

Annexure G

Penalty Clause

After empanelment of the vendors in accordance with the present empanelment process, work order will be issued after obtaining financial bids and selecting L1 within the empanelled vendors. Further, Work should be performed by the empanelled vendor/s in accordance with the time schedule and quality approved by the Bank as specified in the contract.

- i. Selected vendor to start work and test compatibility within 15 days of signing Service Level Agreement (SLA).
- ii. In the event of failure to maintain performance matrix specified in the Vendor Performance Matrix (Annexure F), penalties at the rate of 100 % of the project cost prepayment milestone period/ 10 Lacs per month whichever is lower would be levied per month/ payment milestone period subject to a maximum penalty of Rs.30 Lacs or 3 months payment to vendor whichever is higher. The penalties payable by the Vendor shall be in addition to the liquidated damages. It shall be the responsibility of Vendor to deploy sufficient manpower and resources to complete the task within the stipulated time schedule to avoid any penalty and/or liquidated damages under this clause.
- iii. In the event of loss of securities/documents/title deeds by the Vendor during the process of scanning and storing back into colour coded folders and/or activities associated with the process entrusted by the Bank, Vendor shall compensate the Bank to the whole extent of rebuilding cost including the penalties or cost, if any, awarded by any court/tribunal/legal forum payable by the Bank to its customers in addition to payment of penalty at 5% of project cost per instance per RASMEC/HLC subject to a maximum of Rs.10 Lacs
- iv. If the quality of the output is found to be unsatisfactory, the vendor to rescan it at no extra cost. However, penalty will be imposed if vendor fails to stick to over all timeline.
- v. If vendor imposed with 3 penalties during SLA period, then Bank may cancel the work order apart from invoking PBG and initial deposit. In such case decision taken by Bank will be the final and will bind all the parties.
- vi. If any of the images in a document is found to be of bad quality or found to be unfit for to upload in EDMS, Bank may reject the entire PDF file which shall be rescanned by the vendor without extra cost and within the overall time set.

- vii. Vendor has to ensure that sufficient infrastructure and manpower is deployed to complete the project as per timelines.
- viii. In case of non-adherence to the timelines, penalty would be imposed as applicable.

2. The Vendor shall strictly comply with all Labour and such other statutory Laws in relation to the services to be provided and the personnel engaged by the Vendor and he shall be solely responsible for all acts of the said personnel so enrolled and there shall and will not be any privity of contract for any purpose and to any intent between the Bank and said personnel so engaged by the Vendor. The Bank shall neither be liable nor answerable in respect of any claims or demands in respect of any matter or on any account which may be raised by the said personnel so engaged by the Vendor and it shall be the sole responsibility and liability of the Vendor to answer all such claims or demands of the said personnel so engaged, under any law for the time being in force.

3. The Vendor should process, for the entire duration of the contact, all licenses and registrations as may be required under any law and shall be responsible to register himself and obtain a valid license under Contract Labour (Regulation and Abolition) Act, 1970 and rules there under, if applicable. The Vendor shall comply with all rules and regulation in force under the said Act and rules. The Vendor shall comply with all applicable laws, rules and regulation relating to Provident Fund, Payment of Bonus, Minimum Wages, holiday/Sunday working charges or any other Statutory/Regulatory requirements. Any dispute regarding such dues shall and be dealt with and settled by the contractor.

4. General Indemnity:

- a) Vendor/s agrees and hereby keeps the Bank indemnified against all claims, action, loss, damages, reputation loss, costs, expenses, charges, including legal expenses (Attorney, Advocate fees included) which the Bank may suffer or incur on account of any deficiency in Services rendered by the vendor or any acts Commission/ omission on the part of employees, agents, representatives of the vendor. Vendor agrees to make good the loss suffered by the Bank on first demand made by the Bank in this regard which shall be final conclusive and binding on vendor.
- b) Vendor further undertakes to promptly notify the Bank in writing any breach of obligation of the agreement by its employees or representatives including confidentiality obligation and such an event, the Bank will in addition to and without prejudice to any other available remedies be entitled

to immediate equitable relief in a Court of competent jurisdiction to protect its interest including injunctive relief.

c) The Vendor/s shall be directly and vicariously liable to indemnify the Bank in case of any misuse of data/information of the Bank by the vendor, deliberate or in violation of any law including the DPDP Act

d) The Vendor shall indemnify and keep fully and effectively indemnified the Bank against all costs, claims, damages, demands, expenses and liabilities of whatsoever nature arising out of or in connection with all claims of infringement of trademark, patent, copyright, industrial design or any other intellectual property rights of any third party arising from the Services or use of software or any other product under this Agreement, subject to the following condition(s):

(i) The Bank shall promptly notify the vendor in writing of any allegations of infringement of which it has notice.

The Bank shall not make any admission of claims causing prejudice to the defense of the vendor against such claims without the Service.