

**ONLINE E-TENDER (E-AUCTION) FOR DISPOSAL OF COTTON
COMBER NOILS, FLAT WASTE AND LICKERIN WASTE**

**CANNANORE SPINNING AND WEAVING MILLS, Kakkad, Kannur
A Unit of NATIONAL TEXTILE CORPORATION LIMITED
(A Government of India)**



TENDER NOTICE

Ref: NTC-CAN/Salable Waste/E-Auction/January-2019

DATE: 02-01-2019

Online TENDERS on e-Mail ID: cswktenders.ntcsro@ntcltd.org (without price bid) are invited by the undersigned from Merchants and others dealing in Cotton Waste and Comber Noil generated in our mills during January - 2019, on the following terms and conditions.

1. Every Tender should be sent on e-Mail ID: cswktenders.ntcsro@ntcltd.org addressed to THE GENERAL MANAGER, CANNANORE SPINNING AND WEAVING MILLS, P.B.No.1601, Kakkad, Kannur – 670 005 so as to be received by him not later than **12.30PM on 12-01-2019 (Without price bid) an e-Auction will be on dated 14-01-2019.**

2. The On-Line offers of the tenders should be superscripted-subject as “**Tender for Purchase of Comber Noil, Flat Waste Cotton and Lickerin Waste cotton** available at CANNANORE SPINNING AND WEAVING MILLS, KAKKAD, KANNUR-KERALA.

3. The Material Mentioned in the Annexures can be inspected at the premises of CANNANORE SPINNING AND WEAVING MILLS, Kakkad, Kannur” on any day (Except Sundays and Holidays) between 10.00 AM to 4.00 PM.

4. The allotted material should be accepted by the Tenders in “AS IS WHERE IS CONDITION” which is in pressed bale form (Cotton Waste) approximate weight around 100-120 kgs.

5. The Tenderer should **remit EMD 2 days before (should reach by 10th January 2019)** the commencement of the tender and scheduled Tender should be accompanied by Tender Deposit (will not carry any interest) **(Earnest Money Deposit) of Rs.30,000/-** (Rupees Thirty Thousand only/-) per tender. by means of RTGS/NEFT drawn in favour of "**Cannanore Spinning and Weaving Mills, Cannanore**" payable at **Cannanore-Kerala** on any Nationalized/Scheduled Bank and payment by any other means will neither be accepted nor recognized. In case Tenderers who have not remitted required EMD as per the date in the tender non receipt of tender deposit will be summarily rejected and will not be qualified for the participation of said E- Tender (upward auction).

6. The Tenderer should not specify their offers of rate in the enclosed forms. This is only a format to the submitted online by way of softcopy. (Annexure – 1) for each item both in figures and in words only. The Tender should be submitted in the prescribed Annexure – 1 & 2 Integrity Pact Document enclosed.

7. The prices quoting during **E-Auction** should be exclusive of taxes and for delivery **Cannanore Spinning and Weaving Mills, Cannanore**. Duties and all taxes/levies will be charged extra at the rates applicable from time to time, at the time of delivery (as per Govt. Rules) TDS will be collected as per the statute.

8. The rate quoted for the waste should be only for the rate of materials per quintal of **100 kgs or per Kg. only**. The cost of packing materials **Rs.150/-Bale** will be collected extra at the approximate rate plus taxes during delivery.

9. The e-auction bidding date will be communicated to registered and qualified merchants/ cotton waste parties either by mill management or by our recruited e-auction agency via e-mail /telephone.

10. The rate quoted shall be valid for the allotted party till for the month of **31st January 2019**.

11. Allotment letters will be issued to the H1 party for the entire quantity and Proforma Invoice will be issued as and when the material is ready for despatch.

12. The Management *Cannanore Spinning and Weaving Mills, Cannanore* reserves the right to postpone the time and date of opening of the Tender without assigning any reason thereof.

13. The Management *Cannanore Spinning and Weaving Mills, Cannanore* reserves the right to accept / negotiate / reject any offer for any item either in whole or in part on its discretion without assigning any reason thereof.

14. The discount for prompt payment & penal charges for delayed payment will be allowed on the following terms and conditions:

a) 1% (One) discount for payment effected within 3 days from the date of receipt of confirmation / Proforma Invoice by courier.

b) 1/2% (Half) discount for payment effected within 7 days from the date of receipt of confirmation /Proforma Invoice by courier.

c) For payment effected after 7 (Seven) days but within 15 (Fifteen) days from the date of receipt of confirmation no cash discount will be allowed, whereas interest @ 18% p.a. for value of goods will be charged from the 8th (Eighth) day till the date of payment with the overall ceiling of 15 (Fifteen) days from the date of receipt of intimation by Proforma Invoice through Email/Telephone for lifting the entire material.

d) In case of failure to remit the amount by the Tenderers within 15 days from the date of receipt of Proforma Invoice then we shall dispose the items to another party at their (Tenderer) risk and responsibility. In additions mill will forfeit the Earnest Money Deposit and recover the loss on resale and / or damage on account of default apart from black listing the defaulter. In other words allotted party should clear the allotted quantity within 15 days from the date of Proforma Invoice.

e) If the party fails to lift allotted material within 10 days after making full payment, the party should pay Ground Rent @ 18% P.A. on the Proforma Invoice from 11th day till the date of liftment.

f) In case of failure of lifting the allotted quantity the same will be sold in subsequent tender, if any financial loss that will be recover from the concerned tenderer.

15. On receipt of intimation by Proforma Invoice, the tenderer should arrange to remit the full value of the waste cotton for which tender has been given and accepted as per Clause.

16. The Earnest Money Deposit of the Tenderers whose tenders are not accepted shall be returned to them after opening of and finalizing tender normally through at par cheque / pay order / DD within 15 days.

17. Time is the essence of the contract under this tender.

18. This Mill being one of the units owned by National Textile Corporation Ltd., (A Unit of Government Undertaking), New Delhi, reserves the right to withhold the tender deposit and any other amounts standing to the credit of the successful tenderers with any one or more of the sister units/mills/divisions of NTC Ltd. and such amounts are liable to be adjusted against the dues to the above said other unit mills/divisions and further that during the pendency of fulfillment of contractual obligation under this tender, the contract may also be liable to be cancelled by us consequent to any dispute or breach of contract with other unit mills/divisions of NTC Ltd.

19. The Earnest Money Deposit will be returned or adjusted only after clearing entire allotted Quantity and submission of required forms to Mills.

20. The approximate quantities of materials, expected to be collected per quarter is given in the said Annexure. However, the actual quantity which may be (+) or (-) 25% of the approximate quantity as intimated by us, stated vide clause (14) above will have to be paid for and lifted in full. The removal of waste paid for, will be subject to the Rules and Regulations in force regarding the issue of such items. The obligation to supply materials will however be subject to beneficence requirements on the part of the mills for transfer to any of their sister units or of their own consumption, in which event, the mill will be absolved of their liability to supply.

21. The party should arrange for getting Market Committee Cess permit by them wherever necessary for effecting delivery of materials.

22. At the time of taking delivery of Cotton, the Tenderers should accept the mills weight marked on the bales or Outside Weight which-ever is higher considered for billing. If any approved tenderers want for reweight the bales, before taking delivery, the same will be permitted at the convenient time, subject to the condition that all the expenditure connected with the re-weighment, etc. shall be borne by the approved tenderers.

23. In view of amendment in the Income Tax Act, Invoices shall be raised in the name of the ALLOTTEE ONLY. If the Allottee decides to get exemption from the deduction of Income Tax as per Act, they have to submit Form 27C before taking delivery of allotted goods. Otherwise, applicable Income Tax will be collected.

24. Any dispute or difference between the mills and tenderers with regard to matters concerned under this tender notice or any matter incidental thereto shall be subjected to the jurisdiction of CANNANORE Court.

25. The party should quote the GST Number and IE Code (if applicable) in the Tender Form.

26. The following are the subject to the discretion of the management:

- a) Any allotment/cancellation of tender.
- b) Any penalty or relaxation.
- c) Any other discrepancy if found, the decision of management will be bounded.

27. The tenderer should come for taking delivery on all working days except Saturday, Sunday and holidays during office hour. In the absence he can authorize person with authorization letter or can endorse the goods to another registered party.

28. **IMPLEMENTATION OF INTEGRITY PACT IN NTC:** Tenderers are requested to go through the implementation of Integrity Pact in NTC which is attached as Annexure. This tender is hosted on our official website: www.ntcltd.co.in along with the copy of the Integrity Pact, which may be downloaded and submitted duly signed with seal, along with the tender. “Only those vendors/bidders, who commit themselves to Integrity Pact would be considered competent to participate in the bidding process. The name of the Independent External Monitors (IEM) is Transparency International India (TII). This tendering process is being monitored by Independent External Monitor, Shri Kalyan Chand, IRS (Retd) at Corporation Office of NTC i.e. (5TH Floor, Core-IV, Scope Complex, 7 Lodhi Road, New Delhi.110003) M.No.9968095320. If any party is aggrieved they are free to approach the said IEM in terms of Integrity Pact”.

29. All payment towards materials shall be made through RTGS as per details given below:

- Account Name : CANNANORE SPINNING AND WEAVING MILLS
- Bank Name : STATE BANK OF INDIA, PUZHATHI
- Account No. : 30886370220
- IFSC Code : SBIN0002261
- Branch Code and Address : 02261, STATE BANK OF INDIA, PUZHATHI, KAKKAD, KANNUR – 670 005

Authorized Signature



A photograph of a handwritten signature in blue ink over the printed text "General Manager".

ACCEPTANCE:

I/We, the undersigned, do hereby accept to abide by all the above terms and conditions.

(SIGNATURE OF THE TENDERER)
With seal and Date

Enclosure: **Annexure – 1 & Integrity Pact Document enclosed.**

**ONLINE E-TENDER (E-AUCTION) FOR DISPOSAL OF COTTON
COMBER NOILS, FLAT WASTE AND LICKERIN WASTE**

**CANNANORE SPINNING AND WEAVING MILLS, Kakkad, Kannur
A Unit of NATIONAL TEXTILE CORPORATION LIMITED
(A Government of India)**



TENDER NOTICE

Ref: NTC-CAN/Salable Waste/E-Auction/ January -2019

DATE: 02-01-2019

ANNEXURE-1

(To be submitted only by soft copy at the time of tender scheduled – through E-procurement technologies (p) Ltd.)

Sub: Comber Noils, Cotton Flat Waste & Lickerin waste cotton disposal tender for the month of January - 2019 rate requested- Reg.

Dear Sir,

We give below the details of Cotton waste which will be available for January 2019. We request you to offer your highest rates for early confirmation. The stock may be taken delivery immediately on receipt of our confirmation.

S.I. No	Variety	Mixing	Kgs (Approx Only)	Offer Rate per Quintal (Please see remarks)
1)	Comber Noil	60s	33,000	
2)	Flat Waste Cotton	60s	16,000	
3)	Lickerin Waste Cotton	60s	16,000	

Thanking you,

Yours faithfully,

General Manager

We undersigned do hereby accept all the above terms and conditions of tender and have quoted our offer as above.

**SIGNATURE OF THE TENDERER
(WITH SEAL AND ADDRESS)**

Enclosure: **Annexure – 1 & Integrity Pact Document enclosed.**

Remarks: Rates need not be submitted in hard copy along with the tender. Rates are to be submitted only in soft copy that too online only through E-Procurement Technologies as and when tender is scheduled.

INTEGRITY PACT
Between
National Textile Corporation Limited (NTC) 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 cartelization in the bidding process.
 - c. The Bidder(s)/Contractor(s) will not commit any offence under the relevant IPC/PC Act; further the Bidder(s)/ contractor(s) will not use improperly, for purposes of competition or personal gain, or pass on to others, any information or document provided by the Principal as part of the business relationship, regarding plans, technical proposals and business details, including information contained or transmitted electronically.

- d. The Bidder(s) /Contractors(s) of foreign origin shall disclose the name and address of the Agents/representatives in India, if any. Similarly the Bidder(s)/Contractors(s) of Indian Nationality shall furnish the name and address of the foreign principals, if any. Further details as mentioned in the "Guidelines on Indian Agents of Foreign Suppliers" shall be disclosed by the Bidder(s)/Contractor(s). Further, as mentioned in the Guidelines all the payments made to the Indian agent/representative have to be in Indian Rupees only. Copy of the "Guidelines on Indian Agents of Foreign Suppliers" is placed at **Annexure-B1**.
 - 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-B2**.

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 – Independent External Monitor / Monitors

1. The Principal 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 Bidder(s)/ Contractors as confidential. He reports to the Chairman, NTC.
3. The Bidder(s)/ Contractor(s) accepts that the Monitor has the right to access without restriction to all Project documentation of the Principal including that provided by the Contractor. The Contractor will also grant the 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 Bidder(s)/ Contractor(s)/Subcontractor(s) with confidentiality.
4. The Principal 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 Principal 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 Principal and request the Management to discontinue or take corrective action, or to take other relevant action. The monitor can in this regard submit nonbinding 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 Chairman, NTC within 8 to 10 weeks from the date of reference or intimation to him by the *Principal* and, should the occasion arise, submit proposals for correcting problematic situations.
7. If the Monitor has reported to the Chairman, NTC, a substantiated suspicion of an offence under relevant IPC/PC Act, and the Chairman NTC 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. Monitor would be entitled to receive such compensation as may be decided time to time by the CMD/Competent Authority.

Section 9 – Pact Duration

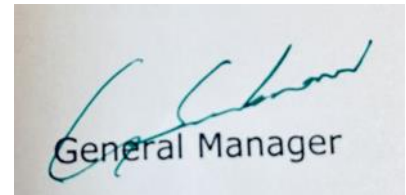
This Pact begins when both parties have legally signed it. It expires for the Contractor 12 months after the last payment under the contract or contract period (extended if applicable) whichever is later and for all other Bidders 6 months after the contract has been awarded.

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 Chairman of NTC.

Section 10 – Other provisions

1. This agreement is subject to Indian Law. Place of performance and jurisdiction is the Registered Office of the Principal, i.e. New Delhi.
2. 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)



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

Place.....

Date.....

Witness 1:

(Name & Address)

Witness 2 :

(Name & Address)

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 NTC 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 NTC.
- 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 NTC 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 NTC 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 NTC. Beside this there would be a penalty of banning business dealing with NTC or damage or payment of a named sum.

Guidelines on Banning Business Dealings

1. Introduction

- 1.1. National Textile Corporation Limited (NTC) 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 NTC 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 NTC generally provide that NTC 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 Mills whether operational or closed/ showrooms/ RMDs/ Regional Offices/Sub Offices/Liaison Office of NTC.
- 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 Mills whether operational or closed/showrooms/RMDs/Regional Offices/Sub Offices/Liaison Office of NTC.
- III. "Competent Authority" and 'Appellate Authority' shall mean the following:
 - a) For NTC Wide Banning

The concerned director shall be the 'Competent Authority' for the purpose of these guidelines. CMD shall be the 'Appellate Authority' in respect of such cases.

- b) For Mills whether operational or closed/showrooms/RMDs/Regional Offices/Sub Offices/Liaison Office of NTC.

Head of the Unit/Head of Finance shall be the 'Competent Authority' for the purpose of these guidelines, in respect of concerned unit/Sub-office/Regional Office. The concerned Executive Director/ Regional Head of the Unit/ Region shall be the 'Appellate Authority' in all 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 NTC for any tender/contract/bid.

4. Initiation of Banning / Suspension

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

5. Suspension of Business Dealings.

- 5.1 If the conduct of any Agency dealing with NTC 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. 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.
- 5.2 The order of suspension shall be communicated to all Departmental Heads of NTC and Heads of the Units, which would also be displayed on Intranet, if available. During the period of suspension, no business dealing may be held with the Agency.
- 5.3 As far as possible, the existing contract(s) with the Agency may continue unless the Competent Authority, having regard to the circumstances of the case, decides otherwise.
- 5.4 If the 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.
- 5.5 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 NTC 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.
- 6.4 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 NTC or its official for acceptance / performances of the job under the contract;
- 6.6 If the Agency misuses the premises or facilities of the NTC, forcefully occupies or damages the NTC'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).

7. Banning of Business Dealings

- 7.1 A decision to ban business dealings with any Agency shall normally apply throughout NTC. However, the Competent Authority of the Unit can impose such ban unit-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. Any ban imposed by Corporate Office shall be applicable across all Units of NTC.
- 7.2 There will be an Investigating Committee in each Unit to be appointed by Head of the Unit for processing the cases of "Banning of Business Dealings". However, for procurement of items /award of contracts at Corporate Office, the committee shall consist of officers not below the rank of Senior Manager from Indenting Division & Finance. Member from department responsible for invitation of bids shall be the convener of the committee. The functions of the committee shall, inter-alia include:
 - i) To study the report of the department responsible for invitation of bids and decide if a prima-facie case for banning exists, if not, send back the case to the Competent Authority.
 - ii) To recommend for issue of show-cause notice to the Agency by the concerned department as per clause 9.1.
 - iii) To examine the reply to show-cause notice and call the Agency for personal hearing, if required.
 - iv) To submit final recommendations to the Competent Authority for banning or otherwise.

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 misbehavior may be appended to the show-cause notice and the Agency should be asked to submit within 15 days a written statement in its defense.
- 9.2 If the Agency requests for inspection of any relevant document in possession of NTC, necessary facility for inspection of documents may be provided.
- 9.3 The Competent Authority may consider and pass an appropriate speaking order:
- a) For exonerating the Agency if the charges are not established;
 - b) For removing the Agency from the list of approved Suppliers/Contractors, etc.
 - c) For banning the business dealing with the Agency.
- 9.4 If it decides to ban business dealings, the period for which the ban would be operative may be mentioned.
- 9.5 Unitwise banning may be done for a period upto six months only and for more than six months banning, it should be pervasive i.e. for all the units. In case of pervasive banning for more than six months i.e. across all the units, it should be done after approval of the Director (Finance) of the corporate office.

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.

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

The concerned unit shall forward the name and details of the Agency (ies) banned to IT&C Division of Corporate Office for displaying the same on the NTC website.

Corrupt, Fraudulent, Collusive or Coercive Practices Policy

1.0 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, noncompetitive 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 NTC 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 NTC 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 NTC or its official for acceptance / performances of the job under the contract:
 - vi) If the Agency misuses the premises or facilities of the NTC, forcefully occupies or damages the NTC'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).
 - vii) In the transaction where NTC is a seller, the term Purchaser shall be deemed to have been replaced by ‘Seller’ and vice versa.

The procedure for banning of Business Dealings shall be governed as per NTC's “Guidelines on Banning Business Dealings” as enclosed separately. **(Annexure A2).**

Subject : Adoption of Integrity Pact.

As directed, Adoption of Integrity Pact in NTC, the following information is worth mentioning.

1. For the year 2013-14, it is expected that the turn-over of the Company would be around Rs.1222 crores.
2. Revenue expenditure relating to raw-material, packing material, sizing material and stores & spares would be around Rs.790 crores.
3. As per guidelines, 90-95% of the procurement cost needs to be covered under the said Pact i.e. to say around Rs.750 crores for 2013-14 needs to be covered as Revenue Expenditure.
4. Out of above said expenditure of Rs.790 crores, the raw material along with purchase of semi finished and finished goods comes out to be Rs.752 crores. Thus, the total raw material purchase can be covered under the above Pact.
5. As NTC is procuring raw material from 100 bales and the price range is between Rs.30,000- 40,000 per candy, a threshold limit of Rs.15 lacs per procurement/contract is fixed for raw material procurement.
6. Other type of procurement of Goods & Services, which the company makes is towards capital expenditure i.e. Plant & Machinery etc.. The Machinery value & such purchase varies from Rs.2 lacs to Rs.one crore. Thus, in case of such purchases, the threshold value per order as Rs.10 lacs.
7. For capital expenditure one of the major constituents is civil work. Looking to the nature of work, the threshold value of Rs.25 lacs may also be fixed for civil work.
8. One of the major segments of the company is the finished product procured by Retail Marketing Division as outsourcing measure. Looking to the minimum order of 200 pieces at a time we may fix the threshold value of Rs.10 lacs for Retail Mktg. Division.
9. Purchase Apart, each sale transaction with a value exceeding prescribed, with any party shall be brought within the scope of Integrity Pact and a specific clause in this regard would be inserted in sale contract itself that in case the transaction is exceeding the above value, the same would be covered under the purview of Integrity Pact. Threshold value for each domestic transaction is defined at Rs.10 lacs and for each export contract at 5 lacs.
10. Apart from the above, all cases of land deals, all vacation of leased properties or any other matter as deemed appropriate by CMD shall also be within the purview of the above Integrity Pact.
