

(to be executed on a NJSP of appropriate value) **Annexure - I**
PRE CONTRACT INTEGRITY PACT

General:

This pre-bid pre-contract Agreement (hereinafter called the Integrity Pact) is made on day of the month of 201 , between, on one hand, the Life Insurance Corporation of India, Management Development Centre (hereinafter referred to as “LIC-MDC”) a statutory Corporation established under section 3 of Life Insurance Corporation Act 1956 (XXXI of 1956) and have its corporate office at “Yogakshema”, Jeevan Bima Marg, Mumbai 400 021, (hereinafter called the “SERVICE RECEIVER” which expression shall mean and include, unless the context otherwise requires, his successors in office assigns) of the First part, And M/s. represented by Shri (hereinafter called the “SERVICE PROVIDER ” which expression shall mean and include, unless the context otherwise requires, his successors and permitted assigns) of the Second Part.

WHEREAS the SERVICE RECEIVER proposes to procure (the Electrical Maintenance services) and the SERVICE PROVIDER is willing to offer the services and

WHEREAS the SERVICE PROVIDER is a proprietorship/partnership/private company/public company/Government undertaking/partnership/registered export agency, constituted in accordance with the relevant law in the matter and the SERVICE RECEIVER is performing its function under the LIC Act, 1956.

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 SERVICE RECEIVER to obtain the desired Electrical Maintenance Services at a competitive price in conformity with the defined specifications by avoiding high cost and the distortionary impact of corruption on public procurement, and

Enabling SERVICE PROVIDERS 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 SERVICE RECEIVER 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:-

COMMITMENTS OF THE SERVICE RECEIVER

- 1.1 The SERVICE RECEIVER undertakes that no official of the SERVICE RECEIVER, 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 SERVICE PROVIDER , either 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 on implementation process related to the contract.

- 1.2 The SERVICE RECEIVER will, during the pre-contract stage, treat all SERVICE PROVIDERS alike and will provide to all SERVICE PROVIDERS the same information and will not provide any such information to any particular SERVICE PROVIDER which could afford an advantage to that particular SERVICE PROVIDER in comparison to other SERVICE PROVIDERS’.
- 1.3 All the officials of the SERVICE RECEIVER will report to the appropriate “CVO” 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 SERVICE PROVIDER to the SERVICE RECEIVER with full and verifiable facts and the same is prima facie found to be correct by the SERVICE RECEIVER, necessary disciplinary proceedings, or any other action as deemed fit, including criminal proceedings may be initiated by the SERVICE RECEIVER 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 SERVICE RECEIVER the proceedings under the contract would not be stalled.

COMMITMENTS OF SERVICE PROVIDERS

3. The SERVICE PROVIDER commits itself 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 itself to the following:
 - 3.1 The SERVICE PROVIDER 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 SERVICE RECEIVER, 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.
 - 3.2 The SERVICE PROVIDER 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 SERVICE RECEIVER 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 disfavor to any person in relation to the contract or any other contract with the Government.

- 3.3 Foreign SERVICE PROVIDERS' shall disclose the name and address of their Indian agents and representatives in India, and Indian SERVICE PROVIDERS' shall disclose their foreign SERVICE RECEIVERS' or associates.
- 3.4 SERVICE PROVIDERS shall disclose the payments to be made by them to their agents/brokers or any other intermediary, in connection with this bid/contract.
- 3.5 The SERVICE PROVIDER further confirms and declares to the SERVICE RECEIVER that they are the original service providers of the electrical maintenance services and have not sublet its functions or authority or engaged any individual or firm or company whether Indian or foreign to intercede, facilitate or in any way to recommend to the SERVICE RECEIVER or any of its functionaries, whether officially or unofficially to the award of the contract to the SERVICE PROVIDER , 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.
- 3.6 The SERVICE PROVIDER, 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 SERVICE RECEIVER 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.
- 3.7 The SERVICE PROVIDER 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.
- 3.8 The SERVICE PROVIDER will not accept any advantage in exchange for any corrupt practice, unfair means and illegal activities.
- 3.9 The SERVICE PROVIDER will not commit any offence under the relevant Indian Penal Code (IPC)/Provision of Corruption (PC) act. Further improperly, for purposes of competition or personal gain, pass on to others, any information provided by the SERVICE RECEIVER as part of the business relationship, regarding plans, technical proposals and business details including information contained in any electronic data carrier. The SERVICE PROVIDER also undertakes to exercise due and adequate care lest any such information is divulged.

- 3.10 The SERVICE PROVIDER commits to refrain from giving any complaint directly or through any other manner without supporting it with full and verifiable facts.
- 3.11 The SERVICE PROVIDER shall not instigate or cause to instigate any third person to commit any of the actions mentioned above.
- 3.12 If the SERVICE PROVIDER or any employee of the SERVICE PROVIDER or any person acting on behalf of the SERVICE PROVIDER, either directly or indirectly, is a relative of any of the officers of the SERVICE RECEIVER, or alternatively, if any relative of an officer of the SERVICE RECEIVER has financial interest/stake in the SERVICE PROVIDER's firm, the same shall be disclosed by the SERVICE PROVIDER at the time of filling the tender. The term 'relative' for this purpose would be as defined in section 6 of the Companies Act 1956.
- 3.13 The SERVICE PROVIDER 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 SERVICE RECEIVER.

4. **Previous Transgression**

- 4.1 The SERVICE PROVIDER 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; SERVICE PROVIDER's exclusion from the tender process.
- 4.2 The SERVICE PROVIDER agrees that if it makes incorrect statement on this subject, SERVICE PROVIDER can be disqualified from the tender process or the contract, if already awarded, can be terminated for such reason.

5. **Earnest Money (Security Deposit):**

- 5.1 While submitting the financial bid, the SERVICE PROVIDER shall deposit an amount Rs.10000/- as Earnest Money as per **condition** 1 of the Notice for **financial bid** and the Successful service provider shall deposit the applicable Security Deposit as per **condition** 2 of the Notice for **financial bid** with the SERVICE RECEIVER through any of the following instruments:
- (i) Demand Draft favouring Nationalized Bank/Scheduled Bank.

- (ii) A confirmed Bank Guarantee by an Indian Nationalized Bank/Scheduled Bank promising payment of the guaranteed sum to the SERVICE RECEIVER on demand within three working days without any demur whatsoever and without seeking any reasons whatsoever. The demand for payment by the SERVICE RECEIVER shall be treated as conclusive proof of payment.
- 5.2 The Earnest Money and or Security Deposit and or Bank Guarantee shall be valid upto to the complete conclusion of the contractual obligations to the complete satisfaction of both the SERVICE PROVIDER and the SERVICE RECEIVER, including warranty /Guarantee period, whichever is later.
- 5.3 In case of the successful SERVICE PROVIDER a clause would also be incorporated in the Article pertaining to Security Deposit and or Bank Guarantee in the Electrical Maintenance Contract that the provisions of sanctions of Violation shall be applicable for forfeiture of Security Deposit and or Bank Guarantee in case of a decision by the SERVICE RECEIVER to forfeit the same without assigning any reason for imposing sanction for violation of this Pact.
- 5.4 No interest shall be payable by the SERVICE RECEIVER to the SERVICE PROVIDER on the Earnest Money and or Security Deposit and or Bank Guarantee for the period of its currency.
6. **Sanctions for Violations:**
- 6.1 Any breach of the aforesaid provisions by the SERVICE PROVIDER or any one employed by it or acting on its behalf (whether with or without the knowledge of the SERVICE PROVIDER) shall entitle the SERVICE RECEIVER to take all or any one of the following actions, wherever required:-
- (i) To immediately call off the pre contract negotiations without assigning any reason or giving any; compensation to the SERVICE PROVIDER. However, the proceedings with the other SERVICE PROVIDER (s) would continue.
- (ii) The Earnest Money Deposit (in pre-contract stage) and/or Security Deposit and or Bank Guaranteed (after the contract is signed) shall stand forfeited either fully or partially, as decided by the SERVICE RECEIVER and the SERVICE RECEIVER shall not be required to assign any reason therefore.
- (iii) To immediately cancel the contract, if already signed, without giving any compensation to the SERVICE PROVIDER.
- (iv) To recover all the sums already paid by the SERVICE RECEIVER, and in the case of an Indian SERVICE PROVIDER with interest thereon at 2% above the prevailing Prime Lending Rate of State Bank of India,

while in case of a SERVICE PROVIDER from a country other than India with interest thereon at 2% above the LIBOR (London Inter Bank Offer Rate). If any outstanding payment is due to the SERVICE PROVIDER from the SERVICE RECEIVER in connection with any other contract for any other stores/services , such outstanding payment could also be utilized to recover the aforesaid sum and interest.

- (v) To encash the advance bank guarantee and or forfeit the Security deposit furnished by the SERVICE PROVIDER, in order to recover the payments, already made by the SERVICE RECEIVER, along with interest.
- (vi) To cancel all or any other contracts with the SERVICE PROVIDER. The SERVICE PROVIDER shall be liable to pay compensation for any loss or damage to the SERVICE RECEIVER resulting from such cancellation/recission and the SERVICE RECEIVER shall be entitled to deduct the amount so payable from the money(s) due to the SERVICE PROVIDER.
- (vii) To debar the SERVICE PROVIDER from participating in the future bidding processes of LIC for a minimum period of five year which may be further extended at the discretion of the SERVICE RECEIVER.
- (viii) To recover all sums paid in violation of this Pact by SERVICE PROVIDER (s) to any middleman or agent or broker with a view to securing the contract.
- (ix) In cases where irrevocable Letters of Credit have been received in respect of any contract signed by the SERVICE RECEIVER with the SERVICE PROVIDER, the same shall not be opened.
- (x) Forfeiture of EMD or security Deposit or Bank Guarantee in case of a decision by the SERVICE RECEIVER to forfeit the same without assigning any reason for imposing sanction for violation of this pact.

6.2 The SERVICE RECEIVER will be entitled to take all or any of the actions mentioned as para 6.1(i) to (x) of this Pact also on the Commission by the SERVICE PROVIDER or any one employed by it or acting on its behalf (whether with or without the knowledge of the SERVICE PROVIDER), 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.

6.3 The decision of the SERVICE RECEIVER to the effect that a breach of the provisions of this Pact has been committed by the SERVICE

PROVIDER shall be final and convulsive on the SERVICE PROVIDER. However, the SERVICE PROVIDER can approach the Independent Monitor(s) appointed for the purpose of this Pact.

7. Fall Clause:

- 7.1 The SERVICE PROVIDER undertakes that it has not supplied/is not supplying similar product/systems/items /services 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/system/services or sub systems/items was supplied by the SERVICE PROVIDER to any other Ministry/Department of the Government of India or PSU at a lower price, than 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 SERVICE PROVIDER to the SERVICE RECEIVER, if the contract has already been concluded.

8. Independent Monitors:

- 8.1 The SERVICE RECEIVER will be appointing (hereinafter referred to as Monitors) for this Pact in consultation with the Central Vigilance Commission(CVC).
The details of the Monitor(s) shall be intimated separately for the information of all parties concerned as the same is not available with us at present.
- 8.2 The task of the Monitors shall be to review independently and objectively, whether and to what extent the parties comply with the obligations under this Pact.
- 8.3 The Monitors shall not be subject to instructions by the representatives of the parties and perform their functions neutrally and independently. It will be obligatory for him to treat the information and documents of the SERVICE PROVIDER /Contractor as confidential.
- 8.4. Both the parties accept that the Monitors have the right to access all the documents relating to the project/procurement, including minutes of meetings.
- 8.5 As soon as the Monitor notices, or has reason to believe, a violation of this pact, he will so inform the Director MDC or any other person authorised by him .
- 8.6 The SERVICE PROVIDER (s) accepts that the Monitor has the right to access without restriction to all Project documentation of the SERVICE RECEIVER including that provided by the SERVICE PROVIDER. The SERVICE PROVIDER 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 SERVICE PROVIDER /Subcontractor(s) with confidentiality.
- 8.7 The SERVICE RECEIVER 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.
- 8.8 The Monitor will submit to the Director-MDC or any other person authorised by him a written report within 8 to 10 weeks from the date of reference or intimation to him by the SERVICE RECEIVER/SERVICE PROVIDER and, should the occasion arise, submit proposals for correcting problematic situations.
9. **Facilitation of Investigation:**
In case of any allegation of violation of any provisions of this Pact or payment of commission, the SERVICE RECEIVER or its agencies shall be entitled to examine all the documents including the Books of Accounts of the SERVICE PROVIDER. The SERVICE PROVIDER shall provide necessary information and documents in English and shall extend all possible help for the purpose of such examination/inspection.
10. **Law and Place of Jurisdiction:**
The Pact is subject to Indian Law. The place of performance and jurisdiction is the seat of the SERVICE RECEIVER.
11. **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 extent law in force relating to any civil or criminal proceedings.
12. **Validity**
- 12.1 The validity of this Integrity Pact shall be from date of its signing and extend upto 5 years or the complete execution of the contract to the satisfaction of both the SERVICE RECEIVER and the SERVICE PROVIDER, including warranty period, whichever is later. In case SERVICE PROVIDER is unsuccessful, this Integrity Pact shall expire after six months from the date of signing of the contract.
- 12.2 Should one of 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.
13. The parties hereby sign this Integrity Pact at on
SERVICE RECEIVER SERVICE PROVIDER

On behalf of LIC-MDC

Name of the Officer:
Designation

CEO

Witness

1.....

1.....

2.....

2.....

ANNEXURE-VII (i)

The Director-MDC,
Management Development Centre,
LIC of India,
Jeevan Bima Nagar,
Mumbai 400 103.

Sir,

Re: Empanelment of Contractors for providing Electrical Maintenance Services and execution of the Integrity Pact.

Pursuant to the Notice for financial bid of Contractors for providing Electrical Maintenance services in MDC Campus, I / We whose names and signature is / are given appended herein below representing the Establishment whose Stamp / Seal is also affixed herein below hereby submit the necessary information as required in the Integrity Pact.

SL NO.	PARTICULARS	Relevant clause of Integrity Pact.	Information
1	The name of your Establishment		
2	Are you a Foreign Service Provider?(If yes, please provide)	3.3	YES/NO
3	Have you made any payments to your agents/brokers or any other Intermediary in connection with this bid/contract?	3.4	YES/NO
4	Are you the original service provider who will be directly engaging with LIC –MDC to provide the Electrical Maintenance Services?	3.5	YES/NO
5	Have you made or committed to make any payments to officials of the Service Receiver, or their family members , agents ,brokers or Intermediaries in connection with this bid/contract and services agreed upon for such payments ?(if yes give details separately.)	3.6	YES/NO
6	Are you or any of your employees or persons acting on your behalf either directly or indirectly is a relative of any of the officer of Service Receiver or has a financial stake	3.12	YES/NO

	in you firm?		
7	Have you lend or borrowed money or entered into monetary dealings or transactions with any of the employee of the Service Receiver either directly or indirectly?	3.13	YES/NO
8	Have you had any previous transgressions in the last three years immediately before signing this Integrity Pact, with any other company in any country or any Public Sector Enterprise in India or Government Department In India in respect of any corrupt practices envisaged hereunder.	4.1	YES/NO

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DECLARATION

I/We being the representative of M/s -----
-----and also authorized to act as representative of the said vendor have read all the above stipulated terms and conditions of the Integrity Pact (Annexure VII)-Clause 1 to 13) and the Annexures VII(i) of the Integrity Pact.

I/We here by submit that I/We have understood the stipulated terms and conditions.

All the Information furnished by me hereunder is Correct and true to the best of my / our knowledge and belief.

I /We understand that if any false information is detected at a later date, the contract made between over selves and Management Development Centre either in present or in future, on the basis of information given by me / us can be treated as invalid by the Management Development Centre and I /We will be solely responsible for consequences. I / We unconditionally accept Terms and Conditions mentioned in the Integrity Pact and attach the same duly executed by me/us.

Signature of the Applicant /Service Provider
Name and Designation of the Applicant/Service Provider
Seal of the Applicant