



REQUEST FOR PROPOSAL

For

**Selection of Manufacturers for Establishing Integrated
Sintered NdFeB Rare Earth Permanent Magnet
Manufacturing Facilities under the Scheme to Promote
Manufacturing of Sintered Rare Earth Permanent Magnet**

Government of India

20/03/2026

Disclaimer

- I. This request for proposal document (along with its schedules, appendices, annexures, and each amendment, corrigendum, addendum, or clarification, howsoever called, the “**RFP**”) is issued by or on behalf of the Government for the limited purpose of inviting Bids pursuant to and in furtherance of the Scheme to Promote Manufacturing of Sintered Rare Earth Permanent Magnet, dated 15th December, 2025 vide notification bearing number S.O. 5800(E) (“**Scheme**”). The information contained in this RFP or subsequently provided to Bidder(s), in whatsoever form, by or on behalf of the Government or any of its employees or advisors, is provided to Bidder(s) on the terms and conditions set out in this RFP and such other terms and conditions subject to which such information is provided.
- II. This RFP is not an agreement and is neither an offer nor invitation by the Government to the prospective Bidders or any other person. No contractual or other legal obligations shall arise or be implied by reason of the issue of this RFP or a party’s participation in the Bidding Process. The purpose of this RFP is to provide interested parties with information that may be useful to them in making their Bids (including with emphasis, but not limited to, their Financial Bids) pursuant to this RFP. This RFP includes statements, which reflect various assumptions and assessments arrived at by the Government in relation to the Project. Such assumptions, assessments and statements do not purport to contain all the information that each Bidder may require. This RFP may not be appropriate for all persons, and it is not possible for the Government, its employees, or advisors to consider the investment objectives, financial situation and particular needs of each party who reads or uses this RFP. The assumptions, assessments, statements, and information contained in the RFP may not be complete, accurate, adequate, or correct. Each Bidder should, therefore, conduct its own investigations and analysis and should check the accuracy, adequacy, correctness, reliability and completeness of the assumptions, assessments, statements and information contained in this RFP and obtain independent advice from appropriate sources.
- III. Information provided in this RFP to the Bidder(s) is on a wide range of matters, some of which may depend upon interpretation of law. The information given is not intended to be an exhaustive account of statutory requirements and should not be regarded as a complete or authoritative statement of law. The Government accepts no responsibility for the accuracy or otherwise for any interpretation or opinion on law expressed herein.
- IV. The Government and its advisors make no representation or warranty and shall have no liability to any person, including any Bidder(s), under any law, statute, rules or regulations or tort, principles of restitution or unjust enrichment or otherwise for any loss, damages, cost or expense which may arise from or be incurred or suffered on account of anything contained in this RFP or otherwise, including the accuracy, adequacy, correctness, completeness or reliability of the RFP and any assessment, assumption, statement or information contained therein or deemed to form part of this RFP or arising in any way from participation in this Bid.
- V. The Government also accepts no liability of any nature whether resulting from negligence or otherwise howsoever caused arising from reliance of any Bidder(s) upon the statements contained in this RFP.
- VI. Only persons specifically authorised in writing by the Government for such purpose, may give any information or make any representation not contained in this RFP. Any such information or representation, if given or made, may not be relied upon unless confirmed in writing by the Government. Verbal clarifications or information given by the Government or its employees, representatives or advisors shall not be binding on the Government.
- VII. The Government may in its absolute discretion, but without being under any obligation to do so, update, amend or supplement the information, assessment or assumptions contained in this RFP.

- VIII. The issue of this RFP does not imply that the Government is bound to select a Bidder(s) or to appoint the Selected Bidder(s), as the case may be, for the Project and the Government reserves the right to reject all or any of the Bidders or Bids without assigning any reason whatsoever.
- IX. The Bidder(s) shall bear all their costs associated with or relating to the preparation and submission of their Bid including but not limited to preparation, copying, postage, delivery fees, expenses associated with any demonstrations or presentations which may be required by the Government, or any other costs incurred in connection with or relating to their Bid. All such costs and expenses will remain with the Bidder(s) and the Government shall not be liable in any manner whatsoever for the same or for any other costs or other expenses incurred by a Bidder(s) in preparation or submission of their Bid, regardless of the conduct or outcome of the Bidding Process.
- X. This RFP and all information made available or otherwise provided by or on behalf of the Government in connection with it are confidential and are provided to potential Bidders solely for the purpose of preparing and submitting Bids in accordance with this RFP. Bidders shall not copy, reproduce, distribute or disclose the RFP or such information, in whole or in part, to any person other than their professional advisers who are directly engaged in evaluating the RFP for the Bidder and are subject to equivalent obligations of confidentiality. All documents and information supplied by the Government or submitted by a Bidder to the Government shall remain or become the property of the Government. Intellectual property in a Bidder's materials shall remain with the Bidder, subject to any license or use rights under the RFP. The Government may disclose information to the GoI, or statutory authorities as required by law or for verification and evaluation purposes.

GLOSSARY

| Term | Definition |
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| Affected Party | As defined in Clause 3.11.1 of this RFP. |
| Allocated Capacity | Shall mean, in relation to a Beneficiary, the quantum of integrated sintered NdFeB REPM manufacturing capacity, expressed in Metric Tonnes per Annum (MTPA), allocated by the Government to such Beneficiary under and in accordance with this RFP and the Scheme, and as set forth in the LOA for such Beneficiary. |
| Annexures | Refers to the Annexures attached to the appendices of this RFP. |
| Applicable Law | Shall mean all laws, brought into force and effect by the GoI, Government or the relevant state government including rules, regulations, directions and notifications made thereunder, and judgements, decrees, injunctions, writs, and order of any court of record, applicable to this RFP, the Scheme and / or the Project, and the exercise, performance and discharge of the respective rights and obligations of the parties, as may be in force and effect during the subsistence of this RFP and / or the Scheme Tenure. |
| Applicable Permits | Shall mean all clearances, licenses, permits, authorisations, no objection certificates, consents, approvals, and exemptions required to be obtained or maintained under Applicable Laws in connection with the construction, operation, and maintenance of the Project or in connection with discharge of obligations, during the subsistence of this RFP and / or the Scheme Tenure. |
| Apostille Certificate | Means certificate issued by a designated competent authority in accordance with the Hague Convention of 5 th October 1961. |

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| Associate | As defined in the explanation to Clause 2.2.1 of this RFP. |
| Beneficiary | The entity (either Selected Bidder or SPV, as the case may be) who has been issued and has accepted the LOA pursuant to this RFP. |
| Bid | As defined in Clause 1.1.10 of this RFP. |
| Bid Due Date | As defined in Clause 1.1.14 of this RFP. |
| Bid Security | As defined in Clause 1.2.2 of this RFP. |
| Bidder(s) | As defined in Clause 1.1.10 of this RFP. |
| Bidding Process | As defined in Clause 1.2.1 of this RFP. |
| Breach of Obligations | As defined in Clause 3.5.1 of this RFP. |
| Breach of Obligations Notice | As defined in Clause 3.5.3(a) of this RFP. |
| Capital Subsidy | As defined in Clause 1.3.2(d)(ii) of this RFP. |
| Central Public Procurement Portal | Shall mean the electronic portal of the GoI that facilitates the publication of tenders issued by central government organisations. |
| Change in Law | Shall mean the occurrence of any of the following events after the Bid Due Date: (a) the enactment of any new Applicable Law; (b) the repeal, modification, substitution or re-enactment of any existing Applicable Law, which has not entered into effect until the date of the Bid; (c) a change in the interpretation or application of any Applicable Law, as compared to such interpretation or application, by a court of record, prior to the Bid Due Date; and / or (d) any change in the Tax or Tax (or any income/ corporate tax) related Applicable Laws, including change in any tax rates, levy or cess, including specifically those that have a direct impact on the Project. |
| Change in Ownership | Shall mean a transfer of the direct and/or indirect legal or beneficial ownership of, or fresh issue of, any shares, or securities convertible into shares, that: (a) causes the aggregate holding of: (i) the Selected Bidder to fall to 50% (fifty per cent) or below; or (ii) the Lead Member to fall below 51% (fifty-one per cent), in each case, in the total equity of the Beneficiary (being an SPV) on a fully diluted and as converted basis; or (b) results in a change in Control of such Beneficiary. |
| Code | As defined in Clause 3.5.1(g)(i) of this RFP. |

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| Committed Capacity | Shall mean the manufacturing capacity of NdFeB REPM, as proposed and committed by the Bidder in its Technical Bid, which the Bidder undertakes to establish and operationalize under the Scheme and/ or RFP. |
| Competent Authority | As defined in Clause 2.2.11 of this RFP. |
| Completion Certificate | As defined in Clause 3.7.3 of this RFP. |
| Conflict of Interest | As defined in Clause 2.2.1(b) of this RFP. |
| Consortium | As defined in Clause 2.2.1(a) of this RFP. |
| Control | Shall mean, in relation to any Entity: (i) where such Entity is a company or corporation: <ul style="list-style-type: none"> (a) the ownership, directly or indirectly, of more than 50% (fifty per cent) of the economic or voting shares of such person; or (b) the right to appoint a majority of the directors or to control the management or policy decisions exercisable by a person acting individually, directly or indirectly, including by virtue of their shareholding or management rights or shareholders' agreements or voting agreements or in any other manner; and (ii) where such Entity is not a company or corporation, the power to direct the management and policies of such person. |
| DAE | Means the Department of Atomic Energy, GoI. |
| Dispute | As defined in Clause 3.13.1 of this RFP. |
| DPR | As defined in Clause 4.1.5 of this RFP. |
| Eligible Investment | As defined in Clause 1.3.5 of this RFP. |
| Entity(ies) | Shall mean: (i) for Bidders incorporated in India, a company competent to enter into contract under the Indian Contract Act, 1872 and incorporated/formed under the provisions of Applicable Law, i.e., the Companies Act, 1956 / Companies Act, 2013; or (ii) in case of Bidders incorporated in jurisdictions outside India an entity / authority/ corporation created or incorporated under relevant applicable legislation for such jurisdiction outside India. |
| ERP | Means Enterprise Resource Planning. |
| Financial Bid(s) | As defined in Clause 1.2.1 of this RFP. |
| Financial Year | 12 (twelve) month accounting period from 1 st April of the current year to March 31 st of the next year. |
| Force Majeure | As defined in Clause 3.11.1 of this RFP. |
| Force Majeure Event | As defined in Clause 3.11.1 of this RFP. |

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| GAAP | As defined in Clause 2.2.3(a) of this RFP. |
| GFR Order | As defined in Clause 2.2.11 of this RFP. |
| Good Industry Practice | Shall mean the practices, methods, techniques, designs, standards, skills, diligence, efficiency, reliability and prudence which are generally and reasonably expected from a reasonably skilled and experienced operator engaged in the same type of undertaking as envisaged under this RFP, the LOI and the LOA (as applicable), and which would be expected to result in the performance of its obligations by the Selected Bidder in accordance with this RFP, LOI and the LOA, and Applicable Laws in reliable, safe, economical and efficient manner. |
| GoI | Means Government of India. |
| Government | Means Ministry of Heavy Industries, GoI. |
| GST | Means Goods & Services Tax. |
| IFRS | As defined in Clause 2.2.3(a) of this RFP. |
| Incentives | As defined in Clause 1.1.9 of this RFP. |
| Independent Engineer | As defined in Clause 3.6.1 of this RFP. |
| Intermediate Materials | Means any material in the NdFeB REPM manufacturing value chain beyond NdPr oxide. |
| IPR | Means Intellectual Property Rights. |
| IREL | Means IREL (India) Limited. |
| Ind AS | As defined in Clause 2.2.3(a) of this RFP. |
| Inspection Report | As defined in Clause 3.7.1 of this RFP. |
| Insolvency Event | As defined in Clause 3.5.1 of this RFP. |
| IT | Means Information Technology. |
| ITES | Means Information Technology Enabled Services. |
| Joint Bidding Agreement | As defined in Clause 2.2.7(d) of this RFP. |
| kg | Means Kilogram. |
| LCS | As defined in Clause 1.2.1 of this RFP. |
| Lead Member | As defined in Clause 2.2.7(b) of this RFP. |
| LOI | As defined in Clause 1.1.12 of this RFP. |

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| LOA | As defined in Clause 1.1.12 of this RFP. |
| LOA Date | Means the date notified in writing by the Government to the Beneficiary in the Letter of Award. For all purposes of the Scheme, RFP, the LOI and the LOA, all references to the “the date of issuance of the LOA” or “the date of the LOA” shall, unless the context otherwise expressly requires, be deemed to be a reference to the LOA Date. |
| Material Adverse Effect | Means a material adverse effect of any act or event on the ability of the affected party to perform any of its obligations under and in accordance with the provisions of the RFP, the LOI and / or the LOA and which act or event causes a material financial burden or loss to such Affected Party. |
| MCLR | Means Marginal Cost of Funds-Based Lending Rate. |
| Member | Means Member of a Consortium. |
| Milestone Completion Certificate | As defined in Clause 1.3.1 of this RFP. |
| Milestones | As defined in Clause 1.3.1 of this RFP. |
| Milestone 1 | As defined in Clause 1.3.1(a) of this RFP. |
| Milestone 2 | As defined in Clause 1.3.1(b) of this RFP. |
| Milestone 3 | As defined in Clause 1.3.1(c) of this RFP. |
| MT | Means Metric Tonne. |
| MTPA | Means Metric Tonne per Annum. |
| NdFeB | As defined in Clause 1.1.3 of this RFP. |
| NdPr | Means Neodymium – Praseodymium. |
| Net Worth | As defined in Clause 2.2.3(b) of this RFP. |
| Performance Security | As defined in the Clause 3.4.1(a) of this RFP. |
| Power of Attorney | Means power of attorney to be submitted as per the format at <u>Appendix II</u> of this RFP. |
| Pre-Bid Conference | As defined in Clause 6.1 of this RFP. |
| PMA | Means Project Management Agency. |
| Project | As defined in Clause 1.1.11 of this RFP. |
| Quoted Sales Incentive Rate | The Sale Incentive rate as quoted by the relevant Selected Bidder for the Bid submitted pursuant to the RFP. |

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| REE | As defined in Clause 1.1.1 of this RFP. |
| REO | As defined in Clause 1.1.3 of this RFP. |
| REPM | As defined in Clause 1.1.2 of this RFP. |
| RFP | As defined in paragraph (I) of the 'Disclaimer' section of this Request For Proposal. |
| Rs. or INR | Means Indian Rupee. |
| Sales Incentive | As defined in Clause 1.3.2(d) of this RFP. |
| SBI | Means State Bank of India. |
| Scheme | As defined in Clause 1.1.8 of this RFP. |
| Scheme Tenure | As defined in Clause 1.3.3 of this RFP. |
| Selected Bidder | As defined in Clause 1.2.3 of this RFP. |
| SPV | As defined in Clause 2.3.1 of this RFP. |
| Subject Person | As defined in Clause 2.2.1(b)(i) of this RFP. |
| Taxes | Means any taxes including excise duties, customs duties, value added tax, goods and services tax ("GST"), property tax, sales tax, capital gains, transfer, local taxes, cess and any impost or surcharge of like nature on the goods, materials, equipment and services incorporated in and forming part of the Project charged, levied or imposed by any government authorities, together with any and all interest, penalties, claims or other liabilities arising under or relating thereto. For the avoidance of doubt, Taxes shall not include taxes on corporate income. |
| TC | Means Technical Committee. |
| Technical Bid | As defined in Clause 1.2.1 of this RFP. |
| Termination Notice | As defined in Clause 3.5.3(b) of this RFP. |
| Tie Bidder | As defined in Clause 2.27.2 of this RFP. |
| USD | Means United States Dollar. |

The words and expressions beginning with capital letters and defined in this document shall, unless repugnant to the context, have the meaning ascribed thereto herein above.

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1. INTRODUCTION

1.1 Background

- 1.1.1 Rare Earth Elements (“**REEs**”) comprise a group of 17 (seventeen) elements which include 15 (fifteen) lanthanides along with Scandium (Sc) and Yttrium (Y), which are used in small but critical quantities to improve the performance of functional materials.
- 1.1.2 Rare Earth Permanent Magnets (“**REPMs**”) are one of the most powerful commercially available magnets made from alloys that include rare earth elements, primarily Neodymium (Nd), Praseodymium (Pr) and Samarium (Sm).
- 1.1.3 Within REPMs, sintered Neodymium-Iron-Boron (“**NdFeB**”) REPMs are among the strongest and most widely used magnets which are manufactured from Rare Earth Oxides (“**REOs**”) viz. NdPr oxide. These REPMs offer high magnetic strength, excellent performance-to-weight ratio and good resistance to demagnetization.
- 1.1.4 The production of sintered NdFeB REPMs from rare-earth ores involves a large number of steps, starting with upstream processes involving mining of rare earth ores to refining them into high-purity REOs. This is followed by midstream processes involving conversion of REOs to metals, metals to alloys, and alloys to magnet.
- 1.1.5 These sintered NdFeB REPMs are used in several essential downstream sectors such as electric vehicles, renewable energy, electronics, defence and aerospace, etc.
- 1.1.6 India has one of the world’s largest, rare-earth reserves mostly located in coastal regions. IREL, a central public sector enterprise under DAE is the only company in India that is engaged in the mining of rare-earth ores and refining these into REOs. At present, its NdPr oxide production capacity is 400 (four hundred) MTPA which can support the production of approximately 1,200 (one thousand two hundred) MTPA of sintered NdFeB REPM. Further, IREL has a stock of NdPr oxide of approximately 500 (five hundred) MT. Thus, IREL, at present, is in a position to support manufacturing of around 1,500 (one thousand five hundred) MTPA of REPM.
- 1.1.7 While India possesses upstream capabilities in mining, separation and oxide refining, there is a notable gap in the industrial-scale midstream capabilities needed for oxide-to-metal, metal-to-alloy and alloy-to-magnet conversion. Due to this, India currently imports all its sintered NdFeB REPM demand for downstream applications.
- 1.1.8 To address these challenges and to promote domestic manufacturing, the GoI, through the Ministry of Heavy Industries (“**Government**”), has notified the Scheme to Promote Manufacturing of Sintered Rare Earth Permanent Magnet dated 15th December 2025. The Scheme aims to support the development of end-to-end domestic manufacturing facilities for the conversion of NdPr oxide into sintered NdFeB REPM, with a view to enhancing strategic independence and reducing import dependency.
- 1.1.9 Under the Scheme, the Government intends to provide financial support in the form of sales-linked incentive and a capital subsidy (i.e., the Sales Incentive and Capital Subsidy, which are collectively herein referred to as the “**Incentives**”) to eligible entities for setting up integrated manufacturing facilities for sintered NdFeB REPM. The Incentives shall be disbursed in accordance with the provisions of the Scheme and subject to fulfilment of the eligibility and performance criteria specified therein.
- 1.1.10 Accordingly, the Government is undertaking a competitive bidding process (*defined hereinafter*) and invites proposals (“**Bid(s)**”) in response to this RFP from eligible Entities, either directly or through a Consortium (each, a “**Bidder**”) for establishing such manufacturing

facilities.

- 1.1.11 Bidders selected under this Bidding Process shall be eligible to receive Incentives under the Scheme. The Selected Bidder shall be designated as the “**Beneficiary**”. In case of formulation of a special purpose vehicle by the Selected Bidder, the SPV shall be designated as the Beneficiary. Each Beneficiary shall be required to establish an integrated sintered NdFeB REPM manufacturing facility in India with a minimum installed capacity of 600 (six hundred) MTPA and up to a maximum of 1,200 (one thousand two hundred) MTPA, in multiples of 100 (one hundred) MTPA (“**Project**”), subject to the terms and conditions contained in the RFP, LOI and the LOA (as applicable), including specifically those contained in Section 3 (*Terms and Conditions*).
- 1.1.12 Upon completion of the evaluation process, the Government shall issue a letter of intent (“**LOI**”) to the Selected Bidders, in the format provided in **Appendix XIII** (*Letter of Intent*) to this RFP. Subsequently, a letter of award (“**LOA**”) shall be issued to each Beneficiary, in the form prescribed in **Appendix XV** (*Letter of Award*), subject to compliance with the conditions set forth in the LOI (including but not limited to the submission of the Performance Security, formation of an SPV as the Beneficiary (if applicable), and execution of necessary undertakings).
- 1.1.13 The statements and explanations contained in this RFP are intended to provide a better understanding to the Bidders about the subject matter of this RFP and should not be construed or interpreted as limiting in any way or manner the scope of services or the Government’s right to amend, alter, change, supplement or clarify the scope of the Scheme and RFP. Consequently, any omissions, conflicts or contradictions in this RFP are to be noted, interpreted, and applied appropriately to give effect to this intent, and no claims on that account shall be entertained by the Government.
- 1.1.14 The Government shall receive the Bids from Bidders, pursuant to this RFP in accordance with the terms set forth herein, as modified, altered, amended and clarified from time to time by the Government, and all documents shall be prepared and submitted in accordance with such terms on or before the date specified in Clause 1.4 (*Schedule of Bidding Process*) for submission of Bid (the “**Bid Due Date**”).

1.2 Brief description of Bidding Process

- 1.2.1 The Government has adopted a transparent least cost system (“**LCS**”) two-envelope single stage selection process (the “**Bidding Process**”) for the selection of the Selected Bidder for entitlement to receive Incentives in the form of: (i) Capital Subsidy on the Allocated Capacity commissioned (as detailed in Clause 1.3.5 (*Capital Subsidy*)); and (ii) Sales Incentive on the sintered NdFeB REPM quantity sold by the Beneficiary (as detailed in Clause 1.3.4 (*Sales Incentive*)).

The Bidders shall be selected through a transparent shortlisting process as provided for under Clause 4 (*Criteria for Evaluation*) of this RFP. The Bidders are required to submit their Bids on the Central Public Procurement Portal <https://eprocure.gov.in/eprocure/app>.

Prior to submission of the Bid, the Bidder shall pay to the Government a non-refundable sum of INR 4,50,000 (Indian Rupees Four Lakh Fifty Thousand) as the cost of the RFP process. Such payments shall be made to the bank account of the Government, the details of which are set out in **Appendix XI** (*Details of Bank Account*).

The process for evaluating the Bids comprises evaluation of a technical bid wherein the Bidder shall include its technical details as specified in Clause 4.1 (*Technical Qualification*) (“**Technical Bid**”) (in the format provided in **Appendix VI** (*Format of Technical Bid*)) and a

financial bid which shall include the Quoted Sales Incentive Rate quoted by the Bidder (“**Financial Bid**”) (in the format provided in **Appendix VII** (*Format of Financial Bid*)).

After the Bidder satisfies the qualification criteria as specified in Clause 4.1 (*Technical Qualification*) of this RFP, then in the second stage, a financial evaluation will be carried out as specified in Clause 4.2 (*Financial Evaluation*) of this RFP. Bids will finally be ranked according to their lowest quote as specified in Clause 4.3 (*Final Ranking*) of this RFP. For the purposes of evaluation, in case of a Consortium, only the credentials of the Lead Member (*as defined hereinafter*) shall be considered for satisfying the qualification criteria specified in Clause 4.1 (*Technical Qualification*) of this RFP.

Accordingly, the Beneficiaries will be given Incentives by the Government for carrying out their obligations in relation to the Project in accordance with and under the terms of the RFP, LOI and the LOA.

- 1.2.2 A Bidder is required to deposit, along with its Bid, a Bid Security of INR 1,00,00,000 (Indian Rupees One Crore) (the “**Bid Security**”), in the format provided in **Appendix IV** (*Bid Security*).

The Bidders shall provide Bid Security in the form of a bank guarantee acceptable to the Government, with a validity period of not less than 365 (three hundred and sixty-five) days from the Bid Due Date, and a further claim period of 60 (sixty) days, and such validity and claim period may be extended pursuant to mutual agreement between the Government and the concerned Bidder from time to time. The Bid shall be summarily rejected if it is not accompanied by the Bid Security.

- 1.2.3 Bids are invited for the Incentives provided by the Government for implementing the Project. In this RFP, the term “**Selected Bidder(s)**” shall mean the Bidder(s) who has/have quoted the lowest Quoted Sales Incentive Rate as provided in Clause 4.3 (*Final Ranking*). Subject to the provisions of Clause 2.6 (*Rights of Government*), the Project will be awarded to the Selected Bidder(s). Post issuance of the LOA, all Selected Bidders (in case no SPV is formed), and / or the SPV(s) (in case the Selected Bidder(s) has formed an SPV), shall be referred to as the Beneficiaries.

1.3 Milestones and Incentives

- 1.3.1 The Selected Bidder is to achieve the following milestones after the issuance of the LOA (collectively “**Milestones**”):

- (a) **Milestone 1:**
Achieve Eligible Investment of INR 1,50,00,00,000 (Indian Rupees One Hundred and Fifty Crore) from 1st April 2025 to 1 (one) year from the LOA Date (“**Milestone 1**”).
- (b) **Milestone 2:**
Achieve Eligible Investment as per the following table from 1st April 2025 to 2 (two) years from the LOA Date as follows (“**Milestone 2**”).

| Allocated Capacity (MTPA) | Minimum expenditure required towards Eligible Investment (INR Crore) |
|---------------------------|--|
| 600 | 300 |
| 700/ 800/ 900 | 450 |
| 1,000/ 1,100/ 1,200 | 600 |

- (c) **Milestone 3:**
Commission 50% (fifty per cent) of the Allocated Capacity within 3 (three) years from the LOA Date (“**Milestone 3**”) such that such portion of the Allocated Capacity has commenced commercial production.

Upon achieving any Milestone, the Beneficiary shall, within 7 (seven) days of such achievement, submit to the Government, with a copy to the Independent Engineer and the PMA, a request for verification of such Milestone accompanied by supporting documents as required under this RFP, LOI and the LOA (as applicable). In the same request, the Beneficiary shall give not less than 7 (seven) days’ prior written notice to the Independent Engineer of the proposed date(s) for site verification and shall remain available to facilitate such verification.

The Independent Engineer shall, on receipt of the Beneficiary’s request, proceed to verify the claimed Milestone. The Independent Engineer may undertake site visits, physical verifications and inspections as it considers necessary, and may call for further information or documents (including certifications by the Beneficiary’s statutory auditor or relevant management personnel) in accordance with Clause 3.6.7 (*Information and Documents*). Upon being satisfied, the Independent Engineer shall submit its recommendation for the issuance of the milestone completion certificate to the PMA. The PMA, upon being satisfied, shall issue the Milestone Completion Certificate in the format at **Appendix XVIII** (*Format for Milestone Completion Certificates*) (“**Milestone Completion Certificate**”).

1.3.2 Overview of the Incentives:

- (a) Under the Scheme, Incentives shall be provided for the establishment of integrated sintered NdFeB REPM manufacturing facilities in India, covering the full value chain from NdPr oxide to sintered NdFeB REPM.
- (b) Incentives shall be provided to a maximum of 5 (five) entities, with each entity eligible to set up facilities of up to 1,200 (one thousand two hundred) MTPA, aggregating to a total of up to a maximum capacity of 6,000 (six thousand) MTPA.
- (c) A Bidder may submit a proposal for a minimum capacity of 600 (six hundred) MTPA and up to a maximum of 1,200 (one thousand two hundred) MTPA, in multiples of 100 (one hundred) MTPA.
- (d) The Incentive structure includes:
- (i) Sales-linked incentive on sale of sintered NdFeB REPM manufactured from the Project (“**Sales Incentive**”); and
 - (ii) Capital subsidy on setting up of the Project (“**Capital Subsidy**”).
- (e) Notwithstanding anything to the contrary contained herein, the total Sales Incentive payable to any Beneficiary under the Scheme shall, in no event, exceed 40% (forty per cent) of net sales turnover (net of GST) of the sintered NdFeB REPM, for the relevant period. For the avoidance of doubt, it is clarified that, for the purpose of computing such 40% (forty per cent), GST shall be excluded from the sale price of the NdFeB REPM. Furthermore, under no circumstances shall a Beneficiary be entitled to receive Sales Incentives exceeding the caps specified in the table below:

| Allocated Capacity (MTPA) | Cap on Sales Incentive (INR crore) |
|---------------------------|------------------------------------|
| 600 | 645 |

| Allocated Capacity (MTPA) | Cap on Sales Incentive (INR crore) |
|---------------------------|------------------------------------|
| 700 | 753 |
| 800 | 860 |
| 900 | 968 |
| 1,000 | 1,075 |
| 1,100 | 1,183 |
| 1,200 | 1,290 |

- (f) The Beneficiary(ies) shall be entitled to disbursement of the Incentives, as further detailed in Clause 1.3.4 (*Sales Incentive*) and Clause 1.3.5 (*Capital Subsidy*), only after each of the Milestones have been achieved, and the entire Allocated Capacity is commissioned and verified in accordance with Clause 3.2.3 (*Verification of Commissioning*), and a Completion Certificate is issued in accordance with Clause 3.7.3 (*Completion Certificate*).

1.3.3 Scheme Tenure

The total duration of the Scheme will be 7 (seven) years from the LOA Date (“**Scheme Tenure**”), which includes a planned 2 (two) years of gestation period for setting up the manufacturing facilities and 5 (five) years for incentive disbursement on sale of sintered NdFeB REPM.

1.3.4 Sales Incentive

- (a) Subject to Clause 1.3.2 (*Overview of the Incentives*), Sales Incentives shall be provided to the Beneficiary(ies) on the sale of sintered NdFeB REPM produced after the issuance of the LOA. The Beneficiary(ies) shall submit half-yearly / annual (at the Beneficiary(ies)’ option) data supported by relevant documentation including but not limited to invoices and certificates from statutory auditors. The Sales Incentive amount shall be computed as per the methodology specified herein below and shall be disbursed on a half-yearly / annual basis.
- (b) The Sales Incentive rate offered to each Beneficiary shall be as per the Quoted Sales Incentive Rate provided by them in their Financial Bid, and as recorded in the LOA. This Quoted Sales Incentive Rate shall be applicable to sintered NdFeB REPM produced from NdPr oxides sourced from either IREL or any other source(s):

| Selected Bidder [^] | Applicable incentive (capped at INR 2,150 (Indian Rupees Two Thousand One Hundred and Fifty) per Kg) |
|------------------------------|--|
| L1 | As per incentive quoted by L1. |
| L2 | As per incentive quoted by L2. |
| L3 | As per incentive quoted by L3. |
| L4 | As per incentive quoted by L4. |
| L5 | As per incentive quoted by L5. |

[^]Note: L1, L2, L3, L4 and L5 shall be the Selected Bidders identified in accordance with Clause 4.3.1 (*Selection of Selected Bidders*).

- (c) Amount of Sales Incentives:

*Amount of Sales Incentives** = *Quantity of sintered NdFeB REPM sold (in kg) during the period* × (multiplied by) *Quoted Sales Incentive Rate in the Financial Bid (₹/kg)*

*Note: Subject to the caps set forth in the Scheme, the RFP, LOA and the LOI.

- (d) The Beneficiary shall become eligible to receive the Sales Incentive only after completion of all Milestones and issuance of the Completion Certificate.
- (e) The Beneficiary shall submit Sales Incentive claims on either a half-yearly basis or on an annual basis, as indicated in the relevant Sales Incentive Disbursement Form in the format provided in **Appendix XX** (*Sales Incentive Disbursement Form*), for each claim.
- (f) The half-yearly periods shall be from 1 April to 30 September and from 1 October to 31 March, in each case, within the same Financial Year. The annual period shall be from 1 April to 31 March of the same Financial Year.
- (g) For the first claim submitted by the Beneficiary, the claim period shall run from the LOA Date until 31 March, or 30 September of the same Financial Year, at the Beneficiary's option.
- (h) For each half-yearly claim period, the Beneficiary shall submit the duly completed Sales Incentive Disbursement Form in the format provided in **Appendix XX** (*Sales Incentive Disbursement Form*), with all supporting documents, by the following final dates: (i) for the half-year from 1 April to 30 September, no later than 31 March of the same Financial Year; and (ii) for the half-year from 1 October to 31 March, no later than 30 September of the immediately succeeding Financial Year.
- (i) For each annual claim period, the Beneficiary shall submit the duly completed Sales Incentive Disbursement Form in the format provided in **Appendix XX** (*Sales Incentive Disbursement Form*), with all supporting documents, no later than 30 September of the Financial Year immediately succeeding the Financial Year in which the relevant annual claim period ended.
- (j) The final claim period shall commence from either 1 October or 1 April, as applicable, and expire on the date falling on the 7th (seventh) anniversary of the LOA Date. Notwithstanding anything contained in this Clause 1.3.4 (*Sales Incentive*), for the final claim period occurring within the Scheme Tenure, the Beneficiary shall submit the duly completed Sales Incentive Disbursement Form, with all supporting documents, no later than 6 (six) months from the end of such final claim period. *Provided*, nothing in this Clause 1.3.4 (*Sales Incentive*), including this Clause 1.3.4(j), shall affect the longstop in Clause 3.9.7 (*Disbursement Long-Stop*) that no Incentive shall be disbursed for any period beyond the seventh anniversary of the LOA Date (i.e. for any period after the Scheme Tenure).
- (k) If the Beneficiary fails to submit a claim by the applicable final date under Clause 1.3.4(h) (*half yearly claim period*), Clause 1.3.4(i) (*annual claim period*) or Clause 1.3.4(j) (*final claim period*), the Beneficiary's claim for the relevant claim period shall lapse and not be accepted thereafter.

1.3.5 Capital Subsidy

- (a) A Capital Subsidy equivalent to 15% (fifteen per cent) of the Eligible Investment (*as defined herein below*) made on or after 1st April 2025, shall be provided under the Scheme. Disbursement of such Capital Subsidy shall be made in the form of reimbursement, upon commissioning of the entire Allocated Capacity (and issuance of the Completion Certificate in respect thereof) and the Capital Subsidy shall be subject to the cap provided under Clause 1.3.6 (*Incentive Cap*).
- (b) For availing the Capital Subsidy, the Beneficiary shall be required to furnish the certificates detailed in Clause 3.2.3 (*Verification of Commissioning*) and the Completion Certificate for the entirety of the Allocated Capacity.

- (c) For the purposes of this Clause, “**Eligible Investment**” shall mean:
- (i) Expenditure incurred on Plant, Machinery, Equipment and Associated Utilities: This shall include expenditure on plant, machinery, equipment and associated utilities as well as tools, dies, moulds, jigs, fixtures (including parts, accessories, components and spares thereof) of the same, used in the engineering research & development (ER&D) and product design and development, manufacturing, assembly, testing, packaging or processing of the eligible product under the Scheme (sintered NdFeB REPM). It shall also include expenditure on packaging, freight/transport, insurance, and erection and commissioning of the plant, machinery, equipment, and associated utilities. Associated utilities would include captive power and effluent treatment plants, essential equipment required in operations area such as clean rooms, air curtains, temperature and air quality control systems, compressed air, water and power supply, and control systems. Associated utilities would also include IT and ITES infrastructure related to manufacturing including servers, software, and ERP solutions. All non-creditable Taxes and duties would also be included in such expenditure.
 - (ii) Expenditure incurred on Research and Development (R&D): This shall include capital expenditure on R&D and product development related to sintered NdFeB REPM. The term “related” shall refer to all stages in the entire value chain for manufacturing of sintered NdFeB REPM. Such expenditure shall include expenditure on in-house and captive R&D, including all stages in the entire value chain of manufacturing of sintered NdFeB REPM. Such expenditure shall include test and measuring instruments, prototypes used for testing, purchase of design tools, software cost (directly used for R&D) and license fee, expenditure on technology, IPR, patents and copyrights for R&D. All non-creditable Taxes and duties would be included in such expenditure.
 - (iii) Expenditure related to transfer of technology agreements (“(ToT) Agreements”): This shall include cost of technology and initial technology purchase related to integrated manufacturing of sintered NdFeB REPM. All non-creditable Taxes and duties would be included in such expenditure.
- (d) It is expressly clarified that Eligible Investment shall be limited to the expenditure incurred by the Beneficiary for the Project.
- (e) Second-hand/ used/ refurbished plant, machinery, equipment, utilities or research & development equipment or assets shall not be allowed, or considered in the determination of Eligible Investment. Further, assets acquired through slump sale, or leased assets shall also not be permitted, or considered in the determination of Eligible Investment.
- (f) For the purposes of this RFP, ‘integrated manufacturing facility’ shall mean an integrated REO-to-sintered NdFeB REPM manufacturing value chain, implemented through a single manufacturing unit, or multiple manufacturing units situated at one or more locations in India, *provided* all such units are wholly owned and controlled by the Beneficiary. The manufacturing process shall commence from REO viz. NdPr Oxide as the starting raw material, and all intermediate processes (including, without limitation, the manufacturing of NdPr metal, and NdFeB alloy) up to production of sintered NdFeB REPM shall be performed in-house within the integrated manufacturing facility.

1.3.6 The Capital Subsidy to be provided to each Beneficiary shall be capped as follows:

| Allocated Capacity (MTPA) | Cap on capital subsidy (INR crore) |
|----------------------------------|---|
| 600 | 75 |
| 700 or 800 | 100 |
| 900 or 1,000 | 120 |
| 1,100 or 1,200 | 150 |

1.4 Schedule for Bidding Process

The Government shall endeavor to adhere to the following schedule:

| S. No | Event Description | Date |
|--------------|--|-------------|
| 1. | Release of RFP | 20.03.2026 |
| 2. | Pre-Bid Conference | 07.04.2026 |
| 3. | Last date for receiving queries from Bidders | 22.04.2026 |
| 4. | Government response to queries | 15.05.2026 |
| 5. | Bid Due Date | 28.05.2026 |
| 6. | Opening of Technical Bid | 29.05.2026 |
| 7. | Validity of Bid | 27.05.2027 |

1.5 Pre-bid Conference:

The date, time and venue of the Pre-bid Conference shall be:

Date: 07.04.2026

Time: 1130 hours IST

Venue: India Habitat Centre, New Delhi - 110003

2. INSTRUCTIONS TO BIDDERS

A. GENERAL

2.1 Scope of Bid

The Bidder shall be required to submit a Technical Bid and a Financial Bid. The Financial Bid shall only be opened if the Bidder meets the thresholds provided for in Clause 4.1 (*Technical Qualification*), under the Technical Bid.

2.2 Eligibility of Bidders

2.2.1 For determining the eligibility of Bidders for their shortlisting hereunder, the following shall apply:

- (a) The Bidder for the purpose of shortlisting may be an Entity, or a group of Entities (the “**Consortium**”). For the purposes of evaluation, in case of a Consortium, the qualification criteria specified in this Clause 2.2 (*Eligibility Requirements*) must be satisfied by the Lead Member (*as defined hereinafter*) only. However, no Bidder applying individually, or as a Member of a Consortium, can be a member of another Bidder/Consortium. The term Bidder used herein would apply to both a single Entity acting as a Bidder, and a Consortium.
- (b) A Bidder shall not have a conflict of interest (the “**Conflict of Interest**”) that affects the Bidding Process. Any Bidder found to have a Conflict of Interest shall be disqualified. A Bidder shall be deemed to have a Conflict of Interest affecting the Bidding Process, if:
 - (i) the Bidder, or its Associate (or any constituent thereof) and any other Bidder or any Associate thereof (or any constituent thereof) have common controlling shareholders or other ownership interest,

Provided that this disqualification shall not apply in cases where the direct or indirect shareholding of a Bidder, its Member or an Associate thereof (or any shareholder thereof having a shareholding of more than 20% (twenty per cent) of the aggregate issued, subscribed and paid up share capital of such Bidder, Member or Associate, as the case may be) in the other Bidder, its Member or an Associate is less than 20% (twenty per cent) of the aggregate issued, subscribed and paid up equity share capital thereof; provided further that this disqualification shall not apply to any ownership by the Government, a bank, insurance company, pension fund or a public financial institution referred to in Section 2(72) of the Companies Act, 2013

For the purposes of this Clause 2.2.1 (*Determination of eligibility of Bidders*), indirect shareholding held through 1 (one) or more intermediate persons shall be computed as follows: (A) where any intermediary is Controlled by a person through management control or otherwise, the entire shareholding held by such controlled intermediary in any other person (the “**Subject Person**”) shall be taken into account for computing the shareholding of such controlling person in the Subject Person; and (B) subject always to sub-clause (A) above, where a person does not exercise Control over an intermediary, which has shareholding in the Subject Person, the computation of indirect shareholding of such person in the Subject Person shall be undertaken on a proportionate basis; *provided, however*, that no such shareholding shall be reckoned under this sub-clause if the shareholding of such person in the intermediary is less

than 26% (twenty-six per cent) of the aggregate issued, subscribed and paid-up equity shareholding of such intermediary; or

- (ii) a constituent of such Bidder is also a constituent of another Bidder; or
- (iii) such Bidder or any Associate thereof receives, has received, or has entered into an agreement to receive, any direct or indirect subsidy, incentive, grant, concessional loan, or subordinated debt from any other Bidder, or any Associate thereof or has provided or has entered into an agreement to provide any such subsidy, incentive, grant, concessional loan or subordinated debt to any other Bidder, its Member or any Associate thereof; or
- (iv) such Bidder has the same legal representative for purposes of a Bid as any other Bidder; or
- (v) such Bidder or any Associate thereof, has a relationship with another Bidder or any Associate thereof, directly or indirectly or through a common third party/ parties, that puts either or both of them in a position to have access to each other's information, or to influence the Bid of either or each other; or
- (vi) such Bidder or any Associate thereof, has participated as a consultant to the Government in the preparation of any documents, design, or technical specifications of the Project.

Further, if any Bidder is having a Conflict of Interest with other Bidders participating in the Bidding Process, the Bids of all such Bidders shall be rejected.

- (c) A Bidder shall be liable for disqualification and forfeiture of Bid Security if any legal, financial, or technical adviser of the Government in relation to the Project is engaged by the Bidder or its Member or any Associate thereof, in any manner for matters related to or incidental to the Project. For the avoidance of doubt, this disqualification shall not apply where such adviser was engaged by the Bidder, its Member or Associate in the past but its assignment expired or was terminated prior to the Bid Due Date. Nor will this disqualification apply where such adviser is engaged after a period of 6 (six) months after the issuance of the LOA.

It is further clarified that a Bidder shall not be disqualified if such Bidder has engaged or engages such legal, financial, or technical advisers for any matters other than advisory for the Project.

Explanation:

- I. In case a Bidder is a Consortium, then the term Bidder as used in this Clause 2.2.1 (*Determination of eligibility of Bidders*) shall include each Member of such Consortium, and the term Associate with respect to a Bidder shall include an Associate of each Member of that Consortium.
- II. For the purposes of this RFP, Associate means, in relation to the Bidder/ Member, a body corporate (incorporated in India or outside) who Controls, is Controlled by, or is under the common Control with such Bidder/ Member (the “**Associate**”).

2.2.2 To be eligible for shortlisting, a Bidder shall fulfil the following conditions of eligibility:

Qualification Criteria:

Net Worth

The Bidder shall have a minimum Net Worth as per the table below:

| Bid capacity (MTPA) | Minimum net worth (INR crore) |
|----------------------------|--------------------------------------|
| 600 | 180 |
| 700 or 800 | 245 |
| 900 or 1,000 | 310 |
| 1,100 or 1,200 | 375 |

In case credit is claimed for an Associate, necessary evidence to establish the relationship of the Bidder with such Associate, shall be provided. Further, where an Associate's credentials are used in order to meet the eligibility criteria prescribed herein, such Associate shall be required to remain an Associate of the Bidder and the Beneficiary for the entirety of the Scheme Tenure, and any failure to do so shall be deemed to be a Change in Ownership of the Beneficiary for the purposes of this RFP.

In case of a Consortium, the Lead Member, who shall have an equity share of at least 51% (fifty-one per cent) in the Beneficiary, should satisfy the above conditions of eligibility (including the aforesaid Net Worth requirements); *provided that* such Lead Member shall, during the Scheme Tenure, hold equity share capital of not less than 51% (fifty-one per cent) of the subscribed and paid-up equity of the Beneficiary.

For computing the Net Worth of a Bidder, the Net Worth of its Associates (or the Associates of the Lead Member) would also be eligible.

2.2.3 The Bidder shall enclose with its Bid, to be submitted as per the format at **Appendix I** (*Letter Comprising the Bid*), complete with its Annexures, the following:

- (a) certificate prepared according to the International Financial Reporting Standards (“**IFRS**”) or Generally Accepted Accounting Principles (“**GAAP**”) or Indian Accounting Standards (“**Ind AS**”) from a statutory auditor specifying the Net Worth of the Bidder, as specified under Clause 2.2.2 (*Net Worth*), which certificate shall be issued as per the format at **Appendix V** (*Net Worth of the Bidder*).

For meeting the above qualification criteria, if the data is provided by the Bidder in a foreign currency, equivalent Indian Rupees of Net Worth will be calculated by the Bidder using Reserve Bank of India's reference rates prevailing on the date of closing of the accounts for the respective financial year.

In case of any currency for which the Reserve Bank of India's reference rate is not available, Bidders shall convert such currency into USD as per the exchange rates certified by their banker prevailing on the relevant date and used for such conversion. Equivalent Indian Rupees of Net Worth from USD will then be calculated by the Bidder using the Reserve Bank of India's reference rates prevailing on the date of closing of the accounts for the respective financial year.

- (b) certificate(s) from statutory auditors of the Bidder or its Associates specifying the Net Worth of the Bidder, as specified under Clause 2.2.2 (*Net Worth*), as at the close of the financial year as per latest annual financials of the Bidder duly audited by the statutory auditor, and also specifying that the methodology adopted for calculating such Net Worth conforms to the provisions of this Clause 2.2.3(b) (*Net Worth Certificate*). For the purposes of this RFP, net worth (the “**Net Worth**”) shall mean the sum of

subscribed and paid-up equity and reserves from which shall be deducted the sum of revaluation reserves, miscellaneous expenditure not written off and reserves not available for distribution to equity shareholders.

- (c) the Technical Bid consisting of the Committed Capacity submitted by the Bidder, to the Government, as per format at **Appendix VI** (*Format for Technical Bid*) and a Financial Bid comprising the Quoted Sales Incentive Rate provided by the Bidder as per format at **Appendix VII** (*Format for Financial Bid*). The Technical Bid shall be evaluated in accordance with Clause 4.1 (*Technical Qualification*). The Financial Bid shall be evaluated in accordance with Clause 4.2 (*Financial Evaluation*), and the Sales Incentive shall be payable by the Government to the Beneficiaries as per the terms and conditions of this RFP, and the provisions of the LOA.
- 2.2.4 The Bidder shall deposit a Bid Security in accordance with the provisions of this RFP and the LOI. The validity and claim period of the Bid Security shall be in accordance with Clause 2.22.1 (*Bid Security*).
- 2.2.5 The Bidder should submit a Power of Attorney as per the format at **Appendix II** (*Power of Attorney for signing of Application and Bid*), authorising the signatory of the Bid to commit for the Bidder. In the case of a Consortium, the Members should submit a Power of Attorney, signed by all the Members of the Consortium (and duly acknowledged by the Lead Member) in favour of the Lead Member as per the format at **Appendix III** (*Power of Attorney for Lead Member of Consortium*).
- 2.2.6 The Bidder, if a Consortium, shall also comply with the following requirements:
- (a) the Bid should contain the information required for each Member of the Consortium;
 - (b) Members of the Consortium shall nominate 1 (one) Member as the lead member/ lead partner (the “**Lead Member**”). The nomination(s) shall be supported by a Power of Attorney, as per the format at **Appendix III** (*Power of Attorney for Lead Member of Consortium*), signed by all the other Members of the Consortium;
 - (c) the Bid should include a brief description of the roles and responsibilities of individual Members, particularly with reference to financial and technical obligations;
 - (d) Members of the Consortium shall enter into a binding Joint Bidding Agreement, substantially in the form specified at **Appendix X** (*Joint Bidding Agreement*) (the “**Joint Bidding Agreement**”), for the purpose of making the application and submitting a Bid. The Joint Bidding Agreement, to be submitted along with the Application, shall, *inter alia*;
 - (i) convey the intent to form an SPV with shareholding/ ownership equity commitment(s) in accordance with this RFP, which would receive the LOA and subsequently perform all the obligations of the terms of the LOA as a Beneficiary, in case the Consortium is a Selected Bidder;
 - (ii) clearly outline the proposed roles and responsibilities, if any, of each Member;
 - (iii) commit the minimum equity stake to be held by each Member;
 - (iv) Lead Member of the Consortium undertakes that it shall comply with obligations related to change in composition of Consortium, and Change in Ownership as provided in the RFP;
 - (v) include a statement to the effect that all Members of the Consortium shall be liable jointly and severally for all obligations of the Beneficiary.
 - (e) except as provided under this RFP, there shall not be any amendment to the Joint

Bidding Agreement without the prior written consent of the Government.

- 2.2.7 Any entity which has been barred by the Central Government, or any entity controlled by it, from participating in any project, and the bar subsists as at the date of Bid, would not be eligible to submit a Bid, either individually or as a Member of a Consortium.
- 2.2.8 A Bidder including any Member or Associate should, in the last 3 (three) years, have neither failed to perform any contract, as evidenced by imposition of a penalty by an arbitral or judicial authority or a judicial pronouncement or arbitration award against the Bidder or Member, nor has been expelled from any project or contract by any public entity nor has had any contract terminated by any public entity for breach by such Bidder or Member. Provided, however, that where a Bidder claims that its disqualification arising on account of any cause or event specified in this Clause 2.2.8 (*Prior Performance*) is such that it does not reflect (a) any malfeasance on its part in relation to such cause or event; (b) any willful default or patent breach of the material terms of the relevant contract; (c) any fraud, deceit or misrepresentation in relation to such contract; or (d) any rescinding or abandoning of such contract, it may make a representation to this effect to the Government for seeking a waiver from the disqualification hereunder and Government may, in its sole discretion and for reasons to be recorded in writing, grant such waiver if it is satisfied with the grounds of such representation and is further satisfied that such waiver is not in any manner likely to cause a material adverse impact on the Bidding Process or on the implementation of the Project. The decision of the Government on granting such waiver under this Clause 2.2.8 (*Prior Performance*) shall be final and binding on the Bidder or Member of a Consortium.
- 2.2.9 The following conditions shall be adhered to while submitting a Bid:
- (a) Bidders should attach clearly marked and referenced continuation sheets in the event that the space provided in the prescribed forms in the Annexures is insufficient. Alternatively, Bidders may format the prescribed forms making provision for incorporation of the requested information;
 - (b) information supplied by a Bidder (or other constituent Member if the Bidder is a Consortium) must apply to the Bidder, Member or Associate named in the Bid and not, unless specifically requested, to other Associated companies or firms;
 - (c) in responding to the submissions for shortlisting, Bidders should demonstrate their capabilities in accordance with Clause 4.1 (*Technical Qualification*) below; and
 - (d) Notwithstanding anything to the contrary contained herein, in the event that the Bid Due Date falls within 3 (three) months of the closing of the latest financial year of a Bidder, for which the audited statements are not available, the Bidder shall submit the annual audited accounts of the previous financial year for which the audited accounts are available. Financial year shall, for the purposes of the Bid hereunder, mean the accounting year followed by the Bidder in the course of its normal business.
- 2.2.10 Ministry of Finance, GoI has issued an order dated 23rd February 2023 (as attached at **Appendix IX** (*GFR Order*) of RFP) for qualification of a bidder from a country which shares a land border with India (“**GFR Order**”), which may be further amended, modified or supplemented from time to time. As per the GFR Order, any Bidder from a country which shares a land border with India (as defined in the GFR Order) will be eligible to bid under this RFP only if the Bidder is registered with the ‘Competent Authority’ as specified in the GFR Order (“**Competent Authority**”). The GFR Order shall apply *mutatis mutandis* to this Bidding Process. Bidders must satisfy themselves that they are qualified to bid, and shall provide an undertaking to this effect in the form set out in **Appendix I** (*Letter Comprising the Bid*) of RFP. The Government shall be entitled to disqualify a Bidder for non-compliance with the provisions of the GFR Order at any stage of the Bidding Process.

2.3 Formation of SPV as Beneficiary

- 2.3.1 A Selected Bidder if: (a) an Indian company, shall have an option to form an appropriate special purpose vehicle, incorporated under the Indian Companies Act, 2013 (the “SPV”) to implement the Project, which shall be the wholly owned subsidiary of the Selected Bidder; (b) a foreign Entity, shall have to mandatorily form an SPV (as the Beneficiary) under the Indian Companies Act, 2013, to implement the Project, which shall be the wholly owned subsidiary of such Selected Bidder; (c) a Consortium, the Members of such Consortium shall mandatorily form an SPV (as the Beneficiary) under the Indian Companies Act, 2013, with the same shareholding pattern as provided in the Joint Bidding Agreement.

2.4 Number of Bids and Costs thereof

- 2.4.1 No Bidder shall submit more than one Bid for the Project. A Bidder applying individually or as a Member of a Consortium shall not be entitled to submit another application either individually or as a Member of any Consortium, as the case may be.
- 2.4.2 The Bidders shall be responsible for all of the costs associated with the preparation of their Bids and their participation in the Bidding Process. The Government will not be responsible or in any way liable for such costs, regardless of the conduct or outcome of the Bidding Process.

2.5 Acknowledgement by Bidder

- 2.5.1 It shall be deemed that by submitting the Bid, the Bidder has:
- (a) made a complete and careful examination of the RFP;
 - (b) received all relevant information requested from the Government;
 - (c) accepted the risk of inadequacy, error or mistake in the information provided in the RFP, or otherwise furnished by or on behalf of the Government; and
 - (d) agreed to be bound by the undertakings provided by it under and in terms hereof.
- 2.5.2 The Government shall not be liable for any omission, mistake or error in respect of any of the above or on account of any matter or thing arising out of or concerning or relating to the RFP or the Bidding Process, including any error or mistake therein or in any information or data given by the Government.
- 2.5.3 The Bidder acknowledges and agrees that any potential availability of NdPr oxide from IREL referred to in this RFP is indicative and non-binding, and agrees that it has not relied, and shall not rely, on the availability, price or terms of any such supply in preparing its Bid.

2.6 Right to accept or reject any or all Bids

- 2.6.1 Notwithstanding anything contained in this RFP, the Government reserves the right to accept or reject any Bid and to annul the Bidding Process and reject all Bids, at any time without any liability or any obligation for such acceptance, rejection or annulment, and without assigning any reasons thereof.

2.7 Change in Composition of Consortium and Change in Ownership

- 2.7.1 *Change in Composition of Consortium:* Where the Bidder is a Consortium, change in the composition of a Consortium may be permitted by the Government, only where:
- (a) the application for such change is made on or prior to the Bid Due Date;

- (b) the Lead Member continues to be the Lead Member of the Consortium; and
- (c) the new Member(s) expressly adopt(s) the Bid already made on behalf of the Consortium as if it were a party to it originally and is not a Bidder / Member /Associate of any other Bidder or Consortium bidding for this Project and shall submit all such documents as may be necessary in support of the Bid, including a Power of Attorney as specified in Clause 2.2.6 (*Information for Bid*) above.

Approval for change in the composition of a Consortium shall be at the sole discretion of the Government and must be approved in writing. Notwithstanding anything to the contrary contained in Clause 2.2.1(b)(i) (*Conflict of Interest*), a Bidder may, within 10 (ten) days after the Bid Due Date, remove from its Consortium any Member who suffers from a Conflict of Interest, and such removal shall be deemed to cure the Conflict of Interest arising in respect thereof. Upon the occurrence of such removal, the Bidder shall submit necessary documents, as may be required by the Government, evidencing the removal of such Member from its Consortium.

2.7.2 *Change in Ownership* – In case the Beneficiary is an SPV, the Beneficiary shall at no time undertake or permit any Change in Ownership. Further, the shareholding of the Selected Bidder shall not fall to 50% (fifty per cent) or below, and the Lead Member (in case of the Selected Bidder being a Consortium) shall hold not less than 51% (fifty-one per cent), of Beneficiary’s issued and paid up equity for the Scheme Tenure, and failing to do so shall be deemed to constitute a Change in Ownership. By submitting the Bid, the Bidder acknowledges that it was shortlisted based on the qualifications of the Bidder or Lead Member (as applicable). The Bidder further acknowledges and agrees that a breach of any obligation regarding shareholding requirements provided under the RFP (and/or the occurrence of a Change in Ownership with respect to a Beneficiary that is an SPV), shall constitute a Breach of Obligations for the purposes of Clause 3.5 (*Breach of Obligations and Consequences*) of the RFP.

2.7.3 In case the Beneficiary is an SPV, by submitting the Bid, the Bidder acknowledges and agrees that in the event of a Change in Ownership of the Beneficiary, the Selected Bidder and Beneficiary shall be deemed to have knowledge of the same and shall be required to inform the Government forthwith along with all relevant particulars about the same and the Government may, in its sole discretion, disqualify the Selected Bidder and/or Beneficiary. In the event such Change in Ownership occurs after the issuance of the LOI or LOA (as applicable), it would, be deemed to be a breach of the LOI or LOA, and the LOI or the LOA shall be terminated without the Government being liable in any manner whatsoever to the Beneficiary and / or the Selected Bidder. In such an event, the Government shall be entitled to forfeit and appropriate the Bid Security or Performance Security, as the case may be, as damages, without prejudice to any other right or remedy that may be available to the Government under the RFP or otherwise.

For the purposes of determining whether a Change in Ownership has occurred under Clause 2.7.2 (*Change in Ownership*) and this Clause 2.7.3 (*Change in Ownership Determination*), the Government shall be guided by the principles, precedents and definitions contained in the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as may be amended, modified, or supplemented, from time to time, as in force on the date of such acquisition.

2.8 Verification and Disqualification

2.8.1 The Government reserves the right to verify all statements, information and documents submitted by the Bidder in response to this RFP and the Bidder shall, when so required by the Government, make available all such information, evidence and documents as may be necessary for such verification. Any such verification, or lack of such verification, by the

Government shall not relieve the Bidder of its obligations or liabilities hereunder nor will it affect any rights of the Government thereunder.

- 2.8.2 The Government reserves the right to reject any Bid and appropriate the Bid Security if:
- (a) at any time, a material misrepresentation is made or uncovered, or
 - (b) the Bidder does not provide, within the time specified by the Government, the supplemental information sought by the Government for evaluation of the Bid,
 - (c) in case of the Selected Bidder, such Selected Bidder does not submit the Performance Security, form SPV to act as the Beneficiary (where applicable), and execute necessary undertakings as per requirements of the RFP and the LOI,

such misrepresentation/ improper response shall lead to the disqualification of the Bidder. If the Bidder is a Consortium, then the entire Consortium and each Member may be disqualified / rejected. If such disqualification / rejection occurs after the Bids have been opened and the Eligible Bidder gets disqualified / rejected, then the Government reserves the right to:

- (i) consider the Bids of the remaining Bidder(s) in accordance with this RFP; or
- (ii) take any such measure as may be deemed fit in the sole discretion of the Government, including annulment of the Bidding Process.

- 2.8.3 In case it is found at any time, whether during the evaluation of the Bids, the Scheme Tenure or thereafter, that (i) one or more conditions for shortlisting have not been met by the Bidder, or (ii) the Bidder has made a material misrepresentation or has provided any materially incorrect or false information, then:

- (a) the Bidder shall be disqualified forthwith if the LOI is yet to be issued; and
- (b) if the Selected Bidder has already been issued the LOI or the LOA, as the case may be, the same shall, be liable to be terminated, by a communication in writing by the Government to the Selected Bidder or the Beneficiary, as the case may be, without the Government being liable in any manner whatsoever to the Selected Bidder or Beneficiary.

- 2.8.4 In such an event as described in the foregoing provisions of this Clause 2.8 (*Verification and Disqualification*), the Government shall be entitled to forfeit and appropriate the Bid Security or Performance Security, as the case may be, as damages, without prejudice to any other right or remedy that may be available to the Government under the Scheme RFP, LOI, the LOA, or otherwise, including under Clause 3.5.2 (*Recovery of Incentives*) of the RFP. The decision of the Government to terminate the LOA and/or disqualify the Bidder shall be final, conclusive, and binding on the Bidder.

B. DOCUMENTS

2.9 Contents of the RFP

This RFP comprises the disclaimer set forth hereinabove, and the contents as listed below.

Invitation for Qualification

- Section 1. Introduction
- Section 2. Instructions to Bidders
- Section 3. Terms and Conditions
- Section 4. Criteria for Evaluation

- Section 5. Fraud and Corrupt Practices
- Section 6. Pre-Bid Conference
- Section 7. Misrepresentation
- Section 8. Representations and Warranties
- Section 9. Miscellaneous

Appendices

- I. Letter comprising the Bid
- II. Power of Attorney for Signing of Application and Bid
- III. Power of Attorney for Lead Member of Consortium
- IV. Bid Security
- V. Net Worth of the Bidder
- VI. Format for Technical Bid
- VII. Format for Financial Bid
- VIII. Instructions for Online Submission
- IX. GFR Order
- X. Joint Bidding Agreement
- XI. Details of the Bank Account
- XII. Integrity Pact
- XIII. Format for Letter of Intent
- XIV. Format of Performance Security
- XV. Format of Letter of Award
- XVI. Format of IREL Letter of Comfort
- XVII. Selection of Independent Engineer
- XVIII. Format for Milestone Completion Certificates
- XIX. Format for Allocated Capacity Completion Certificate
- XX. Sales Incentive Disbursement Form
- XXI. Sample Draft Invoice
- XXII. Capital Subsidy Disbursement Request Letter

2.10 Clarifications

- 2.10.1 Bidders requiring any clarification on the RFP may notify the Government in writing by speed post/ courier/ special messenger or by e-mail. They should send in their queries before the date specified in the schedule of Bidding Process contained in Clause 1.4 (*Schedule of Bidding Process*). The Government shall endeavour to respond to the queries within the period specified therein, but no later than 10 (ten) days prior to the Bid Due Date. The responses will be sent by e-mail. The Government will forward all the queries and its responses thereto, to all Bidders of the RFP without identifying the source of queries.
- 2.10.2 The Government shall endeavour to respond to the questions raised or clarifications sought by the Bidders. However, the Government reserves the right not to respond to any question or provide any clarification, in its sole discretion, and nothing in this Clause 2.10.2 (*Clarifications*) shall be taken or read as compelling or requiring the Government to respond to any question or to provide any clarification.
- 2.10.3 The Government may also on its own motion, if deemed necessary, issue interpretations and clarifications to all Bidders. All clarifications and interpretations issued by the Government shall be deemed to be part of the RFP. Provided that any verbal clarifications and information given by the Government or its employees or representatives shall not in any way or manner be binding on the Government.

2.11 Amendment of RFP

- 2.11.1 At any time prior to the deadline for submission of Bid, the Government may, for any reason,

whether at its own initiative or in response to clarifications requested by a Bidder, modify the RFP by the issuance of addenda.

2.11.2 Any addendum thus issued will be sent in writing to all those who have purchased the RFP and will be put up on the Central Public Procurement Portal on <https://eprocure.gov.in/eprocure/app>.

2.11.3 The Government may, in its sole discretion, extend the Bid Due Date, post any addendum or otherwise.

C. PREPARATION AND SUBMISSION OF BID

2.12 Language

The Bid and all related correspondence and documents in relation to the Bidding Process shall be in English language. Supporting documents and printed literature furnished by the Bidder with the Bid may be in any other language provided that they are accompanied by translations of all the pertinent passages in the English language, duly authenticated and certified by the Bidder. Supporting materials, which are not translated into English, may not be considered. For the purpose of interpretation and evaluation of the Bid, the English language translation shall prevail.

2.13 Format and signing of Bid

2.13.1 The Bidder shall provide all the information sought under this RFP on the Central Public Procurement Portal, <https://eprocure.gov.in/eprocure/app> and the Government will evaluate only those Bids that are received in the required formats and complete in all respects. Incomplete and/or conditional Bids shall be liable to rejection.

2.13.2 The Bid shall be submitted at the address and in the manner provided in the RFP including submission of physical copies as provided under Clause 2.14.3 (*Physical Submission*) and where applicable, shall be typed or written in indelible ink. It shall be signed by the authorised signatory of the Bidder who shall also initial each page of the Bid (including each Appendix and Annexure) in blue ink. In case of printed and published documents, only the cover shall be initialed. All the alterations, omissions, additions, or any other amendments made to the Bid shall be initialed by the person(s) signing the Bid. The Bid shall contain page numbers and shall be bound together in a manner that does not allow replacement of any page.

2.14 Sealing and Marking of Bids

2.14.1 The Bidder shall submit the Bid in the format specified at **Appendix I** (*Letter Comprising the Bid*), together with the documents specified in Clause 2.14.2 (*Bid Submission Requirements*), and upload the same to the Central Public Procurement Portal (<https://eprocure.gov.in/eprocure/app>) in the prescribed manner as set forth on the website.

2.14.2 The Bidder shall be required to upload the following on the Central Public Procurement Portal:

(a) **Envelope 1 (containing the Technical Bid):**

- (i) Bid in the prescribed format (**Appendix I** (*Letter Comprising the Bid*)) along with Annexures and supporting documents;
- (ii) Copy of Power of Attorney for signing the Bid as per the format at **Appendix II** (*Power of Attorney for signing of Application and Bid*); and if applicable, copy of the Power of Attorney for Lead Member of Consortium as per the format at **Appendix III** (*Power of Attorney for Lead Member of Consortium*);
- (iii) Copy of Bid Security in the format at **Appendix IV** (*Bid Security*);
- (iv) Net Worth of the Bidder (including, where applicable, the Net Worth of the

Associate as being relied upon by the Bidder) as per the format at Appendix V (Net Worth of the Bidder), together with all supporting documents substantiating such Net Worth, including the certificate(s) of the statutory auditor(s) required under Clauses 2.2.3(a) (*Net Worth Certificate*) and 2.2.3(b) (*Net Worth Certificate*), detailed computation workings and reconciliations to the audited financial statements for the latest completed financial year as applicable under Clause 2.2.10(d) (*Timing of Financial Statements*), and, where any figures are presented in a foreign currency, the currency-conversion workings in accordance with Clause 2.2.3(a) (*Net Worth Certificate*) and any banker certifications relied upon; where credit is taken for an Associate, the documents establishing the Associate relationship in terms of Clause 2.2.1 (*Bidder and Eligibility*) and the certificate(s) prescribed in **Appendix V** (*Net Worth of the Bidder*) shall also be furnished;

- (v) Technical Bid and DPR in the format at **Appendix VI** (*Format for Technical Bid*);
- (vi) Joint Bidding Agreement in the format at **Appendix X** (*Joint Bidding Agreement*) (as applicable);
- (vii) executed copy of the integrity pact as per the format at **Appendix XII** (*Integrity Pact*);
- (viii) undertaking confirming intent to set up integrated facilities in India to manufacture sintered NdFeB REPM from NdPr oxide as per the Allocated Capacity as per the format at **Annexure IV** of **Appendix I** (*Undertaking to Setup Project*);
- (ix) Copy of Memorandum and Articles of Association;
- (x) Copies of Bidder's duly audited balance sheet and profit and loss account for the preceding year accompanied by a certificate from the statutory auditor of the Bidder or its Associate, wherever applicable.
- (xi) evidence of payment towards the cost of the RFP process as specified in Clause 1.2.1 (*Bidding Process*);
- (xii) any other project-specific requirement that may be specified by the Government; and

- (b) **Envelope 2 (containing the Financial Bid):**
Financial Bid in the format at **Appendix VII** (*Format for Financial Bid*).

2.14.3 The Bidder shall deliver hard copies (in originals) of the following:

- (i) Power of Attorney for signing the Bid, as detailed in Clause 2.2.6 (*Information for Bid*), as per the format at **Appendix II** (*Power of Attorney for signing of Application and Bid*) (including all certified true copies of the corporate authorisations such as board resolutions);
- (ii) if applicable, the Power of Attorney for Lead Member of Consortium as per the format at **Appendix III** (*Power of Attorney for Lead Member of Consortium*); and
- (iii) Bid Security, as detailed in Clause 1.2.2 (*Bid Security*), in the format at **Appendix IV** (*Bid Security*).

The envelopes shall clearly bear the following identification:

“Bid for Qualification: Selection of Manufacturers for Establishing Integrated Sintered NdFeB Magnet Manufacturing Facilities under the Scheme to Promote Manufacturing of Sintered Rare Earth Permanent Magnet”

and shall clearly indicate the name and address of the Bidder. In addition, the Bid Due Date should be indicated on the right-hand corner of each of the envelopes.

2.14.4 Each of the envelopes shall be addressed to:

ATTN. OF: Mr. Swaminathan Nagarajan
DESIGNATION: Under Secretary
ADDRESS: 2516, Second Floor, GPOA3, Netaji Nagar, New Delhi -
110023
E-MAIL ADDRESS: repm-mhi@gov.in

2.14.5 If the envelopes are not sealed and marked as instructed above, the Government assumes no responsibility for the misplacement or premature opening of the contents of the Bid and consequent losses, if any, suffered by the Bidder.

2.15 Bid Due Date

2.15.1 Bids should be submitted before 1600 (sixteen hundred) hours IST on the Bid Due Date, at the address provided in Clause 2.14.4 (*Submission Address*) and on the website as specified in Clause 2.14.1 (*Online Submission*) in the manner and form as detailed in this RFP. A receipt thereof should be obtained from the person specified in Clause 2.14.4 (*Submission Address*).

2.15.2 The Government may, in its sole discretion, extend the Bid Due Date by issuing an addendum in accordance with Clause 2.11.2 (*Amendment of RFP*) uniformly for all Bidders.

2.16 Late Bids

Bids received by the Government after the specified time on the Bid Due Date shall not be eligible for consideration and shall be summarily rejected.

2.17 Modifications/ substitution/ withdrawal of Bids

2.17.1 The Bidder may modify, substitute or withdraw its Bid after submission, provided that written notice of the modification, substitution or withdrawal is received by the Government prior to the Bid Due Date on the Central Public Procurement Portal <https://eprocure.gov.in/eprocure/app>. No Bid shall be modified, substituted, or withdrawn by the Bidder on or after the Bid Due Date.

2.17.2 Any alteration/ modification in the Bid or additional information supplied subsequent to the Bid Due Date, unless the same has been expressly sought for by the Government, shall be disregarded.

2.18 Rejection of Bids

2.18.1 Notwithstanding anything contained in this RFP, the Government reserves the right to reject any Bid and to annul the Bidding Process and reject all Bids at any time without any liability or any obligation for such acceptance, rejection or annulment, and without assigning any reasons therefor. In the event that the Government rejects or annuls all the Bids, it may, in its discretion, invite all eligible Bidders to submit fresh Bids hereunder.

2.18.2 The Government reserves the right not to proceed with the Bidding Process at any time, without notice or liability, and to reject any Bid without assigning any reasons.

2.19 Validity of Bids

The Bids shall be valid for a period of not less than 365 (three hundred and sixty five) days from the Bid Due Date. The validity of Bids may be extended by mutual consent of the respective Bidders and the Government.

2.20 Confidentiality

Information relating to the examination, clarification, evaluation, and recommendation for the short-listed Bidders shall not be disclosed to any person who is not officially concerned with

the Bidding Process or is not a retained professional advisor advising the Government in relation to, or matters arising out of, or concerning the Bidding Process. The Government will treat all information, submitted as part of the Bid, in confidence and will require all those who have access to such material to treat the same in confidence. The Government may not divulge any such information unless it is directed to do so by any statutory entity that has the power under law to require its disclosure or is to enforce or assert any right or privilege of the statutory entity and/or the Government or as may be required by law or in connection with any legal process.

2.21 Correspondence with the Bidder

Save and except as provided in this RFP, the Government shall not entertain any correspondence with any Bidder in relation to the acceptance or rejection of any Bid.

D. BID SECURITY

2.22 Bid Security

2.22.1 The Bidder shall furnish as part of its Bid, a Bid Security of INR 1,00,00,000 (Indian Rupees One Crore Only) in the form of a bank guarantee issued by a scheduled commercial bank in India having a net worth of at least INR 10,00,00,00,000 (Indian Rupees One Thousand Crore), in favour of the Government in the format at **Appendix IV (Bid Security)** and having a validity period of not less than 365 (three hundred and sixty-five) days from the Bid Due Date, and a further claim period of at least 60 (sixty) days, and may be extended as may be mutually agreed between the Government and the Bidder from time to time. In case the bank guarantee is issued by a foreign bank outside India, the same shall, as a part of the Bid, be confirmed by any scheduled commercial bank in India, meeting the aforesaid requirements in this Clause 2.22.1 (*Bid Security*).

2.22.2 Any Bid not accompanied by the Bid Security shall be summarily rejected by the Government as non-responsive.

2.22.3 The Bid Security of unsuccessful Bidders will be returned by the Government, without any interest, as promptly as possible on acceptance of the Bid of the Selected Bidder or when the Bidding process is cancelled by the Government, and in any case within 365 (three hundred and sixty five) days from the Bid Due Date and the claim period of 60 (sixty) days therefrom, unless such Bid Security is extended in accordance with the relevant provisions.

2.22.4 The Selected Bidder's Bid Security will be returned, without any interest, after issuance of the LOA in accordance with the provisions thereof, or within 30 (thirty) days of furnishing of the Performance Security, whichever is later.

2.22.5 The Government shall be entitled to forfeit and appropriate the Bid Security as damages *inter alia* in any of the events specified in Clause 2.22.6 (*Forfeiture of Bid Security*) herein below. The Bidder, by submitting its Bid pursuant to this RFP, shall be deemed to have acknowledged and confirmed that the Government will suffer loss and damage on account of withdrawal of its Bid or for any other breach by the Bidder during the period of Bid validity as specified in this RFP. No relaxation of any kind on Bid Security shall be given to any Bidder.

2.22.6 The Bid Security shall be forfeited as damages without prejudice to any other right or remedy that may be available to the Government under the RFP, or otherwise, on the occurrence of any of the following events:

- (a) a Bidder submits a non-responsive Bid;
- (b) a Bidder engages in corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice as specified in Section 5 (*Fraud and Corrupt Practices*)

- of this RFP;
- (c) a Bidder withdraws its Bid during the period of validity as specified in this RFP and as may be extended by mutual consent of the respective Bidder(s) and the Government;
- (d) if it is subsequently determined that the Bidder did not meet the eligibility criteria under the RFP, even in the absence of any misrepresentation, suppression, or falsification of information on behalf of such Bidder;
- (e) the Selected Bidder/Beneficiary fails within the specified time limit:
 - (i) to sign and return the duplicate copy of the LOI; or
 - (ii) to furnish the Performance Security within the period prescribed therefor in the LOI; or
 - (iii) to sign and return the duplicate copy of the LOA.

2.22.7 It is clarified that in the event that only a single Bid is received, the Government may, in compliance with Applicable Laws, at its discretion and for reasons to be recorded in writing, accept such Bid and declare such Bidder the Selected Bidder, or annul the Bidding Process.

E. EVALUATION PROCESS

2.23 Opening and Evaluation of Bids

2.23.1 Government shall open the Bids at 16:30 (IST) on the next day following the Bid Due Date, at the place specified in Clause 2.14.4 (*Submission Address*) and in the presence of the Bidders who choose to attend.

2.23.2 Bids for which a notice of withdrawal has been submitted in accordance with Clause 2.17 (*Withdrawal of Bids*) shall not be opened.

2.23.3 The Government shall subsequently examine and evaluate Bids in accordance with the selection process specified at Clause 1.2 (*Selection of Bidders*) and the criteria set out in Clause 4 (*Criteria for Evaluation*) of this RFP.

2.23.4 After the evaluation of the Technical Bid, the Government shall prepare a list of technically qualified Bidders in terms of Clause 4 (*Criteria for Evaluation*) for opening of their Financial Bids. A date, time and venue will be notified to each of the technically qualified Bidders for opening of the Financial Bids. The opening of Financial Bids shall be done in presence of respective representatives of Bidders who choose to be present. The Government will not entertain any query or clarification from Bidders who fail to qualify at any stage of the selection process. The financial evaluation and final ranking of the Bids shall be carried out in terms of Clauses 4.2 (*Financial Evaluation*) and 4.3 (*Final Ranking*).

2.23.5 Any information contained in the Bid shall not in any way be construed as binding on the Government, its agents, successors or assigns, but shall be binding against the Selected Bidders.

2.23.6 The Government reserves the right not to proceed with the Bidding Process at any time without notice or liability and to reject any or all Bid(s) without assigning any reasons.

2.24 Tests of Responsiveness of Bids

2.24.1 Prior to evaluation of Bids, the Government shall determine whether each Bid is responsive to the requirements of the RFP. A Bid shall be considered responsive if:

- (a) it is received as per the format at **Appendix I** (*Letter Comprising the Bid*);
- (b) it is received by the Bid Due Date including any extension thereof pursuant to Clause 2.15.2 (*Extension of Bid Due Date*);
- (c) it is signed, sealed, bound together in hard cover, marked, and accompanied by the documents and information as stipulated in Clauses 1.13 (*Format and signing of Bid*)

- and 1.14 (*Sealing and marking of Bids*);
- (d) it is accompanied by the Bid Security as specified in Clause 2.22 (*Bid Security*);
- (e) it is accompanied by the Power of Attorney as specified in Clause 2.2.6 (*Information for Bid*);
- (f) it contains all the information and documents (complete in all respects) as requested in this RFP;
- (g) it contains information in formats same as those specified in this RFP;
- (h) it does not contain any condition or qualification. Without limitation, the Bid must not be contingent upon, and must not include any condition, assumption or qualification relating to, the availability, terms or price of NdPr oxide from IREL, or from any other source(s);
- (i) it is uploaded on the Central Public Procurement Portal <https://eprocure.gov.in/eprocure/app> in accordance with instructions for online submission as specified in **Appendix VIII** (*Instructions for Online Submission*) and original thereof are signed, sealed, and hand delivered as stipulated in Clauses 1.13 (*Format and signing of Bid*) and 1.14 (*Sealing and Marking of Bids*);
- (j) it is supported with evidence of payment of the cost of the RFP process; and
- (k) it is not non-responsive in terms hereof.

2.24.2 The Government reserves the right to reject any Bid which is non-responsive and no request for alteration, modification, substitution, or withdrawal shall be entertained by the Government in respect of such Bid. Provided, however, that the Government may, in its discretion, allow the Bidder to rectify any infirmities or omissions if the same do not constitute a material modification of the Bid.

2.25 Clarifications

2.25.1 To facilitate evaluation of Bids, the Government may, at its sole discretion, seek clarifications from any Bidder regarding its Bid. Such clarification(s) shall be provided within the time specified by the Government for this purpose. Any request for clarification(s) and all clarification(s) in response thereto shall be in writing.

2.25.2 If a Bidder does not provide clarifications sought under Clause 2.25.1 (*Clarifications*) above within the prescribed time, its Bid shall be liable to be rejected. In case the Bid is not rejected, the Government may proceed to evaluate the Bid by construing the particulars requiring clarification to the best of its understanding, and the Bidder shall be barred from subsequently questioning such interpretation of the Government.

F. QUALIFICATION AND BIDDING

2.26 Proprietary data

All documents and other information supplied by the Government or submitted by a Bidder to the Government shall remain or become the property of the Government. Bidders are to treat all information as strictly confidential and shall not use it for any purpose other than for preparation and submission of their Bid. The Government will not return any Bid or any information provided with such Bid.

2.27 Selection of Bidders

2.27.1 Subject to the provisions of Clause 2.6 (*Rights of Government*), Bidders whose Bids are adjudged as responsive in terms of Clause 2.24 (*Responsiveness of Bids*) and who quote the lowest Quoted Sales Incentive Rate in accordance with Clause 4.2 (*Financial Evaluation*), shall ordinarily be declared as the 'Selected Bidder(s)'. In the event that the Government rejects or annuls all the Bids, it may, in its discretion, invite all eligible Bidders to submit fresh Bids

hereunder.

- 2.27.2 In the event that 2 (two) or more Bidders quote the same Quoted Sales Incentive Rate (the “**Tie Bidder(s)**”), then in the first instance the ranking of the Selected Bidder(s) will be based on the criterion of higher Committed Capacity i.e., the Bidder who has quoted the highest Committed Capacity would rank above the other Tie Bidders. Further, if the Tie Bidders have quoted the same Committed Capacity, then the Government shall decide the rank of the Selected Bidder(s) by draw of lots which shall be conducted, with prior notice, in the presence of the Tie Bidders who choose to attend.
- 2.27.3 After the evaluation of Bids, the Government shall announce a list of Bidders who will be eligible for allocation of capacity under and in accordance with the terms of this RFP. At the same time, the Government shall notify the other Bidders that they have not been shortlisted. The Government will not entertain any query or clarification from Bidders who are not awarded capacity under this RFP.

2.28 Issuance of LOI and LOA

- 2.28.1 After selection, an LOI shall be issued, in duplicate, by the Government to the Selected Bidder(s), as per the format at **Appendix XIII** (*Format for Letter of Intent*). The Selected Bidder(s) shall, within 7 (seven) days of the date of receipt of the LOI, sign and return the duplicate copy of the LOI in acknowledgement thereof. In the event the duplicate copy of the LOI duly signed by the Selected Bidder(s) is not received by the stipulated date, the Government may, unless it consents to extension of time for submission thereof, appropriate the Bid Security of such Bidder as damages on account of failure of the Selected Bidder to acknowledge the LOI, and the next eligible Bidder may be considered.
- 2.28.2 After acknowledgement of the LOI, the Selected Bidder shall complete the formalities set out in the LOI, within a period of 90 (ninety) days from the issuance of the LOI, including: (i) submission of Performance Security; (ii) formation of SPV (as Beneficiary) (in case the Selected Bidder is a Consortium or a foreign entity, or otherwise opts to incorporate such SPV) and (iii) such other activities as may be mentioned in this RFP and / or the LOI. Thereafter, the Selected Bidder shall intimate the Government and the Government shall issue the LOA to the Selected Bidder which shall, where applicable as per Clause 3.1.3 (*NdPr Oxide Supply*) below, also include IREL’s letter of comfort, in relation to the supply of NdPr oxide. In the event the Selected Bidder fails to complete the formalities set out in the LOI within the aforementioned period, the Government may, unless it consents to an extension of time thereof, appropriate the Bid Security of such Bidder as damages on account of failure of the Selected Bidder to comply with the terms of the LOI. In addition, the Government may take such further steps as it deems appropriate and necessary, including annulling the Bid of such Selected Bidder, or identifying the next eligible Bidder as a Selected Bidder for the issuance of a fresh LOI and / or LOA.
- 2.28.3 Upon the Selected Bidder completing the actions contemplated in Clause 2.28.2 (*Post-LOI Formalities*) above, the Government will issue an LOA to the Beneficiary, in the format provided in **Appendix XV** (*Letter of Award*) to this RFP.
- 2.28.4 For the purposes of this RFP, the date of the LOA / date of issuance of the LOA, shall be deemed to be the LOA Date specified in the LOA. All timelines and periods stipulated to run from the date of issuance of the LOA, including the Scheme Tenure, shall be calculated with reference to the LOA Date.

3. TERMS AND CONDITIONS

3.1 Supply of Input Material by IREL

3.1.1 For the purpose of manufacturing sintered NdFeB REPM under the Scheme, the production of up to 6,000 (six thousand) MTPA of sintered NdFeB REPM is estimated to require approximately 2,000 (two thousand) MTPA of NdPr oxide. IREL has the capacity to supply up to 500 (five hundred) MTPA of NdPr oxide, which can support the production of approximately 1,500 (one thousand five hundred) MTPA of sintered NdFeB REPM.

3.1.2 The procurement of NdPr oxide for production capacity shall be the sole responsibility of the Beneficiaries, who shall be required to make their own independent arrangements for procurement of NdPr oxide.

3.1.3 IREL shall, upon execution of, and subject to the terms of, an agreement with the Beneficiary(ies) in this regard, make available an assured limited quantity of 500 (five hundred) MTPA of NdPr oxide cumulatively to the L1, L2, and L3 Beneficiaries under this RFP, in accordance with the allocation specified in the RFP. This commitment is limited to the quantities and distribution methodology provided under the RFP and only extends to Beneficiaries for the L1, L2 and L3 Selected Bidders.

3.1.4 IREL shall issue a Letter of Comfort (if applicable) as provided in Appendix XVI (*IREL Letter of Comfort*), confirming its intent to supply NdPr oxide and earmarking the allocated quantity of NdPr oxide to such Beneficiary as detailed in Clause 3.1.6 (*NdPr Oxide Allocation*). The supply of NdPr oxide shall be governed by a separate commercial agreement to be entered into between IREL and the Beneficiary, in accordance with IREL's standard supply terms and conditions.

3.1.5 The Government shall not be liable or responsible in any manner whatsoever for the supply of NdPr oxide by IREL. The obligations of IREL are independent contractual obligations, and the Government does not guarantee, underwrite, or assume any responsibility for the performance, delivery, or default by IREL pursuant to the Letter of Comfort or the commercial agreement entered into between IREL and the Beneficiary, nor shall any Bid of any Bidder be in any manner contingent on, the availability, price, or terms of supply of such NdPr oxide by IREL.

3.1.6 Allocation Methodology

The supply of NdPr oxide from IREL shall be allocated to the top three Selected Bidders (L1, L2, and L3), based on their ranking in the Bidding Process, in accordance with the following:

| Selected Bidder | Supply of NdPr oxide by IREL (MTPA) (allocated quantity) | Corresponding sintered NdFeB REPM production (MTPA), estimated from such oxide |
|------------------------|---|---|
| L1 | 200 | 600 |
| L2 | 167 | 500 |
| L3 | 133 | 400 |

In the event of any residual stock of NdPr oxide or an increase in IREL's production capacity, IREL may, at its sole discretion, allocate such additional quantities to any of the Beneficiaries as per mutually agreed commercial terms.

3.1.7 Commercial Terms

The pricing and supply terms for the NdPr oxide to be supplied by IREL shall be in accordance with the pricing methodology (**Annexure I** (*Pricing Methodology for supply of NdPr Oxide by IREL*)) to **Appendix XVI** (*IREL Letter of Comfort*) and conditions of the separate commercial agreement to be entered into between IREL and the Beneficiary, in accordance with IREL's standard supply terms and conditions.

The following table illustrates the quantity of NdPr oxide from IREL and to be arranged from its own sources by the Selected Bidder:

| Selected Bidder | Awarded capacity (MTPA) | Total est. NdPr oxide supply required (MTPA) | NdPr oxide supply from IREL (MTPA) | Est. NdPr oxide supply from own arrangement(s) (MTPA) |
|------------------------|--------------------------------|---|---|--|
| L1 | 1200 | 400 | 200 | 200 |
| L2 | 1200 | 400 | 167 | 233 |
| L3 | 1200 | 400 | 133 | 267 |
| L4 | 1200 | 400 | - | 400 |
| L5 | 1200 | 400 | - | 400 |

3.1.8 The Sales Incentive quoted and payable under the Scheme shall be agnostic to the source of NdPr oxide. Accordingly, the same Sales Incentive amount (INR/Kg) shall be applicable for sintered NdFeB REPM produced from NdPr oxide supplied by IREL or sourced by the Beneficiary through its own arrangements.

3.1.9 No extension of time or relaxation of Milestones shall be available on account of non-availability, shortfall or delay in supply of NdPr oxide from IREL. The potential availability of NdPr oxide from IREL described in this Clause 3.1 (*Supply of Input Material*) is an option only and shall not be treated as a commitment from the Government for procuring or assuring such continued supply from IREL. Each Bidder and Beneficiary shall make, and is responsible for, its own independent arrangements for the entire NdPr oxide requirement, including in the event of non-availability, delay, shortfall or failure of supply from IREL. The Beneficiary's obligations under the RFP, including achievement of Milestones, commissioning of the Committed Capacity and undertaking production and sales, are independent of and shall not be contingent upon, the availability of any supply of NdPr oxide or otherwise from IREL, or price and terms thereof.

3.2 Allocated Capacity

3.2.1 The Beneficiary shall establish the Project, as per the Allocated Capacity specified in the LOA issued under the RFP.

3.2.2 Requirements of Progress Monitoring and Reporting

The Beneficiary shall submit to Government (or its designated agency) / PMA, monthly progress reports in a format prescribed by Government / PMA, covering:

- (a) Status of land acquisition, civil works, and equipment installation;
- (b) Progress on procurement and commissioning of plant, machinery and equipment;
- (c) Capital expenditure incurred;
- (d) Construction plan;
- (e) Estimated and actual timelines for achieving Milestones, trial production and commercial production.

Government and/or its designated agency/ PMA shall have the right, at any time during the

Scheme Tenure, to conduct site visits, physical verifications, technical audits, and financial inspections of the Beneficiary and the Project, for the purposes of monitoring the status and compliance with the requirements of the Scheme and the conditions of this RFP. Cost of inspections / site visits of the PMA (as per TA/DA circular of IFCI Ltd.), shall be borne by the Beneficiary. In case any such costs are incurred by IFCI, then the same shall be reimbursed by the Beneficiary to IFCI along with the applicable taxes.

3.2.3 *Verification of Commissioning*

If the Beneficiary anticipates achievement of commissioning of the Project, it shall intimate the Government 15 (fifteen) days prior to such date of commissioning of the Project. Upon commissioning of the entire Allocated Capacity and readiness for commercial production, the Beneficiary shall submit a request for commissioning verification, supported by the following:

- (a) Certificates from the Department of Industries, and a chartered engineer empanelled with the PMA, confirming that the facility has been commissioned with the required installed capacity and is capable of manufacturing sintered NdFeB REPM from NdPr oxide;
- (b) A certificate from the statutory auditor confirming that Eligible Investment including plant, machinery and equipment have been capitalised in the books of account and the Project and that sales have commenced;
- (c) Copies of commissioning reports, photographs, or such other documentation as may be requested by Government or its designated agency.

Government or its designated agency may, at its discretion, conduct an independent or third-party verification of the commissioning as per Clause 3.7 (*Completion Certificate*).

3.2.4 As detailed in Clause 1.3.2(f) (*Eligibility for Incentives*), Incentives shall only accrue and become payable after the entire Allocated Capacity is commissioned in accordance with the provisions contained in this RFP, the LOI, the Scheme and the LOA.

3.2.5 The Government shall be entitled, but not obligated, to provide a list of documents required in relation to commencement of commercial production of the Project to the Beneficiary. The Beneficiary shall, upon receipt of such list, submit all such documents evidencing such commencement of commercial production of the Project to the Independent Engineer, to the Government / Independent Engineer's satisfaction.

3.3 Obligations

3.3.1 Obligations of the Government

- (a) The Government agrees to disburse Sales Incentive and Capital Subsidy to the Beneficiary, in accordance with the Scheme, RFP, LOI, LOA and other guidelines which are issued from time to time.

3.3.2 Obligations of the Beneficiary

- (a) The Beneficiary shall establish a Project to manufacture sintered NdFeB REPM as per the Technical Bid submitted by the Beneficiary in its Bid and as per the terms of the RFP.
- (b) Subject to and on the terms and conditions of the RFP, the Beneficiary shall, at its own cost and expense, finance, procure, operate and maintain the Project and observe, fulfil, comply with and perform all its obligations set out in the RFP.
- (c) The Beneficiary shall comply with all Applicable Laws and Applicable Permits requirements (including renewals as required), in the performance of its obligations

under the RFP.

- (d) The Beneficiary shall achieve commissioning of the Allocated Capacity in accordance with the Technical Bid, and achieve the Milestones as per the timelines prescribed in Clause 1.3.1 (*Milestones*).
- (e) The Beneficiary shall furnish to the Government, a certificate by its statutory auditor certifying expenditure towards Eligible Investment as per Clause 1.3.5 (*Capital Subsidy*) of this RFP.
- (f) The Beneficiary acknowledges that notwithstanding anything to the contrary in this RFP, payment of Sales Incentive and Capital Subsidy shall only occur once the Beneficiary is issued Completion Certificate for the entire Allocated Capacity, in accordance with the provisions of the RFP.
- (g) The Beneficiary shall, after the issuance of LOA, submit a monthly progress report (MPR) to the Government / PMA through identified means and shall include information on the progress in construction of the Project, financial progress, job creation, etc., in accordance with Clause 3.2.2 (*Progress Reporting*).

3.4 Performance Security

3.4.1 Submission of Performance Security

- (a) In order to secure the due and proper performance of its obligations under the LOA, the Selected Bidder/Beneficiary shall, no later than 90 (ninety) days from issuance of the LOI, furnish to the Government an irrevocable and unconditional bank guarantee in the format specified in Appendix XIV (*Performance Security*), together with the undertaking in the form annexed thereto, for an amount provided in sub-clause (b) below (“**Performance Security**”). The Performance Security shall remain valid until 8 (eight) years from the LOA Date, with a further claim period of 1 (one) year thereafter. Pending submission and effectiveness of the Performance Security in accordance with this Clause, the Bid Security furnished by the Selected Bidder shall remain valid and enforceable. Upon submission of the Performance Security, the Government shall release the Bid Security to the Selected Bidder within 30 (thirty) days of furnishing the Performance Security.
- (b) The Selected Bidders shall submit a Performance Security as follows:

| Allocated Capacity (MTPA) | Performance Security (INR crore) |
|---------------------------|----------------------------------|
| 600 | 20 |
| 700 or 800 or 900 | 30 |
| 1,000 or 1,100 or 1,200 | 40 |

- (c) Notwithstanding anything to the contrary contained herein, if the Selected Bidder fails to submit the Performance Security in accordance with the above provisions, the Government shall be entitled to encash the Bid Security. In such event, all rights, claims, entitlements, and obligations of the Selected Bidder under the LOI shall automatically lapse, and the LOI shall terminate forthwith.

3.4.2 Appropriation of Performance Security

Upon the occurrence of any breach under the RFP, and without prejudice to any other rights or remedies available to the Government herein or under the LOA, the Government shall be entitled to encash and appropriate the Performance Security.

3.4.3 Release of Performance Security

The Performance Security shall remain in force and effect for 8 (eight) years from the date of LOA, with a further claim period of 1 (one) year, and shall be returned to the Beneficiary thereafter.

3.5 Breach of Obligations and Consequences

3.5.1 The occurrence of any of the following events or circumstances shall constitute a “**Breach of Obligations**” under the Scheme, RFP, LOI and LOA:

- (a) Breach of any of the requirements with respect to Milestones by the Beneficiary;
- (b) Selected Bidder or Beneficiary, failing to comply with any obligations related to change in composition of Consortium or Change in Ownership in contravention of the provisions of the RFP;
- (c) Non-adherence to directions issued by the Government from time to time, any Applicable Law or Applicable Permit, by the Selected Bidder or Beneficiary;
- (d) Breach by the Selected Bidder or the Beneficiary of any other obligations, terms, or conditions stipulated under the Scheme, RFP, LOI, LOA or any related agreement;
- (e) Misrepresentation or suppression of any material fact, whether in the Bid, during the evaluation process, or at any stage thereafter, including but not limited to eligibility or qualification criteria, by the Selected Bidder or Beneficiary;
- (f) Selected Bidder or Beneficiary, furnishing of any false, inaccurate, misleading, or forged documents, data, or certificates, whether discovered at the time of submission or at any time during the Scheme Tenure;
- (g) Occurrence of an Insolvency Event in respect of the Selected Bidder or the Beneficiary.

For the purposes of this Clause, the term “**Insolvency Event**” in respect of the Selected Bidder or Beneficiary means:

- (i) such Selected Bidder or Beneficiary (or any constituent thereof) has (A) applied for or consented to the appointment of, or the taking of possession by, a receiver, custodian, trustee, administrator, liquidator or the like of itself or of all or a substantial part of its assets or business; (B) been unable to pay its debts as such debts become due; (C) entered into a compromise arrangement with its creditors; (D) an attachment or restraint has been levied on the assets of such entity which materially affects such entity’s ability to perform its obligations under this Agreement; (E) commenced proceedings under the (Indian) Insolvency and Bankruptcy Code, 2016 (“**Code**”); (F) filed a petition seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, winding up, or composition or readjustment of debts; or (G) taken any corporate or other action for the purpose of effecting any of the foregoing; or
- (ii) a proceeding or case has commenced without the application or consent of such entity in any court of competent jurisdiction seeking:
 - (A) its liquidation, reorganization, dissolution or winding-up or the composition or readjustment of debts or;
 - (B) the appointment of an insolvency resolution professional, a trustee, receiver, custodian, administrator, liquidator or the like of such entity under the Code, and an order admitting the insolvency petition (detailed in (A) and / or (B) above) has been passed in such proceeding and such order has not been stayed or dismissed within a period of 90 (ninety) days or;
 - (C) directions with the same or similar effect issued under the provisions of the Companies Act, 2013 or the Code in relation to the winding up of the company; or
- (iii) an analogous event (to those set out in sub-clause (i) or (ii) above) has occurred with respect to such entity, under any laws applicable to it.

3.5.2 Upon the occurrence of any Breach of Obligations, the Government shall have the right, without

prejudice to any other remedies available under law or equity, to:

- (a) Invoke, encash and appropriate the Performance Security submitted by the Selected Bidder or the Beneficiary;
- (b) Revoke the LOA / LOI (as may be then applicable) issued to the Beneficiary in accordance with Clause 3.5.3 (*Termination*);
- (c) Recover any Incentives disbursed under the Scheme, along with interest calculated at the State Bank of India (“SBI”) Marginal Cost of Funds-Based Lending Rate (“MCLR”) for a three-year tenor prevailing at the time of each disbursement, compounded annually, from the respective dates of disbursement.

3.5.3 Termination in Event of Breach of Obligations:

- (a) Upon the occurrence of any Breach of Obligations for a continuous period of 60 (sixty) days (other than Clause 3.5.1(g) (*Insolvency Event*), where such notice may be sent immediately on occurrence of an Insolvency Event), the Government may deliver a default notice (“**Breach of Obligations Notice**”), specifying the reasonable details and calling upon the Selected Bidder/ Beneficiary (as applicable) to remedy the same.
- (b) Unless the Parties have mutually agreed otherwise, or the Breach of Obligations has been remedied within a period of 30 (thirty) days from the date on which the Government issued such Breach of Obligations Notice, the Government may terminate the LOA / LOI (as may be applicable) for such defaulting Selected Bidder/ Beneficiary by serving a termination notice (“**Termination Notice**”) to the Selected Bidder/ Beneficiary. On the date on which the Government has issued the Termination Notice, the Government may also encash and appropriate the Performance Security and / or the Bid Security (as may be applicable) and the Beneficiary shall not be entitled to receive any Incentive from the Government in such case, with any already disbursed Incentives being recoverable in accordance with Clause 3.5.2 (*Recovery of Incentives*) above.
- (c) On the issuance of the Termination Notice, the LOA and/or LOI (as may be applicable) issued to such Selected Bidder/ Beneficiary shall stand terminated.

3.6 Independent Engineer

3.6.1 Appointment of Independent Engineer

The Government shall appoint an entity in accordance with requirements contained in **Appendix XVII** (*Selection of Independent Engineer*), to be the independent engineer under this RFP (“**Independent Engineer**”). The appointment shall be made within 90 (ninety) days from the LOA Date or any other date as advised by the Government for such tenure as determined by the Government.

3.6.2 Role and functions

The key role and functions of the Independent Engineer shall include, without limitation, the following:

- (a) to conduct site visits, physical verifications, technical audits, and financial inspections for the purposes of monitoring the progress of the Project;
- (b) to conduct spot visits as may be required from time to time;
- (c) review and certify that the Beneficiary has achieved respective Milestones;
- (d) assessment of any time and cost overrun including certification of the veracity and sufficiency of the Eligible Investment;
- (e) check and verify original documents like original invoices, bills of entry (for imported items), chartered engineer's reports, statutory auditor's certificates, etc. maintained by the Beneficiary in each and every inspection report or as required at the time of verification of Milestones, claims for Capital Subsidy and where necessary Sales

- Incentives;
- (f) review and certify that the Beneficiary has incurred expenditure towards the Eligible Investment;
- (g) review and certify that the Beneficiary has commissioned the entire Allocated Capacity and has commenced commercial production;
- (h) verification of the statutory and regulatory clearances;
- (i) inspection of the sintered NdFeB REPM manufactured at the Project site;
- (j) verification of claims submitted by the beneficiaries for Capital Subsidy and the first claim with respect to Sales Incentives;
- (k) verification of the books of accounts, GST invoices, Bill of Materials (BOM) etc. of the Beneficiary;
- (l) verification of raw materials used in production;
- (m) whether production/sales at the manufacturing/ production line are same as that specified/claimed for incentive;
- (n) carrying out of testing of raw materials, intermediate products, finished goods, etc. wherever required;
- (o) to assist PMA in preparation of SOP for implementation of the Scheme including disbursement of Incentives and assessment of Milestones;
- (p) promptly inform MHI and PMA in writing of any events or situation that is likely to affect the schedule of the projects or any other issues including non-compliance of quality parameters, etc. along with advice and recommendations for corrective actions in each report after the periodic site visit;
- (q) defects and deficiencies, if any, observed during site visits, shall be taken up with Beneficiaries within 15 days from the site visit and status of the same to be reported in the subsequent site visit reports by the Independent Engineer; and
- (r) undertaking all other duties and functions, as required by the Government and the PMA.

The Independent Engineer shall discharge its duties in a fair, impartial and efficient manner, consistent with the highest standards of professional integrity and Good Industry Practice. The Government shall share the detailed roles and responsibilities of the Independent Engineer with the Beneficiary, subsequent to the appointment of the Independent Engineer. Such roles and responsibilities may be amended or modified, by the Government from time to time.

3.6.3 Remuneration

The remuneration, cost and expenses of the Independent Engineer shall be paid by the Government.

3.6.4 Termination of appointment

The Government may, at its discretion, terminate the appointment of the Independent Engineer at any time, and appoint a replacement Independent Engineer in accordance with Clause 3.6.1 (*Appointment of Independent Engineer*).

3.6.5 Authorised signatories

The Government shall require the Independent Engineer to designate and notify to the Government and the Beneficiary up to 2 (two) persons employed in its firm to sign for and on behalf of the Independent Engineer, and any communication or document required to be signed by the Independent Engineer shall be valid and effective only if signed by any of the designated persons, provided that the Independent Engineer may, by notice in writing, substitute any of the designated persons by any of its employees.

3.6.6 Disputes concerning the Independent Engineer

- (i) If the Beneficiary has reason to believe that the Independent Engineer is not discharging its duties and functions in a fair, efficient, and diligent manner, it may make a written representation to the Government and seek termination of the appointment of the Independent Engineer. Upon receipt of such representation, the Government shall hold a tripartite meeting with the Beneficiary and Independent Engineer for an amicable resolution of the dispute. Failing such amicable resolution, the decision of the Government shall be binding on the Beneficiary and the Independent Engineer.
- (ii) Pending final resolution of any dispute under Clause 3.6.6(i) (*IE Dispute Escalation*), the Beneficiary shall comply with the relevant advice, instruction, direction or determination of the Independent Engineer to the extent compliance is reasonably practicable and does not contravene Applicable Law or pose a demonstrable material risk to health, safety or the environment. Any such interim compliance shall be without prejudice to the final determination by the Government under Clause 3.6.6(i) (*IE Dispute Escalation*) above.

3.6.7 In order to discharge its duties and functions under this RFP and the LOA, the Independent Engineer shall be entitled, to request from the Beneficiary such information, records and documents as the Independent Engineer may reasonably consider necessary or expedient, including, without limitation, books of account, vouchers, invoices, purchase orders, contracts, commissioning, production and sales records and utility bills. The Beneficiary shall promptly provide true, complete and up-to-date copies of the same. The Independent Engineer may require that any such information, record or document be certified either by the Beneficiary's statutory auditor or by relevant management personnel of the Beneficiary responsible for the subject matter; and the Beneficiary shall procure such certification in the form and with the level of detail reasonably specified by the Independent Engineer. For the avoidance of doubt, the rights under this Clause 3.6.7 (*Information and Documents*) are in addition to, and not in limitation of, the Government's rights under Clause 3.7 (*Inspection*).

3.7 Inspection

- 3.7.1 The Government shall have the right to inspect the Project, including sintered NdFeB REPM manufactured, at least once each quarter (or such other frequency as the Government may, at its discretion, determine). The Beneficiary shall be required to facilitate access to the Project, and co-operate with the Independent Engineer, PMA and Government in order to enable them to undertake requisite inspections and verifications. Such co-operation shall include timely provision of the documents, information and certifications contemplated under Clause 3.2.3 (*Verification of Commissioning*) and Clause 3.2.5 (*Progress Monitoring*). A report of such inspection (the "**Inspection Report**") stating in reasonable detail the defects or deficiencies, if any shall be shared with the Beneficiary.
- 3.7.2 The Beneficiary shall repair or rectify the defects or deficiencies, if any, set forth in the Inspection Report and furnish a report in respect thereof to the Government / PMA within 15 (fifteen) days of receiving the Inspection Report, provided that where the remedying of such defects or deficiencies is likely to take more than 15 (fifteen) days, the Beneficiary shall submit progress reports once every week until such works are completed in conformity with the requirements of the Inspection Report, and the Project is in conformance with the LOA and the RFP.
- 3.7.3 The Beneficiary shall request in writing to the Government / PMA for issuance of the Completion Certificate, with a copy to the Independent Engineer. Such request shall be submitted together with evidence of commissioning, including the documentation contemplated in Clause 3.2.3 (*Verification of Commissioning*) and documents evidencing the achievement of each of the Milestones (including specifically the corresponding Milestone Completion Certificates). The Independent Engineer shall inspect the relevant documents and

the Project to determine compliance by the Beneficiary.

Upon being satisfied that the Beneficiary has duly complied with all the requirements set forth in the LOA, the RFP and as provided in the Bid for achieving the commissioning of the entire Allocated Capacity, the Independent Engineer, within a period no longer than 21 (twenty-one) days, shall submit a project completion report to the PMA.

On the recommendation of the Independent Engineer, the PMA shall, within a period no longer than 45 (forty-five) days from the receipt of the project completion report from the Independent Engineer, issue to the Beneficiary a completion certificate for the entire Allocated Capacity (the “**Completion Certificate**”) in the form prescribed in **Appendix XIX** (*Completion Certificate Format*).

In the event of any deficiencies or shortcomings, the Independent Engineer or the PMA, as the case may be, shall communicate the same to the Beneficiary, and the Beneficiary shall rectify/ remove the deficiencies within such period to the reasonable satisfaction of, and as specified by, the Independent Engineer or PMA. Upon such rectification, the process under this Clause 3.7.3 (*Completion Certificate*) shall be followed once again for the issuance of the Completion Certificate.

It is clarified that the Beneficiary shall not be entitled to receive any Capital Subsidy or Sales Incentive, till the Completion Certificate is issued by the PMA.

- 3.7.4 In the event that remedial measures are not completed by the Beneficiary in accordance with the provisions of the RFP, it shall amount to a breach of the RFP.

3.8 Audit and accounts

- 3.8.1 The Beneficiary shall maintain books of accounts recording all its receipts, income, expenditure, payments, assets, and liabilities, in accordance with the RFP, LOA, Applicable Laws and Applicable Permits.
- 3.8.2 The Beneficiary shall provide 2 (two) copies of its balance sheet, cash flow statement and profit and loss account, along with a report thereon by its statutory auditor, within 6 (six) months of the close of every Financial Year. The Government, PMA and the Independent Engineer shall have the right to inspect the records of the Beneficiary during office hours and require copies of relevant extracts of books of accounts, duly certified by the statutory auditor and in the event of any discrepancy or error being found, the same shall be rectified.
- 3.8.3 The Beneficiary agrees that for availing the Sales Incentive, it shall furnish the documents as contemplated under the RFP, the LOI and the LOA to the Government / PMA including:
- (a) Certified statements by its statutory auditor evidencing receipt of (quantum and value) raw material, inputs, semi-finished goods, capital goods, and finished goods, along with the respective tax credit, if applicable;
 - (b) A certificate from its statutory auditor certifying the sales and capacity of manufactured goods/trading goods/scrap/ stock transfer and GST paid on the amount of sales reported in financial statements and GST returns;
 - (c) Unit level audited accounts for the relevant financial year issued by a statutory auditor, if and as applicable; or
 - (d) Quarterly GST report, for each quarter in the respective financial year and GST audit report for the most recent financial year for the Beneficiary.
- 3.8.4 The Beneficiary shall, within 45 (forty-five) days of the close of each quarter of a financial year, furnish to the Government its unaudited financial results in respect of the preceding quarter, in the manner and form prescribed under Applicable Law and as may be required by

the Government. The Beneficiary's audited financial results for the preceding financial year shall be submitted within 15 (fifteen) days of their preparation in accordance with Applicable Laws.

- 3.8.5 Notwithstanding anything to the contrary contained in the RFP, the Government shall have the right, but not the obligation, to appoint at its cost from time to time and at any time, another independent firm to audit and verify all those matters, expenses, costs, realizations, and things which the statutory auditor is required to do, undertake, or certify pursuant to the RFP.

3.9 Disbursement of Incentives by the Government / PMA

- 3.9.1 The Government shall disburse Incentives to the Beneficiary, in accordance with the terms of the RFP, the LOI, the LOA and the Scheme. Disbursement shall commence only after the Beneficiary has procured and submitted the certificates, reports and documentation detailed in Clause 3.2.3 (*Verification of Commissioning*), and the PMA has issued the Completion Certificate described in Clause 3.7.3 (*Completion Certificate*), confirming commissioning of the entirety of the Allocated Capacity. Any disbursement of the Incentives shall be subject to submission of all documents required under the RFP/Scheme/LOA or as otherwise required by the Government.

3.9.2 Capital Subsidy

Subject to the caps specified in this RFP and the Scheme, the Capital Subsidy shall be disbursed as a reimbursement upon commissioning of the Project (and issuance of the Completion Certificate). Upon receipt from the Beneficiary of a request letter for disbursement of the Capital Subsidy in the form set out in **Appendix XXII** (*Capital Subsidy Request*), together with: (i) the certificates and documents required under Clause 3.2.3 (*Verification of Commissioning*); (ii) a self-certification on its letterhead stating that each of the products intended to be manufactured in the Project pursuant to the LOA (in relation to which Capital Subsidy is being claimed) are sintered NdFeB REPM; and (iii) the Completion Certificate issued under Clause 3.7 (*Completion Certificate*), to the / PMA's satisfaction, the Government / PMA shall disburse the Capital Subsidy to the Beneficiary.

3.9.3 Sales Incentive

- (i) Subject to the caps and conditions specified in this RFP and the Scheme, the Sales Incentive shall be disbursed on either a half-yearly or an annual basis, consistent with the claim type indicated by the Beneficiary in the relevant Sales Incentive Disbursement Form and in accordance with Clause 1.3.4 (Sales Incentive). For each claim period, such disbursement of Sales Incentive shall be subject to the receipt of following documents:
- (a) a duly completed Sales Incentive Disbursement Form in the format set out in **Appendix XX** (*Sales Incentive Disbursement Form*), together with supporting documents including invoices (containing, at a minimum, the details contained in the sample draft invoice provided in **Appendix XXI** (*Sample Draft Invoice*)). A summary of the invoices must also be provided in the format detailed in **Appendix XXI** (*Sample Draft Invoice*);
 - (b) a statutory auditor's certificates confirming the invoices and sales for the relevant period;
 - (c) a self-certification on its letterhead stating that each of the products sold (for which Sales Incentive is being claimed) are sintered NdFeB REPM; and
 - (d) such other information as specified in Clause 3.8.3 (*Documentary Evidence*) (as applicable for the relevant period) and **Appendix XX**.

The PMA shall review the aforesaid submission including sales volumes in kilograms and

provide its recommendation to the Government.

- (ii) Without prejudice to the provisions of Clause 3.9.3(i) (*Sales Incentive Disbursement*), where the Beneficiary is submitting its first Sales Incentive Disbursement Form, the Beneficiary shall, in addition also submit the certificates and documents required under Clause 3.2.3 (*Verification of Commissioning*) and the Completion Certificate issued under Clause 3.7 (*Completion Certificate*), to the Government / PMA's satisfaction.
 - (iii) The Sales Incentive amount for a claim period shall be computed as (I) the quantity of sintered NdFeB REPM sold (in kilograms) during the relevant period *multiplied by* (II) the Quoted Sales Incentive Rate quoted by the Selected Bidder in its Financial Bid. This shall be subject at all times to:
 - (a) Sales Incentive over the relevant period shall not exceed 40% (forty per cent) of net sales turnover attributable to sintered NdFeB REPM (net of Taxes) for such period, as also detailed in Clause 1.3.2(e) (*Sales Incentive Cap*) of this RFP; and
 - (b) the capacity-linked cap applicable to the Beneficiary as set out in Clause 1.3.2(e) (*Sales Incentive Cap*) of this RFP.
- 3.9.4 Without prejudice to Clause 3.5 (*Breach of Obligations and Consequences*) and Section 7 (*Misrepresentation*), the Government may withhold, set off or recover any amount otherwise payable as an Incentive against:
- (a) ineligible or disallowed amounts identified during verification, inspection or audit;
 - (b) any amounts recoverable due to misrepresentation, breach or error; and
 - (c) any amounts otherwise payable by the Beneficiary to the Government under this RFP, the LOI or the LOA.

The Government may suspend further disbursements pending resolution of material discrepancies.

- 3.9.5 Payments shall be credited to the Beneficiary's bank account notified to the Government.
- 3.9.6 The making of any payment of an Incentive does not constitute a waiver of any discrepancy, breach or default identified subsequently by the Government, the PMA, the Independent Engineer or any auditor. The Government's rights to adjust, recover or suspend such disbursements of Incentives, are expressly reserved.
- 3.9.7 No Incentive shall be disbursed for any period beyond the 7th (seventh) anniversary of the LOA Date.
- 3.9.8 All Taxes (and applicable income taxes) applicable on the Project or the receipts and/or Incentives to the Beneficiary therefrom, including in respect of the sales of sintered NdFeB REPM, shall be borne and paid by the Beneficiary, under and in accordance with Applicable Laws.

3.10 Change in law

No adjustment, compensation or other relief may be claimed by, or available to, the Beneficiary on account of a Change in Law. For the avoidance of doubt (i) the Beneficiary, shall bear the consequences of any Change in Law, and no relief shall be applicable for any increase in costs, reduction in net after-tax return or other financial burden (and conversely, no adjustment shall be applicable for any reduction in costs, an increase in net after-tax return or other financial gain); and (ii), no adjustment shall be made to any Incentives (including the Sales Incentive or the Capital Subsidy), the Milestones, the Scheme Tenure, the Performance Security, or any

other amount or obligation under the RFP on account of a Change in Law.

3.11 Force Majeure

3.11.1 As used in this RFP, the expression “**Force Majeure**” or “**Force Majeure Event**” shall mean, save and except as expressly provided otherwise, occurrence in India, of any or all of events, set out in Clause 3.11.2 (*Force Majeure Events*) below, if it affects the performance by the party claiming the benefit of Force Majeure (the “**Affected Party**”) of its obligations under this RFP, and which act or event: (a) is beyond the reasonable control of the Affected Party, (b) the Affected Party could not have prevented or overcome by exercise of due diligence and following Good Industry Practice, and (c) has a Material Adverse Effect on the Affected Party.

3.11.2 A Force Majeure Event shall mean one or more of the following acts or events:

- (a) act of God, pandemic, epidemic, extremely adverse weather conditions, lightning, earthquake, landslide, cyclone, flood, volcanic eruption, chemical or radioactive contamination or ionising radiation, fire or explosion (to the extent of contamination or radiation or fire or explosion originating from a source external to the Project);
- (b) strikes or boycotts (other than those involving the Beneficiary, its contractors / sub-contractors or their respective employees/representatives, or attributable to any act or omission of any of them) interrupting supplies and services to the Project for a continuous period of 24 (twenty-four) hours and an aggregate period exceeding 7 (seven) days in a financial year;
- (c) any judgement or order of any court of competent jurisdiction or statutory authority made against the Beneficiary in any proceedings for reasons other than: (i) failure of the Beneficiary to comply with any Applicable Law or Applicable Permit, or (ii) on account of breach of any Applicable Law or Applicable Permit or of any contract, or (iii) exercise of any of the Government’s rights under the RFP by the Government;
- (d) the discovery of geological conditions, toxic contamination or archaeological remains on the Project that could not reasonably have been expected to be discovered through a site inspection;
- (e) an act of war (whether declared or undeclared), invasion, armed conflict or act of foreign enemy, blockade, embargo, riot, insurrection, terrorist or military action, civil commotion or politically motivated sabotage;
- (f) any political or economic upheaval, disturbance, movement, struggle or similar occurrence which could not have been anticipated or foreseen by a prudent person and which causes the construction or operation of the Project to be financially unviable or otherwise not feasible;
- (g) industry-wide or state-wide strikes or industrial action for a continuous period of 24 (twenty-four) hours and exceeding an aggregate period of 7 (seven) days in a financial year;
- (h) any civil commotion, boycott or political agitation which prevents production of sintered NdFeB REPM or fulfilment of obligations by the Beneficiary for an aggregate period exceeding 15 (fifteen) days in a financial year;
- (i) failure of the Government to permit the Beneficiary to continue its construction works, with or without modifications, in the event of stoppage of such works after discovery of any geological or archaeological finds or for any other reason;
- (j) compulsory acquisition in the national interest or expropriation of any assets or rights in relation to the Project or of the Beneficiary; or
- (k) unlawful or unauthorised or without jurisdiction revocation of, or refusal to renew or grant without valid cause, any clearance, license, permit, authorisation, no objection certificate, consent, approval or exemption required by the Beneficiary to perform its obligations under the RFP, provided that such delay, modification, denial, refusal or revocation did not result from the Beneficiary’s inability or failure to comply with any condition relating to grant, maintenance or renewal of such clearance, license,

authorisation, no objection certificate, exemption, consent, approval or permit.

3.11.3 Duty to report Force Majeure Event

- (a) Upon occurrence of a Force Majeure Event, the Affected Party shall by notice report such occurrence to the other party (i.e., Beneficiary or Government, as applicable) forthwith. Any notice pursuant hereto shall include full particulars of:
 - (i) the nature and extent of each Force Majeure Event which is the subject of any claim for relief under this Clause 3.11 (*Force Majeure*) with evidence in support thereof;
 - (ii) the estimated duration and the effect or probable effect which such Force Majeure Event has or will have on the Affected Party's performance of its obligations under the RFP/ LOI/ LOA;
 - (iii) the measures which the Affected Party is taking or proposes to take for alleviating the impact of such Force Majeure Event; and
 - (iv) any other information relevant to the Affected Party's claim.
- (b) The Affected Party shall not be entitled to any relief for or in respect of a Force Majeure Event unless it shall have notified the other party (i.e., Beneficiary or Government, as applicable) of the occurrence of the Force Majeure Event as soon as reasonably practicable, and in any event no later than 7 (seven) days after the Affected Party knew, or ought reasonably to have known, of its occurrence, and shall have given particulars of the probable material effect that the Force Majeure Event is likely to have on the performance of its obligations under the RFP, LOI and/or LOA.
- (c) For so long as the Affected Party continues to claim to be materially affected by such Force Majeure Event, it shall provide the other party (i.e., Beneficiary or Government, as applicable) with regular (and not less than weekly) reports containing information as required under the RFP, and such other information as the other party (i.e., Beneficiary or Government, as applicable) may reasonably request the Affected Party to provide.

3.11.4 Effect of Force Majeure Event

- (a) Upon the occurrence of any Force Majeure Event prior to the issuance of the LOA, the period set forth for fulfilment of conditions precedent for issuance of the LOA shall be extended by a period equal in length to the duration of the Force Majeure Event.
- (b) At any time after the issuance of the LOA, if any Force Majeure Event occurs, the time periods for performance of the obligations so affected by the Force Majeure Event may be extended by a period, equal in length to the period during which the Beneficiary was prevented from performing its obligations.

3.11.5 Parties to bear their own costs arising out of Force Majeure

- (a) Upon occurrence of any Force Majeure Event, the Parties shall bear their respective costs incurred and attributable to such event and directly relating to the Project and neither party shall be required to pay to the other party (i.e., Beneficiary or Government, as applicable) any costs or compensation thereof.
- (b) Save and except as expressly provided in this Clause 3.11 (*Force Majeure*), neither party shall be liable in any manner whatsoever to the other party (i.e., Beneficiary or Government, as applicable) in respect of any loss, damage, cost, expense, claims, demands, and proceedings relating to or arising out of occurrence or existence of any Force Majeure Event or exercise of any right pursuant hereto.

3.11.6 Termination Notice for Force Majeure Event

If a Force Majeure Event subsists for a period of 180 (one hundred and eighty) days or more within a continuous period of 365 (three hundred and sixty five) days, or for a continuous period of 180 (one hundred and eighty) days in any given time-frame, the Government or the Beneficiary may in its discretion terminate the LOI or the LOA, as the case may be, by issuing a notice to the other party (i.e., Beneficiary or Government, as applicable) without being liable in any manner whatsoever, save as provided in this Clause 3.11 (*Force Majeure*). Upon issuance of such notice, the LOI or the LOA, as the case may be, shall, notwithstanding anything to the contrary contained herein, stand terminated forthwith, provided that before issuing such notice, the party (i.e., Government or Beneficiary, as applicable) intending to issue the termination notice shall inform the other party (i.e., Beneficiary or Government, as applicable) of such intention and grant a period of 15 (fifteen) days to make a representation, and may after the expiry of such 15 (fifteen) day period, whether or not it is in receipt of such representation, in its sole discretion issue the termination notice.

3.11.7 Dispute resolution

In the event that the Parties are unable to agree in good faith about the occurrence or existence of a Force Majeure Event, such dispute shall be finally settled in accordance with the dispute resolution procedure under the RFP, provided that the burden of proof as to the occurrence or existence of such Force Majeure Event shall be upon the Affected Party claiming relief and/or excuse on account of such Force Majeure Event.

3.11.8 Excuse from performance of obligations

- (a) If the Affected Party is rendered wholly or partially unable to perform its obligations under the RFP because of a Force Majeure Event, it shall be excused from performance of such of its obligations to the extent it is unable to perform on account of such Force Majeure Event; *provided that*:
 - (i) the suspension of performance shall be of no greater scope and of no longer duration than is reasonably required by the Force Majeure Event;
 - (ii) the Affected Party shall make all reasonable efforts to mitigate or limit damage to the other party (i.e., Beneficiary or Government, as applicable) arising out of, or as a result of, the existence or occurrence of such Force Majeure Event and to cure the same with due diligence; and
 - (iii) when the Affected Party is able to resume performance of its obligations under the RFP, it shall give to the other party (i.e., Beneficiary or Government, as applicable) notice to that effect and shall promptly resume performance of its obligations hereunder.
- (b) The Parties agree that the Beneficiary shall develop alternate or standby arrangements for provision of goods and services in accordance with Good Industry Practice and failure on this account shall not excuse the Beneficiary from performance of its obligations hereunder.
- (c) For avoidance of doubt, the suspension or excuse from performance pursuant to this Clause 3.11.8 (*Suspension of Obligations*) shall not entitle either Party to any compensation, damages, additional costs, loss of profit or other monetary claim, and each Party shall bear its own costs arising out of such Force Majeure Event in accordance with Clause 3.11.5 (*Allocation of Costs*).

3.12 Governing law

This RFP and the Bidding Process shall be governed by, and construed in accordance with, the laws of India and, subject to Clause 3.13 (*Dispute Resolution*), the courts in New Delhi shall

have exclusive jurisdiction over all Disputes arising under, pursuant to and/ or in connection with the RFP, LOI, LOA and / or the Bidding Process.

3.13 Dispute Resolution

3.13.1 Notwithstanding anything to the contrary contained in this RFP, any dispute, difference or controversy of whatever nature howsoever arising under, out of, or in relation to, this RFP (including its interpretation) between the Government and the Beneficiary, and so notified in writing by either party to the other party (i.e., Beneficiary or Government, as applicable) (“**Dispute**”) shall, in the first instance, be attempted to be resolved amicably and be referred to the authorised representatives of the Parties for resolution through mutual discussions and amicable settlement.

3.13.2 Where a Dispute is not resolved through mutual discussions within a reasonable period, the matter shall be referred to the Additional Secretary/Joint Secretary, Ministry of Heavy Industries (“**MHI**”), for determination. Subject to the foregoing, the courts at New Delhi shall have exclusive jurisdiction in respect of any Dispute.

4. CRITERIA FOR EVALUATION

4.1 Qualification Criteria under Technical Bid

- 4.1.1 A Bidder shall fulfil the minimum Net Worth criteria as specified under Clause 2.2.2 (*Net Worth*) in proportion to the capacity specified in its Technical Bid for the Financial Year preceding the date of submission of the Bid as per latest annual financial statements of the Bidder duly audited by the statutory auditor. The Bid must be accompanied by (i) the audited annual reports of the Bidder (or the Lead Member in case of a Consortium) or Associate (if applicable) for the Financial Year, preceding the year in which the Bid is made; and (ii) a certificate prepared according to the IFRS or GAAP or Ind AS from the statutory auditor specifying the Net Worth of the Bidder, as specified under Clause 2.2.3 (*Net Worth Certificate*).
- 4.1.2 In case the annual accounts for the latest financial year are not audited and therefore the Bidder cannot make them available, the Bidder shall give an undertaking to this effect, and the statutory auditor shall certify the same. In such a case, the Bidder shall provide the audited annual accounts for the Financial Year immediately preceding the year for which the audited annual accounts are not being provided.
- 4.1.3 The Bidder must establish the minimum Net Worth specified in Clause 2.2.2 (*Net Worth*) and 2.2.3(b) (*Net Worth Certificate*), and provide details as per the format at **Annexure I** (*Net Worth Details*) and Annexure II (*Statement of Legal Capacity*) of Appendix I (*Letter Comprising the Bid*), and Appendix V (*Undertaking for Eligible Investment*).
- 4.1.4 Only those Bidders who meet the qualification criteria specified under Clause 2.2.2 (*Net Worth*) and this Clause 4.1 (*Technical Qualification*), shall qualify for evaluation of their Technical Bid. Bids of entities / consortia who do not meet these criteria shall be rejected.
- 4.1.5 In the Technical Bid, the Bidders shall submit a Detailed Project Report (“DPR”) as per format specified in **Annexure I** (*DPR Format*) of **Appendix VI** (*Format for Technical Bid*) and detailing the following:
- (a) Profile of the bidder including shareholding pattern and composition of board of directors or equivalent;
 - (b) Committed capacity of the project to be set up (in MTPA);
 - (c) Proposed Project location(s);
 - (d) Estimated Project cost and means of financing;
 - (e) Business plan including technology, sourcing of raw materials, plant and machineries, target segments, etc.;
 - (f) Proposed Eligible Investments;
 - (g) Investment projections and timelines;
 - (h) Financial projections including profit and loss, balance sheet, and cash flow statement;
 - (i) Technological readiness to manufacture sintered NdFeB REPM and technology roadmap (indicating indigenous development/ technology collaboration (Indian/ foreign partner));
 - I. Metal Conversion Technology: Access to metallothermic reduction or molten salt electrolysis, with clarification on indigenous development versus collaboration/imports, supporting infrastructure, safety systems, and process control.
 - II. Alloy Preparation and Powder Production: Methodology for alloy formation and powder production, including equipment specifications such as strip casting units, hydrogen decrepitation under inert atmospheres, and jet milling facilities for precise particle size control.
 - III. Magnet Fabrication and Sintering: Approach for shaping and sintering,

including magnetic field pressing, cold isostatic pressing, and sintering furnaces with uniform temperature and vacuum/inert gas capabilities.

- IV. Testing and Characterization: Availability of BH loop tracers, pulse magnetizers, oxygen/nitrogen analyzers, and other analytical instruments for magnetic, chemical, and structural characterization.

A clear, time-bound roadmap for technology acquisition and scale-up should be provided, including source and nature of technology, readiness of key process equipment, and strategy for domestic or imported equipment.

- (j) Manufacturing process flowchart;
- (k) Tentative list of capital equipment and sourcing plan;
- (l) Availability of expert manpower;
- (m) Experience of manufacturing and marketing of sintered NdFeB REPM; and
- (n) Any other details.

4.1.6 The technical committee (“TC”) formed under the Scheme will assess the capabilities of the Bidder based on the above DPR submitted at time of Bid submission. The TC may seek further clarifications and presentations from any Bidder for further assessment.

4.1.7 The TC will shortlist, i.e., make a list of technically qualified Bidders eligible for financial evaluation in the second stage.

4.2 Evaluation of Financial Bids

4.2.1 The Financial Bid shall comprise of a Quoted Sales Incentive Rate in accordance with the provisions of the RFP. It is clarified that the Quoted Sales Incentive Rate, shall be subject to a ceiling of INR 2,150 (Indian Rupees Two Thousand One Hundred and Fifty) per kg of sintered NdFeB REPM. Any Bid that has a Quoted Sales Incentive Rate in excess of INR 2,150 (Indian Rupees Two Thousand One Hundred and Fifty) per kg shall be rejected.

The Government will be entitled to reject any Financial Bid which is incomplete, or conditional. The Quoted Sales Incentive Rate indicated in the Financial Bid shall be deemed as final.

4.3 Final Evaluation

4.3.1 Out of Bidders who are technically qualified as per Clause 4.1.7 (*Technical Evaluation*), five Bidders with the lowest Quoted Sales Incentive Rates, that is, L1, L2, L3, L4, and L5 will be eligible for allotment of capacity under the Scheme.

4.3.2 In the event that 2 (two) or more Bidders quote the same Quoted Sales Incentive Rate, then the ranking will be as detailed in Clause 2.27.2 (*Tie-Breaking*).

4.3.3 Technically qualified Bidders ranked beyond L5, may be placed under a waiting list in the order of ranking. In case any Selected Bidder(s) withdraw prior to the execution of the LOA, the available capacity may be allocated to the Bidders in such waiting list, in the priority of their ranking. The Government shall be entitled to not disclose such waiting list.

5. FRAUD AND CORRUPT PRACTICES

- 5.1 The Bidders and their respective officers, employees, agents and advisers shall observe the highest standard of ethics during the Bidding Process, subsequent to the issue of the LOI, during the subsistence of the LOI, subsequent to the issuance of the LOA, and for the subsistence of the Scheme Tenure, as the case may be. Notwithstanding anything to the contrary contained herein, or in the LOI/LOA, the Government may reject a Bid, withdraw the LOI/LOA, as the case may be, without being liable in any manner whatsoever to the Bidder, if it determines that the Bidder, has, directly, indirectly or through an agent, engaged in any corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice in the Bidding Process. In such an event, the Government shall be entitled to forfeit and appropriate the Bid Security or Performance Security, as the case may be, as damages, without prejudice to any other right or remedy that may be available to the Government under the RFP or otherwise.
- 5.2 Without prejudice to the rights of the Government under Clause 5.1 (*Fraud and Corrupt Practices*) hereinabove, if a Bidder is found by the Government to have directly, indirectly or through an agent, engaged or indulged in any corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice during the Bidding Process, such Bidder shall not be eligible to participate in any tender or RFP issued by the Government during a period of 2 (two) years from the date on which such Bidder is found by the Government to have directly, indirectly or through an agent, engaged or indulged in any corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice, as the case may be.
- 5.3 For the purposes of this Clause 5 (*Fraud and Corrupt Practices*), the following terms shall have the meaning hereinafter respectively assigned to them:
- (a) “**corrupt practice**” means (i) the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence the actions of any person connected with the Bidding Process (for avoidance of doubt, offering of employment to, or employing, or engaging in any manner whatsoever, directly or indirectly, any official of the Government who is or has been associated in any manner, directly or indirectly, with the Bidding Process or the LOI/LOA, before or after the execution thereof, at any time prior to the expiry of 1 (one) year from the date such official resigns or retires from or otherwise ceases to be in the service of the Government, shall be deemed to constitute influencing the actions of a person connected with the Bidding Process); or (ii) save and except as permitted under Clause 2.2.1(c) (*Engagement of Advisers*), engaging in any manner whatsoever, whether during the Bidding Process or after the issue of the LOI/LOA, any person in respect of any matter relating to the Project or the LOI/LOA, who at any time has been or is a financial or technical adviser of the Government in relation to any matter concerning the Project;
 - (b) “**fraudulent practice**” means a misrepresentation or omission of facts or suppression of facts or disclosure of incomplete facts, in order to influence the Bidding Process;
 - (c) “**coercive practice**” means impairing or harming or threatening to impair or harm, directly or indirectly, any person or property to influence any person’s participation or action in the Bidding Process;
 - (d) “**undesirable practice**” means (i) establishing contact with any person connected with or employed or engaged by the Government with the objective of canvassing, lobbying or in any manner influencing or attempting to influence the Bidding Process; or (ii) having a Conflict of Interest; and
 - (e) “**restrictive practice**” means forming a cartel or arriving at any understanding or arrangement among Bidders with the objective of restricting or manipulating a full and

fair competition in the Bidding Process.

6. PRE-BID CONFERENCE

- 6.1** A Pre-Bid Conference of the interested parties shall be convened at the date, time and place designated in Clause 1.5 (Pre-Bid Conference Schedule) (“**Pre-Bid Conference**”). Only those persons who have purchased the RFP document shall be allowed to participate in the Pre-Bid Conference. A maximum of 2 (two) representatives of each Bidder shall be allowed to participate upon production of authority letter from the Bidder.
- 6.2** During the course of the Pre-Bid Conference, the Bidders will be free to seek clarifications and make suggestions for consideration of the Government. The Government shall endeavor to provide clarifications and such further information as it may, in its sole discretion, consider appropriate for facilitating a fair, transparent and competitive Bidding Process.

7. MISREPRESENTATION

- 7.1** In the event of any misrepresentation, suppression of material facts, or breach of any commitments, covenants or obligations by the Selected Bidder/Beneficiary, including misrepresentation in meeting the eligibility criteria under the RFP or the Scheme, or the representations and warranties contemplated in Clause 8.1 (*Representations and Warranties*) being incorrect, untrue or misleading, the Government shall be entitled to take appropriate action, including but not limited to cancellation of the LOI and/or LOA, encashment of Bid Security or Performance Security as applicable and forfeiture of the entire Incentive package under the Scheme (in accordance with Clause 3.5 (*Breach of Obligations and Consequences*)).
- 7.2** If, at any stage, it is found that eligibility under the Scheme and/or benefits thereunder were obtained through misrepresentation, falsification or withholding of information, the Government shall have the right to recover the full amount of Incentives disbursed, along with interest at SBI MCLR for a three-year tenor prevailing at the time of each disbursement, compounded annually, from the respective dates of disbursement (in accordance with Clause 3.5 (*Breach of Obligations and Consequences*)). Such recovery shall be without prejudice to, and in addition to, any other action the Government may deem appropriate including encashment of the Performance Security, and/or otherwise contemplated in this RFP.
- 7.3** It is further clarified that, even in the absence of any misrepresentation, suppression, or falsification of information, if it is subsequently determined that the Selected Bidder/Beneficiary did not meet the eligibility criteria under the RFP, the Government shall be entitled to take actions as set out in Clause 7.2 (*Recovery of Incentives*) above.

8. REPRESENTATIONS AND WARRANTIES

8.1 Bidder Representations and Warranties

By submitting the Bid, the Bidder shall be deemed to represent and warrant to the Government on the Bid Due Date, and the Selected Bidder and, where applicable, the Beneficiary shall be deemed to repeat and reaffirm the same as of the date of the LOI, as of the date of the LOA and continuously throughout the Scheme Tenure, that:

- 8.1.1 it is duly organised, validly existing and in good standing under the laws of its incorporation, and has full power and authority to submit the Bid and to perform its obligations under this RFP, and, in case of the Selected Bidder / Beneficiary, the LOI and the LOA; and, where an SPV is required, the Beneficiary will be duly incorporated in India, and validly exist under the Companies Act, 2013;
- 8.1.2 it has taken all necessary corporate and other actions under Applicable Law to authorise the submission of the Bid and to validly exercise its rights and perform its obligations under this RFP, and in case of the Selected Bidder / Beneficiary, the LOI and the LOA;
- 8.1.3 it has the technical and financial standing and capacity to undertake and implement the Project in accordance with this RFP, the LOI and the LOA;
- 8.1.4 the Bid and the undertakings given by it in connection with this RFP constitute, and the LOA, when issued and accepted, will constitute, legal, valid and binding obligations of the Selected Bidder or the Beneficiary (as applicable), enforceable in accordance with their terms;
- 8.1.5 it is subject to the civil and commercial laws of India with respect to this RFP, the LOI and the LOA and hereby expressly and irrevocably waives any immunity in any jurisdiction in respect thereof, including any obligation, liability or responsibility arising in connection therewith;
- 8.1.6 the information furnished in the Bid, and any updates or supplemental information furnished prior to the issuance of the LOA, is true, complete and accurate in all material respects as of the dates on which such information is given;
- 8.1.7 the submission, delivery and performance under this RFP, the LOI and the LOA do not and will not conflict with, result in a breach of, constitute a default under, or accelerate performance required by any of the terms of its constitutional documents, any Applicable Law or any covenant, contract, agreement, arrangement, understanding, decree or order to which it is a party or by which it or any of its properties or assets is bound or affected;
- 8.1.8 there are no actions, suits, proceedings or investigations pending or, to its knowledge, threatened against it before any court or other judicial, quasi-judicial or governmental authority, the outcome of which may result in breach of this RFP, the LOI or the LOA or which, individually or in the aggregate, may result in any Material Adverse Effect on its ability to perform its obligations thereunder;
- 8.1.9 it has no knowledge of any violation or default with respect to any order, writ, injunction or decree of any court or any legally binding order of the Government or any governmental authority which may result in any Material Adverse Effect on its ability to perform its obligations under this RFP, the LOI or the LOA, and no fact or circumstance exists which may give rise to such proceedings that would adversely affect such performance;
- 8.1.10 it has complied with Applicable Laws in all material respects and has not been subject to any fines, penalties, injunctive relief or any other civil or criminal liabilities which, in the aggregate,

have or may have a Material Adverse Effect on its ability to perform its obligations under this RFP, the LOI or the LOA;

- 8.1.11 it shall comply at all times with Clause 2.7 (*Change in Ownership*) and, where the Beneficiary is an SPV, the Selected Bidder or the Lead Member shall hold not less than 51% (fifty-one per cent) of the issued and paid-up equity share capital of the Beneficiary on a fully diluted, as-converted basis throughout the Scheme Tenure, and no Change in Ownership shall occur except as permitted under this RFP;
- 8.1.12 the Selected Bidder or, where applicable, the Consortium, has the financial standing and resources to fund the required equity and to raise the debt necessary for undertaking and implementing the Project in accordance with this RFP, the LOI and the LOA;
- 8.1.13 the Selected Bidder or, where applicable, each Member of the Consortium is duly organised and validly existing under the laws of the jurisdiction of its incorporation and has accepted, and unconditionally agrees to abide by, all terms and conditions set out in this RFP, the LOI and the LOA;
- 8.1.14 no representation or warranty by it contained in the Bid or in any other document furnished to the Government, including in relation to Applicable Permits, contains or will contain any untrue or misleading statement of material fact or omits or will omit to state a material fact necessary to make such representation or warranty not misleading;
- 8.1.15 no sums, in cash or in kind, have been paid or will be paid, by it or on its behalf, to any person by way of fees, commission or otherwise for securing the LOI or the LOA or for influencing or attempting to influence any officer or employee of the Government in connection therewith; and
- 8.1.16 all information provided by the Selected Bidder or the Members of the Consortium in response to this RFP is, to the best of its knowledge and belief, true and accurate in all material respects.

8.2 Disclosure

- 8.2.1 If any occurrence or circumstance comes to the attention of a Bidder or relevant Beneficiary that renders any representation or warranty made by it under Clause 8 (*Representations and Warranties*) untrue or incorrect, the Bidder or relevant Beneficiary shall immediately notify the Government thereof, with reasonable details.
- 8.2.2 Any such notification shall not remedy, waive or prejudice any breach or default, or any right or remedy of the Government, including under Section 7 (*Misrepresentation*), Clause 2.7 (*Change in Ownership*) and Clause 3.5 (*Breach of Obligations and Consequences*).
- 8.2.3 The representations and warranties set out in Clause 8.1 (*Representations and Warranties*) shall, be deemed to be repeated on the date of issuance of the LOI, and the LOA Date, and continue to bind the Selected Bidder and the Beneficiary, as applicable, during the Scheme Tenure and for a period of three years following the expiry or earlier termination of the LOA, consistent with the survival in Clause 9.5 (*Survival*) of this RFP, without prejudice to any longer limitation period available under Applicable Law.
- 8.2.4 Any breach of Clause 8 (*Representations and Warranties*) by a Bidder (or any Beneficiary) constitutes a Breach of Obligations for the purposes of Clause 3.5 (*Breach of Obligations and Consequences*) and may amount to Misrepresentation under Clause 7 (*Misrepresentation*), with consequences thereunder.
- 8.2.5 In case the Beneficiary is an SPV, it shall be deemed to have provided the representations and

warranties with respect to itself (in the same manner and extent as the Selected Bidder), and the provisions of Clause 8.1 (*Representations and Warranties*) shall be applicable *mutatis mutandis* to the Beneficiary, as on the LOA Date.

9. MISCELLANEOUS

- 9.1** The Government, in its sole discretion and without incurring any obligation or liability, reserves the right, at any time, to:
- (a) suspend and/ or cancel the Bidding Process and/ or amend and/ or supplement the Bidding Process or modify the dates or other terms and conditions relating thereto;
 - (b) retain any information and/ or evidence submitted to the Government by, on behalf of, and/ or in relation to any Bidder; and/ or
 - (c) independently verify, disqualify, reject and/ or accept any and all submissions or other information and/ or evidence submitted by or on behalf of any Bidder.
- 9.2** It shall be deemed that by submitting the Bid, the Bidder agrees and releases the Government, its employees, agents and advisers, irrevocably, unconditionally, fully and finally from any and all liability for claims, losses, damages, costs, expenses or liabilities in any way related to or arising from the exercise of any rights and/ or performance of any obligations hereunder and this RFP to the fullest extent permitted by Applicable Law, and waives any and all rights and/ or claims it may have in this respect, whether actual or contingent, whether present or in future.
- 9.3** No failure or delay by the Government in exercising any right, power or remedy under this RFP and any LOI or LOA shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or remedy preclude any other or further exercise thereof or the exercise of any other right, power or remedy. Any waiver shall be effective only if given in writing and signed by a duly authorised representative of the Government and shall not be deemed a waiver of any subsequent breach or default.
- 9.4** This RFP and any LOI or LOA is solely for the benefit of the Government and the Bidder or Beneficiary, as applicable, and no other person or entity shall have any rights hereunder.
- 9.5** Termination, cancellation or expiration of the Bidding Process, or termination or revocation of any LOI or LOA, shall not relieve either party of any obligations hereunder which expressly or by implication survive. Without limitation, the provisions relating to confidentiality, proprietary data, governing law and jurisdiction, and any obligation which by its nature is intended to survive, shall survive for a period of three years from the termination, cancellation or expiration of the Bidding Process or the relevant LOI/LOA, whichever is later, unless a longer period is specified elsewhere in this RFP, LOI or in the LOA.
- 9.6** All notices or other communications under or in connection with this RFP, LOI and LOA shall be in English and in writing, and shall be delivered personally or sent by courier or by registered post with acknowledgement due, with an additional copy by e-mail, to the address and e-mail address specified in this RFP and/ or any LOI or LOA or as notified by the receiving party from time to time. A notice shall be effective upon actual receipt; provided that if received after 5.30 p.m. on any day, or on a day that is a public holiday or Saturday or Sunday, at the place of receipt, the notice shall be deemed received on the next business day. A party (i.e., the Bidder(s), Beneficiary(ies) and / or the Government, as the case may be) may change its address or e-mail address for service by giving notice to the other party in accordance with this clause.
- 9.7** Each participating Bidder agrees to execute, acknowledge, deliver, file and record such further instruments and documents, and do such other acts and things, as may be required by Applicable Law or as may be reasonably necessary to carry out the intent and purposes of this RFP and any LOI or LOA.
- 9.8** If any provision of this RFP and any LOI or LOA is or becomes invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not be affected. The Beneficiary(ies) and the Government shall negotiate in good faith to agree a valid

provision to be substituted for the invalid provision that achieves as nearly as possible the same commercial effect.

- 9.9** Nothing in this RFP and any LOI or LOA shall be construed to create an association, joint venture, partnership, agency, or employment relationship between the Government and any Bidder or Beneficiary. Neither any Bidder(s) nor any Beneficiary(ies) shall have any authority to bind the Government or to incur any obligation on its behalf except as expressly provided in this RFP and any LOI or LOA.

APPENDICES

APPENDIX I
Letter Comprising the Bid
(Refer Clause 2.14.2)

To,
.....
.....
.....

Date:

Sub: Bid for the.....Project

Dear Sir,

With reference to your RFP document dated , we, having examined the document and understood its contents, hereby submit our Bid for the aforesaid Project. The Bid is unconditional and unqualified.

1. We acknowledge that the Government will be relying on the information provided in the Bid and the documents accompanying such Bid of the Bidders for the aforesaid Project, and we certify that all information provided in the Bid and in Annexures I and II is true and correct; nothing has been omitted which renders such information misleading; and all documents accompanying such Bid are true copies of their respective originals. We will be solely responsible for any errors, omissions, or mis-statements in our Bid submission.
2. This statement is made for the express purpose of qualifying as a Bidder for the aforesaid Project.
3. We shall make available to the Government any additional information it may find necessary or require to supplement or authenticate the qualification statement.
4. We acknowledge the right of the Government to reject our Bid without assigning any reason or otherwise and hereby waive, to the fullest extent permitted by Applicable Law, our right to challenge the same on any account whatsoever.
5. We certify that in the last 3 (three) years, we/ any of the Members of a Consortium or our/ their Associates have neither failed to perform on any contract, as evidenced by imposition of a penalty by an arbitral or judicial authority or a judicial pronouncement or arbitration award, nor been expelled from any project or contract, by any public authority nor have had any contract terminated by any public authority for breach on our part.
6. We declare that:
 - (a) We have examined and have no reservations to the RFP document, including any addendum issued by the Government;
 - (b) We do not have any Conflict of Interest in accordance with Clause 2.2.1(b) (*Conflict of Interest*) of the RFP;
 - (c) We have not directly or indirectly or through an agent engaged or indulged in any corrupt practice, fraudulent practice, coercive practice, undesirable or restrictive practice, as defined in Clause 5.3 (*Definitions for Fraud and Corrupt Practices*) of the RFP, in respect of any tender or request for proposal issued by or any agreement entered into with the Government or any other public sector enterprise or any governmental body or authority (central or state);
 - (d) We hereby certify that we have taken steps to ensure that in conformity with the provisions of Clause 5 (*Fraud and Corrupt Practices*) of the RFP, no person acting for us or on our behalf has engaged or will engage in any corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice; and
 - (e) the undertaking given by us along with the Bid in response to the RFP for the Project were true and correct as on the date of making the Bid and are also true and correct

as on the Bid Due Date and we shall continue to abide by them.

7. We understand that you may cancel the Bidding Process at any time and that you are neither bound to accept any Bid that you may receive nor to invite the Bidders to Bid for the Project, without incurring any liability to the Bidders, in accordance with Clause 2.6.1 (*Rights of Government*) of the RFP.
8. We/ our Consortium satisfy(ies) the qualification criteria and meet(s) all the requirements as specified in the RFP and are qualified to submit a Bid.
9. We declare that we/ any Member of the Consortium, or our/ its Associates are not: (i) a Member of any other Consortium submitting a Bid; (ii) Associates of any other Bidder; or (iii) separately submitting a Bid.
10. We certify that we/ any Member of the Consortium or any of our/ their Associates have not been convicted by a court or indicted or adverse orders passed by a regulatory authority which could cast a doubt on our ability to undertake the Project or which relates to a grave offence that outrages the moral sense of the community.
11. We further certify that in regard to matters relating to security and integrity of the country, we/ any Member of the Consortium or any of our/ their Associates have not been charge-sheeted by any agency of the GoI or convicted by a court.
12. We further certify that we/ any Member of the Consortium or any of our/ their Associates are not barred by the Central Government or any entity controlled by it, from participating in any project, and no such bar subsists as on the date of Bid.
13. We undertake that in case due to any change in facts or circumstances during the Bidding Process, if any provisions of disqualification in terms of the provisions of this RFP becomes applicable, we shall intimate the Government of the same immediately.
14. The Statement of Legal Capacity as per format provided at **Annexure II** in **Appendix I** of the RFP, has been duly signed and is enclosed. The Power of Attorney for signing of Bid and the Power of Attorney for Lead Member of Consortium, as per the formats provided at **Appendix II** and **Appendix III** respectively of the RFP, are also enclosed.
15. We offer a Bid Security of Rs..... (Rupees only) to the Government in accordance with the RFP document.
16. The Bid Security in the form of a bank guarantee is attached.
17. In the event of our being declared as the Selected Bidder, we agree to be bound by the terms of RFP, LOI, and LOA. We agree not to seek any changes in the aforesaid draft and agree to abide by the same.
18. The Quoted Sales Incentive Rate has been quoted by us after taking into consideration all the terms and conditions stated in the RFP, our own estimates of costs and after a careful assessment of the site and all the conditions that may affect the Project cost and implementation of the Project.
19. The documents accompanying the Bid, as specified in the RFP, have been submitted by uploading the scanned copies on the Central Public Procurement Portal for e-Procurement.
20. We agree and understand that the Bid is subject to the provisions of the RFP. In no case, shall

we have any claim or right of whatsoever nature if the Project is not awarded to us or our Bid is not opened or is rejected.

21. The Bid has been quoted by us after taking into consideration all the terms and conditions stated in the RFP and all the conditions that may affect the implementation of the Project.
22. We hereby irrevocably waive any right or remedy which we may have at any stage at law or howsoever otherwise arising to challenge or question any decision taken by the Government in connection with the selection of Bidders, or in connection with the selection/ Bidding Process itself, in respect of the above-mentioned Project and the terms and implementation thereof.
23. We further certify that we/ any Member of the Consortium or any of our Associates are not a willful defaulter to any lender, and that there is no major litigation pending or threatened against us which could cast a doubt on our ability or suitability to undertake the Project.
24. We agree and undertake to abide by all the terms and conditions of the RFP.
25. We shall keep this offer valid till [***].

In witness thereof, we submit this Bid under and in accordance with the terms of the RFP.

Yours faithfully,

Date: (Signature, name and designation of the Authorised Signatory)

Place: Name and seal of the Bidder/ Lead Member

ANNEXURE I
Particulars of the Bidder

1.
 - (a) Name:
 - (b) Country of incorporation:
 - (c) Address of the corporate headquarters and its branch office(s), if any, in India:
 - (d) Date of incorporation and/ or commencement of business:

2. Brief description of the Company including details of its main lines of business and proposed role and responsibilities in this Project:

3. Particulars of individual(s) who will serve as the point of contact/ communication for the Bidder:
 - (a) Name:
 - (b) Designation:
 - (c) Company:
 - (d) Address:
 - (e) Telephone Number:
 - (f) E-Mail Address:

4. Particulars of the Authorised Signatory of the Bidder:
 - (a) Name:
 - (b) Designation:
 - (c) Address:
 - (d) Phone Number:

5. In case of a Consortium:
 - (a) The information above (1-4) should be provided for all the Members of the Consortium.
 - (b) Information regarding the role of each Member should be provided as per the table below:

| Sl. No. | Name of Member | Role | Percentage of equity in the Consortium |
|---------|----------------|------|--|
| 1. | | | |
| 2. | | | |
| nth. | | | |

6. The following information shall also be provided for the Bidder, including each Member of the Consortium:

Name of Bidder/ Member of Consortium:

| No. | Criteria | Yes | No |
|-----|--|-----|----|
| 1. | Has the Bidder/ constituent of the Consortium been barred by the Central/ State Government, or any entity controlled by it, from participating in any project? | | |
| 2. | If the answer to 1 is yes, does the bar subsist as on the date of Bid? | | |

7. A statement by the Bidder and each of the Members of its Consortium (where applicable) or any of their Associates disclosing material non-performance or contractual non-compliance in past projects, contractual disputes and litigation/ arbitration in the recent past is given below (attach extra sheets, if necessary):

ANNEXURE II
Statement of Legal Capacity

(To be forwarded on the letterhead of the Bidder/ Lead Member of Consortium)

To,
.....
.....
.....

Date:

Dear Sir,

We hereby confirm that we/ our Members in the Consortium (the constitution of which has been described in the Bid) satisfy the terms and conditions laid out in the RFP.

We have agreed that (insert Member's name) will act as the Lead Member of our Consortium.¹

We have agreed that (insert individual's name) will act as our representative/ will act as the representative of the Consortium on its behalf and has been duly authorized to submit the RFP. Further, the authorised signatory is vested with the requisite powers to furnish such letter and authenticate the same.

Thanking you,

Yours faithfully,

(Signature, name, and designation of the authorised signatory)

For and on behalf of.....

¹ Please strike out if not applicable.

ANNEXURE III
Undertaking Statement of Legal Capacity
(To be issued pursuant to GFR Order)

(To be forwarded on the letterhead of the Bidder/ Lead Member of Consortium)

To,
.....
.....

Date:

Dear Sir,

We refer to Clause 2.2.11 (*GFR Restrictions*) of the RFP and **Appendix IX** (*GFR Order*), including restrictions on procurement from bidders from countries which share a land border with India and on participation where there are transfer of technology arrangements requiring prior registration with the Competent Authority under the GFR Order.

We have read the clause regarding restrictions on procurement from a bidder of a country which shares a land border with India; We hereby certify that this bidder is not from such a country and is eligible to be considered.

OR

We have read the clause regarding restrictions on procurement from a bidder of a country which shares a land border with India; We certify that this bidder is not from such a country or, if from such a country, has been registered with the Competent Authority. We hereby certify that this bidder fulfills all requirements in this regard and is eligible to be considered. [Where applicable, evidence of valid registration by the Competent Authority shall be attached]

OR

We have read the clause regarding restrictions on procurement from a bidder of a country which shares a land border with India and on sub-contracting to contractors from such countries; We certify that this bidder is not from such a country or, if from such a country, has been registered with the Competent Authority and will not sub-contract any work to a contractor from such countries unless such contractor is registered with the Competent Authority. We hereby certify that this bidder fulfills all requirements in this regard and is eligible to be considered. [Where applicable, evidence of valid registration by the Competent Authority shall be attached]

OR

We have read the clause regarding restrictions on procurement from a bidder having a transfer of technology arrangement; We certify that this bidder does not have any transfer of technology arrangement requiring registration with the Competent Authority.

OR

We have read the clause regarding restrictions on procurement from a bidder having a transfer of technology arrangement; We certify that this bidder has valid registration to participate in this procurement. [Where applicable, evidence of valid registration by the Competent Authority shall be attached]

OR

We have read the clause regarding restrictions on procurement from a bidder of a country which shares a land border with India; We certify that this vendor or bidder is not from such a country and does not

have any specified transfer of technology from such a country or, if from such a country or if having specified transfer of technology from such a country has been registered with the Competent Authority; We hereby certify that this vendor or bidder fulfils all requirements in this regard and is eligible to be considered for procurement on Government e-Marketplace (GeM). [Where applicable, evidence of valid registration by the Competent Authority shall be attached]²

Yours faithfully,

(Signature, name, and designation of the authorised signatory)

For and on behalf of.....

² Please strike out whichever is not applicable.

ANNEXURE IV
Undertaking to Setup Project

To,
.....
.....

Date:

Undertaking Regarding Setting Up of Integrated Sintered NdFeB Manufacturing Facility

We, [Name of Bidder/ Lead Member of Consortium], a company incorporated under the laws of [India / specify country], having our registered office at [insert address], and having submitted a bid pursuant to the Request for Proposal (“RFP”) dated [●] under the Scheme to Promote Manufacturing of Sintered Rare Earth Permanent Magnet (“Scheme”), hereby submit this undertaking as required under the RFP.

We hereby confirm and undertake that:

1. We intend to set up an integrated manufacturing facility in India for the production of sintered NdFeB REPM from NdPr oxide, covering all intermediate stages of processing as specified under the RFP;
2. The proposed facility shall have a minimum manufacturing capacity of sintered NdFeB REPM as stated in Appendix VI (*Format for Technical Bid*) of our Bid;
3. We shall establish the facility within the timelines specified under the Scheme and the RFP, and shall comply with all requirements, obligations, and conditions specified therein; and
4. We further undertake to maintain the integrated nature of the facility as required under the Scheme, ensuring end-to-end processing from NdPr oxide to sintered NdFeB REPM.

This undertaking is being furnished in compliance with the requirements of the Scheme and shall form part of our binding obligations under the Scheme and the RFP.

Yours faithfully,

For and on behalf of
[Name of Bidder/ Lead Member of Consortium]
(Signature of Authorised Signatory)
Name:
Designation:
Seal:

APPENDIX II
Power of Attorney for signing of Application and Bid
(To be submitted in Original)

(Refer Clause 2.2.6)

Know all men by these presents, We(name of the entity and address of the registered office) do hereby irrevocably constitute, nominate, appoint and authorise Mr./ Ms. (name), son/daughter/wife of and presently residing at....., who is presently employed with us/ the Lead Member of our Consortium and holding the position of , as our true and lawful attorney (hereinafter referred to as the “**Attorney**”) to do in our name and on our behalf, all such acts, deeds and things as are necessary or required in connection with or incidental to submission of our application for shortlisting and submission of our Bid for the by the (the “**Government**”) including but not limited to signing and submission of all applications, Bids and other documents and writings, participate in the Pre-Bid Conference and other conferences and providing information/ responses to the Government, representing us in all matters before the Government, signing and execution of all documents and contracts including the undertakings consequent to acceptance of our Bid, and generally dealing with the Government in all matters in connection with or relating to or arising out of our Bid for the said Project and/ or upon award thereof to us.

AND we hereby agree to ratify and confirm and do hereby ratify and confirm all acts, deeds and things done or caused to be done by our said Attorney pursuant to and in exercise of the powers conferred by this Power of Attorney and that all acts, deeds and things done by our said Attorney in exercise of the powers hereby conferred shall and shall always be deemed to have been done by us.

IN WITNESS WHEREOF WE,, THE ABOVE-NAMED PRINCIPAL HAVE EXECUTED THIS POWER OF ATTORNEY ON THIS DAY OF 2....
For

(Signature, name, designation, and address)

Witnesses:

1.

(Notarised)

2.

Accepted

.....

(Signature)

(Name, Title and Address of the Attorney)

Notes:

- *The mode of execution of the Power of Attorney should be in accordance with the procedure, if any, laid down by the applicable law and the charter documents of the executant(s) and when it is so required, the same should be under common seal affixed in accordance with the required procedure.*
- *Wherever required, the Bidder should submit for verification the extract of the charter documents and documents such as a board or shareholders’ resolution/ power of attorney in favour of the person executing this Power of Attorney for the delegation of power hereunder on behalf of the Bidder.*
- *For a Power of Attorney executed and issued overseas, the document will also have to be legalised by the Indian Embassy and notarised in the jurisdiction where the Power of Attorney*

is being issued. However, the Power of Attorney provided by Bidders from countries that have signed the Hague Legislation Convention, 1961 is not required to be legalised by the Indian Embassy if it carries a conforming Apostille certificate.

- *Where required under applicable laws, POA to be executed on Stamp paper of appropriate value.*

APPENDIX III
Power of Attorney for Lead Member of Consortium
(To be submitted in original)
(Refer Clause 2.2.7)

Whereas the (“the **Government**”) has invited Bids from interested parties for the Project (the “**Project**”).

Whereas, XXXX (collectively the “**Consortium**”) ³ being Members of the Consortium are interested in bidding for the Project in accordance with the terms and conditions of the Request for Proposal (RFP) and other connected documents in respect of the Project, and

Whereas, it is necessary for the Members of the Consortium to designate one of them as the Lead Member with all necessary power and authority to do for and on behalf of the Consortium, all acts, deeds and things as may be necessary in connection with the Consortium’s Bid for the Project and its execution.

NOW THEREFORE KNOW ALL MEN BY THESE PRESENTS

We, Having our registered office at, M/s. Having our registered office at, M/s. having our registered office at, and M/shaving our registered office at, (hereinafter collectively referred to as the “**Principals**”) ⁴ do hereby irrevocably designate, nominate, constitute, appoint and authorise M/shaving its registered office at, being one of the Members of the Consortium, as the Lead Member and true and lawful attorney of the Consortium (hereinafter referred to as the “**Attorney**”). We hereby irrevocably authorise the Attorney (with power to sub-delegate) to conduct all business for and on behalf of the Consortium and any one of us during the Bidding Process and, in the event the Consortium is awarded the contract, during the execution of the Project and in this regard, to do on our behalf and on behalf of the Consortium, all or any of such acts, deeds or things as are necessary or required or incidental to shortlisting of the Consortium and submission of its Bid for the Project, including but not limited to signing and submission of all applications, Bids and other documents and writings, accept the Letter of Award, participate in Bidders’ and other conferences, respond to queries, submit information/ documents, sign and execute contracts and undertakings consequent to acceptance of the Bid of the Consortium and generally to represent the Consortium in all its dealings with the Government, and/ or any other Government agency or any person, in all matters in connection with or relating to or arising out of the Consortium’s Bid for the Project.

AND hereby agree to ratify and confirm and do hereby ratify and confirm all acts, deeds and things done or caused to be done by our said Attorney pursuant to and in exercise of the powers conferred by this Power of Attorney and that all acts, deeds and things done by our said Attorney in exercise of the powers hereby conferred shall and shall always be deemed to have been done by us/ Consortium.

³ Please mention the details of all the Members of the Consortium.
⁴ Please mention the details of all the Members of the Consortium.

IN WITNESS WHEREOF WE THE PRINCIPALS ABOVE NAMED HAVE EXECUTED THIS POWER OF ATTORNEY ON THIS DAY OF 2.....

For
(Signature)

.....
(Name & Title)

For
(Signature)

.....
(Name & Title)

For
(Signature)

.....
(Name & Title)

Witnesses:

- 1.
- 2.

.....
(Executants)
(To be executed by all the Members of the Consortium)

Notes:

- *The mode of execution of the Power of Attorney should be in accordance with the procedure, if any, laid down by the applicable law and the charter documents of the executant(s) and when it is so required, the same should be under common seal affixed in accordance with the required procedure.*
- *Also, wherever required, the Bidder should submit for verification the extract of the charter documents and documents such as a board or shareholders' resolution/ power of attorney in favour of the person executing this Power of Attorney for the delegation of power hereunder on behalf of the Bidder.*
- *For a Power of Attorney executed and issued overseas, the document will also have to be legalised by the Indian embassy and notarised in the jurisdiction where the Power of Attorney is being issued. However, the Power of Attorney provided by Bidders from countries that have signed the Hague Legislation Convention 1961 is not required to be legalised by the Indian Embassy if it carries a conforming Apostille certificate.*
- *Where required under applicable laws, POA to be executed on Stamp paper of appropriate value.*

APPENDIX IV
BID SECURITY
(Refer Clause 2.22)

This Deed of Guarantee is executed on this [•] day of [•], [•] at [•].

BY

[Name of Bank], a scheduled commercial bank in India having a net worth of at least INR 10,00,00,00,000 (Indian Rupees One Thousand Crore), having its Head Office/Registered Office at [•] and, inter alia, a Branch Office at [•] and email address [•] (hereinafter referred to as the “**Bank**”, which expression shall, unless it be repugnant to the subject or context hereof, be deemed to include its successors and assigns);

IN FAVOUR OF

Ministry of Heavy Industries, Government of India, Second Floor, GPOA3, Netaji Nagar, New Delhi (hereinafter referred to as the “**Government**”, which expression shall, unless it be repugnant to the subject or context hereof, be deemed to include its successors and assigns), represented by IFCI Limited, having its registered office at IFCI Tower, 61, Nehru Place, New Delhi – 110019, acting as the Project Management Agency (“**PMA**”) for the Scheme to Promote Manufacturing of Sintered Rare Earth Permanent Magnet, dated 15th December, 2025 vide notification bearing number S.O. 5800(E) (the “**Scheme**”).

WHEREAS:

Government has issued the Request for Proposal dated [•] (the “**RFP**”) inviting bids for the establishment of an integrated sintered NdFeB REPM manufacturing facility in India, and [Name of Bidder], a [private/public/other] entity incorporated under the laws of [•], having its registered office at [•] (and, where applicable, acting on behalf of its Consortium) (the “**Bidder**”), proposes to submit a bid pursuant to the RFP.

In consideration of the Government agreeing to consider the Bidder’s bid pursuant to the RFP, the Bank, at the request of the Bidder, hereby unconditionally, irrevocably and without demur, guarantees and undertakes as follows:

1. The Bank hereby unconditionally and irrevocably guarantees, as a primary obligor and not as a surety, the due and faithful fulfilment and compliance by the Bidder of all terms and conditions of the RFP applicable to the Bid Security. On receipt of the first written demand from the Government / PMA stating that any of the Bid Security forfeiture events under the RFP has occurred or that the Bidder has failed to keep its Bid open during the bid validity period under the RFP, the Bank shall, without any demur, reservation, recourse, contest or protest, and without reference to the Bidder or any other person, pay to Government an amount of INR 1,00,00,000 (Indian Rupees One Crore) (the “**Guarantee Amount**”). The Bank shall make such payment within three (3) bank working days (as per Reserve Bank of India) of receipt of such demand.
2. Any written demand made by the Government/ PMA, under this Guarantee shall be conclusive, final and binding on the Bank as to the occurrence of a Bid Security forfeiture event or other default by the Bidder, notwithstanding any dispute between the Government/ PMA, and the Bidder, or the pendency of any proceeding before any court, tribunal or arbitrator.
3. The Bank’s liability under this Guarantee shall in no event exceed the Guarantee Amount.
4. This Guarantee is unconditional and irrevocable. It shall remain valid up to and including [insert date falling 365 (three hundred and sixty-five) days from the Bid Due Date] (the “**Validity Expiry Date**”). The claim period for Government to invoke this Guarantee shall remain valid

up to and including *[insert date falling 60 (sixty) days after the Validity Expiry Date]* (the “**Claim Expiry Date**”). This Guarantee may be extended for such further period(s) as may be requested in writing by the Bidder with the prior written concurrence of Government and agreed to by the Bank, so as to maintain at all times a validity period not less than that required under the RFP together with a further claim period of at least 60 (sixty) days.

5. It shall not be necessary for the Government to proceed against the Bidder or exhaust any other remedies available to the Government / PMA against the Bidder, before proceeding against the Bank, and the Guarantee herein contained shall be enforceable against the Bank as a primary obligation, notwithstanding any other security that the Government may have obtained from the Bidder or any other person.
6. This Guarantee shall not be affected by any change in the constitution or winding up of the Bidder or the Bank, or by any absorption, merger or amalgamation of the Bidder or the Bank with any other person, or by any variation, alteration, modification, waiver, extension of time or forbearance granted by the Government to the Bidder in relation to the Bid, the bid validity period, submission timelines, or any other term of the RFP. The consent of the bank shall not be required for any such variation, alteration, modification, waiver, extension of time or forbearance. Further the Bank shall not be discharged by any insolvency or bankruptcy of the Bidder.
7. Any notice, request or demand by the Government/ PMA under this Guarantee shall be deemed sufficiently given if addressed to the Bank and either: (a) sent by courier or by speed post or email, to the Branch Office specified above; or (b) transmitted by authenticated SWIFT message to *[SWIFT code of the Branch Office/Head Office designated for guarantees]*; provided that Government/ PMA may, at its option, use both or either means. The Bank hereby designates the Branch Office specified above as duly authorised to receive such notices, requests or demands.
8. The Bank undertakes not to revoke this Guarantee during its currency, except with the prior written consent of Government. For the avoidance of doubt, any claim received by the Bank on or before the Claim Expiry Date shall be honoured in accordance with the terms hereof.
9. The Bank represents, warrants and declares that it has the power to issue this Guarantee and to discharge the obligations contemplated herein, and that the undersigned is duly authorised to execute this Guarantee for and on behalf of the Bank.
10. This Guarantee shall be governed by and construed in accordance with the laws of India. The courts at New Delhi shall have exclusive jurisdiction in respect of all matters arising under or in connection with this Guarantee.

Signed and Delivered by Bank

By the hand of Mr./Ms, itsand authorised official.

(Signature of the Authorised Signatory)
(Official Seal)
Place: *[insert]*
Date: *[insert]*

APPENDIX V
Net Worth of the Bidder
(Refer Clauses 2.2.2, 2.2.3(a) and 2.2.3(b))

| Bidder Type and Name (Name of Associate if the Net Worth is considered for Associate) | Registration Number/ Incorporation number and Country of Incorporation of bidder (Associate if the Net Worth is considered for the Associate) | Net Worth (Rs. Crore) |
|--|--|------------------------------|
| (Single entity Bidder / Lead Member of Consortium / Associate) ⁵ | | |

Name of the audit firm:

Seal of the audit firm:

Instructions:

1. Net Worth shall mean (subscribed and paid-up equity + reserves) less (revaluation reserves + miscellaneous expenditure not written off + reserves not available for distribution to equity shareholders).
2. The Net Worth provided shall be for the latest completed financial year, preceding the Bid Due Date. In case the Bid Due Date falls within 3 (three) months of the close of the latest financial year, please refer to Clause 2.2.9(d) (*Conditions to be followed for Bid submission*) of the RFP.
3. The Bidder shall provide an auditor's certificate specifying the Net worth of the Bidder and also specifying the methodology adopted for calculating such Net Worth in accordance with Clause 2.2.3 (*Annexures to Letters comprising Bid*) of the RFP.

If credit is being taken for the experience of an Associate, Bidders should also provide a certificate in the format below:

⁵ Retain as applicable

Certificate from the Statutory Auditor/ Company Secretary regarding Associate[§]

Based on the authenticated record of the Company, this is to certify that more than 50% (fifty percent) of the subscribed and paid-up voting equity of *(name of the Bidder/ Member of a Consortium/ Associate)* is held, directly or indirectly[£], by *(name of Associate/ Bidder/ Member of a Consortium)*. By virtue of the aforesaid shareholding, the latter exercises control over the former, who is an Associate in terms of Clause 2.2.1 (*Eligibility of Bidders*) of the RFP.

A brief description of the said equity held, directly or indirectly, is given below:

{Describe the shareholding of the Bidder/ Consortium Member and the Associate. In the event the Associate is under common control with the Bidder/ Consortium Member, the relationship may be suitably described and similarly certified herein. }

Name of the audit firm:

(Signature, name and designation of the authorised signatory)

Seal of the audit firm:

Date:

[§] In the event that the Bidder/ Member of a Consortium exercises control over an Associate by operation of law, this certificate may be suitably modified and copies of the relevant law may be enclosed and referred to.

[£] In the case of indirect shareholding, the intervening companies in the chain of ownership should also be Associates i.e., the shareholding in each such company should be more than 50% (fifty per cent) in order to establish that the chain of “control” is not broken.

APPENDIX VI
Format for Technical Bid
(Refer Clause 2.2.3(c))

To

Date:

.....
.....
.....

Tel:

Fax:

Sub: “Bid for Qualification: ** Project”**

Dear Sir,

1. With reference to your RFP document dated [***], we, having examined the RFP and understood its contents, hereby submit our Bid for the aforesaid Project. The Bid is unconditional and unqualified.
2. We hereby as a part of our Technical Bid, submit the following Committed Capacity of the Project to be developed:

Committed Capacity _____ (MTPA)
3. We have separately annexed the Detailed Project Report as per the terms of the RFP in **Annexure I** (*Detailed Project Report*) of this **Appendix VI** (*Format for Technical Bid*).
4. We agree to keep this offer valid for 365 (three hundred and sixty five) days from the Bid Due Date specified in the RFP.
5. We agree and undertake to abide by all the terms and conditions of the RFP. In witness thereof, we submit this Bid under and in accordance with the terms of the RFP.

Yours faithfully,

Date:

(Signature of the Authorised signatory)

Place:

(Name and designation of the Authorised signatory)

Name and seal of Bidder/Lead Member

ANNEXURE I
Detailed Project Report
(to be attached by the Bidder)

The Bidder shall submit a Detailed Project Report for the Project and its implementation including, its proposal on the following matters:

CHAPTER 1: BIDDER PROFILE

- About the company/ members of consortium;
- Date of incorporation;
- Company unique identifier number;
- GST and TAN;
- Registered office;
- Shareholding pattern;
- Composition of board of directors, or like management body, as applicable; and
- Any other relevant details.

CHAPTER 2: EXPERIENCE OF MANUFACTURING AND MARKETING SINTERED NdFeB REPM

- Details of technology;
- Sales for the last three years (Quantity and value);
- Key customers;
- Geographical presence;
- Details of the manufacturing facility(ies), existing manpower;
- R&D capability (if any); and
- Any other relevant details.

CHAPTER 3: COMMITTED CAPACITY

- Total project capacity (in MTPA);
- Phase-wise capacity plan, in a manner set out below:

| Particulars | Unit | FY26 | FY27 | FY28 | FY29 | FY30 | FY31 | FY32 | FY33 |
|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Integrated sintered REPM manufacturing capacity | MTPA | ... | ... | ... | ... | ... | ... | ... | ... |

- Any other relevant details.

CHAPTER 4: PROPOSED PROJECT LOCATION

- Identified location details – Geographic coordinates (latitude and longitude), complete address including pin code;
- Size of the land parcel;
- Land acquisition status;
- Infrastructure availability; and
- Any other relevant details.

CHAPTER 5: ESTIMATED PROJECT COST AND MEANS OF FINANCING;

- Total estimated project cost including phase-wise breakup (if any) (₹ cr);
- Planned debt to equity ratio;
- Phasing of investment as indicated below:

| Particulars | Unit | FY26 | FY27 | FY28 | FY29 | FY30 | FY31 | FY32 | FY33 |
|--|-------------|------|------|------|------|------|------|------|------|
| A. Eligible investment (as per Clause 1.3.5 (Capital Subsidy) of the RFP) | | | | | | | | | |
| 1. Planned expenditure on Plant, Machinery, Equipment and Associated Utilities | ₹ cr | ... | ... | ... | ... | ... | ... | ... | ... |
| 2. Planned expenditure on Research and Development (R&D) | ₹ cr | ... | ... | ... | ... | ... | ... | ... | ... |
| 3. Planned expenditure on Transfer of Technology (ToT) Agreements | ₹ cr | ... | ... | ... | ... | ... | ... | ... | ... |
| B. Other investment | ₹ cr | ... | ... | ... | ... | ... | ... | ... | ... |
| Total cumulative investment (A+B) | ₹ cr | ... | ... | ... | ... | ... | ... | ... | ... |

- Any other relevant details.

CHAPTER 6: BUSINESS PLAN

- Proposed product and specifications;
- Plan for sourcing NdPr oxide;
- Plan for sourcing other essential raw materials;
- Project implementation schedule and key milestones;
- Target market segments;
- Projected sales volumes and expected revenue;
- Risk management; and
- Any other relevant details.

CHAPTER 7: FINANCIAL PROJECTIONS

- Projected financial statements for the Scheme Tenure, including profit and loss accounts, balance sheets and cash flow statements;
- Financial viability analysis (Internal Rate of Return (IRR), Net Present Value (NPV), etc.); and
- Any other relevant details.

CHAPTER 8: TECHNOLOGICAL READINESS TO MANUFACTURE SINTERED NdFeB REPM

- Description of the proposed manufacturing technology, which will cover the following areas:
 - Oxide to Metal Conversion Technology: Metallothermic reduction or molten salt electrolysis, with clarification on indigenous development versus collaboration/imports, supporting infrastructure, safety systems, and process control.
 - Alloy Preparation and Powder Production: Methodology for alloy formation and powder production, including equipment specifications such as strip casting units, hydrogen decrepitation under inert atmospheres, and jet milling facilities for precise particle size control.
 - Magnet Fabrication and Sintering: Approach for shaping and sintering, including magnetic field pressing, cold isostatic pressing, and sintering furnaces with uniform temperature and vacuum/inert gas capabilities.
 - Testing and Characterization: Availability of BH loop tracers, pulse magnetizers, oxygen/nitrogen analyzers, and other analytical instruments for magnetic, chemical, and structural characterization.

- Source of technology; Transfer of Technology (ToT):
 - In case of Transfer of Technology, technology license/ technology transfer agreement, evidence of commercial production of the partner’s technology such as sale invoice having product details, name of the counterparty, product delivery certificate from the customer of the technology partner, and any other relevant details;
 - In case of absence of Transfer of Technology (ToT) agreement, provide other documentary evidence towards access to technology for the Project, including in case of self-developed technology/ in-house technology, the product specifications, accredited lab certification reports, etc. In addition, where available, provide evidence of commercial production of the such self-developed/ in-house technology, such as sale invoice having product details, name of the counterparty, product delivery certificate from the customer of the technology partner, and any other relevant details;
 - In absence of the foregoing, clear timebound roadmap for acquisition of Technology, to be provided;
- Summary of technology capability, in a manner set out below:

| Sr. No. | Capability | Executed Transfer of Technology (ToT) | Other Access to Technology | Time-bound roadmap for technology acquisition |
|---------|---|---------------------------------------|----------------------------|---|
| 1. | Oxide to Metal Conversion | | | |
| 2. | Alloy Preparation and Powder Production | | | |
| 3. | Magnet Fabrication and Sintering | | | |
| 4. | Testing and Characterization | | | |

- Any other relevant details.

CHAPTER 9: MANUFACTURING PROCESS FLOWCHART

- Proposed layout of the manufacturing facility;
- Manufacturing process; and
- Any other relevant details.

CHAPTER 10: TENTATIVE LIST OF CAPITAL EQUIPMENT AND SOURCING PLAN

- Detailed list of the required plant, machinery, and equipment for the entire integrated manufacturing process;
- Source and nature of technology, readiness of key process equipment and strategy for domestic or imported equipment;
- Key specifications and potential suppliers, in a manner set out below:

| Sr. No. | Equipment Name | Key Equipment specifications | Sourcing plan (Identified supplier(s)) |
|---------|----------------|------------------------------|--|
| 1 | ... | ... | ... |
| 2 | ... | ... | ... |
| ... | ... | ... | ... |

- Any other relevant details.

CHAPTER 11: AVAILABILITY OF EXPERT MANPOWER

- Proposed organization structure and manpower plan for the Project;
- Details of the key managerial personnel and their relevant experience (if any),
- Phase wise Job Creation plan in the manner set out below:

| Particulars | Unit | FY26 | FY27 | FY28 | FY29 | FY30 | FY31 | FY32 | FY33 |
|--------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Job Creation | Nos. | ... | ... | ... | ... | ... | ... | ... | ... |

- Any other relevant details.

CHAPTER 12: ANY OTHER DETAILS

APPENDIX VII
Format for Financial Bid
(Refer Clause 2.2.3(c))

To

Date:

.....
.....
.....

Tel:

Fax:

Sub: "Financial Bid: ** Project"**

Dear Sir,

1. With reference to your RFP dated [***], we, having examined the RFP and understood its contents, hereby submit our Bid for the aforesaid Project. The Bid is unconditional and unqualified.
2. We hereby submit our Bid and quote the Sales Incentive rate for the Project as Rs. [***] /kg.
3. We agree to keep this offer valid for 365 (three hundred and sixty-five) days from the Bid Due Date specified in the RFP.
4. We agree and undertake to abide by all the terms and conditions of the RFP. In witness thereof, we submit this Bid under and in accordance with the terms of the RFP.

Yours faithfully,

Date:

(Signature of the Authorised signatory)

Place:

(Name and designation of the Authorised signatory)

Name and seal of Bidder/Lead Member

B.G. No. Dated:

APPENDIX VIII
Instructions for Online Submission
Guidelines for hassle free Bid Submission

Please go through the Guidelines on eProcurement under Instructions related to CPPP on https://eprocure.gov.in/cppp/sites/default/files/guidelines/cppp_guidelines.pdf, for complete general guidelines for eProcurement under Central Public Procurement Portal.

**APPENDIX IX
GFR Order**

F.No.6/18/2019-PPD
Ministry of Finance
Department of Expenditure
Public Procurement Division

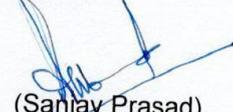
161, North Block,
New Delhi
23rd July, 2020

Office Memorandum

Subject: Insertion of Rule 144 (xi) in the General Financial Rules (GFRs), 2017

Rule 144 of the General Financial Rules 2017 entitled 'Fundamental principles of public buying', has been amended by inserting sub-rule (xi) as under:

Notwithstanding anything contained in these Rules, Department of Expenditure may, by order in writing, impose restrictions, including prior registration and/or screening, on procurement from bidders from a country or countries, or a class of countries, on grounds of defence of India, or matters directly or indirectly related thereto including national security; no procurement shall be made in violation of such restrictions.



(Sanjay Prasad)
Joint Secretary (PPD)
Email ID: js.pfc2.doe@gov.in
Telephone: 011-23093882

To,
(1) Secretaries of All Ministries/ Departments of Government of India
(2) Chief Secretaries/ Administrators of Union Territories/ National Capital Territory of Delhi

No.F.7/10/2021-PPD (1)
Government of India
Ministry of Finance
Department of Expenditure
Procurement Policy Division

264-C, North Block, New Delhi.
23.02.2023.

Order (Public Procurement No. 4)

Subject: Restrictions under Rule 144(xi) of the General Financial Rules (GFRs), 2017.

Attention is invited to Order (Public Procurement No. 1) issued vide F.6/18/2019-PPD dated 23.07.2020, Order (Public Procurement No. 2) issued vide F.6/18/2019-PPD dated 23.07.2020, Order (Public Procurement No. 3) issued vide F.6/18/2019-PPD dated 24.07.2020, Office Memorandum (OM) No. F.18/37/2020-PPD dated 08.02.2021, OM No. F.12/1/2021-PPD(Pt.) dated 02.03.2021 and OM No. F.7/10/2021-PPD dated 08.06.2021. In this regard, the following is hereby ordered under Rule 144(xi) (as amended vide OM No. F.7/10/2021-PPD dated 23.02.2023) on the grounds stated therein, in supersession to all of the above mentioned Orders/ clarifications:

Requirement of registration:

2. Any bidder from a country which shares a land border with India will be eligible to bid in any procurement whether of goods, services (including consultancy services and non-consultancy services) or works (including turnkey projects) only if the bidder is registered with the Competent Authority, specified in **Annexure I**.
3. Any bidder (including an Indian bidder) who has a Specified Transfer of Technology (ToT) arrangement with an entity from a country which shares a land border with India will be eligible to bid in any procurement whether of goods, services (including consultancy services and non-consultancy services) or works (including turnkey projects) only if the bidder is registered with the Competent Authority, specified in **Annexure I**.
4. The requirement of registration for cases covered by paragraph 2 above has been applicable since 23.07.2020. The requirement of registration for bidders covered by paragraph 3 above will be applicable for all procurements where tenders are issued/ published after 01.04.2023.
5. In tenders issued after 23.07.2020 or 01.04.2023, as the case may be, the provisions of requirement of registration of bidders and of other relevant provisions of this Order shall be incorporated in the tender conditions.

Applicability:

6. Apart from Ministries/ Departments, attached and subordinate bodies, notwithstanding anything contained in Rule 1 of the GFRs 2017, the Order shall also be applicable

- a) to all Autonomous Bodies;
- b) to all public sector banks and public sector financial institutions;
- c) to all Central Public Sector Enterprises;
- d) to all procurement in Public Private Partnership projects receiving financial support from the Government or public sector enterprises/ undertakings; and
- e) Union Territories, National Capital Territory of Delhi and all agencies/ undertakings thereof.

7. This order will not be applicable for cases falling under **Annexure II**.

Definitions:

8. *"Bidder"* for the purpose of the Order (including the term 'tenderer', 'consultant' 'vendor' or 'service provider' in certain contexts) means any person or firm or company, including any member of a consortium or joint venture (that is an association of several persons, or firms or companies), every artificial juridical person not falling in any of the descriptions of bidders stated hereinbefore, including any agency, branch or office controlled by such person, participating in a procurement process.

9. *"Tender"* for the purpose of the Order will include other forms of procurement, except where the context requires otherwise.

10. *"Transfer of Technology"* means dissemination and transfer of all forms of commercially usable knowledge such as transfer of know-how, skills, technical expertise, designs, processes and procedures, trade secrets, which enables the acquirer of such technology to perform activities using the transferred technology independently. (Matters of interpretation of this term shall be referred to the Registration Committee constituted by the Department for Promotion of Industry and Internal Trade, and the interpretation of the Committee shall be final.)

11. *"Specified Transfer of Technology"* means a transfer of technology in the sectors and/ or technologies, specified in paragraph 15, occurring on or after 23.07.2020.

12. *"Bidder (or entity) from a country which shares a land border with India"* for the purpose of the Order means

- (a) An entity incorporated, established or registered in such a country; or
- (b) A subsidiary of an entity incorporated, established or registered in such a country; or
- (c) An entity substantially controlled through entities incorporated, established or registered in such a country; or
- (d) An entity whose beneficial owner is situated in such a country; or
- (e) An Indian (or other) agent of such an entity; or
- (f) A natural person who is a citizen of such a country; or

(g) A consortium or joint venture where any member of the consortium or joint venture falls under any of the above

13. *Beneficial owner* for the purposes of Para 12 (d) will be as under:

(i) In case of a company or Limited Liability Partnership, the beneficial owner is the natural person(s), who, whether acting alone or together, or through one or more juridical person(s), has a controlling ownership interest or who exercises control through other means.

Explanation:-

a. "Controlling ownership interest" means ownership of, or entitlement to, more than twenty-five per cent of shares or capital or profits of the company;

b. "Control" shall include the right to appoint the majority of the directors or to control the management or policy decisions, including by virtue of their shareholding or management rights or shareholders agreements or voting agreements;

(ii) In case of a partnership firm, the beneficial owner is the natural person(s) who, whether acting alone or together, or through one or more juridical person, has ownership of entitlement to more than fifteen percent of capital or profits of the partnership;

(iii) In case of an unincorporated association or body of individuals, the beneficial owner is the natural person(s), who, whether acting alone or together, or through one or more juridical person, has ownership of or entitlement to more than fifteen percent of the property or capital or profits of such association or body of individuals;

(iv) Where no natural person is identified under (i) or (ii) or (iii) above, the beneficial owner is the relevant natural person who holds the position of senior managing official;

(v) In case of a trust, the identification of beneficial owner(s) shall include identification of the author of the trust, the trustee, the beneficiaries with fifteen percent or more interest in the trust and any other natural person exercising ultimate effective control over the trust through a chain of control or ownership.

14. "*Agent*" for the purpose of the Order is a person employed to do any act for another, or to represent another in dealings with third persons.

[Note:

i. A person who procures and supplies finished goods from an entity from a country which shares a land border with India will, regardless of the nature of his legal or commercial relationship with the producer of the goods, be deemed to be an Agent for the purpose of this Order.

ii. However, a bidder who only procures raw material, components etc. from an entity from a country which shares a land border with India and then manufactures or converts them into other goods will not be treated as an Agent.]

Sensitive Sectors/ Technologies (relevant only for the provisions on ToT arrangements):

15. (i) Certain sectors and technologies have been identified as sensitive from the national security point of view. The sectors listed in Schedule I to this Order are considered Category-I sensitive sectors. The sectors listed in Schedule II to this Order are considered Category-II sensitive sectors. The technologies listed in Schedule III are considered sensitive technologies.

(ii) For Category-I sensitive sectors, bidders with ToT arrangement in any technology with an entity from a country which shares a land border with India shall require registration.

(iii) For Category-II sensitive sectors, bidders with ToT arrangement in the sensitive technologies listed in Schedule III, with an entity from a country which shares a land border with India shall require registration.

(iv) In Category-II sensitive sectors, the Secretary (or an officer not below the rank of Joint Secretary to Government of India, so authorized by the Secretary) of the Ministry/ Department of the Government of India is empowered, after due consideration, to waive the requirement of registration for a particular item/ application or a class of items/ applications from the requirement of registration, even if included in Schedule III. The Ministry/ Department concerned shall intimate the Department for Promotion of Industry and Internal Trade (DPIIT) and National Security Council Secretariat (NSCS) of their decision to waive the requirement of registration. Ministries/ Departments of the Government of India are not required to consult the DPIIT/ NSCS before deciding and are only required to intimate the decision to DPIIT/ NSCS. If any point is raised by DPIIT/ NSCS, it should be considered in future procurements; ongoing procurement for which the waiver was granted need not be interrupted or altered.

16. Based on security considerations, a Ministry/ Department in a Category II sensitive sector or other Ministries/ Departments may recommend to DPIIT inclusion of any other technology in the list of sensitive technologies, either generally or for their Ministry/ Department.

Sub-contracting in works contracts

17. In works contracts, including turnkey contracts, contractors shall not be allowed to sub-contract works to any contractor from a country which shares a land border with India unless such contractor is registered with the Competent Authority. The definition of "contractor from a country which shares a land border with India" shall be as in paragraph 12 above. This shall not apply to sub-contracts already awarded on or before 23.07.2020.

[Note: Procurement of raw material, components, etc. does not constitute sub-contracting.]

Certificate regarding compliance

18. An undertaking shall be taken from bidders in the tender documents (**Annexure III**) that the extant guidelines for participation in the tenders (which should include conditions for implementation of this Order) have been complied with. If such certificate given by a bidder whose bid is accepted is found to be false, this would be a ground for debarment and further legal action in accordance with law.

Validity of registration

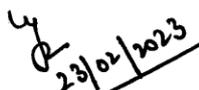
19. In respect of tenders, registration should be valid at the time of submission of bids and at the time of acceptance of bids. In respect of supply otherwise than by tender, registration should be valid at the time of placement of order. If the bidder was validly registered at the time of acceptance / placement of order, registration shall not be a relevant consideration during contract execution.

Government e-Marketplace (GeM)

20. GeM shall remove non-compliant entities from GeM unless/ until they are registered in accordance with this Order.

Model Clauses/ Certificates

21. Model Clauses and Model Certificates which may be inserted in tenders/ obtained from Bidders are given at Annexure-III. While adhering to the substance of the Order, procuring entities are free to appropriately modify the wording of these clauses based on their past experience, local needs etc.


(Kanwalpreet)
Director(PPD)

Tel.No. 2309 3811; email: kanwal.irss@gov.in

To

1. Secretaries of all Ministries/ Departments of Government of India for information and necessary action. They are also requested to inform these provisions to all procuring entities.
2. Secretary, Department of Public Enterprises with a request to immediately reiterate these orders in respect to public enterprises.
3. Secretary, Department of Financial Services with a request to immediately reiterate these orders in respect to public sector and public sector financial institutions.
4. Secretary DPIIT with a request to take action as provided under Annexure I.
5. Chief Secretaries/ Administrators of Union Territories/ National Capital Territory of Delhi.
6. CEO/ GeM with a request to ensure implementation of this order on GeM.

Schedule I**List of Category-I Sensitive sectors:**

| Sr.No. | Sector |
|---------------|---------------------------------------|
| (i) | Atomic Energy |
| (ii) | Broadcasting/ Print and Digital Media |
| (iii) | Defence |
| (iv) | Space |
| (v) | Telecommunications |

Schedule II**List of Category-II Sensitive sectors:**

| Sr.No. | Sector |
|---------------|--|
| (i) | Power and Energy (including exploration/ generation/ transmission/ distribution/ pipeline) |
| (ii) | Banking and Finance including Insurance |
| (iii) | Civil Aviation |
| (iv) | Construction of ports and dams & river valley projects |
| (v) | Electronics and Microelectronics |
| (vi) | Meteorology and Ocean Observation |
| (vii) | Mining and extraction (including deep sea projects) |
| (viii) | Railways |
| (ix) | Pharmaceuticals & Medical Devices |
| (x) | Agriculture |
| (xi) | Health |
| (xii) | Urban Transportation |

Schedule-III**List of Sensitive Technologies:**

| Sr.No. | Sensitive Technologies |
|---------------|--|
| (i) | Additive Manufacturing (e.g. 3D Printing) |
| (ii) | Any equipment having electronic programmable components or autonomous systems (e.g. SCADA systems) |
| (iii) | Any technology used for uploading and streaming of data including broadcasting, satellite communication etc. |
| (iv) | Chemical Technologies |
| (v) | Biotechnologies including Genetic Engineering and Biological Technologies |
| (vi) | Information and Communication Technologies |
| (vii) | Software |

ANNEXURE I

Competent Authority and Procedure for Registration

- A. The Competent Authority for the purpose of registration under this order shall be/ continue to be the Registration Committee constituted by the Department for Promotion of Industry and Internal Trade (DPIIT)*. [This Committee was already constituted under Order (Public Procurement) No.1].
- B. The Registration Committee shall have the following members*:
- i. An officer, not below the rank of Joint Secretary, designated for this purpose by DPIIT, who shall be the Chairman;
 - ii. Officers (ordinarily not below the rank of Joint Secretary) representing the Ministry of Home Affairs, Ministry of External Affairs, and of those Departments whose sectors are covered by applications under consideration;
 - iii. Any other officer whose presence is deemed necessary by the Chairman of the Committee.
 - iv. With effect from 01.04.2023, an officer (ordinarily not below the rank of Joint Secretary) representing the National Security Council Secretariat.
- C. DPIIT shall lay down the method of application, format etc. for such bidders as covered by the Order.
- D. On receipt of an application seeking registration from a bidder covered by Para 2 and 3 of this order, the Competent Authority shall first seek political and security clearances from the Ministry of External Affairs and Ministry of Home Affairs, as per guidelines issued from time to time. Registration shall not be given unless political and security clearance have both been received.
- E. The Ministry of External Affairs and Ministry of Home Affairs may issue guidelines for internal use regarding the procedure for scrutiny of such applications by them.
- F. The decision of the Competent Authority, to register such bidder may be for all kinds of tenders or for a specified type(s) of goods or services, and may be for a specified or unspecified duration of time, as deemed fit. The decision of the Competent Authority shall be final.
- G. Registration granted by the Competent Authority of the Government of India shall be valid not only for procurement by the Central Government and its bodies specified in para 6 of this order, but also for procurement by State Governments and their agencies/ public enterprises etc. No fresh registration at the State level shall be required.
- H. The Competent Authority is empowered to cancel the registration already granted if it determines that there is sufficient cause. Such cancellation by itself, however, will

not affect the execution of contracts already awarded. Pending cancellation, it may also suspend the registration of a bidder, and the bidder shall not be eligible to bid in any further tenders during the period of suspension.

- I. For national security reasons, the Competent Authority shall not be required to give reasons for rejection/cancellation of registration of a bidder.

[*Note:

(i) In respect of application of the Order to procurement by/ under State Governments, all functions assigned to DPIIT shall be carried out by the State Government concerned through a specific department or authority designated by it. The composition of the Registration Committee shall be as decided by the State Government. However, the requirement of political and security clearance as per para D shall remain and no registration shall be granted without such clearance.

(ii) Registration granted by State Governments shall be valid only for procurement by the State Government and its agencies/ public enterprises etc. and shall not be valid for procurement in other states or by the Government of India and their agencies/ public enterprises etc.]

ANNEXURE II

Special Cases

- A. In projects which receive international funding with the approval of the Department of Economic Affairs (DEA), Ministry of Finance, the procurement guidelines applicable to the project shall normally be followed, notwithstanding anything contained in this order and without reference to the Competent Authority. Exceptions to this shall be decided in consultation with DEA.
- B. This order shall not apply to procurement by Indian missions and by offices of government agencies/ undertakings located outside India.
- C. This order will not apply to bidders (or entities) from those countries (even if sharing a land border with India) to which the Government of India has extended lines of credit or in which the Government of India is engaged in development projects. Updated lists of countries to which lines of credit have been extended or in which development projects are undertaken are given on the website of the Ministry of External Affairs.
- D. Procurement of spare parts and other essential service support like Annual Maintenance Contract (AMC)/ Comprehensive Maintenance Contract (CMC), including consumables for closed systems, from Original Equipment Manufacturers (OEMs) or their authorized agents, shall be exempted from the requirement of registration.

ANNEXURE III

Model Clause/ Certificate/ Undertaking to be inserted in tenders etc.

[While adhering to the substance of the Order, procuring entities and GeM are free to appropriately modify the wording of the clause/ certificate based on their past experience, local needs etc.

The conditions relating to specified ToT (as shown in italics) should be incorporated only in the tenders which attract the restrictions due to specified ToT.]

A. Model Clauses for Tenders (including tenders issued manually or any electronic portal including GeM):

I. Any bidder from a country which shares a land border with India will be eligible to bid in any procurement whether of goods, services (including consultancy services and non-consultancy services) or works (including turnkey projects) only if the bidder is registered with the Competent Authority. *Further, any bidder (including bidder from India) having specified Transfer of Technology (ToT) arrangement with an entity from a country which shares a land border with India, shall also require to be registered with the same competent authority.*

II. "Bidder" (including the term 'tenderer', 'consultant' or 'service provider' in certain contexts) means any person or firm or company, including any member of a consortium or joint venture (that is an association of several persons, or firms or companies), every artificial juridical person not falling in any of the descriptions of bidders stated hereinbefore, including any agency branch or office controlled by such person, participating in a procurement process.

III. "Bidder (or entity) from a country which shares a land border with India" for the purpose of this Order means: -

- (a) An entity incorporated, established or registered in such a country; or
- (b) A subsidiary of an entity incorporated, established or registered in such a country; or
- (c) An entity substantially controlled through entities incorporated, established or registered in such a country; or
- (d) An entity whose beneficial owner is situated in such a country; or
- (e) An Indian (or other) agent of such an entity; or
- (f) A natural person who is a citizen of such a country; or
- (g) A consortium or joint venture where any member of the consortium or joint venture falls under any of the above

IV. The beneficial owner for the purpose of (iii) above will be as under:

1. In case of a company or Limited Liability Partnership, the beneficial owner is the natural person(s), who, whether acting alone or together, or through one or more juridical person, has a controlling ownership interest or who exercises control through other means.

Explanation—

a. "Controlling ownership interest" means ownership of or entitlement to more than twenty-five per cent. of shares or capital or profits of the company;

b. "Control" shall include the right to appoint majority of the directors or to control the management or policy decisions including by virtue of their shareholding or management rights or shareholders agreements or voting agreements;

2. In case of a partnership firm, the beneficial owner is the natural person(s) who, whether acting alone or together, or through one or more juridical person, has ownership of entitlement to more than fifteen percent of capital or profits of the partnership;

3. In case of an unincorporated association or body of individuals, the beneficial owner is the natural person(s), who, whether acting alone or together, or through one or more juridical person, has ownership of or entitlement to more than fifteen percent of the property or capital or profits of such association or body of individuals;

4. Where no natural person is identified under (1) or (2) or (3) above, the beneficial owner is the relevant natural person who holds the position of senior managing official;

5. In case of a trust, the identification of beneficial owner(s) shall include identification of the author of the trust, the trustee, the beneficiaries with fifteen percent or more interest in the trust and any other natural person exercising ultimate effective control over the trust through a chain of control or ownership.

V. An Agent is a person employed to do any act for another, or to represent another in dealings with third person.

VI. [To be inserted in tenders for Works contracts, including Turnkey contracts] The successful bidder shall not be allowed to sub-contract works to any contractor from a country which shares a land border with India unless such contractor is registered with the Competent Authority.

VII. The registration shall be valid at the time of submission of bid and at the time of acceptance of bid.

VIII. If the bidder was validly registered at the time of acceptance / placement of order, registration shall not be a relevant consideration during contract execution

Model Certificate for Tenders:

"I have read the clause regarding restrictions on procurement from a bidder of a country which shares a land border with India; I certify that this bidder is not from such a country or, if from such a country, has been registered with the Competent Authority. I hereby certify that this bidder fulfills all requirements in this regard and is eligible to be considered. [Where applicable, evidence of valid registration by the Competent Authority shall be attached.]"

Model Certificate for Tenders for Works involving possibility of sub-contracting:

"I have read the clause regarding restrictions on procurement from a bidder of a country which shares a land border with India and on sub-contracting to contractors from such countries; I certify that this bidder is not from such a country or, if from such a country, has been registered with the Competent Authority and will not sub-contract any

work to a contractor from such countries unless such contractor is registered with the Competent Authority. I hereby certify that this bidder fulfills all requirements in this regard and is eligible to be considered. [Where applicable, evidence of valid registration by the Competent Authority shall be attached.]"

Model additional certificate by Bidders in the cases of specified ToT:

"I have read the clause regarding restrictions on procurement from a bidder having Transfer of Technology (ToT) arrangement. I certify that this bidder does not have any ToT arrangement requiring registration with the competent authority."

OR

"I have read the clause regarding restrictions on procurement from a bidder having Transfer of Technology (ToT) arrangement. I certify that this bidder has valid registration to participate in this procurement."

B. Model Certificate for GeM (to be taken by the GeM from seller during registration on GeM. GeM should also obtain this certificate from all existing bidders as soon as possible):

"I have read the clause regarding restrictions on procurement from a bidder of a country which shares a land border with India; I certify that this vendor/ bidder is not from such a country and does not have any specified Transfer of Technology (ToT) from such a country or, if from such a country or if having specified ToT from such a country has been registered with the Competent Authority. I hereby certify that this vendor/ bidder fulfills all requirements in this regard and is eligible to be considered for procurement on GeM. [Where applicable, evidence of valid registration by the Competent Authority shall be attached.]"

APPENDIX X
Joint Bidding Agreement
(Refer Clause 2.2.7(d))

(To be executed on Stamp paper of appropriate value)

THIS JOINT BIDDING AGREEMENT is entered into on this day of, 20.....

AMONGST

1., a *(private entity / public entity / other international entity)* incorporated under applicable law and having its registered office at (hereinafter referred to as the “**First Part**” which expression shall, unless repugnant to the context include its successors and permitted assigns)

AND

2., a *(private entity / public entity / other international entity)* incorporated under applicable law and having its registered office at..... (hereinafter referred to as the “**Second Part**” which expression shall, unless repugnant to the context include its successors and permitted assigns)

AND

3. {..... *(private entity / public entity / other international entity)* incorporated under applicable law and having its registered office at (hereinafter referred to as the “**XXXX Part**” which expression shall, unless repugnant to the context include its successors and permitted assigns)}⁶

The above-mentioned parties of the FIRST, SECOND, {THIRD} PART are collectively referred to as the “**Parties**” and each is individually referred to as a “**Party**”

WHEREAS,

- (A) The Government of India, through the Ministry of Heavy Industries “**Government**”, for the Scheme to Promote Manufacturing of Sintered Rare Earth Permanent Magnet, dated 15th December, 2025 vide notification bearing number S.O. 5800(E) (“**Scheme**”) (hereinafter referred to as the “**Government**” which expression shall, unless repugnant to the context or meaning thereof, include its successors and assigns) has invited applications (the “**Applications**”) by its Request for Proposal No.....dated(the “**RFP**”) for shortlisting/selection of Bidders for the Project (the “**Project**”).
- (B) The Parties are interested in jointly bidding for the Project as Members of a Consortium and in accordance with the terms and conditions of the RFP document and other bidding documents in respect of the Project, and
- (C) It is a necessary condition under the RFP document that the Members of the Consortium shall enter into a Joint Bidding Agreement and furnish a copy thereof with the Application.

NOW, IT IS HEREBY AGREED as follows:

⁶ Please note that details of all the Members of the Consortium are required to be included in the Joint Bidding Agreement.

1. Definitions and Interpretations

In this Agreement, the capitalised terms shall, unless the context otherwise requires, have the meaning ascribed thereto under the RFP.

2. Consortium

2.1 The Parties do hereby irrevocably constitute a consortium (the “**Consortium**”) for the purposes of jointly participating in the Bidding Process for the Project.

2.2 The Parties hereby undertake to participate in the Bidding Process only through this Consortium and not individually and/ or through any other consortium constituted for this Project, either directly or indirectly or through any of their Associates.

3. Covenants

The Parties hereby undertake that in the event the Consortium is declared as the Selected Bidder and is awarded the Project, it shall incorporate a special purpose vehicle (the “**SPV**”) under the Indian Companies Act, 2013 for accepting the Letter of Award and for performing all its obligations as the Beneficiary in terms of the RFP.

4. Role of the Parties

The Parties hereby undertake to perform the roles that the Party of the First Part shall be the Lead Member of the Consortium and shall have the power of attorney from all Parties for conducting all business for and on behalf of the Consortium during the Bidding Process and until the LOA Date when all the obligations of the Beneficiary shall become effective (“**Effective Date**”).

5. Joint and Several Liability

The Parties do hereby undertake to be jointly and severally responsible for all obligations and liabilities relating to the Project and in accordance with the terms of the RFP, until the LOA Date is achieved under and in accordance with the RFP and the LOA.

6. Shareholding in the SPV

6.1 The Parties agree that the proportion of shareholding among the Parties in the SPV shall be as follows:

First Party:

Second Party:

{XXXX Party:}

6.2 The Parties undertake that a minimum of 51% (fifty-one per cent) of the subscribed and paid-up equity share capital of the SPV shall, at all times during the Scheme Tenure, be held by the Party of the First Part whose qualification under the qualification criteria has been reckoned for the purposes of qualification and shortlisting of Bidders for the Project in terms of the RFP, and who shall act as the Lead Member for the Consortium.

6.3 The Parties undertake that they shall comply with all equity lock-in requirements set forth in the RFP.

7. Representation of the Parties

Each Party represents to the other Parties as of the date of this Agreement that:

- (a) Such Party is duly organised, validly existing and in good standing under the laws of its incorporation and has all requisite power and authority to enter into this Agreement;
- (b) The execution, delivery and performance by such Party of this Agreement has been authorised by all necessary and appropriate corporate or governmental action and a copy of the extract of the charter documents and board resolution/ power of attorney in favour of the person executing this Agreement for the delegation of power and authority to execute this Agreement on behalf of the Member of a Consortium is annexed to this Agreement, and will not, to the best of its knowledge:
 - (i) require any consent or approval not already obtained;
 - (ii) violate any applicable law presently in effect and having applicability to it;
 - (iii) violate the memorandum and articles of association, by-laws or other applicable organisational documents thereof;
 - (iv) violate any clearance, permit, concession, grant, license or other governmental authorisation, approval, judgment, order or decree or any mortgage agreement, indenture or any other instrument to which such Party is a party or by which such Party or any of its properties or assets are bound or that is otherwise applicable to such Party; or
 - (v) create or impose any liens, mortgages, pledges, claims, security interests, charges or encumbrances or obligations to create a lien, charge, pledge, security interest, encumbrances, or mortgage in or on the property of such Party, except for encumbrances that would not, individually or in the aggregate, have a material adverse effect on the financial condition or prospects or business of such Party so as to prevent such Party from fulfilling its obligations under this Agreement;
- (c) this Agreement is the legal and binding obligation of such Party, enforceable in accordance with its terms against it; and
- (d) there is no litigation pending or, to the best of such Party's knowledge, threatened to which it or any of its Associates is a party that presently affects, or which would have a material adverse effect on the financial condition or prospects or business of such Party in the fulfillment of its obligations under this Agreement.

8. Termination

This Agreement shall be effective from the date hereof and shall continue in full force and effect during the Scheme Tenure, in case the Project is awarded to the Consortium. However, in case the Consortium is either not prequalified for the Project or does not get selected for award of the Project, the Agreement will stand terminated in case the Bidder is not shortlisted or upon return of the Bid Security by the Government to the Bidder, as the case may be.

9. Miscellaneous

- 9.1 This Joint Bidding Agreement shall be governed by laws of India.
- 9.2 The Parties acknowledge and accept that this Agreement shall not be amended by the Parties without the prior written consent of the Government.

IN WITNESS WHEREOF THE PARTIES ABOVE NAMED HAVE EXECUTED AND DELIVERED THIS AGREEMENT AS OF THE DATE FIRST ABOVE WRITTEN.

SIGNED, SEALED AND DELIVERED SIGNED, SEALED AND DELIVERED
For and on behalf of

LEAD MEMBER by:

(Signature)
(Name)
(Designation)
(Address)
(Signature)
(Name)
(Designation)
(Address)

SECOND PART:

SIGNED, SEALED AND DELIVERED

For and on behalf of XXXX PART

(Signature)
(Name)
(Designation)
(Address)
(Signature)
(Name)
(Designation)
(Address)

In the presence of:

- 1.
- 2.

Notes:

1. *The mode of the execution of the Joint Bidding Agreement should be in accordance with the procedure, if any, laid down by the Applicable Law and the charter documents of the executant(s) and when it is so required, the same should be under common seal affixed in accordance with the required procedure.*
2. *Each Joint Bidding Agreement should attach a copy of the extract of the charter documents and documents such as resolution / power of attorney in favour of the person executing this Agreement for the delegation of power and authority to execute this Agreement on behalf of the Member of a Consortium.*
3. *For a Joint Bidding Agreement executed and issued overseas, the document shall be legalised by the Indian Embassy and notarized in the jurisdiction where the Power of Attorney has been executed.*

APPENDIX XI
Details of the bank account
(refer Clause 1.2.1)

Details of the bank account for transferring the cost of the RFP process:

| | | |
|--|---|--|
| Bank Account Number | : | 110293905985 |
| Account Holder's Name: | : | IFCI-PMA-REPM |
| Bank Name | : | CANARA BANK |
| Bank Branch Address | : | 4, BAHADUR SHAH ZAFAR MARG, IP ESTATE, NEW DELHI - 110002 |
| 9 Digit (MICR) Code Number of the Bank & Branch | : | 110015371 |
| Account Type | : | SAVINGS |
| Bank and Branch Code/ BSR Code | : | 019017 |
| IFSC Code (Indian Financial System Code) | : | CNRB0019017 |
| SWIFT Code | : | CNRBINBBBFD |

APPENDIX XII Integrity Pact

Subject: Integrity compliance to be furnished in relation to the Scheme to Promote Manufacturing of Sintered Rare Earth Permanent Magnet.

(To be signed by the authorised representative of the Bidder duly depicting the designation and submitted on the letterhead of the Bidder along- with the authorization to do so)

1. Whereas, the Bidder namely (*name of the Bidder with address*) has submitted a Bid under the Scheme to the Ministry of Heavy Industries, Government of India (“**Government**”) seeking Incentive for manufacturing sintered REPM.
2. Now, therefore, the Bidder including its officers / representatives commits and undertakes that it will take all measures necessary to prevent corruption. It commits to observe the following principles during its association/ engagement with the Government or its agencies or its consultants engaged with the process of appraisal and verification of the Bid, for the approval of the Bid and disbursement of Incentive under the Scheme.
 - (i) The Bidder will not directly or through any other person or firm, offer, promise or give to any of the Government’s officer(s) or consultant or agency representative (appraisal or / and verification agency appointed by the Government to handle the Bid including the PMA) involved in the process of dealing with the Bid or to any third person any material or other benefit which it is not legally entitled to in order to obtain in exchange any advantage of any kind whatsoever before or during or after the process of the Bid for grant of approval or disbursement of Incentive under the Scheme.
 - (ii) The Bidder will not commit any offence under the applicable laws. Further, the Bidder will not use improperly, for purposes of competition or personal gain, or pass on to others, any information or document provided by the Government.
 - (iii) The Bidder shall disclose the name and address of the duly authorised agents / representatives who will be dealing with the Government or its agencies and the remuneration of these agents or representatives shall not include any hidden amount or component to get the work done in undue manner or cause inducement of whatsoever nature whether in cash or kind to influence the normal process or practice of work.
 - (iv) The Bidder will not offer any illicit gratification to obtain unfair advantage.
 - (v) The Bidder will not collude with other parties to impair transparency and fairness.
 - (vi) The Bidder will not give any advantage to anyone in exchange for unprofessional behavior.
3. The Bidder declares that no previous transgressions occurred in the last 3 (three) years with any other company in any country conforming to the anti-corruption approach or with any other public sector enterprise/ Central or State Government or any of its instrumentalities in India.
4. The Bidder agrees that if it is found that the Bidder has made any incorrect statement on this subject, the Bid of the Bidder will be closed or rejected and the Government reserves the right to initiate legal action of whatsoever nature. In case if the Government has disbursed the Incentive under the Scheme, the amount disbursed to the Bidder shall be recoverable along with interest calculated at 3 (three) years SBI MCLR prevailing on the date of each disbursement, compounded annually from the date of disbursement, besides blacklisting of the Bidder and

initiation of legal action of whatsoever nature at the discretion of the Government.

The contents of the above undertaking have been gone through and after understanding the same is being executed / given on.....day of (month / year).

Signature
(Name & designation with address)

APPENDIX XIII
Format for Letter of Intent
(Refer Clause 2.27.4)

To
.....
.....
.....

Date:

Tel:
Fax:

Sub: Issuance of Letter of Intent (the “**LOI**”) - Request for Proposal (“**RFP**”) for [•] (“**Project**”).
Dear Sir/Madam,

Pursuant to the conclusion of the Bid evaluation process, we are pleased to inform you that you are declared as the successful L[X] bidder for implementing the Project having capacity of _____ MTPA pursuant to your Quoted Sales Incentive Rate of INR [***]/kg. As per Clause 2.27.4 (*Letter of Intent*) of the RFP, we are issuing this LOI and the same is subject to the following conditions:

1. That [*insert name of Bidder*] unconditionally accepts the LOI and shall record on the duplicate copy of the LOI, “Accepted Unconditionally”, under the signature of the Authorized Signatory of [*insert name of Bidder*] and return such copy to the Ministry of Heavy Industries, Government of India (“**Government**”) within 7 (seven) days of issue of this LOI.
2. That [*insert name of Bidder*] shall undertake the activities prescribed in the RFP and the LOI, within 90 (ninety) days of the receipt of the LOI issued by the Government, including but not limited to:
 - (a) Incorporation of a special purpose vehicle under the Indian Companies Act, 2013 (“**SPV**”) for execution of the Letter of Award (“**LOA**”) and implementation of the Project (*if applicable*); and
 - (b) Submission of a Performance Security of INR [•] as per the provisions of the RFP in the format as provided in **Appendix XIV** (*Performance Security*) of the RFP, together with the undertaking in the form annexed to **Appendix XIV** (*Performance Security*).
3. [*insert name of Bidder*] shall intimate the Government on completion of the aforementioned activities along with documentary evidence thereto.
4. The Government on being satisfied of completion of all the aforementioned activities, shall issue the LOA in favour of the Selected Bidder/SPV.
5. Notwithstanding anything to the contrary contained herein, the Government shall have the right to revoke the LOI and invoke and forfeit the Bid Security, as applicable, in the event the Selected Bidder/Beneficiary fails to comply with its obligations under the RFP, or it is found that the Selected Bidder/Beneficiary did not meet the eligibility criteria prescribed in the RFP, or was ineligible to participate in the Bidding Process due to a Conflict of Interest or any other disqualification event specified in the RFP.

Yours faithfully,

Date:

(Signature of the Authorised signatory of the Government)

(Name and designation of the Authorised signatory of the Government)

Place:

Acknowledgement by Selected Bidder

We, [Insert name of Selected Bidder], hereby agree to, acknowledge and accept the Letter of Intent dated _____ issued by [insert name of Authority], and confirm our unconditional acceptance of all terms and conditions contained therein and under the RFP and Scheme.

For and on behalf of
[Selected Bidder]

(Signature)

Name:

Designation:

Seal:

Date: _____

Place: _____

APPENDIX XIV
Performance Security

This Deed of Guarantee (“**Guarantee**”) executed on this ____ day of _____ (**month**), _____ (**year**) at _____

BY

[Name of Bank], a scheduled commercial bank in India having a net worth of at least INR 10,00,00,00,000 (Indian Rupees One Thousand Crore), having its Head Office/Registered Office at _____ and, inter alia, a Branch Office at _____, and email address [•] (hereinafter referred to as the “**Bank**” or the “**Guarantor**”, which expression shall, unless it be repugnant to the subject or context hereof, be deemed to include its successors and assigns)

IN FAVOUR OF

Ministry of Heavy Industries, Government of India, Second Floor, GPOA3, Netaji Nagar, New Delhi (hereinafter referred to as “**Government**”, which expression shall, unless it be repugnant to the subject or context hereof, be deemed to include its successors and assigns), represented by IFCI Limited, having its registered office at IFCI Tower, 61, Nehru Place, New Delhi – 110019, acting as the Project Management Agency (“**PMA**”) for the Scheme to Promote Manufacturing of Sintered Rare Earth Permanent Magnet, dated 15th December, 2025 vide notification bearing number S.O. 5800(E) (the “**Scheme**”).

WHEREAS

- A. [_____] , a company within the meaning of the Companies Act, 2013, having its Registered Office at [_____] (hereinafter referred to as the “**Selected Bidder**”, which expression, unless repugnant to the subject or context, includes its successors, legal representatives and permitted assigns), has been issued the Letter of Intent dated [_____] (the “**Letter of Intent**” or “**LOI**”) under the RFP dated [_____].
- B. [_____] , a company within the meaning of the Companies Act, 2013, having its Registered Office at [_____] (hereinafter referred to as the “**Beneficiary**”, which expression, unless repugnant to the subject or context, includes its successors, legal representatives and permitted assigns), has been incorporated as the Beneficiary for the Project.]

OR

[The Selected Bidder will act as the Beneficiary for the Project.]

[*Note: Retain as applicable.*]

- C. In terms of Clause 3.4 (*Performance Security*) of the RFP and Clause 2(b) of the LOI, the Selected Bidder is required to procure that the Beneficiary furnishes a bank guarantee for an amount equivalent to INR [insert] (Rupees insert), within 90 (ninety) days from the date of issuance of the Letter of Intent, valid for at least 8 (eight) years from the LOA Date.
- D. At the request of the Selected Bidder and Beneficiary, the Guarantor has agreed to provide this guarantee, being these presents, guaranteeing the due and punctual performance and discharge by the Beneficiary of its obligations under the RFP and the LOA.

NOW THIS DEED WITNESSETH AS FOLLOWS:

1. The Guarantor hereby unconditionally and irrevocably guarantees the due compliance by the Beneficiary of all its obligations under the said RFP, LOI and the LOA (each, as may be amended, from time to time).
2. The Guarantor shall, as the primary obligor, and not a surety, without demur, pay to the Government/PMA a sum not exceeding ₹ _____ (Rupees _____) within **three (3) bank working days** (as per the Reserve Bank of India) from the date of receipt of a written demand from Government/PMA stating that the Beneficiary has failed to meet its obligations under the said RFP, LOI and / or LOA. The Guarantor shall not be required to go into the adequacy, sufficiency, or veracity of any breach or failure on the part of the Beneficiary, or validity of the demand so made by Government/PMA. The Guarantor shall pay the amount specified in the demand notwithstanding any direction to the contrary given, or any dispute whatsoever raised, by the Beneficiary or any other person. The format of such demand shall be at the discretion of Government / PMA. The Guarantor's obligations hereunder shall subsist until all such demands are duly met and discharged in accordance with the provisions hereof.
3. The Guarantor agrees that its liability under this guarantee shall in no manner be affected by (a) any amendment, variation, alteration, modification to the terms of, or (b) any waiver, forbearance, extension of time other dispensation provided to the Beneficiary (or the Selected Bidder) under, the RFP, LOI, LOA, or otherwise pursuant to the Scheme. Guarantor also agrees that no further consent of the Guarantor is required for giving effect to any variation, alteration, modification, waiver, forbearance, extension of time, or other dispensation, with or without release of security, under the RFP, LOI, LOA, or otherwise pursuant to the Scheme.
4. This Guarantee shall be unconditional and irrevocable; and shall remain in full force and effect till [*insert date that is 8 years from the LOA Date*] ("**Bank Guarantee Period**")⁷. The claim period for Government to invoke the present Guarantee shall be a further period of 1 (one) year from the expiry of the Bank Guarantee Period ("**Claim Period**"). The Guarantor is liable to pay the guaranteed amount (under this Guarantee) to Government upon receiving a written claim or demand from Government until the Claim Period.
5. Until and unless discharged/ released earlier by Government / PMA in accordance with the provisions of the said RFP, the Guarantor's liability in aggregate shall be limited to a sum of ₹ ----- (Rupees -----);
6. This Guarantee shall not be affected by any change in the constitution or winding up of the Beneficiary or the Guarantor, or by any absorption, merger or amalgamation of the Beneficiary or the Guarantor with any other person. Further the Guarantor shall not be discharged by any insolvency or bankruptcy of the Beneficiary.
7. Any demand made by Government /PMA under the present Guarantee shall be conclusive, binding, absolute and unequivocal, notwithstanding any objection or dispute being raised by the Beneficiary or Guarantor or any other person. The Guarantor shall honour the written demand of Government /PMA for invoking bank guarantee forthwith. The written demand for invoking the present Guarantee can be made by Government /PMA to the Guarantor in any format;
8. Any notice, request or demand by the Government/ PMA under this Guarantee shall be deemed sufficiently given if addressed to the Guarantor and either: (a) sent by courier or by speed post or email, to the Branch Office specified above; or (b) transmitted by authenticated SWIFT message to [*SWIFT code of the Branch Office/Head Office designated for guarantees*]; provided that Government/ PMA may, at its option, use both or either means. The Guarantor hereby designates the Branch Office specified above as duly authorised to receive such notices,

⁷ Note: The date cannot be lesser than 8 years from the proposed LOA Date.

requests or demands.

9. This Guarantee is in addition to, and not in substitution of, any other guarantee or security now, or which may hereafter, be held by Government / PMA in respect of, or relating to, the RFP, LOI, LOA, the Scheme, or for the fulfilment, compliance and/or performance of all or any of the obligations of the Beneficiary thereunder.
10. It shall not be necessary for the Government to proceed against the Selected Bidder or Beneficiary or exhaust any other remedies available to the Government / PMA against the Selected Bidder or Beneficiary, before proceeding against the Guarantor, and the Guarantee herein contained shall be enforceable against the Guarantor as a primary obligation, notwithstanding any other security that the Government may have obtained from the Guarantor or any other person.
11. The Guarantor represents, warrants and declares that it has the power to issue this Guarantee and to discharge the obligations contemplated herein, and that the undersigned is duly authorised to execute this Guarantee for and on behalf of the Guarantor.

All future correspondence with reference to this Guarantee shall be made to
(Bank Name and Address, email address). Capitalized terms utilized herein but not defined, shall have the meaning ascribed to them in the RFP and the LOA.

The exclusive jurisdiction of this Guarantee shall be the courts at **New Delhi**, and the applicable law shall be Indian law.

**IN WITNESS WHEREOF THE GUARANTOR HAS SET ITS HANDS HEREUNTO ON THE:
DAY, MONTH AND YEAR FIRST HEREINABOVE WRITTEN**

SIGNED AND DELIVERED by-----Bank by the
hand of----- its-----and authorized official.

Annexure: Undertaking for Providing Bank Guarantee
(To be submitted by the Beneficiary on its letterhead)

1. We, _____ (“**Beneficiary**”) having CIN No. _____, PAN No. _____, and registered office at _____, acknowledge that the benefits to be provided to us under the **RFP number [insert] dated [insert] and the LOI dated [insert]**, will be based on the information submitted by us.
2. We confirm that all information submitted by us is **true, correct and complete**, and no material fact has been concealed.
3. We understand that the Performance Security may be invoked in accordance with the RFP, LOI or LOA.

We acknowledge that any breach of Scheme, RFP, LOI or LOA, would result in loss to the Government of India, at least to the extent of the amount covered under the Bank Guarantee.

4. We agree that invocation of the Bank Guarantee would not cause us irreparable loss or injustice, and we shall not raise any special equity defences.
5. Accordingly, we undertake as follows:
 - A. We undertake to provide a bank guarantee issued / confirmed by a scheduled commercial

bank in India for the amount which is mentioned below:

Bank Guarantee Details

| Sr. No. | Particulars | Details |
|----------------|----------------------------|----------------|
| 1 | Validity of Bank Guarantee | Up to _____ |
| 2 | Claim Period | Up to _____ |
| 3 | Value of Bank Guarantee | ₹ _____ |

- B. In case of loss/mutilation/force majeure regarding the original Bank Guarantee (held at PMA), we shall arrange for a replacement.

- C. We understand that the Bank Guarantee will be released only upon full compliance with the terms of the Scheme, RFP, LOI and LOA.

Authorized Signatory

(Signature with Name, Designation & Address)

Date: _____

Place: _____

APPENDIX XV
Letter of Award

(To be issued on the letterhead of the Government)

Ref No.: _____

Date: _____

To

[Name of Beneficiary]

[Address]

[City, State, PIN Code]

Subject: Letter of Award for Establishment of Integrated Sintered NdFeB REPM Manufacturing Facility under the Scheme to Promote Manufacturing of Sintered Rare Earth Permanent Magnet.

Dear Sir/Madam,

This is with reference to the Scheme to Promote Manufacturing of Sintered Rare Earth Permanent Magnet, dated 15th December, 2025 vide notification bearing number S.O. 5800(E) (“**Scheme**”) notified by the Ministry of Heavy Industries, Government of India (“**Government**”) and the Request for Proposal (“**RFP**”) dated [•] issued pursuant to the Scheme, inviting proposals for setting up integrated manufacturing facilities for production of sintered NdFeB REPM in India.

Pursuant to the bidding process carried out under the RFP, and based on your submitted bid and subsequent evaluation, a letter of intent dated [•] (“**LOI**”) was issued to [you / _____ (name of “**Selected Bidder**”)] for setting up an integrated manufacturing facility with a capacity of [insert awarded capacity,] MTPA, for production of sintered NdFeB REPM.

[Pursuant to the terms and conditions of the LOI, the Selected Bidder incorporated _____, a company incorporated under the Companies Act, 2013 as a Special Purpose Vehicle (“**SPV**”) to implement the Project.] *[Note: To be retained if a SPV is being formed by the Selected Bidder]*

or

[The Selected Bidder shall act as the Beneficiary for the Project.] *[Note: To be retained if no SPV is formed by the Selected Bidder.]*

This Letter of Award (“**LOA**”) records the binding terms of the award and incorporates by reference the RFP, the LOI and the Scheme, in each case, as may be applicable, including all appendices, addenda and clarifications thereto. To the extent of any inconsistency between this LOA, the LOI and the RFP or any Bid submission, this LOA shall prevail and subsume the same. For the avoidance of doubt, the Scheme shall prevail over this LOA, the LOI and the RFP.

This LOA is being issued to you in continuation of the LOI, and upon acceptance of the terms and conditions stipulated under the RFP.

Accordingly, the following shall apply:

1. Award Details

| Particular | Details |
|-------------------------|-------------------------------------|
| Selected Bidder | <i>[Insert full name of entity]</i> |
| Beneficiary Name | <i>[Insert full name of entity]</i> |

| Particular | Details |
|------------------------------|---|
| Rank (L1 / L2 / L3 / L4/ L5) | [Insert Rank] |
| Allocated Capacity | [e.g., [XX] MTPA of sintered NdFeB REPM] |
| Quoted Sales Incentive Rate | INR [XX] per kg of sintered NdFeB REPM sold |
| LOA Date | [insert date] |

2. Incentive Structure

You shall be eligible to receive Incentives under the Scheme as per the RFP:

2.1 Incentives

The Incentives described in the RFP shall constitute the entire and exclusive incentive entitlements available to the Beneficiary under and in connection with the Project. The Beneficiary acknowledges and agrees that it shall not be entitled to, and shall not claim, any incentive, subsidy, grant or financial benefit from the GOI under or in connection with the Project other than as expressly set out herein and quantified in accordance with the RFP and this LOA.

2.2 Raw Materials

The procurement of all raw materials including NdPr oxide for production capacity shall solely be Beneficiary's responsibility and the Beneficiary is required to make their own independent arrangements for the same.

[However, IREL, has agreed to supply NdPr oxide, on a reasonable endeavour basis, subject to terms of separate commercial agreement to be entered into between IREL and the Beneficiary]. Beneficiary's allocation from IREL, subject to the agreement to be entered between you and IREL, shall be as per the table below, with a letter of comfort in this regard from IREL being enclosed herewith: [Note: To be retained only for Beneficiaries related to L1/ L2/ L3 Selected Bidders]

| NdPr oxide Supply (MTPA) |
|--------------------------|
| [•] |

3. Validity

This LOA shall remain valid and binding unless cancelled or withdrawn in accordance with the provisions of the RFP or due to non-fulfilment of post-award obligations as provided in Clause 3.3 (*Conditions Precedent*) of the RFP.

4. General Provisions

- 4.1 All provisions of the RFP shall apply mutatis mutandis to this LOA.
- 4.2 This LOA does not grant any proprietary right over land, site, or government property, nor does it constitute a lease, license, or agency relationship.
- 4.3 All liabilities, taxes (including Taxes), statutory compliances, and third-party obligations shall be borne by the Beneficiary in accordance with Applicable Laws and the Scheme.
- 4.4 Without prejudice to the provisions of Clause 3.5 (*Breach of Obligations and Consequences*)

of the RFP or any other remedy of the Government available at law, if the Beneficiary fails to comply with any condition, Milestone or obligation set out in this LOA otherwise under the Scheme, the RFP or the LOI, the Beneficiary shall not be entitled to any further Incentives until such non-compliance is cured to the Government's satisfaction.

- 4.5 Unless otherwise defined herein, all capitalised terms used in this LOA shall have the meaning ascribed to them under the RFP and the Scheme, as applicable.
- 4.6 The Selected Bidder and Beneficiary is required to abide by all the provisions of the Scheme, guidelines and all other instructions (including any standard operating procedures for subsidies / incentives under the Scheme) as may be issued by the Government / PMA from time to time, if any.
- 4.7 Any decision taken by the Government with respect to acceptance of the application, eligibility under the Scheme, determination of Eligible Investment, invocation of the Performance Security, and any other matter related to the Scheme will be final and binding on the Selected Bidder and Beneficiary.
- 4.8 In case you fail to comply with any of the provisions of the Scheme, RFP, LOI or LOA, and any of the instructions issued by the Government from time to time, this LOA would stand cancelled and terminated, without any liability on the Government.
- 4.9 The issuance of the LOA, and the acceptance thereof by the Beneficiary, shall constitute a binding contractual arrangement between the Government and the Beneficiary, without the requirement of any separate agreement.

Yours faithfully,

Date:

(Signature)

(Name and designation)

Place:

Encl: RFP, Letter of Comfort from IREL

[Acceptance by Selected Bidder]⁸

We, [Insert name of Selected Bidder], hereby agree to, acknowledge and accept the Letter of Award dated _____ issued by the Government, and confirm our unconditional acceptance of all terms and conditions contained therein and under the RFP and Scheme.

For and on behalf of

[Selected Bidder]

(Signature)

Name:

⁸ The board resolution authorizing the authorized signatory to sign this LOA to be attached herewith.

Designation:

Seal:

Date: _____

Place: _____]

[Note: To be retained if the Selected Bidder is distinct from the Beneficiary]

Acceptance by Beneficiary⁹

We, [Insert name of Beneficiary], hereby agree to acknowledge and accept the Letter of Award dated _____ issued by the Government, and confirm our unconditional acceptance of all terms and conditions contained therein and under the RFP and Scheme.

For and on behalf of

[Beneficiary]

(Signature)

Name:

Designation:

Seal:

Date: _____

Place: _____

⁹ The board resolution authorizing the authorized signatory to sign this LOA to be attached herewith.

APPENDIX XVI
IREL Letter of Comfort

IREL (India) Limited

[Address of IREL]

[City, State, PIN Code]

Ref: [●]

Date: [●]

To

Beneficiary

[Insert Name and Address here]

Subject: RFP for setting up of Integrated NdFeB REPM Facility – Letter of Comfort, Reference No. [insert].

Dear Sir,

IREL (India) Limited is pleased to learn that [*Name of the Selected Bidder*] has been evaluated as the “Selected Bidder [L1/L2/L3]” as per the terms of the RFP issued by Ministry of Heavy Industries and accordingly [insert] is the Beneficiary that has been allocated supply of NdPr oxide from IREL.

IREL proposes to enter into an agreement with the Beneficiary for supply of [xx] MTPA of NdPr oxide as per the requirements of the RFP.

Kindly acknowledge receipt of this Letter of Comfort (LOC) by return as a token of acceptance and prepare to enter into an agreement, as per the terms of the RFP.

With regards,

Authorized Signatory

(Name of Authorized Signatory:

Designation of Authorised Signatory:)

IREL (India) Limited

ANNEXURE I
Pricing Methodology for Supply of NdPr oxides by IREL

Pricing mechanism for Neodymium-Praseodymium Oxide - 99.9% supply:

(a) The price of Nd-Pr Oxide for next month to be benchmarked on the basis of its average domestic prices of major supplying country for the period from 26th of previous month to 25th of current month.

(b) Exchange Rate for conversion:

In case the prices are in local currency of the country under reference, the same shall be converted to USD based on established mechanism.

(c) Factoring in purity w.r.t. TREO content:

The TREO content and purity of published Nd-Pr Oxide vis-a-vis IREL's material to be factored in.

(d) Since the domestic prices include VAT which is refunded to the customers, the same shall be factored in.

(e) The price arrived in USD/Kg is converted into Rs./Kg by multiplying exchange rate (Rs./ USD) of the last business day of the period under consideration from Reserve Bank of India website. Source: <https://www.rbi.org.in>

APPENDIX XVII
Selection of Independent Engineer

Appointment of Government entity as Independent Engineer

The Government may in its discretion appoint a government-owned entity as the Independent Engineer; provided that such entity shall be a body corporate having as one of its primary functions being the provision of consulting, advisory and supervisory services for engineering projects.

APPENDIX XVIII
Indicative Format for Milestone Completion Certificates¹⁰

[Note: This format is indicative and maybe revised/updated/modified by the Government / PMA from time to time.]

Beneficiary: [insert name]

Certificate Date: [dd/mm/yyyy]

LOA No. and Date: [insert]

Allocated Capacity (MTPA): [insert]

XXXXX (Name of PMA, Address, E-mail)

Subject: Issuance of Completion Certificate under LOA dated [insert]

1. We refer to the Independent Engineer's milestone completion report dated [dd/mm/yyyy] in respect of the relevant Milestone under the Project implemented by [insert name of Beneficiary] under the Letter of Award dated [dd/mm/yyyy] issued by the Ministry of Heavy Industries, Government of India.
2. Based on, and on the recommendation of, the Independent Engineer as set out in the milestone completion report referred to in paragraph 1 above, and having reviewed the accompanying documentation, the Project Management Agency hereby issues this Milestone Completion Certificate for the Milestone as detailed below.

| Serial Number | Milestone | RFP Milestone Condition | Status (insert a check mark relevant milestone that is achieved) |
|---------------|-------------|--|--|
| 1. | Milestone 1 | Eligible Investment threshold achieved within one year of the LOA Date, as specified in Clause 1.3.1(a) (Milestone 1) of the RFP. | [] |
| 2. | Milestone 2 | Eligible Investment threshold achieved within two years of the LOA Date, as specified in Clause 1.3.1(b) (Milestone 2) of the RFP, as per the Beneficiary's Allocated Capacity. | [] |
| 3. | Milestone 3 | At least fifty per cent of the Allocated Capacity commissioned within three years of the LOA Date and commercial production commenced, as specified in Clause 1.3.1(c) (Milestone 3) of the RFP. | [] |

For and on behalf of [name of PMA]

.....
 [Authorised signatory's name]
 [Designation]
 [Seal]

¹⁰ Note: Copies of the documentary evidence required under Clause 3.2.3 for each Milestone claimed, is to be attached to the certificate. This format (and certificate) does not replace or supersede the Allocated Capacity Completion Certificate prescribed in Appendix XIX, which remains applicable.

Copy to: Independent Engineer, [name and address]

APPENDIX XIX
Indicative Allocated Capacity Completion Certificate

[Note: This format is indicative and maybe revised/updated/modified by the Government / PMA from time to time.]

Date: xx/xx/xxxx

From
XXXXX (Name of PMA, Address, E-mail)

To
[The Beneficiary's Name and Address]

Sir/Madam,

Subject: Issuance of Completion Certificate under LOA dated [insert]

1. We refer to the Independent Engineer's project completion report dated [dd/mm/yyyy] in respect of the Project implemented by [insert name of Beneficiary] under the Letter of Award dated [dd/mm/yyyy] issued by the Ministry of Heavy Industries, Government of India.
2. Based on, and on the recommendation of, the Independent Engineer as set out in the project completion report referred to in paragraph 1 above, and having reviewed the accompanying documentation, the Project Management Agency hereby issues this Completion Certificate in respect of the Project.
3. The PMA confirms that, as at [dd/mm/yyyy], the entire Allocated Capacity of [insert MTPA] for manufacturing of sintered NdFeB REPM from NdPr oxide (including all intermediate processes) has been commissioned in accordance with the RFP and the LOA.

Yours Sincerely,
For and on behalf of [name of PMA]

.....
[Authorised signatory's name]
[Designation]
[Seal]

Copy to: Independent Engineer, [name and address]

APPENDIX XX
Indicative Sales Incentive Disbursement Form
(Refer Clause 3.9.3)

[*Note: This disbursement form is indicative and maybe revised/updated/modified by the Government / PMA from time to time.*]

This Sales Incentive Disbursement Form is being submitted by [*the Beneficiary name*] (the “**Beneficiary**”) to the Government pursuant to Clause 3.9.3 (*Sales Incentive*) of the RFP document dated [*insert*], for claiming Sales Incentives under the Scheme to Promote Manufacturing of Sintered Rare Earth Permanent Magnet. The terms capitalised but not defined herein shall have the meaning assigned to them in the RFP.

[*Note: For the purposes of this Form: (i) the Beneficiary may submit claims on a half-yearly or annual basis, as indicated below; (ii) the half-yearly periods are 1 April–30 September and 1 October–31 March; (iii) the annual period is 1 April–31 March; (iv) for half-yearly claims, the final submission dates are 31 March of the same Financial Year for the half-year from 1 April to 30 September, and 31 December of the immediately following Financial Year for the half-year from 1 October to 31 March; (v) for annual claims, the final submission date is 30 September of the Financial Year immediately following the Financial Year in which the relevant claim period ended; and (vi) for the final claim period within the Scheme Tenure, this Form must be submitted no later than six months from the end of that final claim period. Claims submitted after the applicable final date shall lapse and will not be accepted.*]

I. Beneficiary and LOA Particulars

| Serial No. | Field | Details |
|------------|--|----------------------------|
| 1. | Beneficiary legal name | |
| 2. | CIN | |
| 3. | Registered address | |
| 4. | GSTIN | |
| 5. | Contact person (authorised signatory) | |
| 6. | Email and telephone | |
| 7. | LOA number and date | |
| 8. | Allocated Capacity (tonnes per annum) | |
| 9. | Sales Incentive rate per kg as per LOA (subject to per-kg ceiling) | INR [<i>insert</i>] / kg |

II. Claim Period and First/Last-Claim Status

| Serial No. | Field | Details |
|------------|---|---|
| 1. | Is this the first Sales Incentive claim following commissioning, or the last Sales Incentive claim? (<i>Tick one</i>) | Yes [<input type="checkbox"/>] No [<input type="checkbox"/>] Note to Beneficiary: If this is your first claim, the claim period runs from the LOA Date until the immediately succeeding 30 September or 31 March (as applicable). |
| 2. | Period start date (dd/mm/yyyy) | |

| | | |
|----|--|--|
| 3. | Period end date (dd/mm/yyyy) | |
| 4. | Half-yearly disbursement / Annual Disbursement | Half-Yearly Disbursement [] Annual Disbursement [] Note to Beneficiary: Please tick one. The claim period must correspond to (i) 1 April–30 September or 1 October–31 March for a half-yearly claim; or (ii) 1 April–31 March for an annual claim. |

III. Product and Sales Summary for Claim Period

| Serial No. | Field | Details |
|------------|--|---------|
| 1. | HSN code | |
| 2. | Sales quantity during period (kg) | |
| 3. | Net sales turnover for sintered NdFeB REPM during period (INR, net of Taxes) | |

IV. Incentive Computation for Claim Period

| Serial No. | Field | Details |
|------------|---|------------|
| 1. | Quoted Sales Incentive Rate per kg as per LOA | INR .../kg |
| 2. | Sales quantity during period (kg) | ... kg |
| 3. | Gross Sales Incentive (1 × 2) | INR ... |
| 4. | 40% of net sales turnover for this period (excluding GST) | INR ... |
| 5. | Cumulative Sales Incentive received to date | INR ... |
| 6. | Cap on Sales Incentive as per LOA for Allocated Capacity | INR ... |
| 7. | Remaining Sales Incentive under cumulative cap (i.e. 6-5) | INR ... |
| 8. | Sales Incentive claimed (i.e. lowest of 3, 4 and 7) | INR ... |

V. Supporting Documents Checklist

| Serial No. | Field | Attached |
|------------|---|----------|
| 1. | Completed Sales Incentive Disbursement Form (this Appendix XX) duly signed | [] |
| 2. | Appendix XXI invoice summary for the claim period along with original invoices | [] |
| 3. | Statutory auditor's certificate(s) certifying sales value, sales quantities and capacity and GST paid on reported sales, and reconciliation with financial statements and GST returns | [] |
| 4. | Quarterly GST reports for each quarter falling in the claim period and the most recent GST audit report | [] |
| 5. | First-claim only: Documents required under Clause 3.2.3 (Verification of Commissioning) | [] |
| 6. | First-claim only: Milestone Completion Certificate under Clause 1.3.1 (Milestones) | [] |
| 7. | First-claim only: Completion Certificate under Clause 3.7 (Allocated Capacity) | [] |

| | | |
|-----|--|-----|
| 8. | First-claim only: Date of Capital Subsidy Disbursement Request Letter | [] |
| 9. | Self-certification on the Beneficiary's letterhead stating that each of the products sold in relation to which Sales Incentive is being claimed is a sintered NdFeB REPM | [] |
| 10. | Integrity Pact issued by the Beneficiary* | [] |

Note: The aforesaid list is indicative and not exhaustive. The Beneficiaries may be required to submit additional document(s) for verification by the Government.

**Format of the Integrity Pact for each disbursement shall be as separately prescribed by the Government/ PMA*

VI. Bank account details for remittance

- Account holder name (must be the Beneficiary):
- Bank name and branch:
- Account number:
- IFSC:
- LEI code of Beneficiary:
- Type of account:
- Cancelled cheque and bank confirmation letter attached: Yes/No

VII. Beneficiary's Certifications and Declarations

The undersigned, being the authorised signatory of the Beneficiary, hereby certifies, declares and undertakes that:

1. All information stated in this form and in the enclosures is true, complete and accurate in all material respects, and nothing material has been concealed or misstated.
2. The sintered NdFeB REPM covered by this claim were manufactured by the Beneficiary in India during the claim period and sold on arm's length terms; the sales quantities and net sales turnover stated above are consistent with the Beneficiary's books of account and GST returns for the claim period. The sintered NdFeB REPM was manufactured from NdPr oxide as the starting raw material at the Project and all intermediate processes (including, without limitation, the manufacturing of NdPr metal, and NdFeB alloy) were performed at the Project.
3. The Sales Incentive claimed has been computed strictly in accordance with the RFP, the LOA and the Scheme, including application of the per-kg ceiling, the 40% (forty per cent) cap on net sales turnover for the claim period and the capacity-linked cumulative cap.
4. No Sales Incentive is claimed in respect of any sale already the subject of a prior claim, and no double-claim has been or will be made for the same sales under any other central government incentive scheme.
5. The Beneficiary agrees that disbursement shall be subject to verification by the Independent Engineer and the Government.

If this is the first Sales Incentive claim following commissioning, the Beneficiary has enclosed, to the Government's satisfaction, the documents required under Clause 1.3.1 (*Milestone Completion Certificate*), Clause 3.2.3 (*Verification of Commissioning*) and the Completion Certificate issued under Clause 3.7 (*Inspection*).

6. The bank account specified in paragraph VI above is held in the name of the Beneficiary; any change will be notified in writing with supporting documents prior to disbursement.

Place:

Seal:

Date:

Authorized Signature of beneficiary with date and seal:

Name of the Authorized person with contact number:

Designation

Company Seal

Verified by

.....

Name of Statutory Auditor

Company Seal

APPENDIX XXI
Sample Draft Invoice

| Invoice details | | | | | | |
|---|--|----------|-------------------|----------------------|--|------------|
| Invoice No. | | | | | | |
| Invoice date | | | | | | |
| PO No. | | | | | | |
| PO date | | | | | | |
| Details of Buyer | | | Details of Seller | | | |
| Name | | | | Seller's Name | | |
| Address | | | | Address | | |
| Mobile No. | | | | Mobile No. | | |
| E-mail ID | | | | Email ID | | |
| PAN | | | | GSTIN | | |
| GSTIN | | | | | | |
| | | | | | | |
| Description of Product Sold | | | | | | |
| S. No. | Details of Product | HSN Code | No. Sold (units) | Quantity Sold (kgs.) | Rate (₹) | Amount (₹) |
| 1. | <ul style="list-style-type: none"> • Magnet grade • Dimensions | | | | <ul style="list-style-type: none"> • Per unit price • Per kg price | |
| 2. | | | | | | |
| 3. | | | | | | |
| Total Amount | | | | | | |
| CGST @ % | | | | | | |
| SGST @ % | | | | | | |
| IGST @ % | | | | | | |
| Duties/ Surcharges (in case of exports) | | | | | | |
| Grand Total | | | | | | |
| Amount in words: Indian Rupees | | | | | | |

APPENDIX XXII
Indicative Capital Subsidy Disbursement Request Letter
(Refer Clause 3.9.2)

[Note: This disbursement form is indicative and maybe revised/updated/modified by the Government / PMA from time to time.]

[On the Beneficiary's letterhead]

Date: [insert]

To: [insert] Division Ministry of Heavy Industries Government of India [Address as notified in the RFP/Scheme]

Subject: Request for disbursement of Capital Subsidy under the MHI REPM Scheme pursuant to Clause 3.9.2 (Capital Subsidy Disbursement) of the RFP

Dear Sir/Madam,

This request is being submitted by the Beneficiary to the Government pursuant to Clause 3.9.2 (Capital Subsidy Disbursement) of the RFP for disbursement of the time Capital Subsidy upon commissioning of the Project and issuance of the Completion Certificate under Clause 3.7 (Completion Certificate). The information and enclosures below are provided to support verification in accordance with Clause 3.2.3 (Verification of Commissioning), Clause 3.7 (Completion Certificate) and the Scheme.

A. Beneficiary particulars

- Legal name of Beneficiary:
- Corporate Identification Number (CIN/LLPIN):
- Registered address:
- GSTIN:
- Contact person (authorised signatory):
- Designation:
- Email and telephone:
- Board/Governing authorisation reference (date/number) for submission of this request:

B. LOA and Project particulars

- LOA number and LOA Date:
- Allocated Capacity (tonnes per annum):
- Project site address(es) and State(s):
- Date of commissioning of the Project (dd/mm/yyyy):
- Completion Certificate number and date under Clause 3.7:
- Brief description of installed production lines and key equipment (attach list if needed):

C. Capital Subsidy computation summary

- Eligible capital expenditure as per the Scheme and the LOA (INR): [●]
- Applicable Capital Subsidy rate/ceiling as per the Scheme and the LOA: [●]
- Computed Capital Subsidy amount (before applying any cap) (INR): [●]
- Applicable cap/maximum Capital Subsidy permissible (INR): [●]
- Capital Subsidy claimed (INR) (subject to Scheme/RFP caps): [●]

Notes:

1. The above figures are supported by the statutory auditor's certificate and the documentary evidence enclosed with this request.

2. Terms used in this Annexure have the meanings given in the RFP and the Scheme. Taxes shall be treated in accordance with the Scheme and Applicable Law.

D. Bank account details for remittance

- Account holder name (must be the Beneficiary):
- Bank name and branch:
- Account number:
- IFSC:
- LEI code of Beneficiary:
- Type of account:
- Cancelled cheque and bank confirmation letter attached: Yes/No

E. Enclosures checklist

Please tick “Yes” against each item enclosed; where “No”, provide an explanation.

- Documents required under Clause 3.2.3 (Verification of Commissioning), including specifically: (i) the Certificate(s) from the Department of Industries and chartered engineer confirming that the facility has been commissioned with the required installed capacity and is capable of manufacturing sintered NdFeB REPM from NdPr oxide; (ii) A certificate from the statutory auditor confirming that Eligible Investment including plant, machinery and equipment have been capitalised in the books of account and the Project and that sales have commenced; and (iii) commissioning reports, and evidence of utilities readiness: Yes/No
- Completion Certificate under Clause 3.7 (Allocated Capacity) for entire Allocated Capacity: Yes/No
- Statutory auditor’s certificate(s) evidencing: a) the amount and nature of eligible capital expenditure as per the Scheme and the LOA, with vendor-wise details and proof of payment; and b) reconciliation with the Beneficiary’s books of account and relevant GST returns: Yes/No
- List of major equipment installed with serial numbers, invoices and proof of payment: Yes/No
- Copy of LOA and any subsequent clarifications relevant to Capital Subsidy computation: Yes/No
- Board/Governing authorisation for submission and bank account nomination: Yes/No
- Cancelled cheque and bank confirmation letter for the account specified in Section D: Yes/No
- Self-certification on the Beneficiary’s letterhead stating that each of the products intended to be manufactured (in relation to which Capital Subsidy is being claimed) are sintered NdFeB REPM;
- Integrity Pact issued by the Beneficiary¹¹; and
- Any other document required under the RFP/Scheme or notified by the Government/ PMA: Yes/No

F. Beneficiary’s declarations and undertakings

The undersigned, being the authorised signatory of the Beneficiary, hereby declares, certifies and undertakes that:

1. The Project has been commissioned and the Completion Certificate under Clause 3.7 has been issued as stated above; true copies of the documents required under Clause 3.2.3 and the Completion Certificate are enclosed.
2. The computation of the Capital Subsidy has been made strictly in accordance with the RFP, the LOA and the Scheme, including all applicable ceilings and caps, and is supported by the statutory auditor’s certifications and the documentary evidence enclosed.

¹¹ Note: Format of the Integrity Pact for each disbursement shall be as separately prescribed by the Government/ PMA

3. All information provided in this request and in the enclosures is true, complete and accurate in all material respects and nothing material has been concealed or misstated.
4. No Capital Subsidy has previously been claimed or disbursed for this Project under the Scheme; no double claim will be made for the same capital expenditure under any other central government incentive scheme.
5. The bank account specified in paragraph D above is held in the name of the Beneficiary; any change will be notified in writing with supporting documents prior to disbursement.
6. The Beneficiary acknowledges that disbursement shall be subject to verification by the Independent Engineer and the Government/ PMA.

Yours faithfully,

For and on behalf of [Beneficiary]

Name:

Designation:

Signature:

Company seal:

Place:

Date: