



Indian Bank
Head Office,
Banking Operations Department
8, Jehangir Street
Chennai-600 001

Sealed Tender in two separate sealed covers in two parts, i.e. Part - I (Technical Bid) and Part - II (Commercial Indicative Price Bid) are invited **up to 14.00 hours 20.01.2011 (last date of submission)** to be submitted at the above address for supply, installation, commissioning and maintenance of the under mentioned machines at various Non currency chest branches located across the country from reputed firms / Companies which have supplied at least 250 Desk Top Note Sorting Machines (No. of Pockets / Structure minimum 2+1) each year to various banks/ RBI in India since 1.4.2007 till 31.03.2010 (2007-08,2008-09 and 2009-10) and maintenance and after sales service net work spread across 19 Zones of Indian Bank all over India.

Description of the Machines	No. of Pockets/ Structure	Rated Capacity	Number of Machines Required
Desk Top Note Sorting Machines	Minimum 2 + 1	18000 to 20000 notes per hour	74

Earnest Money: The tender must be accompanied by Earnest Money in the form of irrevocable Bank Guarantee issued by a First Class schedule bank in India mentioned in Annexure 'H' for Rs.25.00 lakhs

The Technical Bid Part-I will be opened at 11.00 hours on 21.01.2011 at the Banking Operations Department, Indian Bank Head Office, No 8, Jehangir Street, Chennai- 600001 located at the above address.

Part-II (Commercial Indicative Price Bid) will be opened on a subsequent date, which will be communicated only to such tenderers in writing who have successfully qualified in Technical Evaluation as per details given in Annexure" A". The Commercial Bid should mention only the indicative price comprising of the Basic Price of machine and Annual Maintenance Contract charges because the final bid will be through e-procurement reverse auction process through internet. However, both the Part-I (Technical Bid) and Part II (Commercial Indicative Price Bid) have to be submitted together.

Tender forms can be collected from the undersigned at the above address from **11.00 A.M to 4.00 P.M (Monday to Friday) from 03.01.2011 to 18.01.2011** against payment of tender cost of Rs.10,000/- (non-refundable) by Pay Orders/ Demand Draft favouring Indian Bank, payable at Chennai Tenderers downloading the forms from the Bank's website <http://www.indianbank.in> should submit tender cost at the time of submission of bid by Pay Orders/ Demand Draft favouring Indian Bank, payable at Chennai . The Tender documents will not be sent by post.

In case the last date of issuance and/ or the date of receipt and opening of tender are declared as holiday, the respective date shall be treated as postponed to the next working day correspondingly.

The acceptance of any tender or otherwise will rest with the Bank which does not bind itself to accept the lowest tender and reserves the right to reject any or all the tenders which do not fulfill all or any of the conditions and are incomplete in any respect or without assigning any reason whatsoever. The Bank reserves the right to cancel the Tendering Process at any stage without assigning any reason whatsoever.

Assistant General Manager (BOD)

Serial Number: Tender / / HO / BOD /



Indian Bank
Head Office
Banking Operations Department
8, Jehangir Street
Chennai-600 001

Tender For Supply, Installation, Commissioning and Maintenance Of Desk Top Note Sorting Machines at Various Non-currency chest Branches Of Indian Bank Located at Various Places Across The Country

Description of the Machines	No. of Pockets/ Structure	Rated Capacity	Number of Machines Required
Desk Top Note Sorting Machines	Minimum 2 + 1	18000 to 20000 notes per hour	74
Cost of Tender Document	Tender forms can be collected from the undersigned at the above address against payment of tender cost of Rs.10,000/- (non-refundable) by Pay Orders/ Demand Draft favouring , Indian Bank payable at Chennai. Suppliers downloading the forms from the Bank's website http://www.Indianbank.in should pay the tender cost at the time of submission of bid by Pay Orders/ Demand Draft favouring Indian bank, payable at Chennai		
Dates of Issuing Tender Documents	From 11 a.m. to 4 p.m. (Monday to Friday) from 03.01.2011 to 18.01.2011		
Due Date / Last Date of Submission Of Tender	Up to 14.00 hours on 20.01.2011		
Date of Opening of Technical Bid Part -I	11. 00 hours on 21.01.2011 at the address mentioned above.		
Date of Opening of Commercial Bid Part- II	Part-II (Commercial Indicative Price Bid) will be opened on a subsequent date, which will be communicated only to such tenderers in writing who have successfully qualified in Technical Evaluation as per details given in Annexure "A". The Commercial Bid should mention only the indicative price comprising of the Basic Price of machine and Annual Maintenance Contract charges because the final bid will be through e-procurement reverse auction process through internet. However, both the Part-I (Technical Bid) and Part II (Commercial Indicative Price Bid) have to be submitted together. (See Annexure 'C' Business Rules for Reverse Auction, Annexure 'D' Terms & Conditions of Reverse Auction and Annexure 'E' Process Compliance Form. 'Agreement to the Process related Terms and Conditions for the Reverse Auction.'		
Issued to Name of the Issuing Officer & his signature			
Date of Issue of Tender Document			

Assistant General Manager (BOD)

CONTENTS

PART I

Description of the Machines	No. of Pockets/ Structure	Rated Capacity	Number of Machines Required
Desk Top Note Sorting Machines	Minimum 2 + 1	18000 to 20000 notes per hour	74

Section I	Submission of tender
Section II	Instructions to tenderers
Section III	General Conditions of supply, installation, commissioning and maintenance of Desk Top Note Sorting Machines
Section IV	Machine Requirements and Technical Specifications. Prescribed format for submission of Technical Specifications for supply of Desk Top Note Sorting Machines Annexure 'A'.
Section V	Check List

PART II

COMMERCIAL INDICATIVE PRICE BID

Annexure 'B'	Prescribed format for quoting Commercial Indicative Price Bid for supply of Desk Top Note Sorting Machines
---------------------	---

Annexures

Annexure 'C'	Business Rules For Reverse Auction
Annexure 'D'	Terms & Conditions of Reverse Auction
Annexure 'E'	Process Compliance Form. 'Agreement to the Process related Terms and Conditions for the Reverse Auction.
Annexure 'F'	Proforma of Bank Guarantee in lieu of Earnest Money
Annexure 'G'	Proforma of Bank Guarantee for Security Deposit
Annexure 'H'	List of First Class Scheduled Banks

Section – I
Submission of Tender

Description of the Machines	No. of Pockets/ Structure	Rated Capacity	Number of Machines Required
Desk Top Note Sorting Machines	Minimum 2 + 1	18000 to 20000 notes per hour	74

To,

The Assistant General Manager
Indian Bank
Head Office
Banking Operations Department
8, Jehangir Street
Chennai – 600 001

Sir,

1. We have carefully examined all the contents incorporated in Section II, III, IV (including Annexure 'A') and V of Part I and Annexure B, C, D, E, F, G and H of Part II of the Tender document for supply, installation, commissioning and maintenance of Desk Top Note Sorting Machines (hereinafter referred to as 'Machines') at various Non-currency chest branches of Indian Bank (hereinafter referred to as 'Bank') located across the Country in conformity with all the conditions stated in the instructions to Tenderers, General Conditions governing the supply, installation, commissioning and maintenance of Machines, Machine Requirements and Technical Specifications, Time Schedules of Completion etc. as detailed in the Tender Document.

2. We understand that the time schedule stipulated for completion of supply including installation & commissioning thereof in all respects mentioned in the 'Completion Period' in terms of **Section II, Clause 9.1 and Section III, clause 3.1** and accepted by us is the essence of the contract.

3. We enclose an irrevocable Bank Guarantee for **Rs.25.00 lacs** valid for a period of one year in the prescribed format issued by First Class scheduled bank in India mentioned in Annexure 'H' in favour of Indian Bank as Earnest Money in terms of **Section II, Clause No.12.1**

4. We also agree that our tender will remain valid for acceptance by the Bank for one year and this period of validity can be extended for such period as may be mutually agreed between the Bank and tenderer in writing. We also agree to keep the Bank Guarantee towards Earnest Money valid during the entire period of validity of tender. However, if we withdraw, you shall have the right to invoke the Earnest Money Guarantee without reference to us. Should this Tender be accepted, we hereby agree to abide by and fulfill all the Terms and Conditions of the Tender and in default thereof, to forfeit and pay to you or your successors, or Authorized Nominees such sums of money as are stipulated in the conditions contained in the tender together with the written acceptance of the purchase contract for supply of machines. We understand that you are not bound to accept the lowest or any tenders received. You are entitled to reject our tender at your discretion without assigning any reasons. We understand that the Bank can place the order with any one or more vendors by splitting the number of required machines or otherwise.

5 We enclose a list of clients in India (giving their full addresses) where similar machine/s have been supplied by us, and the name and address of our Bankers.

6. Our PAN No for Income Tax is _____. We are registered with Sales Tax Authorities and Service Tax Authorities and our registration numbers are as follows:

- i) Sales Tax Registration Number: _____
- ii) Service Tax Registration Number: _____

7. Address for any further communication with Indian Bank is as follows.

The Asst. General Manager
Indian Bank
Head Office
Banking Operations Department
8, Jehangir Street
Chennai- 600 001

Telephone : (022) 22525066 / 25249576 /25226969
Fax No : (022) 25228282
E-Mail : hocgt@indianbank.co.in / hobod@indianbank.co.in

Dated this _____ day of _____ 2010

For and on behalf of

(With seal) Signature _____

Name _____

Designation _____

DULY AUTHORIZED SIGNATORY

Section II
Instruction to Tenderers
Submission of Tender

Description of the Machines	No. of Pockets/ Structure	Rated Capacity	Number of Machines Required
Desk Top Note Sorting Machines	Minimum 2 + 1	18000 to 20000 notes per hour	74

1.1 Tenders are invited from reputed firms / Companies, who are the suppliers of Desk Top Note Sorting Machines which have a) supplied at least 250 Desk Top Note Sorting Machines (No. of Pockets / Structure minimum 2+1) to various banks/ RBI in India in each of last preceding 3 years i.e. 2007-08, 2008-09 and 2009-10 ending 31st March, 2010 b) should have at least 50 service engineers all over the country to provide after sales support c) must be ISO certified company d) Note sorting machines should be manufactured outside China, Korea, Taiwan and Malaysia. e) not have incurred loss during the last three years and maintenance and after sales service net work spread across 19 Zones of Indian Bank all over India, and who shall be responsible for providing regular maintenance & after sales service so as to ensure that calls for services given by our branches located across the country can be attended to within a period of 24 hours (38 hours in case of remote branches).

1.2 One complete set of tender document shall be issued to each tenderer and each tenderer is advised to submit only one set of tender document.

1.3 The tenderers are advised to submit the tender based strictly on the General Conditions governing the supply, installation, commissioning and maintenance of Machines and Machine Requirements and Technical Specifications contained in the tender document, and not to stipulate any deviations. If acceptance of the terms and conditions given in the tender document has any price implications, the same should be considered and included in the quoted price. Tenders containing deviation from the terms and conditions are liable to be rejected.

1.4 A meeting of the intending tenderers who have been issued tender papers will be held at 11.00 hours IST on 11.01.2011 to brief the intending tenderers about the requirements of the Bank and to clarify any point/ doubt raised by them. No separate communication will be sent for this meeting. All communications regarding points requiring clarifications and any doubts shall be given in writing to the Asst. General Manager, HO:Banking Operations Department, by the intending tenderers before 14.00 hrs. IST on 07.01.2011

2. The Tender shall be prepared and submitted separately in double sealed envelopes in two parts as follows:

Part I and Part II shall be submitted in separate sealed covers clearly indicating "Part I Technical Bid" and "Part II - Commercial Indicative Price Bid respectively. These two separate sealed covers shall be inserted in one big envelope super scribed "Tender for supply, installation, commissioning and maintenance of Desk Top Note Sorting Machines containing two separate sealed covers (i.e. Part I Technical Bid) (and (Part II - Commercial Indicative Price Bid) and shall be dropped in 'Tender Box' located in the Bank's Office Building at the following address.

The Assistant General Manager (BOD)
Indian Bank
Head Office
Govindu maligai
Expenditure Department
8, Jehangir Street,
Chennai- 600 001

Tenderers must use only the prescribed forms mentioned in the tender book issued by the Bank. Suppliers downloading the forms from the Bank's website should not make any amendments or modify the terms and conditions incorporated in the prescribed form. If any amendments / modifications are found, the supplier would be disqualified. However, if they desire to submit additional information, they may do so on their own letter head. Each page of the forms issued by the Bank must be signed and returned.

2.1 PART - I : TECHNICAL BID

The unpriced tender, consisting of complete technical specifications (including all drawings of the machine, hand book, operation manual and service manual) of Desk Top Note Sorting Machines in the prescribed format as per **Annexure 'A'** along with the terms and conditions duly accepted shall be submitted. **Tenderers are also requested to submit the complete technical specification of Desk Top Note Sorting Machines in the prescribed format as per Annexure 'A' in soft copy by way of Compact Disc (CD).** In case of any discrepancy, hard copy shall be taken to be correct. Earnest money guarantee must be submitted along with **Technical Bid - Part - I, as per Proforma at Annexure 'F'**.

2.2 Part I- (Technical Bid) should be submitted under a covering letter indicating clearly the summary of tender chapters, Annexure/ schedules of the complete tender.

2.3 Insertions, post scripts, additions and alternations shall not be valid unless confirmed by the tenderer's signature. All pages of the tenders should be completed in all respects with all attachments/ enclosures / Annexures.

Part I - Technical Bid of the tender as submitted shall contain the following:

- i. Earnest Money Bank guarantee issued by a First class scheduled bank in India. (List of First Class Scheduled Banks as per Annexure 'H')
- ii. Business Rules for Reverse Auction (Annexure 'C') duly signed by the Authorized representative.
- iii. Terms & Conditions of Reverse Auction (Annexure 'D') duly signed by the Authorized representative.
- iv. Process Compliance Form ' Agreement to the Process related Terms and Conditions for the Reverse Auction' (Annexure 'E') duly signed by the Authorized representative.
- v. Power of Attorney/ authorization with the seal of the tenderer's company / firm in the name of the person signing the tender documents.
- vi. Annual reports (audited balance sheets) of the tenderer's company / firm for the last three years with no loss shown in any one of the year.
- Vii Solvency certificate issued by a First class scheduled bank in India (List of First Class Scheduled Banks as per Annexure "H")
- viii. Detailed time schedule for the delivery of machines including installation, commissioning and handing over to be submitted in the following format.

Initial start up period from the date of purchase order	Number of machines to be delivered / installed / commissioned & handled over during the 1st month after the end of start up period	Number of machines to be delivered / installed / commissioned & handled over in the second and subsequent month

ix List of Banks and the number of machines (in India) to whom Desk Top Note Sorting Machines (No. of Pockets / Structure minimum 2+1) have been supplied since 1.4.2007 till 31.03.2010 along with present commitment(s) to be furnished in the following format.

Year	Model Number	Name of the Bank, location, address, fax, telephone number	Number of Machines Supplied
1.04.2007 to 31.03.2008			
1.04.2008 to 31.03.2009			
1.04.2009 to 31.03.2010			

- X Attested copy of Income Tax Registration / PAN No and Income Tax Returns for the last three years.
- xi. Attested copy of Service Tax Registration Certificate.
- xii. Attested copy of Provident Fund Registration.
- Xiii Attested copy of Employees State Insurance Corporation Registration.
- xiv. Attested copy of Professional Tax Registration.
- xv. Attested copy of Contract Labour (Regulation and Abolition Act) Registration.
- xvi. Attested copy of Sales Tax Registration.
- xvii. Attested copy of Shop & Establishment Registration.
- xviii. List of the tenderer's Bankers with complete address.
- xix. Any other technical information the tenderer wishes to furnish.
- xx. List of works/ facilities forming infrastructure for installation, commissioning of the machines to be provided by the bank.
- xxi. List of service centres with complete address, telephone numbers etc.

2.4 Since the supply of machines is to be ensured by the supplier, it is presumed that the tenderer should be able to make the supply of machines and ensure installation, commissioning and maintenance (i.e. after sales service etc.) without the intercession of agents. Therefore, there should be no need for engaging any agent and the prices quoted shall not include any element of agency commission.

2.5 The tenderer shall indicate in his tender the following particulars in addition to those called for in the Technical Specifications.

- i) Complete description of the working of the machines as a whole.
- ii) Requirement of machine wise electric power (KVA)
- iii) In clear detail, the various outputs, power consumption of the machines offered.

2.6 The Tenderer shall carefully check the specifications and shall satisfy himself that the machines offered are suitable as per the enclosed Machine Requirements and Technical Specifications and shall take full responsibility for the efficient operation and the specified output of the machines offered.

2.7 PART – II: COMMERCIAL INDICATIVE PRICE BID & DETERMINATION OF ELIGIBLE BIDDER THROUGH REVERSE AUCTION PROCESS.

- (a) Quotation containing Commercial Indicative Price Bid in Indian Rupees, with detailed break-up i.e. Basic Price of Desk Top Note Sorting machines (**please see clause 8.1 and 8.2 of Section II and 4.1 and 4.2 of Section III**) as well as the rate for Annual Maintenance Contract (AMC) for the maintenance contract (which will cover replacement of defective parts) for five years after the expiry of the warranty period of one year or the floor rate of AMC charges of 8% of the Basic Price of machine per annum i.e. 40% for five years shall be submitted both in figures and words in the Commercial Indicative Price Bid. In case AMC charges are quoted less than this specified value, the difference should be deducted from the Basic Price of the machine and kept in 'Security Deposit A/C' as performance security to be returned back in stages after satisfactory completion of each year of AMC. However, payment of AMC will be made as per the actuals i.e. if 'A' has quoted at 5% and is selected, payment will be made at 5% (**No other enclosure is permitted in Part II.**)

b. The procedure for determining the L-1 Bidder will be as follows.

- i. **The L-1 vendor will be decided on the basis of *techno-commercial bidding*. The tenderers, whose machines have successfully qualified in the Technical Bids and Stress Test in Stage I and Stage II and found suitable for the Bank by the Committee constituted by the Bank shall only be called for participating in Commercial Bidding through the e-procurement reverse auction process. Such vendors will be given due weightage and allotted marks based on the profile, certain specific technical features / parameters, stress test in stage I and II. There will be 100 marks and the marks scored by the vendor will be converted into 60%. The reverse auction will be conducted on line for the period mentioned in the Business Rules (Annexure 'C'). (*The exact rules will be explained in detail to the eligible bidders in pre-bid meeting*).**

- ii. After opening Commercial Indicative Price Bid, the Bank will determine the Start Bid Price. However, for the purpose of determining the eligible bidder, the Basic Price of machine (Please see clause 8.1 and 8.2 of Section II & clause 4.1 and 4.2 of Section III) and AMC charges for a period of five years after the expiry of the warranty period of one year or the floor rate of AMC charges of 8% of the Basic Price of machine per annum i.e. 40% for five years, subject to clarification given at 2.7 (a) - Section II above, to be quoted during the Commercial Bidding through e-procurement reverse auction process through internet shall be taken into consideration.
- iii. After the end of the reverse auction, the bidder quoting the lowest price will be called Reverse Auction L-1 bidder (RAL-1), RAL-2 bidder, RAL-3 bidder, RAL-4 bidder and so on. After that, the bidders including Reverse Auction L-1 bidder would be permitted to quote their one time final price within specified time (say 5 minutes) through internet. In case any bidder do not quote their one time final price within the stipulated time through internet, then the last price quoted by the respective vendor in the reverse auction will be treated as his final reverse auction bid. The bidder quoting the final lowest price will be called Final Reverse Auction L-1 bidder (FRAL-1) bidder, FRAL-2 bidder, FRAL-3 bidder, FRAL-4 bidder and so on.
- iv. After this, financial Score in respect of the vendors which were selected for participating in the Commercial Bid through E-Procurement will be equalized using the following formula.
- v. Financial Score of Vendor =
$$\frac{100 \times \text{Final Reverse Auction Lowest Price (Final RAL- 1)}}{\text{Final Reverse Auction Bid quoted by that Vendor}}$$
- vi. The Financial Score of each Vendor will be arrived at including Final RAL-1 Vendor. The Financial Score obtained by each vendor will be equalized by giving 40 % weightage.
- vii. The weightage for the marks allotted in Technical bid and that for the Commercial bid will be in the ratio of 60:40. The vendor securing highest marks taking into consideration both Technical and Commercial bid will be declared as L-1, second highest marks will be L-2, the third highest marks will be L-3 and likewise.
- viii. Change of terms and conditions and technical deviations if any found in Part II of the tender will not be taken into account and the tender will be treated as null and void.
2. 8 The big envelope super scribed "Tender for supply, installation, commissioning and maintenance of Desk Top Note Sorting Machines containing two separate sealed covers (i.e." Part I -Technical Bid" and" Part II -Commercial Indicative Price Bid addressed to the Assistant General Manager (BOD) Head Office, Banking Operations Department, No.8, Jehangir Street Chennai – 600 001 shall be dropped in "Tender Box' as mentioned in Para 2.0 not later than up to 14.00 hours on 21-01-2011. (last date of submission) Technical Bid - Part I of the tenders will be opened on 21-01-2011 at 11.00 IST in the presence of tenderers desiring to be present. Commercial Indicative Price Bid -Part II of the tenderers will be opened on a subsequent day which will be communicated only to such tenderers in writing whose machines have successfully qualified in the Technical Bids and Stress Test and found suitable for the Bank by the Committee constituted by the Bank. After opening Commercial Indicative Price Bid, the Bank will determine the Start Bid Price. However, the total price comprising of Basic Price of Machine and AMC charges for a period of five years to be quoted during the Commercial Bidding through e-procurement reverse auction process through Internet will be as per clarification given in Para 2.7 above. The details of e-procurement comprising business rules, terms and conditions, process compliance forms relating to reverse auction process are furnished as per Annexure 'C' and 'D' and 'E' respectively. Telegraphic, Fax and E-mail tenders will not be accepted. The full name, address, telegraphic address and telex/ telefax/ telephone no. of the tenderer shall be written on the bottom left corner of the sealed envelope.

3. **STRESS TEST**

- 3.1 The machine will undergo a stress test in two stages at specified non currency chest branches to determine the capability of the machine to sort and count accurately. Only those machines which pass the stage- I will be tested in stage- II. In the stage II, the machine shall undergo a **stress test for 30 hours**, which shall be conducted at specified non currency chest branches during the working hours. The dates and the names of the specified Non currency chest branches would be intimated to the tenderers subsequently. It will be the responsibility of the supplier to bring their sorting machines to the specified non currency chest branches at their cost. **(Please see clause 2.1 of Section IV)**
- 3.2 The stress test will be conducted in the presence of the representative of the tenderer of the machine. The test results will have to be jointly signed by the representative of the tenderer along with the representative of the Bank. The details of the stress test will be shared with the tenderers in a pre-bid meeting. **(Please see clause 2.2 of Section IV)**

4.0 **SPARES**

- 4.1 The tenderer shall be required to ensure availability of adequate quantity of spares for smooth running of the machines, which shall be kept within easy reach so that the machines can be repaired within the time already stipulated in **clause 6.2 (c) of Section III**

5.0 **DRAWINGS & DOCUMENTS**

- 5.1 The tenderer is required to supply one set of all drawings of the machines, hand-book, operation manual, and service manual in accordance with the Technical Specifications at the time of submission of Technical Bid- Part I.

6.0 **PACKING & DESPATCH**

- 6.1 The machines shall be properly packed in boxes suitable for multiple handling and transportation by air/sea/rail/road. All machines / components shall be delivered at branches located across the Country where the machines are to be installed.

7.0 **PRICE**

- 7.1 The prices shall be firm and binding without any escalation whatsoever for the entire period of purchase contract.

8.0 **TAXES**

- 8.1 The prices (in Indian Rupees) should indicate Basic Price (i.e. including the cost of transportation, insurance, Duties, and charges etc. {other than the sales tax/ Value Added Tax/Central Sales Tax (as the case may be), entry tax, Octroi} till the destination of the Non Currency chest branch. If the Tenderer fails to include them in the tender, no claim thereof will be considered by the Bank afterwards.
- 8.2 The Sales Tax/ Value Added Tax/Central Sales Tax (as the case may be), Entry Tax, Octroi, if any, will be paid by the Bank at actuals.

9.0 **COMPLETION PERIOD**

- 9.1 Time of delivery shall be firm and binding. Time period for installation and commissioning (including start up period) shall also be indicated separately by the tenderer and the same shall also be firm and binding. The successful tenderer shall coordinate the activities relating to provision of infrastructural facilities within the scope of the Bank. Such facilities shall be specifically listed out by the tenderer at the time of submission of the tender. The supply, installation and commissioning of the machines has to be completed **within a period of 3 months** from the date of placement of order. Time shall be the essence of the contract.
- 9.2 All information, correspondence, letters shall be submitted to The Assistant General Manager,, Indian Bank, Head Office, Banking Operations Department, No.8 Jehangir Street, Chennai 600 001

10.0 **VALIDITY OF TENDER**

10.1 The Tender along with the prices shall remain valid initially for a period of one year from the date of finalizing the vendor through conducting reverse auction process and for such further period as may be requested for by the Bank, and agreed to in writing by the Tenderer. If the market rate falls, the Bank would have right to negotiate with L-1 vendor. (L2 & L3 vendor will have to match the renegotiated price agreed by L1 Vendor).

11.0 **LANGUAGE**

11.1 The Tender including all noting in drawings, documents, catalogues etc, shall be in English.

12.0 **EARNEST MONEY**

12.1 The Tender must be accompanied by Earnest Money in the form of an irrevocable Bank Guarantee issued by a First Class scheduled bank in India for **Rs. 25.00 lacs** valid for a period of one year. (List of First Class Scheduled Banks as per **Annexure 'H'**). The Bank-Guarantee shall be in a format given at **Annexure 'F'** and shall remain undischarged for such period as may be specified for keeping the tender open. If the Tenderer, after submitting his tender, deviates from his offer or modifies the terms and conditions thereof in a manner not acceptable to the Bank, the Bank Guarantee shall be liable to be enforced. Tender not accompanied by Bank Guarantee is liable to be rejected.

12.2 In respect of tenders, which are accepted, the above Bank Guarantee shall be discharged on production of a new bank Guarantee towards security deposit in the enclosed format (**Annexure 'G'**) more specifically described in **clause 8.1 of Section III**, or on non-acceptance of tender, but not earlier than the expiry date of the period for which the tender is kept valid. In respect of tenders, which are accepted, if the successful tenderer fails to abide by and / or fails to fulfill the terms and conditions of the Tender and / or fail to execute the contract, the Bank Shall be entitled to invoke the Bank Guarantee towards Earnest Money.

12.3 Should the Invitation to Tender be withdrawn or cancelled completely by the Bank, which shall have the right to do so at any time, the Bank Guarantee will be discharged.

12.4 Should the successful Tenderer fail or refuse to furnish the Security Deposit in terms of **clause 8.1 of Section III** of the General Conditions of supply, installation, commissioning and maintenance of machines, the Bank Guarantee towards Earnest Money shall be enforced without prejudice to his being liable for any further loss or damage incurred by the Bank. The Bank Guarantee shall be suitably extended, if necessary, by the successful Tenderer till the date fixed by the Bank for furnishing the Security Deposit.

13.0 **LOWEST TENDER NOT NECESSARILY TO BE ACCEPTED**

13.1 The Bank is not bound to accept the lowest or any tender or to assign any reason for non-acceptance. The Bank also reserves the right to place orders with any one or more vendors. In case the Bank decides to split the order, such splitting shall in no circumstances exceed more than 40% of the number of machines required provided the L-2, L-3 vendor (as the case may be) unconditionally agrees to match the commercial bid quoted by L-1 vendor during the reverse auction process.

13.2 The tenderer including those, whose tender is not accepted shall not be entitled to claim any costs, charges, damages and expenses of and incidental to or incurred by him through or in connection with his submission of tenders, even though the Bank may elect to modify/ withdraw the tender.

14.0 **RIGHT TO ACCEPT PART TENDER**

14.1 The Bank reserves the right to accept the tender either in whole or in part at the same prices quoted by the Tenderer.

15.0 RIGHT TO PLACE ADDITIONAL ORDERS

The Bank reserves the right to place additional order for supply and installation, commissioning of additional machines, up to a maximum of 20% of the quantity of machines originally mentioned, at Bank's various currency chest / non currency chest branches, before the expiry of one year from the date of finalizing the vendor through conducting reverse auction process and for such further period as may be requested for by the Bank, and agreed to in writing by the Tenderer, at the same price and on the same terms and conditions.

16.0 SIGNING OF PURCHASE AGREEMENT

16.1 The instructions to the tenderer, General Conditions of supply, installation, commissioning and maintenance of machines, Machine Requirements and Technical Specifications enclosed with the tender documents shall be the basis of the agreement for purchase contract to be entered into with the successful tenderer.

16.2 The tenderer shall go through the instructions to the tenderer, General Conditions of supply, installation, commissioning and maintenance of machines, Machine Requirements and Technical Specifications and his offer shall be strictly in line with the terms specified therein. No deviation from the terms and conditions specified shall be acceptable. For this purpose, the tenderer shall submit (Section I) and also submit the instructions to the tenderer (Section II), the terms and conditions given in the General Conditions of supply, installation, commissioning and maintenance of Desk Top Note Sorting machines (Section III), Machine Requirements and Technical Specifications (Section IV), and check list (Section V), (Annexure 'A', 'B' 'C', 'D', 'E', 'F', 'G', 'H') enclosed with the tender document duly signed and stamped on each page as a token of acceptance.

Place: Signature

Date: Name:

Seal:

Section III

General Conditions of Supply, Installation, Commissioning and Maintenance of Desk Top Sorting Machines

Contents

Description of the Machines	No. of Pockets/ Structure	Rated Capacity	Number of Machines Required
Desk Top Note Sorting Machines	Minimum 2 + 1	18000 to 20000 notes per hour	74

Clause No.	Description
1.	Effective Date
2.	Scope of Purchase Contract
3.	Completion Period
4.	Purchase Price
5.	Terms of Payment
6.	Annual Maintenance Contract
7.	Spares
8.	Security Deposit
9.	Liquidation, Bankruptcy etc.
10 .	Responsibility For Completeness
11 .	Delivery Schedule
12 .	Delivery Procedure
13 .	Packing, Identification and Marking
14 .	Units of Weights and Measures
15 .	Drawings and Documents
16 .	Errors and Omissions
17 .	Inspection & Tests At Manufacturer's / Supplier's Premises
18 .	Negligence
19 .	Indemnity
20 .	Force Majeure
21 .	Arbitration
22 .	Liquidated Damages For Delay
23 .	Termination & Suspension of the Purchase Contract
24 .	Deductions From Purchase Price
25 .	Waiver
26 .	Warranty
27 .	Statutory and Other Regulations
28 .	Rights of Purchaser to Vary the Contract
29 .	Assignment
30 .	Work Permit, Passport, Tax Forms etc.
31 .	Jurisdiction

Section III

General Conditions of Supply, Installation, Commissioning and Maintenance of Desk Top Note Sorting Machines

Description of the Machines	No. of Pockets/ Structure	Rated Capacity	Number of Machines Required
Desk Top Note Sorting Machines	Minimum 2 + 1	18000 to 20000 notes per hour	74

1.0 EFFECTIVE DATE

1.1 The contract shall become effective from the date of agreement of purchase.

2.0 SCOPE OF PURCHASE CONTRACT

2.1 The scope of purchase contract shall include supply of Machines securely packed in good condition, transporting, handling, installation, commissioning and maintenance thereof at various currency chest / non currency chest branches in India.

2.2 Tenderer shall also supply commissioning spares, oils, lubricants, consumables, etc required for completion of successful commissioning.

3.0 COMPLETION PERIOD

3.1 The supply, installation and commissioning of the machines has to be completed **within a period of 2 months from the date of placement of order**. Time shall be the essence of the contract.

4.0 PURCHASE PRICE

4.1 The prices (in Indian Rupees) should indicate Basic Price (i.e. including the cost of transportation, insurance, Duties, and charges etc. {other than the sales tax/ Value Added Tax/Central Sales Tax (as the case may be), entry tax, Octroi} till the destination of the branch(es). If the Tenderer fails to include them in the tender, no claim thereof will be considered by the Bank afterwards.

4.2 The Sales Tax/ Value Added Tax/Central Sales Tax (as the case may be), Entry Tax, Octroi, if any, will be paid by the Bank at actuals on production of documentary proof.

4.3 Price quoted during the Commercial Bidding through e-procurement reverse auction process through Internet shall remain valid for a period of one year. The Bank however reserves right to call for fresh quotes at any time during the above period, if considered necessary.

4.4 The prices shall be firm and binding without any escalation whatsoever for the entire period of purchase contract.

5.0 TERMS OF PAYMENT

5.1 Bank will not pay any advance.

5.2 The machine should once again undergo a stress test after installation by the supplier for a period of 5 hours each day for a period of 15 days at the branch. If in order, the Branch Manager will certify that the machine is running satisfactorily. The tenderer shall be required to furnish certificates from the manufacturer besides his own certification as stated in clause 26.2 of Section III. The machine shall be deemed to have been delivered, installed, commissioned and handed over to the specified non currency chest branch only after these three certifications. The payment would not be released if the machine fails to perform satisfactorily for a period of 15 days from the date of installation and until such time it is rectified / replaced to the satisfaction of the Bank. Thereafter, 100% of the consideration will be paid within 30 days of successful installation.

5.3 The issuance of above certificate by the Branch Manager shall in no way relieve the Supplier

from the provisions of **clause 26 of Section III**.

- 5.4 The payments for the machines will be made by the respective currency chest / Non-currency chest branches, where the machines are installed.

6. ANNUAL MAINTENANCE CONTRACT

- 6.1 The Bank, at its discretion may enter into Annual Maintenance Contract with the Supplier directly. The rate of Annual Maintenance Contract (AMC) must be quoted both in figures and words in the Commercial Indicative Price Bid separately for the maintenance contract (which will cover replacement of defective parts) for five years after the expiry of the warranty period of one year or the floor rate of AMC charges of 8% of the Basic Price of machine per annum i.e. 40% for five years. In case AMC charges are quoted less than this specified value, the difference should be deducted from the Basic Price of the machine and kept in 'Security Deposit A/C' as performance security to be returned back in stages after satisfactory completion of each year of AMC. However, payment of AMC will be made as per the actuals i.e. if 'A' has quoted at 5% and is selected, payment will be made at 5%. The taxes, if any, including service tax payable on AMC as per relevant provisions of Finance Act from time to time would be to the suppliers account.
- 6.2 If the Bank enters into annual maintenance contract with the Supplier, the following terms and conditions shall apply to the service contract.
- a. Payment will be made once in a quarter after satisfactory completion of service during the period.
 - b. The scope of service contract shall include periodical servicing, trouble shooting, adjustments, cleaning, oiling, greasing at monthly intervals to ensure (i) smooth functioning, and (ii) the performance of the machine at the contracted capacity.
 - c. Any breakdown of the machine / shortfall in its performance will be intimated to the supplier by the Bank and the supplier shall attend to the fault within 24 hours (38 hours in case of remote non-currency chest branches) and rectify the same within 2 working days of such reporting. If the machine is not put back into beneficial operation within the said 2 days, a penalty of Rs.1000/- will be levied for each day of delay and recovered from the quarterly payment due to the supplier. If the machine cannot be repaired within the stipulated time, the supplier shall arrange for a standby portable machine to be installed. The suppliers should note that Mean time between the failures should not be less than 30 days.
- 6.3 The successful bidder would also be required to execute a separate **Service Level Agreement in addition to Purchase Contract**, which will cover the deliverables under the warranty as well as Annual Maintenance Contract.

7. SPARES

The tenderer shall be required to ensure availability of adequate quantity of spares for smooth running of the machines, which shall be kept within easy reach so that the machines can be repaired within the time already stipulated in **clause 6.2 (c) of Section III**

8.0 SECURITY DEPOSIT

- 8.1 The supplier shall submit a Bank Guarantee towards security deposit @ 10% of the contract amount (Basic Price of the number of machines proposed to be purchased from the supplier) valid for a period of one year along with the unconditional letter of acceptance within 15 days of the date of **letter of intent**. If the supplier fails to submit the Bank Guarantee along with the unconditional letter of acceptance within the stipulated period, the Bank reserves the right to invoke the Bank Guarantee for the Earnest Money and cancel the purchase contract. (Please **see clause 12.2 & 12.4 of Section II**)

8.2 The Security Deposit Bank Guarantee shall be released on application by the supplier after the supplier has discharged all his obligations including those arising during the period of warranty and on furnishing a fresh Bank Guarantee for Annual Maintenance Contract for a period of one year for an amount equal to the quoted all-inclusive Annual Maintenance Contract rate per annum, subject to its renewal every year till the expiry of 5 year's Annual Maintenance Contract, as security deposit for the fulfillment of service contract condition. The Bank shall be entitled to invoke the Bank Guarantee towards the Security Deposit if the Bank Guarantee for Annual Maintenance Contract is not furnished.

9. **LIQUIDATION, BANKRUPTCY ETC.**

9.1 If the supplier becomes bankrupt or insolvent or causes or suffers any receiver to be appointed for his business or any assets thereof or compounds with his Creditors, or being a corporation, winding up proceedings are commenced against it and / or any proceedings regarding its amalgamation with another Corporation or its reconstruction are initiated and / or it carries on its business under a Receiver for the benefit of its Creditors, the Bank shall be at liberty:-

- a. to terminate the purchase contract and / or Annual Maintenance Contract forthwith upon coming to know of the happening of any such event as aforesaid by notice in writing to the supplier or to the Receiver or Liquidator or to any person in whom the purchase contract may become vested or;
- b. to give such Receiver, Liquidator or other person the option of carrying out the purchase contract and / or Annual Maintenance Contract subject to his providing guarantee for amount to be specified by the Bank.

10. **RESPONSIBILITY FOR COMPLETENESS**

10.1 Any supplies and services which might not have been specifically mentioned in this purchase contract but are necessary for the design, engineering, manufacture, supply installation, commissioning, operationalising, performance or completeness of the machines, shall be provided/ rendered as per the time schedule for efficient and smooth operation and maintenance of the machines under Indian conditions.

11. **DELIVERY SCHEDULE**

11.1 The supplier shall prepare and submit detailed delivery schedule (including start up period) for the supply of Desk Top Note Sorting Machines separately to the Bank. The delivery schedule shall indicate the break up of the total supply with number of machines. The delivery schedule shall be firm and binding.

12. **DELIVERY PROCEDURE**

12.1 The supplier shall make his own arrangement for transportation of the machines. The details of consignment along with its value and other transportation particulars shall be intimated to the currency chest branches / non currency chest branches by the supplier by letter/ fax immediately.

13. **PACKING, IDENTIFICATION AND MARKING**

13.1 The machine shall be securely packed to avoid loss or damage during multiple handling and transport by air, sea, rail and road.

13.2 The marking on the package shall show the description and quantity of contents, the name and address of consignee and consignor, the gross weight and the net weight of the package. All packages must also be marked with sling position, arrow pointing towards top. Appropriate cautionary symbols must be marked on the package for fragile items.

13.3 Notwithstanding anything stated in this clause, the supplier shall be entirely responsible for loss, damage or depreciation or deterioration to the materials and supplies due to faulty, non-protective and insecure packing or otherwise.

14. **UNITS OF WEIGHTS & MEASURES**

14.1 All weights, dimensions and measures shall be in the Metric system.

15. **DRAWINGS AND DOCUMENTS**

15.1 The supplier shall supply all necessary drawings and documents to the Bank's non currency chest branches without any additional cost. These drawings and documents shall be in English.

15.2 The drawings and documents to be furnished shall be as follows:

- a) All general arrangement and installation drawings inclusive of installation instructions.
- b) Electrical schematic drawings indicating consumption points.
- c) Two sets of operation and maintenance instructions/ manuals/ catalogues and two sets of descriptive literature wherever applicable shall be supplied along with the machine.
- d) Control / safety circuit diagrams with various set parameters duly marked.

15.3 All drawings, documents, manuals, catalogues and information furnished by the supplier shall become the property of the Bank.

16. **ERRORS AND OMISSIONS**

16.1 The supplier shall be responsible for any discrepancies, errors and omissions in the drawings or other information submitted by him, irrespective of whether these have been approved, reviewed or otherwise accepted by the Bank or not.

16.2 The supplier shall take all corrective measures arising out of discrepancies, errors and omissions in drawings and other information as mentioned above within the time schedule and without extra cost to the Bank.

17. **INSPECTION AND TESTS AT MANUFACTURER'S / SUPPLIER'S PREMISES**

17.1 The Bank shall have the right of inspecting and testing the machine or any part thereof at any time during the manufacture, and the supplier on demand from the Bank shall carry out such tests in appropriate manner in the presence of Bank's representatives and free of charge to bank. Should a part of the machine be manufactured not on manufacture's / supplier's premises but on other premises, the supplier shall like-wise obtain permission for the Bank to inspect and test the work as if the said plant were being manufactured on the manufacture's / supplier's premises. The inspection, examination or testing carried out by the Bank shall not relieve the supplier from any of his obligations under the purchase contract.

17.2 The supplier shall bear all costs of such inspections and tests.

17.3 The supplier shall submit to the Bank programme of inspection and test in advance and shall give the Bank a minimum of six weeks clear notice of any work being ready for inspection and tests. The proforma and number of copies for inspection/ test certificates shall be mutually agreed.

18. **NEGLIGENCE**

18.1 If the supplier neglects to execute the installation of the machine with due diligence or expedition or shall refuse or neglect to comply with any reasonable order given to him / request made to him in writing by the Bank in connection with the machine or shall contravene the provisions of General Terms and Conditions, the Bank shall have the right to cancel the purchase contract holding the supplier liable for the damages that the Bank may sustain in this behalf. Thereafter the Bank may make good the failure at the risk and cost of the supplier.

19. **INDEMNITY**

- 19.1 The supplier assumes responsibility for and shall indemnify and save harmless the Bank from all liabilities, claims, costs, expenses, taxes and assessments including penalties, punitive damages, attorney's fees and court costs which are or may be required to be paid by reasons of any breach of the supplier's obligation under these general conditions or for which the supplier has assumed responsibilities under the purchase contract / Annual Maintenance Contract including those imposed under any contract, local or national law or laws, or in respect to all salaries, wages or other compensation to all persons employed by the supplier or suppliers in connection with the performance of any machine covered by the purchase contract. The supplier shall execute, deliver such other further instruments to comply with all the requirements of such laws and regulations as may be necessary there under to conform and effectuate the purchase contract and to protect the Bank during the tenure of purchase contract.
- 19.2 Where any patent, trade mark, registered design, copy rights and / or intellectual property rights vest in a third party, the supplier shall be liable for settling with such third party and paying any license fee, royalty and/ or compensation thereon.
- 19.3 In the event of any third party raising claim or bringing action against the Bank including but not limited to action for injunction in connection with any rights affecting the machine supplied by the supplier covered under the purchase contract or the use thereof, the supplier agrees and undertakes:
- i) To defend and / or to assist the Bank in defending at the supplier's cost against such third party's claim and / or actions and against any law suits of any kind initiated against the Bank.
 - ii) To indemnify, keep indemnified and hold harmless the Bank against all actions, claims, demands, costs, charges and expenses arising from or incurred by reason of any infringement of patent, trade mark, registered design, copy rights and/ or intellectual property right of any third party or parties in connection with use of the machine supplied by the supplier whether or not the Bank is held liable by any court judgment.

20. **FORCE MAJEURE**

- 20.1 If at any time during the currency of the purchase contract / Annual Maintenance Contract the performance in whole or in part by either party or any obligations under the purchase contract / Annual Maintenance Contract shall be prevented or delayed by reasons of any war, hostilities, acts of God, public enemy, civil commotion, sabotage, fires, floods, explosions, epidemics etc. then provided notice of the happening of any such events is given by either party to the other within 15 days from the date of occurrence thereof, neither party shall by reason of such event be entitled to claim damages against the other in respect of such non-performance or delay in performance. The whole or any part of the parties' obligation under the purchase contract shall be resumed as soon as practicable after such event has come to an end or ceased to exist. If Force Majeure event continues beyond the period of two (2) months the parties shall hold consultation to resolve the issues involved. If the Force Majeure events continue beyond the period of three (3) months, the Bank shall be entitled to terminate the purchase contract.

21. **ARBITRATION**

- 21.1 In case of any dispute or difference arising out of or in connection with Tender Document or purchase contract / Annual Maintenance Contract or in carrying out of the installation of the machine (whether during the progress of the installation or after completion and whether before or after the determination, abandonment or breach of contract) except as to any of the excepted matters provided hereunder the parties hereto, shall first endeavour to settle such disputes or differences amicably. If both the parties fail to reach such amicable settlement, all the disputes or differences shall be finally settled by arbitrators as provided herein.

- 21.2 In case of failure of such amicable settlement by the parties, either party may within 28 days of such a failure give a written notice to the other party requiring that all matters in dispute or difference be arbitrated upon. Such written notice shall specify the matters, which are in dispute, or differences, which require to be referred to arbitrator. A single arbitrator should be appointed by both the parties jointly or in case of disagreement as regards appointment of a single arbitrator, both the parties shall appoint one arbitrator each and the two arbitrators so appointed shall appoint an umpire. The provisions of Arbitration and Conciliation Act, 1996 or any statutory modification or re-enactment thereof and rules framed thereunder from time to time shall apply to such arbitrations.
- 21.3 In the event of the Arbitrator or any one of the arbitrators, as the case may be, dying, neglecting, refusing to act or resigning or being unable to act for any reason or the award being set-aside by the Court for any reason it shall be lawful for the parties to appoint another Arbitrator in the manner provided herein above.
- 21.4 The venue of arbitration shall be Chennai, INDIA
- 21.5 Pending reference to arbitration and award thereon, the parties shall make all endeavours to complete the installation of machines in all respects as herein contracted and all disputes, if any, will finally be settled in the arbitration.
- 21.6 The Arbitrator, Arbitrators or Umpire, as the case may be, shall give reasoned award in respect of each item of disputes, which shall be final and binding on both the parties. It is agreed that the supplier shall not delay the carrying out of the installation of machines by reason of any such matter, question or dispute being referred to arbitration, but shall proceed with the installation of machines with all due diligence and shall, until the decision of the Arbitrators is given, abide by the terms and conditions of the contract herein, as also instructions with regard to the actual carrying out of the installation of the machines herein contracted and no award shall relieve the supplier of his obligations to adhere strictly to the terms and conditions of the purchase contract / Annual Maintenance Contract herein as also instructions with regard to the actual carrying out of the installation of machines.
- 21.7 In case during the arbitration proceedings, the parties mutually settle, compromise or compound their dispute or difference, the reference to arbitration and the appointment of the Arbitrator or Arbitrators, or Umpire, as the case may be, shall be deemed to have been revoked and the arbitration proceedings shall stand withdrawn or terminated with effect from the date on which the parties file a joint memorandum of settlement thereof with the Arbitrator or Arbitrators or the Umpire, as the case may be.

22. LIQUIDATED DAMAGES FOR DELAY

- 22.1 Time for completion of the entire supply of machines including installation, testing and commissioning of the machines at the various currency chest / non currency chest branches shall be deemed to be the essence of the purchase contract. If the supplier fails to meet the specified completion schedule the Bank shall have the option to accept or reject the machine supplied and installed by the supplier after the expiry of delivery period specified in the purchase contract. In case of acceptance of the delayed delivery as mentioned above, the supplier shall be liable to pay as Liquidated Damages a sum of 0.5 % (half percent) of the basic price of the machine for each completed week of delay or part thereof, subject to a ceiling of 7.5 % (seven and half percent) of the basic price of the machine. The Bank may, however, extend the time of completion on Force Majeure conditions. For the purpose of this clause, installation at each currency chest / non currency chest branch shall be treated as a separate entity.
- 22.2 The supplier agrees and considers that the liquidated damages set out hereinabove are fair and reasonable and that he will raise no objection or dispute with regard to the exercise by the Bank of the right to the liquidated damages.

23. TERMINATION AND SUSPENSION OF THE PURCHASE CONTRACT

23.1 The Bank at its option without prejudice to its rights under the purchase contract / Annual Maintenance Contract, is entitled to cancel the purchase contract / Annual Maintenance Contract at any time by giving 30 days written notice to the supplier in the following circumstances:-

- i) In case the supplier does not comply with any of his obligations/ undertakings under this purchase contract / Annual Maintenance Contract.
- ii) If the design, specifications or supplies provided by the supplier do not conform to the machine requirements, technical specifications.
- iii) If the supplier refrains from implementing any of the instructions received from the Bank within the stipulation of this purchase contract / Annual Maintenance Contract and,
- iv) In case of any breach of this purchase contract / Annual Maintenance Contract by the supplier.

24. DEDUCTION FROM PURCHASE PRICE

24.1 The supplier shall reimburse the Bank all costs, charges, damages or expenses which the Bank may have paid, (which the supplier is obliged under this purchase contract to pay) within 30 days upon written request of the Bank failing which such costs, charges, damages or expenses including statutory payments, if any shall be deducted / recovered by the Bank from any money due or becoming due to the supplier under this purchase contract or may be recovered by encashment of bank guarantees or by arbitration/ action under law or otherwise from the supplier.

25. WAIVER

25.1 Non-enforcement by either party of any of the provisions of this purchase contract / Annual Maintenance Contract shall not operate or constitute a waiver of the provision itself or of any subsequent breach thereof.

25.2 The validity of the purchase contract / Annual Maintenance Contract shall not be affected, should one or more of its stipulations be or become legally invalid and such stipulation is severable from and not fundamental to the obligations of either party to this purchase contract / Annual Maintenance Contract. In such a case, the parties shall negotiate in good faith to replace the invalid clause by an agreed stipulation which is in accordance with the applicable Indian Law and which shall be as close as possible to the party's original intent.

26. WARRANTY

26.1 The complete machines / sub assemblies etc. shall be warranted for their proper operation, performance and output as specified in the tender Machine Requirement and Technical Specifications, and shall be free from defective material and workmanship, and any shortfall/ defect that may appear/ be detected within 12 months from the date of handing over of the machines at the currency chest / non currency chest branches, shall upon intimation to the supplier, be made good at the supplier's own risk and cost within 2 days. During the said warranty period of 12 months, the supplier shall without any extra cost, carry out all routine and special maintenance of the machines at monthly intervals and attend to any difficulties/ defects that may arise in the operation of the machines / sub assemblies. The tenderer shall associate the Bank's staff with him during the installation, testing and commissioning of the machines. The supplier shall also train Branch staff in proper operation and trouble identifying and trouble shooting for a period of not less than 10 working days. If required by the Bank, the supplier shall also train Bank's staff at the place of installation or at the supplier's premises or at any other mutually agreed location without any extra cost to the Bank.

26.2 The Supplier shall furnish a certificate from the manufacturer that the machines are new, based on proven and established technology and are as per the Machine Requirement and Technical Specifications mentioned in the tender, free from defective material and workmanship and suitable for Indian conditions. In addition to the manufacturer's certificate, the above shall also be certified by the supplier.

- 26.3 If the Supplier does not rectify either by repair or replacement of such defects and put back the machine into regular operation within 2 days from the date of notice by the Bank or does not complete the said rectification with reasonable diligence and within 2 days from the date of such notice given by the bank, a penalty of Rs. 1000/- per day will be levied and deducted from the security deposit. If the machine cannot be repaired within the stipulated time, the supplier shall arrange for a standby portable machine to be installed. The suppliers should note that Mean time between the failures should not be less than 30 days. **If the Supplier fails to rectify the defect within 30 days, the Supplier also agrees to replace the defective machine with a new one.**
- 26.4 The defective or replaced parts shall be returned to the Supplier upon request and at his cost and responsibility. The Bank will, however, render such assistance in the matter and will expedite the same.
- 26.5 If the Supplier on account of the defects repairs, and / or replaces certain items by changing the design or materials, such change shall not reduce the performance of the machines as per the Machine Requirement and Technical Specifications.
27. **STATUTORY AND OTHER REGULATIONS** The Supplier shall comply with all the statutory obligations of the Government of India / State Governments and local authorities applicable and the Bank shall not be liable for any action under the statutes applicable due to non-fulfillment of statutory obligations by the Supplier.
28. **RIGHTS OF THE BANK TO VARY THE CONTRACT**
- The Bank shall have the right, during the performance of the purchase contract / Annual Maintenance Contract, to change the scope and/or technical character of the machines and/or of the supplies and services stipulated in the purchase contract / Annual Maintenance Contract, and the Supplier shall be bound to comply with the same.
29. **ASSIGNMENT**
- The Supplier shall not assign their rights and obligations under the terms of this purchase contract / Annual Maintenance Contract to any party / other person without the written consent of the Bank.
30. **WORK PERMIT, PASSPORT, TAX FORMS ETC.**
- The Supplier shall be responsible for arranging and obtaining at his own cost, the necessary work permits/road permits, tax forms / clearance of Central / State Government, passports, visas, police permits in connection with the execution of the order. Expenses for customs duty related to machines, other effects of any personnel employed or engaged by him / it for work, either from India or from any other country shall be the responsibility of the supplier.
31. **JURISDICTION**
- The purchase contract / Annual Maintenance Contract shall be governed by the Laws and Regulations of India for the time being in force and will be subject to the exclusive jurisdiction of the Courts in Chennai, India.

Place: Signature

Date: Name:

Seal:

SECTION IV

Machine Requirements and Technical Specifications

Description of the Machines	No. of Pockets/ Structure	Rated Capacity	Number of Machines Required
Desk Top Note Sorting Machines	Minimum 2 + 1	18000 to 20000 notes per hour	74

1. Machine Requirements

1.1 The Desk Top Note Sorting Machines, which we are looking for, should be among the best machines available in the market with the following attributes/ facilities:

- i.) The size of the notes of various denominations varies between 63 mm - 73 mm (width) and 137 mm - 177 mm (length).
 - ii. Each of the existing denomination in circulation has different designs and has different features and each denomination has in turn different series / designs. The machine shall be capable of processing all denominations and all series of banknotes currently in circulation. All these banknotes are printed on banknote paper by dry off-set and intaglio process with different security features. The sorting machines should be able to test banks notes by a set of cameras/ sensors fixed in the system for checking the authenticity of notes. While processing bank notes, the reading of the camera/ sensor has to be compared by the machine with the standards set in the software of the system for authentication of banknotes. The following properties must be checked by the system during processing:
 - Format consisting of denomination, size, orientation/ position, infrared character of print ink, tears, holes, missing parts and dog-ears.
 - Thickness of paper to detect multiple, overlapping items, tape etc.
 - Magnetic character of inks
 - Conductivity of security thread.
 - Fluorescence presence/ Phosphorescence presence.
- 1.2. The machine must be able to sort the notes into ATM fit/ fit / unfit / reject / suspect / forged notes after checking authenticity of banknotes. Broad parameters on which the machine has to classify the notes as clean notes are as under:
- i. The note is clean i.e. not soiled, discolored, tainted etc.
 - ii. The note does not contain more than one figure graffiti i.e. scribbling.
 - iii. The note does not contain large number of pinholes in the watermark area. Any note containing holes/ tears other than pinholes, Ashoka Pillar Series notes, banknotes of Rs.500 denomination of Mahatma Gandhi (M.G.) Series 1996 would not be clean note.
 - iv. The note does not contain any tears or tapes.
 - v. The note does not have any missing portion.

The note sorting machine must be able to sort the notes as per Authenticity & Sorting parameters prescribed by R.B.I. detailed under para 1.4 to 1.6 below.

1.3 The machine should be upgradeable. Sufficient reserve space and provision shall be provided for adding additional sensors/ devices to process banknotes of new designs / new denomination, including polymer notes, which may be introduced by RBI in future. The sensors should be capable of detecting **machine-readable features**, which may be incorporated in the banknotes by RBI in future.

1.4 Authenticity Check : The machines shall perform authenticity check with reference to the features of genuine notes as disclosed by the Reserve Bank of India from time to time. Any note which is not found to be having all the features of a genuine note shall be classified by the machine as suspect.

1.5. Fitness Sorting

As a part of fitness sorting, notes with any visual or physical defects are to be sorted as unfit as per the criteria set out in [Table 1](#).

Sl. No.	Feature	Criteria
1	Soiling	General distribution of dirt across the entire note
2	Limpness	Structural deterioration resulting in a marked lack of stiffness
3	Dog-ears	Corner folds
4	Tears	Lengthwise and crosswise cuts
5	Holes	Holes of a specific diameter
6	Stains	Localised concentration of dirt
7	Graffiti	Deliberate graphic alteration of the note
8	Crumples	Multiple random folds
9	Decolouration	Lack of ink on part or whole of the note, e.g. a washed note
10	Folds	Folds reducing the length or width of the note
11	Repair	Note repaired using adhesive tape/ paper/ glue

(i) Soiling

Soiling refers to the general distribution of dirt across the entire note or in some patterns. It is a measure of the loss of reflectivity from the unprinted areas due to dirt, ageing (yellowing), wear and extraneous markings and includes decolouration due to ageing, excessive folding wear and other wearing. Soiling increases the optical density and decreases the reflectance of the notes. Notes exceeding the soiling levels set out in [Table 2](#) shall be sorted as unfit. Both the obverse and the reverse of the note shall be checked for soiling.

Sl. No.	Denomination	Maximum Density difference	Minimum Reflectance	Filters
1	Rs. 5	0.07	85 %	Yellow
2	Rs. 10	0.07	85 %	Yellow
3	Rs. 20	0.06	87 %	Yellow
4	Rs. 50	0.06	87 %	Yellow
5	Rs. 100	0.05	90 %	Cyan
6	Rs. 500	0.04	93 %	Cyan
7	Rs. 1000	0.03	95 %	Cyan

(ii) Limpness

Limpness relates to structural deterioration or wear resulting in a marked lack of stiffness in the note paper. Notes with a very low stiffness shall be sorted as unfit. Notes with very low stiffness of paper, i.e. with paper which is worn out in circulation or mechanically mutilated shall be sorted out as unfit. Detectors for paper quality shall be adapted to the same level as for soiling.

(iii) Dog-Ears

Notes with dog-ears with an area of more than 130 mm² and a minimum length of the smaller edge greater than 10 mm shall be sorted as unfit. Chipped notes shall also be sorted as unfit.

(iv) Tears

Notes exhibiting at least one tear at the edge shall be classified as those having tears. Notes with tears larger than those indicated in [Table 3](#) shall be sorted as unfit.

Sl. No.	Direction	Width	Length
1	Vertical	4mm	8mm
2	Horizontal	4 mm	15 mm
3	Diagonal *	4 mm	18 mm

Measured by drawing a straight line from the peak of the tear to the edge of the note where the tear begins (rectangular projection), rather than measuring the length of the tear itself.

(v) Holes

This refers to notes with at least one visible hole. Notes with holes with area exceeding 10 mm² shall be sorted as unfit.

(vi) Stains

Stains are visible markings which are not part of the feature of a note. Notes shall be detected as unfit if localized - i.e. with limited extension – stain can be recognized on its surface. In case the total area covered by stains exceeds 500 mm², the note shall be sorted as unfit. A note with a single stain covering an area of more than 200 mm² shall be sorted as unfit. Both the obverse and the reverse of the note shall be checked for stains.

(vii) Graffiti

Graffiti refers to deliberate graphic alteration of the note with for example, figures or letters. Fitness sorting criteria in case of graffiti shall be the same as those for stains. Both the obverse and the reverse of the note shall be checked for graffiti.

(viii) Crumples/ Folds

Crumpled / folded notes shall be sorted as unfit if the folds result in reduction of the original note in length or width greater than 5 mm.

(ix) Decolouration

Notes affected by decolouration shall be sorted as unfit if the ink is partially or wholly missing from its surface. Both the obverse and the reverse of the note shall be checked for decolouration.

(x) Repair

A repaired note is created by joining parts of the same note together, for example, by using extraneous matter such as tape, paper or glue. Notes with the following types of repairs shall be sorted as unfit:

- Repairs covering an area greater than 100 mm²; or
- Thickness of the extraneous matter 50µm or more; or
- Width of the extraneous matter 10 mm or more; or
- Length of the extraneous matter 10 mm or more.

1.6 Mutilated, Imperfect and Mismatched Notes

A mutilated note is note, of which a portion is missing or which is composed of more than two pieces. An imperfect note is a note, which is wholly or partially, obliterated, shrunk, washed, altered or indecipherable but does not include a mutilated note. A mismatched note is a note, which has been formed by joining a half note of any one note to a half note of another note. Such notes shall be classified as unfit.

2. Capacity, consistency and reliability

2.1 The machine will undergo a stress test in two stages at specified non currency chest branches to determine the capability of the machine to sort and count accurately. Only those machines which pass the stage- I will be tested in stage- II. In the stage II, the machine shall undergo a stress test for 30 hours, which shall be conducted at specified non currency chest branches during the working hours. The dates and the names of the specified non currency chest branches would be intimated to the tenderers subsequently. It will be the responsibility of the supplier to bring their sorting machines to the specified non currency chest branches at their cost. **(Please see clause 3.1 of Section II).**

2.2 The stress test will be conducted in the presence of the representative of the tenderer of the machine. The test results will have to be jointly signed by the representative of the tenderer along with the representative of the Bank. The details of the stress test will be shared with the tenderers in a pre-bid meeting. **(Please see clause 3.2 of Section II).**

3. **Stacking compartments:**

3.1 There shall be separate sets of compartments for issuable / non-issuable (i.e. soiled) and reject / suspect notes. After the notes are processed, sorted notes should go to the respective compartments.

4. **User Interface and MIS Reports**

4.1 The machine should have user interface with printer attached, display with Function / Menu keys, interface to cash / vault management system and to host computer / server through Bank's LAN / WAN. The machine should have an arrangement of alert alarm indication in the form of beep and / or blinker, when stacker is full.

4.2 The machine should generate various types of reports such as Balance Report/ Customer Report/ Operator Report/ Difference Report/Reject Report/ Jam Recovery Report/ /Machine Report/Supervisory Report.

5. **Software**

5.1 The operating software shall be suitable for Windows NT network environment and shall be configurable. The operation, configuration and settings shall be menu driven. The software shall not call for any special qualification or special programming knowledge for the operator. The software shall provide for separate levels of password protection for operator, supervisor and service engineer. The tenderers are advised to furnish complete details about the software that they propose to supply. The basic process data captured from the microprocessor shall not be available for addition / corrections / alternations by any person. All the process data for a period of at least one year shall be indexed and stored in the machine for easy and efficient retrieval.

6. The Technical Specification for Desk Top Note Sorting Machines may please be separately furnished in the prescribed format as per Annexure 'A'.

7. ***The Technical Evaluation will be done on the basis of an Evaluation Matrix based on broad parameters viz. Profile of the Vendor / Manufacturer, Constitution of the vendor, experience of the manufacturing/vendor/supplier company/firm, Suppliers Association with the manufacturing company /firm, number of machines sold during 01.04.2007 to 31.03.2010, after sales service network, Sturdiness, Feeder Capacity, Additional Configurable Stackers, Any other Features etc. and scores in Stress Test in Stage-1 & Stress Test in Stage-II. The vendors who could not qualify / pass the Stress Test Stage-1 (i.e. could not secure the minimum marks as stipulated / decided by the Committee) will be disqualified and will not be evaluated further. The Evaluation Matrix will be handed over to the bidders just before opening of the Technical Bids.***

Place:

Signature

Date:

Name:

Seal:

Annexure 'A'

Technical Specifications for Desk Top Note Sorting Machines

Description of the Machines	No. of Pockets/ Structure	Rated Capacity	Number of Machines Required
Desk Top Note Sorting Machines	Minimum 2 + 1	18000 to 20000 notes per hour	74

I. Supplier's and the Manufacturer's Profile II. Technical Specifications

Sr. No.	Particulars				
A.	Supplier Profile				
1.	Name of the Suppliers				
2.	Constitution: (Public Ltd. Co. / Private Ltd. Co. / Others)				
3.	(i) Date of Establishment/ Incorporation of the Supplier Company / Firm				
	(ii) Experience of Supplier Company / Firm in Note Sorting Machines in India i.e. since when dealing in Note Sorting Machines (please specify the date).				
4.	Association with Manufacturing Company e.g. :				
	(i) Subsidiary of Manufacturing Company				
	(ii) Exclusive Distributor				
	(iii) Non Exclusive Distributor				
	(iv) Others				
5.	Address:				
	Registered Office:				
	Corporate /Head Office :				
6.	Telephone Number				
	Fax Number				
	E-Mail Address				
	Website				
7.	Sales Turnover of NSMs vis a vis Overall Turnover (Rs. in lacs) (Please enclose supporting documents)	Financial Year	NSMs Sales Turnover	Overall Sales Turnover	%
		2007-2008			
		2008-2009			
		2009-2010			
8.	(Number of Note Sorting Machines installed in India during 01.04.2007 to 31.03.2010)	Financial Year	No. of NSMs		
		2007-2008			
		2008-2009			
		2009-2010			
9.	After Sales Service Net Work i) Number of Service Centres / locations (Please attach list of service centres / locations with complete address, name of the contact person & his contact numbers)				

	ii) No. of engineers specialised exclusively for maintenance of Note Sorting Machines . iii) Expected life of the machine for which guaranteed service support will be available from the vendor (Total number of years including warranty period)	
B	Manufacturer's Profile	
1 .	Name of the Manufacturing Company	
2 .	Constitution of the Manufacturing Company (Public Ltd. Co. / Private Ltd. Co. / Others)	
3 .	(i) Date of Establishment / Incorporation of the Manufacturing Company.	
	(ii) Experience of Manufacturing Company / Firm in Note Sorting Machines i.e. since when manufacturing (please specify the date)	
4 .	Address of the Manufacturing Company	
	Registered Office	
	Corporate /Head Office	
5 .	Telephone Number	
	Fax Number	
	E-Mail Address	
	Website	

II. Technical Specifications

Sr. No.	Particulars	Our Specifications of Desk Top Note Sorting Machines	Specifications of the Desk Top Note Sorting Machines offered
A.	General		
1 .	Model Name	(Please specify Model Number)	
2 .	Machine Structure	Minimum 2 + 1 with a printer for generation / printing of the reports.	
3 .	Dimensions	(Length x Width x Height) (In mm)	
4 .	Weight	In Kilograms	
5 .	Banknote Input / Hopper Capacity / Feeder Capacity	Minimum 300 loose notes and above.	

6.	Banknote Delivery Standard Delivery Mode	Minimum 2 + 1 Stackers to be configured as per requirement of the Bank. No. of additional configurable stackers (over & above 2 + 1)	
7.	Performance Data / Processing Speed Sorting Speed	As per manufacturer, over 18,000 notes per hour	
8.	Range of Banknotes Width Length	63 mm – 73 mm 137mm to 177 mm	
9.	Power Supply	Please Specify	
10.	Power Consumption	Please Specify	
11.	Ambience Temperature	<p>Please clearly specify the Ambience Temperature Requirements.</p> <ul style="list-style-type: none"> ➤ While the machine is in operational condition ➤ While the machine is in non-operational condition <p>Kindly note that in most places, there is no climate control during the nonworking hours. The operating environmental requirements should be clearly specified.</p>	
12.	Relative humidity	<p>Please clearly specify the Relative humidity Requirements.</p> <ul style="list-style-type: none"> ➤ While the machine is in operational condition. ➤ While the machine is in non-operational condition. <p>Kindly note that in most places, there is no climate control during the nonworking hours. The operating environmental requirements should be clearly specified.</p>	
13	Sound/Noise Level	Please Specify	
14.	User Interface	<p>Sorting machine should have</p> <ul style="list-style-type: none"> ➤ Printer attached ➤ Display with Function / Menu Keys 	
15.	MIS / REPORTS	<ul style="list-style-type: none"> ➤ The Sorting machines should generate various types of reports Balance Report/ Customer Report/ Operator Report/ Difference Report/Reject Report/ Jam Recovery Report/ Machine Report /Supervisory Report. Alert Alarm indication by blinking LED and / or beep, when stacker is full. 	
16	ADDITIONAL FEATURES	<ul style="list-style-type: none"> ➤ Sturdiness ➤ Space for upgradation ➤ Any other additional feature 	

B.	Sensors		
1.	Sensors (Details mentioned in the Specification column)	<p>Sorting Machine should have the following sensors, which should be capable of detecting and checking various visible & non-visible features of Indian banknotes like print pattern, / format, Size, printed image, emission and soilness.</p> <ul style="list-style-type: none"> ➤ Image Scan Sensor from both sides (colour) capable to scan both sides of bank note ➤ Magnetic Sensor ➤ UV Dull Sensor (Fluorescence/Phosphorescence Sensor) ➤ Tape Sensor(Thickness Sensor) ➤ Infra red sensor ➤ Limpness sensor ➤ * Electrical Conductivity of Security thread 	
2.	Sorting Machine should be capable to do sorting in the modes mentioned in the Specification column:	<p>Sorting Parameters</p> <ul style="list-style-type: none"> ➤ ATM fit. ➤ Customer Issuable / Fit. ➤ Gandhi/ Ashoka Pillar notes can be separated ➤ Non Issuable/ Soiled (Ashoka Pillar Notes / banknotes of Rs. 500 (M.G.) Series 1996 should automatically go to Soiled notes stacker) ➤ Orientation Sorting. All non-oriented notes should go into reject pocket. ➤ Forged notes should go into reject pocket ➤ All the above parameters should be capable of being configured as per Bank's requirements 	
3.	Fitness & Authentication Parameters (Prescribed by RBI)	<p>Fitness Parameters</p> <ul style="list-style-type: none"> • Format(Size/ 	

		<p>Dimension, (i.e. length and breadth)</p> <ul style="list-style-type: none"> • Thickness • Holes • Tears • Missing Parts • Dog-ears or Missing Corners • Limpness • Soil • stains • graffiti • crumples • decolouration • folds • repair <p>Authentication Parameters</p> <ul style="list-style-type: none"> • Infrared Properties • UV-dull paper Fluorescence/ Phosphorescence • Magnetic security features in ink and security threads • Thickness and Multiple items • Electrical Conductivity of Security thread <p>All the above parameters should be capable of being configured as per Bank's requirements and the machine would be capable to generate a report to that effect.</p>	
--	--	--	--

SELF- COMPLIANCE CERTIFICATE (TO BE GIVEN BY THE VENDOR)

We hereby certify that the information given as above [in Annexure "A" (I - Supplier' and the Manufacturer's Profile & II - Technical Specifications)]is true and correct to the best of our knowledge & belief. Our Firm / Company meets the eligibility criteria as laid down by the Bank. In case any of the information given by us is found to be incorrect or false, the Bank is at liberty to cancel the tender submitted by us.

Place:

Signature

Date:

Name:

Seal:

Section V

Checklist

Sr. No.	Section No.	Clause No.	Bank's Term	Whether complied with or not
1 .	II	1 0 . 1	The Tender along with the prices shall remain valid initially for a period of one year from the date of finalizing the vendor through conducting reverse auction process and for such further period as may be requested for by the Bank, and agreed to in writing by the Tenderer. If the market rate falls, the Bank would have right to negotiate with L1 vendor. (L2 & L3 vendor will have to match the renegotiated price agreed by L1 vendor).	
2 .	II	1 2 . 1	The Tender must be accompanied by Earnest Money in the form of an irrevocable Bank Guarantee issued by a First Class scheduled bank in India for Rs.25.00 lacs valid for a period of one year. (List of First Class Scheduled Banks as per Annexure 'H').	
3 .	II III	9 . 1 3 . 1	The supply, installation and commissioning has to be completed within a period of 2 months from the date of placement of order. Time shall be the essence of the contract.	
4 .	II III	7 . 1 4 . 4	The prices shall be firm and binding without any escalation whatsoever for the entire period of purchase contract.	
5 .	II III	8 . 1 & .2 4 . 1 & 4.2	The prices (in Indian Rupees) should indicate Basic Price (i.e. including the cost of transportation, insurance, Duties, and charges etc. {other than the Sales Tax/ Value Added Tax/Central Sales Tax (as the case may be), Entry tax, Octroi} till the destination of the chest branch. If the Tenderer fails to include them in the tender, no claim thereof will be considered by the Bank afterwards. The Sales Tax/ Value Added Tax/Central Sales Tax (as the case may be), Entry Tax, Octroi, if any, will be paid by the Bank at actuals on production of documentary proof.	
6 .	III	5 .1 to 5.4	Terms of payment	
7 .	III	6 .1, 6.2& 6 . 3	Annual Maintenance contract	
8 .	III	2 2 . 1 & 22.2	Liquidated damages	
9 .	III	2 6 . 1 to 26.5	Warranty	

10.	II	16.2	The tenderer shall submit (Section I) and also submit the instructions to the tenderer (Section II), the terms and conditions given in the General Conditions of supply, installation, commissioning and maintenance of machines (Section III), Machine Requirements and Technical Specifications (Section IV) and Check list (Section V), (Annexure 'A','B','C','D', 'E', 'F', 'G', 'H') enclosed with the tender document duly signed and stamped on each page as a token of acceptance.	
-----	----	------	--	--

Place :

Signature:

Date :

Name

Seal of the firm:

Commercial Indicative Price Bid – II Quotation for supply of under noted type of machine

Description of the Machines	No. of Pockets/ Structure	Rated Capacity	Number of Machines Required
Desk Top Note Sorting Machines	Minimum 2 + 1	18000 to 20000 notes per hour	74

Name of the Supplier: _____

Sl. No.	Particulars	Rate to be quoted in Rupees per unit (including printer) for our requirement of machines
(1)	(2)	(3)
1 .	Model No.	
2 .	Basic Price (i.e. including the cost of transportation, insurance, Duties, and charges etc. {other than the Sales Tax/ Value Added Tax/Central Sales Tax (as the case may be), Entry Tax, Octroi} till the destination of the branch (es).	Rs.
3 .	Annual Maintenance Contract (AMC) (comprehensive) charges (which will cover replacement of defective parts) a) Per annum : b) For five years : @@	Rs.
4 .	Total Cost + AMC charges (item 2 + 3 b) @@	Rs.

@@ Please see para 2.7 of Section II of

Tender Document.

PLACE :

DATE :

(Authorized Signatory)

Note: All the particulars should be filled up under column Number 3.

**Business Rule & terms & conditions of Reverse Auction for the Tender For Supply,
Installation, Commissioning and Maintenance Of Desk Top Note Sorting Machines**

NAME OF THE BANK	The Asst. General Manager, Indian Bank Head Office Banking Operations Department 8, Jehangir Street, Chennai- 600 001 Telephone : (022) 22525066 / 25249576 / 22526959 Fax No : (044) 25228282
AUCTION TO BE CONDUCTED BY	e-Procurement Technologies Ltd. (abc procure) B-705, Wall Street - II, Opp. Orient Club, Nr. Gujarat College, Ahmedabad - 380 006. Gujarat State, India Tel.:- 91 - 079 -4001 6868 / 6861 / 6863 / 6864 / 6877 / 6883 / 6884 / 6885 Fax:- 91 - 079 - 4001 6831 / 6816 http:// ib.abcprocure.com
DATE OF AUCTION	Auction Date: Will be advised Online Reverse Auction Time: Will be advised
DOCUMENTS ATTACHED	Business rule for reverse auction - Annexure C' Terms & conditions of reverse auction - Annexure 'D' Process Compliance Statement (Annexure ' E') Contact Information

Business Rules for Reverse Auction

I. GENERAL TERMS AND CONDITIONS OF REVERSE AUCTION

Against this Enquiry for the subject item/system with detailed scope of supply as per our specification, Indian Bank shall resort to "REVERSE AUCTION PROCEDURE" THROUGH INTERNET.

1. For the proposed reverse auction, Tenderers whose machines have successfully qualified in Technical Bids and Stress Test only shall be eligible to participate.
2. Indian Bank will engage the services of **e-Procurement Technologies Ltd.**, who will provide all necessary training and assistance before commencement of on line bidding on Internet.
3. Business rules like event date, time, start price, bid decrement, extensions, etc. also will be communicated through **e-Procurement Technologies Ltd.** for compliance.
4. Vendors have to fax the compliance form in the prescribed format (provided by service provider) before start of Reverse auction. Without this the vendor will not be eligible to participate in the event.
5. Indian Bank will provide the prescribed format (e.g.: Total Cost + AMC charges, at Serial Number 4 (2 + 3 b) per unit of Desk Top Note Sorting Machine i.e. **Annexure 'B' of Commercial Indicative Price Bid – II of Tender Document**) to be quoted during the Commercial Bidding through e-procurement reverse auction process through internet, which will help the vendor to arrive at "Total Cost to Indian Bank" to enable them to fill-in the price and keep it ready for keying in during the auction. (Please see **clause 2.7 of Section II of Tender Document**).
6. Reverse auction will be conducted on scheduled date & time.
7. At the end of reverse auction event, the lowest bidder value will be known on the network.
8. The lowest bidder has to fax the duly signed filled-in prescribed format as mentioned above to Indian Bank through **e-Procurement Technologies Ltd.** within 24 hours of auction without fail.
9. Any variation between the on-line bid value and signed document will be considered as sabotaging the tender process and will invite disqualification of vendor to conduct business with Indian Bank as per prevailing procedure.

II. Business Rule for finalization of the procurement. (The exact rules will be explained in detail to the eligible bidders in pre-bid meeting).

1. Indian Bank shall finalize the vendors against this Tender through reverse auction mode. Indian Bank has made arrangement with M/s. e-Procurement Technologies Ltd, Ahmedabad, (ETL), who shall be Indian Bank authorized service provider for the same. Please go through the guidelines given below and submit your acceptance to the same.
2. Computerized Reverse auction shall be conducted by Indian Bank, on pre-specified date. While the vendors shall be quoting from their own offices/ place of their choice, Internet connectivity and other paraphernalia requirements shall have to be ensured by vendors themselves. In the event of failure of their Internet connectivity, (due to any reason whatsoever it may be) it is the bidders responsibility / decision to send fax communication, immediately to ETL furnishing the price, the bidder wants to bid online, with a request to ETL to upload the faxed price on line so that the service provider will upload that price on line on behalf of the Bidder. It shall be noted clearly that the concerned bidder communicating this price to service provider has to solely ensure that the fax message is received by

ETL in a readable / legible form and also the Bidder should simultaneously check up with ETL over phone about the clear receipt of the price faxed. It shall also be clearly understood that the bidder shall be at liberty to send such fax communications of prices to be up loaded by ETL only before the closure of Bid time and under no circumstances it shall be allowed beyond the closure of bid time. Such bidders have to ensure that the service provider is given a reasonable required time by the bidders, to upload such faxed prices online and if such required time is not available at the disposal of ETL at the time of receipt of the fax message from the bidders, ETL will not be uploading the prices. It is to be noted that either Indian Bank or ETL are not responsible for these unforeseen circumstances. In order to ward-off such contingent situation, bidders are requested to make all the necessary arrangements / alternatives whatever required so that they are able to circumvent such situation and still be able to participate in the reverse auction successfully. **However, the vendors are requested to not to wait till the last moment to quote their bids to avoid any such complex situations.**

3. Please note that the start price of {e.g.: Total Cost + AMC charges (**as per** Serial Number 4 (2 + 3 b) of **Annexure 'B' of Part -II**)} per unit of Desk Top Note Sorting Machine in online reverse auction is open to all the participating bidders. Any bidder can start bidding, in the online reverse auction, from the start price itself. Please note that the first online bid that comes in the system during the online reverse auction can be equal to the auction's start price, or lesser than the auction's start price by one decrement, or lesser than the auction's start price by multiples of decrement. The subsequent bid that comes in to outbid the L-1 rate will have to be lesser than the L-1 rate by one decrement value or in multiples of the decrement value.
4. ETL shall arrange to train your nominated person(s), without any cost to you. They shall also explain you, all the Rules related to the Reverse Auction/ Business Rules Document to be adopted along with bid manual. You are required to give your compliance on it before start of bid process.
5. **MATERIAL FOR BID:** Tender for Supply, Installation, Commissioning and Maintenance Of Desk Top Note Sorting Machines as per the specifications and scope of work mentioned in Section IV of the Tender Document.
6. **BIDDING CURRENCY AND UNIT OF MEASUREMENT:** Bidding will be conducted in Indian Rupees per unit of Desk Top Note Sorting Machine.
7. **BID PRICE:** The Bidder has to quote Total Cost + AMC charges, as per Serial Number 4 (2 + 3 b) per unit of Desk Top Note Sorting Machine (prescribed format i.e. Annexure 'B' of Commercial Indicative Price Bid – II of Tender Document) to arrive at the Total cost, which has already been provided by Indian Bank. (Please see clause 2.7 of Section II of Tender Document).
8. The technical & commercial terms are as per Indian Bank Tender for Supply, Installation, Commissioning and Maintenance Of Desk Top Note Sorting Machines and Vendors technical and commercial indicative price bid and subsequent correspondences between Indian Bank and the vendors.
9. **VALIDITY OF BIDS:** The Tender along with the Bid Price shall remain valid initially for a period of one year from the date of finalizing the vendor through conducting reverse auction process and for such further period as may be requested for by the Bank, and agreed to in writing by the Tenderer. If the market rate falls, the Bank would have right to negotiate with L-1 vendor.
10. At the end of the reverse auction, L-1 bidder has to provide within 24 hours price confirmation in **Annexure II (page 43)** and a detail break up for his lowest offer in the format i.e. Annexure 'B' of Commercial Indicative Price Bid – II of Tender Document) placed at **Annexure 'B' (page 45)** of the Bank's Tender Document. (Enclosed)

11. Procedure of Reverse Auctioning

i Auction Format: English Reverse Auction No Ties Auction

- ◆ There is only 1 Bidder at a particular position / rank, which means 1 L1, 1 L2 & so on.
- ◆ The criteria followed here is of Price only. So, the Bidder who quotes the lowest Price is declared as the winner of the Auction.
- ◆ A bidder here can revise his bids. The revised price should be lower than the L-1 price at that point of time.

ii. Bidding Process And Timeline (You should complete the following Steps)

- ◆ Participate in the training Programme for bidding by **e-Procurement Technologies Ltd.**
- ◆ You should be prepared with competitive price quotes on the day of the bidding event.
- ◆ Participate in the online bidding event.

iii. Start bid price

- ◆ Start bid price is the upper/ceiling price of the contract value fixed by Indian Bank for the reverse auction event. Bidders can bid at Start Bid price or lower than the start bid price by each or by multiple of decrements.
- ◆ Start bid price shall be available to the bidders during the start of the auction on the auction site.

iv. Bid Decrement

- ◆ Bid Decrement is the fixed amount by which, or by multiple of which, the next bid value can be decreased.
- ◆ Bid Decrement shall be available to the bidders during the start of the auction on the auction site

v. Bid Price in reverse auction (Annexure -I)

The bidder's bids in the reverse auction must represent the Basic Price of machine (i.e. including the cost of transportation, insurance, Duties, and charges etc. {other than the sales tax/ Value Added Tax/Central Sales Tax (as the case may be), entry tax, Octroi} till the destination of the Non currency chest branch and AMC charges for a period of five years after the expiry of the warranty period of one year or the floor rate of AMC charges of 8% of the Basic Price of machine per annum i.e. 40% for five years, subject to clarification given in clause 2.7 of Section II of Tender Document. The Sales Tax/ Value Added Tax/Central Sales Tax (as the case may be), Entry Tax, Octroi, if any, will be paid by the Bank at actuals. The taxes, if any, including service tax payable on AMC as per relevant provisions of Finance Act from time to time would be to the suppliers account. However, at end of the reverse auction process, vendors have to submit Off-line rates with break-up of prices in the format placed at Annexure 'B' (page 45) of the Bank's Tender Document. (Enclosed)

vi. Auction Duration

- ◆ The auction will be of 1 hour duration. In case there is any acceptable bid quoted by any bidder within 5 minutes of closing of the auction, the auction will be extended by another 5 minutes. Such extension will be allowed to continue till no quote is placed within 5 minutes of the last quote or 30 minutes whichever is lower. In any event the auction process deems to have concluded by 90 minutes from the start of the auction. Auto-bid feature will be enabled from the start time of bidding. This feature will be explained during training.

vii. Price Bid evaluation and award of purchase order

- ◆ Successful vendor shall be required to submit the final price, quoted during the English Reverse (no ties) in **Annexure-II Format (page 43)** after the completion of Auction to Indian Bank through **e-Procurement Technologies Ltd.**, duly signed and stamped as token of acceptance without any new condition other than those already agreed to before start of auction within 24 hours.
- ◆ **Indian Bank reserves the right to reject any or all the bids without assigning any reason whatsoever.**

12. **During English Reverse (no ties), if no bid is received within the specified time, Indian Bank, at its discretion, may decide to revise Opening price / scrap the reverse auction process / proceed with conventional mode of tendering.**
13. **Your bid will be taken as an offer to supply the machines and provide Annual Maintenance Contract. Bids once made by you, cannot be cancelled / withdrawn and you shall be bound to supply the machines and provide Annual Maintenance Contract at your final bid price. Should you back out and not supply the machines and provide Annual Maintenance Contract as per the rates quoted, Indian Bank shall take action as appropriate.**
14. **You shall be assigned a Unique User Name & Password by ETL. You are advised to change the Password after the receipt of initial Password from ETL to ensure confidentiality. All bids made from the Login ID given to you will be deemed to have been made by your company.**
15. You will be able to view the following **on your screen** along with the necessary fields.
 - English Reverse (no ties) {Reverse Auction}:
 - Leading Bid in the Auction (only total price)
 - Bid Placed by you
 - Opening Price.
 - Your rank in the auction.
16. At the end of the Reverse Auction, Indian Bank will decide upon the winner. Indian Bank decision on award of Contract shall be final and binding on all the Bidders.
17. Indian Bank shall be at liberty to cancel the reverse auction process / tender at any time, before ordering, without assigning any reason.
18. Indian Bank shall not have any liability to bidders for any interruption or delay in access to the site irrespective of the cause.
19. Other terms and conditions shall be as per your techno-commercial offers and other correspondences till date.
20. You are required to submit your acceptance to the terms / conditions / modality given above before participating in the reverse auction.

Terms & Conditions of Reverse Auction

1. **LOG IN NAME & PASSWORD:** Each Bidder is assigned a Unique User Name & Password by ETL. The Bidders are requested to change the Password after the receipt of initial Password from ETL. All bids made from the Login ID given to the bidder will be deemed to have been made by the bidder.
2. **BIDS PLACED BY BIDDER:** The bid of the bidder will be taken to be an offer to execute the work. Bids once made by the bidder cannot be cancelled. The bidder is bound to execute the work as mentioned above at the price that they bid. Should any bidder back out and not supply the machines and provide Annual Maintenance Contract at per the rates quoted, Indian Bank and / or ETL shall take action as appropriate.
3. **LOWEST BID OF A BIDDER:** In case the bidder submits more than one bid, the lowest bid will be considered as the bidder's final offer to execute the work.
4. **AUCTION TYPE:** 1). English Reverse No Ties
5. **DURATION OF AUCTION:** The auction will be of 1 hour duration. In case there is any acceptable bid quoted by any bidder within 5 minutes of closing of the auction, the auction will be extended by another 5 minutes. Such extension will be allowed to continue till no quote is placed within 5 minutes of the last quote or 30 minutes whichever is lower. In any event the auction process deems to have concluded by 90 minutes from the start of the auction.
6. **BID DECREMENT:** The minimum Bid decrement shall be available to the Bidders at the start of the auction. The bidder can view the same by clicking on the Item details at the start of the auction. The bidder can bid lower than the Lowest Bid in the auction by a decrement, multiple of the minimum Bid decrement or at least of minimum bid decrement plus multiple of Bid Decrement.
7. **VISIBILITY TO BIDDER:** The Bidder shall be able to view the following on his screen along with the necessary fields during English Reverse – No ties Auction:
 - Leading Bid in the Auction
 - Bid Placed by him
 - Rank of the respective bidder
8. **AUCTION WINNER:** At the end of the Reverse Auction, Indian Bank will evaluate all the bids submitted and will decide upon the winner.
9. **OTHER TERMS & CONDITIONS:**
 - The Bidder shall not involve himself or any of his representatives in Price manipulation of any kind directly or indirectly by communicating with other suppliers / bidders.
 - The Bidder shall not divulge either his Bids or any other exclusive details of Indian Bank to any other Party.
 - Indian Bank decision on award of Contract shall be final and binding on all the Bidders.
 - Indian Bank along with ETL can decide to extend, reschedule or cancel any Auction. Any changes made by Indian Bank and / or ETL, after the first posting will have to be accepted if the Bidder continues to access the site after that time.
 - ETL shall not have any liability to Bidders for any interruption or delay in access to the site irrespective of the cause.
 - ETL is not responsible for any damages, including damages that result from, but are not limited to

negligence. ETL will not be held responsible for consequential damages, including but not limited to systems problems, inability to use the system, loss of electronic information etc.

N.B.

- All the Bidders are required to submit the Agreement Form (Annexure- E) duly signed to M/s e-Procurement Technologies Ltd, Ahmedabad.
- After the completion of the Auction event, all the Bidders have to submit the Price confirmation in Annexure II (Page. 43) and detailed Break up in the format placed at Annexure 'B' (page 45) of the Bank's Tender Document. (Enclosed) immediately to Indian Bank through M/s e-Procurement Technologies Ltd, Ahmedabad within 24 hours for further proceedings.
- All the bidders are required to ensure to have a valid Digital Certificate well in advance so as to confirm the participation into the reverse auction.

ANNEXURE- I

Details of total Cost to the Bank to be Quoted in Reverse Auction in respect of Supply, Installation, Commissioning and Annual Maintenance Contract Of Desk Top Note Sorting Machines and the Auction Start Time & Close Time is as follows:

Tender For Supply, Installation, Commissioning and Maintenance Of Desk Top Note Sorting Machines

Total cost per unit	Start Bid Price	Bid Decrement in	Opening	Closing
	Rs	Rs	Time	Time
Total cost to the Bank per unit (including printer) would mean Basic Price of machine (i.e. including the cost of transportation, insurance, Duties, and charges etc. {other than the sales tax/ Value Added Tax/Central Sales Tax (as the case may be), entry tax, Octroi} till the destination of the Non currency chest branch + AMC charges for a period of five years after the expiry of the warranty period of one year or the floor rate of AMC charges of 8% of the Basic Price of machine per annum i.e. 40% for five years, subject to clarification given in clause 2.7 of Section II of Tender Document. The Sales Tax/ Value Added Tax/Central Sales Tax (as the case may be), Entry Tax, Octroi, if any, will be paid by the Bank at actuals. The taxes, if any, including service tax payable on AMC as per relevant provisions of Finance Act from time to time would be to the suppliers account.	Would be displayed before five minutes of the Auction on the Auction Screen.	Would be displayed before five minutes of the Auction on the Auction Screen.	Would be advised	Would be advised

Process Compliance Form

(The bidders are required to print this on their company's letter head and sign, stamp before faxing)

To

e-Procurement Technologies Ltd. (abc procure)
B-7 0 5, Wall Street - II,
Opp. Orient Club,
Nr. Gujarat College,
Ahmedabad - 380 006.
Gujarat State, India

Sub: Agreement to the Process related Terms and Conditions for the Reverse Auction

Dear Sir,

This has reference to the Terms & Conditions for the Reverse Auction.

This letter is to confirm that:

- 1 . The undersigned is authorized representative of the company.
- 2 . We have studied the Commercial Terms and the Business rules governing the Reverse Auction mentioned in this document and confirm our agreement to them.
- 3 . We also confirm that we have taken the training on the auction tool and have understood the functionality of the same thoroughly.
- 4 . We confirm that Indian Bank and ETL shall not be liable & responsible in any manner whatsoever for my/our failure to access & bid on the e-auction platform due to loss of internet connectivity, electricity failure, virus attack, problems with the PC, any other unforeseen circumstances etc. before or during the auction event.
- 5 . We understand that in the event we are not able to access the auction site, we may authorize ETL to bid on our behalf by sending a fax containing our offer price before the auction close time and no claim can be made by us on either Indian Bank or ETL regarding any loss etc. suffered by us due to acting upon our authenticated fax instructions.
- 6 . I/we do understand that ETL may bid on behalf of other bidders as well in case of above mentioned exigencies.
- 7 . We also confirm that we have a valid digital certificate issued by a valid Certifying Authority.
- 8 . We also confirm that we will fax the price confirmation in Annexure II (page 43) and detail break up of our quoted price during the reverse auction process in Annexure'B (page 45) within 24 hours to Indian Bank through e-Procurement Technologies Ltd.
- 9 . We, hereby confirm that we will honour the Bids placed by us during the auction process.

With regards

Signature with company seal

Name –
Company / Organization –
Designation within Company / Organization –
Address of Company / Organization –

Sign this document and Fax at +91 - 079 - 4001 6831 / 6816

ANNEXURE II

To,

e-Procurement Technologies Ltd. (abcprocure)
B-7 0 5, Wall Street - II,
Opp. Orient Club,
Nr. Gujarat College,
Ahmedabad - 380 006.
Gujarat State, India

SUB: FINAL PRICE QUOTED DURING REVERSE AUCTION -TENDER FOR SUPPLY, INSTALLATION, COMMISSIONING AND MAINTENANCE OF DESK TOP NOTE SORTING MACHINES

Ref : 1. Reverse Auction dt.

2. Our Offer No.

dt.

Dear Sir,

We confirm that we have quoted the price of Rs. /-(i.e. Total Cost to the Bank Per Unit including printer) as our final lump sum prices during the Reverse Auction conducted today. (Being the total cost to the Bank per unit including printer comprising Basic Price of machine (i.e. including the cost of transportation, insurance, Duties, and charges etc. {other than the sales tax/ Value Added Tax/Central Sales Tax (as the case may be), entry tax, Octroi} till the destination of the Non currency chest branch + AMC charges for a period of five years after the expiry of the warranty period of one year or the floor rate of AMC charges of 8% of the Basic Price of machine per annum i.e. 40% for five years, subject to clarification given in **clause 2.7 of Section II of Tender Document**. We are aware that:

- i. The Sales Tax/ Value Added Tax/Central Sales Tax (as the case may be), Entry Tax, Octroi, if any, in respect of the machine will be paid by the Bank at actuals.
- ii. The taxes, if any, including service tax payable on AMC as per relevant provisions of Finance Act from time to time would be to the suppliers account.

Thanking you and looking forward to the valuable order from Indian Bank.

Yours sincerely,

For _____

Name:

Company:

Date:

Seal:

CONTACT INFORMATION

e-Procurement Technologies Ltd.	Indian Bank
Ms. Goral Patel Mob: 0 – 93745 19729 Fax:- 91 - 079 - 4001 6876 Tel.:- 91 - 079 - 4001 6881 / 6868 / 6867 / 6886 / 6800 / 6875	Assistant General Manager Indian Bank HO: Banking Operations Department No: 8 Jehangir Street Chennai – 600001 Telephone : (044) 25225066 / 25249576 / 25226959 Fax No : (044) 25228282
Email: goral.patel@abcprocure.com	E-Mail : hocgt@indianbank.co.in

Annexure 'B'

Price Break Up of Commercial Bid Quoted during the Reverse Auction Process

Description of the Machines	No. of Pockets/ Structure	Rated Capacity	Number of Machines Required
Desk Top Note Sorting Machines	Minimum 2 + 1	18000 – 20000 notes per hour	74

Name of the Supplier: _____

Sr. No. 1.	Particulars 2.	Rate to be quoted in Rupees per unit (including printer) for our requirement of machines 3.
1.	Model No.	
2.	Basic Price (i.e. including the cost of transportation, insurance, Duties, and charges etc. {other than the Sales Tax/ Value Added Tax/Central Sales Tax (as the case may be), Entry Tax, Octroi} till the destination of the branch (es).	Rs.
3.	Annual Maintenance Contract (AMC) (comprehensive) charges (which will cover replacement of defective parts) a) Per annum : b) For five years : @@	Rs. Rs.
4.	Total Cost + AMC charges (item 2 + 3 b) @@	Rs.

@@ Please see para 2.7 of Section II of

Tender Document.

PLACE :

DATE :

(Authorized Signatory)

Note: All the particulars should be filled up under column Number 3.

The Asst. General Manager,
Indian Bank
HO:BOD
No.8 Jehangir Steet
Chennai 600 001

(DRAFT)

Proforma for Bank Guarantee in Lieu of Earnest Money Deposit

(To be submitted on non judicial stamp paper of appropriate value purchased in the name of the issuing Bank)
No. _____ Date : _____

This Deed of Guarantee made this _____ day of _____ two thousand _____ by the _____ (Name of the Bank) constituted under the _____ having its registered / Head Office at _____ and amongst other places, a Branch at _____ (hereinafter referred to as 'the Surety') in favour of Indian Bank, (hereinafter referred to as 'the Bank') for an amount not exceeding Rs. lacs (Rupees only) at the request of M/S _____ (Tenderer's name hereinafter referred to as 'Tenderer').

WHEREAS the Tenderer, a Company registered under _____ and having its registered office at _____ is bound to deposit with the Bank Rs. lacs by way of Earnest Money in connection with its Tender for supply, installation, commissioning and maintenance of Desk Top Note Sorting Machines at the Bank's various Non Currency chest branches as per Tender Document, which inter alia include Tender Enquiry dated _____ and the specifications and terms and conditions enclosed therein and / or any other document / agreement entered in to by the Bank with the Tenderer.

WHEREAS the Tenderer as per Tender Document (**clause No.12.1 Section II of Instructions to Tenderers**) has agreed to furnish/submit a Bank Guarantee valid up to _____ instead of deposit of Earnest Money in cash.

NOW THIS WITNESSETH

1. That the Surety in consideration of the above premises hereby undertakes and guarantees payment on demand without demur to the Bank of the said amount of Rs. (Rupees only) within 3 days from the date of receipt of the demand from the Bank, (which amount the Tenderer is bound to deposit with the Bank by way of earnest Money in connection with his Tender). If the Surety fails to make payment within the said period of 3 days, interest at the rate of 10 % per annum with monthly rests will be payable by the Surety till payment.
2. This guarantee shall not be affected by any infirmity or irregularity on the part of the Tenderer or by the dissolution or any change in the constitution of the Bank, Tenderer or the Surety.
3. The Bank shall be eligible to make claim under this Guarantee if the Tenderer after submitting his Tender, resiles from his offer or modifies the terms and conditions thereof in a manner not acceptable to the Bank or expresses his unwillingness to accept the purchase contract after the Bank has decided to award the purchase contract to the Tenderer for supply, installation, commissioning and maintenance of Desk Top Note Sorting Machines and fail or refuse to furnish the Security Deposit in terms of **clause 8.1 of Section III of the General Conditions of supply**, installation, commissioning and maintenance of machines. The Bank's decision in this regard shall be final and binding and the surety is bound to make payment if demand is made by the Bank. The Bank is not bound to mention any reason for invocation of the Guarantee in the demand letter. A statement to the effect that the amount is due under the Guarantee from the Surety will be proper invocation of the Guarantee.
4. The Surety shall not and cannot revoke this guarantee during its currency except with previous consent

of the Bank in writing.

5. Notwithstanding anything contained in the foregoing, the Surety's liability under the guarantee is restricted to Rs..... (Rupees only) plus interest for the delay, if any.
6. This guarantee shall remain in force and effective up to _____ and shall expire and become ineffective on intimation thereof being given to the Surety by the Bank in which event this guarantee shall stand discharged.
7. The Surety will make the payment pursuant to the demand notice issued by the Bank, notwithstanding any dispute that may exist or arise between the Tenderer and the Bank or any other person.
8. Any forbearance, act or omission on the part of the Bank in enforcing any of the conditions of the said tender or showing of any indulgence by the Bank to the tenderer shall not discharge the Surety in any way.
9. Notwithstanding anything contained hereinabove, a demand or claim under this guarantee should be made on the Surety in writing on or before _____.
10. The Surety has the power to issue this guarantee under statute under which it is incorporated and / or its Memorandum and Articles of Association and the person who is hereby executing this deed has the necessary powers to do so.

SIGNED AND DELIVERED

For and on behalf of

(Banker's Name and Seal)
Branch Manager

The Assistant General Manager,
Indian Bank
Head Office
Banking Operations Department
No.8 Jehangir Street
Chennai – 600 001

(DRAFT)

Proforma for Bank Guarantee for Security Deposit

(To be submitted on non judicial stamp paper of appropriate value purchased in the name of the issuing Bank)

No. _____

Date : _____

This Deed of Guarantee made this _____ day of _____ two thousand _____ by the _____ (Name of the Bank) constituted under the _____ having its registered / Head Office at _____ and amongst other places, a Branch at _____ (hereinafter referred to as 'the Surety') in favour of Indian Bank, (hereinafter referred to as 'the Bank') for an amount not exceeding Rs. _____ (Rupees _____) at the request of M/S _____ (Tenderer's name hereinafter referred to as 'Tenderer').

WHEREAS the Tenderer, a Company registered under _____ and having its registered office at _____ is bound to deposit with the Bank Rs _____ by way of security deposit in connection with supply, installation, commissioning and maintenance of Desk Top Note Sorting Machines at the State Bank of India's various currency chest / non currency chest branches as per Tender Documents, which interalia include Tender Enquiry dated _____ and the specifications and terms and conditions enclosed therein and any other document / agreement entered in to by the Bank with the Tenderer.

WHEREAS the tenderer as per Tender Documents (**clause No. 8.1 of Section III General Conditions of supply, installation, commissioning and maintenance of Desk Top Note Sorting Machines**) has agreed to furnish a Bank Guarantee valid up to _____ instead of security deposit in cash.

NOW THIS GUARANTEE WITNESSETH AS UNDER:

1. In consideration of the above premises, the Surety hereby unconditionally and irrevocably guarantees that the Tenderer shall fulfill its commitments and obligations under the Tender Documents in connection with supply, installation, commissioning and maintenance of Desk Top Note Sorting Machines at the Bank's various non currency chest branches in India and in the event of the Tenderer failing to perform / fulfill its commitments / obligations under the Tender Documents (i.e. Tenderer committing default), the Surety shall on demand(s) from time to time from the Bank without protest or demur or without reference to the Tenderer and notwithstanding any contestation or existence of any dispute between the Tenderer and the Bank, pay to the Bank forthwith the sums so demanded by the Bank in each of the demands.

2. Notwithstanding anything to the contrary, Bank's decision as to whether the Tenderer has made any such default or defaults and the amount or amounts to which the Bank is entitled by reasons thereof will be binding on Surety and Surety shall not be entitled to ask the Bank to establish claim or claims under this Guarantee but will pay the same forthwith on your demand without any protest or demur.
3. This guarantee shall continue and hold good until it is released by the Bank on the application by the Tenderer after the Tenderer had discharged all its obligations under the Tender Documents, including those arising during the period of warranty and on furnishing a fresh Bank Guarantee for Annual Maintenance Contract for a period of one year for an amount equal to the quoted all-inclusive Annual Maintenance Contract rate per annum, subject to its renewal every year till the expiry of 5 years Annual Maintenance Contract, as security deposit for the fulfillment of service contract conditions. The Bank shall be entitled to invoke the Bank Guarantee towards the Security Deposit if the Bank Guarantee for Annual Maintenance Contract is not furnished.
4. Should it be necessary to extend this guarantee on account of any reason whatsoever, Surety undertakes to extend the period of this Guarantee on Bank's request till such time as may be required by the Bank. Bank's decision in this respect shall be final and binding on Surety.
5. Bank has the fullest liberty without effecting Surety's obligation under this guarantee from time to time to vary any of the terms and conditions of the Tender Documents or extend the time of performance by the Tenderer its obligation commitment under the Tender Documents or to enforce or forbear to enforce any of the terms and conditions of the Tender Documents and Surety shall not be released from its liability under this guarantee.
6. This guarantee shall not in any way be affected by Bank taking or varying or giving up any securities from the Tenderer or any other person, firm or company on its behalf or by winding up, dissolution, insolvency or death as the case may be of the Tenderer.
7. In order to give full effect to the guarantee herein contained Bank shall be entitled to act as if Surety is Bank's principal debtors in respect of all Bank's claims against the Tenderer and the Surety hereby expressly waive all its rights of surety-ship and other rights, if any, which are in any way inconsistent with any of the provisions of this guarantee.
8. Subject to the maximum limit of its liability under this Guarantee, the Guarantee covers all Bank's claim or claims against the Tenderer from time to time arising out of or in relation to the Tender Documents and in respect of which Bank's claim in writing is lodged on Surety before expiry of six months from the date of expiry of this guarantee.
9. Any notice by way of demand or otherwise hereunder may be sent by special courier, telex, fax or registered post to Surety's local address as aforesaid and if sent by post, it shall be deemed to have been given when the same has been posted.
10. This guarantee and the powers and provisions herein contained are in addition to and not by way of limitation of or substitution for any other guarantee or guarantees hereto given to the Bank by Surety (whether jointly with others or alone) and now existing uncanceled and that this guarantee is not intended to and shall not revoke or limit such guarantee or guarantees.
11. This guarantee shall not be affected by any change in the constitution of the Tenderer or Surety nor shall it be affected by any change in Bank's constitution.
12. Any forbearance, act or omission on the part of the Bank in enforcing any of the conditions of the Tender Documents or showing of any indulgence by the Bank to the Tenderer shall not discharge the Surety in any way and the obligations of the Surety under this guarantee shall be discharged only on the intimation thereof being given to the Surety by the Bank.

13. This guarantee is irrevocable during the period of its currency and shall not be revoked without previous consent in writing of the Bank.
14. Surety further agrees and undertakes to pay to the Bank without demur the amount demanded by the Bank in writing notwithstanding any difference or dispute or controversy that may exist or arise between the Bank and Tenderer or any other person.
15. Notwithstanding anything contained herein above Surety's liability under this Guarantee is restricted to Rs._____ (Rupees _____only). This Guarantee is valid up to _____. A written claim should be lodged on the Surety for payment under this guarantee within six months from the date of expiry, including extensions if any, of this guarantee.
16. Surety has power to issue this guarantee in Bank's favour under the Memorandum and Articles of Association of Surety and the undersigned has full power to execute this Guarantee under the Power of Attorney granted to him by the Bank.

For and on behalf of

(Banker's Name and Seal)

Branch Manager
(Banker's Seal)

LIST OF FIRST CLASS SCHEDULED BANKS

State Bank of India

Associate Banks

1. State Bank of Bikaner & Jaipur
2. State Bank of Hyderabad
3. State Bank of Indore
4. State Bank of Mysore
5. State Bank of Patiala
6. State Bank of Travancore
7. SBI Comm. & International Bank Ltd.

Nationalised Banks

1. Allahabad Bank
2. Andhra Bank
3. Bank of Baroda
4. Bank of India
5. Bank of Maharashtra
6. Canara Bank
7. Central bank of India
8. Corporation Bank
9. Dena Bank
10. Indian Overseas Bank
11. Oriental Bank of Commerce
12. Punjab & Sind Bank
13. Punjab National Bank
14. Syndicate Bank
15. UCO Bank
16. Union Bank of India
17. United Bank of India
18. Vijaya Bank

Institutionally Sponsored New Private Sector Banks

1. ICICI Bank Ltd.
2. IDBI Bank Ltd.
3. HDFC Bank Ltd.
4. UTI Bank Ltd.