

## **Pre Contract Integrity Pact for Tender Ref No. 9-12/ISMG/2018**

*(The pre contract integrity pact needs to be executed on a stamp paper of value equal to Rupees hundred only (₹100) and signed by a person duly authorised by the bidder)*

### **General**

This Agreement (hereinafter called the Integrity Pact) is made on \_\_\_\_\_ day of the month of \_\_\_\_\_ 20\_\_\_\_, between, on one hand, the President of India acting through Director, Financial Intelligence Unit-India, Department of Revenue, Ministry of Finance, Government of India (hereinafter called the "PURCHASER"/ "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 \_\_\_\_\_ represented by \_\_\_\_\_, Chief Executive Officer/ Authorised Signatory (hereinafter called the "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 engage the managed services provider (MSP) for design, development, implementation, operations and maintenance of FINnet 2.0 of the Financial Intelligence Unit and the BIDDER is willing to offer/has offered the services and

**WHEREAS** the BIDDER is a private company/public company/Government undertaking/partnership/registered export agency, constituted in accordance with the relevant law in the matter and the PURCHASER is a Ministry/Department of the Government of India performing its functions on behalf of the President of India

### **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 PURCHASER to obtain the desired services at a competitive price in conformity with the defined specification by avoiding the high cost and the distortionary impact of corruption on public procurement, and

Enabling BIDDERs 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.

The parties hereto hereby agree to enter into this Integrity Pact and agree as follows:

### **1. Commitments of the BUYER**

- 1.1 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, either for themselves or for any person, organisation 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.
- 1.2 The BUYER will, during the pre-contract stage, treat all the BIDDERs alike, and will provide to all BIDDERs the same information and will not provide any such information to any particular BIDDER which could afford an advantage to that particular BIDDER in comparison to other BIDDERs.
- 1.3 All the officials of the BUYER will report to the appropriate Government office any attempted or completed breaches of the above commitments as well as any substantial suspicion of such a breach.

  

2. In case any such preceding misconduct on the part of such official(s) is reported by the BIDDER to the BUYER with full and verifiable facts and the same is *prima facie* found to be correct by the BUYER, necessary disciplinary proceedings, or any other action as deemed fit, including criminal proceedings may be initiated by the BUYER and such a person shall be debarred from further dealings related to the contract process. In such a case while an enquiry is being conducted by the BUYER the proceedings under the contract would not be stalled.

### **3. Commitments of the BIDDERs**

The BIDDER commits itself to take all the 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 itself to the following:-

- 3.1 The BIDDER will not offer, directly or through intermediaries, any bribe, gift, consideration, reward, favour or 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, organisation or third party related to the contract in exchange for any advantage in the bidding, evaluation, contracting and implementation of the contract.

- 3.2 The BIDDER 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 the Government for showing or forbearing to show favour or disfavour to any person in relation to the contract or any other contract with the Government.
- 3.3 BIDDER shall disclose the payments to be made by them to agents/brokers or any other intermediary, in connection with this bid/contract.
- 3.4 The BIDDER further confirms and declares to the BUYER that the BIDDER has not engaged any individual or firm or company whether Indian or foreign to intercede, facilitate or in any way to recommend to the BUYER or any of its functionaries, whether officially or unofficially to the award of the contract to the BIDDER, nor has any amount been paid, promised or intended to be paid to any such individual, firm or company in respect of any such intercession, facilitation or recommendation.
- 3.5 The BIDDER, either while presenting the bid or during pre-contract 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 services agreed upon for such payments.
- 3.6 The BIDDER 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.
- 3.7 The BIDDER will not accept any advantage in exchange for any corrupt practice, unfair means and illegal activities.
- 3.8 The BIDDER 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 any electronic data carrier. The BIDDER also undertakes to exercise due and adequate care lest any such information is divulged.
- 3.9 The BIDDER commits to refrain from giving any complaint directly or through any other manner without supporting it with full and verifiable facts.
- 3.10 The BIDDER shall not instigate or cause to instigate any third person to commit any of the actions mentioned above.
- 3.11 If the BIDDER or any employee of such BIDDER or any person acting on behalf of such BIDDER, who is involved in the bid process, either directly or indirectly,

is a relative (as defined under section 2(77) of the Companies' act 2013) of any of the officers of the BUYER, or alternatively, if any relative of an officer of BUYER who is involved in the bid process has financial interest/stake in the BIDDER's firm, the same shall be disclosed by the BIDDER at the time of filing of tender.

3.12 The BIDDER 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.

#### **4. Previous Transgression**

4.1 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 from the tender process.

4.2 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.

#### **5. Sanctions for Violations**

5.1 Any breach of the aforesaid provisions by the BIDDER or any one 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:-

5.1.1 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.

5.1.2 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.

5.2 The BUYER will be entitled to take all or any of the actions mentioned at para 5.1.1 to 5.1.2 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.

5.3 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 Monitor(s) appointed for the purposes of this Pact.

## **6. Independent Monitors**

6.1 Shri NAJIB SHAH, IRS (Retd.) has been appointed as Independent External Monitor (hereinafter referred to as Monitor) for overseeing and implementation of the Pre- Contract Integrity Pact for procurement of services in Financial Intelligence Unit-India by CVC. His contact details are as under:  
Shri NAJIB SHAH, IRS (Retd.)  
Email: [najibshah@hotmail.com](mailto:najibshah@hotmail.com)

6.2 The task of the Monitor shall be to review independently and objectively, whether and to what extent the parties comply with the obligations under this Pact.

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

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

6.5 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.

6.6 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/Subcontractor(s) with confidentiality.

6.7 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.

6.8 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.

## **7. Facilitation of investigation**

In case of any 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.

## **8. Law and Place of Jurisdiction**

This Pact is subject to Indian Law. The place of performance and jurisdiction is New Delhi.

## **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.

## **10. Validity**

- 10.1 The validity of this Integrity Pact shall be from date of its signing and remain in force perpetually.
- 10.2 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.

11. The parties hereby sign this pre-contract integrity pact at \_\_\_\_\_ on \_\_\_\_\_

**BUYER**

**BIDDER**

Chief Executive Officer or Authorised  
Signatory

Witnesses

- 1.
- 2.
- 1.
- 2.