

**THE STATE TRADING CORPORATION OF INDIA LTD.  
(A GOVT. OF INDIA ENTERPRISE)  
TRADE WORLD CENTRE, "C" WING, 3RD FLOOR,  
KAMALA MILL COMPOUND, SENAPATI BAPAT MARG,  
LOWER PAREL (WEST), MUMBAI – 400 013  
Ph:- (022) 24926245, Fax No. (022) 24902411/24955264  
Website: www.stc.gov.in, E-mail: mumbai@stc.gov.in**

**EXPRESSION OF INTEREST (EOI)  
NO. STC/MUM/EOI/PM/2016-17 Dated 15.06.2016**

**INVITATION FOR EMPANELMENT OF MANUFACTURERS & SUPPLIERS  
OF VARIOUS TYPES OF PACKAGING MATERIAL FOR SUPPLY TO STC  
FOR SALE/ DELIVERIES TO VARIOUS CENTRAL AND STATE  
PURCHASE ORGANIZATIONS/CO-OPERATIVES**

**1. 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 Trade World Centre, "C" Wing, 3rd Floor, Kamala Mill Compound, Senapati Bapat Marg, Lower Parel (West), Mumbai – 400 013, is a Government of India Enterprise under the administrative control of Ministry of Commerce & Industry, Government of India. STC is a premier international trading organization of India with experience of handling international and domestic trading business of various kinds of products and commodities for over five decades.

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 approx. turnover of Rs. 10,500 Crore. STC has been supplying different varieties of Packaging material from domestic market for past many years to Government of India and various State Government Departments & Central/State Government Undertakings/Co-Operatives for their own consumption.

STC, hereby, invites Expression of Interest (EOI) from prospective manufacturers & suppliers of various types of packaging material like Jute Bags, HDPE Bags, PP Bags, Hessian bags etc. for empanelment as Back up Associate of STC for sale/ deliveries to various State & Government agencies/purchase organizations as per following terms.

**2. OBJECTIVE:**

STC Mumbai intends to build a sound supply base for various types of Packaging material like Jute/HDPE/PP/Hessian Bags, etc. for domestic sale/supply to various Government

and Co-Operative Agencies/Organizations in a large scale. Hence, applications are invited from Manufactures/ Suppliers of Packaging material for Empanelment with STC to work under Back to Back arrangement basis.

### **3. SCOPE OF WORK:**

- i. The empanelled prospective manufacturers/suppliers shall accept all the terms and conditions of prospective Central & State Government Department/ Undertakings/ Purchase Organizations/ Co-Operatives and in case of order is placed, shall work on a back to back basis, deliver the said products and commodities to the Customers in the manner required at the nominated end destination. The goods shall be packed as per the desired specifications of the purchasing authority for onward sale to respective Central & State Government Department/Undertakings/Purchase Organizations/Co-Operatives. The empanelled manufacturers/suppliers shall furnish Interest free EMD/ Bid bond/ Cash Margin/ Performance Bank Guarantees (PBG)/ Performance Bond (as per the terms of the purchase organizations) to STC.
- ii. STC would quote the rates to Customers/Purchase Organizations on the basis of rates offered by the prospective manufacturers/suppliers 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 manufacturers/suppliers. The basic terms of order received by STC from buying organizations shall mutatis mutandis apply in the back-to-back contract to be finalized between STC and prospective manufacturers/ suppliers. The payment to prospective manufacturers/ suppliers shall be released only against supply of goods and receipt of payment by STC from the respective Central & State Government Department/ Undertakings/ Purchase Organizations/ Co-operatives etc.
- iii. It is to be expressly understood and agreed by the prospective manufacturers/suppliers that STC shall be making the purchases for and on behalf of its End Customers based on their specific indents. Accordingly, in case any deductions are made from the bills of STC by its Customers on account of deviations in the specifications, delayed delivery or due to short-landing at unloading destination points, the amount will be adjusted out of balance dues of prospective manufacturers/suppliers.

### **4. PRE-QUALIFICATION CRITERIA FOR SELECTION OF PROSPECTIVE MANUFACTURERS/SUPPLIERS:**

- i. Interested manufacturers/suppliers/applicants should have a minimum experience of 3 (three) years of milling/supplying of the said item(s) and are required to produce documentary evidence for the same.
- ii. Applicants should have a valid PAN No., TIN No., CST No., Trade License & Manufacturing License issued by Competent Authority(s).

- iii. Applicants to submit copies of Income Tax Return filed and Audited P&L Accounts & Balance Sheets of the company for the last three financial years duly attested by a Chartered Accountant and their turnover for last three years should be more than Rs. 5.00 Crore.
- iv. Applicants are required to submit solvency certificate from their bank for a minimum amount of Rs.1 Crore in order to undertake the supply.
- v. Interested manufacturers should have their own manufacturing 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. Manufacturers shall also furnish information on the production undertaken on, actual basis in the stated plants, during the last two years along with their Manpower etc.

In case of suppliers, they are required to submit proof of their having tie-up arrangement with Actual Manufacturers for STC's information, record and consideration.

- vi. Interested manufacturers/suppliers should have warehouse facilities for maintaining the stock of item in order to ensure smooth & uninterrupted regular supplies. Interested manufacturers/suppliers should have to submit license for the use of standard mark issued by B.I.S, wherever BIS certificate is required.
- vii. Applicants to submit latest Credit Rating Report of their company issued by Dun & Bradstreet (D&B). The Credit Rating Report should not be more than 6 month old as on date of EOI publishing. In case such report is not available with Manufacturer/Supplier, Demand Draft of Rs. 5,500/ in favour of The State Trading Corporation of India Limited payable at Mumbai to be submitted by prospective Manufacturer/Supplier for obtaining said report by STC.
- viii. Applicants to provide their complete Banking details viz. Name of Bank, Branch address, A/c No., Type of Account, SWIFT Code, IFS Code No., MICR Code, Name of Contact Officer of the Bank along with Designation and contact details. STC reserves the right to obtain Bankers' report of the applicant as per RBI guidelines.
- ix. Applicants to submit copies of Certificate of Registration of Firm, Article of Association, Memorandum of Association/ Partnership deed.
- x. Applicants to submit Registration certificates with various tax Authorities or Government Departments, Manufacturing License, etc. (If any)
- xi. Applicants shall also submit a self-certificate/undertaking on their company's letterhead issued by the owner/proprietor of the company certifying that company or its sister concern or any unit/partnership firms have not been debarred/blacklisted for doing business by Central & State Government Department/Undertakings/ Purchase Organizations or STC in the past and also as on date. The supplier shall have to submit

an UNDERTAKING to this effect at the time of application for prequalification under this EOI as well as while participating in the subsequent Tenders of prospective Purchase Organizations. In case of submission of false declaration (found at any stage), such supplier shall be disqualified forthwith.

- xii. Applicants to submit 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.

## 5. **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.stc.gov.in/corporatecommitments/Integrity-pact.aspx>.
- iii. It will be assumed that all prospective applicants have gone through the Integrity pact and have no objections whatsoever in signing the contract.
- iv. All the applicants 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.
- vi. The Independent External Monitors (IEMs) for this EOI shall be Mr. Ashok Sinha (E-mail: [asinha51@gmail.com](mailto:asinha51@gmail.com)) and Mr. Kaushlesh K. Sinha (E-mail: [sinhakaykay@gmail.com](mailto:sinhakaykay@gmail.com)). All correspondence to IEMs regarding implementation of IP may either be made directly to their e-mail or addressed to: Mr (Name of IEM), IEM, C/o Chairman & Managing Director, STC of India Ltd., Jawahar Vyapar Bhawan, Tolstoy Marg, New Delhi – 110 001.

## 6. **SUBMISSION OF EXPRESSION OF INTEREST:**

- i. The EOI must be submitted in the prescribed format as per Annexure-I along with all the required documents (mentioned at Clause No. 4 and Annexure-I of EOI) in a sealed envelope super-subscribing Name & address of the Applicant, EOI No. and due date of opening. The Envelopes are to be addressed to Deputy General Manager (Marketing) and should be submitted by Hand or By courier and dropped to Tender box kept at the Reception of STC, Mumbai office. **Applications received by Fax or E-mail will not be entertained.**
- ii. Complete set of EOI document duly signed & stamped by the authorized signatory of the company must be submitted along with EOI.

- iii. The person signing the EOI must be authorized by the owner/director of the company. In this regard, Authorization letter in favour of person signing the EOI, duly signed & stamped by the owner/director of the company, must be submitted along with EOI.
- iv. No press advertisement shall be issued for the updation/ Corrigendum/ Addendum. Prospective bidders are therefore advised to regularly visit [www.stc.gov.in](http://www.stc.gov.in), [www.tenders.gov.in](http://www.tenders.gov.in), [www.eprocure.gov.in](http://www.eprocure.gov.in) to update themselves.

**7. LAST DATE/TIME FOR SUBMISSION OF EXPRESSION OF INTEREST:**

The last date and time for submission of the Expression of Interest is **11.07.2016/1500 Hrs.** Any EOI received after the due date and time would be treated as not received.

**8. DOCUMENTS TO BE SUBMITTED ALONG WITH EOI:**

- 1) Duly filled Annexure-I along with supporting documents.
- 2) Authorisation letter in favour of person signing the EOI as per Clause No. 6 (ii).
- 3) Copies of Purchase orders/ Performance Certificates as per Clause No. 4(i).
- 4) Copies of PAN No., TIN No., CST No., Trade License & Manufacturing License issued by Competent Authority as per Clause No. 4(ii).
- 5) Copies of Income Tax Return filed and Audited P&L Accounts& Balance Sheets of the company for the last three financial years as per Clause No. 4 (iii).
- 6) Solvency certificate from bank for a minimum amount of Rs.1 Crore as per Clause No. 4(iv).
- 7) Licenses for the use of standard mark issued by B.I.S, wherever BIS certificate is required (if applicable).
- 8) In case of suppliers, proof of their having tie-up arrangement with Actual Manufacturers for undertaking supply as per Clause No. 4 (v).
- 9) Latest Credit Rating Report of company issued by Dun & Bradstreet (D&B) as per Clause No. 4(vii). In case such report is not available with Manufacturer/Supplier, Demand Draft of Rs. 5,500/ in favour of The State Trading Corporation of India Limited payable at Mumbai to be enclosed.
- 10) Copies of Certificate of Registration of Firm, Article of Association, Memorandum of Association/ Partnership deed.
- 11) Copies of Registration certificates with various tax Authorities or Government Departments, Manufacturing License, etc. (If any).
- 12) 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. 4(xi).
- 13) 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.
- 14) Accreditation certificates (if any)
- 15) Any other supporting document such as Company Brochure, etc.

**9. GENERAL TERMS & CONDITIONS:**

- i. The selected manufacturers/suppliers shall ensure compliance of all the Government regulations/conventions/policies/guidelines/orders etc. in force related to any or all of the above activities.
- ii. Details submitted by the parties shall be examined in line with criteria mentioned at Clause No. 4. All the terms and conditions shall be considered in totality and applications received without documents complying with the above conditions shall be summarily rejected.
- iii. Prospective manufacturers/suppliers shall undertake to abide by the statutory purchase requirements of Central & State Government Department/Undertakings/Purchase Organizations from time to time covering this EOI.
- iv. STC reserves the right to accept or reject any offer of Expression of Interest without assigning any reasons what so ever.
- v. Applicants can also be asked to furnish additional information/confirmation in connection with verification of the documents submitted by them, if deemed necessary. Also, responsibility & liability for collection of “C” Form/any other form, if applicable, from the purchase organizations, shall be borne by the prospective manufacturers/suppliers and STC will hold the value of Tax Liability amount until receipt of requisite “C” Form/“E1” Form/any other required form, from the Manufacturers/Suppliers/Purchase Organization.
- vi. Final selection of manufacturers/suppliers, for each of the stated items, from the EOIs received will be done at the discretion of STC and the decision of STC shall be final and binding on all the participating parties.
- vii. Interested manufacturers/suppliers may clearly note that terms and conditions enumerated in this EOI are only illustrative and not exhaustive. The chosen manufacturers/suppliers will have to enter into contracts as devised by STC to fully protect STC’s overall interests and also the interests of the prospective customers.
- viii. The prospective manufacturers/suppliers can also be asked to furnish additional information/confirmation in connection with verification of the documents submitted by them, if deemed necessary.
- ix. All details and terms & conditions of this document shall have to be considered by the prospective manufacturers/suppliers in totality and the expression of interest containing incomplete documents & not complying with the above conditions are liable to be rejected.
- x. STC reserves the right to accept or reject any/all applications and cancel the EOI process at any time, without assigning any reasons thereof.

- xi. STC do not guarantee any confirmed business to the applicants against this EOI.
- xii. Based on specifications and requirement of the Central & State Government Department/ Undertaking/ Purchase Organization, STC shall invite limited E-tenders from amongst the empanelled suppliers. Applicants should make arrangement to have all necessary set-ups like digital signature etc. for submitting offers to STC.
- xiii. The applicant 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.
- xiv. In case of the applicant 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 (upto 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.
- xv. 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.

## **10. OWNERSHIP OF EOI DOCUMENTS**

Ownership of EOI documents and information therein (all Expression of Interest documents) will become the property of STC upon submission. Where the prospective manufacturers/suppliers/applicants believe that information provided in response to this EOI is, or should be kept confidential; or disclosure of this information would unreasonably affect their business affairs, notice is to be given 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 manufacturers/suppliers stated wishes, and requests for access to such information will be determined under the RTI Act.

## **11. NO CONTRACTUAL OBLIGATION:**

STC is not bound contractually or in any other way to any prospective manufacturers/suppliers to this Expression of Interest. STC is not liable for any costs of compensation in relation to the consideration of this Expression of Interest or any Expression of Interest, incurred by the prospective manufacturers/suppliers/applicants to this Expression of Interest 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 consideration of concepts proposed in future developments.



**12. SHORT LISTING OF ASSOCIATE MANUFACTURERS/SUPPLIERS:**

Applicants who qualifies as Associate manufacturers & 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 Three years from the date of acceptance by STC, which may be renewed on the basis of performance of the party, at the sole discretion of STC.

**13. 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 contract or any contractual obligations between STC and prospective Associate. STC may, at its absolute discretion, elect to abandon any part or whole of the process without giving prior notice to the prospective suppliers.

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**ANNEXURE-I**

*(APPLICATION FORM TO BE FILLED UP BY APPLICANT ON COMPANY'S  
LETTERHEAD)*

To:

The Deputy General Manager,  
The State Trading Corporation of India Limited,  
Trade World Centre, "C" Wing, 3rd Floor,  
Kamala Mill Compound, Senapati Bapat Marg,  
Lower Parel (West),  
Mumbai – 400 013

Dear Sir,

With reference to your Expression of Interest (EOI) No.STC/MUM/EOI/PM/2016-17 dated 15.06.2016 inviting applications for empanelment of Manufacturers & Suppliers of various types of packaging material for supply to STC for sale/ deliveries to various Central and State Government purchase organizations, we hereby submit our application for your consideration as under:-

1	NAME OF THE APPLICANT (Manufacturer/ Supplier)	
	COMPLETE ADDRESS FOR CORRESPONDENCE	
	PLACE OF REGISTRATION	
	PRINCIPAL PLACE OF BUSINESS	
	YEAR OF ESTABLISHMENT	
	NAME OF CONTACT PERSON(S)	
	PHONE NO(S).	
	MOBILE NO(S)	
	FAX NO(S)	

	E-MAIL ADDRESS(S)				
	WHETHER APPLICANT IS MSE (GEN/SC/ST) (Attach supporting document)				
2	NAME OF ITEM(S) (for which empanelment is requested)				
3	Annual Manufacturing/ Supplying Capacity of the firm				
4	Details of Manufacturing Unit(s)				
5	QUANTITY SUPPLIED for each item (Documentary Proof to be attached)	IN INDIA (Domestic)		OUTSIDE INDIA (Exports)	
		Quantity supplied	Value (Rs. in Crore)	Quantity supplied	Value (Rs. in Crore)
		In the year 2012-13			
		In the year 2013-14			
		In the year 2014-15			
	In the year 2015-16 (Provisional if not finalized)				
6	Details of clients to whom supplies during the last three years both in terms of volume and value have been completed. (**)				
7	Copies of Purchase orders/ Performance Certificates in support Clause No. 5 above	Attached		Not attached	
8	Copies of PAN Card/ TIN/ CST Registration No., etc.	Attached		Not attached	
9	Copies of Income Tax Returns for last three financial years.	Attached		Not attached	

10	Audited P&L Accounts & Balance Sheets for last three financial years duly attested by Chartered Accountant.	Attached	Not attached
11	Solvency Certificate issued by Bank.	Attached	Not attached
12	Any document supporting tie up with Actual Manufacturer for undertaking supply (in case of suppliers).	Attached	Not attached
13	Latest D&B Credit rating report.	Attached	Not attached
14	Demand Draft of Rs. 5,500/- for obtaining D&B Report, if latest D&B Credit rating report not available.	Attached	Not attached
15	Copies of Certificate of Registration, Article of Association, Memorandum of Association/ Partnership deed of the Firm.	Attached	Not attached
16	Registration certificates with various Tax Authorities or Government Departments, Manufacturing License, etc. (If any)	Attached	Not attached
17	Had the applicant company been Black listed/ banned by any Government Undertaking/ Department from participating in any tenders/EOI in the past.	Yes	No
18	Undertaking to the effect that the company is not debarred/ black listed by any Government Department/ undertaking as on date.	Attached	Not attached
19	Duly signed & stamped EOI document as a token of acceptance of all terms and conditions.	Accepted	Not accepted
20	Accreditation certificates (if any)	Attached	Not attached
21	Any other supporting document such as Company Brochure, etc.	Attached	Not attached

22	Banking details of Manufacturer/Supplier viz. Name of Bank, Branch address, A/c No., Type of Account, SWIFT Code, IFS Code No., MICR Code, Name of Contact Officer of the Bank along with Designation and contact details.
23	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.

Date:  
Place:

Signatures:  
Name & Designation:  
Company Seal

**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 Trade World Centre, “C” Wing, 3rd Floor, Kamala Mill Compound, Senapati Bapat Marg, Lower Parel (West), Mumbai – 400 013.**

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) 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.

#### **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.
- (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.
- (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.

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**(For & On behalf of STC)**

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

(Office Seal)

(Office Seal)

Place :

Date:

Witness 1 : Name & Address

Witness 2 : Name & Address