

# INTEGRITY PACT

## Between

All India Institute of Medical Sciences-Madurai (**AIIMS-Madurai**) Institute of National Importance under the PMSSY Division, Ministry of Health and Family Welfare, Government of India

hereinafter referred to as “**BUYER**” which expression shall mean and include, unless the context otherwise requires, his successors in office and assigns of the **First Part**

## And

M/s\_\_\_\_\_ a company/firm/individual (Status of the company) having its registered office at ----- represented by Shri.\_\_\_\_\_, hereinafter referred to as “**BIDDER / SELLER**” Which expression shall mean and include, unless the context otherwise requires, his successors and permitted assigns of the **Second Part**

WHEREAS the BUYER proposes to procure under laid down organizational procedures, contract/s for ----- (Name of the work/ goods/ services) and the BIDDER / SELLER is willing to offer against NIT No./Bid No. ....

WHEREAS the **BIDDER/SELLER** is a private company / public company/Government undertaking/partnership/consortium/joint venture constituted in accordance with the relevant law in the matter and the BUYER is a Autonomous Central Institute.

## **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 BUYER to obtain the desired said (work/ goods/ services) at a competitive price in conformity with the defined specifications by avoiding the high cost and the distortionary impact of corruption on public procurement, and

Enabling the Bidder(s)/Contractor(s) 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

BUYER will commit to prevent corruption, in any form, by its officials by following transparent procedures.

### **SECTION 1- COMMITMENTS OF THE BUYER**

1. The BUYER commits itself to take all measures necessary to prevent corruption and to observe the following principles: -
  - I. The BUYER undertakes that no official of the BUYER, 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/SELLER, either for themselves or for any person, organization or third party related to the contract in exchange for an advantage in the bidding process, bid evaluation, contracting or implementation process related to the contract.
  - II. The BUYER will, during the pre-contract stage, and during the entire tendering process treat all the BIDDER/SELLER alike, and will provide to all the BIDDER/SELLER the same information and will not provide any such information to any particular BIDDER/SELLER which could afford an advantage to that particular BIDDER/SELLER in comparison to other BIDDER/SELLER
  - III. The BUYER will exclude from the process all known prejudiced persons. All the officials of the BUYER 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. If the BUYER obtains information on the conduct of any of its employees which is a criminal offence under the relevant Anti-Corruption Laws of India, or if there be a substantive suspicion in this regard, the BUYER will inform its Vigilance Office and in addition can initiate disciplinary action.
3. Person Signing shall not approach the courts While representing the matters to IEMs and he/she will await their decision in the matter.

## **SECTION 2: COMMITMENTS OF THE BIDDER(S)**

1. The Bidder(s)/Contractor(s) commits themselves to take all measures necessary to prevent corrupt practices, 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 themselves to observe the following principles during participation in the tender process and during contract execution: -
2. The Bidder(s)/Contractor(s) 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 BUYER, 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. The Bidder/Contractor 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 to any official of the BUYER 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 BUYER for showing or forbearing to show favour or disfavour to any person in relation to the contract or any other contract with BUYER.
4. The Bidder(s)/Contractor(s) shall disclose the name and address of agents and representatives and Indian Bidder(s)/Contractor(s) shall disclose their foreign principals or associates.
5. The Bidder(s)/Contractor(s) shall, when presenting their bid, disclose any / all payments made, is committed to or intends to make to agents, brokers or any other intermediaries, in connection with this bid/award of the contract
6. The Bidder, either while presenting their bid or during pre-contract negotiations or before signing the contract, shall disclose any payments made, is committed to or intends to make to officials of the BUYER or their family members, agents, brokers or any other intermediaries in connection with the contract and the details of services agreed upon for such payments.

7. The Bidder/Contractor will not collude with other parties interested in the contract to impair the transparency, fairness and progress of the bidding process, bid evaluation, contracting and implementation of the contract.
8. The BIDDER either while presenting the bid or during precontract negotiations or before signing the contract, shall disclose any payments he has made is committed to or intends to make to officials of the BUYER or their family members, agents, brokers or any other intermediaries in connection with the contract and the details of the services agreed upon for such payments.
9. The Bidder/Contractor will not accept any advantage in exchange for any corrupt practice, unfair means and illegal activities.
10. The Bidder/Contractor shall not use improperly, for purposes of competition or personal gain, or pass on to others, any information provided by the BUYER as part of the business relationship, regarding plans, technical proposals and business details, including information contained in electronic data carrier. The Bidder/Contractor also undertakes to exercise due and adequate care lest any such information is divulged.
11. The Bidder(s)/Contractor(s) commits to refrain from giving any complaint directly or through any other manner without supporting it with full and verifiable facts.
12. The Bidder(s)/Contractor(s) shall not instigate or cause to instigate any third person to commit any of the actions mentioned above.
13. If the Bidder/Contractor or any employee of the Bidder/Contractor or any person acting on behalf of the Bidder/Contractor, either directly or indirectly, is a relative of any of the officers of the BUYER, or alternatively, if any relative of an officer of the BUYER has financial interest/stake in the Bidder(s)/Contractor(s) firm (excluding Public Limited Company listed on Stock Exchange), the same shall be disclosed by the Bidder/Contractor at the time of filling of tender. The term 'relative' for this purpose would be as defined in Section 2(77) of the Companies Act 2013.
14. The Bidder(s)/Contractor(s) 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 BUYER.
15. The representative of the Bidder(s)/ Contractor(s) signing Integrity Pact shall not approach the Courts while representing the matters to IEMs and he/she will wait their decision in the matter.
16. In case of sub-contracting, the bidder/ shall take the responsibility of the adoption of Integrity Pact by the sub-contractor.

17. The Foreign Bidder/ Contractor, when presenting his bid, undertakes to disclose the name and address of agents and representative in India. Further, Indian Bidder/ Contractor when presenting his bid, undertakes to disclose the name and address of its foreign principals or associates.
18. Any violation of Integrity Pact would entail disqualification of the bidders and exclusion from future business dealings, as per the Existing provisions of GFR-2017 PC Act, 1988 and other Financial Rules/Guidelines etc. as may be applicable to the organisation concerned.
19. Person Signing shall not approach the courts while representing the matters to IEMs and he/she will await their decision in the matter.
20. In case of Joint Venture, all the partners of the joint venture should sign the Integrity Pact, In case of subcontracting, the Principal contractor shall take responsibility of the adoption of IP by the subcontractor. It is to ensured that all subcontractors also sign the IP. In case of Subcontractors, the IP will be a tripartite arrangement to be signed by the Organisation, the contractor and the subcontractor.

### **SECTION 3: PREVIOUS TRANSGRESSION**

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 in India or any Government Department in India that could justify Bidder's exclusion form the tender process.
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.

### **SECTION 4: SANCTIONS FOR VIOLATIONS**

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

- I. To Immediately call off the precontract negotiations without assigning any reason or giving any compensation to the BIDDER. However, the proceedings with the other BIDDER(s) would continue.
  - II. To Immediately cancel the contract, if already signed, without giving any compensation to the BIDDER.
  - III. To recover all sums already paid by the BUYER, and in case of an Indian BIDDER with interest thereon at 2% higher than the prevailing Prime Lending Rate of State Bank of India, while in case of BIDDER from a country other than INDIA, with a interest thereon at 2% higher than the LIBOR, IF any outstanding payment is due to the BIDDER from the BUYER in connection with any other contract for any other stores, such outstanding payment could also be utilised to recover the aforesaid sum and interest.
  - IV. 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 BUYER, along with interest.
  - V. 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 BUYER resulting from such cancellation Rescission and the BUYER shall be entitled to deduct the amount so payable from the Money(s) due to the BIDDER.
  - VI. To debar the BIDDER from participating in future bidding processes of the Government of India for a minimum period of five years, which may be further extended at the discretion of the BUYER.
  - VII. To recover all sums paid in violation of this Pact by BIDDER to any middleman or agent or broker with a view to securing the contract.
  - VIII. In cases where irrevocable letters of Credit have been received in respect of any contract signed by the BUYER with the BIDDER , the same shall not be opened.
  - IX. Forfeiture of Performance Bond in case of a decision by the BUYER to forfeit the same without assigning any reason for imposing sanction for violation of this PACT
2. The buyer will be entitled to take all or any of the actions mentioned at Para 6.1(1) to (x) 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 offence as defined in Chapter IX of the

Indian Penal Code, 1860 or Prevention of Corruption Act, 1988 or any other statute enacted for prevention of corruption.

3. The decision of the BUYER 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 Monitors appointed for the purposes of this pact.

#### **SECTION 5: FALL CLAUSE.**

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 PSU and if it is found at any stage that similar product/systems or subsystems was supplied by the Bidder to any other ministry/Department of the Government of India or a PSU 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 BUYER, if the contract has already been concluded.

#### **SECTION 6: INDEPENDENT MONITORS.**

1. The BUYER has appointed **INDEPENDENT MONITORS** (Hereinafter referred to as Monitors) for this Pact in consultation with the Central Vigilance Commission (Names and Addresses of the Monitors to be given)

Following are the IEM of AIIMS-Madurai

1. Name of the IEM: Dr. Akhilesh Kumar Ambasht

Address: 5606, Orchid Crescent, DLF – Phase IV, Sector 27, Gurugram - 122009

Email ID: [aambasht89@rediffmail.com](mailto:aambasht89@rediffmail.com)

2. Name of the IEM: Shri. Subodh Kumar Jaiswal

Address: B2703, Lotus Enpar Residency,45,Hanuman Klane, Lower Parel West, Mumbai - 400013

Email ID: [subodhjaiswal22@gmail.com](mailto:subodhjaiswal22@gmail.com)

3. The task of the MONITORS shall be review independently and objectively, whether and to what extend the parties comply with the obligations under this Pact.

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

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

6. 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 BUYER.

7. The Bidder(s) accepts that the Monitor has the right to access without restriction to all Project documentation of the Buyer 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 subcontractors. The Monitor shall be under contractual obligation to treat the information and documents of the Bidder/Subcontractors with confidentiality.

8. The BUYER 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.

9. The monitor will submit a written report to the designated Authority of BUYER/Secretary in the Department/within 8 to 10 weeks from the date of reference or intimation to him by the buyer/bidder and should the occasion arise, submit proposals for correcting problematic situations.

10. The IEMs/Monitors shall examine all the representations/grievances/complaints received by them from the bidders or their authorised representative related to any discrimination on account of lack of fair play in modes of procurement and bidding systems, tendering method, eligibility conditions, bid evaluation criteria, commercial terms and conditions, choice of technology/specifications etc.

11. For ensuring the desired transparency and objectivity in dealing with the complaints arising out of the tendering process, the matter should be examined by the full panel of IEM's jointly, who would look into the records, conduct an examination, and submit their joint recommendations to the Management. In case the full panel is not available due to some unavoidable reasons, the available IEM(s) will conduct examination of the complaints. Consent of IEM(s) who may not be available, shall be taken on record.

12. The role of IEM is advisory and the advice of IEM is non-binding on the organisation. However, as IEM are invariable persons with rich experience who have retired as senior functionaries of the government, their advice would help in proper implementation of the IP

### **SECTION 7: FACILITATION OF INVESTIGATION**

In case of an y allegation of violation of any provisions of this Pact or payment of commission, the BUYER 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

### **SECTION 8: LAW AND PLACE OF JURISDICTION**

This pact is subject to Indian Law. The place of performance and jurisdiction is the MADURAI-TAMIL NADU.

### **SECTION 9: 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.

### **SECTION 10: VALIDITY**

1. The validity of this integrity Pact shall be from date of its signing and extend up to 5 years or the complete execution of the contract to the satisfaction of both the Buyer 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 the contract.
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.

The parties hereby sign this integrity pact at -----  
on \_\_\_\_\_

**BUYER**

**BIDDER**

Name of the officer

Chief Executive Officer

Designation

Section

**Witness**

1.

1.

2.

2.