

**MINISTRY OF TEXTILES
GOVERNMENT OF INDIA
UDYOG BHAWAN, RAFI MARG, NEW DELHI**

**TENDER NOTICE
ONLINE BIDS ARE INVITED FOR
ENGAGEMENT OF FIRM OF CHARTERED ACCOUNTANTS/COST ACCOUNTANTS /
COMPANIES / LLPS
FOR FORENSIC AUDIT OF BICL/ HHEC/NJMC/BJEL of MINISTRY OF TEXTILES**

Interested parties may visit Ministry of Textiles website – www.texmin.nic.in under tenders or <https://eprocure.gov.in/cppp> for detailed tender document. Last date of tender submission is 15.10.2020 upto 11:30 A.M. Tenders will be opened on 16.10.2020 at 12:00 P.M.

Pre-bid meeting will be held at 03.00 P.M. on 01.10.2020 at Udyog Bhawan, Ministry of Textiles, Rafi Marg, New Delhi-110001

Addendum / Corrigendum, if any, to the tender document will be published only on MoT website and CPPP Portal.

**Under Secretary
Ministry of Textiles**

**Request for Proposal (RFP) for
Engagement of Firm of Chartered Accountants/Cost Accountants/ Companies/LLPs
for Forensic Audit of CPSEs of Ministry of Textiles**

RFP No. PSU/MoT/Forensic Audit/2020 dated 24.09.2020

Ministry of Textiles
Registered Office: Udyog Bhawan, Rafi Marg, NewDelhi-110001

INSTRUCTION TO BIDDER

All Bidders shall note the followings:

- (a) Bids are compulsorily to be filed through E-procurement portal (<https://eprocure.gov.in/cppp>), Bids received offline shall not be entertained.
- (b) Bids that are incomplete in any respect or those that are not consistent with the requirements as specified in this bid document may be considered non-responsive and may be liable for rejection.
- (c) Strict adherence to formats, wherever specified, is required. Non-adherence to formats shall be a ground for declaring the Bid non-responsive.
- (d) All communication and information should be provided in writing and in the English language only.
- (e) The metric system shall be followed for units.
- (f) All communication and information provided shall be legible, and wherever the information is given in figures, the same should also be mentioned in words. In case of conflict between amounts stated in figures and words, the amount stated in words will be taken as correct.
- (g) No change in, or supplementary information to a Bid shall be accepted once submitted. However, **Ministry of Textiles (MoT)** reserves the right to seek additional information from the Bidders, if found necessary, during the course of evaluation of the Bid. Non-submission, incomplete submission or delayed submission of such additional information or clarifications sought by MoT, may be a ground for rejecting the Bid.
- (h) The Bids shall be evaluated as per the criteria specified in this Bid by the Committee constituted for the purpose. However, within the broad framework of the evaluation parameters as stated in the bid document, MoT reserves the right to make modifications to the stated evaluation criteria, which would be uniformly applied to all the Bidders.
- (i) The Bid (and any additional information requested subsequently) shall also bear the initials of the Authorised Signatory and stamp of the entity thereof on each page of the Bid.
- (j) MoT reserves the right to reject any or all of the Bids without assigning any reason whatsoever.
- (k) Mere submission of information does not entitle the Bidder to meet an eligibility criterion. MoT reserves the right to vet and verify any or all information submitted by the Bidder.
- (l) If any claim made or information provided by the Bidder in the Bid or any information provided by the Bidder in response to any subsequent query by MoT, is found to be incorrect or is a material misrepresentation of facts, then the Bid will be liable for rejection. Mere clerical errors or bona fide mistakes may be treated as an exception at the sole discretion of MoT and if MoT is adequately satisfied.
- (m) The Bidder shall be responsible for all the costs associated with the preparation of the Bid. MoT shall not be responsible in any way for such costs, regardless of the conduct or outcome of this process.

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1. IMPORTANT POINTS FOR PARTICIPATION:

The eligible Bidders are requested to read carefully the instructions contained in the Request for Proposal (RFP) and submit their bids in line with the requirement indicated. The bid is required to be submitted online as follows:

Bid to be submitted Online on CPP Portal.			
Sl. No.	Tender Schedule	Start Date & Time	End Date & Time
1.	Tender Authorization and Publishing	24.09.2020, 10:00 AM	15.10.2020, 11:30 AM
2.	Tender Document Download	24.09.2020, 10:01 AM	15.10.2020, 11:30 AM
3.	Pre Bid Meeting	01.10.2020, 03.00 PM	
4.	Bid Submission	24.09.2020, 10:01 AM	15.10.2020, 11:30 AM
5.	Opening Cover 1 - EMD Details & Technical Proposal	16.10.2020, 12:00 P.M.	
6.	Opening Cover 2 - Financial Proposal	Date of opening of Financial Bid will be intimated after the technical evaluation.	
Validity of the Offer for acceptance by MoT		Bids shall remain valid for minimum 180 days from the date of last date of submission of Bids.	

Summary of other relevant details of the RFP is as under:

1.1	Time line for submission of Final Report	3 months from the date of signing of agreement with MoT
1.2	Scope of Work (Terms of Reference)	As detailed in RFP
1.3	Shortlisting of Bidders for Financial Evaluation	As detailed in RFP
1.4	Evaluation criteria for Successful Bidder	Final evaluation will be based only on L1 quoted rates of technically qualified bidders.
1.5	Payment	10% upon the commencement of work against 10% Bank Guarantee, 40% upon submission of draft report and 50% upon acceptance of final report.
1.6	Confidentiality Clause	As detailed in the RFP
1.7	Conflict of Interest Provisions	As detailed in the RFP

2. OVERVIEW

BICL:

The British India Corporation Limited (BICL) is a schedule “B” public sector company under the ambit of Ministry of Textiles, Government of India, engaged in production of woollen and worsted fabric, lohi, blanket, shawl etc. through its 2 units viz. Cawnpore Woollen Mills (CWM) (located at Kanpur UP) and New Edgerton Woollen Mills (NEWM) (Located at Dhariwal Punjab). The British India Corporation Limited was incorporated as a public limited Company in 1920. All the private shares of the company were acquired by the Govt. of India in 1981 under the BIC Acquisition of Shares Act, 1981. BIC was referred to Board of Industrial Finance and Reconstruction (BIFR) in 1991 and was declared sick in the year 1992. A revival scheme MS02 amounting INR 210.51 Cr was approved by the Cabinet on 20.11.2000. This scheme was based on sale of surplus land. BIC could sell the land at Kanpur and Dhariwal for & of only INR 92 Cr. from the year 2002 to 2007. Therein, 31.29 acre of lease hold land was sold (out of which for 7.6-acre land, full sales consideration amounting to INR 42.88 Cr was received, and for the land 23.58 acres BIC has received only (INR 14.28 Cr), 25% of the full sales consideration amount, the matter is currently under CBI investigation). Further sales of land at Kanpur could not happen as it was on lease hold. Another revival scheme MS-08 was approved by Cabinet on 09.06.2011, subject to condition that permission is first obtained for sale of surplus land from Government of UP. This revival scheme also could not take off as UP Govt. is yet to convert BIC lease hold land to free hold. NITI Aayog had recommended for closure of BIC in 2017. The preliminary activity for the closure of BIC is under process.

HHECL:

The Handicrafts & Handlooms Exports Corporation of India Ltd. (the “Corporation”) is a Government of India Undertaking under the administrative control of Ministry of Textiles. It was established in the year 1958, as “Indian Handicrafts Development Corporation Ltd” with the twin objectives of (i) export promotion and (ii) trade development of handicraft and handloom products. In the Year 1962, it was renamed as “The Handicrafts & Handlooms Exports Corporation of India Limited”. The Corporation is presently is a two-star export house engaged in exports of handicraft and handloom products (including hand knotted woollen carpets and ready- made garments). The Corporation was nominated in the year 1997-98 for import of bullion and sale in the domestic market. Ministry of Textiles (MoT) decided to phase out bullion business and therefore HHEC has decided to close the bullion business in July 2018. Since then no operations /trade in bullion carried out.

Business set up- Regd. Office at Delhi, Corporate Office at Noida and Branches at Chennai, Kolkata, and Mumbai. Garment Factory at Chennai and Noida. Two Souvenir and Museum Shops at Crafts Museum Lota Shop at Delhi and Salarjung Museum Shop, Hyderabad.

NJMC :

National Jute Manufactures Corporation Ltd. (NJMC.) is a schedule “B” public sector company under the ambit of Ministry of Textiles, Government of India, engaged in manufacturing and production of jute bags. It was incorporated under the Companies Act, 1956 on 3.06.1980. It has six mills out of which 5 are located in West Bengal and 1 mill in Katihar, Bihar.

Earlier, the BIFR had directed the Company to sale/dispose off the assets of the Company including the land of three closed mills. Moreover, operations have also stopped at the three revival mills from the financial year 2016-17.

NJMC LTD. has total land measuring around 327.83 acres. The Union Cabinet has approved the closure of the company on 10th October, 2018

BJEL:

Birds Jute & Exports Ltd. (BJEL)was initially a subsidiary of Bird & Co Ltd. Following nationalization of Bird & Co Ltd on [October 25](#), 1980, Bharat Process & Mechanical Engineers Ltd (BPMEL) under Ministry of Heavy Industry took over the Assets of Bird & Co and BPMEL became a holder of 59% of BJEL's Equity Shares.

In 1986, GOI transferred entire equity shareholding of BPMEL in BJEL to National Jute Manufacturers Corporation Ltd (NJMC). Accordingly, BJEL became a subsidiary of NJMC Ltd w.e.f [November 20](#), 1986 and came under the administrative Ministry of Textile (MOT).

Company is the owner of 52.7528 acres of land and out of this land a portion of 3.0749 acres of land acquired by Govt of West Bengal in the year 1962-63. since then the company is in possession of 49.6779 acres of land subject to the encroachment of land by outsiders.

All the workers were given VRS in 2003, Staff in 2004, and Officers in 2011. At present, there are no permanent employees.

3. PROPOSAL

PSU Division, MoT proposes to engage a Firm of Chartered Accountants/ Cost Accountants/ Companies/LLPs for conducting Forensic Audit of BICL/HHEC/NJMC/BJEL on the areas and issues mentioned in the scope of work.

4. SCOPE OF WORK OF FORENSIC AUDIT (Terms of Reference)

1. Verification of legal & official documents of all moveable and immoveable assets of the Corporation.
2. Verification of legal & official documents of all Immoveable and moveable Assets including virtual assets of HHEC existing now or in past in India and abroad
3. Verification of the sales deed and also commenting on transactions of sale amount, which seems not to be transactions at arm's length
4. Verifying the process of sale of land including checking tender / bid process, controls in the awarding tender / bid.
5. Verification of lease deeds and also commenting on the arrangement made in the Lease Agreement which were not to be in the normal case.
6. Verification of sales deed & sale to agreement documents in case of sale of lease hold land, also commenting on transaction, sale amount and feasibility of cancellation of these transactions / agreements in terms of legal and financial implication and process

- required.
7. To ascertain the land of Associate Companies from revenue records and carry out physical verification . Commenting on feasibility of takeover of the land of Associate Companies along with financial implication and process required.
 8. Ascertaining the trail of the land during the period of audit.
 9. Identification of the receipts of funds from the sale of land and the utilization thereof.
 10. Verification of Physical records, vis-à-vis revenue record is required. However, the Auditor may conduct physical verification of the sites if it desires so to ascertain the Physical/existence of the assets.
 11. KYC of the person to whom the property /assets of HHEC in the country or abroad given under lease/ sold.
 12. Ascertaining the trail of the ownership of land till final and irrevocable transfer to CPSE and all other assets during the period of audit.
 13. Verifying the process of sale of machineries including checking tender/bid process, controls in awarding tender/bid.
 14. Identification of the receipts of funds from the sale of Plant & Machinery/equipment and the utilization thereof.
 15. Verification of all the bank transactions of the CPSEs
 16. Verification of books of accounts and related financial transactions of the CPSEs for last 20 financial years and comment thereof.

5. TIME LINES FOR COMPLETION OF WORK

- 5.1 It may be indicated that for the purpose of preparing the report; the Firm would be required to visit various places where the Joint Venture, Subsidiary & Associate Companies and Land of BICL,HHECL, NJMCL and BJEL are situated and the management will facilitate the visits. If any supporting document is required by the Firm the same will be provided by the BICL, HHECL, NJMCL and BJEL .
- 5.2 Firm shall be required to submit a draft report within a period of 2 (two) months from date of appointment and making detailed presentations on the subject matter within a week from the date of submission of draft report to PSU Division, MoT. Post presentation, the Firm shall, if required, incorporate the suggestions as may be requested or provide for any other additional clarification that may be required. The final deliverable shall be a Final report to be submitted within three months from the date of appointment.
- 5.3 The Terms of Reference (ToR) mentioned above are indicative and non- exhaustive in nature. There might be some services relevant but not expressly captured in the aforesaid ToR, which upon being brought to the notice of the Firm by MoT will also form an integral and mandatory part of the ToR.
- 5.4 If the final report as submitted by the Firm is found not to be in conformity with ToR as mentioned above, then MoT reserves the right to reject the report in toto.

6. ELIGIBILITY CRITERIA/TECHNICAL QUALIFICATION

- 6.1 The bidder should be empanelled as the Forensic Auditor with Securities and Exchange Board of India (SEBI) on the date of issue of tender notice.
- 6.2 The bidder must submit a copy of PAN, GST registration certificate, valid SEBI empanelled certificate.
- 6.3 The bidder must not have been black listed by any PSU/Government Organization. A self-declaration to this effect needs to be provided by the bidder.
- 6.4 EMD – Bidder must upload scanned copy of EMD DD/Bank Draft. The Technical Bids without or short EMD will not be considered and same will be treated as invalid Bid and no request would be entertained for the same. In such cases the financial bid of invalid tender will not be opened.
- 6.5 The Bidder must submit an Affidavit regarding no conviction, no conflict as per **Annexure – IV**.
- 6.6 **SIGNING OF INTEGRITY PACT** : The bidder must submit duly signed enclosed proforma as per **Annexure – V**, Integrity Pact. Only those bidders, who commit themselves to integrity pact will be considered to competent for participating in bidding process.

7. PRE-BID MEETING:

A pre-bid meeting will be held at 03:00 PM on 01.10.2020 at PSU, Division, Ministry of Textiles, Udyog Bhawan, New Delhi 110001. The interested parties are required to send their queries by e-mail before the pre-bid meeting to the Officer mentioned in clause 21 below.

8. SUBMISSION OF PROPOSAL (BID):

Online proposals/bids are to be submitted in two Covers as per the following directions:

8.1 Cover 1 : Technical Bid

- 8.1.1 An Earnest Money of Rs. 2,00,000/- (Rupees Two Lakhs only) in the shape of Bank Draft/Demand Draft in favour of ' Pay and Accounts Officer, Ministry of Textiles, payable at New Delhi. The EMD paid by the Bidder shall not carry any interest. The Bank Draft/Demand Draft (in original) should be sent to the Officer mentioned in clause 21 below after uploading the same in CPP portal.

The Earnest Money Deposit/Security Deposit will be forfeited if:

- I. Tenderer withdraws his bid or backs out after acceptance.

II. Tenderer does not accept assignment after he is selected as L1 and appointment letter is already issued.

III. Tenderer violates any of the conditions prescribed in the Tender Document.

IV. Tenderer changes any of the terms, during validity period. If the tenderer neglects or refuses to accept their rates quoted after submission of their tender or to comply with any of the conditions of the tender, the earnest money deposit already paid will be forfeited.

8.1.2 Technical Bid along-with all schedules, certificates & Annexure, duly filled, signed and stamped, by authorized signatory of Bidder as per Format at **Annexure – I**.

8.1.3 Confidentiality Undertaking in the Format at **Annexure – II**.

8.1.4 Certificate on unconditional bid in the format at **Annexure – III**. Please note that conditional bids shall be summarily rejected.

8.2 **Cover 2: Financial Bid**

Bidder should furnish online financial bid in the format as per **Annexure – VI**.

8.3 **REQUIREMENT FOR FINANCIAL BIDS:**

- a. The Bidder is required to quote a fixed lumpsum fee for aforesaid scope of work in Indian Rupees. **All applicable taxes should also be shown separately.**
- b. In case of any mismatch, the fee quoted in words will be taken as correct for all purposes, including evaluation of financial bids.
- c. The Fee quoted by the bidder shall remain FIXED till successful completion of assignment.
- d. The fee quoted by bidder shall be unconditional. All expenses would be borne by the Firm.
- e. The Bidders will be liable to pay all taxes applicable as per law.

Both Covers of the bid should be uploaded online separately, only ONLINE Bidding is accepted and Bids received offline in the Ministry of Textiles shall not be entertained.

The last date of submission of online Bids is 15.10.2020 till 11:30 AM. The Technical bid shall be opened at **12:00 P.M. on 16.10.2020** in presence of bidder / representative if they choose to be present.

Financial Bid to be opened of only those parties who qualify in the technical evaluation in presence of bidder / representative if they choose to be present. Please note that bids with any conditionality shall be summarily rejected.

Note:

- a) MoT reserves the sole right to accept or reject any or all proposals thus received without assigning any reason thereof.
- b) MoT will not be responsible for any delay on account of late submission of Bid. Late receipt of Bid will not be considered.
- c) Consortium bids will not be allowed.
- d) Declaration of close relations if any employed in MoT with particulars of names, relationship, designation, Department where working.
- e) Bank Account Details of the Bidder to receive payment in the format.
- f) While submitting the bid, bidders must ensure that bids are in compliance to the regulations applicable under various statutes. Any fine, penalty or expenses due to breach arising thereon will be borne by the bidder and MoT shall not be responsible for any financial implication on this account.
- g) **EMD Refund :**

EMD Refund will happen only after award or cancellation of the Tender. The EMD of unsuccessful Bidders will be returned only after cancellation/finalization of the Bid. EMD will not attract any interest. In case of successful Bidder, amount of the EMD will be released on submission of Performance Bank Guarantee equal to 10% of the fees quoted by the Successful Bidder.

- h) **Any clarification by the Bidder can also be sought during the Pre-Bid Meeting and no queries will be entertained after pre-bid meeting.**

9. PROCEDURE FOR SELECTION OF FIRM:

- 9.1 The Evaluation Committee would evaluate the Bidders on the criteria mentioned in clause 6 above based on their presentation and Proposals received and shortlist them for the purpose of opening of their Financial Bids. Only technically qualified bidder will be considered.
- 9.2 The financial bids of the technically qualified bidder shall only be opened. Final evaluation will be based only on L1 quoted rates of technically qualified bidders.
- 9.3 If the L-1 price is not reasonable as compared to the estimated price, the L-1 bidder will be asked to justify the rates quoted.
- 9.4 The party selected for award of the assignment will be required to provide **Performance Bank Guarantee amounting to 10% of the fee quoted by way of bank guarantee** valid till the completion of the assignment and acceptance of the report with a claim period of three months.

10. NO OBLIGATION CLAUSE:

During the course of the activities and any discussions, exchange of terms, clarifications etc., Bidder shall have no authority to obligate client in any manner, save and except as directed by the MoT in writing. The Bidder shall not in any manner give any commitments on behalf of the MoT.

11. EXTENSION OF VALIDITY OF BID:

In the exceptional circumstances, prior to expiry of the validity period, the MoT may, on the request, extend the validity period for a specific period not exceeding one month.

12. TERMS OF PAYMENT:

The payment to the selected bidder shall be paid in Indian Rupees as under:

10% upon the commencement of work against 10% Bank Guarantee,
40% upon submission of draft report and
50% upon acceptance of final report.

13. MODE OF PAYMENT:

The appointed firm will raise the tax invoices in triplicate to MoT. Taxes should be indicated separately while raising the bills for payment or fee.

The appointed firm will be liable to pay taxes/duties/cess etc. applicable as per prevailing law at their end and copy of the same will be submitted to MoT within 15 days for proof.

14. AGREEMENT:

The selected firm shall be required to enter into a Contract Agreement with MoT on Non-Judicial Stamp Paper.

15. RESERVATIONS:

The MoT reserves the right :

- (i) To discharge all Bids received and to re-invite offers; and
- (ii) To modify marginally and not substantially the recitals; conditions and covenants of the Tender/Contract Agreement at any time before its execution.

16. FORCE MAJEURE:

MoT shall not be liable for any failure or delay in execution of contract due to any cause beyond their control including fire, floods, strikes, go-slow, lock-out, closure, pestilence

dissidence dispute with staff dislocation of normal working conditions, war riots epidemics political upheavals Government actions commotion, breakdown of machinery, shortage of labour, demands or otherwise or any other cause or conditions beyond the control of aforesaid causes or not and the existence of such cause or consequence.

17. CONFIDENTIALITY:

It is agreed that not any time or times, disclose or make public any technical, marketing financial and commercial information with which you become acquainted or of which you become aware during the course of this agreement. In the event that the Firm or its representatives are requested pursuant to, or required by, applicable law or regulation or by legal or administrative process to disclose any Confidential Information, or where the Firm wishes to disclose to its professional indemnity insurers or to its advisors, the Firm agrees that it will, as far as is legally and practically possible, provide the Client with prompt notice of such request or requirement in order to enable the Client to seek an appropriate protective order or other remedy. In the event that such protective order or other remedy is not obtained, the Firm or its representatives, as the case may be, shall disclose only the portion of the Confidential Information which is legally or professionally required to be disclosed.

ii. The Firm shall be permitted to retain copies of such Confidential Information as it is required to retain for legal or professional regulatory purposes. The Firm's confidentiality obligations shall continue indefinitely whilst such confidential information is retained.

18. LIQUIDATED DAMAGES:

The firm shall be liable to pay by way of liquidated damages@ 2.5% per week of the total contract price or part thereof subject to a maximum of 10% of the contract price without prejudice to the right of the Ministry to take any other action from the professional fee for any delay in submission of final report within 3 months as per terms of Contract Agreement, if delay is attributed to the firm. However, extension beyond three month's period may be granted at the sole discretion of the Client depending upon the exigencies and circumstances beyond the control of the Firm.

19. DISPUTE RESOLUTION:

If any dispute(s) arises between parties, then these would be resolved in following ways:

19.1 AMICABLE SETTLEMENT:

Performance of the Contract is governed by the terms and conditions of the Contract, however at times dispute may arise about any interpretation of any term or condition of Contract including the scope of work, the clauses of payments etc. In such a situation either party of the contract may send a written notice of dispute to the other party. The party receiving the notice of dispute will consider the Notice and respond to it in writing

within 30 days after receipt, If that party fails to respond within 30 days, or the dispute cannot be amicably settled within 60 days following the response of that party, then the second sub-clause of 'Dispute Resolution' shall become applicable.

19.2 ARBITRATION:

In case dispute arising between the MoT and the Firm, which cannot be settled amicably, the said dispute shall be referred arbitration. Such disputes shall be referred to the Secretary, Textiles, who shall appoint an arbitrator for deciding the dispute(s). The Indian Arbitration and Conciliation Act, 1996 and any statutory modification or reenactment thereof, shall apply to these arbitration proceedings. Arbitration proceedings will be held at Delhi. The decision of the arbitrator shall be final and binding upon both the parties. All arbitration awards shall be in writing and shall state the reason for the award. The expenses of the arbitration as determined by the arbitrator shall be borne by the Firm. However, the expenses incurred by each party in connection with the preparation, presentation shall be borne by the party itself.

19.3 GOVERNING LAW AND JURISDICTION:

This Contract shall be governed by Indian Law and shall be subject to the jurisdiction of Courts in Delhi only.

20. Indemnification Clause –

The Client shall indemnify and hold harmless the Firm against all claims by third parties (contractual or in tort), threatened claims, suits, taxes, penalties, liabilities, damages, costs and expenses, suffered, incurred, arising or expended ("Claims"), directly or indirectly by reason of Firm's performance under this Engagement or from having performed any services to the Client, except in the event of fraud, gross negligence, or wilful misconduct on the part of the Firm. The indemnity obligations as set out above shall survive the termination or rescission for any reason of the contractual relationship between the Firm and the Client until the expiry of the relevant statute of limitation applicable to any claims.

21. CLARIFICATION:

For any queries, clarifications or details, the bidders are advised to contact the undersigned :-

**Under Secretary, PSU Division
Udyog Bhawan, New Delhi 110003
Tel.011-23061522
Email:-m.ramakrishnan94@nic.in**

22. DISCLAIMER:

Though adequate care has been taken in the preparation of this Bid Document, the Bidder should satisfy himself / themselves that the Document is complete in all respects. Intimation of discrepancy, observed if any, should be given to the office mentioned below

immediately.

**Under Secretary, PSU Division
Udyog Bhawan, New Delhi 110003
Tel.011-23061522
Email:-m.ramakrishnan94@nic.in**

If this office receives no intimation by the date, which is 7 days prior to pre-bid conference, it shall be presumed that the Bidder is satisfied that this Bid Document is complete in all respects.

22.1. Neither MoT nor their employees make any representation or warranty as to the accuracy, reliability or completeness of the information in this Bid Document nor it is possible for MoT to consider the investment objectives, financial situation and particular needs of each party who reads or uses this Bid Document. MoT recognises the fact that certain prospective Bidders may have a better knowledge of the subject matter than others and thus encourages all prospective Bidders to conduct their own investigations and analysis and check the accuracy, reliability and completeness of the information in this Bid Document and obtain independent advice from appropriate sources.

22.2. Neither MoT nor their employees will have any liability to any prospective Bidder or any other person under the law of contract, tort, the principles of restitution or unjust enrichment or otherwise for any loss, expense or damage which may arise from or be incurred or suffered in connection with anything contained in this Bid Document, any matter deemed to form part of this Bid Document and any other information supplied by or on behalf of MoT or their employees or otherwise arising in any way from the selection process.

22.3. MoT reserves the sole right to accept or reject any or all proposals thus received without assigning any reason thereof.

22.4. MoT reserves to itself the right to change any or all of the provisions of this Bid Document. Such changes will be intimated to all parties procuring this Bid Document prior to pre-bid conference.

TECHNICAL PARTICULARS

1.	Name of Bidder	
2.	Postal address with Telephone / fax No./official e-mail for communication	
3.	Name, address, telephone/ fax No./ e-mail with whom reference may be made	
4.	Please state details of non-refundable tender fee	
	DD No and date	
	Amount	
	Bankers Name	
5.	Confirm that you meet the eligibility criteria and how.(Attach supporting documents)	
6.	State whether details of assignments done are enclosed. Also please state whether relevant documents such as copy of Work Orders secured and performance certificates in support of experience enclosed.	
7.	State whether affidavit-cum-undertaking relating to no conviction and non-conflict enclosed.	
8.	Confirm that all technical and commercial terms and conditions are acceptable.	
9.	Any other information the bidder may desire to furnish:	

Certified that to the best of my knowledge and belief all the above information is correct and nothing has been concealed.

Seal with Signatures of the
authorized signatory of the bidder

Confidentiality Undertaking

It is certified that the documents / data / information pertaining to MoT, which will be provided to [Name of the bidder] for Forensic Audit or otherwise related to it shall be treated as strictly confidential and will not be disclosed or handed over by [Name of the bidder] to any outside agency / person without prior written permission of MoT.

It is further certified that the Forensic Audit reports/ report and other relevant documents, which are to be submitted by [Name of the bidder] to the MoT will not be disclosed to any other agency / person without prior written permission of MoT.

Seal with Signatures of the
authorized signatory of the bidder

FORMAT OF UNCONDITIONAL BID ON THE LETTERHEAD OF THE BIDDER

To,

Dear Sir,

This is to certify that the fee quoted by us for engagement as Forensic Auditor is in accordance with the terms and conditions laid down in the RFP displayed on CPP portal and the website of MoT and is unconditional.

Seal with Signatures of the
authorized signatory of the bidder

AFFIDAVIT-CUM-UNDERTAKING

We, the undersigned (“**Bidder**”) are submitting our bid in respect of the Request for Proposal No [●], Dated [●] (“**Bid**”) issued by the PSU Division, MoT in relation to Forensic Audit and in this connection we hereby solemnly affirm, declare and undertake as follows:

- (1) Details of the Bidder as disclosed in **Appendix-A** enclosed herewith are true and correct as on date.
- (2) There has been no conviction by any court of law or indictment / adverse order by any statutory or regulatory authority for a Grave Offence against us or any of our Indian Sister Concern(s) or any of our promoters or directors or that of our Indian Sister Concern(s) during the last 10 (ten) years.
- (3) No enquiry / investigations for any Grave Offence is pending against us or any of our Indian Sister Concern(s) or any of our or our Indian Sister Concern’s directors, managers and / or other Senior Managerial Personnel by any regulatory authority and /or government agency.
- (4) The details of enquiry / investigations for non-Grave Offences pending against us /our Indian Sister Concern(s) / our or our Indian Sister Concern’s directors, managers and /or other Senior Managerial Personnel by any regulatory authority and /or government agency are disclosed in **Appendix- B** enclosed herewith.
- (5) There is no Conflict of Interest with respect to the Proposed Forensic Audit as on date.
- (6) During the tenure of our engagement for the Proposed Forensic Audit, we shall keep the MoT informed, without delay, of any situations, circumstances, relationships, possible source or potential areas of Conflict of Interest in the format enclosed as **Appendix-C** herewith and we shall not take up work in relation to any such assignment without obtaining prior approval of the MoT and granting of such approval shall be the sole discretion of MoT and shall be binding on us.
- (7) We have put in place a robust mechanism to resolve any Conflict of Interest situations and circumstances that may arise or result while conducting our business or rendering of services and where-so-ever any Conflict of Interest or potential for Conflict of Interest may arise, we shall take reasonable steps to resolve the same forthwith in a fair and equitable manner. During the term of our engagement we shall ensure to and continue to exercise adequate due diligence for identifying and removing any areas, source, situations and circumstances of conflict and mitigating the effects of such conflicts to the satisfaction of the MoT, in case any such Conflict of interest (or apparent conflict of interest) arises or results in relation to the Proposed Forensic Audit.
- (8) We have laid down an internal code of conduct for governing our internal procedures and operations and have prescribed the standards of appropriate conduct for our employees and officers for carrying out their duties and responsibilities with a view to appropriately ensuring

proper maintenance of professional excellence and standards with integrity, confidentiality, objectivity and have made provisions for identification, avoidance and resolution of conflict of interests and for disclosure of shareholdings and interests, etc., in terms of applicable laws.

(9) We understand that:

- (i) In cases where existing Conflict of Interest (or apparent conflict of interest) is disclosed by us, the MoT would be entitled to initiate appropriate actions to eliminate or address or mitigate or neutralize the conflict through or by restricting or modifying the work to be performed by us in respect of the Proposed Forensic Audit. MoT may also terminate our engagement for the Proposed Forensic Audit, in whole or in part, if such termination is absolutely necessary in view of the MoT to avoid the appearance of a Conflict of Interest.
- (ii) The MoT would be entitled to terminate our appointment if any of the affirmation / declaration / undertaking given by us is found to be false or misleading in any manner or not adhered or fulfilled or complied by us.
- (iii) If at any time after our appointment as an Forensic Audit Firm, either we or any of our Indian Sister Concern or the respective promoters / directors is convicted by a court of law in India or any indictment / adverse order is passed by a regulatory authority in India for a Grave Offence, we shall stand disqualified from continuing as Forensic Audit Firm to the MoT and shall be bound to inform them without any delay and shall voluntarily withdraw from the Proposed Forensic Audit failing which the MoT may terminate our appointment after giving an opportunity of being heard.

Definitions

Unless otherwise defined in this Affidavit, the following capitalized terms used herein shall have the meaning as set out below:

1. **Firm /Auditor Firm** mean the Bidder and include bidder(s) who have been selected for the Proposed Forensic Audit by MoT in terms of the Bid.
2. **Conflict of Interest:** Conflict of interest in relation to the Proposed Forensic Audit shall without limitation is deemed to exist or have arisen if:
 - (i) The Firm whether itself and / or for / with or in association with / or on behalf of or through any other Entity is engaged in any activity or business which would or may be reasonably expected to directly or indirectly, materially adversely affect the interest of the MoT or any such activity / association would or may impair his ability to render fair, impartial, technically sound and objective assistance or advice, or unbiased services or may result in it being given an unfair competitive advantage to any other person.
 - (ii) The Firm whether itself and / or for / with or in association with / or on behalf of or through any other Entity is engaged in advising and / or have taken up engagement for advising / consulting any other Entity whether under a formal engagement or otherwise in relation to any Consultancy / matter ("**Third Party Consultancy**") which would or may be reasonably expected to directly or indirectly, materially adversely affect the interest of the present work.

- (iii) The Firm has any business or financial interests in any other Entity that would impair, or give the appearance of impairing, impartial decisions in relation to Proposed Forensic Audit, in offering any advice recommendations or in providing technical assistance or other services to the MoT as part of Firm's engagement obligations /duties.
- (iv) Any other situation, possible source or potential areas of interests which may impair Firm's ability to render fair, impartial, technically sound, and objective assistance or advice, or unbiased services on in conflict of their professional duties towards MoT in respect of the Proposed
- (v) Forensic Audit or result in it being given an unfair competitive advantage to any other person.

3. **MoT** means Ministry of Textiles, Government of India.

4. **Entity** shall mean and include an individual, proprietorship, HUF, an association of person/body of Individuals, a partnership firm, limited liability partnership, company or any other persons.

5. **Grave Offence** means offences of such nature that it materially affects the reputation, business or operations adversely or outrages the moral sense of the community and such other offences which may be considered by the MoT as grave on case to case basis after considering the facts and relevant legal principles.

6. **Proposed Forensic Audit** means the Services to be undertaken as described in bid, issued by the MoT.

7. **Senior Managerial Personnel's** means managing director, company secretary, chief executive officer, chief financial officer or persons having equivalent positions and all such other employees of the Entity who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors and include the functional heads.

8. **Sister Concern** in relation to the Audit Firm means any Entity in which the Firm has a significant influence or which has "significant influence" over the Firm and includes a group and a joint venture company. Significant influence" means holding of at least twenty percent or more of total voting rights or the power to participate in and influence the management, financial or operating policy decisions of that Entity, or of business decisions under an agreement or has twenty percent profit sharing in such Entity.

Appendix A, B and C hereto shall constitute and shall be deemed to form an integral part of this document.

APPENDIX – A: BIDDER DETAILS

Name of the Bidder	
Address: Registered Office: Corporate Office Tel: E-mail:	
Constitution	Company/Partnership/LLP/Others (If selected others, please provide the nature of constitution)
Details of registration with other professional statutory bodies	

APPENDIX – B: DETAILS OF PENDING ENQUIRY/INVESTIGATIONS

S. No	Name of the Sister Concern(s) / concerned person(s) against whom the enquiry / investigation has been initiated	Relation ship with the bidder	Name of the Investi-gating agency	Nature of pending enquiry / investigation and law under which the enquiry has been Initiated	Brief facts / interim orders / other relevant information in respect of the pending enquiry / investigation

APPENDIX – C: DETAILS OF PRESENT / POTENTIAL CONFLICTS / FACTS OR INTERESTS THAT MAY BE DEEMED AS POTENTIAL CONFLICT OF INTEREST

S. No	Name of the Entity, in which interests Conflicts exit / may arise	Relationship of the Bidder with the Entity	Nature / areas of conflict / potential conflict	Duration of subsistence of conflict, if any	Such other information as may be relevant and material in deciding whether there is a conflict/ potential conflict of interest

Seal with Signatures of the authorized signatory of the bidder

INTEGRITY PACT

Between

**PSU Division, Ministry of Textiles, hereinafter referred to as
“The Principal”**

and

.....hereinafter referred to as

“The Bidder/Contractor”

Preamble

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

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

Section 1- Commitments of the Principal

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

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

1. The Bidder(s)/Contractor(s) 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 Principal’s employees involved in the tender process or the execution of the contract or to any third person any material or other benefit which he/she is not legally entitled to, in order to obtain in exchange any

- advantage of any kind whatsoever during the tender process or during the execution of the contract.
- b. The Bidder(s)/ Contractor(s) will not enter with other Bidders into any undisclosed agreement or understanding, whether formal or informal. This applies in particular to prices, specifications, certifications, subsidiary contracts, submission or non-submission of bids or any other actions to restrict competitiveness or to introduce cartelisation in the bidding process.
 - c. The Bidder(s)/Contractor(s) will not commit any offence under the relevant IPC/PC Act; further the Bidder(s)/ contractor(s) will not use improperly, for purposes of competition or personal gain, or pass on to others, any information or document provided by the Principal as part of the business relationship, regarding plans, technical proposals and business details, including information contained or transmitted electronically.
 - d. The Bidder(s) /Contractors(s) of foreign origin shall disclose the name and address of the Agents/representatives in India, if any. Similarly the Bidder(s)/Contractors(s) of Indian Nationality shall furnish the name and address of the foreign principals, if any. Further details as mentioned in the “Guidelines on Indian Agents of Foreign Suppliers” shall be disclosed by the Bidder(s)/Contractor(s). Further, as mentioned in the Guidelines all the payments made to the Indian agent/representative have to be in Indian Rupees only. Copy of the “Guidelines on Indian Agents of Foreign Suppliers” is placed at **Annexure-A**.
 - 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 the execution has committed a transgression through a violation of Section 2, above or in any other form such as to put his reliability or credibility in question, the Principal is entitled to disqualify the Bidder(s)/Contractor(s) from the tender process or take action as per the procedure mentioned in the “Guidelines on Banning of Business Dealings”. Copy of the “Guidelines on Banning of Business Dealings” is annexed and marked as **Annexure-B**.

Section 4- Compensation for Damages

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

Section 5 – Previous transgression

1. The Bidder 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 Enterprise in India that could justify his exclusion from the tender process.
2. If the Bidder makes incorrect statement on this subject, he can be disqualified from the tender process or action can be taken as per the procedure mentioned in “Guidelines on Banning of Business Dealings.”

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

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

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

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

Section 8 – 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 or contract period (extended if applicable) whichever is later 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 MoT.

Section 9 – Other provisions

1. This agreement is subject to Indian Law. Place of performance and jurisdiction is the Registered Office of the Principal, i.e. New Delhi.
2. That a person signing IP shall not approach the courts while representing the matters to IEMS and he/she will await their decision in the matter.
3. Changes and supplements as well as termination notices need to be made in writing. Side agreements have not been made.
4. If the Contractor is a partnership or a consortium, this agreement must be signed by all partners or consortium members.

- 5. Should one or several provisions of this agreement turn out to be invalid, the remainder of this agreement remains valid. In this case, the parties will strive to come to an agreement to their original intentions.
- 6. In the event of any contradiction between the Integrity Pact and its Annexure, the Clause in the Integrity Pact will prevail.”

(For & On behalf of the Principal)
(Office Seal)

(For & On behalf of Bidder/Contractor)
(Office Seal)

Place.....
Date.....

Witness 1 :
(Name &Address)

Witness 2 :
(Name & Address)

FORMAT OF FINANCIAL BID ON THE LETTERHEAD OF THE BIDDER

Sl. No.	Description	in INR #	
		Figures	Words
1*	Fixed Lump-Sum Fee in Indian Rupees (Excluding all applicable taxes)		
2	All applicable taxes: (i) (ii) (iii)		
TOTAL			

Note:

* Financial bid shall be evaluated based on Sl. No. 1 only.

In case of mismatch in figures and words quoted, the words will be taken as correct for all purposes.

Seal with Signatures of the
authorized signatory of the bidder

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 MoT shall apply for registration in the prescribed Application-Form.
- 1.1 Registered agents will file an authenticated photostat copy duly attested by a Notary Public/Original certificate of the principal confirming the agency agreements and giving the status being enjoyed by the agent and the Commission/remuneration/salary/retainer ship being paid by the principal to the agent before the placement of order by MoT.
- 1.2 Wherever 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 agents/representatives 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 MoT 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 MoT in India in equivalent Indian Rupees on satisfactory completing of the Project or supplies of Stores and Spares in case of operation items.
- 2.3 In 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 to rejection or in the event of a contract materializing, the same liable to termination by MoT. Beside this there would be a penalty of banning business dealing with MoT or damage or payment of a named sum.

GUIDELINES ON BANNING BUSINESS DEALINGS

1. Introduction

- 1.1. Ministry of Textiles deals with Agencies viz parties/ contractors/ suppliers/ bidders, who are expected to adopt ethics of highest standards and a very high degree of integrity, commitments and sincerity towards the work undertaken. It is not in the interest of MoT to deal with Agencies who commit deception, fraud or other misconduct in the tendering process.
- 1.2. Since banning of business dealings involves civil consequences for an Agency concerned, it is incumbent that adequate opportunity of hearing is provided and the explanation, if tendered, is considered before passing any order in this regard keeping in view the facts and circumstances of the case.

2. Scope

- 2.1 The Information for Bidders/ Instruction to Bidders and even the General Conditions of Contract (GCC) of MoT generally provide that MoT shall have the rights to remove from list of approved suppliers / contractors or to ban business dealings if any Agency has been found to have committed misconduct or fraud or anything unethical not expected from a reputed contractor.
- 2.2 The procedure of (i) Removal of Agency from the List of approved suppliers / contractors/bidders; (ii) Suspension and (iii) Banning of Business Dealing with Agencies, has been laid down in these guidelines.
- 2.3 These guidelines shall apply to all the Units whether operational or closed/showrooms/RMDs/Regional Offices/Sub Offices/Liaison Office of MoT.
- 2.4 It is clarified that these guidelines do not deal with the poor performance of the contractors/ Agencies.
- 2.5 The banning shall be with prospective effect, i.e. future business dealings.

3. Definitions

In these Guidelines, unless the context otherwise requires:

- I. "Party / Contractor / Supplier / Bidders" shall mean and include a public limited company or a private limited company, a joint Venture, Consortium, HUF, a firm whether registered or not, an individual, cooperative society or an association or a group of persons engaged in any commerce, trade, industry, etc. "Party / Contractor/ Supplier / Bidder" in the context of these guidelines is indicated as 'Agency'.
- II. "Unit" shall mean the Units whether operational or closed/ showrooms/ RMDs/ Regional Offices/Sub Offices/Liaison Office of the Corporations.
- III. "Competent Authority" and 'Appellate Authority' shall mean the following:
 - a) Concern JS shall be the 'competent Authority'

for the purpose of these guidelines. Secretary, Textiles shall be the 'Appellate Authority' in respect of such cases.

- IV. "Investigating Committee" shall mean any Officer/Committee appointed by Competent Authority to conduct investigation.
- V. "Approved Agencies viz Parties / Contractors / Suppliers/Bidders" shall mean and include list of Parties/ Contractors / Suppliers / Bidders etc, who have been pre-qualified by the Ministry for any tender/contract/bid.

4. Initiation of Banning / Suspension

Action for banning /suspension business dealings with any Agency shall be initiated by the division responsible for invitation of bids after noticing their regularities or misconduct on the part of Agency concerned. Besides the concerned department, Vigilance Division may also be competent to initiate such action.

5. Suspension of Business Dealings.

- 5.1 If the conduct of any Agency dealing with MoT is under investigation, the Competent Authority may consider whether the allegations (under investigation) are of a serious nature and whether pending investigation, it would be advisable to continue business dealing with the Agency. If the Competent Authority, after consideration of the matter including the recommendation of the Investigating Committee, if any, decides that it would not be in the interest to continue business dealings pending investigation, it may suspend business dealings with the Agency with approval of Secretary, Textiles. The order of suspension would operate for a period not more than six months and may be communicated to the Agency as also to the Investigating Committee. The Investigating Committee may ensure that their investigation is completed and whole process of final order is over within such period. However, if investigations are not completed in six months' time, the Competent Authority may extend the period of suspension by another three months, during which period the investigations must be completed.

5.4 As far as possible, the existing contract(s) with the Agency may continue unless the Competent Authority, having regard to the circumstances of the case, decides otherwise.

5.5 If the Agency concerned asks for detailed reasons of suspension, the Agency may be informed that its conduct is under investigation. It is not necessary to enter into correspondence or argument with the Agency at this stage.

5.6 It is not necessary to give any show-cause notice or personal hearing to the Agency before issuing the order of suspension.

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

6.1 If the security consideration, including questions of loyalty of the Agency to MoT so warrants;

6.2 If the Director of a company (other than Govt. company) /owner of the Agency, proprietor or partner of the firm, is convicted by a Court of Law for offences involving moral turpitude in relation to its business dealings with the Government or any other public sector enterprises, during the last five years;

- 6.3 If business dealings with the Agency have been banned by the Ministry of Textiles, Government of India.
- 6.5 If the Agency has resorted to corrupt, fraudulent practices including misrepresentation of facts;
- 6.5 If the Agency uses intimidation / threatening or brings undue outside pressure on the Ministry or its official for acceptance / performances of the job under the contract;
- 6.6 If the Agency misuses the premises or facilities of the MoT, forcefully occupies or damages the MoT properties including land, water resources, forests / trees or tampers with documents/records etc. (Note:The examples given above are only illustrative and not exhaustive. The Competent Authority may decide to ban business dealing for any good and sufficient reason).

7. Banning of Business Dealings

- 7.1 A decision to ban business dealings with any Agency shall normally apply throughout MoT. However, the Competent Authority of the Unit can impose such ban Division wise only if in the particular case banning of business dealings by respective Unit will serve the purpose and achieve its objective and banning throughout the Company is not required in view of the local conditions and impact of the misconduct / default to beyond the Unit.

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

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

9. Show-cause Notice

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

10. Appeal against the Decision of the Competent Authority

- 10.1 The Agency may file an appeal against the order of the Competent Authority banning business dealing etc. The appeal shall be filed to Appellate Authority. Such an appeal shall be preferred within one month from the date of receipt of the order banning business dealing, etc.
- 10.2 Appellate Authority would consider the appeal and pass appropriate order within 120 days which shall be communicated to the Agency as well as the Competent Authority.

Corrupt, Fraudulent, Collusive or Coercive Practices Policy

13 Corrupt, Fraudulent, Collusive or Coercive Practices

It is expected from the Bidders/ suppliers/ contractors that they will observe the highest standard of ethics during the procurement and execution of such contracts. In pursuance of this policy:

- (a) For the purposes of this provision, the terms set forth below shall mean as under:
 - (i) "Corrupt practice" means the offering, giving, receiving or soliciting of anything of value and /or personal satisfaction to influence the action of a public official in the procurement process or in contract execution; and
 - (ii) "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of the Purchaser, and includes collusive practice among Bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the Purchaser of the benefits of free and open competition;
 - (iii) "Collusive practice" means a scheme or arrangement between two or more bidders, with or without the knowledge of the Purchaser, designed to establish bid prices at artificial, non-competitive levels; and
 - (iv) "Coercive practice" means harming or threatening to harm, directly or indirectly, person or their property to influence or affect the execution of a contract;
 - (v) "Integrity Pact" means an agreement called Integrity Pact between the contractor and the Employer shall be signed committing the persons/ officials of both the parties, not to exercise any corrupt influence on any aspect of the Tender/Contract. The Independent External Monitor(s)(IEM) appointed by the Employer shall oversee the compliance of obligation under the Integrity Pact.
 - vi) "Independent External Monitor(s) (IEMs)" means the External Monitor(s) appointed by the Employer to oversee the implementation of Integrity Pact
- (b) A Bid may be rejected by the Purchaser if it is determined at any stage that the respective Bidder has engaged in corrupt, fraudulent, collusive and coercive practices or defaulted commitments under integrity pact as mentioned above in competing for the contract in question.
- (c) The Purchaser may declare a firm ineligible, either indefinitely or for a stated period of time, if it at any time determines that the firm has engaged in corrupt or fraudulent practices, Collusive and Coercive practices or defaulted commitments under integrity pact in competing for, or in executing, a contract.
- (d) Banning of Business Dealings: It is not in the interest of MoT to deal with Agencies who commit deception, fraud or other misconduct in the tendering process. The grounds on which Banning of Business Dealings can be initiated are as follows:-
 - i) If the security consideration, including questions of loyalty of the Agency to MoT so warrants;
 - ii) If the director/ owner of the Agency, proprietor or partner of the firm, is convicted by a court of law for offences involving moral turpitude in relation to its business dealings with the Government or any other public sector enterprises, during last five years;

- iii) If business dealings with the Agency have been banned by the Ministry of Textiles, Government of India or by any other department of GOI.
- iv) If the Agency has resorted to corrupt, fraudulent practices including misrepresentation of facts;
- v) If the Agency uses intimidation / threatening or brings undue outside pressure on MoT or its official for acceptance / performances of the job under the contract:
- vi) If the Agency misuses the premises or facilities of the MoT, forcefully occupies or damages the MoT' s properties including land, water resources, forests / trees or tampers with documents/records etc. (Note: The examples given above are only illustrative and not exhaustive. The Competent Authority may decide to ban business dealing for any good and sufficient reason).
