



**REQUEST FOR PROPOSAL (RFP)**

**FOR**

**APPOINTMENT OF CONSULTANT TO UNDERTAKE QUALITY  
ASSURANCE OF BANK'S INTERNAL AUDIT FUNCTIONS INCLUDING  
INFORMATION SYSTEMS (IS) AUDIT FUNCTION**

**RFP REFERENCE NO. IAD/QAA/1/2021-22**

**DATED: NOVEMBER 18, 2021**

**IDBI BANK LIMITED,  
IDBI TOWER, WTC COMPLEX,  
CUFFE PARADE,  
MUMBAI – 400 005.  
CIN: L65190MH2004GOI148838**

**Disclaimer**

The information contained in this Request for Proposal (**RFP**) document or information provided subsequently to the bidder(s) or applicants whether verbally or in documentary form, by or on behalf of IDBI Bank Limited (IDBI Bank/the Bank), is subject to the terms and conditions set out in this RFP document and all other terms and conditions, subject to which such information is provided.

This RFP document is not an agreement and is neither an offer nor an invitation to offer by IDBI Bank. This RFP is to invite proposals from applicants who are qualified to submit the bids ("Bidders"). The purpose of this RFP is to provide the Bidder(s) with information and to assist them in formulation of their proposals (Bids). This RFP does not claim to contain all the information, which each Bidder may require. Each Bidder should, at its own costs without any right to claim reimbursement, conduct its own investigations, analysis and should check the accuracy, reliability and completeness of the information in this RFP and wherever felt necessary obtain independent advice.

No contractual obligation whatsoever shall arise from the RFP process until a formal contract is signed and executed by duly authorized officers of the Bank with the Selected Bidder (SB).

IDBI Bank makes no representation or warranty and shall incur no liability under any law, statute, rules or regulations as to the accuracy, reliability or completeness of this RFP. Bank may in its absolute discretion, but without being under any obligation to do so, update, amend or supplement the information in this RFP.

The information contained in this RFP document is selective and is subject to update, expansion, revision and amendment. IDBI Bank does not undertake to provide any Bidder with access to any additional information or to update the information in this RFP document or to correct any inaccuracies if any therein, which may become apparent. IDBI Bank reserves the right of discretion to change, modify, add to or alter any or all of the provisions of this RFP and/or the bidding process, without assigning any reasons whatsoever. Such change will be intimated or made accessible to all Bidders or can be accessed in website of IDBI Bank. Any information contained in this RFP document will be superseded by any later written information on the same subject made available/accessible to Bidder(s) by IDBI Bank.

Information provided in this RFP is on a wide range of matters, some of which may depend upon interpretation of law. The information given is not intended to be an exhaustive account of statutory requirements and should not be regarded as a complete or authoritative statement of law. IDBI Bank does not own any responsibility for the

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accuracy or otherwise for any interpretation or opinion on law expressed herein. Further, IDBI Bank also does not accept liability of any nature whether resulting from negligence or otherwise howsoever caused arising from reliance of any Bidder upon the statements contained in this RFP.

IDBI Bank reserves the right to reject any or all the Bids received in response to this RFP at any stage without assigning any reason whatsoever and without being liable for any loss/injury that Bidder might suffer due to such reason. The decision of IDBI Bank shall be final, conclusive and binding on all the Bidders/parties directly or indirectly connected with the bidding process.

The Bids not satisfying the procedure prescribed in the RFP will be treated as invalid and rejected summarily. The issue of this RFP does not imply that the Bank is bound to select a Bidder or to appoint the Selected Bidder, as the case may be, for the Assignment and the Bank reserves the right to reject all or any of the Bidders or Bids without assigning any reason whatsoever.

It may be noted that notice regarding corrigenda, addendums, amendments, time-extensions, clarifications, response to Bidders' queries etc., if any to RFP, will not be published through any advertisement in newspapers or any other media. The prospective Bidders shall regularly visit Bank's website **www.idbibank.in** for getting updates regarding any changes / development in relation to this RFP.

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**Request for Proposal (RFP)**

**1. BID DETAILS**

1.	Date and time of commencement of Bidding Process (i.e. Posting of Tender Document on Web Site)	Date: 18.11.2021Time: 10.00 A.M	
2.	Last date and time for receipt of Pre-Bid queries for clarification from bidders	Date: 23.11.2021Time: 5.00 P.M	
3.	Last Date and time for issuing clarifications to Pre-Bid queries by the Bank	Date: 25.11.2021Time: 5.00 P.M	
4.	Last date and Time for submission of Bidding Documents Including Technical and Financial Bid	Date: 10.12.2021Time: 4.00 P.M	
5.	Date and Time of opening of the Technical Bids	Date: 10.12.2021Time: 5.00 P.M	
6.	Place of opening bids	IDBI BANK LIMITED, 20th Floor, Internal Audit Department, IDBI Tower, WTC Complex, Cuffe Parade, Mumbai-400005.  The Authorized Representatives of Bidders may be present during opening of the Technical Bid. However, Technical Bids could be opened even in the absence of any or all of the Bidders representatives	
7.	The eligible Bidders, who would qualify as per the eligibility criteria in <b><u>Annexure A</u></b> would be informed by the Bank through e-mail. Subsequently, these eligible bidders would be invited for presentation to the appointed Internal Committee/Project Specific Committee. The technical proposals including presentation shall be evaluated (by an Internal Committee) based on parameters given in <b><u>Annexure F</u></b> and the Bidder securing minimum 80% as per the scoring given in <b><u>Annexure F</u></b> shall be considered as qualified for opening of Financial bid which shall be opened subsequently.		
8.	Address of communication ( Bank )	1.	Name: Shri Kushal Doley
		2.	Designation: Deputy General Manager

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		3.	20th Floor, Internal Audit Department, IDBI Tower, WTC Complex, Cuffe Parade, Mumbai-400005.
		4.	Contact Number: 022- 66194354, 9723081100
		5.	E-mail: kushal.doley@idbi.co.in pravin.murha@idbi.co.in
9	Cost of Bid Documents (Non-refundable)	Rs.10,000/- (Rupees Ten Thousand) + GST in the form of NEFT. <b><u>The proof of deposit should be enclosed with Technical Bid.</u></b> NEFT Details given below: Account No. 0098120100000028 Account name: IDBI BANK LIMITED IFSC Code: IBKL0000098 Bank name: IDBI BANK LIMITED Branch: Cuffe Parade branch	
10	Performance Security Deposit	Performance Bank Guarantee as security for an amount equivalent to 10% of the Contract Value (excluding taxes) is to be submitted by the Selected Bidder within 15 days from the date of acceptance of Offer by the Selected Bidder and PBG should be valid for a period of 6 months from the date of acceptance of vetting of implementation of the recommendations / suggestions of the Quality Assurance report. The value of PBG will have to be renewed /resubmitted with fresh validity and claim period, if required.	

**Note:**

1. This Bid document is the property of Bank & is not transferable.
2. This bid document has 87 pages.
3. If a holiday is declared on the dates mentioned above, the bids shall be received / opened on the next working day at the same time specified above and at the same venue unless communicated otherwise.
4. No queries will be entertained after the date and time mentioned in this schedule.

**2. Overview**

IDBI Bank, a company incorporated and registered under Companies Act, 1956 and a company under section 2(20) of Companies Act 2013 and a banking company under section 5(c) of the Banking Regulation Act, 1949, is a new generation bank that rides on a cutting edge Core Banking platform. IDBI Bank has network of over 1800 branches, 3300 + ATMs spread across India and offers wide range of products and services to both Corporate and Retail Customers. IDBI

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Bank also provides services to its customers through alternate channels such as Internet Banking, Debit Cards, Mobile Banking etc.

IDBI Bank was a scheduled bank as notified by the Reserve Bank of India (RBI) under the Reserve Bank of India Act, 1934 and was categorized under a new sub group "other public sector bank". In FY 2018-19, Life Insurance Corporation (LIC) acquired majority stake of 51%, with promoter status in IDBI Bank. Subsequently in March 2019, RBI classified IDBI Bank as Private Sector Bank for Regulatory Purpose. LIC and Government of India (GoI) is presently holding 49.24 % and 45.48% of equity in IDBI Bank respectively. The shares of IDBI Bank are listed on the NSE & BSE and are actively traded on both these stock exchanges.

List of Present Group entities/units are furnished below.

**Subsidiaries:**

- i) IDBI Capital Markets & Securities Limited
- ii) IDBI MF Trustee Company Limited.
- iii) IDBI Asset Management Limited.
- iv) IDBI Trusteeship Services Limited.
- v) IDBI Intech Limited.

**3. Purpose**

The Bank invites bids through this RFP, as per the Terms of Reference/Scope of Work in **Annexure B**, for appointment of Consultant to undertake Quality Assurance of Bank's Internal Audit Functions including Information Systems (IS) Audit Functions from eligible Bidder registered under companies Act/ LLP/ Partnership Act, having repute and proven track record.

The Bidders desirous of taking up the Assignment as Consultant are invited to submit their Proposal in response to this RFP. The criteria and the actual process of evaluation of the Proposals in response to the RFP and subsequent selection of the Bidder will be entirely at Bank's discretion. The bidders should have necessary experience, capability and expertise to perform, as per the scope of work and to adhere to the Bank's requirements/ terms and conditions outlined in the RFP. The RFP is not an offer by IDBI Bank, but an invitation to receive responses from the potential Bidders. No contractual obligation whatsoever shall arise from the RFP process unless and until a formal contract is signed and executed by duly authorized official(s) of IDBI Bank with Selected Bidder.

**4. Definitions**

- a) "Bank/ IDBI Bank" means **IDBI Bank Limited**, a company incorporated Companies Act, 1956 and a banking company under section 5 (c) of the Banking Regulation Act, 1949 and a company within the meaning of Section 2(20) of the Companies Act, 2013 which has invited bids to undertake Quality Assurance of Bank's Internal Audit Functions



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including Information Systems (IS) Audit Function, and with which the selected Bidder signs the contract for the services to be rendered and to whom the selected Bidder shall provide services as per the terms and conditions and terms of reference of the contract.

- b) "Bidder/ Applicant/ Consultant" means the entity or firm who is submitting its proposal for providing services to Bank.
- c) "Selected Bidder (SB)" means Bidder /Applicant/Consultant/Firm finally selected by the Bank for carrying out the assignment or services of Job.
- d) "Affiliates/ Group Companies" means membership firms working under the common brand name and engaged in similar activity.
- e) "Partner" means a partner as defined under Partnership Act 1932 and also includes a professional sharing profit in a firm/ LLP under the Limited Liability Partnership Act 2008.
- f) "Personnel/ Professional" means full time staff of the Firm with requisite skillset and on the payroll of the Bidder.
- g) "Proposal/ Bid" means the technical proposal and the Commercial/Financial proposal.
- h) "RFP" means this "Request For Proposal" prepared by Bank for the Appointment of Consultant to undertake Quality Assurance of Bank's Internal Audit Functions including Information Systems (IS) Audit Function.
- i) "Assignment" or "Project" or "Services" or "Job" means the work to be performed by the Consultant pursuant to the contract.
- j) "Audit" means all the types of audits handled by Internal Audit Department (IAD) i.e. Internal Audit, Management Audit, Departmental Audit, Credit Audit, Concurrent Audit, Compliance Audit, Snap Audit, Investigative Audit/Special Investigative Audit, Expenditure Audit, Information System Audit, Cyber Security Audit, and any other audit undertaken by the Audit Department, etc.
- k) "Terms of Reference (TOR)" means the document included in the RFP which explains the scope of work, activities, tasks to be performed pursuant to contract awarded under this RFP.
- l) "Contract" or "Agreement" or "Engagement Letter" means the offer & acceptance / contract signed by the parties and all the attached documents and the appendices.
- m) "Day" means a calendar day.
- n) "Parties"- Party or Parties means Bank or Bidder/ Selected Bidder/ Consultant or both (ALL) as the case may be.

**5. Eligibility Criteria**

- 5.1. Applicants must read carefully the eligibility criteria provided **Annexure-A**. Proposals of only those Applicants who satisfy these conditions will be

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considered for evaluation process.

- 5.2. The Eligibility Criteria will apply to the Bidder along with its Affiliates/ Group Companies/ member firms working under the common brand name. It should have neither failed to perform on any agreement during the last three years, as evidenced by imposition of a penalty by an arbitral or judicial pronouncement or awarded against the Applicant or its Affiliates or its member firms, nor from any project or agreement nor had any agreement terminated for breach by such Applicant of its Affiliates or member firms. **Self Declaration to be furnished on the letterhead of the Firm.**

5.3. **Conflict of interest**

- 5.3.1. Bank requires that the selected Consultant/Bidder provide professional, objective, and impartial advice, and at all times hold Bank's interest paramount, strictly avoid conflicts with other assignment(s)/ job(s) or their own corporate interests, and act without any expectation/ consideration for award of any future assignment(s) from Bank.
- 5.3.2. Without limitation on the generality of the foregoing, the selected Consultant and any of their Affiliates and member firms, shall be considered to have a conflict of interest (and shall not be engaged under any of the circumstances) as set forth below:
- i. **Conflicting assignment/job:** The Consultant (including its Personnel) or any of its Affiliates and member firms shall not be hired for any assignment/job that, by its nature, may be in conflict with another assignment/job of consultancy to be executed for the same and/or for another employer.
  - ii. **Conflicting relationships:** The Consultant (including its Personnel) having a business or family relationship with a member of Bank's staff who is directly or indirectly involved in any part of (i) the preparation of the terms of reference of the assignment/job, (ii) the selection process for such assignment/job, or (iii) supervision of the contract, may not be awarded a contract, unless the conflict stemming from such a relationship has been resolved in a manner acceptable to Bank throughout the selection process and the execution of the contract.
- 5.3.3. The Bidder shall ensure that employees of Bank shall not work as, for or be a part of the firm of selected Consultant for proposed assignment of Quality Assurance.

6. **Terms of Reference**  
As given in **Annexure B.**

7. **Deliverables:**  
Attributes of Quality Assurance Report and Timelines:

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- The report shall contain the clear roadmap and actionable for the Bank for successful implementation of suggestions/recommendations which emerge out of Quality Assurance exercise.
- The priorities in implementations of recommendations shall be indicated considering the Risk Mitigation, business enabler approach.
- The report shall also clearly spell out the responsibilities of the operating Departments of the Bank i.e Internal Audit Department, Risk Department, Compliance Department, business groups, etc. in implementation of recommendations / actionable of report.
- The entire assignment of Quality Assessment shall be completed in stages as follows:

Sl. No.	Stage	Time period
1	Draft Report	Within 90 days from the date of assignment (date of appointment letter)
2	Final Report	Within 30 days from the date of furnishing observation by the Bank on the Draft Report
3	Vetting of implementation of recommendations/suggestions of the QA Report	Within 180 days from the date acceptance of the Final Report

- Prior to submission of final report, the draft report shall be required to be presented before the Top Management for deliberations, if required.
- The selected Consultant, shall provide necessary support and handholding during the implementation process of recommendations/suggestions of Quality Assurance Report.
- Post implementation of recommendations/suggestions by IAD, the selected Consultant shall have to undertake vetting of implementations.

**8. Clarification and amendment of RFP documents**

- 8.1. The Bidder may request a clarification on any clause of the RFP documents latest by **November 23, 2021 at 05:00 PM**. Any request for clarification must be sent by e-mail to **kushal.doley@idbi.co.in/pravin.murha@idbi.co.in**. The Bank will respond by e-mail. The responses of the Bank will be published on Bank's website without identifying the source of the query. If Bank deem it necessary to amend the RFP as a result of a clarification, it shall do so in accordance with the procedure stated under paragraph 8.2 below
- 8.2. At any time prior to the deadline for submission of proposal, Bank at its discretion may modify the RFP by amendment. Any clarification issued by

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Bank will be in the form of an addendum/ corrigendum and will be available in Banks's website - <https://www.idbibank.in>. The amendment will be binding on all Bidders. Bank, at its discretion may extend the deadline for submission of Bids in order to allow prospective Bidders a reasonable time to take the amendment into account. Interested Bidders are advised to frequently visit the web site of the Bank for updating themselves about changes, if any, made in the RFP before the Bid submission date.

**9. Bidding Document**

- 9.1. Detailed description of the objectives, scope of services, deliverables and other requirements relating to the Assignment/Services are specified in **Annexure-B** of this RFP. Interested applicants eligible as per **Annexure-A** may participate in the Selection Process by submitting the bids as expected in this document.
- 9.2. Applicants are advised that the selection of Consultant for Quality Assurance assignment shall be on the basis of an evaluation/ Selection Process specified in this RFP in Para 12. Applicants shall be deemed to have understood and agreed that no explanation or justification for any aspect of the Selection Process will be given and that the Bank's decisions shall be final and would be without any right of appeal whatsoever.
- 9.3. IDBI Bank reserves the right to negotiate the price with the successful bidder by the Internal Committee before awarding the contract.
- 9.4. No Bidder shall submit more than one Bid for the Assignment. If any Bidder submits more than one Bid then, all such Bids shall be disqualified.
- 9.5. The Bidder shall be responsible for all costs associated with the preparation of their Proposals and their participation in the Selection Process including subsequent negotiation, visits to the Bank, presentation etc. The Bank will not be responsible or in any way liable for such costs, regardless of the conduct or outcome of the Selection Process.
- 9.6. The RFP can be downloaded from the Bank's website, i.e. <https://www.idbibank.in>. **The proof of deposit should be enclosed with Technical Bid** for Rs.10,000/- + GST (Rupees Ten Thousand plus GST only) along with the technical bid/ proposal as per **Annexure C**, as the cost of the RFP Document. Bids not accompanied by the proof of deposit of requisite amount (as the cost of the RFP Document) shall be out rightly rejected.

**10. Validity period of the Proposal / Bid**

**10.1. Validity Period**

Bids shall remain valid for **90** days, after the last date for submission of proposal i.e. **December 10, 2021** (Bid Validity Period). IDBI Bank holds the rights to reject a Bid valid for a period shorter than the Bid

Validity Period as non-responsive, without any correspondence. Any decision taken by IDBI Bank in this regard shall be final, conclusive and binding on the Bidders and shall not be questioned / challenged by the Bidders.

10.2. Extension of Bid Validity Period

In exceptional circumstances, IDBI Bank may solicit the Bidder's consent to an extension of the Bid Validity Period. The request and the response thereto, shall be made in writing. Extension of Bid Validity Period by the Bidder should be unconditional and irrevocable. A Bidder granting the consent will not be permitted to modify its Bid.

11. Preparation and submission of Proposal/ Bids

11.1. The Bid as well as all related correspondence exchanged by the Bidder with Bank shall be written in the English language.

11.2. The Bidder will submit its response to the present RFP separately in two Parts – “The Technical Bid” and “The Commercial Bid”. The Bidder has to submit the single bid as per the following directions:

11.3. Envelope 1 (SEALED) Super scribed “TECHNICAL BID: TENDER REFERENCE NO. IAD/QAA/1/2021-22”. The technical bid should be as per following directions:

11.3.1 The Technical bid is required to be submitted in the format as per Annexure-C together with Annexure C1 to C6 and other supporting documents.

11.3.2 In preparing their technical bids, bidders are expected to examine in detail the documents comprising the RFP. Material deficiencies in providing the Information requested may result in rejection of a technical proposal.

11.3.3 The technical bids shall not include any Commercial bid. A technical bid containing Commercial proposal shall be declared invalid and rejected.

11.3.4 The Technical Bid shall include a document containing the methodology/approach to be adopted for undertaking proposed Quality Assurance exercise.

11.4 Envelope 2 (SEALED) Super scribed “COMMERCIAL BID: TENDER REFERENCE NO. IAD/QAA/1/2021-22

11.4.1 The commercial bid should be submitted as per **Annexure D** and should clearly indicate the total cost of the Assignment in both figures and words, in Indian Rupees, and signed by the Applicant's Authorized Representative (Duly approved authority letter shall be enclosed as proof of person acting as Authorized Representative). In the event of any difference between figures and words, the amount indicated in words shall prevail. In the event of a difference between the arithmetic total and the total shown in the Commercial Proposal, the lower of the two shall prevail.

11.4.2 The Commercial proposal shall not include any conditions attached to it. Any

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such conditional Commercial proposal shall be liable for rejection.

**11.5 Payment Terms**

- 11.5.1 Bidders have to quote the total price of Assignment. The total contract price will be calculated as the summation of the grand total of the price Bid and all the items mentioned as additional items.
- 11.5.2 The fee quoted shall state the fee and taxes applicable with present rate (Taxes applicable will be paid as per rate prevailing at the time of actual payment). GST will have to be quoted separately in the invoice.
- 11.5.3 All out of pocket expenses, travelling, boarding, accommodation, lodging expenses, travelling/visit anywhere etc. which may be incurred by the Consultant and/or its officials in connection with the Contract shall be borne and payable by the Consultant alone and the Bank shall not be bound to make payment of any amounts in this regard to the Consultant.
- 11.5.4 Payment shall be made in stages as below:

Sl. No.	Stages	Percentage of payment
1	On signing the contract and other related documents	10%
2	On submission of draft report and presentation of draft report before Top Management for deliberations	50%
3	On submission of Final Report	20%
4	After vetting of implementation of recommendations/suggestions of Quality Assurance Report	20%

- 11.5.5 The Fees shall be subject to deduction of penalties and applicable GST thereon, if any, levied on the Consultant by the Bank in accordance with the provisions of the Agreement. All payment of Fees shall be made after deduction of the applicable taxes (TDS, etc), if any and payment shall be made in Indian Rupees only.
- 11.5.6 Amounts/ Fees payable to the Consultant as mentioned above shall not be liable for upward revision during the Term of this Agreement irrespective of reasons whatsoever including, increase or imposition of new taxes, duties, levies, octroi, charges etc. All undisputed payments shall be made by the Bank by direct credit to the Consultant's Bank Account through NEFT/RTGS payment mode, within 30 working days of the date on which the payments fall due in respect of an undisputed invoice or within 30 days of receipt of undisputed invoice, whichever is later.
- 11.5.7 Notwithstanding anything contained in this Agreement or the RFP where the Consultant is liable to pay any amount to the Bank, on account of penalties under this agreement or on account of discrepancies in the invoices, invocation of indemnity by the Bank, for third party claims, statutory dues or

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for any other reason the Bank shall without prejudice to its other rights be within rights to adjust such amounts from the Fees payable to the Consultant and raise a demand on the Consultant for the balance amount if any and the Consultant shall pay such amount to the Bank within 10 working days of receipt of such demand.

- 11.5.8 The Commercial proposal shall contain final aggregate amount of fee for proposed Quality Assurance assignment and shall not include any conditions attached to it. Any such conditional Commercial proposal shall be liable for rejection.
- 11.5.9 The Bidder recognizes that all payments to the bidder under this RFP and subsequent agreement are linked to and dependent on successful achievement and acceptance of milestones/ deliverables/ activities set out in the scope of work of the Consultant assignments and therefore any delay in achievement of such milestones/ deliverables/ activities shall automatically result in delay of such corresponding payment.
- 11.5.10 The reasons like non-familiarity with the Audit functions in Banks and/ or existing IT infrastructure, Informations Systems/Applications, etc will not be considered as a reason for any delay or extra claims whatsoever.

**11.6 Other instructions**

- 11.6.1 Bidder who fulfills the eligibility criteria specified in Annexure A can submit the bid either in physical form or in electronic form through e-mail as below.

**11.6.2 Physical mode:**

- a) Bids can be submitted in a single sealed cover envelope containing Envelope-1 (Technical Bid) and Envelope-2 (Commercial Bid) each one duly sealed separately. Envelope-1 (Technical Bid) and Envelope-2 (Commercial Bid) should bear the transcript “PROPOSAL FOR APPOINTMENT OF CONSULTANT FOR UNDERTAKING QUALITY ASSURANCE OF BANK'S INTERNAL AUDIT FUNCTIONS INCLUDING INFORMATION SYSTEMS (IS) AUDIT FUNCTIONS: TENDER REFERENCE NO. IAD/QAA/1/2021-22” and both envelopes should be put in one sealed Master envelope. The sealed Master envelope superscribing “PROPOSAL FOR APPOINTMENT OF CONSULTANT FOR UNDERTAKING QUALITY ASSURANCE OF BANK'S INTERNAL AUDIT FUNCTIONS INCLUDING INFORMATION SYSTEMS (IS) AUDIT FUNCTIONS: TENDER REFERENCE NO. IAD/QAA/1/2021-22” is to be sent to the below mentioned addressee either by registered post or Courier or by Person so as to reach her by **December 10, 2021 at 4:00 PM**. Any proposal received by Bank after the deadline for submission shall not be accepted.
- ATTN. OF: Shri Kushal Doley, Deputy General Manager, IDBI Bank

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Limited, Internal Audit Department, 20th Floor, IDBI Tower, WTC Complex, Cuffe Parade, Mumbai – 400005 Tel: 022- 66194354, +91 9723081100

Email: **kushal.doley@idbi.co.in/pravin.murha@idbi.co.in**

- b) The Bank shall not be responsible for postal delay, misplacement, loss or premature opening if the outer envelope is not sealed and/or marked as stipulated. This circumstance may be a cause for proposal rejection. Any condition put forth by the Bidders, non-conforming the Bid requirements shall not be entertained at all and such Bid shall be rejected forthwith. The decision of IDBI Bank in this behalf shall be final, conclusive and binding and shall not be questioned / challenged by the Bidders.

**11.6.3 Electronic Mode:**

In case a Bidder is submitting the bid in PDF, then two separate PDF (Technical and Commercial) to be submitted by Bidder. **Both PDF should be password protected.** PDF shall be as an attachment to email, documents duly signed & scanned/ digitally signed by the authorized signatory of the Bidder.

a) PDF containing Technical Bid should be named as “**Part – I Technical Bid**” and should be supported by necessary supporting documents as mentioned in Para 11.3 of RFP. Bid should be submitted by mentioning page numbers on each document and all annexures should be attached in sequence.

b) PDF containing Commercial Bid should be named as “Part – II - Commercial Bid” and should be as per the format provided in RFP.

c) All Bids should be e-mailed to

**kushal.doley@idbi.co.in/pravin.murha@idbi.co.in**

with subject of email as “PROPOSAL FOR APPOINTMENT OF CONSULTANT FOR UNDERTAKING QUALITY ASSURANCE OF BANK'S AUDIT FUNCTIONS”

d) The Bidders to ensure while forwarding the Bid that size of the bids should not exceeds 50 MB. Please note that the IDBI Bank shall not be responsible and the Bidders should not have any claim against IDBI Bank in what so ever manner, if the Bids do not reach us due to the size restriction i.e. mail along with its attachments (password protected PDF) exceeding 50 MB of size. However, Bidders can submit the Bids in PDF in parts in case size of the attachments/mail exceeds 50 MB.

e) The Bidders are strictly advised not to share the password for Commercial bid along with their submissions.

f) Password for Technical Bid may be sent on e-mail to

**kushal.doley@idbi.co.in/pravin.murha@idbi.co.in**

on **December 10, 2021 latest by 04:00 PM.**



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- g) The Bank will seek password of commercial bid on email from only those bidders who qualify on Eligibility and Technical grounds as mentioned in RFP and shall be informed in due course separately.
- 11.6.4 The Bidders have to ensure that the Bid documents are delivered (physical/ electronic) to the designated office/ e-mail ID as mentioned above latest by **04:00 PM on December 10, 2021**, failing which, the Bank shall not be held liable to accept the Bid.
- 11.6.5 No Bidder shall submit more than one bid. Submission of more than one bid may result in disqualification and rejection of bid.
- 11.6.6 In the following circumstances, the Bank will have discretion to reject the Bid/ response or accept the Bid/ response with conditions stipulated by the Bank.
- i. Bid/ Response submitted by holding company and its subsidiary
  - ii. Bid/ Responses submitted by two or more companies having common Director/s;
  - iii. Bid/ Responses submitted by two or more partnership firm/company/ LLPs having common partners;
  - iv. Bid/ Responses submitted by two or more companies having the same group of promoters / management;
  - v. Any other bid/ response in the sole discretion of the bank is in the nature of multiple bids.
- 11.6.7 Detailed scope of the assignment/job has been described in the Terms of Reference **Annexure B**
- 11.6.8 The Selected Bidder will be associated with the Bank for the period of assignment as given in the Terms of Reference in **Annexure B**.
- 11.6.9 The sealed master envelope containing the technical and commercial bids shall be opened on **December 10, 2021 at 05:00 P.M.** The sealed envelope of technical bid shall be opened while the commercial bid shall be kept in the sealed envelope for opening at a later date. Authorised representatives of Bidders may be present during opening of the Technical bids. However, Technical bids would be opened even in the absence of any or all of the bidder's representatives.
- 11.6.10 The Bank reserves the right to reject any or all of the responses to this RFP without assigning any reason.
- 11.6.11 The proposal will be the basis of Contract to be signed with the selected bidder. The Selected Bidder shall have to accept/reject the letter of appointment within 7 days from the date of offer letter.
- 11.6.12 The Bank is not bound to accept any proposal, and reserves the right to annul the selection process without assigning any reason(s), at any time prior to signing of Contract, without incurring any liability towards the bidder and the decision of the Bank shall be final.
- 11.6.13 The original proposal, both technical and commercial bids, shall contain no

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interlineations or overwriting. An authorized representative/ signatory of the bidder shall initial all pages of the original technical and commercial bids. The proposals should include a copy of Board Resolution or Power of Attorney showing that the signatory has been duly authorized to sign the bid document. The signed technical and commercial bids shall be marked "original".

11.6.14 Note: Considering the Covid situation, the Bidders can submit / furnish authority letter in letter head also as part of the bid. However, the Successful Bidder is mandatorily required to submit Power of Attorney or Board Resolution before execution of contract.

11.6.15 Modification and **Withdrawal of Bids**

a) Written Notice

The Bidder may modify or withdraw its Bid after the submission of the Bid, provided that IDBI Bank receives written notice of the modification or withdrawal, before the expiry of deadline prescribed for submission of Bids i.e. last date of receipt of the Bid.

b) Signing and Marking of Notice

The Bidder's modification or withdrawal notice shall be prepared, sealed, marked and delivered in accordance with the procedure set-out for submission of Bids and shall be placed in an envelope marked as "MODIFICATION" or "WITHDRAWAL" as appropriate. A duly signed withdrawal notice may also be sent by post /person, so as to reach the designated office, before the expiry of deadline for submission of Bids i.e. last date of receipt of the Bid.

**12. Proposal evaluation**

12.1 From the time the proposals are opened to the time the contract is awarded, the Bidders should not contact Bank, unless called for. The Bidders should also not contact any of the officers/employees or representatives of the Bank on any matter related to its technical proposal and/or Commercial proposal with a view to influencing Bank in the examination, evaluation, ranking of proposals, and recommendation for award of contract. Such an effort shall result in the rejection of the Bidders' proposals. Canvassing in any form would lead to disqualification of the proposal.

12.2 The eligible Bidders, who would qualify as per the eligibility criteria in **Annexure A** would be informed by the Bank through e-mail. Subsequently, these eligible Bidders would be invited for presentation to the appointed Internal Committee/Project Specific Committee.

12.3 The technical proposals including presentation shall be evaluated by the Internal Committee based on parameters given in Annexure F and the bidder securing minimum 80% as per the scoring given in Annexure F shall be considered as qualified for opening of financial proposals.

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12.4 During evaluation of Bids, IDBI Bank may, at its discretion, ask the Bidder for a clarification of its Bid. The request for clarification and the response shall be in writing. If the response to the clarification is not received within the prescribed period as may be prescribed by IDBI Bank in this regard, IDBI Bank reserves the right to make its own reasonable assumptions at the total risk and cost of the Bidder.

12.5 IDBI Bank reserves the right

- a) to accept or reject any or all the proposals without assigning any reason and without incurring any liability and
- b) to engage a Consultant for the entire Assignment only for one or more segments of the Assignment and the decision of the Bank would be final.

12.6 **Cancellation of Bid**

IDBI Bank reserves the right to re-issue /re-commence/cancel the entire Bid process at any stage of Bidding process in case of any anomaly, irregularity or discrepancy or for any other reasons or otherwise without thereby incurring any liability whatsoever to the affected Bidders or any obligation to inform the affected Bidders of the grounds for the IDBI Bank's action. IDBI Bank shall not be bound to give any reasons or explain the rationale for its actions / decisions to annul or abandon or cancel the bid process. IDBI Bank further reserves the right to re-issue /re-commence the Bid or circulate new RFP altogether on the subject matter or any activity or part thereof concerning thereto. Any decision of IDBI Bank in this regard shall be final, conclusive and binding on the Bidders and other persons connected directly / indirectly with the Bidding process and shall not be questioned / challenged by any Bidders. Reasons for cancellation, as determined by Bank, in its sole discretion, may include but are not limited to, the following:

- i. Services contemplated are no longer required;
- ii. Scope of work were not adequately or clearly defined due to unforeseen circumstance and/or factors and/or new developments;
- iii. Proposed fees are unacceptable to the Work;
- iv. The Assignment is not in the best interests of Bank;
- v. Any other reason.

13 **Contract finalization**

13.1 The acceptance of the Bid will be communicated in writing to the successful Bidder by means of Offer of Contract / letter of appointment at the address given by the Bidder in the tender response. The Offer of Contract / letter of appointment need to be accepted unconditionally and such accepted letter shall be delivered by the Bidder in writing within 7 days from the date of issue of the offer. The failure, delay or evasion by the SB to accept the offer will result in cancellation of the offer and Bank retains its right to issue offer

- to the next eligible Bidder in terms of total evaluation scores.
- 13.2 The Bank and the Selected Bidder shall enter into the Contract as per the prescribed terms of the Bank (**Annexure-G**). The terms and conditions of the Agreement (**Annexure G**), required to be entered into after the award of contract, can be discussed with the Successful Bidder at the time of execution. The Bank shall have the right not to enter into the Contract with the Consultant if the Consultant is unable to provide the professional staff and services assured in the technical proposal. In such an eventuality, the Bank reserves the right to reject the proposal and restart the entire process or to enter into contract with the next eligible Bidder in terms of total evaluation score.
- 13.3 The Bank also reserves the right to cancel the assignment during contract tenure without assigning any reason whatsoever.
- 13.4 The Bank will not consider substitution of professional staff before signing the Contract and during the tenure of the Assignment unless both parties agree that undue delay in the selection of professional staff makes such substitution unavoidable, or for reasons such as death or medical incapacity, or if the professional staff has left the organisation. Any proposed substitute shall have equivalent or better qualifications and experience and complete details be submitted by the Consultant within the 15 days of such event.
- 13.5 The indicative terms & conditions of the Contract shall be as mentioned in the Draft Appointment Letter (**Annexure H**). The Bidders are requested to read all the conditions mentioned in the draft appointment letter as part of RFP Document and satisfy itself on the terms and conditions, **as the Bank would not be entertaining any request for modification of the said conditions.**
- 13.6 The Selected Bidder shall bear the cost of stamp duty for the execution of the Contract and all other agreements.
- 14 **Confidentiality Agreement / Undertaking**  
As the selected Consultant for undertaking Quality Assurance exercise will have access to the data of the Bank, he/she/it should treat as confidential all data and information about the Bank obtained in the execution of the proposed Assignment, hold it in strict confidence and should not reveal such data/ information to any other party without the prior written approval of the Bank.  
Breach of the same will result in cancellation of the Agreement apart from other remedies which shall be available to the Bank against Consultant during the tenor of contract. The draft of non-disclosure agreement is provided in **Annexure-I**

15

**Tenure of Contract & Cancellation of Appointment**

The scope of work has to be executed within timelines as may be required by the Bank. The Appointment of the Selected Bidder may be cancelled at the Bank's discretion on account of following or without assigning any reason:

- a) On refusal to take up the allotted Assignment;
- b) If the firm stands dissolved/reconstituted under the name/style of the firm is changed;
- c) On not abiding by the terms and conditions stipulated in the Appointment letter or the Agreement/Contract including the RFP;
- d) If the performance of the Selected Bidder is not found satisfactory (viewed as such by the Bank's appropriate authority);
- e) If the supporting documents, self-declarations or any information submitted by the bidders as indicated in eligibility criteria and /or in connection with the proposed assignment is found to be incomplete, faulty/incorrect.
- f) Any other reason at the discretion of the Bank.

16

**Indemnification**

The Selected Bidder shall at their own expenses, indemnify the Bank against any loss or claims due to loss of Bank's data/damage to data of the Bank arising as a consequence of breach of any clause in terms and conditions of the Contract/RFP. The Consultant shall, at all times hereinafter, save and keep harmless and indemnified IDBI Bank, including its respective Directors, Officers, Employees, Agents and Representatives and keep them indemnified from and against any claim, costs, charges, damages, demand, losses, liabilities or expenses of any nature and kind whatsoever and by whomsoever made in respect of the Contract/ RFP and any loss or damage caused from and against all suits and other actions that may be instituted taken or preferred against IDBI Bank by whomsoever and all losses, damages, costs, charges and expenses that IDBI Bank may incur by reason of any claim made by any claimant for any reason whatsoever or by anybody claiming under them or otherwise for any losses, damages or claims arising out of breach of the terms of the Contract/ RFP, all kinds of accidents, destruction, deliberate or otherwise, direct or indirect, from those arising out of violation of applicable laws including those relating to intellectual property rights, rules, regulations, guidelines and also from the environmental damages, if any, which may occur or result from the terms of the Contract/ RFP.

This indemnity shall survive the termination of Contract/Agreement either by efflux of time or otherwise.

17

**Liquidated Damage / Penalty:**

If the SB fails to deliver or perform the Services as stipulated in the Contract/ RFP, IDBI Bank shall, without prejudice to its other remedies available under the RFP/ Contract, deduct as liquidated damages a sum equivalent to 5% of the fees, for each week of delay until satisfactory performance is ensured. IDBI Bank reserves all the rights to levy the penalties under the Contract in case satisfactory Services are not restored.

IDBI Bank is entitled to withhold the payment or deduct liquidated damages from the price under the Contract or any other amount, which is due to Bidder from this Contract, or any other contract.

Any loss caused to IDBI Bank or claims made against IDBI Bank owing to non-performance of the Services by the SB as per the Contract, or non-compliance of regulatory guidelines, will attract liquidated damages to the extent that the claim is made against the Bank. The Bank reserves the right to recover this amount from any dues payable or accrue to the SB in future in any form.

Any financial loss to IDBI Bank on account of fraud taking place due to SB, its employees or their service provider's negligence shall be recoverable from the SB along with damages, if any, with regard to IDBI Bank's reputation and goodwill as may be decided by the IDBI Bank.

Any such recovery or Liquidated damages / Penalties shall not in any way relieve the SB from any of its obligations to complete the works / service(s) or from any other obligations and liabilities under the Contract / Agreement.

18

**Representations and Warranties**

- i) That the Bidder is a Partnership Firm / LLP /Company which has the requisite qualifications, skills, experience and expertise in providing Service(s) contemplated by this RFP, possesses the financial wherewithal, the power and the authority to execute, deliver and perform the terms and conditions of the engagement and provide the Service(s) sought by Bank.
- ii) That the Bidder, any of its partners or its team is not involved in any litigation, potential, threatened and existing, that may have an impact of effecting or compromising the performance and delivery of Service(s) under the engagement.
- iii) That the Bidder, any of its partners or its team is not having any criminal record/conviction and any such person shall be barred from participating directly or indirectly in providing the Services under RFP/ Agreement;

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- iv) That the Applicant has the professional skills, personnel and resources
- v) /authorizations / approvals / infrastructure that are necessary for providing all such services as are necessary to perform its obligations under the RFP and this engagement.
- vi) That the Bidder, shall procure all the necessary permissions and adequate approvals and licenses for use of various software and any copyrighted process/product free from all claims, titles, interests and liens thereon and shall keep Bank, its partners, officers, employees, representatives and agents indemnified in relation thereto and in respect of any infringement of any of the intellectual property rights.
- vii) That all the representations and warranties as have been made by the Applicant with respect to its RFP and Engagement, are true and correct, and shall continue to remain true and correct through the term of the Engagement.
- viii) That the execution of the Service(s) herein is and shall be in accordance and in compliance with all applicable laws.
- ix) That there are –
  - 1. no inquiries or investigations have been threatened, commenced or pending against the bidder or any of its Partners or its team members by any statutory or regulatory or investigative agencies.
  - 2. no action or steps or proceedings started/initiated against the Bidder by any person for it winding up, dissolution etc., and that the Bidder is solvent.
- x) That all conditions precedent under the Engagement has been complied.
- xi) That neither the execution and delivery by the Bidder of the Engagement nor the Bidder's compliance with or performance of the terms and provisions of the engagement-
  - 1. will contravene any provision of any applicable Law or any Order, Writ, Injunction or Decree of any Court or Governmental Authority binding on the Bidder
  - 2. will conflict or be inconsistent with or result in any breach of any or the terms, covenants, conditions or provisions of, or constitute a default under any Agreement, Contract or Instrument to which the bidder is a party or by which it or any of its property or assets is bound or to which it may be subject.

**19 Governing Law & Jurisdiction of Courts**

The Contract and any non-contractual obligations arising out of or in connection with the Contract/RFP shall be governed by the laws of Republic of India.

Subject to Clause 20, the courts at Mumbai shall have exclusive jurisdiction to determine any proceeding in relation to the Contract/this RFP. The provisions shall survive the Contract.

20

**Resolution of Disputes**

The Parties shall use their best efforts to settle amicably all disputes arising out of or in connection with the Contract/ RFP in the following manner:

- (a) The Party raising the dispute shall address to the other Party a notice requesting an amicable settlement of the dispute within 7 (seven) days of receipt of the notice.
- (b) The matter will be referred for negotiation between an official in Grade F and above of IDBI Bank and a senior official of the Selected Bidder. The matter shall then be resolved by them and the agreed course of action documented within a further period of 7 days.

The Parties agree that any dispute between the Parties, which cannot be settled by negotiation in the manner, described above, may be resolved exclusively by arbitration and such dispute may be submitted by either Party to a sole arbitration within 10 days of the failure of negotiations. Arbitration shall be held in Mumbai, India and conducted in accordance with the provision of Arbitration and Conciliation Act, 1996 or any statutory modification or re- enactment thereof by appointing a single arbitrator. In case, any conflict in the appointment of the arbitrator, sole arbitrator appointed by IDBI Bank will arbitrate the matter and decision of such arbitrator shall be binding on the parties. The arbitration proceedings shall be conducted in English language.

Subject to the above, the Courts of Law at Mumbai alone shall have the jurisdiction in respect of all matters connected with the Contract. The arbitration award shall be final, conclusive and binding upon the Parties and judgment may be entered thereon, upon the application of either Party to a court of competent jurisdiction. Each Party shall bear the cost of preparing and presenting its case, and the cost of arbitration, including fees and expenses of the arbitrators, shall be shared equally by the Parties unless the award otherwise provides.

The SB shall not be entitled to suspend the Service(s) or the completion of the Assignment/Job, pending resolution of any disputes between the Parties and shall continue, at the sole discretion of IDBI Bank, to render the Service(s) in accordance with the provisions of the RFP/Contract notwithstanding the existence of any dispute between the Parties or the subsistence of any arbitration or other proceedings.

21

**No Assignment**



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The Contract cannot be transferred or assigned by the Bidder without the prior written approval of the IDBI Bank.

**22 Miscellaneous Terms & Conditions**

- 22.1 Bids not conforming to the requirements of the RFP may not be considered by Bank. However, Bank reserves the right, at any time, to waive any of the requirements of the RFP, if in the sole discretion of Bank; the best interests of Bank would be served by such waiver.
- 22.2 Bank reserves the right to verify the validity of bid information and to reject any bid where the contents appear to be incorrect, inaccurate or inappropriate at any time during the process of RFP or even after award of contract.

**23 Integrity Pact**

- 23.1 IDBI Bank has implemented Integrity Pact (IP) and has appointed Independent External Monitors (IEMs) for the IP in consultation with Central Vigilance Commission to avoid all forms of corruption by following a system that is fair, transparent and free from any influence / prejudice dealings prior to, during and subsequent to the currency of the Contract to be entered into for the purpose of this RFP. The Bidder is required to submit duly stamped & executed IP in line with **Annexure L** as a pre-requisite condition while submitting the bid.
- 23.2 The prospective Bidders would be informed the names of selected IEMs so as to enable them to raise their grievance, if any, in the tendering process, by approaching the IEM for a redressal of their complaints.

**24 Performance Bank Guarantee (PBG)**

- 24.1 The SB shall furnish the performance Bank guarantee within 15 days of the receipt of acceptance by Bank, as per the format in **Annexure K**.
- 24.2 The value of the Performance Bank Guarantee will be 10% for the total cost of contract (excluding taxes) to be submitted by the SB.
- 24.3 The Performance Bank Guarantee (PBG) should be issued by a scheduled commercial Bank (other than IDBI Bank) and directly forwarded to the Bank.
- 24.4 PBG should be valid for a period of 6 months from the date of acceptance of vetting of implementation of the recommendations / suggestions of the Quality Assurance report. The value of PBG will have to be renewed / resubmitted with fresh validity and claim period in case of extension of the contract.
- 24.5 The proceeds of the performance security shall be payable to Bank as compensation for any loss or damage resulting from the SB's failure to complete its obligations under and in accordance with the Contract.
- 24.6 Penalties, if any will be recovered from the payments in case Performance

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Guarantee amount decreases from the initial deposit level due to penal deductions, etc., it shall be made up / replenished back to the initial amount deposited within 7 days of such penal deductions, etc. being affected.

24.7 Failure of the selected Bidder to comply with the requirement of the performance Bank guarantee shall constitute sufficient grounds for the annulment of the award, in which event Bank may award the Contract to the next best evaluated Bidder or call for new Bids. Any decision in this regard by Bank shall be final, conclusive and binding on the Bidder.

24.8 The incidental expenses of execution of the Contract as well as the conditions stipulated in the contract shall be strictly adhered to and any breach / violation thereof shall entail termination of the Contract without prejudice to the other right of IDBI Bank including but not limited to the right to levy / impose and recover penalties as specified in this RFP or Contract.

**25 Information Security**

25.1 The Bidder and its personnel shall not carry any written material, layout, diagrams, floppy diskettes, hard disk, storage tapes or any other media out of Bank's premise without written permission from the Bank.

25.2 The Bidder personnel shall follow Banks's information security policy and instructions in this behalf.

25.3 Bidder acknowledges that Bank's business data and other Bank proprietary information or materials, whether developed by Bank or being used by Bank pursuant to a license agreement with a third party (the foregoing collectively referred to herein as "proprietary information") are confidential and proprietary to Bank; and Bidder agrees to use reasonable care to safeguard the proprietary information and to prevent the unauthorized use or disclosure thereof, which care shall not be less than that used by Bidder to protect its own proprietary information. Bidder recognizes that the goodwill of Bank depends, among other things, upon Bidder keeping such proprietary information confidential and that unauthorized disclosure of the same by Bidder could damage Bank. By reason of Bidder's duties and obligations hereunder, Bidder may come into possession of such proprietary information, even though Bidder does not take any direct part in or furnish the Services performed for the creation of said proprietary information and shall limit access thereto to employees with a need to such access to perform the Services required by this Contract. Bidder shall use such information only for the purpose of performing the Services.

25.4 The Bidder shall, upon termination of this Contract for any reason, or upon demand by Bank, whichever is earliest, return any and all information provided to Bidder by Bank, including any copies or reproductions, both hardcopy and electronic.

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- 25.5 The Bidder shall ensure that the equipment / application / software being used during rendering services shall be free from malicious code (Viruses, Trojan, Spyware etc.) and shall be liable for any loss (information, data, equipment, theft of Intellectual Property Rights, network breach, sabotage etc.) incurred to the Bank arising due to activation of any such embedded malware / malicious code. The Bidder shall further supply a certificate to the Bank in the form Appended herewith.
- 25.6 The Bidder shall abide to the Information Security Policy (ISP) and Cyber Security Policy (CSP) of the Bank (as amended from time to time), which will be shared by the Bank with the L1 Bidder on need to know basis. The L1 Bidder shall ensure that the equipment/ application/ software supplied under the RFP shall be complacent with the ISP and CSP at all times.
- 25.7 The Bidder shall make sure that the sensitive data (such as password, financial information, biometric information, personal information etc.) shared by the Bank should be kept within the geographical boundaries of India and shall further purge the sensitive data after the completion of the assignment. The Bidder shall further supply a certificate to the Bank in the form Appended in **Annexure J**.
- 25.8 The Bidder shall submit the background verification report and provide training on information security awareness for their employees, in the case of deputing them to work in our Bank premises.

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**Annexure-A**

**Eligibility Criteria**

<b>Sr. No.</b>	<b>Eligibility Criteria (*)</b>	<b>Documents Required</b>
1.	The Bidder should be a Partnership Firm / LLP registered in India.	A certified true copy of the Limited Liability Partnership Agreement / Certificate of Incorporation / Registration certificate / Acknowledgement for acceptance for registration (with the Registrar of firms) for partnership firms/ LLP. Name/s and other details of the authorized signatory/ies that are authorized to execute the contract & other documents.
2.	Bidder should have minimum of 5 Partners (Chartered Accountants registered as Members of ICAI) in India (where constitution is partnership / LLP) and 15 full-time professional staff who are qualified Chartered Accountants. “ <b>Professional Staff</b> ” means staff who are on the payroll of the bidder and are extensively engaged/experienced in Quality Assurance of Internal Audit/IS Audit Functions of Scheduled Commercial Banks (excluding Co-operative Banks, RRBs, Payment Banks, etc).	Self-declaration in Annexure C-1. Constitution Certificate/ Firm Card/ Copy of relevant qualifications along with past assignment details in Banks (if any).
3.	Bidder should have a full-fledged office in Mumbai for at least last 5 years (as on 30.09.2021) with at least two Partners stationed in Mumbai.	Self-declaration in Annexure C-1/ Supporting documents such as Rent Agreement, Electricity Bill/ Constitution Certificate/ Firm Card.
4.	Bidder should be having experience in undertaking Quality Assurance of Internal Audit/IS Audit Functions of Scheduled Commercial Banks (excluding Co-operative Banks, RRBs, Payment Banks, etc) in the last 10 years as on 30.09.2021.	Client Certificate or engagement letter/ Contract with client/ Details as per Annexure C-2

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5.	The Bidder should have Domain Knowledge in Information Technology/Systems with at least 1 Partners / Qualified CAs/ CMA Staff having DISA (awarded by ICAI) / CISA certification and have adequate knowledge in information technology used in Banks.	Copy of DISA (awarded by ICAI) / CISA certification favour of the partners/staff.
6.	The Bidder should not have been banned / declared ineligible for corrupt and fraudulent practices by any Regulatory body/ Statutory Body and should not have any disciplinary proceedings pending against the applicant firm or any of the partners with ICAI/ RBI/IBA. (at the time of submission of Bid)	A self-declaration by the Bidder on Firm/LLP letter head.
7	The Bidder's firm should not be owned or controlled by any Director or Employee (or their Relatives) of IDBI Bank.	A self-declaration by the Bidder on Firm/LLP letter head.
8.	The Bidder firm shall not be a firm / entity whose name is appearing in the Indian Bank Association Caution List	A self-declaration by the Bidder on Firm/LLP letter head.
9.	The Bidder should have minimum average turnover of Rs.25 crore during the past 3 years ending on 31.03.2021	A self-declaration by the Bidder on Firm/LLP letter head along with Audit Report

(\*) Eligibility Criteria shall include the Bidder along with its Affiliates/ Group companies/ member firms working under the common brand name and engaged in similar activity.

**Note:**

- Documentary evidence needs to be submitted by the Bidder for each of the eligibility criteria.
- Self-declaration needs to be signed by authorised signatory.
- For the purpose of eligibility criteria – all credentials, capabilities, manpower of (i) firms registered with ICAI as network firms of the Bidder and (ii) Indian members firms (registered with ICAI) of global network of the Bidder firm shall also be acceptable.
- Banks mean Scheduled Commercial Banks in India (excluding RRBs, Co-operative Banks, Payment Banks, etc) of minimum comparable size of and balance sheet as that of IDBI Bank Ltd.

**Annexure B**

**Terms of Reference**

**Detailed scope of Work of proposed assignment**

**1. Quality Assurance of Bank's Internal Audit Functions**

- Assess efficiency and effectiveness of an Internal Audit for current and future business goals;
- Determine value addition from Internal Audit to the business units;
- Benchmark, identify and recommend, successful practices of Internal Audit;
- Assess compliance to standards for professional practice of Internal Audit;
- Review overall gamut of Internal Audit Department (IAD), its scope, nature of work and role in safeguarding Bank's interest;
- Review of Risk Based Internal Audit (RBIA) Policy including Credit Audit & Management Audit, Concurrent Audit Policy and Information Systems (IS) Audit Policy of the Bank and integration thereof with Risk Based Supervision;
- The quality of observations captured during various Audits including IS Audit and compliances thereof received from Auditee need to be commented and suggest for improvement, if any;
- Review of system and procedure for all type of Audit (including IS Audit) based on the various Policy guidelines, identify gaps, if any, in implementation of policy/regulatory guidelines. All the audit processes are intended to be in conformity with various Policies viz., RBIA Policy, Concurrent Audit Policy, IS Audit Policy etc. and other regulatory/statutory guidelines in place;
- Review of existing audit formats and all checklists presently being used for various Audits including IS Audit and ensure that same are in conformity with prevalent Policies/Statutory guidelines;
- **Review of existing Risk Assessment Models (RAM) & Scoring Pattern:** The RAM inter alia includes
  - ✓ **Risk Based Internal Audit (RBIA):** As per directives of RBI, the RBIA includes evaluation of adequacy and effectiveness of risk management procedures, business risk and internal control system of the Bank;
  - ✓ **Control Risk Assessment:** The control parameters being considered by audit for assessment of control risk and scoring matrix for evaluation considered for various auditee types i.e branches, Retail asset centers, Trade Finance Centers, other non-business units;
  - ✓ **Inherent Business Risk (IBR):** The business parameters being considered for assessment of IBR including Concentration Risk, Risk Associated with NPAs, Substandard accounts, SMA advances etc., Scale of deviation and scoring matrix considered for assessment of IBR of branches.
- Review of existing Sampling Techniques and Sampling Methodology and adoption of new sampling process for auditee units, if required. Mapping of

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Sampling Techniques and Sampling Methodology with other peer Banks.  
Processes/tools for Automation of Sampling Methodology;

- Review of Reporting Structure and Reporting Formats viz. reporting format of Significant Observations, Final Audit Compliance Certificate, closure of Internal Audit Reports, etc;
- Review of approach, scope, reporting, compliance and closure of Investigative Audits/Special Investigative Audits, gap analysis and suggest checklist/formats to bridge the gaps identified during SIA/IA. Also, suggest system and process improvements in light of the findings of SIA/IA in the past 2 years;
- Review of Structure of Internal Audit Department - Roles and Responsibilities of each functionaries/users;
- Review of Audit Manual/Workbook for Internal Auditors and Concurrent Auditors;
- To determine whether IAD has been adequately staffed with the appropriate skills, competence for all type of Audits including IS Audit and suggest training requirements, if any;
- Bench marking of various audit functions / practices, mandays allocation, etc as with standards of peer banks;
- To recommend the best practices of audit prevailing in market including training to the Internal Auditors/IS Auditors, latest audit tools, tools for pre-audit analysis, tools for data analytics, etc;
- Preparing Internal Audit Department including IS Audit functions of the Bank ready for the Industry Level/ISO Certifications;
- Review of observations and compliances to the Risk Assessment Report (RAR) of RBI for last 2 Financial Years in respect of Internal Audit/IS Audit Functions;
- Mapping of RBI/Statutory guidelines in areas of Internal Audit/IS Audit functions;
- Attributes/feasibility of preparing dynamic Audit Plan for all types of audits;
- To review role and responsibilities, processes, reporting, etc of Fraud Monitoring Group (FMG);
- Review performance of Audit Management System (AMS) and suggest improvements, if any.

2. **Quality Assurance of Bank's Information Systems (IS) Audit function**

The overall scope of Information Systems Audit will largely include the following:

- Review of IS Audit Universe which covers areas related to IT including resources, processes, applications, data, technology, networking, data center, outsourcing, branches, infrastructure, etc;
- Impact of RBI's Cyber Security Framework/ Policies and other industry standards on IS Audit function;
- Review of Risk Assessment Methodology (RAM) and its scoring methodology based on Business Criticality and Control Risk Factors, IT policy, Cyber

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Security Policy of the Bank, Tier rating of the applications, inter alia, of the Bank to arrive at risk rating of application;

- To review the process of formulating Annual IS Audit Plan, which is based on parameters like frequency as per Risk assessment Methodology (RAM) rating, IS Audit Universe, Criticality of Applications, Nature of Application/Auditee unit etc and also benchmarking the allocation of man-days for auditing each application/ Audit Unit as per standards of peer Banks;
- Review and suggest methodology to be used for defining the parameters for selection of auditee units viz. branches, vendor and applications for IS Audit in annual IS audit plan;
- Review gap in audit processes/reports vis-à-vis IS Audit Policy & other policies of IAD, if any. All the audit reports are intended to be in conformity with different policies viz., RBIA Policy, Staff Accountability Policy, IS Audit Policy, etc;
- Review the process of arriving at Final Audit Compliance Certificate for IS Audit observations and closure of Audit reports;
- Review the process, frequency and information reported to ACE and ACB for IS Audit reports;
- Review the system (IS-AMS) which is used for capturing all the steps of Audit from initiation of audit to finalization of reports and thereafter recording of compliance till closure of observations, and suggesting improvements, if any;
- Review the quality of observations captured in IS Audits and compliances received from auditees thereof. Suggestions for improvement to are provided, if any;
- Review the criteria/basis for grading of audit observations under IS Audit. Presently, IS Audit categorizes grading/ rating of observations into 3 categories, viz., (i) 'High' Risk; (ii) 'Medium' Risk; & (iii) 'Low' Risk based on the Risk Based Internal Policy of the Bank. The auditor categorizes rating of an observation based on the 'Materiality' & relevant controls. Scope would also include suggesting scientific approach of arriving at rating of Observations based on different parameters with marks allotted and weightage allotted to each parameter. Presently a risk matrix is used to arrive at risk rating of observation. Scope would also include to review the risk matrix and suggest improvements if any;
- To recommend the parameters for segregating observations into Critical and Non Critical areas. Prioritization methods to be assessed and suggest improvements, if any;
- Review / revamping of OMS System. Offsite Monitoring System has been implemented in the Bank with the intention of mitigating risks by monitoring transactions in Finacle and to alert branches regarding exceptions, which would enable them to carry out rectifications on time. Presently, there are 128 exception rules. The scope would be to review the existing logic for OMS Rules,



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process to ensure timely and proper execution of OMS rules, OMS Manual and recommendation on the process flow for closure of OMS;

- Review the technology and automation presently used for generating query and suggest other Computer-aided Audit Tools (CAATs) along with its functionality, cost benefit analysis in qualitative and quantitative, and best practices presently prevalent in industry;
  - Review mapping of IS Audit function with the IT policy, Cyber Security Policy, Digital Payment Products and Service Policy and any other policy of the Bank;
  - Review structure of IS Audit function and competency level of officers in terms of required skill sets and way forward for acquiring the same;
  - Review the scope of IS Audit function;
  - Review the time taken for compliance provided by the auditee units.
- 
- **Note:** The report should include all of the above and also comply with the RBI notification dated April 29, 2011 and other relevant circulars of RBI till date. The additional scope of work/related matter and/or modifications in the above listed requirements/ specifications, if any, that may arise during the appointment and assignment period of Quality Assurance shall be additionally considered as a scope of work under Quality Assurance assignment . The scope mentioned above is inclusive and not exhaustive i.e. Terms of Reference shall include providing professional assistance for all activities that ensures best market practices in respect of Internal Audit functions including IS Audit Functions keeping in view the DFS/Regulatory compliances and audit as a business enabler function.

**Annexure-C**

**TECHNICAL PROPOSAL Letter of Proposal**

(On Bidder's letter head)

The Deputy General Manager,  
IDBI Bank Limited,  
Internal Audit Department, 20<sup>th</sup> Floor IDBI Tower, WTC Complex, Cuffe Parade,  
Mumbai – 400005

Dear Sir,

**Subject: Appointment of Consultant for undertaking Quality Assurance of  
Bank's Internal Audit Functions including Information Systems (IS) Audit  
Function**

With reference to your RFP Document dated....., I/we, having examined all relevant documents and understood their contents, hereby submit our Technical Proposal for selection as Consultant for undertaking Quality Assurance of Bank's Internal Audit Functions including Information Systems (IS) Audit Function. The proposal is unconditional and unqualified.

2. We agree to keep this offer valid for 90 (Ninety) days from the last date of submitting the proposal specified in the RFP.
3. We agree to undertake the Assignment, if allotted by you, as per the scope of work (terms of reference) and in accordance with the time frames specified in RFP as well as on the payment terms mentioned therein.
4. We agree and undertake to abide by all the terms and conditions of the RFP Document. We submit this Proposal under and in accordance with the terms of the RFP Document.
5. We confirm that the information submitted by us in our bid / proposal is true and correct.

Yours faithfully,

(Signature, name and designation of the authorised signatory)

Date:

Place:

**List of Documents Enclosed:**

1. Annexures (C-1 to C-6)
2. Proof of receipt for Cost of RFP documents

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**Annexure C-1**

**Consultant for undertaking Quality Assurance of Bank's Internal Audit  
Functions including Information Systems (IS) Audit Function**

1.	Name of the Bidder Firm / LLP	
2.	Date of Incorporation of Bidder Firm / LLP	
3.	Complete Address of Bidder Firm / LLP	
4.	Name and Contact details and E-mail id of the nodal person	
5.	Particulars of the Authorized Signatory a) Name b) Designation c) Contact Number d) Fax no. e) E-mail id	
6.	Persons proposed to be assigned for undertaking Quality Assurance of Bank's Internal Audit Functions including Information Systems (IS) Audit function and their profiles	
7.	Name, address and account number of the Bidder's banker	
8.	PAN of the Bidder Firm / LLP	
9.	GST registration number of the Bidder Firm / LLP	
10.	Office Address of Mumbai along with date of establishment of office in Mumbai	(Please provide Supporting documents)
11.	Names of member firms/ affiliates/ group companies registered in India who have been considered for eligibility criteria	(As per Annexure C - 4)
12.	Total Number of Partners of the Bidder including its Affiliates / Group companies / member firms working under the common brand name and engaged in similar activity.	(As per Annexure C – 5)
13.	List of full time professional staff of the Bidder including its Affiliates/ Group companies/ member firms working under the common brand name and engaged in similar activity.	(As per Annexure C – 6)
14.	Presence in how many towns/ cities in India – Please furnish names of cities/ centers	
15.	Any other Information considered relevant by the bidder.	

(Signature, name and designation of the authorised signatory)

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**ANNEXURE C-2**

**Particulars of experience in undertaking Quality Assurance of Audit Functions  
in Scheduled Commercial Banks (excluding RRBs, Co- operative Banks,  
Payment Bank, etc)**

S. No.	Name of Institution	Balance sheet size of the Institution during the period of contract (Rs. crore)	Brief Details of scope of work	Name of Person in- charge from client side with contact no and email id	Period	
					From	To

(Signature, name and designation of the authorised signatory)

**Note:** Client Certificate or engagement letter/ Contract with Client and letter/certificate from client regarding successful implementation in support of the information above should be submitted.

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**Annexure C-3**

**Details of Bidder/ affiliates/ group companies**

<b>Sr. No.</b>	<b>Name of the Member Firms/ Affiliates/ Group companies</b>	<b>Registration Number with ICAI / MCA as applicable*</b>

\*ICAI – Institute of Chartered Accountants of India

MCA - Ministry of Corporate Affairs

(Signature, name and designation of the authorised signatory)

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**Annexure C-4**

**Details of Partners of the Bidder including its Affiliates/Group companies/  
member firms working under the common brand name and engaged in similar  
activity**

<b>Sr. No.</b>	<b>Name of the Member Firms/Affiliates/Group Companies</b>	<b>Name of the Partner</b>	<b>Membership No. of Partner with ICAI</b>

(Signature, name and designation of the authorised signatory)

**Annexure C-5**

**Details of full time professional staff of the Bidder including its Affiliates/ Group companies/ member firms working under the common brand name and engaged in similar activity**

<b>Sr. No.</b>	<b>Name of the Member Firms / Affiliates / Group Companies</b>	<b>Name of the Professional Staff</b>	<b>Membership No. with ICAI</b>

(Signature, name and designation of the authorised signatory)

Note: Certificate/letter from the client regarding successful implementation of the assignment along with mention of the officials of the Bidder involved in the assignment.

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**Annexure C-6**

**TEAM MEMBER PROFILE**

Details of Persons who will constitute the team for the proposed Assignment

1. Name of the Person :
2. Office Address :
3. E-mail ID :
4. Phone Number Office :  
Mobile :
5. Date since working in the Firm :
6. Professional Qualifications :
7. Present Designation :
8. Experience :

Sr. No.	Brief Details of Professional engaged in Quality Assurance Assignment	The Organization where assignment was undertaken	Period	
			From	To

Note: -

- a) Format is of minimum requirements and is to be compulsorily furnished
- b) The Bank will not allow or entertain any changes in the Manager and Team Members during the course of assignment unless the same agreed upon by the Bank in writing.

Respondents may furnish additional details, if any

(Signature, name and designation of the authorised signatory)



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**Annexure-D**

**COMMERCIAL PROPOSAL**

Covering Letter  
(On Applicant's letter head)

The Deputy General Manager,  
IDBI Bank Limited,  
Internal Audit Department, 20<sup>th</sup> Floor  
IDBI Tower, WTC Complex, Cuffe Parade,  
Mumbai – 400005.

Dear Sir/Madam,

Subject: Appointment of Consultant for undertaking Quality Assurance of Bank's  
Internal Audit Functions including Information Systems (IS) Audit  
Function- Financial Bid

With reference to your R F P Document dated ....., we submit  
here below the Commercial Proposal for selection as Consultant for undertaking  
Quality Assurance of Bank's Internal Audit Functions including Information Systems  
(IS) Audit Function for above.

(Rupees)

Sr.No	Description	Financial Bid
1.	Assignments of undertaking Quality Assurance of Bank's Internal Audit Functions including Information Systems (IS) Audit Function as per Term of Reference (Annexure- B) of RFP _____ Taxes_____ @ _____	
	Total Including Taxes	
<b>Rupees _____</b>		

I/We agree that this offer shall remain valid for a period of 90 days from the  
last date of submission of Proposal or such further period as may be mutually agreed  
upon. The above quoted fee is for the entire Contract. We undertake to deliver all the  
deliverables as envisaged in the proposal/agreement.

Yours sincerely,

Date: (Signature, name and designation of the authorized  
Place: signatory)

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**Annexure-D 1**

**Commercial Bid**

(In Rupees)

Sl. No.	Particulars	Amount
1	Consultant Fees including out of pocket expenses	
2	GST @ ____% p.a.	
Total		
Rupees (in words)		

Yours sincerely

(Signature, name and designation of the authorised signatory)

Date:

Place:

**Annexure-E**

**Bid Scoring Methodology**

Sr.No.	Parameters	Maximum Marks (Weightage)
1.	Technical Parameter	70
	Presentation	
2.	Financial Bid	30

For example:

Three Consultant namely A, B and C participated in the bid process and their technical score are as under:

A=49, B=63, C= 56

After converting them into percentile, we get

$A = (49/63) * 100 = 77.77$

$B = (63/63) * 100 = 100$

$C = (56/63) * 100 = 88.89$

The quoted prices for Consultant are as under: A

= Rs.8000/-, B = Rs.9000/-, C = Rs.10000/-

The final cost (lower cost quoted in price bid, in this case it Rs.8000/-) quoted by the bidders converted into percentile score shall be as under:

$A = (8000/8000) * 100 = 100$

$B = (8000/9000) * 100 = 89$

$C = (8000/10000) * 100 = 80$

As the weightage for technical parameter and cost are 70% and 30% respectively, the final scores shall be calculated as under:

$A = (77.77 * 0.7) + (100 * 0.3) = 84.44$  (H3)

$B = (100 * 0.7) + (89 * 0.3) = 96.7$  (H1)

$C = (88.89 * 0.7) + (80 * 0.3) = 86.22$  (H2)

Hence, the offer of 'B' (being highest score) would be considered as successful Bidder (H1) and will be called for the negotiation before awarding the contract. The Bank reserves the right to reject even H1 Bid without assigning any reason whatsoever.

**Note:**

Bank may at its sole discretion, decide to seek more information from the Bidders in order to normalize the bids. However, Bidders will be notified separately, if such normalization exercise (as part of technical evaluation) is resorted to.

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**Annexure-F**

The parameters used for technical evaluation:

Sr. No.	Parameters (*)	Max Marks	Criteria								
1	No of years of practicing in India as on 30.09.2021	10	Five Marks for minimum 5 years and One mark for each completed additional year, maximum ten marks.								
2	Experience in having experience in undertaking Quality Assurance of Internal Audit/IS Audit Functions of Scheduled Commercial Banks (excluding RRBs, Co-operative Banks, Payment Bank, etc) in last 10 years as on 30.09.2021	i) 18  ii) 12	i) Three marks for each assignment maximum 18 marks.  ii) Two marks for each Bank maximum 12 marks.								
3	Adequacy of manpower to undertake Quality Assurance of Banks Audit Function	20	<div>For Key resources in India as follows:</div> <table><tr><th>Particulars</th><th>Max</th></tr><tr><td>For 20 Chartered Accountants</td><td>10</td></tr><tr><td>1 additional mark for each Partner or Professional Staff with DISA (Awarded by ICAI) / CISA certification.</td><td>5</td></tr><tr><td>1 additional mark for each partner or professional staff having Banking Experience in Scheduled Commercial Banks (excluding RRBs, Co-operative Banks, Payment Bank, etc).</td><td>5</td></tr></table>	Particulars	Max	For 20 Chartered Accountants	10	1 additional mark for each Partner or Professional Staff with DISA (Awarded by ICAI) / CISA certification.	5	1 additional mark for each partner or professional staff having Banking Experience in Scheduled Commercial Banks (excluding RRBs, Co-operative Banks, Payment Bank, etc).	5
Particulars	Max										
For 20 Chartered Accountants	10										
1 additional mark for each Partner or Professional Staff with DISA (Awarded by ICAI) / CISA certification.	5										
1 additional mark for each partner or professional staff having Banking Experience in Scheduled Commercial Banks (excluding RRBs, Co-operative Banks, Payment Bank, etc).	5										

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Sr. No.	Parameters (*)	Max Marks	Criteria	
4	Average turnover of the firm during preceding 3 years (since FY 2018-19)	10	For Average Turnover of the Firm in India	
			Particulars	Max
			Rs.25 crore upto Rs.50 crore	4
			Above Rs.50 crore upto Rs.75 crore	6
			Above Rs.75 crore upto Rs.100 crore	8
			Above Rs.100 crore	10
5	Presentation	30	Shall be evaluated by an Internal Committee/Project Specific Committee identified for the purpose. IDBI Bank shall call the bidders for formal presentations on the methodology and service model proposed for a duration of about 30-45 minutes.	
	Grand Total	100		

(\*) The bidder shall include the Bidder along with its Affiliates / Group companies/ member firms working under the common brand name and engaged in similar activity.

Firms fulfilling all the eligibility criteria mentioned in **Annexure-A** would only be considered for scoring given above.

**Annexure-G**

**DRAFT AGREEMENT**

=====

**THE AGREEMENT BETWEEN THE BANK AND THE CONSULTANT TO  
UNDERTAKE QUALITY ASSURANCE OF BANK'S INTERNAL AUDIT  
FUNCTIONS INCLUDING INFORMATION SYSTEMS (IS) AUDIT  
FUNCTION**

=====

This Agreement is executed at..... on this.....  
day of ..... Two Thousand Twenty One

**BETWEEN**

IDBI Bank Limited, a company incorporated and registered under Companies Act, 1956 (1 of 1956), a company within the meaning of Section 2 (20) of the Companies Act, 2013 (18 of 2013) and a banking company within the meaning of Section 5 (c) of the Banking Regulation Act, 1949 (10 of 1949), with Corporate Identity No. L65190MH2004GOI148838 and having its Registered Office at IDBI Tower, WTC Complex, Cuffe Parade, Mumbai – 400 005 (hereinafter referred to as the "the Bank/ IDBI Bank" or "IDBI" which expression shall include its successors and assigns) of the ONE PART

**AND**

M/s ----- registered under the Companies Act, 1956 / 2013/ a Partnership firm registered under the Indian Partnership Act 1932/ LLP/ Proprietorship firm having its registered/principal office at -----  
----- (hereinafter referred to as the "Consultant" which expression shall include its partners present and future, their respective heirs, legal representatives, administrators, successors and permitted assigns as the case may be) of the other part.

(Wherever the context so requires the “the Bank” or “IDBI” or “IDBI Bank” and the Consultant are individually referred to as the “Party” and collectively as “Parties”)

**WHEREAS**

- A) The Bank proposes to appoint a Consultant for undertaking Quality Assurance of Bank's Internal Audit Functions including Information Systems (IS) Audit Function” details of which are mentioned in the Article 2 hereunder written (hereinafter referred to as the "said Assignment").
- B) The Bank is desirous of appointing a Consultant for the said Assignment

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and floated Request for Proposal bearing no..... dated ..... (hereinafter referred to as the “**RFP**”). The Consultant has responded by submitting its proposal dated.....(hereinafter referred to as “the Proposal”)

- C) Based on the representations and warranties of the Consultant made in its said Proposal, the Bank has shortlisted the name of the Consultant and decided to engage the services of the Consultant for the said Assignment on the terms and conditions contained herein and the RFP.
- D) The Bank and the Consultant have agreed to set out in writing the terms and conditions in respect of the engagement of the Consultant for the said Assignment.

**NOW THEREFORE**, in consideration of the foregoing and the mutual covenants and promises contained herein and other good and valuable consideration the receipt and adequacy of which is hereby acknowledged, the Parties intending to be bound legally, agree as follows:

**ARTICLE-1**  
**DEFINITIONS AND INTERPRETATION**

**1.1 Definitions:-**

- a) “**Agreement**” shall mean this agreement, together with the Letter of Engagement No.....dated.....issued by the Bank to the Consultant read with terms of RFP dated -----, Schedules and the Annexures to this Agreement and any mutually agreed modifications in writing to this Agreement.
- b) “**Assignment**” shall mean undertaking Quality Assurance of Bank's Internal Audit Functions including Information Systems (IS) Audit Function details of which are more fully mentioned in **ARTICLE 2 - SCOPE OF SERVICES** given hereunder.
- c) “**Letter of Engagement**” shall mean the Letter No.....dated.....issued by the Bank to the Consultant which is attached herewith as Annexure A.
- d) “**Event of Force Majeure**” shall mean act of God including earthquake, invasion, war, tsunami, rebellion, or other acts including the acts of government generally beyond the control of the Parties and affecting performance of this Agreement.

- e) **“Payments” or “Fees”** means all payments to be made by the Bank to the Consultant as per the Payment Terms stated in **Article 3** of this Agreement hereto.
- f) **“Services”** means all the services to be provided/ performed by the Consultant to the Bank under this Agreement which are more particularly stated in this Agreement and in the Letter of Engagement.
- g) **“Taxes”** means all taxes including but not limited to GST, education cess, higher education cess, levies, surcharges, or withholdings assessed by any Central, State or local authority as a result of the provision of the Services by Consultant to the Bank.

## **1.2 Interpretation**

- a) Any reference in this Agreement to any statute or statutory provision shall be construed as including a reference to that statute or statutory provision as from time to time amended, modified, extended or re-enacted whether before or after the date of this Agreement and to all statutory instruments orders and regulations for the time being made pursuant to it or deriving validity from it. The meanings set forth for defined terms in this Article and all pronouns shall be equally applicable to both the singular and plural masculine, feminine or neutral forms as the context may require.
- b) All references in this Agreement to Articles are to articles in or to this Agreement unless otherwise specified therein. The words “hereof,” “herein” and “hereunder” and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. The words “include”, “including” and “among other things” shall be deemed to be followed by “without limitation” or “but not limited to” whether or not they are followed by such phrases or words of like import.
- c) References in this Agreement to any document or agreement shall be deemed to include references to such document or agreement as amended, varied, restated, supplemented or replaced from time to time in accordance with the terms thereof and to include any letters of the parties executed in connection therewith, except as otherwise provided in this Agreement.
- d) The headings of the several Articles and sub-clauses of this Agreement are intended for convenience only and shall not in any way affect the meaning or construction of any provision therein.
- e) The annexure and schedules of this agreement shall be deemed and construed as part of the operative portion of the agreement as if incorporated in verbatim.



## ARTICLE 2 SCOPE OF SERVICES

### Detailed scope of Work of proposed assignment

#### **A. Quality Assurance of Bank's Internal Audit Functions**

- Assess efficiency and effectiveness of an Internal Audit for current and future business goals;
- Determine value addition from Internal Audit to the business units;
- Benchmark, identify and recommend, successful practices of Internal Audit;
- Assess compliance to standards for professional practice of Internal Audit;
- Review overall gamut of Internal Audit Department (IAD), its scope, nature of work and role in safeguarding Bank's interest;
- Review of Risk Based Internal Audit (RBIA) Policy including Credit Audit & Management Audit, Concurrent Audit Policy and Information Systems (IS) Audit Policy of the Bank and integration thereof with Risk Based Supervision;
- The quality of observations captured during various Audits including IS Audit and compliances thereof received from Auditee need to be commented and suggest for improvement, if any;
- Review of system and procedure for all type of Audit (including IS Audit) based on the various Policy guidelines, identify gaps, if any, in implementation of policy/regulatory guidelines. All the audit processes are intended to be in conformity with various Policies viz., RBIA Policy, Concurrent Audit Policy, IS Audit Policy etc. and other regulatory/statutory guidelines in place;
- Review of existing audit formats and all checklists presently being used for various Audits including IS Audit and ensure that same are in conformity with prevalent Policies/Statutory guidelines;
- **Review of existing Risk Assessment Models (RAM) & Scoring Pattern:** The RAM inter alia includes
  - ✓ **Risk Based Internal Audit (RBIA):** As per directives of RBI, the RBIA includes evaluation of adequacy and effectiveness of risk management procedures, business risk and internal control system of the Bank;
  - ✓ **Control Risk Assessment:** The control parameters being considered by audit for assessment of control risk and scoring matrix for evaluation considered for various auditee types i.e branches, Retail asset centers, Trade Finance Centers, other non-business units;
  - ✓ **Inherent Business Risk (IBR):** The business parameters being considered for assessment of IBR including Concentration Risk, Risk Associated with NPAs, Substandard accounts, SMA advances etc., Scale of deviation and scoring matrix considered for assessment of IBR of branches.

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- Review of existing Sampling Techniques and Sampling Methodology and adoption of new sampling process for auditee units, if required. Mapping of Sampling Techniques and Sampling Methodology with other peer Banks. Processes/tools for Automation of Sampling Methodology;
- Review of Reporting Structure and Reporting Formats viz. reporting format of Significant Observations, Final Audit Compliance Certificate, closure of Internal Audit Reports, etc;
- Review of approach, scope, reporting, compliance and closure of Investigative Audits/Special Investigative Audits, gap analysis and suggest checklist/formats to bridge the gaps identified during SIA/IA. Also, suggest system and process improvements in light of the findings of SIA/IA in the past 2 years;
- Review of Structure of Internal Audit Department - Roles and Responsibilities of each functionaries/users;
- Review of Audit Manual/Workbook for Internal Auditors and Concurrent Auditors;
- To determine whether IAD has been adequately staffed with the appropriate skills, competence for all type of Audits including IS Audit and suggest training requirements, if any;
- Bench marking of various audit functions / practices, mandays allocation, etc as with standards of peer banks;
- To recommend the best practices of audit prevailing in market including training to the Internal Auditors/IS Auditors, latest audit tools, tools for pre-audit analysis, tools for data analytics, etc;
- Preparing Internal Audit Department including IS Audit functions of the Bank ready for the Industry Level/ISO Certifications;
- Review of observations and compliances to the Risk Assessment Report (RAR) of RBI for last 2 Financial Years in respect of Internal Audit/IS Audit Functions;
- Mapping of RBI/Statutory guidelines in areas of Internal Audit/IS Audit functions;
- Attributes/feasibility of preparing dynamic Audit Plan for all types of audits;
- To review role and responsibilities, processes, reporting, etc of Fraud Monitoring Group (FMG);
- Review performance of Audit Management System (AMS) and suggest improvements, if any.

**B. Quality Assurance of Bank's Information Systems (IS) Audit function**

The overall scope of Information Systems Audit will largely include the following:

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- Review of IS Audit Universe which covers areas related to IT including resources, processes, applications, data, technology, networking, data center, outsourcing, branches, infrastructure, etc;
- Impact of RBI's Cyber Security Framework/ Policies and other industry standards on IS Audit function;
- Review of Risk Assessment Methodology (RAM) and its scoring methodology based on Business Criticality and Control Risk Factors, IT policy, Cyber Security Policy of the Bank, Tier rating of the applications, inter alia, of the Bank to arrive at risk rating of application;
- To review the process of formulating Annual IS Audit Plan, which is based on parameters like frequency as per Risk assessment Methodology (RAM) rating, IS Audit Universe, Criticality of Applications, Nature of Application/Auditee unit etc and also benchmarking the allocation of man-days for auditing each application/ Audit Unit as per standards of peer Banks;
- Review and suggest methodology to be used for defining the parameters for selection of auditee units viz. branches, vendor and applications for IS Audit in annual IS audit plan;
- Review gap in audit processes/reports vis-à-vis IS Audit Policy & other policies of IAD, if any. All the audit reports are intended to be in conformity with different policies viz., RBIA Policy, Staff Accountability Policy, IS Audit Policy, etc;
- Review the process of arriving at Final Audit Compliance Certificate for IS Audit observations and closure of Audit reports;
- Review the process, frequency and information reported to ACE and ACB for IS Audit reports;
- Review the system (IS-AMS) which is used for capturing all the steps of Audit from initiation of audit to finalization of reports and thereafter recording of compliance till closure of observations, and suggesting improvements, if any;
- Review the quality of observations captured in IS Audits and compliances received from auditees thereof. Suggestions for improvement to are provided, if any;
- Review the criteria/basis for grading of audit observations under IS Audit. Presently, IS Audit categorizes grading/ rating of observations into 3 categories, viz., (i) 'High' Risk; (ii) 'Medium' Risk; & (iii) 'Low' Risk based on the Risk Based Internal Policy of the Bank. The auditor categorizes rating of an observation based on the 'Materiality' & relevant controls. Scope would also include suggesting scientific approach of arriving at rating of Observations based on different parameters with marks allotted and weightage allotted to each parameter. Presently a risk matrix is used to arrive at risk rating of observation.

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Scope would also include to review the risk matrix and suggest improvements if any;

- To recommend the parameters for segregating observations into Critical and Non Critical areas. Prioritization methods to be assessed and suggest improvements, if any;
- Review / revamping of OMS System. Offsite Monitoring System has been implemented in the Bank with the intention of mitigating risks by monitoring transactions in Finacle and to alert branches regarding exceptions, which would enable them to carry out rectifications on time. Presently, there are 128 exception rules. The scope would be to review the existing logic for OMS Rules, process to ensure timely and proper execution of OMS rules, OMS Manual and recommendation on the process flow for closure of OMS;
- Review the technology and automation presently used for generating query and suggest other Computer-aided Audit Tools (CAATs) along with its functionality, cost benefit analysis in qualitative and quantitative, and best practices presently prevalent in industry;
- Review mapping of IS Audit function with the IT policy, Cyber Security Policy, Digital Payment Products and Service Policy and any other policy of the Bank;
- Review structure of IS Audit function and competency level of officers in terms of required skill sets and way forward for acquiring the same;
- Review the scope of IS Audit function;
- Review the time taken for compliance provided by the auditee units.

**Note:** The report should include all of the above and also comply with the RBI notification dated April 29, 2011 and other relevant circulars of RBI till date. The additional scope of work/related matter and/or modifications in the above listed requirements/ specifications, if any, that may arise during the appointment and assignment period of Quality Assurance shall be additionally considered as a scope of work under Quality Assurance assignment . The scope mentioned above is inclusive and not exhaustive i.e. Terms of Reference shall include providing professional assistance for all activities that ensures best market practices in respect of Internal Audit functions including IS Audit Functions keeping in view the DFS/Regulatory compliances and audit as a business enabler function.

2.1 The Consultant shall, for the purpose of rendering the services as aforesaid, employ or engage adequate number of qualified and experienced Chartered Accountants at their own cost. A provisional and indicative list of Minimum Professional staff deployment by Consultant will be as under:-

- a) One Senior Partner for overall control, coordination, liaison for the said Assignment. He shall visit the Head Office of the Bank at least once in a month or as more frequently as may be necessary to evaluate the progress of the work

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- and advise remedial measures if required.
- b) Two or more Qualified Professionals for overall control, coordination, liaison of the said Assignment. They shall be continuously/as per need available at IDBI Office for executing the Assignment.
  - c) The decision regarding the structure and tenure/period of deployment of other staff depending on the volume and scope of work will be decided by IDBI and the Consultant mutually which shall be binding on the Consultant.
  - d) The Consultant agrees that the above requirements are, however, only indicative and as assessed by IDBI Bank. More staff as may be considered necessary by Bank for satisfactory management, execution and completion of the Assignment has to be deputed by the Consultant when called upon to do so by the Bank. The decision of IDBI Bank in this regard shall be final and binding on the Consultant.
  - e) The Consultant specifically agrees that IDBI Bank shall have no responsibility for any staff engaged by the Consultant and the said Consultant alone shall be responsible as their employer and the said staff shall never claim or hold out themselves as employees of IDBI.

**ARTICLE 3  
PAYMENT AND PAYMENT TERMS**

- 3.1 In consideration of the performance of the Contract, IDBI Bank shall pay the Consultant fee of Rupees.....plus GST. All payment of fees shall be made after deduction of the applicable taxes (TDS, etc), if any and payment shall be made in Indian Rupees only.
- a) The fee quoted shall state the fee and taxes applicable with present rate (Taxes applicable will be paid as per rate prevailing at the time of actual payment). All out of pocket expenses, travelling, boarding, accommodation and lodging expenses, travelling/visit to IDBI Bank Office, etc which may be incurred by the Consultant and/or its officials in connection with the Contract shall be borne and payable by the Consultant alone and the Bank shall not be bound to make payment of any amounts in this regard to the Consultant.
  - b) Out of total contract value 10% of the payment shall be payable on signing the contract and other related documents, 50% of the payment on submission of draft report and presentation of draft report before Top Management for deliberations, 20% on submission of Final Report and balance 20% shall be payable after vetting of implementation of recommendations/suggestions of Quality Assurance report. Amounts/ Fees payable to the Consultant as mentioned above shall not be liable for upward revision during the Term of this Agreement irrespective of reasons whatsoever including, increase or imposition of new taxes, duties, levies, octroi, charges etc. All undisputed payments shall be made by the Bank by direct credit to the Consultant's

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Account Number \_\_\_\_\_ IFSC Code  
No. \_\_\_\_\_ with \_\_\_\_\_ Branch of  
\_\_\_\_\_ Bank, through NEFT / RTGS payment mode, within 30  
working days of the date on which the payments fall due in respect of an  
undisputed invoice or within 30 days of receipt of undisputed invoice,  
whichever is later.

- c) Notwithstanding anything contained in this Agreement or the RFP where the Consultant is liable to pay any amount to the Bank, on account of penalties under this agreement or on account of discrepancies in the invoices, invocation of indemnity by the Bank, for third party claims, statutory dues or for any other reason the Bank shall without prejudice to its other rights be within rights to adjust such amounts from the Fees payable to the Consultant and raise a demand on the Consultant for the balance amount if any and the Consultant shall pay such amount to the Bank within 10 working days of receipt of such demand.

**3.2 Penalty / Liquidated Damages:**

Any delay or deviation by the Consultant due to reasons attributable to the Consultant, from the timelines mentioned in ..... of this Agreement, shall attract liquidated damages/penalty at the rate of 5% of the fees, for each week of delay until satisfactory performance is ensured in accordance with this Agreement and the Consultant shall promptly pay the same to the Bank. The Bank shall be within its right to deduct such amounts from the fee payable to the Consultant.

**3.3 Taxes and Duties**

- (a) The Consultant will be solely responsible for payment of all applicable Taxes, levies, charges, license fees (if any), royalties (if any) etc., that may be imposed by State/Central Government or any local body, payable as per the existing laws, in connection with the provision of Services by Consultant under this Contract. The Bank's liability is restricted to the payment of undisputed fees to the Consultant as stated in this Agreement.
- (b) The Consultant shall also be liable to pay all corporate tax, income tax and any other applicable taxes that shall be levied on according to the laws and regulations applicable from time to time on the Fees paid to the Consultant. No costs/expenses shall be payable by the Bank for traveling (including local conveyance), boarding, lodging, out-of-pocket expenses, liaison, etc. during the validity of the contract.
- (c) Wherever the laws and regulations require deduction of any Taxes at the source of payment, the Bank shall be entitled to effect such deductions from the payment due to the Consultant and make remittance to the competent

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authority. A certificate evidencing such deductions shall be promptly provided by Bank to the Consultant to this effect.

- (d) The Consultant's staff, personnel and labour will be liable to pay personal income taxes in respect of such of their salaries and wages as are chargeable under the laws and regulations for the time being in force, and the Consultant shall perform such duties in regard to such deductions thereof as may be imposed on the Consultant by such laws and regulations. The Consultant further undertakes to obtain such licenses, permit etc. renewal from time to time and it shall be solely responsible in the event of contravention of any Act, Laws or rules in this regard.
- (e) The Consultant shall pay all the taxes, rates, charges, levies, claims whatsoever that may be imposed by State / Central Government or any local body for the said purposes and for employing such persons for the Services and shall provide proof thereof as and when required by the Bank.

#### **ARTICLE 4**

##### **INTERNAL COMMITTEE/PROJECT COMMITTEE**

- 4.1 The Bank may constitute an Internal Committee/Project Committee for assessing and reviewing the progress of the work on the Project and to issue instructions or directions from time to time which shall be observed and strictly followed by the Consultant.
- 4.2 The Consultant shall apprise the Chairman of the Committee with the information relating to implementation, compliance and execution of the Committee decision and also the usual progress of the Project work weekly or such frequency as may be decided by the Bank.

#### **ARTICLE 5**

##### **OBLIGATION OF CONSULTANT**

##### **5.1 Rights and Obligations of Parties:**

Apart from other rights and obligations mentioned elsewhere in this Agreement it is agreed by the Parties the following:-

- a) For the purpose of supervision, the Consultant agrees that the Assignment will be under the charge of a competent Chartered Accountant (a Partner) who will be in constant charge of the said Assignment entrusted to the Consultant. The Consultant agrees to engage and retain at its own cost and expense,

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adequate number of competent staff for the execution of the Assignment. These staff depending upon the requirement (as determined by IDBI at its sole discretion) should be available until the Assignment as entrusted to the Consultant is completed. Their appointment, dismissal, retrenchment, the condition of services and the rate of remuneration will be determined by the Consultant and shall be at the Consultant's entire discretion and the said staff at all times shall work under the orders and sole control of the Consultant. IDBI shall, however, have the right to direct the Consultant without assigning any reasons to remove any staffs that is/are considered by IDBI as undesirable, which shall be complied by the Consultant immediately and shall be substituted by the Consultant with employee of equal experience. The staff of the Consultant will work in cooperation with IDBI staff and carry out their instructions.

- b) The Bank may also maintain, depute its own employees, etc., to oversee the work of the Consultant and for overall management of the Assignment.
- c) The Consultant shall perform its duties under these presents and will do everything in its power and authority to ensure the completion of the said Assignment according to the specifications and in given time schedule.
- d) The Consultant shall promptly notify IDBI of any changes in the constitution of its firm/Consultant. It shall be open to IDBI to terminate the agreement on the death, retirement, insanity or insolvency of any person/s being director/s or partner/s in the Consultant/firm, or on the addition or introduction of a new partner/Director without the previous approval in writing of IDBI or in the event of any dispute between the Partners/Directors of the Consultant. In case of such termination aforesaid, the Consultant shall be liable for all the accrued liability of the Bank. But in absence of and until its termination by IDBI as aforesaid, this Agreement shall continue to be of full force and effect notwithstanding any changes in the constitution of the firm, by death, retirement, insanity or insolvency of any of its partners or the addition or introduction of any new partner. In case of retirement/death, the surviving or remaining partners of the firm shall be jointly and severally liable for the due and satisfactory performance of the terms and conditions of the Agreement.
- e) The Consultant agrees to perform its duties as stated in this Agreement so as to cause the completion of the work/Assignment as proposed and of other work as may be entrusted to it and everything necessary render the same according to the contract.
- f) It is agreed that the Bank and the Consultant shall work jointly as a team in good spirit with a view to getting the Assignment completed in the best possible manner within the stipulated time. The Bank shall have right to oversee; differ with the Consultant's opinion without affecting the Bank's interest. However, in



the event of any dispute arising out due to difference between the opinion of the Consultant and the Bank, the decision of the Head Audit & Executive Director in charge of Internal Audit Dept. shall be final and binding on the Consultant.

- g) In case the Consultant is required to travel/visit any place or go out of Mumbai for proper discharge of any of its duties enumerated herein then it shall be without any extra charge of fees.

## **ARTICLE – 6**

### **REPRESENTATION & WARRANTIES BY THE CONSULTANT**

6.1 The Consultant hereby agrees, declares and warrants that:

- a) The Consultant has the necessary capacity, expertise and infrastructure etc., to provide professional services of a high standard of its profession to the best of its ability and to the satisfaction of the Bank;
- b) The Consultant shall not give or take discounts, commissions, gifts or other inducements for the introduction of Clients/outside dealing with the said Assignment;
- c) The Consultant shall act with fairness and impartiality when executing the said Assignment and maintain a high standard of integrity;
- d) The Deliverables & Services shall be provided by the Consultant in a highly professional and competent manner in accordance with the professional standards in industry, and shall meet the descriptions, specifications and the performance standards stated in this Agreement.
- e) The Consultant has all the permissions, licenses, authorities whatever required from the appropriate Government, Statutory/Regulatory authorities to render the Service stated herein to the Bank.
- f) If the Consultant is a Company/Firm/LLP, the Consultant shall not affect any change in its constitution which includes reconstitution of the Consultant, mergers, reverse mergers, acquisition and amalgamations during the currency of the Contract period without prior written permission of the Bank,
- g) The Consultant is association of persons, it is duly incorporated, registered, validly existing and in good standing as per the laws of India.
- h) The Consultant has the power and authority to enter into this Agreement and perform its obligations hereunder. The execution, delivery and performance of this Agreement by the Consultant and the performance of its obligations hereunder have been duly authorized and approved by all necessary actions  
and no other action on the part the Consultant is necessary to authorize the execution, delivery and performance of this Agreement.

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- i) The execution, delivery and performance of this Agreement by the Consultant:-
  - I. Shall not violate or contravene any provision of its constitutional documents;
  - II. Shall not violate or contravene any law, statute, rule, regulation, licensing requirement, order, writ, injunction or decree of any court, governmental instrumentality or other regulatory, governmental or public body, agency or authority by which it is bound or by which any of its properties or assets are bound;
  - III. Except to the extent that the same have been duly and properly completed or obtained, will not require any filing with, or permit, consent or approval of or license from, or the giving of any notice to, any court, governmental instrumentality or other statutory/regulatory, governmental or public body, agency or authority, joint venture party, or any other entity or person whatsoever;
  - IV. No representation or warranty by the Consultant in this Agreement, and no document furnished or to be furnished to the Bank, in connection herewith or the RFP or with the transactions/obligations contemplated hereby, contains or will contain any untrue or misleading statement or omits or will omit any material fact. There have been no events or transactions, or facts or information which has come to, or upon reasonable diligence, should have come to the attention of Consultant and which have not been disclosed herein or in a schedule hereto, having a direct impact on the transactions/obligations contemplated in these presents.

## **ARTICLE- 7**

### **TERMS & TERMINATION OF AGREEMENT**

- 7.1 This Agreement shall commence from the date of its execution and shall remain valid for 90 Days from the date of appointment unless it is terminated as per the provisions of these presents.
- 7.2 The Bank shall be within its right at its sole discretion to terminate this Agreement without giving any notice in the event of:-
- i. Closure of the business by the Consultant or any winding up proceedings are commenced/initiated against the Consultant or if in the case of a partnership firm, if the firm is dissolved or in the event of death or resignation of one or more partners or reorganisation of the firm and/or;
  - ii. In case there is any change in the constitution of the Consultant / firm of

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the Consultant for any reason whatsoever and/or;

- iii. The Consultant fails to perform its duties and obligations under this Agreement to the satisfaction of the Bank and/or
- iv. In the event of dispute between the Proprietor/Partners/ Directors of the Consultant.

7.3 Bank shall also be within its right to terminate this Agreement by giving 30 days' notice in writing and without assigning any reasons to the Consultant.

7.4 The Consultant shall not terminate this Agreement unless there is failure on the part of the Bank to make payment of any undisputed fees to the Consultant after serving a notice of 60 days to the Bank.

7.5 Even after the termination of the Agreement the Consultant shall remain liable and shall be responsible in respect of the work executed before the termination of the Consultant's appointment and consequences thereof. No additional fees will be paid by the Bank for this to the Consultant.

## **ARTICLE-8**

### **INDEMNITY**

8.1 The Consultant does hereby indemnify the Bank, and shall keep indemnified and hold the Bank harmless from and against any and all losses, liabilities, claims, actions, costs and expenses (including attorneys' fees) and also relating to, resulting from or in any way arising out of any claim, suit or proceeding brought against the Bank including by a third party as a result of:

- a) An act or omission of the Consultant, its employees, its agents, sub-contractors in the performance of the obligations of the Consultant under this Agreement and/ or
- b) Claims against the Bank and/or any legal proceedings made by employees or other persons who are deployed by the Consultant and/or by any statutory/regulatory/ govt. authority and/or
- c) Breach of any of the material term of this Agreement or breach of any representation or warranty of the Consultant under this Agreement, or
- d) Violation of the Confidentiality obligations by the Consultant and/or its officials/employees or any other person employed by them in connection with the services under this Agreement.

8.2 The provisions of this Article shall survive notwithstanding the expiration or termination of this Agreement for any reason whatsoever.

## **ARTICLE 9**

### **CONFIDENTIALITY**

- a) The Consultant acknowledges that in the course of performing their obligations under this Agreement, the Consultant shall be exposed to or acquire Confidential Information of the Bank or its constituents. The Consultant understands and acknowledges that it will be given access to such Confidential Information solely as a consequence of and pursuant to this Agreement.
- b) The Consultant will, at all times, maintain confidentiality of the Confidential Information and of this Agreement, Information of Bank including of the Bank's customer, any business, technical, financial information / data or any other information disclosed or accessible to the Consultant for this Assignment whether at the time of disclosure, designated in writing as confidential or not.
- c) The Consultant agrees to keep in confidence and not disclose to any third party and all Confidential Information available to the Consultant and whether such information is given in writing or oral or visual, and whether such writing is marked to indicate the claims of ownership and/or secrecy or otherwise. The Consultant agrees that it shall not use, nor reproduce for use in any way, any Confidential Information of the Bank except to the extent required to fulfill its obligations under the Agreement. The Consultant agrees to protect the Confidential Information of the Bank with at least the same standard of care and procedures used by to protect its own Confidential Information of similar importance but at all times using at least a reasonable degree of care.
- d) The Consultant shall also ensure that its officials/employees and if Consultant is permitted by the Bank in writing to assign, delegate or hire another person to assist it in the performance of its obligations under this Agreement, such person also shall maintain the confidentiality of the Confidential Information in the same manner as the Consultant is bound to maintain the confidentiality.
- e) The provisions of this Article shall survive notwithstanding the expiration or termination of this Agreement for any reason whatsoever.

For the purpose of this Agreement, Confidential information of the Bank shall mean and include all non-public information, of the Bank including details of the Bank's critical assets held by the Bank which is accessible by or is available to the Consultant, and in writing whether in graphic, visual or any other tangible, intangible or electronic form including, without limitation, customer data, Banks' data any and all information relating to the Bank's customers, the software and hardware vendors

and/or its client's (whether past, present, or future), financial data, financial results

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and projections, employees (past, present or prospective), technologies, technical and business strategies, computer programs, software tools, source codes, object codes, protocols, product descriptions, trade secrets or know how, customer information and intellectual property rights as well as any such information not generally known to third parties, that the Consultant is reasonably expected to treat as confidential. It is clarified that all non-public data available on the Bank's existing system shall be treated as Confidential Information for the purposes of this Agreement.

## **ARTICLE 10**

### **MISCELLANEOUS**

#### **10.1 Notices**

- a) Any notice and other communications provided for in this Agreement shall be in writing and shall be first transmitted by facsimile transmission or by postage prepaid registered post with acknowledgement due or by a reputed courier service, by e-mail, in the manner as elected by the Party giving such notice.

In case of notices to the Bank:

**Department:** IDBI Bank Limited, Corporate Office, Internal Audit Department

**Address:** 20th Floor, IDBI Tower, WTC Complex, Cuffe Parade, Mumbai-400005

**Phone Number:**

**Fax Number:**

**E Mail:**

**For attention of:** Mr. \_\_\_\_\_ Deputy General Manager,

In case of notices to the Consultant:

.....

.....

- b) All notices shall be deemed to have been validly given if sent to the registered office/principal office address and on (i) the business date immediately after the date of transmission with confirmed answer back, if transmitted by facsimile transmission, or (ii) the expiry of three days after posting if sent by registered post/courier, or (iii) the business date of receipt, if sent by ordinary post.
- c) Any Party may, from time to time, change its address or representative for receipt of notices provided for in this Agreement by giving to the other not less than fifteen days prior written notice.

#### **10.2 Entire Agreement**

This Agreement together with the RFP and Letter of Engagement constitutes the entire understanding between the Parties with respect to the subject matter hereof and supersedes prior negotiations, representations, or agreements, either written or oral.

Should there be a provision, obligation or a condition contained in the RFP and/or the Letter of Engagement which are not included in this Agreement, such provision, obligation or condition shall be deemed to be incorporated in this Agreement.

### **10.3 Publicity**

Any publicity by the Consultant in which the name of the Bank is to be used should be done only with the explicit prior written permission of the Bank. The Bank shall be entitled to impose such conditions or restrictions in relation to the manner of use of the name of the Bank in any publicity material used by the Consultant.

### **10.4 Waiver**

No failure or delay on the part of the Bank relating to the exercise of any right, power, privilege or remedy provided under this Agreement shall operate as a waiver of such right, power, privilege or remedy or as a waiver of any preceding or succeeding breach by the Consultant nor shall any single or partial exercise of any right, power, privilege or remedy preclude any other or further exercise of such or any other right, power, privilege or remedy provided in this Agreement all of which, unless expressly stated otherwise, are several and cumulative and are not exclusive of each other or of any other rights or remedies otherwise available to the Bank at law or in equity.

### **10.5 Violation of terms**

The Consultant agrees that the Bank shall be entitled to an injunction, restraining order, right for recovery, suit for specific performance or such other equitable relief as a court of competent jurisdiction may deem necessary or appropriate to restrain the Consultant from committing any violation or enforce the performance of the covenants, obligations and representations contained in this Agreement. These injunctive remedies are cumulative and are in addition to any other rights and remedies the Bank may have at law or in equity, including without limitation a right for recovery of the amounts due under this Agreement and related costs and a right for damages.

### **10.6 Force Majeure**

Should either Party be prevented from performing any of its responsibilities (as mentioned in the agreement) by reasons of Force Majeure i.e. caused by an act of God or any cause beyond its reasonable control including the acts of government, the time for performance shall be extended until the operation or such cause has ceased. If a Force Majeure situation arises, the Consultant shall immediately notify the Bank in writing of such conditions and the cause thereof. Unless otherwise directed by the Bank in writing, the Consultant shall continue to perform its obligations under the

Contract as far as it is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the Force Majeure event. In such a case, the time for performance shall be extended by a period(s) not less than the duration of such delay. If the duration of delay continues beyond a period of 1 week, the Bank shall be within its right to terminate the Contract and the decision of the Bank shall be final and binding on the Consultant in this regard. Under such circumstances, the Bank shall be required to pay the Consultant only such amounts as due to it on account of completed items. The Consultant shall not be liable for any loss, damage or claims under this Agreement for termination due to Force Majeure clause.

#### **10.7 Transfer of Interests**

- a) The Consultant shall not assign or transfer its duties and obligations under this Agreement, without the prior written consent of the Bank.
- b) If the Consultant is a partnership firm or a company, no change in the constitution of Board of Directors/partners of the Consultant/firm shall be made without the prior written approval of the Bank.

#### **10.8 No Agency**

- i. The Consultant shall perform its obligations under this Agreement as an independent contractor. Neither this Agreement nor the Consultant's performance of obligations under this Agreement thereunder shall create an association, partnership, joint venture, or relationship of principal and agent, master and servant, or employer and employee, between the Bank and the Consultant or its employees and neither Party shall have the right, power or authority (whether expressed or implied) to enter into or assume any duty or obligation on behalf of the other party.
- ii. The Consultant shall solely be responsible for all wages and payments (including any statutory payments) to its employees and shall ensure that at no time shall its employees, personnel or agents hold themselves out as employees or agents of the Bank, nor seek to be treated as employees of the Bank for any purpose. The Consultant shall be liable to make all payments to its employees including salary and other allowances and for any kind of income, taxes or benefits. The Consultant alone shall file all applicable tax returns for all of its personnel assigned hereunder in a manner consistent with its status as an independent contractor of services; and the Consultant will make all required payments and deposits of taxes in a timely manner. The Consultant also represents that it has taken all necessary permissions/registrations under the laws in force including the Contract Labour Regulation Act for employing the people and further undertakes to make all statutory payments to competent



authorities required to be made in connection with its employees / personnel engaged.

- iii. The Bank shall have no liability whatsoever for any loss of life/injury to Consultant's partners, directors, Consultants, employees, agents or representatives suffered while on duty or in the Bank premises or anywhere else and including, without limitation of liability or any damages suffered which results from the malfunction of any equipment in the premises. All such claims shall be settled by Consultant itself. In the interest of Consultant, the Consultant shall take suitable insurance cover for the risks associated with this Assignment.

### **10.9 Amendments**

No change or modification of this Agreement shall be valid unless the same shall be in writing and signed by both Parties.

### **10.10 Counterparts**

This Agreement may be signed in two counterparts, each of which is an original and both of which, taken together, constitutes one and the same instrument.

### **10.11 Severability**

- a. If any of the provisions of this Agreement may be constructed in more than one way, the interpretation, which would render the provision legal or otherwise enforceable, shall be accepted.
- b. In the event any Court or other government authority shall determine any provisions in this Agreement is not enforceable as written, the Parties agree that the provision shall be amended so that it is enforceable to the fullest extent permissible under the laws and public policies of the jurisdiction in which enforcement is sought, and affords the Parties the same basic rights and obligations and has the same economic effect as prior to amendment.
- c. In the event that any of the provisions of this Agreement shall be found to be void, but would be valid if some part thereof was deleted or the scope, period or area of application were reduced, then parties shall on mutual consent in writing agree that such provision shall apply with the deletion of such words or such reduction of scope, period or area of application as may be required to make such provisions valid and effective; provided however, that on the revocation, removal or diminution of the law or provisions, as the case may be, by virtue of which such provisions contained in this Agreement were limited as provided hereinabove, the original provisions would stand renewed and be effective to their original extent, as if they had not been limited by the law or provisions revoked. Notwithstanding the limitation of this provision by any law

for the time being in force, the Parties undertake to, at all times observe and be bound by the spirit of this Agreement.

#### **10.12 Arbitration**

- i. If any dispute, difference or disagreement shall at any time arise between the Consultant and the Bank as to the interpretation of this Agreement or concerning anything herein contained or arising out of this Agreement or as to the rights, liabilities and duties of the said Parties hereunder, or as to the execution of the said Assignment, except in respect of the matters for which it is provided herein that the decision of the Bank shall be final and binding as the Consultant, the same shall be referred to the Chief General Manager in-charge of Finance and accounts Department of the Bank for settlement. In case the dispute / disagreement continues, the matter shall be referred to the Arbitration and final decision of the Mumbai based sole Arbitrator to be appointed by the both the parties after adopting and following the fast track procedure as laid down in Section 29 B of the Arbitration and Conciliation Act, 1996.
- ii. The work under the Agreement contract shall, however, has to continue during the Arbitration proceedings or otherwise. No payment due or payable to the Consultant shall be withheld on account of such proceedings except the disputed payment of fees on account of other provisions in this Agreement.
- iii. The fees, if any, of the Arbitrator shall, if required to be paid before the award is made and published, be paid half and half by each of the parties.
- iv. Arbitration proceedings shall be held at Mumbai, India, and the language of the arbitration proceedings and that of all documents and communications between the parties shall be English.

#### **10.13 Expenses & Stamp Duty**

All the expenses including stamp duty, levies and other monies payable in connection with the execution of this Agreement shall be borne by the Consultant.

This Agreement executed at .....the day and year first written above.

For the CONSULTANTS

(SHRI/SMT

NAME:

OFFICE ADDRESS:

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WITNESS: (1) WITNESS: (2)

NAME: NAME:

ADDRESS: ADDRESS:

FOR IDBI Bank

**IDBI Bank Limited,**

INTERNAL AUDIT DEPARTMENT, CORPORATE OFFICE 20<sup>TH</sup>

FLOOR, IDBI TOWER

WTC COMPLEX, CUFFE PARADE

MUMBAI - 400005

WITNESS: (1)

NAME :

ADDRESS:

WITNESS: (2)

NAME :

ADDRESS:

**Annexure - H**

**Format of Letter of Appointment**

**In Duplicate**

Ref: **IAD/QAA/1/2021-22**

Date :-

To

**Appointment of Consultant undertaking Quality Assurance of Bank's Internal  
Audit Functions including Information Systems (IS) Audit function**

Dear Sir,

This is in reference to your proposal dated \_\_\_\_\_, submitted in response to RFP Reference No. **IAD/QAA/1/2021-22** dated \_\_\_\_\_ and replies to the pre-bid queries issued by IDBI Bank Ltd on \_\_\_\_\_ (hereinafter collectively referred to as "RFP"), confirming your acceptance of all the terms and conditions of RFP. We are pleased to inform you that after evaluation of technical and commercial proposal submitted by you, your firm has been selected as Consultant for undertaking Quality Assurance of Bank's Internal Audit Functions including Information Systems (IS) Audit function. All the terms of RFP (including payment terms) shall be applicable and shall form part of this offer of Contract.

2. This letter is sent in duplicate and in case, you are agreeable to the terms and conditions contained herein and the Annexure, please send the duplicate of this Offer of Contract (Offer) duly signed by your authorized signatory under official seal in token of your absolute, unconditional and unqualified acceptance of the Offer within 7 days from the date of this Offer. If you fail to return/ deliver the acceptance of Offer in writing as aforesaid, the same may result in cancellation of Offer, as mentioned in RFP.
3. You are also required to execute Non-Disclosure Agreement on requisite stamp paper as per the draft format given in **Annexure J** of RFP within 15 days from acceptance of this offer. You may take note of the above and do the needful.

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4. We have made arrangements for work relating to **undertaking** Quality Assurance of Bank's Internal Audit Functions including Information Systems (IS) Audit function of the Bank as a whole.
5. You are advised to adhere to the terms and conditions mentioned in the RFP.
6. We look forward to your co-operation in regular review and assistance in Quality Assurance assignment well within the time schedule mentioned above.

Meanwhile please acknowledge receipt.

Yours faithfully,

( )  
Chief General Manager,  
IAD

**Accepted:**

**Annexure-I**

**NON-DISCLOSURE AGREEMENT**

This Non-Disclosure Agreement entered into

**Between**

IDBI Bank Limited, a company incorporated and registered under the Companies Act, 1956 (1 of 1956) (1 of 1956), a company within the meaning of Section 2 (20) of the Companies Act, 2013 (18 of 2013) and a banking company within the meaning of Section 5 (c) of the Banking Regulation Act, 1949 (10 of 1949), with Corporate Identity No. L65190MH2004GOI148838 and having its registered office at IDBI Tower, WTC Complex, Cuffe Parade, Mumbai – 400 005 (hereinafter called “ IDBI Bank” which expression shall unless it be repugnant to the subject, context or meaning thereof shall be deemed to mean and include its successors and assigns) of the ONE PART

**And**

[●] (*Name of Selected Bidder*) of [●] (*please specify the registered office of the Selected Bidder*) (hereinafter called “the Selected Bidder” which expression shall unless it be repugnant to the subject, context or meaning thereof shall be deemed to mean and include its successors) of the OTHER PART;

IDBI Bank and Selected Bidder wherever the context so permits, shall hereinafter collectively refer to as the “Parties” and individually as a “Party

WHEREAS IDBI Bank vide its RFP No. [●] dated [●] (RFP) had invited for the Bids from eligible Bidders for performing/delivering the Services. The Selected Bidder after going through the RFP and being interested to perform/deliver the Services participated in the bidding process and submitted its Bid.

WHEREAS the Selected Bidder had represented that it is engaged in the business of providing the Services and has all the requisite skills, expertise, experience and necessary facilitates for providing/rendering/delivering the Service(s) to IDBI Bank.

WHEREAS IDBI Bank based upon the representation and warranties made by the Selected Bidder had entered into an Agreement dated [●] (**the Contract**) for the performance/delivery of Services by the Selected Bidder.

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WHEREAS, the Selected Bidder is aware and confirms that the information, data, drawings and designs, and other documents made available in the RFP/ the Contract and thereafter regarding the Services as furnished by IDBI Bank in RFP or otherwise and all the Confidential Information under the RFP /the Contract is privileged and strictly confidential and/or proprietary to IDBI Bank.

NOW THEREFORE, in consideration of the foregoing, the Selected Bidder agrees to all of the following conditions for grant of access to IDBI Bank's property/information and other data.

It is hereby agreed as under:

The words and expressions not specifically defined shall have the same meanings as are respectively assigned to them in the RFP/the Contract.

**“Confidential Information”** means any information relating to the purpose under this Agreement disclosed by IDBI Bank to the Selected Bidder whether specifically marked or not as "Confidential" or “proprietary” and includes the following information relating to IDBI Bank: (a) corporate information, schematics, techniques, employee suggestions, computer printouts, computer programs, and manuals, business strategies, processes, concepts and improvements, information about the customers of IDBI Bank; (b) information about costs, profits, markets and sales; (c) plans for future development and new product concepts; and (d) details with respect to IDBI Bank's turnover, turnover of specific categories, conversion details and such other connected information, that have been or will be given to the Selected Bidder by IDBI Bank in relation to the purposes under this Agreement (hereinafter referred to as the "Confidential Information"). Any information received by the Selected Bidder orally from IDBI Bank shall be treated to be confidential whether the same is reduced in writing or not by IDBI Bank.

a) The Selected Bidder agrees that, the Selected Bidder and its employees shall hold in trust any Confidential Information received by it, under the Contract and the strictest of confidence shall be maintained in respect of such Confidential Information and also agrees and undertakes to:

(i) maintain and use the Confidential Information only for the purposes of the Contract and only as permitted herein;

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- (ii) make copies as specifically authorized by the prior written consent of IDBI Bank the other Party and with the same confidential or proprietary notices as may be printed or displayed on the original;
  - (iii) restrict access and disclosure of confidential information to such of its employees, agents, vendors, and contractors strictly on a "need to know" basis, to maintain confidentiality of the Confidential Information disclosed to it in accordance with this clause; and
  - (iv) treat Confidential Information as confidential for a period of [●] years from the date of receipt. In the event of earlier termination of this Contract, the Parties hereby agree to maintain the confidentiality of the Confidential Information for a further period of [●] years from the date of such termination.
- b) Confidential Information does not include information which:
- (i) the Selected Bidder knew or had in its possession, prior to disclosure, without limitation on its confidentiality;
  - (ii) is independently developed by the Selected Bidder without breach of the Contract;
  - (iii) is in the public domain;
  - (iv) is received from a third party not subject to the obligation of confidentiality with respect to such information;
  - (v) is released from confidentiality with the prior written consent of IDBI Bank .

The Selected Bidder shall have the burden of proving hereinabove are applicable to the information in the possession of the Selected Bidder .

c) Notwithstanding the foregoing, the Selected Bidder acknowledges that the nature of the Services to be performed under the Contract may require the Selected Bidder's personnel to be present on premises of IDBI Bank or may require the Selected Bidder's personnel to have access to computer networks and databases of IDBI Bank while on or off premises of IDBI Bank. It is understood that it would be impractical for IDBI Bank to monitor all information made available to the Selected Bidder's personnel under such circumstances and to provide notice to the Selected



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Bidder's of the confidentiality of all such information. Therefore, the Selected Bidder agrees and undertakes that any technical or business or other information of IDBI Bank that the Selected Bidder's personnel, or agents acquire while on IDBI Bank premises, or through access to IDBI Bank computer systems or databases while on or off IDBI Bank premises, shall be deemed Confidential Information.

d) Confidential Information shall at all times remain the sole and exclusive property of IDBI Bank. Upon termination of the Contract, confidential information shall be returned to IDBI Bank or destroyed, if incapable of return. The destruction shall be witnessed and so recorded, in writing, by an authorised representative of each of the Parties. Nothing contained herein shall in any manner impair or affect rights of IDBI Bank in respect of the Confidential Information.

e) Selected Bidder limit the access to the Confidential Information on need to know basis solely to those of its directors, officials or employees or representatives who have reason to require access to the same.

f) In the event that any of the Selected Bidder hereto becomes legally compelled to disclose any Confidential Information, it shall give sufficient notice to IDBI Bank to enable IDBI Bank to prevent or minimize to the extent possible, such disclosure. Selected Bidder shall not disclose to a third Party any Confidential Information or the contents of this Contract without the prior written consent of IDBI Bank. The obligations of this Clause shall be satisfied by handling Confidential Information with the same degree of care, which the Selected Bidder applies to its own similar confidential information but in no event less than reasonable care. The obligations of this clause shall survive the expiration, cancellation or termination of the Contract.

**g) Reverse Engineering (to be retained, if applicable)**

The Selected Bidder acknowledges that during the course of performance of Services/its obligations under the Contract/RFP, it may get an access to the software(s) owned by /licensed to IDBI Bank. Selected Bidder warrants that it shall use such software only for the purpose of the Contract/this RFP and shall not do the following:

- (i) reverse engineer, decompile, decode, decrypt, disassemble, or in any way derive its source code;
- (ii) modify, translate, adapt, alter, or create derivative works from it;
- (iii) copy, distribute, publicly display, transmit, sell, rent, lease or otherwise exploit it; or
- (iv) distribute, sub license, rent, lease, loan it to any third party

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g) The provisions hereunder shall survive termination of the Contract.

Authorised Signatory:

Name:

Designation :

Office Seal :

Place:

Date:

Accepted –  
Bank

**Annexure - J**

**INFORMATION SECURITY CERTIFICATE**

(To be submitted on Letterhead of the Bidder)

**Reference: Request for Proposal (RFP) for undertaking Quality Assurance of Bank's Internal Audit Functions including Information Systems (IS) Audit function**

**(REF No: -----Dated -----2021)**

This is to certify that–

1. Hardware and the software being used do not contain any kind of malicious code such as Viruses, Trojan, Spyware that would:
  - (a) Obstruct the desired and the designed function of hardware.
  - (b) Cause physical damage to the user or their equipment during the usage of the equipment.
  - (c) Tap the information regarding network, users and information stored on the network of the Bank or in its CBS Platform or otherwise.
  - (d) Culminate into software attack, theft of intellectual property rights, identity theft, theft of equipment or information, sabotage & information extortion;
2. We undertake to be liable in case of any loss that may be caused to the Purchaser due to the breach of any of the aforesaid assurances & representations and also for any physical damage, loss of information, loss of reputation and those relating to copyright and Intellectual Property Rights (IPRs), caused due to activation of any such malicious code in the hardware / software supplied.
3. We shall make sure that the sensitive data (such as password, financial information, biometric information, personal information etc.) shared by the Bank will be kept within the geographical boundaries of India

**Signature :**

**Name :**

**Designation :**

**Company seal :**

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**Format of Performance Security**

<b>Bank Guarantee No .</b>	
<b>Bank Guarantee Amount :</b>	
<b>Expiry date :</b>	
<b>Claim Amount:</b>	
<b>Account :</b>	<b>M/s</b>

**GUARANTEE FOR PERFORMANCE OF CONTRACT**

**THIS GUARANTEE AGREEMENT** executed at \_\_\_\_\_ this \_\_\_\_ day  
of \_\_\_\_\_ Two Thousand Twenty One

BY :

\_\_\_\_\_, Bank, a body corporate constituted under  
\_\_\_\_\_, having its Registered Office/ Head Office at \_\_\_\_\_,  
and \_\_\_\_\_ a \_\_\_\_\_ Branch \_\_\_\_\_ Office \_\_\_\_\_ at  
\_\_\_\_\_ (hereinafter

referred to as “**the Guarantor**”, which expression shall, unless it be repugnant to the  
subject, meaning or context thereof, be deemed to mean and include its successors and  
assigns)

IN FAVOUR OF:

**IDBI BANK LIMITED**, a company registered under the Companies Act, 1956 (1 of  
1956) and a banking company within the meaning of Section 5 (c) of the Banking  
Regulation Act, 1949 (10 of 1949) and having its registered office at IDBI Tower,  
WTC Complex, Cuffe Parade, Mumbai – 400 005 (hereinafter referred to as “**IDBI  
Bank**” or “the Bank” which expression shall unless it be repugnant to the subject,  
meaning or context thereof, be deemed to mean and include its successors and  
assigns),

**WHEREAS**, Bank, vide its RFP No. [ ] dated [ ] (RFP), had called for the bids for  
engagement of Consultant to implement [ ] and for the purposes M/s. [ ] have been  
appointed as the Consultant (hereinafter referred to as “selected Bidder”). The  
Selected Bidder has entered into Agreement on [ ] (**the Contract**) with IDBI Bank,  
subject to the terms, conditions, covenants, provisions and stipulation contained  
therein.

**AND WHEREAS** pursuant to RFP, the Contract, Annexure, Schedule, Forms and the other related documents (hereinafter collectively referred to as “**the said documents**”, IDBI Bank has agreed to avail from M/s [ ] and M/s. [ ] has agreed to provide to the Bank [ ] (*please mention the services obtained from bidder*), more particularly described in the said documents (hereinafter collectively referred to as “**the Services**”), subject to payment of the contract price as stated in the said documents (**the Contract Price**) and also subject to the terms, conditions, covenants, provisions and stipulations contained the said documents.

**AND WHEREAS** the selected Bidder has duly signed the said documents.

**AND WHEREAS** in terms of the said documents, the Selected Bidder has agreed to provide the Services and to procure an unconditional and irrevocable performance bank guarantee, in favor of IDBI Bank, from a bank acceptable to IDBI Bank for securing [ ] towards the faithful observance and performance by the Selected Bidder of the terms, conditions, covenants, stipulations, provisions of the said documents.

**AND WHEREAS** at the request of the Selected Bidder, and in consideration of the bank having entered into Contract with the Selected Bidder, the Guarantor has agreed to guarantee the Bank, payment of the [ ] % of the Contract Price amounting to [ ] (*in words*) towards faithful observance and performance by the Selected Bidder of the terms of the said document

**NOW, THEREFORE, THIS AGREEMENT WITNESSETH AS FOLLOWS:**

The words and expressions not specifically defined shall have the same meanings as are respectively assigned to them in the RFP

1. The Guarantor hereby guarantees and undertakes to pay, on demand, to IDBI Bank at its office at Mumbai forthwith an amount of Rs [ ] or any part thereof, as the case may be, as aforesaid due to IDBI Bank from the Selected Bidder, towards any loss, costs, damages, etc. suffered by IDBI Bank on account of default of the Selected Bidder in the faithful observance and performance of the terms, conditions, covenants, stipulations, provisions of the said documents, without any demur, reservation, contest, recourse or protest or without any reference to the Selected Bidder. Any such demand or claim made by IDBI Bank, on the Guarantor shall be final, conclusive and binding notwithstanding any difference or any dispute between IDBI Bank and the Selected Bidder or any dispute between IDBI Bank and the Selected Bidder pending before any Court, Tribunal, Arbitrator, or any other authority.

2. The Guarantor agrees and undertakes not to revoke this Guarantee during the currency of these presents/ the said documents, without the previous written consent of

IDBI Bank and further agrees that the Guarantee herein contained shall continue to be enforceable until and unless it is discharged earlier by IDBI Bank, in writing.

3. IDBI Bank shall be the sole judge to decide whether the Selected Bidder has failed to observe the terms and conditions of the said documents and on account of the

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said failure what amount has become payable by the Selected Bidder to IDBI Bank under this Guarantee. The decision of IDBI Bank in this behalf shall be final, conclusive and binding on the Guarantor and the Guarantor shall not be entitled to require IDBI Bank to establish its claim under this Guarantee and shall pay the sums demanded without any objection, whatsoever.

4. The liability of the Guarantor, under this Guarantee shall not be affected by

(a) Any change in the constitution of the Selected Bidder or

(b) Amalgamation of the Selected Bidder with any other company, corporation or concern; or

(c) Any change in the management of the Selected Bidder or takeover of the management of the Selected Bidder by the Government or by any other authority; or

(d) Acquisition or rationalization of the Selected Bidder and / or of any of its undertaking(s) pursuant to any law; or

(e) Any change in the constitution of IDBI Bank or

(f) Any change in the setup of the Guarantor which may be by way of change in the constitution,

(g) Winding up, voluntary or otherwise, absorption, merger or amalgamation or otherwise; or the absence or deficiency of powers on the part of the Guarantor to give Guarantees and / or Indemnities or any irregularity in the exercise of such powers.

(h) Any variance in the terms and conditions of the said documents.

5. IDBI Bank shall be at liberty to make any modification or otherwise vary or alter the said terms & conditions and / or rules or regulations concerning the said documents and the same will not in any way discharge or otherwise vitiate or affect this Guarantee. However, the liability of the Guarantor shall not exceed the guaranteed amount of Rs. [□] at any point of time.

6. Any act or omission, time or indulgence granted by IDBI Bank to the Selected Bidder and / or Guarantor if any will also not discharge this Guarantee or otherwise vitiate or affect or prejudice this Guarantee. Notwithstanding anything to the contrary contained herein, and / or any indulgence shown by IDBI Bank, the Guarantee hereby furnished shall remain in full force and effect until the ultimate balance of the entire dues of IDBI Bank being Rs [•] under this Guarantee as aforesaid have been paid in full.

7. The Guarantor shall on demand make the payment without set-off and free and clear of any deductions, charges, fees, or withholding of any nature presently or in the future imposed, levied, collected, withheld or assessed by the Government or any political subdivision or authority and therein and thereof.

8. The Guarantor confirms that a mere letter from IDBI Bank under the signature of its Authorized Signatory that there has been a default/failure on the part of the Selected Bidder in faithfully observing and performing the terms, conditions, covenants, stipulations, provisions, of the Agreement/ the said documents, shall without any other or further proof be final, conclusive and binding on the Guarantor.

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9. This Guarantee will expire on [ ] (Validity Period). However, any demand or claim under this Guarantee must be received by the Guarantor within a period of 90 days (claim period) after the expiry of the Validity Period and if no such demand or claim has been received by the Guarantor within 90 days after the expiry of the validity period, then all the rights of the Bank under this Guarantee shall cease.

10. The Guarantor hereby agree and undertake to extend the validity period of this guarantee for a further period as decided by IDBI Bank when such request is received at least 15 days before the expiry of the Validity Period of the Guarantee.

11. This Guarantee shall be binding upon us and successors –in interest and shall be irrevocable.

12. Notwithstanding anything contained hereinabove,

(a) the liability of the Guarantor hereunder shall not exceed Rupees .....(Rupees.....only).

b) this Guarantee will expire on\_\_\_\_\_. Any demand or claim in writing under this Guarantee must be received by the Guarantor on or before \_\_\_\_\_(please note to mention the date which would be 90 days after the expiry of Validity Period of Bank guarantee)

13. For all purposes connected with this Guarantee and in respect of all disputes and differences under or in respect of these presents or arising therefrom, the courts of [●] shall alone have jurisdiction to the exclusion of all other courts.

IN WITNESS WHEREOF the Guarantor has caused these presents to be executed on the day, month and year first herein above written as hereinafter appearing.

SIGNED AND DELIVERED BY  
the within named Guarantor,

\_\_\_\_\_,  
by the hand of Shri.\_\_\_\_\_,  
its authorised official.

**Annexure - L**

**INTEGRITY PACT**

**(To be submitted by all the Bidders on stamp paper of Rs. 500/-)**

This pre-bid pre-contract Agreement (hereinafter called the Integrity Pact) is made on \_\_\_\_\_ day of the month of \_\_\_\_\_ 2021, between, IDBI Bank Ltd. incorporated and registered under the Companies Act, 1956(1 of 1956) and a Company and a company within the meaning of Section 2(20) of the Companies Act, 2013 (18 of 2013) and a Banking company within the meaning of Section 5 (c) of the Banking Regulation Act, 1949 (10 of 1949), with Corporate Identity No. L65190MH2004GOI148838 and having its registered office at IDBI Tower, WTC Complex, Cuffe Parade, Mumbai 400005 through its \_\_\_\_\_ Department/ Office at \_\_\_\_\_, \_\_\_\_\_, (hereinafter called the "PRINCIPAL", which expression shall mean and include, unless the context otherwise requires, its successors) of the **First Part**

And

M/s \_\_\_\_\_ represented by Smt/ Shri \_\_\_\_\_, MD/ CEO/ CMD (hereinafter called the "BIDDER/ Seller which expression shall mean and include, unless the context otherwise requires, its/ his successors and permitted assigns) of the **Second Part**.

WHEREAS the PRINCIPAL proposes to procure (\_\_\_\_\_) and BIDDER/ Seller is willing to offer/ has offered the same to the Principal.

WHEREAS the BIDDER is a private company/ public company/ Government undertaking/ partnership/ registered export agency, constituted in accordance with the relevant law in the matter and the PRINCIPAL is an Office/ Department of IDBI Bank Ltd performing its functions on behalf of IDBI Bank Ltd.

NOW, THEREFORE,

To avoid all forms of corruption by following a system that is fair, transparent and free from any influence/ prejudiced dealings prior to, during and subsequent to the currency of the contract to be entered into with a view to:

- Enabling the PRINCIPAL to obtain the desired service/ product at a competitive price in conformity with the defined specifications by avoiding the



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high cost and the distortionary impact of corruption on public procurement;  
and

- Enabling BIDDERS to abstain from bribing or indulging in any corrupt practice in order to secure the contract by providing assurance to them that their competitors will also abstain from bribing and other corrupt practices and the PRINCIPAL will commit to prevent corruption, in any form, by its officials by following transparent procedures.

The parties hereto hereby agree to enter into this Integrity Pact and agree as follows:

**1. Commitments of the PRINCIPAL**

1.1 The PRINCIPAL undertakes that no official of the PRINCIPAL, connected directly or indirectly with the contract, will demand, take a promise for or accept directly or through intermediaries, any bribe, consideration, gift, reward, favour or any material or immaterial benefit or any other advantage from the BIDDER, either for themselves or for any person, organization or third party (which is not available legally) related to the contract in exchange for an advantage in the bidding process, bid evaluation, contracting or implementation process related to the contract.

1.2 The PRINCIPAL will, during the pre-contract stage, treat all BIDDERS alike, and will provide to all BIDDERS the same information and will not provide any such information to any particular BIDDER which could afford an advantage to that particular BIDDER in comparison to other BIDDERS.

1.3 All the officials of the PRINCIPAL will report to the appropriate authority any attempted or completed breaches of the above commitments as well as any substantial suspicion of such a breach.

2. In case any such preceding misconduct on the part of such official(s) is reported by the BIDDER to the PRINCIPAL with full and verifiable facts and the same is prima facie found to be correct by the PRINCIPAL, necessary disciplinary proceedings, or any other action as deemed fit, including criminal proceedings may be initiated by the PRINCIPAL and such a person shall be debarred from further dealings related to the contract process. In such a case while an enquiry is being conducted by the PRINCIPAL the proceedings under the contract would not be stalled.

**3. Commitments of the BIDDERS**

The BIDDER commits itself to take all measures necessary to prevent corrupt practices,

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unfair means and illegal activities during any stage of its bid or during any pre-contract or post-contract stage in order to secure the contract or in furtherance to secure it and in particular commit itself to the following:

3.1 The BIDDER will not offer, directly or through intermediaries, any bribe, gift, consideration, reward, favour, any material or immaterial benefit or other advantage commission, fees brokerage or inducement to any official of the PRINCIPAL, connected directly or indirectly with the bidding process, or to any person, organization or third party related to the contract in exchange for any advantage in the bidding, evaluation, contracting and implementation of the contract.

3.2 The BIDDER further undertakes that it has not given, offered or promised to give, directly or indirectly any bribe, gift, consideration, reward, favour, any material or immaterial benefit or other advantage, commission, fees, brokerage or inducement (not available legally) to any official of the PRINCIPAL or otherwise in procuring the Contract or forbearing to do or having done any act in relation to the obtaining or execution of the contract or any other contract with IDBI Bank Ltd for showing or forbearing to show favour or disfavor to any person in relation to the contract or any other contract with IDBI Bank Ltd.

3.3 The BIDDER confirms and declares that they have not made any payments to any agents/ brokers or any other intermediary, in connection with this bid/ contract.

3.4 The BIDDER further confirms and declares to the PRINCIPAL that the BIDDER is the original vendor or service provider in respect of product/ service covered in the bid documents and the BIDDER has not engaged with any individual or firm or company whether Indian or foreign to intercede, facilitate or in any way to recommend to the PRINCIPAL or any of its functionaries, whether officially or unofficially to the award of the contract to the BIDDER, nor has any amount been paid, promised or intended to be paid to any such individual, firm or company in respect of any such intercession, facilitation or recommendation.

3.5 The BIDDER, at the earliest available opportunity, i.e. either while presenting the bid or during pre-contract negotiations and in any case before opening the financial bid and before signing the contract, shall disclose any payments he has made, is committed to or intends to make to officials of the PRINCIPAL or their family

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members, agents, brokers or any other intermediaries in connection with the contract and the details of the services agreed upon for such payments.

3.6 The BIDDER will not enter into any undisclosed agreement or collude with other parties interested in the contract/ other BIDDERS to impair the transparency, fairness and progress of the bidding process, bid evaluation, contracting and implementation of the contract or with respect to prices, specifications, certifications, subsidiary contracts etc.

3.7 The BIDDER will not accept any advantage in exchange for any corrupt practice; unfair means and illegal activities.

3.8 The BIDDER shall not use improperly, for purpose of competition or personal gain or pass on to others, any information provided by the PRINCIPAL as a part of the business relationship, regarding plans, technical proposals and business details including information contained in any electronic data carrier. The BIDDER also undertakes to exercise due and adequate care lest any such information is divulged.

3.9 The BIDDER commits to refrain from giving any complaint directly or through any other manner without supporting it with full and verifiable facts.

3.10 The BIDDER shall not instigate or cause to instigate any third person to commit any of the actions mentioned above.

3.11 If the BIDDER or any employee of the BIDDER or any person acting on behalf of the BIDDER, either directly or indirectly, is a relative of any of the officers of the PRINCIPAL, or alternatively, if any relative of an officer of the PRINCIPAL has financial interest/ stake in the BIDDER's firm, the same shall be disclosed by the BIDDER at the time of filing of tender.

3.12 The BIDDER shall not lend to or borrow any money from or enter into any monetary dealings or transactions, directly or indirectly, with any employee of the PRINCIPAL.

3.13 The BIDDER/ Contractor shall not directly or through any other person or firm use coercive practices against IDBI Bank and/ or other BIDDERS/ Contractor(s).

3.14 BIDDERS are not to pass any information provided by the PRINCIPAL as a part of business relationship to others and not commit any offence under PC/ IPC Act.

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3.15 Foreign BIDDERS if any, to disclose name and address of agents and representatives in India and Indian Bidders to disclose their foreign principal or associates.

3.16 BIDDERS to disclose any transgressions with any other company that may impinge on anti- corruption principle.

**4. Previous Transgressions**

4.1 The BIDDER declares that no previous transgression occurred in the last three years immediately before signing of this Integrity Pact, with any other company in any country in respect of any corrupt practices envisaged hereunder or with any Public Sector Enterprise / Public Sector Banks in India or any Government Department in India or RBI that could justify BIDDER's exclusion from the tender process.

4.2 The BIDDER agrees that if it makes incorrect statement on this subject, BIDDER can be disqualified from the tender process or the contract, if already awarded, can be terminated for such reason.

**5. Earnest Money (Security Deposit)**

5.1 While submitting Technical and Commercial bid, the BIDDER shall deposit an amount (specified in RFP) as Earnest Money/ Security Deposit, with the PRINCIPAL through any of the modes mentioned in the RFP/ bid document and no such mode is specified, by a Bank Draft or a Pay Order in favour of IDBI Bank Ltd. However payment of any such amount by way of Bank Guarantee, if so permitted as per bid documents/ RFP should be from any nationalized Bank other than IDBI Bank Ltd and promising payment of the guaranteed sum to the PRINCIPAL on demand within three working days without any demur whatsoever and without seeking any reasons whatsoever. The demand for payment by the PRINCIPAL shall be treated as conclusive proof for making such payment to the PRINCIPAL.

5.2 Unless otherwise stipulated in the Bid document/ RFP, the Earnest Money/ Security Deposit shall be valid up to a period of five years or the complete conclusion of the contractual obligations to the complete satisfaction of both the BIDDER and the PRINCIPAL, including warranty period, whichever is later.

5.3 In case of the Selected BIDDER, a clause would also be incorporated in the

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Article pertaining to Performance Bond in the Purchase Contract that the provisions of Sanctions for Violation shall be applicable for forfeiture of Performance Bond in case of a decision by the PRINCIPAL to forfeit the same without assigning any reason for imposing sanction for violation of this Pact.

5.4 No interest shall be payable by the PRINCIPAL to the BIDDER on Earnest Money/ Security Deposit for the period of its currency.

**6. Sanctions for Violations**

6.1 Any breach of the aforesaid provisions by the BIDDER or anyone employed by it or acting on its behalf (whether with or without the knowledge of the BIDDER) shall entitle the PRINCIPAL to take all or any one of the following actions, wherever required:

- 6.1.1 To immediately call off the pre contract negotiations without assigning any reason and without giving any compensation to the BIDDER. However, the proceedings with the other BIDDER(s) would continue, unless the PRINCIPAL desires to drop the entire process.
- 6.1.2 The Earnest Money Deposit (in pre-contract stage) and / or Security Deposit/ Performance Bond (after the contract is signed) shall stand forfeited either fully or partially, as decided by the PRINCIPAL and the PRINCIPAL shall not be required to assign any reason therefore.
- 6.1.3 To immediately cancel the contract, if already signed, without giving any compensation to the BIDDER.
- 6.1.4 To encash the advance Bank guarantee and performance bond/ warranty bond, if furnished by the BIDDER, in order to recover the payments, already made by the PRINCIPAL along with interest.
- 6.1.5 To cancel all or any other Contracts with the BIDDER. The BIDDER shall be liable to pay compensation for any loss or damage to the PRINCIPAL resulting from such cancellation/ rescission and the PRINCIPAL shall be entitled to deduct the amount so payable from the money(s) due to the BIDDER.
- 6.1.6 To debar the BIDDER from participating in future bidding processes of the PRINCIPAL or any of its subsidiaries for a minimum period of five years, which may be further extended at the discretion of the PRINCIPAL.

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- 6.1.7 To recover all sums paid, in violation of this Pact, by BIDDER(s) to any middleman or agent or broker with a view to securing the contract.
- 6.1.8 Forfeiture of Performance Bond in case of a decision by the PRINCIPAL to forfeit the same without assigning any reason for imposing sanction for violation of this Pact.
- 6.1.9 Intimate to the CVC, IBA, RBI, as the PRINCIPAL deemed fit the details of such events for appropriate action by such authorities.
- 6.2 The PRINCIPAL will be entitled to take all or any of the actions mentioned at para 6.1.1 to 6.1.9 of this Pact also on the Commission by the BIDDER or any one employed by it or acting on its behalf (whether with or without the knowledge of the BIDDER), of an offense as defined in Chapter IX of Indian Penal Code, 1860 or Prevention of Corruption Act, 1988 or any other statute enacted for prevention of corruption.
- 6.3 The decision of the PRINCIPAL to the effect that a breach of the provisions of this Pact has been committed by the BIDDER shall be final and conclusive on the BIDDER. However, the BIDDER can approach the Independent External Monitor(s) appointed for the purposes of this Pact.

## **7. Fall Clause**

7.1 The BIDDER undertakes that it has not supplied/ is not supplying similar product/ systems or subsystems at a price lower than that offered in the present bid in respect of any other Ministry/ Department of the Government of India or BFS&I sector / PSU or any other Bank and if it is found at any stage that similar product/ systems or sub systems was supplied by the BIDDER to any other Ministry/ Department of the Government of India or a BFS&I sector / PSU or a Bank at a lower price, then that very price, with due allowance for elapsed time, will be applicable to the present case and the difference in the cost would be refunded by the BIDDER to the PRINCIPAL, if the contract has already been concluded.

## **8. Independent External Monitors**

8.1 The PRINCIPAL has appointed Independent External Monitors (hereinafter referred to as Monitors or IEMs) for this Pact in consultation with the Central Vigilance Commission (Names and Addresses of the Monitors to be given).



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8.2 The task of the Monitors shall be to review independently and objectively, whether and to what extent the parties comply with the obligations under this Pact.

8.3 The Monitors shall not be subject to instructions by the representatives of the parties and perform their functions neutrally and independently.

8.4 Both the parties accept that the Monitors have the right to access all the documents relating to the project/ procurement, including minutes of meetings.

8.5 As soon as the Monitor notices, or has reason to believe, a violation of this Pact, he will so inform the Authority designated by the PRINCIPAL.

8.6 The BIDDER(s) accepts that the Monitor has the right to access without restriction to all Project documentation of the PRINCIPAL including that provided by the BIDDER. The BIDDER will also grant the Monitor, upon his request and demonstration of a valid interest, unrestricted and unconditional access to his project documentation. The same is applicable to Sub-contractors. The Monitor shall be under contractual obligation to treat the information and documents of the BIDDER/ Sub-contractor(s) with confidentiality.

8.7 The PRINCIPAL will provide to the Monitor sufficient information about all meetings among the parties related to the Project provided such meetings could have an impact on the contractual relations between the parties. The parties will offer to the Monitor the option to participate in such meetings.

8.8 The Monitor will submit a written report to the designated authority of PRINCIPAL/ Secretary in the Department/ within 8 to 10 weeks from the date of reference or intimation to him by the PRINCIPAL/ BIDDER and, should the occasion arise, submit proposals for correcting problematic situations.

## **9. Facilitation of Investigation**

In case of any allegation of violation of any provisions of this Pact or payment of commission, the PRINCIPAL or its agencies shall be entitled to examine all the documents including the Books of Accounts of the BIDDER and the BIDDER shall provide necessary information and documents in English and shall extend all possible help for the purpose of such examination.

## **10. Law and Place of Jurisdiction**

This Pact is subject to Indian Law. The place of performance and jurisdiction is the seat of the PRINCIPAL.

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**11. Other Legal Actions**

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

**12. Validity**

12.1 The validity of this Integrity Pact shall be from date of its signing and extend upto 8 years or the complete execution of the contract to the satisfaction of the PRINCIPAL and the BIDDER/ Seller, including warranty period, whichever is later. In case BIDDER is unsuccessful, this Integrity Pact shall expire after six months from the date of the signing of the contract, with the Selected Bidder by the PRINCIPAL.

12.2 Should one or several provisions of this Pact turn out to be invalid; the remainder of this Pact shall remain valid. In this case, the parties will strive to come to an agreement to their original intentions.

**13.** The parties hereby sign this Integrity Pact at \_\_\_\_\_ on\_\_\_\_\_.

**IN WITNESS WHEREOF**, the Parties have signed and executed this Integrity Pact at the place and date first hereinabove mentioned in the presence of following witness:

Signature  
(For & on behalf of the PRINCIPAL)

Signature  
(For & on behalf of the BIDDER/ Contractor)

Office Seal

Office Seal

Name  
Designation

Name  
Designation