority may consider whether the allegations under investigation are of a serious nature and whether pending investigation, it would be advisable to continue business dealing with the Agency. If the Competent Authority, after consideration of the matter including the recommendation of the Investigating Department, if any, decides that it would not be in the interest to continue business dealings pending investigation, it may suspend business dealings with the Agency. The order to this effect may indicate a brief of the charges under investigation. If it is decided that inter-connected Agencies would also come within the ambit of the order of suspension, the same should be specifically stated in the order. The order of suspension would operate for a period not more than

six months and may be communicated to the Agency as also to the Investigating Department. The Investigating Department may ensure that their investigation is completed and the whole process of final order is over within such a period.

- 5.2 The order of suspension shall be communicated to all Departmental Heads within the Departments/Stations. During the period of suspension, no business dealing may be held with the Agency.
- 5.3 As far as possible, the existing contract(s) with the Agency may continue unless the Competent Authority, having regard to the circumstances of the case, decides otherwise.
- 5.4 If the gravity of the misconduct/violation under investigation is very serious and it would not be in the interest of AAAL, as a whole, to deal with such an Agency pending investigation, the Competent Authority may send his recommendation to Chief Vigilance Officer (CVO), AAAL Corporate Office along with the material available. If Corporate Office considers that depending upon the gravity of the misconduct/violation, it would not be desirable for all the Departments/Stations and Subsidiaries of AAAL to have any dealings with the Agency concerned, an order suspending business dealings may be issued to all the Departments/Stations by the Competent Authority of the Corporate Office, copy of which may be endorsed to the Agency concerned. Such an order would operate for a period of six months from the date of issue.
- 5.5 For suspension of business dealings with Foreign Suppliers, following shall be the procedure:-
- i) Suspension of the foreign suppliers shall apply throughout the Company including Subsidiaries.
 - ii) Based on the complaint forwarded by Chief of MMD or received directly by Corporate Vigilance, if gravity of the misconduct under investigation is found serious and it is felt that it would not be in the interest of AAAL to continue to deal with such agency, pending investigation, Corporate Vigilance may send such recommendation on the matter to Chief of MMD to place it before a committee consisting of the following:
 1. **Chief Finance Officer (CFO)**
 2. **Executive Director (Engineering)**
 3. **Head of Personnel**
 4. **Officer Legal**
 - iii) The committee shall expeditiously examine the report, give its comments/recommendations within twenty-one (21) days of receipt of the reference by Chief of MMD.
 - iv) The comments/recommendations of the Committee shall then be placed before the Competent Authority (CEO) before placing to the Board of AAAL and if the Board opines that it is a fit case for suspension, Executive Director (Engineering) may pass necessary orders which shall be communicated to the foreign supplier by Executive Director (Engineering).
- 5.6 If the Agency concerned asks for detailed reasons of suspension, the Agency may be informed that its conduct is under investigation. It is not necessary to enter into correspondence or argument with the Agency at this stage.
- 5.7 It is not necessary to give any show-cause notice or personal hearing to the Agency before issuing the order of suspension. However, if investigations are not complete in six months' time, the Competent Authority may extend the period of suspension by another three months, during which period the investigations must be completed.

6. Grounds on which Banning of Business Dealings can be initiated.

- 6.1 If the security consideration, including questions of loyalty of the Agency to the State, so warrants.
- 6.2 If the Director/Owner of the Agency, proprietor or partner of the firm, is convicted by a Court of Law for offences involving moral turpitude in relation to its business dealings with the Government or any other public sector enterprises or AAAL, during the last five years.
- 6.3 If there is strong justification for believing that the Directors, Proprietors, Partners, owners of the Agency have been guilty of malpractices such as bribery, corruption, fraud, substitution of tenders, interpolations, etc.
- 6.4 If the Agency continuously refuses to return/refund the dues of AAAL without showing adequate reason and this is not due to any reasonable dispute which would attract proceedings in arbitration or a Court of Law.
- 6.5 If the Agency employs a public servant dismissed/removed or employs a person convicted for an offence involving corruption or abetment of such offence.
- 6.6 If business dealings with the Agency have been banned by the Govt. or any other public sector enterprise.
- 6.7 If the Agency has resorted to Corrupt, fraudulent practices, coercion, undue influence and other violations including misrepresentation of facts.
- 6.8 If the Agency uses intimidation/threatening or brings undue outside pressure on the Company (AAAL) or its official in acceptance/ performances of the job under the contract.
- 6.9 If the Agency indulges in repeated and/or deliberate use of delay tactics in complying with contractual stipulations.
- 6.10 Willful indulgence by the Agency in supplying sub-standard material irrespective of whether the pre-dispatch inspection was carried out by Company (AAAL) or not.
- 6.11 Based on the findings of the investigation report of CBI/Police/internal Vigilance or any other investigative agency including Government Audit against the Agency for malafide/unlawful acts or improper conduct on his part in matters relating to the Company (AAAL) or even otherwise.
- 6.12 Established litigant nature of the Agency to derive undue benefit.
- 6.13 Continued poor performance of the Agency in several contracts.
- 6.14 If the Agency misuses the premises or facilities of the Company (AAAL), forcefully occupies tampers or damages the Company's properties including land, water resources, forests / trees, etc.

(Note: The examples given above are only illustrative and not exhaustive. The Competent Authority may decide to ban business dealing for any good and sufficient reason).

7. Banning of Business Dealings

- 7.1 Normally, a decision to ban business dealings with any Agency should apply throughout the Company, including Subsidiaries. However, the Competent Authority of the Department/Unit except Corporate Office can impose such ban unit-wise only if in the particular case banning of business dealings by respective Department/Unit will serve the purpose and achieve its objective and banning throughout the Company is not required in view of the local conditions and impact of the misconduct/default to beyond the Department/Unit. Any ban imposed by the Corporate Office shall be applicable across all Departments/Stations of the Company including Subsidiaries.

For Company-wide banning, the proposal should be sent by ACVO of the Department/Unit to the CVO through the Head/Chief of the Department/Unit setting out

the facts of the case and the justification of the action proposed along with all the relevant papers and documents except for banning of business dealings with Foreign Suppliers of imported coal/coke.

Corporate Vigilance shall process the proposal of the Department/Unit for a prima-facie view in the matter by the Competent Authority nominated for Company-wide banning.

The CVO shall get feedback about that agency from all other Departments/Stations. Based on this feedback, a prima-facie decision for banning/or otherwise shall be taken by the Competent Authority.

If the prima-facie decision for Company-wide banning has been taken, Corporate Vigilance shall issue a show-cause notice to the agency conveying why it should not be banned throughout AAAL.

After considering the reply of the Agency and other circumstances and facts of the case, a final decision for Company-wide banning shall be taken by the Competent Authority. There will be a Standing Committee in each Department/Unit to be appointed by the Chief Executive for processing the cases of "Banning of Business Dealings" except for banning of business dealings with foreign suppliers of coal/coke. However, for procurement of items/award of contracts, to meet the requirement of Corporate Office only, the committee shall be consisting of the CFO, Chief of MMD and Representative from Legal.

- i) To study the report of the Investigating Agency and decide if a prima-facie case for Company-wide/Local unit wise banning exists, if not, send back the case to the Competent Authority.
- ii) To recommend for the issue of show-cause notice to the Agency by the concerned department.
- iii) To examine the reply to show-cause notice and call the Agency for a personal hearing if required.
- iv) To submit a final recommendation to the Competent Authority for banning or otherwise.

If the Competent Authority is prima-facie of the view that action for banning business dealings with the Agency is called for, a show-cause notice may be issued to the Agency as per paragraph 9.1 and an enquiry held accordingly.

8. Removal from List of Approved Agencies - Suppliers/Contractors, etc.

- 8.1 If the Competent Authority decides that the charge against the Agency is of a minor nature, it may issue a show-cause notice as to why the name of the Agency should not be removed from the list of approved Agencies - Suppliers/Contractors, etc.
- 8.2 The effect of such an order would be that the Agency would not be disqualified from competing in Open Tender Enquiries.
- 8.3 The past performance of the Agency may be taken into account while processing for approval from the Competent Authority for awarding the contract.

9. Show-cause Notice

- 9.1 In case where the Competent Authority decides that action against an Agency is called for, a show-cause notice has to be issued to the Agency. Statement containing the imputation of misconduct or misbehavior may be appended to the show-cause notice and the Agency should be asked to submit within 15 days a written statement in its defense.
- 9.2 If the Agency requests for inspection of any relevant document in possession of AAAL,

necessary facility for inspection of documents may be provided.

- 9.3 The Competent Authority may consider and pass an appropriate speaking order:
- a) For exonerating the Agency if the charges are not established.
 - b) For removing the Agency from the list of approved Suppliers/Contractors, etc.
 - c) For banning the business dealing with the Agency.
- 9.4 If it decides to ban business dealings, the period for which the ban would be operative may be mentioned. The order may also mention that the ban would extend to the interconnected Agencies of the Agency.

10. Appeal against the Decision of the Competent Authority

- 10.1 The Agency may file an appeal against the order of the Competent Authority banning business dealing, etc. The appeal shall be to the Appellate Authority. Such an appeal shall be preferred within one month from the date of receipt of the order banning business dealing, etc.
- 10.2 Appellate Authority would consider the appeal and pass appropriate order which shall be communicated to the Agency as well as the Competent Authority.

11. Review of the Decision by the Competent Authority

Any petition/application filed by the Agency concerning the review of the banning order passed originally by Chief Executive/Competent Authority under the existing guidelines either before or after filing of appeal before the Appellate Authority or after disposal of appeal by the Appellate Authority, the review petition can be decided by the Chief Executive/Competent Authority upon disclosure of new facts/circumstances or subsequent development necessitating such review. The Competent Authority may refer the same petition to the Standing Committee for examination and recommendation.

12. Circulation of the names of Agencies with whom Business Dealings have been banned.

- 12.1 Depending upon the gravity of misconduct established, the Competent Authority of the Corporate Office may circulate the names of Agency with whom business dealings have been banned, to the Government Departments, other Public Sector Enterprises, etc. for such action as they deem appropriate.
- 12.2 If Government Departments or a Public Sector Enterprise request for more information about the Agency with whom business dealings have been banned, a copy of the report of Inquiring Authority together with a copy of the order of the Competent Authority/Appellate Authority may be supplied.
- 12.3 If business dealings with any Agency have been banned by the Central or State Government or any other Public Sector Enterprise, AAAL may, without any further enquiry or investigation, issue an order banning business dealing with the Agency and its inter-connected Agencies.
- 12.4 Based on the above, Departments/Stations may formulate their own procedure for implementation of the Guidelines.

Alliance Air Aviation Limited.

INTEGRITY PACT PROGRAM

I. INTRODUCTION

Alliance Air Aviation Ltd. (AAAL) is a premier Public Sector airline engaged in air transportation

Registered Office: - Alliance Air Aviation Limited, Alliance Bhawan, Domestic Terminal 1, I.G.I 55
Airport, New Delhi 110037, Delhi, India (IN)

of passengers and cargo in India. The brand name of the Company is Alliance Air, and it conducts its business by benchmarking itself to the highest ethical standards and adopting the best practices followed by the industry.

It does business with a number of domestic and international Bidders, Contractors and Vendors of goods and services (Counterparties). AAAL is committed to fostering the most ethical and corruption-free business environment. AAAL values its relationships with all Counterparts and deals with them in a fair and transparent manner.

In order to achieve these goals, AAAL is implementing the Integrity Pact Program in cooperation with the Central Vigilance Commission (CVC) in respect of all contracts of the value of Rs.10 crores and above. As a part of this initiative, AAAL will, in consultation with CVC, appoint external Independent Monitors who will help AAAL in implementing the Integrity Pact Program. The Integrity Pact would be signed by the Principal and the Vendor at the pre-tendering stage itself and will form part of the Tender document. A pre-signed Integrity Pact by the Principal would form part of the Tender document. The Vendors would sign the Pact and submit it along with the financial and technical bids.

The ingredients of AAAL's Integrity Pact Program are broadly based on: -

- Commitments and Obligation of AAAL and its employees
- Commitments and Obligation of Counterparties
- Violation and Consequences
- Independent Monitor
- Implementation Guidelines
- Role of Independent Monitors.

II. COMMITMENTS AND OBLIGATION OF AAAL

- a. AAAL is committed to have the most ethical and corruption-free business dealings with its Counterparties .
- b. AAAL values its relationship with all Counterparties and will deal with them in a fair and transparent manner.
- c. AAAL and/or its Associates (employees, agents, consultants, advisors, etc.) will not seek or take bribes / undue benefit directly or indirectly for themselves or for third parties.
- d. In a competitive tender as well as in general procurement, AAAL will deal with all Counterparties with equity, reason and fairness.
- e. AAAL will exclude all Associates who may be prejudiced or have a Conflict of Interest in dealings with Counterparties.
- f. AAAL will honour its commitments and make do payments to Counterparties in a timely manner.
- g. AAAL will initiate action and pursue it vigorously whenever corruption or unethical behavior occurs.

III. COMMITMENTS AND OBLIGATIONS OF THE 'COUNTER-PARTY'

- a. The Counterparty, directly or indirectly (through Agent, consultant, advisor, etc.), will not pay any bribes or give illegal benefits to anyone to gain undue advantage in dealing with the Principal, AAAL.
- b. The Counterparty will not engage in collusion, Price-Fixing, etc. with other Counterparties in dealing with the Principal, AAAL.

- c. The Counterparty will not pass on to any third party any of the Principal's confidential information unless authorized by the organization.
- d. The Counterparty will promote and observe the best ethical practices within its organization.
- e. The Counterparty will inform the Independent Monitor:
- f. If it receives demand for a bribe or illegal payment/benefit and
- g. If it comes to know of any unethical or illegal practice in the Principal's organization (AAAL)
- h. If it makes any payment to any of AAAL's Associates.
- i. The Counterparty will not make any false or misleading allegations against AAAL or its Associates.

IV. VIOLATIONS & CONSEQUENCES

- a. If a Counterparty commits a violation of its Commitments and Obligations under the Integrity Pact Program during the bidding process, it shall be liable to compensate AAAL by way of Liquidated damages amounting to a sum equivalent to 3% of the value of the offer or the amount equivalent to Earnest Money Deposit/Bid Security, whichever is higher, or an amount determined by the Independent Monitor.
- b. In case of violation of the Integrity Pact whereby after award of the Contract the Principal (AAAL) terminates or is entitled to terminate the Contract, AAAL shall be entitled to demand and recover from the Contractor liquidated damages equivalent to 5% of the contract value or the amount equivalent to Security Deposit/Performance Bank Guarantee, whichever is higher, or an amount determined by the Independent Monitor.
- c. AAAL may ban and exclude the Counterparty from future dealings until the Independent Monitor is satisfied that the Counterparty will not commit any future violation.
- d. AAAL may initiate criminal proceedings against the violating Counterparty, depending on the gravity of the violation.
- e. In case there is a violation of the Integrity Pact by the Principal (AAAL) or its Associates (i.e., employees, agents, consultants, advisors, etc.), AAAL undertakes to take appropriate action against them.
- f. If the complaint made by a counterparty is found to be frivolous or mischievous, action in the form of certain sanctions would be taken against the said complainant.

V. INDEPENDENT MONITOR

- 1. Chairman/CEO, AAAL, is the authority to appoint Independent Monitor(s) to oversee the implementation and effectiveness of the Integrity Pact Program. The process for their appointment shall be similar to the Outside Expert Committee (OEC). For this purpose, a panel of Independent Monitors may be constituted by AAAL and the same may be referred to CVC for clearance.
- 2. The Independent Monitor will be a person of Impeccable Integrity, Knowledgeable of AAAL's business and experienced in commercial activities.
- 3. It will be a voluntary, non-salaried position of 3 years terms. Independent Monitor will have stature /benefits similar to those of Chairman of the Audit Committee of Board/status of the Directors of AAAL. The remuneration and perquisites would be similar to the remuneration/perks of independent Directors on the Board of AAAL.
- 4. The main objective of the Independent Monitor will be to oversee the implementation of the Integrity Pact Program, to prevent corruption, or any other unethical practices in the implementation of the contract.

5. The Independent Monitor will not have administrative or enforcement responsibilities. He will coordinate his efforts through the CVO or other anti-corruption institutions such as CVC. (He may engage services of outside agencies such as accounting firms, law firms, etc. at AAAL's expense, if required, in discharge of his responsibilities after obtaining the approval of the Chairman/CEO)
6. The Independent Monitor will have access to all offices and internal records of the Principal in respect of the Tender in question. He will also have access to Counterparties' records and information regarding its dealing with the Principal.
7. The Independent Monitor will have the right to attend any meetings between the Principal and the Counterparties. As far as possible, the meetings should be scheduled in India. In respect of any meeting to be held outside India, attendance by the Independent Monitor would be decided in consultation with the Chairman/CEO, AAAL.
8. If the Independent Monitor observes or suspects an irregularity, he will inform the Chairman of AAAL. Once the Independent Monitor is satisfied that any irregularity has taken place, he may also inform the CVO and CVC.

VI. IMPLEMENTATION GUIDELINES

To implement the Integrity Pact Program, the following general guidelines are suggested:

- a. To select and appoint a Panel of Independent Monitors in consultation with the CVC.
- b. To get commitment from all Senior Level executives/officials of AAAL to implement the program. It should be recognized that there may be resistance to Integrity Pact program.
- c. To develop detailed implementations plans and finalize the Integrity Pact document in consultation with the Independent Monitors.
- d. To notify all senior staff members, Board of Directors, any other over-sight body of the Organization and major suppliers of AAAL's plans to implement Integrity Pact program, which is to be Included in AAAL's web site and also disclose this initiative to the media.

VII. PERIODIC REVIEW & EVALUATION

It is recommended that the Board of Directors of AAAL periodically review the effectiveness of Integrity Pact Program by all or some of the following measures: -

1. The Independent Monitors and senior leadership of AAAL do an annual self-assessment of Integrity Pact Program effectiveness and identify areas/ways to improve the same.
2. The Independent Monitor will submit an annual report on the progress/effectiveness of Integrity Pact Program to the Board of Directors of AAAL.
3. AAAL may conduct an annual 360-degree review (through an outside agency, if required) with senior executives, junior executives, suppliers, and competitors, regarding the effectiveness of the Integrity Pact Program in reducing corruption. Feedback may be taken from the junior and senior executives of the Principal, suppliers and competitors.
4. AAAL should meet with CVC on an annual basis to review the effectiveness of the program.

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