

TENDER NO. GEN.INSURANCE/2019/

DATED 11.03.2019



BURHANPUR TAPTI MILLS
(A UNIT OF NATIONAL TEXTILE CORPORATION LTD NEW DELHI)
LALBAG, STATION ROAD,
BURHANPUR (MP) 450331
PH. NO. 07325-243411, 243147
E-mail : burhanpurtapti@ntcltd.org

TENDER DOCUMENT

INVITING QUOTATION FROM LEADING GENERAL INSURANCE COMPANIES FOR

1. COMPREHENSIVE INDUSTRIAL ALL RISK POLICY (ALONG WITH REINSTATEMENT VALUE OF ASSETS, COVERAGE FOR OPERATING EXPENSES ETC. AND LOSS OF PROFIT AVAILABLE UNDER IAR POLICY)
2. MARINE CARGO OPEN POLICY (FOR ALL RISK PLUS SRCC STOCK OF YARN & COTTON INLAND TRANSIT BY ROAD).
3. CASH AND CASH IN TRANSIT WITHIN MILL PREMISES & BANKS
4. GROUP PERSONAL ACCIDENT POLICY OF its EMPLOYEES.

OF BURHANPUR TAPTI MILLS, BURHANPUR AND NTC SUB OFFICE INDORE & ITS CLOSED MILLS AT INDORE/UJJAIN/ RAJNANDGAON.

LAST DATE FOR SUBMISSION OF TENDER	25.03.2019 up to 03.00 PM
DATE FOR OPENING OF TENDER	25.03.2019 up to 04.00 PM

BURHANPUR TAPTI MILLS, BURHANPUR

NATIONAL TEXTILE CORPORATION LTD. NEW DELHI A UNIT BURHANPUR TAPTI MILLS, BURHANPUR INVITES **QUOTATION FOR INDUSTRIAL ALL RISK POLICY ALONG WITH RE-INSTATEMENT OF VALUE OF ASSETS** FROM LEADING GENERAL INSURANCE COMPANIES WHO ARE MEMBER OF INSURANCE REGULARITY DEVELOPMENT AUTHORITY AND HAVE LICENSE TO CARRY GENERAL INSURANCE BUSINESS IN INDIA

PERILS TO BE COVERED UNDER COMPREHENSIVE INDUSTRIAL ALL RISK POLICY ALONG WITH REINSTATEMENT VALUE OF ASSESTS, COVERAGE FOR OPERATING EXPENSES ETC. AND LOSS OF PROFIT AVAILABLE UNDER IAR POLICY, MARINE CARGO OPEN POLICY FOR ALL RISK PLUS SRCC STOCK OF YARN & COTTON INLAND TRANSIT BY ROAD, CASH & CASH IN TRANSIT WITHIN MILL PREMISES & BANKS, GROUP PERSONAL ACCIDENT POLICY OF MILLS EMPLOYEES.

YOU ARE REQUESTED TO QUOTE YOUR COMPETITIVE PREMIUM AMOUNT, GOODS & SERVICE TAX AND OTHER TAX IF ANY, LEVIABLE ON THE SAID PREMIUM. DETAILS OF THE SAME ARE AS UNDER:

(A) FOR BURHANPUR TAPTI MILLS, BURHANPUR (MP)

S. No.	Particulars	Limit of any one loss (Rs.)		Yearly transaction (Rs. in lacs)
A.	Cash and Cash In transit Policy			
1	Cash in transit from Bank to Mill withdraw 2 lacs per week and Mill to Bank deposit section 1A	200000		100.00
2	Personal Custody Section 1B	200000		2.00
3	Personal Custody Section 1C (Safe of locked)	200000		2.00
4	Cash in strong room 24 hours Regular	200000		2.00
	Total			106.00
B	Marine Cargo Open Policy	Limit per tr.	Limit Yearly tr.	Total
	Cotton/Synthetic	2400000	600000000	15250.00
	Yarn Sale	2000000	900000000	
	Store spare m/c	400000	25000000	

Insured Name	National Textile Corporation Ltd. (WR), Unit: Burhanpur Tapti Mills
Risk location	Lalbag, Station Road, Burhanpur (MP) 450 331
Policy Period	06/04/2019 to 05/04/2020
Type of policy	Industrial All Risk Policy (IAR)
Occupancy	Spinning Mill

Material Damage			
Cover	Sum Insured - INR		Premium
Fire & Allied Perils			
Building & all Civil Structures (incl. Plinth & foundation)	38,40,00,000		
Plant, Machinery & Accessories	113,70,00,000		
Furniture, Fixture, Fittings, office equipments & other contents	56,00,000		
Stocks & Stocks in process Including stock in open (incl. RM, FG, packing material & other stocks used in insureds trade and related to mfg.)	20,55,00,000		
Engineering Equipments			
Total Sum Insured	1,73,21,00,000		
Add on covers			
Earthquake inclusion clause	1,73,21,00,000		
STFI inclusion clause	1,73,21,00,000		
Terrorism inclusion clause			
Architects, surveyors and consulting fees	25,00,000		
Removal of debris in excess of 1%	25,00,000		
Spoilage material cover (machinery)	50,00,000		
Spoilage material cover (stocks)	50,00,000		
Impact damage due to insured own vehicle	25,00,000		
Architects & surveyors fees in excess of 3%	25,00,000		
Start up expenses	25,00,000		
Omission to insure Additions, alterations, Extensions(5%)	8,63,25,000		
Reinstatement Value clause			
Designation of Property Clause			
Local Authorities Clause			
Machinery Breakdown	113,70,00,000		
Business Interruption			
Fire Loss of Profit (NET PROFIT+STANDING CHARGES + AUDITORS FEES)	55,00,00,000		
Indemnity Period- 12 Months			
Auditors fees	25,00,000		
Public utilities extension (indemnity period: 30 days)	50,00,000		
Customers extension (named)	50,00,000		
Suppliers extension (named)	50,00,000		

Accumulated Stocks Clause			
Risk Purchase			
Total premium			
GST			
Total premium payable			
Terms and conditions:			
EXCESS:			
Section 1 & 2: Material Damage			
Material Damage deductible: 5% of claim amount subject to a minimum of Rs. 10 lacs			
Section 3 : Business Interruption			
FLOP: 7 days of Standard Gross Profit			
Material Damage			
Designation of property Clause			
Earthquake (Fire and Shock)			
Reinstatement Value Clause			
Local Authorities Clause			
Impact damage due to insured's own vehicle			
Architects and surveyors in excess of 3% of claim amount			
Removal of debris in excess of 1% of claim amount			
Capital Additions clause upto 5% of BMA			
On account payment clause upto 30% of admissible claim amount			
Expediting Expenses			
FLOP			
Departmental Clause			covered
Basis of indemnity: Alternative method			covered
On account payment clause upto 30% of admissible claim amount			covered
Public Utilities Extension Clause (Failure of Electricity Supply)			covered
Return of Premium clause			covered
Gross Profit on Turnover basis			covered
Auditors fees			covered
Customers and suppliers extension (unnamed)			covered

(D) GROUP PERSONAL ACCIDENT POLICY FOR STAFF:

Personal Accident Policy with Medical benefits – Table benefits A to F, Death, Permanent Total Disablement, and Permanent Partial Disablement, Temporary total disablement and loss of limbs.

Designation	GM/Sr. Mgr	Mgr/Jt. Mgr	Dy/Asstt Mgr/ Off/ Asstt. Officer/ Tech & Supervisory staff	Others	Total	
					No. of empls.	Sums to be insured
Sums to be insured	Rs. 20.00 lacs	Rs. 10.00 lacs	Rs. 7.00 lacs	Rs. 5.00 & 3 lacs		
Total No. of employees	1	6	22	12		
Total	Rs. 20.00 lacs	Rs. 60.00 lacs	Rs. 154.00 lacs	Rs. 60.00 lacs	41	Rs. 294.00 lacs

SILENT RISK FOR NTC LTD SUB OFFICE INDORE AND ITS CLOSED UNITS AT INDORE/UJJAIN/RAJNANDGAON:

S. No.	Particulars	Limit of any one loss (Rs.)	Yearly transaction (Rs. in lacs)
1	Cash / Cash in transit at NTC Sub Office Indore	5000.00	1.00
2	Silver Coins of NTC Sub Office Indore		1.00
3	Fixed Assets, building, Computer and other office equipment of NTC MP Sub Office.		11.53
4	Fixed Assets, building, Computer and other office equipment of Closed Mills of Indore Malwa United Mills, Indore.		8.00
5	Fixed Assets, building, Computer and other office equipment of Closed Mills of Hira Mills Ujjain		7.00
6	Fixed Assets, building, Computer and other office equipment of Closed Mills of Rajnandgaon.		7.00
7	Silent Risk for Indore Office & Closed Mills of Indore, Ujjain & Rajnandgaon Mills		

Please note that:

1. Quotations shall be called from leading general insurance companies by direct intimation through post/courier and same shall be put on website also.
2. We suggest that if required the insurance companies can arrange the Pre-Inspection before submission of appropriate quote.
3. The quotation submitted should have the detailed calculations and all terms & conditions, all clauses and Excess applicable & Exclusions for each policy

4. NTC/BT Mills reserves the right to accept or reject any Tender without assigning any reason.
5. Quote should be strictly as per perils mentioned above failing which quotation shall be out rightly rejected.
6. Tenderers are requested to fill up the attached Integrity Pact and submit along with the tender duly signed by the tenderers.

Name of the person & tel. No. To be contacted at Corporate Office :	Shri. Sandeep Kumar Sharma, General Manager, BT Mills, Burhanpur MP Mob. No. 07972361341, 07325-243345/ e-mail ID burhanpurtapti@ntcltd.org , fax 07325-243727
---	--

You are requested to deliver your quotation giving separate amount of premium and Goods & service Tax and other tax if any, in sealed envelope duly marked "Quotation for COMPREHENSIVE INDUSTRIAL ALL RISK POLICY (ALONG WITH REINSTATEMENT VALUE OF ASSETS, COVERAGE FOR OPERATING EXPENSES ETC. AND LOSS OF PROFIT AVAILABLE UNDER IAR POLICY), MARINE CARGO ALL RISK WITH SRCC OPEN POLICY (FOR STOCK OF YARN & COTTON INLAND TRANSIT BY ROAD), CASH AND CASH IN TRANSIT WITHIN MILL PREMISES & BANKS, GROUP PERSONAL ACCIDENT POLICY OF its EMPLOYEES FOR BURHANPUR TAPTI MILLS, BURHANPUR AND NTC SUB OFFICE INDORE & ITS CLOSED MILLS AT INDORE/UJJAIN/RAJNANDGAON on or before 03.00 PM on 25.03.2019 (DATE) AND will be opened on same at 04.00 PM at the following address:

**BURHANPUR TAPTI MILLS,
LALBAG, STATION ROAD,
BURHANPUR (MP) 450331**

Thanking you,

Yours faithfully,
For Burhanpur Tapti Mills,

**Sandeep Kumar Sharma
General Manager**

ANNEXURE

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 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-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)
 (Office Seal)

 (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 defence.

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 Unit wise 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)**.