

Export-Import Bank of India



POLICY ON DEBARMENT OF ENTITIES

August 2025

GLOSSARY AND ACRONYMS

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| BC-NEIA | Buyer's Credit under the National Export Insurance Account |
| DEBAR | Blacklist, Suspend, Ban, Sanction, and any combination thereof, as the case may be. |
| BORROWING GOVERNMENT | Government of the LOC recipient country |
| CF | Concessional Financing |
| DEBARMENT COMMITTEE | Independent Committee constituted by Exim Bank to examine Debarment |
| ENTITY / ENTITIES | Agencies like firms / companies / vendors etc., that are associated with projects being executed under IDEAS or any other GOI supported financing programmes, the Bank's other financing programmes and other business or administrative dealings |
| EXIM BANK, THE BANK | Export-Import Bank of India |
| GOI | Government of India |
| IDEAS | Indian Development and Economic Assistance Scheme |
| LOC | Line of Credit |

POLICY ON DEBARMENT

1. Introduction

1.1 Exim Bank, established by an Act of Parliament i.e. Export-Import Bank of India Act, 1981, operates as the Export Credit Agency of India, providing financial and advisory assistance to Indian exporters and importers, with the main objective of promoting the country's international trade. As a wholly owned entity of the GOI, Exim Bank adheres to the principles of ethics and integrity and guidelines of the GOI on integrity, debarment, anti-corruption etc.

2. What is debarment?

2.1 Debarment is a sanction imposed by the Bank that prevents Entities from participating in the Exim Bank's activities including without limitation, participation in doing any form of business with the Bank, after they have committed violations to, or failed to meet any standards of ethics, or integrity, or non-performance of contract/work, whether or not the same is a breach of any statutory obligation or not. The Debarment can also be imposed by the Bank in case of an Entity's inability or failure to meet any performance obligations as per its contractual obligations with the Bank or if they are liable to be debarred in accordance with this Policy.

3. Applicability of the Policy

3.1 Exim Bank deals with various Agencies like firms / companies / vendors etc., that are associated with projects being executed under IDEAS or any other GOI supported financing programmes, the Bank's other financing programmes and other business or administrative dealings (referred to as "**Entity**" or "**Entities**"). All such Entities are expected to adopt the highest standards of ethical practices and a high degree of integrity, transparency, commitment, and sincerity towards the work undertaken. This Policy is applicable to all such Entities.

4. Guiding principles

4.1 Rule 151 of General Financial Rules (GFRs), 2017 regarding 'Debarment from Bidding' with subsequent revisions / amendments from time to time.

4.2 IDEAS Guidelines issued by GOI, Ministry of Finance, Department of Economic Affairs, vide letter F.No. 5/7/2019-IDEAS dated March 31, 2022, with subsequent revisions / amendments from time to time.

4.3 Instructions or Guidelines issued by the GOI, as applicable, to Exim Bank.

4.4 Any other guidelines/ orders etc. that may be applicable to the procurement being carried out directly or indirectly by Exim Bank.

4.5 This Policy is to be read along with all such binding principles as may be applicable for Exim Bank.

4.6 In case of LOC / CF contracts, IDEAS Guidelines as set forth in Clause 4.2 above shall prevail and constitute the governing policy in the event of any inconsistency, conflict, or deviation arising from any other guidelines, directives, or orders, unless supersession of the IDEAS Guidelines is specifically provided for.

5. Criteria for Debarment

5.1 An Entity will be debarred, if any of its officers, directors, employees, personnel, subconsultants, subcontractors, service providers, suppliers or manufacturers has, directly or through an agent, engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices in competing for the contracts. An Entity is also liable to be debarred in case of any non-performance, including causing delays or cost overruns, in a contract or work undertaken [for reasons not directly attributable to force majeure or Exim Bank]. Illustrative lists of the criteria are at **Annexure-I** and **Annexure-II**.

6. Imposition of Debarment

6.1 The competent authority to impose debarment shall be the “Debarment Committee”, as notified by Exim Bank. The Debarment Committee (DC) shall consist of 3 members of a rank not less than General Manager of the Bank. The Debarment Committee will assess the extent of an Entity’s involvement in any violation for determining Debarment.

6.2 The DC shall decide on matters pertaining to period, applicability and nature of debarment. DC may refer the matter of debarment to external experts for an independent opinion.

6.3 Any Entity, that is associated with Exim Bank, whether directly or indirectly, under any of its programmes, or has any other dealings with Exim Bank, is liable to be debarred if it falls under the defined criteria as per Clause 5.1. Upon debarment of an entity, such debarment shall remain effective for the period of debarment and shall be applicable primarily for procurement activities of the Bank. Applicability of the debarment for business dealings, other than procurement, may be decided by the DC. Existing contracts of the debarred entity may be subject to cancellation by the Bank, or as governed by the respective contractual documents.

6.4 The Bank shall inform the Entity being debarred in writing through the Order of debarment and will publish names of debarred Entities along with period of their debarment, on its website from time to time.

6.5 This Debarment will also extend to successors of the debarred Entity and other Allied Firms as defined below:

All concerns which come within the sphere of effective influence of the debarred firms shall be treated as allied firms. In determining this, the following factors may be taken into consideration -

- a. Whether the management is common;
- b. Majority interest in the management is held by the partners or directors of banned / suspended firm;
- c. Substantial or majority shares are owned by the banned / suspended firm and by virtue of this it has a controlling voice.

d. Directly or indirectly controls, or is under common control with another bidder.

e. All successor firms will also be considered as allied firms.

In cases involving association of entities, including joint ventures, the debarment shall be imposed on the concerned Entities as well as the shareholders / consortium members and all associates, affiliates of the constituents.

6.6 For determination of Debarment, Exim Bank will follow due process of Natural Justice. The Bank has a Standard Operating Procedure (SOP) in place in accordance with this policy for the Debarment of Entities and shall be guided by the same.

7. Period of Debarment

7.1 The period of Debarment shall range from 3 (three) to 7 (seven) years from the date of issuance of the order of Debarment for cases pertaining to procurement under IDEAS guidelines, save and except for cases covered under Clause 10.1 of the policy regarding cross-debarment. Further, the period of Debarment shall not exceed 3 (three) years from the date of issuance of the order of Debarment for all other cases. The specific duration of debarment shall be as stipulated in the order of Debarment.

8. Appeal

8.1 A debarred entity may file an appeal against the order of Debarment by the Competent Authority. Such an appeal must be received within 30 days from the date of receipt of Order of Debarment.

8.2 Appellate Authority, for any appeal filed by the debarred entity, shall be the Managing Director of the Bank. The Appellate Authority shall adjudicate on the appeal filed during the appeal period as per Clause 8.1 and pass an appropriate order based on merits of the matter within 30 days from the date of receipt of the appeal.

9. Reinstatement

9.1 A debarred Entity shall not be automatically reinstated upon the expiry of the stipulated debarment period, save and except for the cases covered under Clause 10.1.

9.2 To restore eligibility, debarred Entities shall seek reinstatement. The request for reinstatement should provide the basis on which Exim Bank may consider reinstatement. Exim Bank will assess the reasons leading to the debarment and seek an affidavit / undertaking from the Entity, inter-alia, to the effect that it has not, engaged in any further ethics & integrity violations / been debarred for contract non-performance, during the period of debarment and / or has not been debarred by other agencies / institutions / authorities mentioned at Clause 10.1 below, to determine whether to reinstate the Entity or extend the debarment period, subject to the maximum period of debarment as defined under Clause 7.

10. Cross debarment

10.1 In accordance with Clause 4.2, entities that have been debarred by GOI / any agency of GOI or the Borrowing Government (in case of LOC / CF contracts) or by any agency / institution as defined in the extant IDEAS guidelines, shall stand ineligible to apply for future procurement from the date of debarment. Ineligibility of the said entity shall be automatically revoked upon expiry / revocation of the blacklisting by the concerned GOI department / agency of GOI or the Borrowing Government, or by any agency / institution as defined in the extant IDEAS guidelines.

11. Timeline for process of debarment

11.1 The process and decision regarding debarment should be completed within four (4) months from the date of issuance of show cause notice to the entity under examination for debarment.

ILLUSTRATIVE CRITERIA FOR DEBARMENT OF ENTITIES WHICH HAVE INDULGED IN CORRUPT / FRAUDULENT/ COERCIVE/ ABUSIVE/ PROHIBITED PRACTICES

- i. Corrupt practice, which is at any time means without limitation, offering, giving, receiving, soliciting, or acceptance of bribe, rewards or gifts or any material benefit, in exchange for an unfair advantage in the procurement process or to otherwise influence the procurement process or contract execution;
- ii. Fraudulent practice, which is any act or omission, including a misrepresentation, that attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation or concealment of a relevant fact. This includes making false declaration or providing false information for participation in a tender process or to secure a contract or in execution of the contract;
- iii. Coercive practice, which is impairing or harming, or threatening to impair or harm, directly or indirectly, any party, person or the property of the party or person, to unduly influence the actions of a party;
- iv. Collusive practice, which is an arrangement between two or more parties designed to achieve an improper purpose, including influencing improperly the actions of another party or the lenders, including for manipulation of any bidding or tendering process;
- v. Abuse, which is theft, waste or improper use of assets for purposes other than related to the project, either committed intentionally or otherwise;
- vi. Obstructive practice, which includes-
 - a. deliberately destroying, falsifying, altering, or concealing of evidence / material in an investigation;
 - b. making false statements to investigators in order to mislead investigation;

- c. failing to comply with requests to provide information, documents, or records in connection with an investigation;
 - d. threatening, harassing, or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation; or
 - e. materially impeding Bank's contractual rights of audit or inspection or access to information;
- vii. Soliciting projects by misrepresenting powers to 'arrange' credit or a contract;
- viii. Impeding transparent and fair bidding process in any manner which is immoral or illegal;
- ix. Diversion of funds received towards any payment under the contract, for purposes other than for which it is specified;
- x. Retaliation, or any adverse action against any whistleblowers or witnesses, which is any detrimental act, direct or indirect, recommended, threatened or taken against a whistleblower or witness, or person associated with a whistleblower or witness, in a manner material to a complaint because of the report or cooperation with an investigation by the whistleblower or witness;
- xi. Non-disclosure of conflict of interest;
- xii. Conviction under the Prevention of Corruption Act, 1988 or the Bharatiya Nyaya Sanhita or any other law for the time being in force, for causing any loss of life or property or causing a threat to public health as part of execution of a public procurement contract;
- xiii. Violations of Anti-corruption Policies of GOI and / or Borrowing Government.
- xiv. Any other extant directions / guidelines, as applicable, issued by Government of India / or any other GOI agencies like Central Vigilance Commission, on debarment.

ILLUSTRATIVE CRITERIA ATTRIBUTABLE TO THE ENTITY(IES) FOR NON-
PERFORMANCE OF CONTRACT / WORK

Any of the provisions of a Contract/Work that are not honoured for reasons attributable to the Entity, which include, but are not limited to reasons like supply of sub-standard material, non-supply of material, abandonment of works, sub-standard quality of works or services, failure to abide by guarantees, delays or any material breach of the contract/work etc. funded or supported by Exim Bank.
