

Integrity Pact (IP)

Integrity Pact Clause and Format (Refer **Form-1**) to be included in bid documents with estimated value defined below. (except the contracts Finances through World Bank). Each page of such Integrity Pact proforma should be duly signed by competent signatory of Procurement/ Contract Dept (i.e. the Tender Committee member of Procurement/ Contract Dept.).

All pages of the Integrity Pact are to be returned by the bidder (along with the technical bid) duly signed by the same signatory who signed the bid, i.e. who is duly authorized to sign the bid and to make binding commitments on behalf of his company. A suitable clause should be incorporated in the tender documents requiring the bidders to sign the Integrity Pact and submit the same, along with technical bid

Tenders received without Integrity Pact will not be considered. The Integrity Pact should be part of the contract agreement.

1.	For “Works” Contracts	Rs. 100.0 Crores & above
2.	For “Goods & Services” Contracts	Rs. 1.0 Crore & above

Note: For the purpose of adoption of Integrity Pact, the Procurement of Consultancy Services shall also be considered as covered under the categories of “Goods & Services”. Name and contact details (email IDs) of all Independent External Monitors (IEMs) should be listed in bid documents. The threshold limit of procurement for Integrity Pact has been decided by THDCIL Board. The procurement wing of the organization shall hold quarterly meetings as per the CVC SOP dated 14.06.23 & subsequent clarifications/ amendments thereon, (if any) with the IEMs. (Annexure-Y)

The essential ingredients of the Pact include:

1. Promise on the part of the Procuring Entity to treat all bidders with equity and reason and not to seek or accept any benefit, which is not legally available;
2. Promise on the part of bidders not to offer any benefit to the employees:

3. Promise on the part of Bidders not to enter into any undisclosed agreement or understanding with other bidders with respect to prices, specifications, certifications, subsidiary contracts, etc.
4. Undertaking (as part of Fall Clause) by the Bidders that they have not and will not sell the same material/ equipment at prices lower than the bid price.
5. Foreign bidders to disclose the name and address of agents and representatives in India and Indian Bidders to disclose their foreign principals or associates;
6. Bidders to disclose the payments to be made by them to agents/ brokers or any other intermediary.
7. Bidders to disclose any past transgressions committed over the specified period with any other company in India or Abroad that may impinge on the anti-corruption principle.
8. Integrity Pact lays down the punitive actions for any violation.
9. IP would be implemented through a panel of Independent External Monitors (IEMs), appointed by the organization in consultation with Central Vigilance Commission. The IEM would review independently and objectively, whether and to what extent parties have complied with their obligations under the Pact. For implementing Integrity Pact, Procuring Entity are required to select at most three persons (below the age of 70 (seventy) years) of high integrity and reputation as Independent External Monitors (IEM) after due diligence and forward to the CVC for its approval. Only those officers of Government of India departments or Public Sector Undertakings, who have retired from top management positions, would be considered for appointment as IEM, provided they are neither serving or retired from the same organization. Eminent persons, retired judges of High/ Supreme Courts, executives of private sector of considerable eminence could also be considered for functioning as Independent External Monitors. The appointment of Independent External Monitors would be for a period of three years. (maximum tenure of three years).

10. Role/ Functions of IEMs:

The Monitors would not be subject to instructions by the representatives of the parties and should perform their functions neutrally and independently. They would review independently and objectively, whether and to what extent parties have complied with their obligations under the Integrity Pact. For this purpose, they would have access to all documents/ records pertaining to the tender for which a complaint or issue is raised before them, as and when warranted. Ideally all IEMs of an organization should meet once in a quarter to take stock of ongoing tendering process. The IEMs would examine all complaints received by them and give their

recommendations/ views to the designated officer of the Procuring Entity, at the earliest. The Monitors would also inform the Procuring Entity, if they notice or have reason to believe, a violation of the Integrity Pact. They may also send their report directly to the Central Vigilance Commission, in case of suspicion of serious irregularities requiring legal/ administrative action. At least one IEM would be invariably cited in the NIT. However, for ensuring the desired transparency and objectivity in dealing with the complaints arising out of any tendering process, the matter should be examined by the full panel of IEMs, who would look into the records, conduct an investigation, and submit their joint recommendations. The recommendations of IEMs would be in the nature of advice and would not be legally binding. IEMs may not be equated with consultants in the Procuring Entity. Their role is independent in nature and the advice once tendered would not be subject to review. The role of the Chief Vigilance Officer (CVO) of Procuring Entity shall remain unaffected by the presence of IEMs. A matter being examined by the IEMs can be separately investigated by the CVO, if a complaint is received by him or directed to him by the CVC.

As per para 5.6 of CVC OM No. 04/06/23 issued vide Letter No.015/VGL/091 dated 14.06.2023 (Annexure-Y),

in the event of any dispute between the management and the contractor relating to those contracts where Integrity Pact is applicable, in case, both the parties are agreeable, they may try to settle dispute through mediation before the panel of IEMs in a time bound manner. If required, the organizations may adopt any mediation rules for this purpose. However, not more than five meetings shall be held for a particular dispute resolution. The fees/ expenses on dispute resolution shall be equally shared by both the parties. In case, the dispute remains unresolved even after mediation by the panel of IEMs, the organization may take further action as per the terms & conditions of the contract.

The following Independent External Monitor(s) (IEMs) have been appointed by THDCIL, in terms of Integrity Pact (IP) which forms parts of the THDCIL Tenders/Contracts:

1. Dr. Prasenjit Mukherjee (IA&AS Retd.)

Email: prasenjitm@hotmail.com

2. Dr. Ashok Kumar Verma (IPS Retd.)

Email: vermaashokk@gmail.com

INTEGRITY PACT

(For Contracts with estimated value of Rs. 100.0 Crores & above for "Works"
and Rs. 1.0 Crores & above for "Goods & Services")

Between

THDC India Limited, a Company registered under the Company's Act 1956
and having its registered office at THDC India Limited, Ganga Bhawan,
Pragatipuram, Bypass Road, Rishikesh, Dehradun-249201, hereinafter referred
as "THDCIL"

and

..... hereinafter referred to collectively as
"The Bidder/ Contractors"

And

----- hereinafter referred as JV Partner/ Consortium members
(If applicable)

Preamble

THDCIL intends to invite the bids from the eligible bidders and to enter into
Contract for
"....."
with the successful bidder, under the laid down organizational system and
procedures. The THDCIL 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 Bidder (s) and / or Contractor (s).

In order to achieve these goals, THDCIL has appointed a panel of Independent
External Monitors (IEMs), who will monitor the tender process and the
execution of the contract for compliance with the principles mentioned above.

Section 1 - Commitments of THDCIL:

- (1) THDCIL commits itself to take all measures necessary to prevent
corruption and to observe the following principles:-
 - (A) No employee of THDCIL, personally or through family members,
will in connection with the tender for, or the execution of a contract,
demand, take a promise for or accept, for self or third person, any

material or immaterial benefit which the person is not legally entitled to.

- (B) THDCIL will, during the tender process treat all Bidder(s) with equity and reason. THDCIL will in particular, before and during the tender process, provide to all Bidder(s) the same information and will not provide to any Bidder(s) confidential/ additional information through which the Bidder(s) could obtain an advantage in relation to the tender process or the contract execution.
 - (C) THDCIL will exclude from the process all known prejudiced persons.
- (2) If THDCIL 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, THDCIL will inform the Chief Vigilance Officer and in addition can initiate disciplinary actions.

Section 2 – Commitments of the Bidder(s) / Contractor (s):

- (1) The Bidder(s) / Contractor(s) commit himself to take all measures necessary to prevent corruption. He commits himself to observe the following principles during his 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 THDCIL'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 any 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 THDCIL 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 / representatives in India, if any. Similarly the Bidder(s)/ Contractor(s) of Indian Nationality shall furnish the name and address of the foreign principals, if any. Further details as mentioned in the “Guidelines on Indian Agents of Foreign Suppliers” shall be disclosed by the Bidder(s) / Contractor(s). Further, as mentioned in the Guidelines all the payments made to the Indian agent/representative have to be in Indian Rupees only. Copy of the “Guidelines on Indian Agents of Foreign Suppliers” is annexed and marked as Annex-A.
- (E) The Bidder(s)/ Contractor(s) will, when presenting his bid, disclose any and all payments he has made, is committed to or intends to make to agents, brokers or any other intermediaries in connection with the award of the contract.
- (2) The Bidder(s)/ Contractor(s) will not instigate third persons to commit offences outlined above or be an accessory to such offences.
- (3) The Bidder (s)/Contractor (s) signing Integrity Pact Shall not approach the Courts while representing the matters to IEMs and he/she will await their decision in the matter.

Section 3 – Disqualification from tender process and exclusion from future Contracts:

- (1) 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 his reliability or credibility in question, THDCIL is entitled to disqualify the Bidder(s)/ Contractor(s) from the tender process and/or declare the bidder(s)/contractor(s) ineligible to be awarded a contract either indefinitely or for a stated period of time.
- (2) Integrity Pact, in respect of a particular contract, shall be operative from the date Integrity Pact is signed by both the parties till the final completion of the **contract or as mentioned in Section-9 – Pact Duration** whichever is later. Any violation of the same would entail disqualification of the bidders and exclusion from future business dealing, as per the

existing provisions of GFR, 2017 PC Act, 1988 and other Financial Rules/Guidelines etc. as may be applicable to the organization concerned.

Section 4 - Compensation for Damages:

- (1) If THDCIL has disqualified the Bidder(s) from the tender process prior to the award according to Section 3, THDCIL is entitled to demand and recover the damages equivalent to Bid Security.
- (2) If THDCIL has disqualified the contract according to Section 3, or if THDCIL is entitled to terminate the contract according to section 3, THDCIL shall be entitled to demand and recover from the Contractor 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 transgressions occurred in the last 3 years with any other Company in any country conforming to the anti corruption approach or with any other Public Sector Enterprise 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 section-3.

Section 6 - Equal treatment of all Bidders / Contractors/ Subcontractors:

- (1) The Bidder(s)/Contractors undertake(s) along-with its all JV partners ~~and Pre-disclosed subcontractors~~ confirms their commitment in conformity with this Integrity Pact, and jointly sign this Integrity Pact.
- (2) In case of sub-contracting, the Principal Contractor also undertakes the responsibility of the adoption of IP by its sub-contractors.
- (3) THDCIL will disqualify from the tender process all bidders who do not sign this Pact or violate its provisions.

Section 7- Criminal charges against violating Bidder(s)/Contractor(s)/ Subcontractor(s):

If THDCIL 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

THDCIL has substantive suspicion in this regard, THDCIL will inform the same to the Chief Vigilance Officer.

Section 8 - Independent External Monitor/ Monitors:

- (1) THDCIL appoints a panel of competent and credible Independent External Monitor with the consent of CVC for monitoring this pact. 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 Monitors is not subject to instructions by the representatives of the parties and performs his functions neutrally and independently. He reports to the Chairman, THDCIL.
- (3) The Bidder(s)/Contractor(s) accepts that the Monitor has the right to access without restriction to all Project documentation of THDCIL including that provided by the Contractor, pertaining to the contract for which a complaint or issue is raised before them, as and when warranted. The Contractor 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. However, the documents/records/ information having National Security implications and those documents which have been classified as Secret/Top Secret are not to be disclosed. The Monitor is under contractual obligation to treat the information and documents of the Bidder(s)/ Contractor(s)/ Subcontractor(s) with confidentiality.
- (4) THDCIL 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 THDCIL and the Contractor. The parties offer to the Monitor the option to participate in such meetings.
- (5) As soon as the Monitor notices, or believes to notice, a violation of this agreement, he will so inform the Management of THDCIL and request the Management to discontinue or take corrective action, or to make other relevant action. The monitor can in this regard submit non-binding recommendations. Beyond this, the Monitor has no right to demand from the parties that they act in a specific manner, refrain from action or tolerate action.

- (6) The Monitor will submit a written report to the Chairman, THDC India Ltd, within 8 to 10 weeks from the date of reference or intimation to him by THDCIL and, should the occasion arise, submit proposals for correcting problematic situations.
- (7) Monitor shall be entitled to compensation on the same terms as being extended to/ provided to "Non-official Part-Time Director on the Board of THDC India Ltd."
- (8) If the Monitor has reported to the Chairman THDC India Ltd, a substantiated suspicion of an offence under relevant IPC/PC Act, and the Chairman THDC India Ltd, has not, within the reasonable time, taken visible action to proceed against such offence or reported it to the Chief Vigilance Officer, the
- (9) Monitor may also transmit this information directly to the Central Vigilance Officer in THDCIL or to CVC.
- (10) The word 'Monitor' would include both singular and plural.

Section 9 – Pact Duration:

- (1) This pact begins when both parties have legally signed it. It expires for the Contractor 12 months after the last payment under the contract, and for all other unsuccessful Bidders 6 months after the contract has been awarded.
- (2) If any claim is made/ lodged during this time, the same shall be binding and continue to be valid despite the lapse of this pact as specified above, unless it is discharged/ determined by Chairman of THDCIL.

Section 10 – Other Provisions:

- (1) This agreement is subject to Indian Law. Place of performance and jurisdiction is the Corporate Office of THDCIL i.e. Rishikesh.
- (2) In the event of any dispute between the THDCIL and the contractor relating to those contracts where Integrity Pact is applicable, in case, both the parties are agreeable, they may try to settle dispute through mediation before the panel of IEMs in a time bound manner. If required, the THDCIL may adopt any mediation rules for this purpose.

In case, the dispute remains unresolved even after mediation by the panel of IEMs, the THDCIL shall take further action as per the terms & conditions of the contract.

The fees/expenses on dispute resolution shall be equally shared by both the parties.

The fees payable to IEMs for such meetings shall be same as regular fee payable to IEMs by THDCIL for other periodic review meetings with a ceiling of Rs. 3.0 Lakhs in a Financial Year.

- (3) Changes and supplements as well as termination notices need to be made in writing. Side agreements have not been made.
- (4) If the Contractor is a partnership or a consortium, this agreement must be signed by all partners or consortium members.
- (5) 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.

For & on behalf of Contractor

(Authorized
Signature) :
Name of the
Authorized :
Representative
Designation :
Office Seal :
Place :
Date :

Witness No. 1 :

Name :
Designation :
Address :

For & on behalf of Corporation

(Authorized
Signature) :
Name of the
signing :
Authority
Designation :
Office Seal :
Place :
Date :

**Witness No.
1 :**

Name :
Designation :
Address :

**GUIDELINES FOR INDIAN AGENTS OF
FOREIGN “SUPPLIERS/CONTRACT AGENCIES”**

- 1.0. The Indian Agents of foreign suppliers/contract Agencies in respect of all Global (Open) Tenders and Limited Tenders shall submit their details/credentials to THDCIL.
- 1.1. Agent needs to submit before the placement of order by THDCIL, on Original certificate issued by his foreign supplier/contract Agency (or an authenticated Photostat copy of the above certificate duly attested by a Notary Public) confirming the agency agreement and giving the status being enjoyed by the agent alongwith the details of the commission/ remuneration / salary/retainer being paid by them to the agent(s).
- 1.2. Wherever the Indian representative has communicated on behalf of their foreign supplier/ contract Agency and / or the foreign supplier/ contract Agency have stated that they are not paying any commission to their Indian Agent(s) but paying salary or retainer, a written declaration to this effect given by the foreign supplier/contract Agency should be submitted before finalizing the contract.
- 2.0. **DISCLOSURE OF PARTICULARS OF AGENT(S) / REPRESENTATIVE(S) IN INDIA, IF ANY**
- 2.1. Bidders of Foreign nationality shall furnish the following details in their quotation/ bid.
 - 2.1.1. The name and address of their agent(s)/representative(s) in India, if any, and the extent of authorization and authority given to them to commit them. In case the agent(s)/ representative(s) is a foreign Company, it shall be confirmed whether it is a really substantial Company and details of the company shall be furnished.
 - 2.1.2. The amount of commission/ remuneration included in the quoted price(s) for such agents(s)/representative(s) in India.
 - 2.1.3. Confirmation of the Bidder that the commission/ remuneration if any, payable to his agents(s)/representative(s) in India, may be paid by THDCIL in Indian Rupees only.

3.0. DISCLOSURE BY INDIAN AGENT(S) OF PARTICULARS OF THEIR FOREIGN SUPPLIER/CONTRACT AGENCY AND FURNISHING OF REQUISITE INFORMATION

3.1. Bidder of Indian Nationality shall furnish the following details/certificates in /alongwith their offers.

3.1.1. The name and address of foreign supplier /contract agency indicating their nationality as well as their status, i.e. manufacturer or agent of manufacturer holding the Letter of Authority.

3.1.2. Specific Authorisation letter by the foreign supplier/contract agency authorizing the agent to make an offer in India in response to tender either directly or through their agent(s)/representative(s).

3.1.3. The amount of commission /remuneration included for bidder in the price(s) quoted.

3.1.4. Confirmation of the foreign supplier/contract agency of the bidder, that the commission/remuneration, if any, reserved for the bidder in the quoted price(s), may be paid by THDCIL in equivalent Indian Rupees.

4.0. In either case, in the event for materialization of contract, the terms of payment will provide for payment of the commission/remuneration payable, if any, to the agents(s)/representative(s) in India in Indian Rupees, as per terms of the contract.

4.1. Failure to furnish correct information in detail, as called for in para 2.0 and / or 3.0 above will render the bid concerned liable for rejection or in the event of materialization of contract; the same is liable for termination by THDCIL. Besides this, other actions like banning business dealings with THDCIL, payment of a named sum etc., may also follow.



केन्द्रीय सतर्कता आयोग
CENTRAL VIGILANCE COMMISSION



सतर्कता भवन, जी.पी.ओ. कॉम्प्लेक्स,
ब्लॉक-ए, आई.एन.ए., नई दिल्ली-110023
Satarkta Bhawan, G.P.O. Complex,
Block A, INA, New Delhi-10023

सं./No.....015/VGL/091.....

दिनांक / Dated..14.06.2023.....

Circular No. 04/06/23

Subject : Adoption and implementation of Integrity Pact-Revised Standard Operating Procedure- regarding.

The Commission has reviewed the Standard Operating Procedure (SOP) for adoption of Integrity Pact (IP) by all Government Organizations, Public Sector Enterprises, Public Sector Banks, Insurance Companies, other Financial Institutions and Autonomous bodies etc. A copy of the revised SOP is enclosed, which would be applicable for adoption and implementation of the IP by the organizations concerned.

2. The present SOP is in supersession of the earlier SOP issued vide Circular No. 05/01/22 dated 25.01.2022.

WJ Keishing

(Wormila Jasmine Keishing)
Deputy Secretary

Encl.: As above

To

- (i) All Secretaries of Ministries / Departments. (This Circular may also be shared with the existing IEMs in the organizations concerned)
- (ii) All CMDs/Head of CPSUs/Public Sector Banks/Organisations. (This Circular may also be shared with the existing IEMs in the organizations concerned)
- (iii) All CVOs of Ministries/Departments/CPSUs/Public Sector Banks/Organisations. (This Circular may be brought to the notice of the Chief Executive of the organization concerned)
- (iv) All Independent External Monitors.

STANDARD OPERATING PROCEDURE FOR IMPLEMENTATION OF INTEGRITY PACT

1.0 BACKGROUND

- 1.1 In order to ensure transparency, equity and competitiveness in public procurement, the Commission recommends adoption and implementation of the concept of Integrity Pact (IP) by Government organizations, Public Sector Enterprises, Public Sector Banks, Insurance Companies, other Financial Institutions and Autonomous Bodies, etc.
- 1.2 Deptt. of Expenditure vide OM dt. 19.7.2011, issued guidelines to all Ministries/Departments/Organizations including their attached/subordinate offices and autonomous bodies for implementation of IP. Also, vide OM dated 20.7.2011, Deptt. of Expenditure requested Department of Public Enterprises for directions to Central Public Sector Enterprises for use of IP.
- 1.3 Further, in view of the increasing procurement activities of Public Sector Banks (PSBs), Insurance Companies (ICs) and Financial Institutions (FIs), the Commission vide Circular No. 02/02/2015 dated 25.02.2015 advised that all PSBs, PSICs and FIs shall also adopt and implement the Integrity Pact.
- 1.4 The Commission vide Circular No. 05/01/22dated 25.01.2022, issued a revised Standard Operating Procedure (SOP) for adoption and implementation of Integrity Pact by Organizations.

2.0 INTEGRITY PACT

- 2.1 The Pact essentially envisages an agreement between the prospective vendors/bidders and the buyer, 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 the buyer, would be considered competent to participate in the bidding process. In other words, entering into this Pact would be a preliminary qualification. The essential ingredients of the Pact include:

- Promise on the part of the Principal not to seek or accept any benefit, which is not legally available;
- Promise on the part of bidder not to offer any benefit to the employees of the Principal not available legally;
- Principal to treat all bidders with equity and reason;
- Bidders not to enter into any undisclosed agreement or understanding with other bidders with respect to prices, specifications, certifications, subsidiary contracts, etc.
- Bidders not to pass any information provided by Principal as part of business relationship to others and not to commit any offence under PC/ IPC Act;
- Foreign bidders to disclose the name and address of agents and representatives in India and Indian Bidders to disclose their foreign principals or associates;
- Bidders to disclose the payments to be made by them to agents / brokers or any other intermediary;
- Bidders to disclose any transgressions with any other public/government organization that may impinge on the anti-corruption principle. The date of such transgression, for the purpose of disclosure by the bidders in this regard, would be the date on which cognizance of the said transgression was taken by the competent authority. The period for which such transgression(s) is/are to be reported by the bidders shall be the last **three years** to be reckoned from date of bid submission. The transgression(s), for which cognizance was taken even before the said period of three years, but are pending conclusion, shall also be reported by the bidders.

- 2.2 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 organization concerned.

- 2.3 IP would be implemented through a panel of Independent External Monitors (IEMs), appointed by the organization. The IEM would review independently and objectively, whether and to what extent parties have complied with their obligations under the Pact on receipt of any complaint by them from the bidder(s).
- 2.4 Integrity Pact, in respect of a particular contract, shall be operative from the date IP is signed by both the parties. The IEMs shall examine all the representations/grievances/complaints received by them from the bidders or their authorized 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 & conditions, choice of technology/specifications etc.
- 2.5 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 IEMs 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 the IEM(s), who may not be available, shall be taken on record.
- 2.6 The role of IEM is advisory and the advice of IEM is non-binding on the Organization. However, as IEMs are invariably persons with rich experience who have retired as senior functionaries of the government, their advice would help in proper implementation of the IP.
- 2.7 The role of the CVO of the organization shall remain unaffected by the presence of IEMs. A matter being examined by the IEMs can be separately investigated by the CVO in terms of the provisions of the CVC Act or Vigilance Manual, if a complaint is received by him/her or directed to him/her by the Commission. CVO and /or the officials of the vigilance wing should not be associated by IEMs during examination of the complaints in any manner.

3.0 APPOINTMENT OF IEMs

- 3.1 The IEMs appointed should be eminent persons of high integrity and reputation. A periodical notice inviting applications from eligible persons will be published on the Commission's website. After due scrutiny and verification of the applications and accompanying documents, as may be deemed appropriate by the Commission, the name(s) would be included in the panel for consideration for nomination as IEM.
- 3.2 The zone of consideration of eminent persons for empanelment as IEMs would consist of:-
- (i) Officers who have held the post of Additional Secretary to Govt. of India or were in equivalent or higher pay scale, at the time of retirement (whether serving with Govt. of India or any State Govt.).
 - (ii) Persons who have held the post of CMD of Schedule 'A' Public Sector Enterprise and were equivalent to Additional Secretary to Govt. of India, at the time of retirement.
 - (iii) Persons who have held the post of CMD/MD and CEO of Public Sector Banks, Insurance Companies and other Financial Institutions, at the time of retirement.
 - (iv) Chief Executive Officer of an organization (other than listed above and were equivalent or higher to Additional Secretary to Govt. of India, at the time of retirement).
 - (v) Officers of Armed Forces, who were in the pay scale of equivalent or higher to Additional Secretaries to Govt. of India, at the time of retirement.
- 3.3 The Commission would not include a retired person in the panel being maintained by it for consideration for nomination as IEM, if that retired person has accepted a full time assignment, post retirement, either in government sector or private sector or elsewhere. All those empanelled persons, who accept full time assignment elsewhere, would cease to remain on the panel, from the date on which they have accepted the said assignment. In

this regard, it would be incumbent upon the empanelled persons to immediately inform the Commission about the acceptance of full time assignment by them.

- 3.4 The Commission would nominate IEMs for an organization, from the panel of IEMs maintained by it. The concerned organization should send a request for nomination of IEMs in case of adoption of Integrity Pact by them. Whenever a vacancy is likely to arise due to completion of tenure of an existing IEM, the organization should send the request for nomination of IEM three months before the expiry of tenure. Similarly, in case of resignation of IEM(s), intimation along with request for nomination should be sent immediately by the organization to the Commission.
- 3.5 Three IEMs shall be nominated for appointment in Maharatna and Navratna PSUs and two IEMs shall be nominated in all other organizations.
- 3.6 A person may be appointed as an IEM in a maximum of three organizations at a time.
- 3.7 An empanelled person cannot be appointed in one organization for a period of more than three years.
- 3.8 Age of IEM should not be more than 70 years at the time of appointment.

4.0 IMPLEMENTATION PROCEDURE

- 4.1 The provision for the Integrity Pact is to be included in all Requests for Proposal/Tender documents issued in future in respect of the procurements that meet the criteria laid down by the Ministry/Department in terms of Department of Expenditure's OM dated 19.07.2011.
- 4.2 In all tenders covered under the IP, particulars of all IEMs, including their email IDs, should be mentioned, instead of mentioning details of a single IEM.

- 4.3 The Purchase / procurement wing of the organization would be the focal point for the implementation of IP.
- 4.4 It has to be ensured, through an appropriate provision in the tender document, that Integrity Pact is deemed as part of the contract so that the parties concerned are bound by its provisions.
- 4.5 A clause should be included in the IP that a person signing IP shall not approach the Courts while representing the matters to IEMs and he / she will await their decision in the matter.
- 4.6 In case of a joint venture, all the partners of the joint venture should sign the Integrity Pact. In case of sub-contracting, the Principal contractor shall take responsibility of the adoption of IP by the sub-contractor. It is to be ensured that all sub-contractors also sign the IP. In case of sub-contractors, the IP will be a tri-partite arrangement to be signed by the Organization, the contractor, and the sub-contractor.
- 4.7 The final responsibility for implementation of IP vests with the Head of organization/CMD/CEO of the organization.

5.0 ROLE OF IEMs

- 5.1 The IEMs would be provided access to all documents/records pertaining to the tender for which a complaint or issue is raised before them, as and when warranted.
- 5.2 The Procurement wing of the organization shall hold quarterly meetings with the IEMs. A summary of contracts awarded in the previous quarter, which are covered under the IP, shall be shared with the IEMs during the quarterly meeting. Such summary of contracts should include details like tender number, mode of tendering, period allowed for publicity, number of bids received, number of bidders considered eligible, and name and address of the successful bidder.

- 5.3 The above summary of contracts is to help the IEMs in analyzing whether appropriate mode of tendering is being adopted by the organization i.e. limited tender mode or nomination mode are not unduly used, number of bidders are not too low, large number of bidders are not excluded while judging the eligibility or during technical bid evaluation stage, and whether particular firm or set of particular firms is repeatedly getting contracts etc. Based on their analysis, the IEMs can suggest to the Management suitable systemic improvement(s) and measures to improve objectivity in decision making, capacity building etc.
- 5.4 It would be desirable to have structured meetings of the IEMs with the Chief Executive of the Organization on a half yearly basis to discuss / review the information on tenders awarded during the preceding six months' period. Additional such meetings, however, can be held as per requirement. All such meetings with the Procurement wing or with the Chief Executive of the organization should be minuted.
- 5.5 IEM should examine the process integrity; they are not expected to concern themselves with fixing of responsibility of officers. Complaints alleging malafide on the part of any officer of the organization should be looked into by the CVO of the concerned Organization.
- 5.6 In the event of any dispute between the management and the contractor relating to those contracts where Integrity Pact is applicable, in case, both the parties are agreeable, they may try to settle dispute through mediation before the panel of IEMs in a time bound manner. If required, the organizations may adopt any mediation rules for this purpose. However, not more than five meetings shall be held for a particular dispute resolution. The fees/expenses on dispute resolution shall be equally shared by both the parties.

In case, the dispute remains unresolved even after mediation by the panel of IEMs, the organization may take further action as per the terms & conditions of the contract.

- 5.7 All IEMs should sign non-disclosure agreements with the organization in which they are appointed.
- 5.8 The IEMs would also be required to sign a declaration of absence of conflict of interest. A person acting as an IEM shall not be debarred from taking up other assignments such as consultancy with other organizations or agencies subject to his declaring that his / her additional assignment does not involve any conflict of interest with existing assignment, and it is not a full time assignment. In case of any conflict of interest arising at a later date from an entity wherein he is or has been a consultant, the IEM should inform the CEO and recuse himself/herself from that case.

6.0 ENTITLEMENTS OF IEMs

- 6.1 In any organization, the IEMs shall be paid per sitting a fees of ₹ 25,000/- . However, the maximum amount payable to IEMs in a calendar year shall not exceed ₹ 3,00,000/- with respect to the sitting fees.
- 6.2 The travel and stay arrangement for the IEMs for such meetings shall be equal to their entitlements at the time of retirement. Booking of tickets for travel, as per the mode of travel indicated by the IEM in writing (including email), local transport and stay shall be done by the organization.
- 6.3 The fees for meetings held by IEMs for mediation between the Management and the contractor as per Para 5.6 above shall be the same as fee payable to IEMs otherwise and in addition to the fees for the regular meetings of IEMs, over and above the ceiling of ₹ 3,00,000/- annually, to be calculated as per calendar year. The travel and stay arrangement for such meetings shall be same as given in Para 6.2 above.
- 6.4 The organization concerned shall provide place for meeting and secretarial assistance to IEMs for rendering his/her job as IEM. No payment in lieu of secretarial assistance shall be paid to the IEMs.

7.0 REVIEW SYSTEM

- 7.1 CVOs of all organizations would keep the Commission posted with the implementation status through their annual reports and special reports, wherever necessary.
- 7.2 All organizations are called upon to make sincere and sustained efforts to imbibe the spirit and principles of the Integrity Pact and ensure its effective implementation.



टीएचडीसी इंडिया लिमिटेड

THDC INDIA LIMITED

(श्रेणी-क, मिनी रत्न, सरकारी उपक्रम)

(Schedule-"A" Mini Ratna Government PSU)

सतर्कता विभाग, ऋषिकेश

अंतर कार्यालय ज्ञापन



भारत 2023 INDIA

वसुधैव कुटुम्बकम्

ONE EARTH • ONE FAMILY • ONE FUTURE

No: THDC/RKSH/VIG/F-81/2025-26/103

Dated: 20/05/2025

From: Dy. CVO, THDC India Limited, Rishikesh.	To: As per distribution list.
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Sub: Adoption and Implementation of Integrity Pact – Revised Standard Operating Procedure- regarding.

Sir,

Please find attached herewith the CVC Circular No. 03/04/25 dated 28.04.2025 on the subject, for compliance please.


20/05/2025

(Satish Kumar Arya)

Copy:

Manager, CVO Secretariat, New Delhi.

Encl: CVC Circular No. 03/04/25 dtd. 28.04.2025

वितरण: आवश्यक कार्यवाही हेतु:

1. अधिशासी निदेशक, टिहरी काम्प्लेक्स, टिहरी ।
2. अधिशासी निदेशक (केएसटीपीपी), खुर्जा ।
3. अधिशासी निदेशक(तकनीकी), ऋषिकेश ।
4. अधिशासी निदेशक, एनसीआर कार्यालय, कौशाम्बी ।
5. अधिशासी निदेशक, अरूणांचल प्रदेश परियोजना ।
6. मुख्य महाप्रबंधक-(सूचना प्रौद्योगिकी/ओ0एम0एस0,क्यू0ए0 एवं सेफटी/लागत अभियांत्रिकी)/ एमपीएस/ ईएमडी/ विधि एवं माध्यस्थम, ऋषिकेश ।
7. मुख्य महाप्रबंधक (परियोजना), वीपीएचईपी, पीपलकोटी ।
8. मुख्य महाप्रबंधक/मुख्य कार्यकारी अधिकारी, TREDSCO, जयपुर ।
9. मुख्य महाप्रबंधक, के.एच.ई.पी. , कोटेश्वर ।
10. मुख्य महाप्रबंधक (पी.एस.पी.), टिहरी ।
11. मुख्य महाप्रबंधक (पीएसपी एवं फ्लोटिंग सोलर), एनसीआर कार्यालय, कौशाम्बी ।
12. मुख्य महाप्रबंधक/ मुख्य कार्यकारी अधिकारी, TUSCO, लखनऊ ।
13. मुख्य महाप्रबंधक (परियोजना), अमेलिया कोल माइन्स, सिंगरौली ।
14. महाप्रबंधक/ मुख्य कार्यकारी अधिकारी, TUECO Ltd. देहरादून ।
15. महाप्रबंधक, द्वारका/पाटन, गुजरात / कौशाम्बी ।
16. महाप्रबंधक (मा.सं. एवं प्रशासन, कॉरपोरेट कम्युनिकेशन/एच.आर.डी.)/वित्त/प्रापण/ परिकल्प-I/परिकल्प-II/ परिकल्प-III/आर एंड डी, ऋषिकेश ।
17. महाप्रबंधक (परियोजना), ढुकवा, झांसी ।
18. महाप्रबंधक, विद्युत/ओ एण्ड एम, (केएसटीपीपी), खुर्जा ।
19. महाप्रबंधक (संविदा), एनसीआर कार्यालय, कौशाम्बी ।
20. महाप्रबंधक, विधि एवं आर.सी., टिहरी ।
21. अपर महाप्रबंधक (सामाजिक एवं पर्यावरण), ऋषिकेश ।
22. महाप्रबंधक (कासरगोड), केरला ।

प्रतिलिपि-सूचनार्थ प्रेषित :

1. तकनीकी सचिव, अध्यक्ष एवं प्रबंध निदेशक, ऋषिकेश ।
2. उप प्रबंधक, निदेशक कार्मिक सचिवालय, ऋषिकेश ।
3. तकनीकी सचिव, निदेशक (तकनीकी), ऋषिकेश ।
4. वरिष्ठ प्रबंधक, निदेशक वित्त सचिवालय, ऋषिकेश ।



केन्द्रीय सतर्कता आयोग
CENTRAL VIGILANCE COMMISSION



सतर्कता भवन, जी.पी.ओ. कॉम्प्लेक्स,
ब्लॉक-ए, आई.एन.ए., नई दिल्ली-110023
Satarkta Bhawan, G.P.O. Complex,
Block A, INA, New Delhi-10023

सं./No.....015/VGL/091/51856

दिनांक / Date 28.04.2025.....
23

CORRIGENDUM

Circular No. 03/04/25

Subject: Adoption and implementation of Integrity Pact-Revised Standard Operating Procedure-regarding

Reference is invited Commission's Circular No. 015/VGL/091 dated 14.06.2023 on the aforementioned subject.

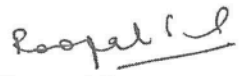
2. Para 4.6 of the above circular lays down that that "In case of a joint venture, all the partners of the joint venture should sign the Integrity Pact. In case of sub-contracting, the Principal contractor shall take responsibility of the adoption of IP by the sub-contractor. It is to be ensured that all sub-contractors also sign the IP. In case of sub-contractors, the IP will be a tri-partite arrangement to be signed by the organization, the contractor and the sub-contractor."

3. The Commission is in receipt of references from some organizations citing difficulties in implementing the provisions of above para regarding sub-contractors where the IP is to be a tripartite arrangement to be signed by the organization, the contractor and the sub-contractor.

4. The Commission has considered the matter and it is decided that Para 4.6 of the above circular stands modified as follows:

"In case of a joint venture, all the partners of the joint venture should sign the Integrity Pact. In case of sub-contracting, the principal contractor shall be solely responsible for the adherence to the provisions of IP by the sub-contractor(s)."

5. This may be noted for compliance.


(Roopal Prakash)
Director

To

- (i) The Secretaries of all Ministries/Departments of GoI (This Circular may also be shared with the existing IEMs in the organizations concerned)
- (ii) All Chief Executives of CPSUs/Public Sector Banks/Public Sector Insurance Companies/Autonomous Bodies etc. (This Circular may also be shared with the existing IEMs in the organizations concerned)
- (iii) All CVOs of Ministries/Departments of GoI/CPSUs/Public Sector Banks/Public Sector Insurance Companies/Autonomous Bodies etc. (This Circular may be brought to the notice of the Chief Executive of the organization concerned)
- (iv) Website of CVC