



काँका : संगठन एवं पद्धति प्रभाग
CO: ORGANISATION AND METHODS DIVISION

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आईबी: IB:काँका:CO/ सं एवं प O&M: COR/01/2015-16

दिनांक Date: 24.03.2016

Corrigendum

Reference is invited to our RFP 001/CO:O&M/BPR/2015-16 dated 16.03.2016. As our Bank has adopted Integrity Pact as per the directions of Central Vigilance Commission, all the bidders have to enter into an agreement with the Bank. As this process starts from the RFP stage itself, all the bidders are requested to sign and enclose the Integrity Pact agreement along with their bid submission itself. (The draft copy of the agreement is enclosed herewith)

General Manager (IED)

Letter to be submitted by the prospective bidders in their letterhead

To
The General Manager (IED)
Indian Bank, Corporate Office,
254-260, Avvai Shanmugam Salai
Royapettah
Chennai 600014

Sub :

Ref:

We refer to your notification for corrigendum published in the India Bank Website and we confirm that we will enter into an Integrity Pact agreement with the Bank

Yours faithfully,

Signature of the bidder

Place :

Date:

(To be executed by the successful bidder on Rs.100/- stamp paper for all applicable tenders of value > Rs.1000 lakh)

INTEGRITY PACT

Between

Indian Bank hereinafter referred to as “The Bank”

and

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

Preamble

The Bank intends to award, under laid down organizational procedures, contract/s for The Bank values full compliance with all relevant laws of the land, rules, regulations, economic use of resources and of fairness / transparency in its relations with its Bidders(s) and / or Contractor(s).

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

Section 1 – Commitments of the Bank

- (1) The Bank commits itself to take all measures necessary to prevent corruption and to observe the following principles:
 - a. No employee of the Bank, personally or through family members, will in connection with the tender for, or the execution of a contract, demand, take a promise for or accept, for self or third person, any material or immaterial benefit which the person is not legally entitled to.
 - b. The Bank will, during the tender process treat all Bidder(s) with equity and reason. The Bank will in particular, before and during the tender process, provide to all Bidder(s) the same information and will not provide to any Bidder(s) confidential/additional information through which the Bidder(s) could obtain an advantage in relation to the tender process or the contract execution.
 - c. The Bank will exclude from the process all known prejudiced persons.
- (2) If the Bank obtains information on the conduct of any of its employees which is a criminal offence under the IPC/PC Act, or it there be a substantive suspicion in this regard, the Bank will inform the Chief Vigilance Officer and in addition can initiate disciplinary actions.

Section 2 – Commitment of the Bidder(s)/Contractor(s)

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

- (a) The Bidder(s) / Contractor(s) will not, directly or through any other person or firm, offer, promise or give to any of the Bank's employees involved in the tender process or the execution of the contract or to any third person any material or other benefit which he/she is not legally entitled to, in order to obtain in exchange any advantage of any kind whatsoever during the tender process or during the execution of the contract.
 - (b) The Bidder(s) / Contractor(s) will not enter with other Bidders into any undisclosed agreement or understanding, whether formal or informal. This applies in particular to prices, specifications, certifications, subsidiary contracts, submission or non-submission of bids or any other actions to restrict competitiveness or to introduce cartelization in the bidding process.
 - (c) The Bidder(s) / Contractor(s) will not commit any offence under the relevant IPC/PC Act: further, the Bidder (s) / Contractor (s) will not use improperly, for purpose of competition or personal gain, or pass on to others, any information or documents provided by the Bank as part of the business relationship, regarding plans, technical proposals and business details, including information contained or transmitted electronically.
 - (d) The Bidder (s) / Contractor (s) of foreign origin shall disclose the name and address of the Agents/Representatives in India, if any. Similarly, the Bidder(s)/Contractor (s) of Indian Nationality shall furnish the name and address of the foreign principals, if any. Further, as mentioned in the "Guidelines on Indian Agents of Foreign Suppliers" shall be disclosed by the Bidder (s) / Contractor (s). Further as mentioned in the Guidelines, all the payments made to the Indian Agent/Representative have to be in Indian Rupees only. Copy of the "Guidelines on Indian Agents of Foreign Suppliers" is placed at Annexure.
 - (e) The Bidder (s) / Contractor (s) will, when presenting his bid, disclose any and all payments he has made, is committed to or intends to make to agents, brokers or any other intermediaries in connection with the award of the contract.
- (2) The Bidder (s) / Contractor (s) will not instigate third persons to commit offences outlined above or be an accessory to such offences.

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

If the Bidder (s) / Contractor (s), before award or during execution has committed a transgression through a violation of Section 2, above or any other form such as to put his reliability or creditability in question, the Bank is entitled to disqualify the Bidder (s) / Contractor (s) from the tender process.

Section 4 – Compensation for Damages

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

Section 5 – Previous Transgression

- (1) The Bidders declares that no previous transgressions occurred in the last three years with any other Company in any country conforming to the anti-corruption approach or with any other Public Sector Enterprises in India that could justify his exclusion from the tender process.
- (2) The Bidder agrees that if he makes incorrect statement on this subject, bidder is liable to be disqualified from the tender process or the contract, if already awarded, is liable to be terminated for such reason.
- (3) The imposition and duration of the execution of the bidder will be determined by the bidder based on the severity of transgression.
- (4) The Bidder/Contractor acknowledges and undertakes to respect and uphold the Bank absolute right to resort to and impose such exclusion.
- (5) Apart from the above, the Bank may take action for banning of business dealings/holiday listing of the Bidder/ Contractor as deemed fir by the Bank.
- (6) If the Bidder/Contractor can prove that he has resorted/recouped the damage caused by him and has implemented a suitable corruption prevention system, the Bank may, at its own discretion, as per laid down organizational procedures, revoke the exclusion prematurely.

Section 6 – Equal treatment of all Bidders/Contractors/Sub-Contractors

- (1) The Bidder(s)/Contractor(s) undertake(s) to demand from all sub-contractors a commitment in conformity with this Integrity Pact, and to submit it to the Bank before contract signing. The Bidder(s)/Contractor(s) shall be responsible for any violation(s) of the principles laid down in this agreement/Pact by any of its Sub-contractors/Sub-vendors.
- (2) The Bank will enter into agreement with identical conditions as this one with all Bidders/Contractors.
- (3) The Bank will disqualify from the tender process all bidders who do not sign this Pact or violate its provisions.

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

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

Section 8 – Independent External Monitor / Monitors

- (1) The Bank appoints competent and credible Independent External Monitor for this Pact. The task of the Monitor is to review independently and objectively, whether and to what extent the parties comply with the obligations under this agreement.
- (2) The Monitor is not subject to instructions by the representatives of the parties and performs his functions neutrally and independently. It will be obligatory for him to treat the information and documents of the Bidders/Contractors as confidential. He reports to the Authority designated by the Bank.

- (3) The Bidder(s)/Contractor(s) accepts that the Monitor has the right to access without restriction to all Project documentations of the Bank including that provided by the Contractor. The Contractor will also grant the Monitor, upon his request and demonstration of a valid interest, unrestricted and unconditional access to his project documentation. The same is applicable to Subcontractors. The Monitor is under contractual obligation to treat the information and documents of the Bidders)/Contractors(s)/Subcontractors(s) with confidentiality.
- (4) The Bank will provide to the Monitor sufficient information about all meetings among the parties related to the Project provided such meetings could have an impact on the contractual relations between the Bank and the Contractor. The parties offer to the Monitor the option to participate in such meetings.
- (5) As soon as the Monitor notices, or believes to notice, a violation of this agreement, he will so inform the Management of the Bank and request the Management to discontinue or take corrective action, or to take other relevant action. The Monitor can in this regard submit non-binding recommendations. Beyond this, the Monitor has no right to demand from the parties that they act in a specific manner, refrain from action or tolerate action.
- (6) The Monitor will submit a written report to the Authority designated by the Bank, within 8 to 10 weeks from the date of reference or intimation to him by the Bank and, should the occasion arise submit proposals for correcting problematic situations.
- (7) If the Monitor has reported to Authority designated by the Bank, a substantiated suspicion of an offence under relevant IPC/PC Act, and the Authority designated by the Bank has not, within the reasonable time taken visible action to proceed against such offence or reported it to the Chief Vigilance Officer, the Monitor may also transmit this information directly to the Central Vigilance Commissioner.
- (8) The word '**Monitor**' would include both singular and plural.

Section 9 – Pact Duration

This pact begins when both parties have legally signed it. It expires for the Contractor 12 months after the last payment under the contract, and for all other Bidders 6 months after the contract has been awarded.

If any claim is made/lodged during this time, the same shall be binding and continue to be valid despite the lapse of this pact as specified above, unless it is discharged/determined by the Bank.

Section 10 – Examination of Books of Accounts

In case of any allegation of, violation of any provisions of this Integrity Pact or payment of commission, the Bank or its agencies shall be entitled to examine the Books of Accounts of the Bidder and the Bidder shall provide necessary information of the relevant financial documents in English and shall extend all possible help for the purpose of such examination.

Section 11 – Other provisions

- (1) This agreement is subject to Indian Law, Place of performance and jurisdiction is the Corporate Office of the Bank, i.e. Chennai.

GUIDELINES FOR INDIAN AGENTS OF FOREIGN SUPPLIERS

- 1.0 There shall be compulsory registration of agents for all Global (Open) Tender and Limited Tender. An agent who is not registered with Bank shall apply for registration in the prescribed Application-Form available on www.indianbank.in
- 1.1 Registered agents will file an authenticated Photostat copy duly attested by a Notary Public / Original certificate of the principal confirming the Agency agreement and giving the status being enjoyed by the agent and the commission/remuneration/salary/retainership being paid by the principal to the agent before the placement of order by Bank.
- 1.2 Wherever the Indian representatives have communicated on behalf of their principals and the foreign parties have stated that they are not paying any commission to the Indian agents and the Indian representative is working on the basis of salary or as retainer, a written declaration to this effect should be submitted by the party (i.e. Principal) before finalizing the order.

2.0 DISCLOSURE OF PARTICULARS OF AGENTS/REPRESENTATIVES IN INDIA, IF ANY:

- 2.1 Tenderers of Foreign Nationality shall furnish the following details in their offer:
 - 2.1.1. The name and address of the agents/representatives in India, if any and the extent of authorization and authority given to commit the Principals. In case the agent/representative be a foreign company, it shall be confirmed whether it is real substantial Company and details of the same shall be furnished.
 - 2.1.2 The amount of commission/remuneration included in the quoted price(s) for such agents/representatives in India.
 - 2.1.3 Confirmation of the Tenderer that the commission/remuneration if any, payable to his agents/representatives in India, may be paid by Bank in Indian Rupees only.
- 2.2 Tenderers of Indian Nationality shall furnish the following details in their offers:
 - 2.2.1 The name and address of the foreign principals indicating their nationality as well as their status, i.e. whether manufacturer or agents of manufacturer holding the Letter of Authority of the Principal specifically authorizing the agent to make an offer in India in response to tender either directly or through the agents/representatives.
 - 2.2.2 The amount of commission/remuneration included in the price (s) quoted by the Tenderer for himself.
 - 2.2.3 Confirmation of the foreign principals of the Tenderer that the commission/remuneration, if any, reserved for the Tenderer in the quoted price (s), may be paid by Bank in India in equivalent Indian Rupees on satisfactory completion of the Project or supplies of Stores and Spares in case of operation items.
- 2.3 In the either case, in the event of contract materializing, the terms of payment will provide for payment of the commission/remuneration, if any payable to the agents/representatives in India in Indian Rupees on expiry of 90 days after the discharge of the obligations under the contract.
- 2.4 Failure to furnish correct and detailed information as called for in paragraph 2.0 above will render the concerned tender liable for rejection or in the event of a contract materializing,

the same is liable to termination by Bank. Besides this there would be a penalty of banning business dealings with Bank or damage or payment of a named sum.

**3.0 DISCLOSURE BY INDIAN AGENTS OF PARTICULARS OF THEIR FOREIGN SUPPLIER/
CONTRACT AGENCY AND FURNISHING OF REQUISITE INFORMATION.**

3.1.1 The name and address of foreign supplier/contract agency indicating their nationality as well as their status, i.e. manufacturer or agent of manufacturer holding the letter of authority.

3.1.2 Specific authorization letter by the foreign supplier/contract agency authorizing the agent to make an offer in India in response to tender either directly or through their agents / representatives.