

## INTEGRITY PACT

### BETWEEN

**MUMBAI PORT TRUST (MbPT) hereinafter referred to as "The Principal"**

### AND

.....hereinafter referred to as **"The Bidder/Contractor"**

#### Preamble

The Principal intends to award, under laid down organizational procedures, contract/s for Tender No. .... The Principal values full compliance with all relevant laws of the land, rules, regulations, economic use of resources, and of fairness / transparency in its relations with its Bidder(s) and /or Contractor(s).

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

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

- (1)** The Principal commits itself to take all measures necessary to prevent corruption and to observe the following principles: -
  - (a) No employee of the Principal, personally or through family members, will in connection with the 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) The Principal will, during the tender process, treat all BIDDERS with equity and reason. The principal 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 the relation to the process or the contract execution.
  - (c) The Principal will exclude from the process all known prejudiced persons.
- (2)** If the Principal obtains information on the conduct of any of its employees which is a criminal offence under the IPC/PC Act, or if there be a substantive suspicion in this regard, the Principal will inform the 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 the Principal's employees involved in the tender process or the execution of the contract or to any third person any material or other benefit, which he/she is not legally entitled to, in order to obtain in exchange any advantage or during the execution of the contract.
  - b. The Bidder(s) /Contractor(s) will not enter with other Bidders in to any undisclosed agreement or understanding, whether formal or informal. This applies in particular to prices, specifications, certifications, subsidiary contracts, submission or non-submission of bids, or any other actions to restrict competitiveness, or to introduce cartelization in the bidding process.
  - c. The Bidder(s)/Contractor(s) will not commit any offence, under the relevant IPC/PC Act; further the Bidder(s)/Contractor(s) will not use improperly, for purposes of competition, or personal gain, or pass on to others, any information or document provided by the Principal, as part of the business relationship, regarding plans, technical proposals and business details, including information contained or transmitted electronically.
  - d. The bidder(s)/contractor(s) of foreign origin shall disclose the name and address of the agents / representatives in India if any. Similarly, the bidder(s)/contractor(s) of Indian Nationality shall furnish the name and address of the foreign principle 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 agents/ representative have to be in Indian rupees only. Copy of the "Guidelines on Indian agents of Foreign Suppliers" as 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.

### **Section-3 Disqualification from Tender process and exclusion from future contracts.**

If the Bidder(s)/Contractor(s), before award or during execution has committed a transgression, through a violation of Section-2, above or in any other form, such as to put his reliability or credibility in question, the principal is entitled to disqualify the Bidder(s)/ contractor(s), from the tender process, or take action as per the procedure mentioned in the “Guidelines on Banning of Business dealings”. Copy of the “Guidelines on Banning of Business dealings” is annexed and marked as Annexure “B”.

### **Section-4 Compensation for damages.**

1. If the Principal has disqualified the Bidder(s), from the tender process prior to the award, according to Section-3, the Principal is entitled to demand and recover the damages equivalent to Earnest Money Deposit/Bid Security.
2. If the Principal has terminated the contract according to Section-3, or if the Principal is entitled to terminate the contract according to Section-3, the Principal 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, confirming 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 for action can be taken as per the procedure mentioned in “Guidelines on Banning of Business dealings”.

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

1. The Bidder(s)/Contractor(s) undertake(s) to demand from all subcontractors, a commitment in conformity with this Integrity Pact, and to submit it to the Principal before contract signing.

2. The Principal will enter into agreements with identical conditions as this one with all Bidders, Contractors and Subcontractors.
3. The Principal will disqualify from the tender process all Bidders, who do not sign this pact or violates its provisions.

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

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

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

1. The principal appoints competent and credible Independent External Monitor for 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 Monitor is not subject to instructions, by the representative of the parties and performs his functions neutrally and independently. He reports to the Chairman, MbPT.
3. The Bidder(s)/Contractor(s) accepts that, the monitor has the right to access, without restriction to all Project documentation of the Principal including that provided by the Contractor. The Contractor will also grant the Monitor, upon his request and demonstration of a valid interest, unrestricted and unconditional access, to the project documentation. The same is applicable to Subcontractors. The monitor is under contractual obligation, to treat the information and documents of the Bidder(s)/Contractor(s)/Subcontractor(s) with confidentiality.
4. The Principal will provide to the Monitor, sufficient information about all meetings, among the parties related to the Project, provided such meetings could have an impact, on the contractual relations between the Principal and the 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 the Principal and request the management to discontinue, or take corrective action, or to take other relevant action. The Monitor can in this regard submit non-binding recommendations. Beyond this, the Monitor has 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, MbPT within 8 to 10 weeks, from the date of reference or intimation to him by the Principal and, should the occasion arise, submit proposals for correcting problematic situations.
7. Monitor shall entitle to compensation on the same terms as being extended to / provided to Independent Directors on the MBPT Board.
8. If the Monitor has reported to Chairman, MbPT, a substantiate suspension of an offence, under relevant IPC/PC Act, and the Chairman, MbPT has not, within reasonable time, taken visible action to proceed against such offence, or reported it to the Chief Vigilance Officer, the Monitor may also transmit this information directly to the Central Vigilance Commissioner.
9. The word 'Monitor' would include both singular and Plural.

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

This Pact begins when both parties have legally signed it. It expires for the contractor 10 months after the last payment under the contract, and for all other bidders & three months the contract has been awarded.

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, MbPT.

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

- This agreement is subject to Indian Law, Place of performance and jurisdiction is the Registered Office of the Principal, i.e. Mumbai, Maharashtra.

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

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**(For & on behalf of the Principal)**

**(For & On behalf of Bidder/ Contractor)**

Office seal

Office seal

**Place: Mumbai**

**Place: Mumbai**

Date:

Date:

**Witness-1: (for Principal)**

**Witness-2:( for Bidder/ Contractor)**

**Name and Address .....**

**Name and Address .....**

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