

**THE STATE TRADING CORPORATION OF INDIA LIMITED
(A GOVERNMENT OF INDIA ENTERPRISE)
6th FLOOR, H K HOUSE, BEHID JIVABHAI CHAMBERS, ASHRAM ROAD,
NAVRANGPURA, AHMEDABAD 380 009 (GUJARAT).**

NOTICE INVITING EXPRESSION OF INTEREST

NO. STC/AHD/AGRO/DOMESTIC/2017-18/01 DTD. 31.05.2017.

Expression of Interest (EOI) for empanelment/selection of Suppliers of various Agro Commodities viz. White Sugar, Pulses (Tur dal – Kori, Moong Dal – Mogar, Gram Dal) and Refined Edible Oils etc. for supply to STC under Back to Back Basis for its supply/sale to various State Government Agencies/Purchase Organizations within the State of Gujarat as well as outside Gujarat State.

ABOUT US

THE STATE TRADING CORPORATION OF INDIA LIMITED (STC), incorporated under the Companies Act, 1956 having its Registered office at Jawahar Vyapar Bhawan, Tolstoy Marg, New Delhi-110 001 and Branch office at 6th Floor, H K House, Behind Jivabhai Chambers, Ashram Road, Navrangpura, Ahmedabad – 380 009 (Gujarat) , is a Government of India Enterprise under the administrative control of Ministry of Commerce & Industry, Department of Commerce.(GOI). STC is a premier international trading organization of India with experience of handling international and domestic business for over five decades and has been handling domestic supply of Pulses, Sugar, Edible Oils etc. in consumer packs to respective State Government/Purchase Organizations against various welfare schemes.

STC has a strong nation-wide presence with offices covering all the major port towns in India with deployment of highly skilled and experienced manpower across the country to provide quick and quality services to its clientele. During the year 2015-16 STC has achieved a total **turnover of Rs. 10,856.00 Crores.**

For supply of various types of Pulses, Sugar and Edible Oil etc. in consumer packs to respective State Government/Purchase Organizations against various welfare schemes, STC hereby invites Expression of Interest (EOI) from prospective Suppliers/Processors as per following Broad Terms:

OBJECTIVE:

STC Ahmedabad intends to build a sound supply base for domestic sale/supply of Pulses, Sugar, Edible Oil etc. in consumer packs to respective State Government/Purchase Organizations for Empanelment with STC to work under Back to Back arrangement basis.

1. Details of items for which EOI is invited:

Supply of various types of Agro Commodities/Pulses viz. White Sugar, Pulses (Tur dal – Kori, Moong Dal – Mogar, Gram Dal) and Refined Edible Oils etc. for supply to STC for its consideration under Back to Back Basis for ultimate supply/sale to various State Government Agencies/Purchase Organizations within the State of Gujarat as well as outside Gujarat State.

2. Scope of work:

i. The Supplier/Applicant/Bidder of Agro Commodities/Pulses shall accept all the terms and conditions of said Purchase Contract of respective State Government/Purchase Organization/Buyer on a back to back basis and deliver the said products and commodities to the Purchase Organization in the manner required at the nominated Destination/Godown. The goods shall be packed as per the desired specifications of the Buyer. The Supplier/Applicant/Bidder shall furnish Interest free EMD/Bid Bond/Cash Margin/Performance Bank Guarantees (PBG)/Performance Bond whichever is applicable as per the terms of respective Buyer for onward submission by STC.

ii. STC would quote the rates to respective State Government/Purchase Organization/Buyer on the basis of rates offered by the Supplier/Applicant/Bidder to STC after adding Trading Margin of STC. The amount of trading margin would be decided by STC at their sole discretion and the same shall not be contested by the Supplier/Applicant/Bidder. The basic terms of order received by STC from State Government/Purchase Organization shall mutatis mutandis apply in the Back-to-Back contract to be finalized between STC and the Supplier/Applicant/Bidder.

The payment to supplier/applicant/bidder shall be released only against supply of goods/material and receipt of payment by STC from the respective State Government/Purchase Organization/Buyer.

iii. It is expressly understood and agreed by the prospective Supplier/Applicant/Bidder that STC shall be making the purchases for and on behalf of its end Buyers based on their specific indents. Accordingly in case any deductions are made from the bills of STC by its end Buyers on account of deviations in the specifications, delayed delivery, demurrage or due to short-landing at unload destination point, the subject amount shall be liable to be reimbursed by the Supplier/Applicant/Bidder to STC.

3. Pre-qualification criteria for selection of prospective Supplier:

i. Supplier/Applicant/Bidder of Agro Commodities/Pulses/Edible Oils should have a minimum experience of 3 (Three) years of supplying of the said item(s) and is required to produce documentary evidence for same.

ii. Supplier/Applicant/Bidder of Agro Commodities/Pulses/Edible Oils should have a valid PAN No., TIN No., CST No., valid Trade Licence, Processing License, FSSAI License issued by Competent authority or particulars of Registration Certificate issued by various Agencies/Authorities.

iii. Supplier/Applicant/Bidder of Agro Commodities/Pulses/Edible Oil shall have to submit the copies of Income Tax Return filed for last 3 years, Audited P&L A/C & Balance Sheet of the Company for the last three years duly attested by a Chartered Accountant and their turnover for last three years should be more than 5.00 Crores.

iv. Supplier/Applicant/Bidder of Agro Commodities/Pulses/Edible Oil is required to submit Solvency Certificate for a minimum amount(s) of Rs.1.00 Crore from their Lead Bank in order to undertake the proposed Business.

v. Supplier/Applicant/Bidder of Agro Commodities/Pulses/Edible Oil should have their own Processing unit and they shall clearly mention the plant(s) production capacity on per month & per annum basis for the item, for which the EOI is being submitted. Supplier/Applicant/Bidder of

Agro Commodities/Pulses/Edible Oil shall also furnish information on the supply undertaken on actual basis in last two years along with their Manpower etc.

vi. Supplier/Applicant/Bidder of Agro Commodities/Pulses/Edible Oil should have warehouse facilities for maintaining the stock of item in order to ensure smooth & uninterrupted regular supplies.

vii. Supplier/Applicant/Bidder of Agro Commodities/Pulses/Edible Oil have to submit their latest Dun & Bradstreet Credit Rating Report/Report from Any other Credit Rating Agencies at the time of empanelment with STC.

viii. The Supplier/Applicant/Bidder can also be asked to furnish additional information/confirmation in connection with verification of the documents submitted by the supplier/applicant/bidder/processor, if deemed necessary.

ix. The above terms and conditions shall have to be considered by the supplier/applicant/bidder in totality and the EOI containing incomplete documents & not complying with the above conditions shall be summarily rejected.

x. The selected Suppliers/Applicant/Bidder of Agro Commodities/Pulses/Edible Oil shall ensure compliance of all the Government regulations/conventions/policies/guidelines/orders etc. in force related to any or all of the above activities.

xi. Supplier/Applicant/Bidder of Agro Commodities/Pulses/Edible Oil shall also submit a certificate/undertaking issued by the Company certifying that Company or its Subsidiary or any other Company under the control or Management as per the Companies Act 2013 and in case of any Unit/Partnership Firm, the same to be submitted by Owner/Proprietor/Partner stating that they have not been debarred/blacklisted by any Central/State Government Departments/Central or State Government Undertakings/STC as on date for doing such business. The supplier shall have to submit an UNDERTAKING to this effect at the time of application for prequalification under this EOI. In case of submission of false declaration (found at any stage), such supplier/applicant/bidder shall be disqualified forthwith.

xii. Details submitted by parties shall be examined in line with above mentioned criteria. The above terms and conditions shall be considered in totality and applications received without documents complying with the above conditions shall be summarily rejected.

xiii. Supplier/Applicant/Bidder of Agro Commodities/Pulses/Edible Oil shall undertake to abide by all statutory requirements of Central/State Government Departments/Central or State Government Undertakings from time to time covering this EOI.

xiv. STC reserves the right to accept or reject any/all applications and cancel the EOI process at any time, without assigning any reasons thereof.

xv. Based on specifications and requirement of the Buyer/Purchase Organization, STC shall invite limited E-tenders from amongst the empanelled suppliers/applicants/bidders.

xvi. Suppliers/Applicants/Bidders are required to get themselves Registered with NIC's Central Public Procurement (CPP) Portal (<http://eprocure.gov.in/eprocure>) using Class-II/Class-III Digital Signature Certificate.

All the details mentioned during Registration/Enrolment process should be correct/true. Bidders have to abide by all the terms and conditions mentioned during Registration process.

For any queries relating to the process of online bid submission or queries relating to CPP Portal (<http://eoricyre.gov.in/eproc>), Bidders may contact CPP Portal Helpdesk on Tel No. 1800-3070-232, 91-7872007972 and 91-7878007973010.

xvii. The Supplier/Applicant/Bidder shall keep STC indemnified at all times against any claims, liabilities, proceedings etc. from the Central & State Government Department/Undertaking/Purchase Organization or otherwise arising out of or in connection with any of the terms and conditions of this EOI & subsequent agreements, if any.

xviii. In case of the Supplier/Applicant/Bidder being a Micro or Small Enterprise (MSE), relevant Registration Certificate to that effect should be mandatorily submitted. It should also be clearly indicated whether the MSE is owned by SC or ST entrepreneur, wherever applicable. If the price quoted by an MSE is within L1+15%, it will allowed to supply a portion (up to 20 percent of total tendered quantity) of requirement provided the enterprise is able to match the L1 price and the L1 price is from a bidder other than an MSE. In case of two or more MSEs quoting price within L1+15%, order may be divided as deemed fit by STC.

xix. In case Tender Fees, Earnest Money Deposit and Security Deposit are being sought by End Buyer from STC, the same shall be paid by Associate (including MSE) on Back to Back arrangement basis.

xx. Interested Supplier/Applicant/Bidder is required to submit an amount of Rs. 5000/- towards processing charges through NEFT/RTGS well before the due date of submission of EOI into STC's Bank Account as per Banking Details given below.

xxi. In case Dun &Bradstreet Credit Rating Report of the party is not available, STC shall arrange the same from D&B for which the Supplier/Applicant/Bidder would be required to deposit an amount of Rs. 6000/- into STC's Bank Account as provided below in addition to processing fee of Rs. 5000/- mentioned at (xx).

STC Ahmedabad Branch's Bank details:

INDUSIND BANK LIMITED,
Ahmedabad Branch,
World Business House,
MG Road, Near Parimal Garden,
Ellisbridge, Ahmedabad 380 015.

A/c No. Current A/c : 200999563641

IFS Code : INDB0000009

4. Submission of Expression of interest:

i. Prospective Supplier/Applicant/Bidder of Agro Commodities/Pulses/Edible Oil may download Expression of Interest document from our website www.stclimited.co.in OR www.tenders.gov.in and can also obtain a copy of same from Shri Raghuvir Rudakia, Manager (Marketing), The State Trading Corporation of India Ltd., 6th Floor, H K House, Behind Jivabhai Chambers, Ashram Road, Navrangpura, Ahmedabad – 380 009 (Gujarat) during office hours on any

working day till one day prior to the closing/opening of Expression of Interest and shall submit Expression of Interest documents in original form, duly signed and stamped at each page as token of acceptance of all terms and conditions. Expression of Interest received over Fax/Email or copy of the Expression of Interest shall be summarily rejected.

ii. The Expression of interest must contain the name, designation and place of Business of the person with Phone and Fax Nos. of persons making the expression of interest and must be signed and sealed by the Prospective Supplier/Applicant/Bidder of Agro Commodities/Pulses/Edible Oil with his official signature.

iii. The Expression of Interest must be signed as per the Board Resolution in case of Company and in case of Partnership, by all Partners and in case of Proprietor, by himself. The said Board Resolution must be accompanied with the EOI. Further, in case of the Partnership Firm, the Registered Partnership Deed must be accompanied.

iv. The Supplier/Applicant/Bidder of Agro Commodities/Pulses/Edible Oil should submit their supporting documents such as Certificate of Incorporation/Registered Partnership Deed, Company Brochure, Memorandum & Articles of Association, Balance sheets of last three years, details of installed capacity & business process (wherever applicable), ISO or any other Accreditation Certificates (if any), Registration certificates with various Tax authorities or Government Departments, etc.

v. Each page of EOI and documents has to be sealed and signed by the Supplier/Applicant/Bidder.

vi. For each item separate Annexure-I as prescribed in the EOI are to be submitted in separate cover.

5. Last Date for submission of Expression of Interest:

The last date for submission of the Expression of Interest is 30.06.2017 at 1500 Hrs.

Opening of the Expression of Interest is 30.06.2017 at 1600 hrs..

Validity of Expression of Interest: 30 days from the date of opening of EOI.

Pre-Bid Clarifications (if any): On or before 27.06.2017 at 1500 hrs.

6. Place for submission of Expression of Interest:

The Expression of Interest should be addressed to Branch Manager, The State Trading Corporation of India Ltd., 6th Floor, H K House, Behind Jivabhai Chambers, Ashram Road, Navrangpura, Ahmedabad – 380 009 (Gujarat) along with duly filled in enclosed Annexure-I, requisite enclosures (Annexure-II : List of documents required) and Integrity Pact (Annexure-III) in a sealed envelope should be put in the Box placed on the reception of STC, Ahmedabad before the due date and time. This cover should also be super-scribed with the EOI No. and Date, Item Description and the date of EOI Opening.

7. (A) General Terms & Conditions:

i. STC reserves the right to accept or reject any offer of Expression of Interest without assigning any reasons thereof what so ever.

ii. Final selection of Supplier/Applicant/Bidder of Agro Commodities/Pulses/Edible Oil for each of the stated items, from the EOIs received will be at the sole discretion of STC and the decision of STC shall be final and binding on all the participating parties.

iii. The Supplier/Applicant/Bidder of Agro Commodities/Pulses/Edible Oil may clearly note that terms and conditions enumerated in this EOI are only illustrative and not exhaustive. The Successful supplier/applicant/bidder has to execute Contract/Agreement/MOA as devised by STC to fully protect STC's overall interests and also the interests of the prospective Customers/Buyers/Purchaser.

iv. The prospective Supplier/Applicant/Bidder can also be asked to furnish additional information/confirmation in connection with the documents submitted by the Supplier/Applicant/Bidder, if deemed necessary.

v. All details and terms and conditions of this document shall have to be binding on the Supplier/Applicant/Bidder of Agro Commodities/Pulses/Edible Oil in totality and the expression of interest containing incomplete documents & not complying with the above conditions is liable to be rejected.

7. (B) Other Terms and Conditions:

- (i) No legal relations are intended to come into effect through this Expression of interest.
- (ii) STC reserves the right not to accept the lowest or any bids;
- (iii) STC Reserves the right to:
 - Issue written amendments to this EOI, including verifying the specified requirements.
 - Suspend or cancel this empanelment process, in whole or in part, at any stage prior to completion of contract negotiations, without incurring any liability;
 - Accept or decline any or all responses;
 - Not to give any reason for any rejection or any respondent or response, or for any suspension or cancellation of this empanelment process.
 - Select or shortlist of any number of responses on any basis and enter into negotiations with any shortlisted applicants;
 - Alter any date or time in the process;

8. INTEGRITY PACT:

i. In case the value of the contract exceeds Rs. 5 Crores, the supplier will also be required to sign Integrity Pact (IP).

ii. A copy of the IP is enclosed at Annexure- II, which may be deemed to have been signed by STC. A downloadable format of IP is available on the STC website under the link <http://www.stclimited.co.in/corporatecommitments/Integrity-pact.aspx>.

iii. It will be assumed that all prospective Suppliers/Applicants/Bidders have gone through the Integrity pact and have no objections whatsoever in signing the contract.

iv. All the Suppliers/Applicants/Bidders and STC shall be bound by the provisions of IP in case any complaint relating to the tender is found substantiated.

v. The IP shall be executed on a plain paper and duly signed on each page by the same signatory who signs the EOI document.

9. Late receipt of Expression of Interest:

Any EOI received after the due date and time would be treated as not received.

10. Ownership:

Ownership of EOI Documents and information therein (all Expression of Interest documents) will become the property of STC upon submission. Where the prospective Supplier/Applicant/Bidder of Agro Commodities/Pulses/Edible Oil believes that information provided in response to this EOI is, or should be kept confidential; or disclosure of the said information would unreasonably affect Supplier/Applicant/Bidder's business affairs, the same to be informed to the STC immediately at the time of delivery of the information or documents by clearly marking such information "**Confidential**".

In so far as is practicable, STC will give effect to the prospective Supplier/Applicant/Bidder stated wishes, and requests for access to such information will be determined under the RTI Act 2005.

11. No Contractual Obligation:

STC is not bound contractually or in any other way to any prospective Supplier/Applicant/Bidder under this Expression of Interest. STC is not liable for any costs of compensation in relation to this Expression of Interest, incurred by the prospective Supplier/Applicant/Bidder whether or not STC terminates, varies, or suspends the Expression of Interest process or takes any other action permitted under this Expression of Interest, including actions related to future developments.

12. Short listing of associate Supplier/Processor of Agro Commodities/Pulses/Edible Oil:

Prospective Supplier/Applicant/Bidder who qualifies as Associate suppliers to STC would be individually notified after the evaluation process is complete. The validity of Associate-ship agreement (on the basis of EOI's received) shall be initially for a period of two years from the date of acceptance by STC, which may be renewed for further period on the basis of performance of the party/supplier/applicant/bidder, at the sole discretion of STC.

13. Sub-Contracting:

No Sub-Contracting by the Bidder shall be accepted. Any subcontracting shall be treated as breach of the terms and conditions of this EOI and on the consequences, the Security Deposit, if any shall be forfeited.

14. Disclaimer:

The issue of this document does not in any way commit or otherwise obliges STC to proceed with all or any part of an EOI process. The EOI Request is not the subject of any process of contract or any contractual obligations between STC and prospective Supplier/Applicant/Bidder. STC may, at its absolute discretion, elect to abandon any part or whole of the process without giving prior notice to the prospective suppliers/applicants/bidders at any stage.

15. Force Majeure:

- i) If at any time, during the existence of this Contract either party is unable to perform in whole or in part any obligations under this contract because of war, hostility, civil commotion, sabotage, quarantine restrictions, act of God and acts of Government (including but not restricted to prohibition of exports or imports), fires, floods, explosions, epidemics, strikes, embargoes, then the date of fulfillment of engagement shall be postponed during the time when such circumstances are operative.
- ii) Any waiver/extension of time in respect of the delivery of any installment or part of the goods shall not be deemed to be waiver/extension of time in respect of remaining deliveries.
- iii) If operation of such circumstances exceeds three months, each party shall have the right to refuse further performance of the contract in which case neither party shall have the right to claim eventual damages.
- iv) The party which is unable to fulfill its engagements under the present contract must within 15 (Fifteen) days of occurrence of any of the causes mentioned in this clause, shall inform the other party of the existence of the circumstances preventing performance of the contract. Certificate issued by the Chamber of Commerce in the country of Seller of the Buyer shall be sufficient proof of existence of the above circumstances and their duration. Non-availability of raw material will not be an excuse to the Seller for not performing their obligations under this Contract.

16. Arbitration:

Disputes or differences arising from this invitation for EOI documents or in any manner connected therewith shall be subject to the following dispute resolution mechanism:

- (i) Any dispute shall initially be referred to the designated Senior Management of both sides for amicable settlement. Both sides shall nominate two persons each from their Senior Management within ten days of a dispute arising.
- (ii) If no amicable settlement is arrived at within 30 days, then any party may refer the dispute to a Sole Arbitrator to be nominated by STC designated authority (Branch may decide upon the same).

The Sole Arbitrator shall be retired High Court Judge. Chairman of Bench shall be Senior Judge to nominee Arbitrator/s.

The place of Arbitration shall be Ahmedabad. All arbitration proceedings shall be conducted in English and in accordance with the provisions of the Arbitration and Conciliation Act 1996 as amended from time to time.

- (iii) The Arbitration award will be final and binding upon the parties, and each party will bear its own costs of arbitration and equally share the fees of the arbitral tribunal unless the arbitral tribunal decides otherwise.

- (iv) All disputes shall be subject to the exclusive jurisdiction of Courts at Ahmedabad only.

17. CONFIDENTIALITY:

These Tender Terms/Agreement/MOU/MOA, its provisions and existence, as well as any Commercial Data including Price or Technical data and any information provided in accordance herewith to the other party shall be considered as confidential. Such information shall not be disclosed to any third party unless required by any applicable Law or Authorized in writing by the other party.

All such information shall be used by the other party only for the purpose of performance of this Tender/Agreement/MOU/MOA.

The restrictions here-in-above shall not apply to any information generally available to the public or received in good faith from a third party without restriction. The parties hereto agree to keep as confidential all documentation furnished or received by either party at any time in connection with this Tender/Agreement/MOU/MOA.

This provision, as far as practicable, shall apply to all the concerned officials of either party. This clause shall survive upon termination of this Tender/Agreement/MOU/MOA.

18. Governing Laws:

Indian Laws, both substantive and procedural, shall govern.

ANNEXURE-I

FORMAT (TO BE FILLED UP) BY PROSPECTIVE ASSOCIATE SUPPLIERS

PARTICULAR DETAILS

1. NAME OF ITEMS for which empanelment is requested				
2. Annual Processing/Supplying Capacity -Manufacturer/Trader				
3. Quantity supplied (Documentary Proofs to be attached)	IN INDIA (Domestic)		OUTSIDE INDIA (Exports)	
	Quantity supplied in MTs	Value (Rs. In Crores)	Quantity supplied in MTs	Value (Rs. In Crores)
In the year 2012-13				
In the year 2013-14				
In the year 2014-15				
In the year 2015-16				
4. (a) Name and address of Supplier Year of Establishment				
(b) Name of contact person(s)				
(c) Telephone No(s).				
(d) Fax No(s)				
(e) E-mail id(s)				
5. Attach supporting documents such as:	Attached		Not attached	

Supporting documents of supplier such as Company Brochure, Audited Balance sheets of last three years, ISO or other accreditation certificates (if any), Certificate of incorporation along with copy of partnership deed, Registration Certificate or Copy of Memorandum of Article of association, Income tax return for last three years, Registration certificates with various tax Authorities or Government Departments, Manufacturing License, etc. as per Constitution of the prospective Bidder/Applicant.		
(ii) Bank Reference Certificate	Attached	Not attached
(iii) Credit Rating Agency report(if any)	Attached	Not attached
(iv) Copies of Purchase orders/Performance Certificates in support Sr. No 3 above	Attached	Not attached
v) Acceptance of All terms and conditions specified in EOI	Accepted	Not accepted
6. Has the company been black listed/banned by any Government Undertaking/ Govt. Department from participating in any tenders/orders.	Yes	No
7. Whether blacklisted /banned on the date of application	Yes	No
8. Details of clients to whom supplies during the last three years both in terms of volume and value have been completed. (**)		
9. Any other document, as asked for in the EOI.		

(**)Please use extra sheet, if more space is required.

Certified that the above information is true and we confirm that all information given in the Expression of Interest are correct and if at any point of time the information is found to be incorrect our EOI will be liable for rejection by STC.

Dated:

Signatures:

Name & Designation

Place

Company Seal

Name/Stamp of Company/Applicant/Bidder

ANNEXURE-II

LIST OF DOCUMENTS TO BE SUBMITTED ALONG WITH EOI:

- 1) Duly filled Annexure-I along with supporting documents.
- 2) Resolution/Authorization letter in favour of person signing the EOI.
- 3) Copies of PAN No., TIN No., CST No., Trade License & Manufacturing License issued by Competent Authority.
- 4) Copies of Income Tax Return filed and Audited P&L Accounts & Balance Sheets of the company for the last three financial years.
- 5) Solvency certificate from bank for a minimum amount of Rs.1 Crore as per Clause No. 3(iv).
- 6) Licenses for the use of standard mark issued by B.I.S, wherever BIS certificate is required (if applicable).
- 7) In case of suppliers, proof of their having tie-up arrangement with Actual Manufacturers for undertaking supply.
- 8) Latest Credit Rating Report of company issued by Dun & Bradstreet (D&B). In case such report is not available with Manufacturer/Supplier, Demand Draft of Rs. 6,000/ in favour of The State Trading Corporation of India Limited payable at Ahmedabad to be enclosed.
- 9) Copies of Certificate of Registration of Firm, Article of Association, Memorandum of Association/ Partnership deed.
- 10) Copies of Registration certificates with various tax Authorities or Government Departments, Manufacturing License, etc. (If any).
- 11) Self-certificate/Undertaking that company is not black listed or debarred by any Central & State Government Department/Undertakings/ Purchase Organizations or STC as per Clause No. 3(xi).
- 12) Complete set of Expression of Interest (EOI) document along with Annexures duly signed and stamped at each page as a token of acceptance of all terms and conditions of EOI.
- 13) Accreditation certificates (if any)
- 14) Any other supporting document such as Company Brochure including left-out documents as per Clause No.3 of EOI etc.

INTEGRITY PACT

Between

The State Trading Corporation of India Limited, a company incorporated under the Companies Act 1956 and having its Registered office at Jawahar VyaparBhawan, Tolstoy Marg, New Delhi – 110001 and Branch office at 6th Floor, H K House, Behind Jivabhai Chambers, Ashram Road, Navrangpura, Ahmedabad – 380 009 (Gujarat).

hereinafter referred to as “**STC**”,

And

....., a company registered under and having its registered office at hereinafter referred to as “**The Bidder**”.

Preamble

STC is an international trading company dealing in purchase, sale, export and import of various commodities.

STC has invited tenders for purchase of and intends to award contract/s for purchase of the same under laid down organizational procedures, STC values full compliance with all relevant laws of the land, rules, regulations, economic use of resources and of fairness/transparency in its relations with its bidders.

In order to achieve these goals, STC has appointed Independent External Monitors (IEMs), who will monitor the tender process and the execution of the contract for compliance with the principles mentioned above.

Section 1 – Commitments of STC

- (1) STC commits itself to take all measures necessary to prevent corruption and to observe the following principles:-
 - a. No employee of STC, personally or through family members, will in connection with the tender for or the execution of the contract, demand, take a promise for or accept, for self or third person, any material or immaterial benefit which he/she is not legally entitled to.
 - b. STC will, during the tender process treat all bidder(s) with equity and reason. STC will in particular, before and during the tender process, provide to all bidders/contractors 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. STC will exclude from the process all known prejudiced persons.

...2...

- (2) If STC obtains information on the conduct of any of its employees which is a criminal offence under the Indian Penal Code (IPC) or Prevention of Corruption (PC) Act, or if there is a substantive suspicion in this regard, STC will inform its Chief Vigilance Officer and initiate disciplinary actions as per laid down procedures.

Section 2 – Commitments of the Bidder.

- (1) The Bidder commits to take all measures necessary to prevent corruption and to observe the following principles during participation in the tender process and during the contract execution.
 - a. The Bidder will not, directly or through any other person or firm, offer, promise or give to any of STC's employees involved in the tender process or in 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 will not enter with other bidder(s) 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 will not commit any offence under the relevant IPC/PC Act. Further the Bidder will not use improperly, for purposes of competition or personal gain, or pass on to others, any information or document provided by STC as part of the business relationship, regarding plans, technical proposals and business details, including information contained or transmitted electronically.
 - d. The Bidder of foreign origin shall disclose the name and address of its Agents/representatives in India, if any. Similarly the Bidder of Indian nationality shall furnish the name and address of its foreign principals, if any. All the payments made to the Indian agent/representative will be in Indian Rupees only.
 - e. The Bidder will, when presenting the bid, disclose any and all payments made or committed or intended to be made to agents, brokers or any other intermediaries in connection with the award of the contract.
- (2) The Bidder will not instigate third persons/firms to commit offences outlined above or be an accessory to such offences.

Section 3- Disqualification from tender process and exclusion from future tenders/contracts

If the Bidder/Contractor, before award of the contract or during execution thereof commits a transgression through a violation of Section 2 above or in any other form such as to put its reliability or credibility in question, STC shall be entitled to disqualify the Bidder/Contractor from the tender process or to terminate the contract, if already signed, on that ground.

If the Bidder/Contractor commits a serious violation of Section 2 above or in any other form such as to put its reliability or credibility as Bidder/Contractor into question, STC shall also be entitled to exclude the Bidder/Contractor from participating in the future tender processes for duration as may be considered appropriate by it.

...3...

Section 4 - Compensation for Damages and Forfeiture of EMD

- (1) If STC disqualifies the Bidder/Contractor from the tender process prior to the award of the contract according to Section 3, STC shall be entitled to demand and recover the damages equivalent to Earnest Money Deposit/Bid Security, by forfeiting the same as stipulated in the tender.
- (2) If STC terminates the contract according to Section 3, or if STC is entitled to terminate the contract according to Section 3, STC shall be entitled to demand and recover from the Bidder/Contractor liquidated damages as per contract or the amount equivalent to Performance Bank Guarantee stipulated in the tender.

Section 5 – Previous transgression

- (1) The Bidder/Contractor declares that it did not commit any transgressions in the last 3 years with any Company in any country with regard to any anti-corruption law or practice or with any other Public Sector Enterprise in India that could justify its exclusion from the tender process.
- (2) If the Bidder/Contractor makes incorrect statement on this subject, it may lead to disqualification from the tender process or termination of the contract if already awarded.

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

- (1) The Bidder/Contractor undertakes to demand from all Subcontractor(s) a commitment in conformity with this Integrity Pact, and to submit it to STC before signing of the contract, if awarded in its favour.
- (2) STC will enter into agreements with identical conditions as this one with all bidders, contractors and subcontractors.
- (3) STC will disqualify from the tender process any bidder/contractor who does not sign this Pact with STC or violates its provisions.

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

If STC obtains knowledge of conduct of a bidder, contractor or subcontractor or of an employee or a representative or an associate of the bidder, contractor or subcontractor which constitutes corruption, or if STC has substantive suspicion in this regard, STC will inform the same to its Chief Vigilance Officer.

Section 8 – Independent External Monitor /Monitors

- (1) STC has appointed competent and credible Independent External Monitor(s) (IEMs) 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. He reports to the CMD, STC.

...4...

- (3) Bidders/Contractors accept that the Monitor has the right to access, without restriction, all project documentation of STC including that provided by the Bidder/Contractor. The Bidder/Contractor will also grant the Monitor, upon his request and demonstration of a valid interest, unrestricted and unconditional access to its project documentation. The same will also be applicable to Subcontractor. The Monitor shall treat the information and documents of STC and the Bidder/Contractor/Subcontractor with confidentiality.
- (4) STC 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 STC 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 STC and request the Management to discontinue or take correction action or to take other relevant action. The Monitor may in this regard submit non binding recommendations. Beyond this, the Monitor nhas no right to demand from the parties that they act in specific manner, refrain from action or tolerate action.
- (6) The Monitor will submit a written report to the CMD, STC within 8 to 10 weeks from the date of reference or intimation to him by STC and should the occasion arise, submit proposals for correcting problematic situations.
- (7) If the Monitor has reported to the CMD STC a substantiated suspicion of an offence under relevant IPC/PC Act, and the CMD STC 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 Commission.
- (8) The word Monitor would include both singular and plural.

Section 9 – Pact Duration

This pact begins when both parties have legally signed it. It expires for the Bidder/Contractor twelve months after the last payment under the contract, and for all other bidders six months after the contract has been awarded.

If any claim is made/lodged during this time by either party, 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 CMD, STC.

Section 10 – Other provisions

- (1) This Integrity Pact is an independent agreement between the parties and is subject to Indian Law. The arbitration clause if any in the tender / contract shall not apply to this agreement. Place of performance and jurisdiction is the Registered Office of STC. i.e. New Delhi.
- (2) Changes and supplements to this Pact as well as termination notices to be issued, if any, shall be made in writing. Side agreements have not been made.

...5...

- (3) If the Bidder/Contractor is a partnership firm or a consortium, this agreement shall be signed by all partners or consortium members.
- (4) Should one or several provisions of this agreement turn out to be void, the remainder of this agreement shall remain valid. In such a case, the parties will strive to come to an agreement to their original intentions.

(For & On behalf of STC)

(Office Seal)

Place :

Date:

Witness 1 : Name & Address

Witness 2 : Name & Address

**(For & on behalf of
The Bidder/Contractor)**

(Office Seal)

Place:

Date: