

## **Integrity Pact**

The Central Vigilance Commission (CVC) has been promoting integrity, transparency, equity and competitiveness in Government/PSU transactions. In this context, the Commission has recommended adoption of Integrity Pact in respect of major procurements in the Government organizations and PSUs. In line with the directives from CVC, IPRCL has decided to adopt Integrity Pact for all the contracts having a threshold value as Office Order dated 24.04.2023. The pact essentially envisages an agreement between the prospective vendors/bidders and IPRCL, committing the persons/officials of both sides, not to resort to any corrupt practices in any aspect/stage of the contract. Only those vendors/bidders, who commit themselves to such a Pact with JNPA, would be considered competent to participate in the bidding process.

## **Standard Operating Procedure**

- Integrity Pact (IP) has to be signed with bidders/contractors in the case estimated value of each Purchase Order/Contract exceeds the threshold value indicated above.
- The bidders are required to sign and submit the Integrity Pact along with their bids. Bids received without signed IP would be rejected.
- IP would be included in the NIT/RFQ/Enquiry.
- IP shall cover all phases of the contract i.e. from the stage of Notice Inviting Tender (NIT)/pre-bid stage until the conclusion of the contract, i.e. the final payment to vendor/contractor.

## **IEMs OF IPRCL**

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## **Integrity Pact Agreement Format**

(This document shall be executed in 100/- non judicial stamp paper and shall be enclosed along with original financial instrument and reach IPRCL. corresponding address before opening Technical bid as per date and time given in this Tender).

### **PROFORMA OF INTEGRITY PACT (in original)**

BETWEEN

JAWAHARLAL NEHRU PORT AUTHORITY (JNPA) hereinafter referred to as "The Principal"

AND

(Name of The bidders and consortium members).....hereinafter referred to as

"The Bidder(s)/Contractor(s)

Preamble

The Principal intends to award, under laid down organizational procedures, contracts for..... The Principal values full compliance with all relevant laws of the land, rules, regulations, economic use of resources, and of fairness / transparency in its relations with its Bidders and / or contractor(s).

In order to achieve these goals, the Principal will appoint Independent External Monitor(s) (IEMs) who will monitor the tender process and the execution of the contract for compliance with the principles mentioned above.

### **Section 1 - Commitments of the Principal**

- (1) The Principal commits itself to take all measures necessary to prevent corruption and to observe the following principles:-
  - (a) No employee of the Principal, personally or through family members, will in connection with the execution of a contract, demand, take a promise for or accept, for him/herself or third person, any material or immaterial benefit which he/she is not legally entitled to.
  - (b) The Principal will, during the tender process treat all bidders with equity and reasons. The principle will in particular, before and during the tenders process, provide to all bidders the same information and will not provide to any bidder confidential / additional information through which the bidders could obtain an advantage in relation to the tender process or the contract execution.
  - (c) The Principal will exclude from the process all known prejudicial persons.
- (2) If the Principal obtains information on the conduct of any of its employees which is a criminal offence under the IPC / PC Act, or if there be a substantive suspicion in this regard, the Principal will inform the Vigilance Office and in addition can initiate disciplinary actions.

## **Section 2 - Commitments of the Bidder(s) / Contractor (s)**

- (1) The Bidder(s) /Contractor(s) commits themselves to take all measures necessary to prevent corruption. The Bidder(s) /Contractor(s) commits themselves to observe the following principles during participation in the tender process and during the contract execution.
  - a. The Bidder(s) /Contractor(s) will not, directly or through any other person or firm, offer, promise or give to any of the Principal's employees involved in the tender process or the execution of the contract or to any third person any material or other benefit, which he/she is not legally entitled to, in order to obtain in exchange of advantage of any kind, whatsoever during the tender process or during the execution of the contract.
  - b. The Bidder(s) /Contractor(s) will not enter with other Bidders into any undisclosed agreement or understanding, whether formal or informal. This

applies in particular to prices, specifications, certifications, subsidiary contracts, submission or non-submission of bids, or any other actions to restrict competitiveness, or to introduce cartelization in the bidding process.

- c. The Bidder(s) /Contractor(s) will not commit any offence, under the relevant IPC / PC Act further the Bidder(s)/Contractor(s) will not use improperly, for purposes of competition, or personal gain, or pass on to others, any information or document provided by the Principal, as part of the business relationship, regarding plans, technical proposals and business details, including information contained or transmitted electronically.
  - d. The Bidder(s) / Contractor(s) of foreign origin shall disclose the name and address of the Agents / representative in India. If any, similar the Bidder(s) / Contractor(s) of Indian Nationality shall furnish the name and "Guidelines on Indian Agents of Foreign Suppliers" shall be disclosed by the Bidder(s) / Contractor(s). Further, as mentioned in the Guidelines all the payment made to the Indian agent / representative have to be in Indian Rupees only. Copy of the "Guidelines on Indian Agent of Foreign Suppliers" is placed at (page no.6-7)
  - e. The Bidder(s)/Contractor(s) will, when presenting their bid, disclose any and all payments made, is committed to or intends to make to agents, brokers or any other intermediaries, in connection with the award of the contract.
  - f. The Bidder(s) / Contractor(s) who have signed the Integrity Pact shall not approach the Courts while representing the matter to IEMs and shall wait for their decision in the matter.
- (2) The Bidder(s)/Contractor(s) will not instigate third persons to commit offences outlined above or be an accessory to such offences.

### **Section-3 Disqualification from the tender process and exclusion from future contracts**

If the Bidder(s)/Contractor(s), before award or during execution has committed a transgression, through a violation of Section-2 above or in any other form, such as to put their reliability or credibility in question, the principal is entitled to disqualify the Bidder(s) /Contractor(s), from the tender process, or to take action as per the procedure mentioned in the "Guideline on Banning of business dealings". Copy of the "Guideline on Banning of business dealings" is placed at (page nos.8-17).

#### **Section 4 – compensation for Damages.**

- (1) If the Principle has disqualified the Bidder(s)/Contractor(s) from the tender process prior to the award according to Section 3, the Principle is entitled to demand and recover the damages equivalent to Earnest Money Deposit / Bid Security.
- (2). If the Principal has terminated the contract according to Section 3, or if the Principal is entitled to terminate the contract according to Section 3, the Principal liquidated damages of the Contract value or the amount equivalent to Performance Bank Guarantee.

#### **Section 5 – Previous transgression.**

- (1) The Bidder declares that, no previous transgression has occurred in the last three years, with any other company in any country conforming to the anti-corruption approach or with any Public Sector Enterprises in India, that could justify his exclusion from the tender process.
- (2) If the Bidder makes incorrect statement on this subject, he can be disqualified from the tender process or action can be taken as per the procedure mentioned in "Guidelines on Banning of business dealings".

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

- (1) In the case of Sub-contracting, the Principal Contract shall take the responsibility of the adoption of Integrity Pact by the Sub-contractor.
- (2) The Principal will enter into agreements with identical conditions as this one which all Bidders and Contractors.
- (3) The Principal will disqualify from the tender process all Bidders who do not sign this Pact or violates its provisions.

#### **Section-7 Criminal charges against violating Bidder(s) / Contractor(s) / Sub contractor(s)**

If the principal obtains knowledge of conduct of a Bidder, Contractor or Subcontractor, or of an employee or a representative or an associate of a Bidder, Contractor or Subcontractor which constitutes corruption, or if the Principal has substantive suspicion, in this regard, the Principal will inform the same to the Chief Vigilance officer.

### **Section-8 External Independent Monitor**

- (1) The Principal appoints competent and credible Independent External Monitor for this Pact after approval by Central Vigilance Commission. The task of the Monitor is to review independently and objectively, whether and to what extent the parties comply with the obligations under this agreement.
- (2) The Monitor is not subject to instructions by the representative of the parties to the parties and performs his / her functions neutrally and independently. The Monitor would have access to all Contract documents, whenever required. It will be obligatory for him / her treat the information and documents of the Bidders / Contractors as confidential. He / she reports to the Chairman, SAIL.
- (3) The Bidder(s)/Contractor(s) accepts that the Monitor has the right to access without restriction to all Project documentation of the Principal including that provided by the Contractor. The contractor will also grant the Monitor, upon his/her request and demonstration of a valid interest, unrestricted and unconditional access to their project documentation. The same is applicable to Sub-contractors.
- (4). The Monitor is under contractual obligations to treat the information and documents of the Bidder(s) / Sub-contractor(s) with confidentiality. The Monitor has also signed declarations on "Non-Disclosure of Confidential information" and of "Absence of Conflict of Interest". In case of any conflict of interest arising at a later date, the IEM shall inform Chairman, SAIL and recuse himself / herself from that case.
- (5) The Principal will provide to the Monitor sufficient information about all meetings among the parties related to the Project provided such meetings could have an impact on the contractual relations between the Principal and the Contract. The parties offer to the Monitor the option to participate in such meetings.
- (6) As soon as the Monitor notices, or believes to notice, a violation of this agreements, he / shall will so inform the Management of the Principal and request the Management to discontinue or take corrective action, or to take other relevant action. The monitor can

in this regard submit non-binding recommendations. Beyond this, the Monitor has not right to demand from the parties that they act in a specific manner, refrain from action or tolerate action.

- (7) The Monitor will submit a written report to the Chairman, SAIL which 8 to 10 weeks from the date of reference or intimation to him by the Principal and, should the occasion arise, submit proposals for correcting problematic situations.
- (8) The Monitor has reported to the Chairman, JNPA, a substantiate suspension of an offence under relevant IPC/PC Act, and the Chairman, JNPA has not, within reasonable time taken visible action to proceed against such offence or reported it to the Chief Vigilance Officer, the Monitor may also transmit this information directly to the Central Vigilance Commissioner.
- (9) The word 'Monitor' would include both singular and plural.

#### **Section-9 Pact Duration**

This Pact begins when both parties have signed it. It expires for the Contractor \_\_\_\_\_ MONTHS after the last payment under the contract and for all other Bidders 6 months after the contract has been awarded. Any violation of the same would entail disqualification of the bidders and exclusion from future business dealings.

If any claim is made/lodged during this time, the same shall be binding and continue be valid despite the lapse of this Pact, as specified above, unless it is discharged/determined Chairman, SAIL.

#### **Section-10 Other Provisions**

- (1) This agreement is subject to Indian Law. Place of performance and jurisdiction is the Registered Office of the Principal, Mumbai.
- (2) Changes and supplements as well as termination notices need to be made in writing. Side agreements have not been made.

- (3) If the Contractor is a partnership or a consortium, this agreement must be signed by all partners or consortium members.
- (4) Should one or several provisions of this agreement turn out to be invalid, the remainder of this agreement remains valid. In this case, the parties will strive to come to an agreement to their original intentions.
- (5) Issues like Warranty / Guarantee etc. shall be outside the purview of IEMs.
- (6) In the event of any contradiction between the Integrity Pact and its Annexure, the Clause in the Integrity Pact will prevail.

\_\_\_\_\_  
(For & on behalf of the Principal)  
(Office seal)

\_\_\_\_\_  
(For & on behalf of Bidder / Contractor)  
(Office seal)

Place:

Witness-1: .....  
(Name and Address)

Witness-2: .....  
(Name and Address)

Date: \_\_\_\_/\_\_\_\_/2023





इंडियन पोर्ट रेल एंड रोपवे कॉर्पोरेशन लिमिटेड  
(पत्तन, पोत परिवहन एवं जलमार्ग मंत्रालय, भारत सरकार के अधीन संयुक्त उद्यम)  
Indian Port Rail & Ropeway Corporation Ltd.  
(A JV Company under Ministry of Port, Shipping & Waterways, Government of India)  
CIN No: U60300DL2015PLC282703  
(An ISO 9001, 14001 & 45001 Certified Company)



e-office file No. MUM-12/2/2021-GEN (Computer-1060)

Date:24.04.2023

### OFFICE ORDER NO- 65/2023.

Sub:- Implementation of INTEGRITY PACT (IP) in works & consultancy tenders in IPRCL. -Revised.

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The competent Authority i.e MD has accorded approval for implementation of INTEGRITY PACT with the following revised value of procurement for both works/materials and services/Consultancy/EPC which will cover about 90% of procurement/contracts:-

1. FSR/DPR Consultancy work - for value more than Rs. 25 lakhs
2. PMC work –
  - i. Civil Engg work incl. PO of material -for value more than Rs. 5 Cr (revised)
  - ii. Electrical Engg work incl. procurement- for value more than Rs. 4 Cr
  - iii. S&T Engg work incl. procurement- for value more than Rs. 4 Cr
3. Track maintenance work - for value more than Rs. 5 Cr.
4. EPC Contract - value more than Rs. 50 Cr.

Thus for the tendered value more than above value, INTEGRITY PACT are to be included in the Bid Document. The soft copy of Integrity Pact is attached herewith for adopting in all such future tenders, with immediate effect.

This supersedes previous Office order No.58/2022 dtd.10/06/2022.

  
(Sanjay J Rawool)  
CGM/P&CC

Copy to:

- i. All HODs & Dy.HODs .
- ii. GM/Finance for information.

