



**REQUEST FOR PROPOSAL
FOR
ENGAGEMENT OF LAW FIRM(S)**

**TO CONDUCT LEGAL DUE DILIGENCE OF PUNJAB NATIONAL BANK,
ORIENTAL BANK OF COMMERCE AND UNITED BANK OF INDIA FOR
THEIR PROPOSED AMALGAMATION**

Punjab National Bank,
Law Division
Corporate Office,
Plot No. 4 Sector 10 Dwarka,
New Delhi 110075
Phone: 28044854/28044472
Email: law@pnb.co.in

RFP Details

S.No.	ITEM	DATE/REMARKS
1.	RFP REFERENCE No.:	PNB/ LDD/ AMGL./2019
2.	RFP APPLICATION FEE	RS. 25,000/- (NON REFUNDABLE)
3.	BID START - DATE AND TIME	27.09.2019
4.	LAST DATE & TIME FOR RECEIPT OF QUERIES/CLARIFICATION RELATED TO RFP	01.10.2019
5.	LAST DATE FOR SUBMISSION OF TECHNICAL BIDS FOR RFP	17.10.2019 till 1700 Hrs
6.	LAST DATE AND TIME FOR HASH SUBMISSION AND BID PREPARATION	16.10.2019 till 1600 Hrs
7.	TENDER CLOSING ONLINE	16.10.2019 TILL 1601 HRS TO 1700 HRS
8.	LAST DATE AND TIME FOR RE-ENCRYPTION OF BID	16.10.2019 TILL 1701 HRS TO 17.10.2019 TILL 1700 HRS
9.	PRE BID MEETING (IF REQUIRED)	05.10.2019 AT 16:00 HRS
10.	DATE OF OPENING OF TECHNICAL BID	19.10.2019 AT 15:00 HRS
11.	DATE OF OPENING OF FINANCIAL/COMMERCIAL BID	WILL BE NOTIFIED LATER
12.	WEBSITE FOR DOWNLOADING RFP	https://www.pnbindia.in/Tender.aspx
13.	ADDRESS OF COMMUNICATION	The Chief Manager Law Division Punjab National Bank, Corporate Office, Plot No. 4 Sector 10 Dwarka, New Delhi 110075 Phone: 011-28044854/28044472 Email: law@pnb.co.in

Note:-

- Technical Bids will be given in physical form and Commercial bid will be online only.
- Bidders, who have not registered earlier with e-procurement site i.e. <https://etender.pnbnet.in/login>, would have to register with our e-procurement site. Bidders to ensure to get themselves registered timely, at least Two working days before the Hash submission date, to avoid last moment issues.

1. ABOUT THE BANKS

Entity No. 1

Punjab National Bank, a Body Corporate, constituted under the Banking Companies (Acquisition & Transfer of Undertakings) Act, 1970 having its Head Office at Plot No. 4, Sector – 10, Dwarka, New Delhi -110075 (Hereinafter referred to as “**Entity No. 1**” or “**PNB**” or “**Bank**”)

Entity No. 2

Oriental Bank of Commerce, a Body Corporate constituted under the Banking Companies (Acquisition & Transfer of Undertakings) Act, 1980 having its Corporate Office at Plot no. 5, Institutional Area, Sector 32, Gurugram-122001. (Hereinafter referred to as “**Entity No. 2**” or “**OBC**”)

Entity No. 3

United Bank of India, a Body Corporate constituted under the Banking Companies (Acquisition & Transfer of Undertakings) Act, 1970 having its Head Office at No.11, Hemanta Basu Sarani, Kolkata – 700001, West Bengal,. (Hereinafter referred to as “**Entity No. 3**” or “**UBI**”)

All three entities i.e. Entity 1, 2 & 3 shall jointly be referred to as “**Banks**”

2. PROPOSAL & ELIGIBILITY CRITERIA

- A. The aforementioned Banks would like to engage law firm(s) to undertake the work of Legal Due Diligence of Punjab National Bank, Oriental Bank of Commerce and United Bank of India for the proposed amalgamation (“transaction”).
- B. In respect of above, Entity No. 1 (i.e. PNB) on its behalf and on behalf of Entity No. 2 (i.e. OBC) & 3 (i.e. UBI) invite proposals from reputed Law firms, having experience of Legal Due Diligence of amalgamation(s)/ merger(s) of commercial banks in India, to carry out Legal Due Diligence for the proposed amalgamation of Punjab National Bank, Oriental Bank of Commerce and United Bank of India, as per the scope of works detailed in Para 3 below.
- C. The bidder(s) shall send a demand draft of Rs. 25,000/- in favour of PUNJAB NATIONAL BANK payable at NEW DELHI, as non refundable fee for RFP, along with the technical bid.

Note:

- Only those Bidders who fulfil the eligibility criteria mentioned above are eligible to respond to the RFP. However, the bank reserves the right to relax the eligibility criteria, if eligible offers are less than 3.

- The Bidder law firm or any of its partner should not be in the Caution List of IBA.
- The interested bidder(s) fulfilling eligibility criteria mentioned above are advised to furnish all relevant supporting certificate(s)/documents alongwith the technical bid.
- If any information provided by any bidder is found and/or proved to be incorrect or misleading, such bid shall be rejected/disqualified. Such bidder may also be blacklisted for all future engagements by the Bank.
- The selected bidder(s) would be required to sign a Non-Disclosure Agreement with all the three banks i.e. PNB, OBC & UBI and integrity Pact (IP) with PNB, failing which their engagement will be null and void.

3. SCOPE OF WORK / RESPONSIBILITIES

- i.** To Advise on the draft Scheme of Amalgamation to be prepared for Punjab National Bank, Oriental Bank of Commerce and United Bank of India.
- ii.** To Advise on compliance of all regulatory processes that are required for the successful completion of the Amalgamation, including but not limited to applications and correspondences required with SEBI, RBI, RoC, Stock Exchange, Government of India etc. In this regard, the selected Law Firm will require to assist in drafting and finalizing regulatory correspondence in relation to the Amalgamation.
- iii.** To advise on Transaction including advice on all statutory/regulatory process required towards the successful completion of the Amalgamation
- iv.** To advise on all other required documentations, registration or publication etc. relating to the amalgamation
- v.** To advice on practical legal issues as may be identified by the Bank from time to time that would come up in process of integration and implementation of the scheme including advise on (A) sponsorship of the Regional Rural Banks; (B) merger of Trusts/Societies of the Banks with similar objectives; (C) advise on transfer of businesses carried out under various regulatory licenses such as depository participant licenses, corporate agency licenses etc.
- vi.** To carry out Legal Due Diligence of PNB, OBC & UBI which inter alia includes:
 - a.** Review of corporate matters including history of incorporation, Minutes of the meeting of Boards and other Statutory Registers.
 - b.** Review of subsidiary companies and their books and various agreements viz JV agreements etc.

- c. Review/checking of compliances of observations made by RBI/Statutory Auditors
- d. Review of various third party tie-up agreements.
- d. List of RBI approvals and any other regulatory approval required for the operations of the Bank including all para Banking activities.
- e. Detailed review of high stake Loan & NPA portfolio of the Banks i.e. review of Top 100 Borrowers and Top 100 NPA Accounts.
- f. Review of high stakes litigations (by and against) of all three banks i.e. PNB, OBC & UBI and provide the summary of the contingency and materiality of such litigations. The materiality threshold will be mutually agreed with Bank.
- g. Approval and review of various operating policies and framework of all three banks i.e. PNB, OBC & UBI and its compliance as per the available guidelines and regulation of the Regulator.
- h. Review of material Agreements and current position and review of all Contracts of the banks including insurance if any. The materiality threshold will be mutually agreed with Bank on the basis of the value of the contract and importance to the business.
- i. Review of Key Managerial Personnel (KMP) engagement policies & major HR policies.
- j. Review of existing Trade Unions, their agreements and contracts with respective Entities no. 1 to 3 and the resulting impact of these contracts after amalgamation of the banks.
- k. Title due diligence of the major properties (viz. Located at metros etc.) held by the Banks.
- l. Review of Government permits, licenses or authorisations held by Banks.
- vi. The successful bidder has to depute a team for each Bank to be stationed at Head office of each Bank, who will be handling the work of legal due diligence for the respective Bank formulate. The successful bidder has to provide details of Team leader for each bank who will be the nodal point.

The above said scope of work is **indicative** only. Any other work related to legal due diligence required by the regulators/statutory bodies for completion of amalgamation process shall also be deemed to be included in the scope of work by the successful bidder.

Legal due diligence report is required for the purpose of finalisation of scheme of amalgamation, therefore, the entire work of due diligence of all three Banks is to be completed **within 45 days of issue of award letter to Successful bidder.**

4. COST OF BIDDING

A Bidder shall bear all the costs associated with the preparation and submission of its bid.

5. BIDDING DOCUMENT

The Bidder is expected to follow all instructions, forms, terms and conditions in the bidding documents. Failure to furnish all information required by the bidding documents or submission of a bid not substantially responsive to the bidding documents in every aspect shall be at the Bidders' risk and may result in the rejection of its bid without any further reference to the bidder.

6. SUBMISSION OF BID/PROPOSAL:

A. Technical Bid:-

(i) The Technical Bid shall be submitted to Bank by tendering a sealed envelope containing following:

- RFP fee in the form of Draft.
- RFP document alongwith annexures duly signed by Authorised representative of bidder at the left bottom of every page in following form

“Terms and conditions mentioned in RFP is acceptable
.....(sign & seal of law firm)”

- Duly executed undertaking mentioned in Annex-I and Integrity Pact as prescribed in Annex-II.
- All relevant documents in support of their eligibility.
- Detailed proposal highlighting the credentials in Amalgamation & merger
- Experience in Mergers & Amalgamations of Commercial Banks in India
- Proposed methodology for the work
- Details of the total present strength & Infrastructure alongwith the manpower proposed to be dedicated for the transaction.
- Authority letter/Board Resolution authorizing the person of the bidder to sign the proposal and other documents viz Registration certificate of the firm; PAN Card; GST Registration(if any) etc.

- (ii) The technical bid/proposal, duly signed by the authorized officer, shall be submitted in a sealed envelope bearing signature across the seal and should be submitted in hard copies in original by hand or via registered post or Courier to the

“Chief Manager, Law Division,
3rd Floor, East Wing,
Punjab National Bank, Corporate Office,
Plot No. 4 Sector 10 Dwarka,
New Delhi 110075”
duly signed by of the bidder(s).

The sealed cover must contain the office address, email address and contact details of its executive/authorised representative.

No Bid will be accepted/entertained after the appointed time and date. The Bank will not be responsible for any postal/courier delay. The Bids received after the appointed time and date will be rejected. **The bidders are requested to intimate the dispatch of the Bid via email to law@pnb.co.in.**

B. Financial/Commercial Bid

- i. Bidders are required to strictly submit financial/commercial bid in electronic form using the e-procurement system at <https://etender.pnbnet.in/login> to the Bank by using their digital certificates of class II and above (both encryption and signing). All the interested bidders should register themselves in the e-procurement system <https://etender.pnbnet.in/login> for submitting the bids online, if they have not done earlier. Financial/Commercial Bids received after stipulated time for closing of the bid in the e-procurement system, will be summarily rejected without assigning any reason.
- ii. Incomplete bids, conditional bids, bids not conforming to the terms and conditions are liable to be rejected by the Bank.
- iii. Please note that **HASH SUBMISSION** is a mandatory activity, failing which bidder will not be able to submit the bid. For details you may visit our e-Procurement Site <https://etender.pnbnet.in/login>.
- iv. Bidders are advised to go through Bidders Manual available on <https://etender.pnbnet.in> for registration and submission of tenders. If approval of registration is pending at Bank's end, Bidders should immediately contact Bank.
- v. Bidders are advised to go through Bidders Manual for Browser settings and Java settings required for participation in the bid. Follow each & every step mentioned in Bidder Manual.

- vi. Bidders should submit bids well before time rather than waiting for last moment to avoid any technical glitches or networking issues etc. at their end.
- vii. Bidders are requested to use a reliable internet connection (data cable/ broad band) to safeguard themselves. Bank is not responsible for telephone line glitch, internet response issues, hardware hangs etc., at bidder's end.

7. PROCESS OF SELECTION

In the First Stage, the technical bids will be opened and evaluated first. Only those bidders who qualify the technical bid stage shall be short-listed for Second Stage

In the event of the specified date of bid opening being declared a holiday for purchaser, the bids shall be opened at the specified time and place on next working day.

1ST STAGE

- i) Technical bids shall be opened and eligibility of the bidders as prescribed in this RFP, will be evaluated first. Technical bids of only eligible bidders will be evaluated further.
- (ii) The Bidder who fulfils the eligibility criteria will be called to make a presentation (15 minutes approx.), regarding their roadmap & modalities to complete the transaction and key highlights before an Appraisal Committee at Punjab National Bank, Corporate Office, Plot No. 4 Sector 10 Dwarka, New Delhi 110075. The Date and time schedule will be emailed to the respective eligible bidder(s) separately at e-mail ID provided by the bidder(s), 2 days prior to such presentation. Order of presentation will be in alphabetical order of the name of the bidder(s). During presentation, four sets of hard copies of the presentation should be submitted to the Bank. Only the Team Leader of the Bidder's team shall make the presentation.
- (iii) Technical bid shall be evaluated based on credentials of bidder (s), expertise / experience in Mergers & Amalgamations process, proposed methodology for the work and capacity of the bidder(s).

Technical bid of the eligible Bidder(s) will be short listed based on below mentioned selection matrix:

SN	Sections	Weightage
1	Detailed proposal highlighting the credentials of the bidder {Parameters includes length of experience, net-worth, recognition & awards etc.}	10
2	Expertise in Merger and Amalgamation (M&A) of Commercial Banks in India	30

{Parameters includes number of mergers & amalgamations project handled; size of M&A entity, completing time of projects etc.}

3	Proposed methodology for the work	30
4	Details of the total present strength & Infrastructure alongwith the manpower proposed to be dedicated for the Transaction	20
5	Presentation {Parameters includes roadmap; team profile; expected time etc.}	10
Total		100

Bidder(s) scoring minimum 50% marks would be considered as technically qualified.

2ND STAGE

Combined Final Techno-Commercial Evaluation

On a given date, bidders, who have qualified technical bid stage, will be called for opening of financial bid.

The final selection of the bidder shall be done based on combined matrix of technical & financial score. The Bank will give 60% weightage to technical score and 40 % weightage for commercial bid while comparing the commercial quote. The procedure is as under:

A “Score (S)” will be calculated for all qualified bidders using the following formula:

$$S = (C_{\text{low}} / C) X + (T / T_{\text{high}}) (1-X)$$

Where C stands for the Nominal Quote, C_{Low} stands for the price quote of the lowest nominal bid. T stands for technical evaluation score and T_{High} stands for the score of the technically highest bidder. X is equal to 0.4.

Example:

SN	Bidder	Technical Evaluation Marks (T)	Nominal Bid Price (C)	(C-low / C) * 0.4 40% weightage	(T / T-high) * 0.6 60% weightage	Score (S)
1	ABC	49	8000	(8000/8000) * 0.4 = 0.40	(49/63)* 0.6 = 0.46	0.86
2	XYZ	63	9000	(8000/9000) * 0.4 =	(63/63)* 0.6	0.95

				0.35	= 0.60	
3	PQR	56	10000	$(8000/10000) * 0.4 = 0.32$	$(56/63) * 0.6 = .53$	0.85

In the above example, XYZ, with the highest score becomes the successful bidder.

Bank reserves the right to discuss the price with the Successful bidder before awarding the engagement. It may be noted that Bank will not entertain any price negotiations with any other bidder, till the Successful bidder declines to accept the offer.

At the sole discretion and determination of the Bank, the Bank may add any other relevant criteria for evaluating the Bids received in response to this RFP.

The decision of the committee on the matter of selection of Law Firms shall be final & binding on all the concerned parties.

8. MODIFICATION AND/OR WITHDRAWAL OF BIDS

Bids once submitted will be treated as final and no further correspondence will be entertained on this. No bid will be modified after the deadline for submission of bids. No bidder shall be allowed to withdraw the bid, if bidder happens to be successful bidder.

9. AWARD

The shortlisted bidder will be issued a letter of award by the Bank and such successful bidder shall execute engagement letter/agreement with the Bank within 3 days of issuance of letter of award by the Bank. The Selected bidder shall also sign an Integrity Pact as per the Performa (Annex-II).

10. PAYMENT TERMS

The payment to successful bidder shall be made on consolidated basis within 30 days of completion of legal due diligence work and submission of legal due diligence report.

11. DISQUALIFICATION OF BIDDER /TERMINATION OF ENGAGEMENT

- (i) In case, it is found during the course of the transaction or at any time before issuance of the letter of award or after execution of engagement letter and during the period of subsistence or after the period thereof, that one or more terms and conditions laid down in this request for proposal has not been met by the bidder or the bidder has made material misrepresentation or has given any

materially incorrect or false information, the bidder shall be disqualified forthwith if not yet engaged, and if engaged then the engagement shall be terminated, by a communication in writing by the Bank to the successful bidder without the Bank being liable in any manner whatsoever. This action will be without prejudice to any right or remedy that may be available to the Bank under the bidding document or otherwise available under the law. In addition to this, Bank may also black-list such bidder. However, terminating the engagement, a show cause notice stating why its engagement should not be terminated would be issued giving it an opportunity to explain its position.

- (ii) Further, during the tenure of engagement of the Law Firm(s), in case PNB at any time consider that the services of Law Firm(s) are in any manner deficient and/or are not being performed to the satisfaction of the Bank in terms of scope of work as set out herein or in the engagement letter or in any agreement that may be executed with them in connection with the Transaction, PNB shall have the right to terminate the engagement of such Law Firm (s) without assigning any reason for the same.

12. ACCOUNTABILITY

The Law Firm(s) shall be accountable with respect to the following:

- I.** All the responsibilities indicated in Scope of works and any other activities that the Law Firm(s) may perform in connection with the proposed amalgamation of Punjab National Bank, Oriental Bank of Commerce and United Bank of India.
- II.** In case of all disputes relating to the RFP and the matters arising in connection with the RFP, the bidder shall make representation to the PNB and the decision of the PNB on any or all points raised by the bidder(s) shall be final and binding on the bidder(s).
- III** The Law Firm(s) engaged shall be the principal employer of the employees, agents, contractors, subcontractors etc. engaged by the appointed(s) and shall be vicariously liable for all the acts, deeds or things, whether the same is within the scope of work or outside the scope of work, vested under the engagement letter to be issued for this RFP. No right of any employment shall accrue or arise, by virtue of engagement of employees, agents, contractors, subcontractors etc. by the appointed Law Firm(s), for transaction under the engagement letter to be issued for this RFP.
- IV** All remuneration, claims, wages, dues etc. of such employees, agents, contractors, subcontractors etc. of the selected bidders(s) shall be paid by the selected bidder(s) alone and the BANK shall not have any direct or indirect liability or obligation, to pay any charges, claims or wages of any of the law Firm's employee, agents, contractors, and subcontractors.

- V.** The selected bidder(s) agrees to hold the BANK, its successors, Assignees and Administrators fully indemnified and harmless against loss or liability of whatsoever nature caused to the BANK, claims actions or proceedings, if any, that may arise from the failure of the successful bidder to perform its duties and/or the action of its employees, agents, contractors, subcontractors etc. The written demand by the BANK as to the loss/damages shall be final, conclusive and binding on the selected bidders(s) and the selected bidder(s) shall be liable to pay on demand without any contestation/demur the actual amount of such loss/damages caused to the Bank subject to an upper limit equivalent to the total payment of this project.

13. NO LEGAL RELATIONSHIP

No binding legal relationship will exist between any of the Bidder(s) and the Bank until execution of execution letter with the successful Bidder.

14. EVALUATION OF OFFER

Each Bidder acknowledges and accepts that the Bank may, in its absolute discretion, apply any additional criteria it deems appropriate in the selection of the Law Firm(s), not limited to those selection criteria set out in this RFP.

15. CONFIDENTIALITY

The information subsequently provided to Bidder(s) whether verbally or in writing by or on behalf of Banks shall be subject to the terms and conditions set out in this RFP and in engagement letter/agreement/contract to be executed by the Bank and shall be kept confidential by the bidders.

16. NO REPRESENTATION OR WARRANTY BY THE BANK

The Bank makes no representation or warranty and shall incur no liability under any law, statute, rules or regulations on any claim the potential bidder(s) may make in case of failure to understand the terms and requirements of this RFP and responds to the RFP. The Bank may, in its absolute discretion, but without being under any obligation to do so, update, amend or supplement the information in this RFP and specify additional requirements or cancel this RFP at any time without assigning any reason there of and without any notice, at its sole discretion.

It is the Bidder(s) responsibility to examine this RFP; examine all other information available on reasonable inquiry relevant to the risks, contingencies and circumstances affecting its response to the RFP; and satisfy itself as to the completeness, correctness and sufficiency of all the information contained in its response to the RFP.

17. BANK'S DISCRETION

- I.** The Bank may at its sole discretion select and engage such number of Law Firm(s) as it deem fit with requisite experience, who together will form a team and be called Law Firms.
- II.** The Bank shall be under no obligation to act upon the advice rendered by the Law Firm(s) for the engagement of other intermediaries. The engagement made by the Bank shall be final and binding on all the Bidder(s).

18. AMENDMENT OF RFP DOCUMENTS

At any time prior to the last date and time for submission of bids, the Bank may, for any reason, modify the RFP Documents through amendments at the sole discretion of the Bank. All amendments/corrigendum shall be uploaded on the Bank's websites (<https://www.pnbindia.in/Tender.aspx>) and will be binding on all those who are interested in bidding. In order to provide prospective Bidders a reasonable time to take the amendment, if any, into account in preparing their bid, the Bank may, at its discretion, extend the deadline for submission of bids.

19. RIGHT TO ACCEPT OR REJECT ANY BID OR ALL BIDS

PNB reserves the right to accept or reject any bid and annul the bidding process or even reject all bids at any time prior to issuance of award letter, without thereby incurring any liability to the affected bidder or bidders or without any obligation to inform the affected bidder or bidders about the grounds for the PNB's action.

20. CONTACTING THE BANK

Any effort by a bidder to influence the Banks in evaluation of the Bank's bid, bid comparison or award decision may result in the rejection of the Bidders' bid. Bank's decision will be final and without prejudice and will be binding on all parties.

21. ASSIGNMENT

The successful bidder shall not assign, in whole or in part, its obligations to perform under this RFP/engagement letter, except with the Bank's prior written consent.

22. GOVERNING LAW AND DISPUTES

All disputes or differences whatsoever arising between the parties out of or in relation to the construction, meaning and operation or effect of these Tender Documents or breach thereof shall be settled amicably. If, however, the parties are not able to solve them amicably, the same

shall be settled by arbitration in accordance with the applicable Indian Laws, and the award made in pursuance thereof shall be binding on the parties. The Arbitrator/Arbitrators shall give a reasoned award. Any appeal will be subject to the exclusive jurisdiction of courts at Delhi. The bidder shall continue work during the arbitration proceedings unless otherwise directed in writing by the Bank or unless the matter is such that the work cannot possibly be continued until the decision of the arbitrator or the umpire, as the case may be, obtained. The venue of the arbitration shall be Delhi.

23. DISCLAIMER

The RFP is not a recommendation, offer or invitation to enter into a contract, agreement or any other arrangement. The purpose of this RFP is to provide information to the potential Bidders, who may qualify to submit the response to this RFP, to assist them in responding to this RFP. Though this RFP has been prepared with sufficient care to provide all required information to the potential Bidders, potential Bidders however may need more information than what has been provided herein. In such cases, the potential Bidder is solely responsible to seek the information required from the Bank. The Bank reserves the right to provide such additional information at its sole discretion. In order to respond to the RFP, if required, and with the prior permission of the Bank, each Bidder may conduct its own study and analysis / assessment and seek its own professional, technical, financial and legal advice, as may be necessary.

FOR ANY FURTHER CLARIFICATION PLEASE CONTACT

Shri. Arvind Sharma,
Chief Manager
Law Division
Punjab National Bank,
Corporate Office,
Plot No. 4 Sector 10 Dwarka,
New Delhi 110075
Phone: 28044854/28044472
Email: law@pnb.co.in

UNDERTAKING FROM THE BIDDER

To

The Chief Manager
Law Division
Punjab National Bank
New Delhi

Sir

REG.: PROPOSAL/BID FOR ENGAGEMENT OF LAW FIRM(S) TO CONDUCT
LEGAL DUE DILIGENCE OF PUNJAB NATIONAL BANK, ORIENTAL BANK
OF COMMERCE AND UNITED BANK OF INDIA FOR THEIR PROPOSED
AMALGAMATION

We submit our Bid Documents herewith.

We understand that

- You are not bound to accept the lowest or any bid received by you, and you may reject all or any bid.
- If our Bid for the above job is accepted, we undertake to enter into and execute engagement letter/agreement at our cost, when called upon by the Bank to do so. Till such a formal engagement letter/agreement is prepared and executed, this bid shall constitute a binding contract between us and bank.
- If our bid is accepted, we are responsible for the due performance of the work.
- You may accept or entrust the entire work to one Bidder or divide the work to more than one bidder without assigning any reason or giving any explanation whatsoever.

Yours faithfully

Date: _____
Place: _____

Signature of Authorized Signatory
Name of Signatory:
Designation:
Seal of Company

PERFORMA FOR INTEGRITY PACT

To,
Chief Manager,
HO: Law Division
Punjab National Bank
New Delhi

Subject: Submission of Tender for the work.....

Dear Sir,

I/We acknowledge that Punjab National Bank is committed to follow the principle of transparency equity and competitiveness as enumerated in the Integrity Agreement enclosed with the tender/bid document.

I/We agree that the Request For Proposal(RFP) is an invitation to offer made on the condition that I/We will sign the enclosed integrity Agreement, which is an integral part of tender documents, failing which I/We will stand disqualified from the tendering process. I/We acknowledge that THE MAKING OF THE BID SHALL BE REGARDED AS AN UNCONDITIONAL AND ABSOLUTE ACCEPTANCE of this condition of the RFP.

I/We confirm acceptance and compliance with the Integrity Agreement in letter and spirit and further agree that execution of the said Integrity Agreement shall be separate and distinct from the main contract, which will come into existence when tender/bid is finally accepted by Punjab National Bank. I/We acknowledge and accept the duration of the Integrity Agreement, which shall be in the line with Article 6 of the enclosed Integrity Agreement.

I/We acknowledge that in the event of my/our failure to sign and accept the Integrity Agreement, while submitting the tender/bid, Punjab National Bank shall have unqualified, absolute and unfettered right to disqualify the tenderer/bidder and reject the tender/bid in accordance with terms and conditions of the tender/bid.

Yours faithfully

(Duly authorized signatory of the Bidder)

To be signed by the bidder and same signatory competent / authorized to sign the relevant contract on behalf of Punjab National Bank

INTEGRITY AGREEMENT

This Integrity Agreement is made at on thisday of 2019.

BETWEEN

Punjab National Bank , a body corporate constituted under the Banking Companies (Acquisition and Transfer of Undertaking) Act 1970 (Act no V of 1970) and having it's Head Office at Plot no. 4, Sector 10, Dwarka, New Delhi 110075, hereinafter referred to as "The Principal", which expression shall mean and include unless the context otherwise requires, successors in office and assigns of the First Part.

And

M/s. _____ having its registered office at _____ hereinafter referred to as "The Bidder/Contractor", expression shall mean and include unless the context otherwise requires, successors and permitted assigns of the Second part.

Preamble

The Principal intends to award, under laid down organizational procedures, contract/s for..... The 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 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 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 person.

(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 during any stage of bid process/contract. The Bidder(s)/Contractor(s) commit themselves to observe the following principles during 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 the other benefit which he/she is not legally entitled to, in order to obtain in exchange any advantage of any kind whatsoever during the tender process or during the execution of the contract.

b. The Bidder(s)/Contractor(s) will not enter with other Bidders into any undisclosed agreement or understanding, whether formal or informal. This applies in particular to prices, specifications, certifications, subsidiary contracts, submission or non-submission of bids or any other actions to restrict competitiveness or to introduce cartelization in the bidding process.

c. The Bidder(s)/ Contractor(s) will not commit any offence under the relevant IPC/PC Act; further the Bidder(s)/Contractor(s) will not use improperly, for purposes of competition or personal gain, or pass on to others, any information or document provided by the Principal as part of the business relationship, regarding plans, technical proposal and business details, including information contained or transmitted electronically.

d. The Bidder(s)/Contractor(s) of foreign origin shall disclose the name and address of the Agents/representatives in India, if any. Similarly the Bidder(s)/Contractor(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.

e. The Bidder(s)/Contractor(s) will, when presenting their bid, disclose any and all payments made, is committed to or intends to make to agents, or any other intermediaries in connection with the award of the contract.

f. Bidder(s)/Contractor(s) who have signed the Integrity Pact shall not approach the Courts while representing the matter to IEMs and shall wait for their decision in the matter.

(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 execution has committed a transgression through a violation of Section 2, above or in any other form such as to put their 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”.

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 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 transgression occurred in the last three years immediate before signing of this integrity pact with any other Company in any country conforming to the anti-corruption approach or with any Public Sector Enterprises or central/state government department 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 dealing”.

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

(1) In case of Sub-contracting, the Principal Contractor shall take the responsibility of the adoption of integrity Pact by the Sub-contractor.

(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 the 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 Sub contractor, 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

(1) The Principal appoints competent and credible Independent External Monitor for this Pact after approval by Central Vigilance Commission. The task of the Monitor is to review independently and objectively, whether and to what extent the parties comply with the obligations under the agreement.

(2) The Monitor is not subject to instructions by the representatives of the parties and performs his/her functions neutrally and independently. The Monitor would have access to all Contract documents, whenever required. It will be obligatory for him/her to treat the information and documents of the Bidders/Contractors as confidential. He/she reports to the Managing Director and CEO, Punjab National Bank.

(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 Bidder(s)/ Contractor(s). The Bidder(s)/Contractor(s) will also grant the Monitor, upon his/her request and demonstration of a valid interest, unrestricted and unconditional access to their project documentation. The same is applicable to Sub-contractor.

(4) The Monitor is under contractual obligation to treat the information and documents of the Bidder(s)/Contractor(s)/Subcontractor(s) with confidentiality. The Monitor has also signed declarations on 'Non-Disclosure of Confidential Information' and of 'Absence of Conflict of Interest'. In case of any conflict of interest arising at a later date, the IEM shall inform MD & CEO, Punjab National Bank and recuse himself/herself from that case.

(5) 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 Contractor. The parties offer to the Monitor the option to participate in such meetings.

(6) As soon as the Monitor notices, or believes to notice, a violation of this agreement, he/she 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 non-binding 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.

(7) The Monitor will submit a written report to the MD & CEO, Punjab National Bank 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.

(8) If the Monitor has reported to the MD& CEO, Punjab National Bank , a substantiated suspicion of an offence under relevant IPC/PC Act, and the MD & CEO, PNB 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.

(9) 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 Contractor 12 months after the last payment under the contract, and for all other Bidders 6 months after the contract has been awarded. Any violation of the same would entail disqualification of the bidders and exclusion future business dealings. 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 MD & CEO, PNB.

Section 10- Other provisions

(1) This agreement is subject to Indian Law. Place of performance and jurisdiction is the "Place of award of work".

(2) The actions stipulated in this Integrity Pact are without prejudice to any other legal action that may follow in accordance with the provisions of to the extant law in force relating to any civil or criminal proceedings.

(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 valid, the remainder of this agreement remains valid. In this case, the parties will strive to come to an agreement to their original intentions.

(6) Issues like warranty/Guarantee etc. shall be outside the purview of IEMs.

(7) In the event of any contradiction between the Integrity Pact and its Annexure, the Clause in the Integrity Pact will prevail.

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

Place.....

Date.....

Witness 1: (Name & Address)

Witness 2: (Name & Address)