

CVPPPL/C&P/Circular/4345

Dated: 04.11.2022

Circular No: CVPPPL/C&P/Circular/2022/03

Subject: Implementation of Integrity Pact in CVPPPL.

In order to ensure transparency, equity and competitiveness in public procurement, the CVC recommends adoption and implementation of the concept of Integrity Pact (IP) by Govt. Organizations, Public Sector Enterprises, Public sector Banks, Autonomous bodies etc.

Integrity Pact is implemented for purchase of Works, Goods and Services whose Tender has been floated after 07.11.2022 and the estimated cost of which exceeds the limits as specified below:

1. For procurement of works having estimate cost – Rs.100 Lacs
2. For procurement of goods having estimate cost – Rs.7 Lacs and
3. For procurement of services having estimate cost – Rs.15 Lacs

To oversee the implementation of the Integrity Pact, two Independent External Monitors (IEMs) as under have been appointed with the consent Central Vigilance Commission (CVC).

1. Shri Pramod Kumar Sangewar, IRSS (Retd.)
H.No. 12-5-65/1 Flat No. 109,
Sri Harsha Sethuram Unique,
Vijayapuri Colony, South Lalaguda
Secunderabad – 500 017
Telangana State
Contact No: 09573306709
Email: sangewarer@gmail.com
2. Shri Rajesh Pratap Singh, IPS (Retd.)
C/o Satyendera Jain, C.A
Defence Colony Block – 1
Second Floor, Street-1,
South Delhi, New Delhi
Contact No: 09868122209
Email: rps0085@gmail.com

The relevant documents for implementation of Integrity Pact are as under:

1. SoP for Implementation of Integrity Pact.
2. Integrity Pact (Pre/Post) and
3. Guidelines on banning of business dealings of Integrity Pact.

This issues with the approval of competent authority.


(General Manager)
Contracts & Procurement Division

(This Circular shall be available on CVPPPL Intranet. No hard copy of this Circular is being issued.
All concerned are requested to note for compliance and implementation)



STANDARD OPERATING PROCEDURE FOR IMPLEMENTATION OF INTEGRITY PACT

I. INTRODUCTION

CVPP(P) Limited does business with a number of domestic and international Bidders, Contractors and Vendors of Goods, Services and Works. CVPP(P)L is committed to fostering the most ethical and corruption free business environment. CVPP(P)L values its relationships with all counterparts and deals with them in fair and transparent manner.

CVPP(P)L has decided to implement the Integrity Pact Program in various contracts in association with CVC and Transparency International India (TII).

The following tangible and intangible benefits are expected from implementation of Integrity Pact Programme:

- Greater transparency and integrity between buyer and seller.
- Improved sense of ethics in Organization and Bidders.
- Reduction in complaints by Bidders.
- Expeditious Process for Tender and Procurement.
- Reduction in external interventions like political, diplomatic and administrative interference.

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 CVPP(P)L not to seek or accept any benefit, which is not legally permissible.
- CVPP(P)L to treat all bidders with equity and reason;
- Promise on the part of bidders not to offer any benefit to the employees of the CVPP(P)L not available legally;
- 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 CVPP(P)L 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 company that may impinge on the anti corruption principle.



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 Guidelines on Banning of Business Dealings etc.

II. IMPLEMENTATION PLAN OF INTEGRITY PACT

1. The Integrity Pact is applicable for procurement of Goods, Services and Works having estimated cost above the threshold limit as under:

Procurement of Goods	Rs 7 Lacs
Procurement of Services	Rs 15 Lacs
Procurement of Works	Rs 100 Lacs

2. Integrity Pact to be entered between CVPP(P)L (First Party) and its Bidders/Contractors (Counter Parties) is enclosed at Annexure-I.
3. The provision for Integrity Pact is to be included in all Requests for Proposal/Tender documents issued in future in respect of the procurements/contracts that meet the criteria decided above. In case where pre-qualification process is resorted to, the conditions referred to in ITB and NIT shall be suitably incorporated at appropriate places in the PQ Document.
4. The Integrity Pact is to be signed between CVPP(P)L and the bidders/contractors on plain papers at the time of submission of Bid as per the approved format. Signed copy of the Integrity Pact is to be included in the bid document while issuing Tender Document/ uploading the Tender Documents on the Portals. The bidders submitting tender document (including downloaded) shall sign the Integrity Pact in original on the signed/scanned Integrity Pact. The duly signed Integrity Pact shall be submitted by the bidder along with the Bid.
5. 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 the responsibility of the adoption of IP by the sub-contractor. It is to be ensured that all sub-contractors also sign the IP.
6. It has to be ensured, through an appropriate provision in the contract, that IP is deemed as part of the contract so that the parties concerned are bound by its provisions.
7. 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.
8. The pact shall cover duration from the date of its signing and extend up to 5 years or the complete execution of the contract to the satisfaction of both the Employer and the bidder/contractor/seller including warranty/ Defects Liability Period whichever is later. In case BIDDER is unsuccessful, this Integrity Pact shall expire after six months from the date of the signing of the contract or six months from the date of


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opening of price bids, whichever is earlier. After award of work the IEMs shall look into any issue relating to the execution of contract, if specifically raised before them. As an illustrative example, if a contractor during the execution of contract raises an issue of delayed payment before the IEMs, the same shall be examined by the panel of IEMs. However, the IEMs may suggest systematic improvements to the management, if considered necessary, to bring about transparency equity and fairness in the system of procurement.

9. The successful bidder (Contractor) shall submit duly executed Integrity Pact on Non- judicial Stamp Paper of appropriate value prior to signing of Contract Agreement.
10. 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. In all tenders covered under the Integrity Pact, particulars of all IEMs, including their email IDs, should be mentioned, instead of mentioning details of a single IEM.
11. The detail regarding IEMs is also available on CVPP(P)L official web-site. Corporate Office, project Units are advised to visit Integrity Pact Corner on CVPP(P)L official web-site regularly for any update.
12. The final responsibility for implementation of IP vests with the MD/CEO of the organization.

III. GENERAL TERMS & CONDITIONS

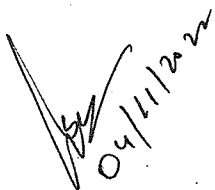
1. The Nodal Department for implementation of Integrity Pact Programme in CVPP(P)L shall be Corporate Contracts & Procurement Division. Similarly, Procurement Deptt. of each Projects/Power Station/Unit shall be Nodal Department for the purpose of implementation of Integrity Pact in their respective location.
2. Meeting of IEMs with Corporate Contracts & Procurement Division. shall be organized quarterly. A summary of procurement/contract awarded, which are covered under the Integrity Pact shall be shared with IEMs during the meeting. For the purpose, details of tender packages covered under the Integrity Pact, shall be furnished to Corporate Contracts & Procurement Division, CO, Jammu (email: procurement@cvppindia.com) on quarterly basis. The details as per the format attached herewith as Appendix-II & Appendix-III for which Integrity Pact is applicable are also required to be furnished at above e-mail regularly latest by 10th day at the end of each quarter.
3. All the deliberations during a meeting should be minuted and the monitor should confirm the recorded minutes of previous meeting in the next meeting.

IV. INDEPENDENT EXTERNAL MONITOR

(a) Appointment of IEM

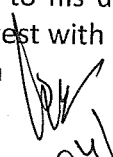
- i. Maximum two IEMs can be appointed in CVPP(P)L for a period of three years only.

- ii. The detail regarding IEMs shall be available at official web-site of CVPP(P)L.
- iii. The CVC would nominate IEMs, from the panel of IEMs maintained by it. The proposal for nomination of IEMs will be sent to CVC by Corporate Contracts & Procurement Division. In line with Para 5.2 of CVC's SOP dated 25.01.2022 after taking approval of MD. The proposal for nomination of IEMs should preferably be sent 3 months prior to the completion of tenure of the existing IEMs, failing which the CVC would nominate IEM(s) on its own from the panel maintained by it.
- iv. Age of IEMs should not be more than 70 years at the time of appointment.
- v. The IEMs shall be paid per sitting a fees of Rs. 25,000/-.
 - (i) However, the maximum amount payable to IEMs in a calendar year shall not exceed Rs. 3,00,000/- with respect to sitting fees.
 - (ii) Expenses on travel and stay arrangement of IEMs shall be equal to that of Board Member of CVPP(P)L.
- vi. The terms and conditions of appointment, including the remuneration payable to the IEMs, should not be included in the Integrity Pact or the NIT. This may be communicated individually to the IEMs concerned.
- vii. At the time of appointment of an IEM, a copy of SOP should be made available to the person being appointed by the organizations concerned. A copy of Commission's guidelines on "Illustrative check points for various stages of public procurement", available on Commission's website, i.e., www.cvc.gov.in, under CTE's corner may also be provided to the IEMs at the time of their appointment, for guidance purpose.
- viii. 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. 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 fees for such meetings shall be same as fee payable to IEMs otherwise and in addition to the fees for the regular meeting of IEMs, to be held otherwise and over and above the ceiling of Rs. 3,00,000/- annually, to be calculated as per calendar year. The travel and stay arrangement for such meetings shall be equal to that of Board Member of the organization concerned. 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.


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(b) Role and Status of IEM

- i. The IEMs would be provided access to all documents/records pertaining to the contract for which a complaint or issue is raised before them, as and when warranted. 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.
- ii. It would be desirable to have structured meetings of the IEMs with the Chief Executive of the Organisation on a half yearly basis to discuss / review the information on tenders awarded during the preceding six months' period. Additional sittings, however, can be held as per requirement.
- iii. The IEMs would examine all complaints received by them and give their recommendations/views to the Chief Executive of the organization, at the earliest. They may also send their report directly to the CVO in case of suspicion of serious irregularities requiring legal/administrative action. Only in case of very serious issue having a specific, verifiable Vigilance angle, the matter should be reported directly to the Commission. IEMs are expected to tender their advice on the complaints, within 30 days.
- IV. For ensuring the desired transparency and objectivity in dealing with the complaints arising out of any tendering process or" during execution of contract, the matter should be examined by the full panel of IEMs jointly, who would look into the records, conduct an investigation, and submit their joint recommendations to the Management.
- v. 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 CVPP(P)L.
- vi. The advisory role of IEMs is envisaged as that of a friend, philosopher and guide. The advice of IEM would not be legally binding and it is restricted to resolving issues raised by a bidder regarding any aspect of the tender which allegedly restricts competition or bias towards some bidders. At the same time, it must be understood that IEMs are not consultants to the Management. Their role is independent in nature and the advice once tendered would not be subject to review at the request of CVPP(P)L.
- VII. Issues like warranty/guarantee etc. should be outside the purview of IEMs.
- VIII. All IEMs should sign non-disclosure agreements with the organization in which they are appointed. They would also be required to sign a declaration of absence of conflict of interest.
- IX. 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. In case of any conflict of interest arising at a later date from an


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entity wherein he is or has been a consultant, the IEM should inform the CEO/MD and recuse himself/herself from that case.

- X. CVPP(P)L may provide secretarial assistance to IEMs for rendering his/her job as IEM.
- xii. In case of any misconduct by an IEM, the MD/CEO should bring it to the notice of the Commission detailing the specific misconduct for appropriate action at the Commission's end.
- xiii. 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.
- xiii. All the deliberations during the IEMs' meetings should be minuted and in the next meeting, the IEMs should confirm the recorded minutes of the previous meeting.

V. REVIEW SYSTEM

CVPP(P)L would undertake a periodical review and assessment of implementation of IP and submit progress reports to the Commission. CVOs of organization would keep the Commission posted with the implementation status through their annual reports and special reports, wherever necessary.


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INTEGRITY PACT CLAUSE

To improve transparency and fairness in the tendering process' the Employer is implementing Integrity Pact. Integrity Pact is deemed as part of the contract so that the prospective bidders are bound by its provisions.

The Integrity Pact, signed by all the prospective Bidders and the Employer, shall commit the persons/officials of both the parties, not to exercise any corrupt/fraudulent/collusive/coercive practices in the Tendering process and also during implementation of the Contract. Only those Bidders who have entered into Integrity Pact with the Employer shall be eligible to participate in the bidding process. Bidders signing Integrity Pact shall not approach the Courts while representing the matters to IEMs and he/she will await their decision in the matter.

Entering into Integrity Pact as per Performa (enclosed in Section) is a basic qualifying requirement. In case of JV, each partner of JV shall sign Integrity Pact with the Employer. In case of sub-contracting, the Principal contractor shall be responsible for adoption of Integrity Pact by the sub-contractor.

To oversee the compliance of obligation under the Integrity Pact, a panel of Independent External Monitor(s) (IEMs) have been appointed by concerned authority. The Contact address of IEMs is as under:

1. Shri Pramod Kumar Sangewar, IRSS (Retd.)
H.No. 12-5-65/1 Flat No. 109,
Sri Harsha Sethuram Unique,
Vijayapuri Colony, South Lalaguda,
Secunderabad – 500 017
Telangana State
Contact No: 09573306709
Email: sangewarer@gmail.com

2. Shri Rajesh Pratap Singh, IPS (Retd.)
C/o Satyendra Jain, C.A
Defence Colony Block – 1
Second Floor, Street-1,
South Delhi, New Delhi
Contact No: 09868122209
Email: rps0085@gmail.com

The Integrity Pact duly signed on behalf of the Employer is given in Forms & Procedures of these Bid Documents. The Integrity Pact shall be downloaded, printed and signed by the bidder and the hard copy shall be submitted as provided in clause of ITB.

The successful bidder shall submit duly executed Integrity Pact on Non-Judicial stamp paper of appropriate value prior to signing of Contract Agreement.



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Appendix-II

Summary of Contract Packages in which IP is included

Details for the quarter ending (To be submitted latest by 10th day after end of quarter)

Name of the Department of C.O./R.O./Project/PS/Unit
 Name of the Coordinator
 Phone Number
 E-mail address

SN	Type of Procurement	Under tendering stage in numbers	Awarded in numbers	Cancelled in numbers
1	Works			
2	Goods			
3	Services			
	Total			

Information of Tendering Package
 (To be provided for each case once on issuance of NIT)

Sr. No.	Item	Information/Details
1	Name of Contract Package	
2	Estimated Cost	
3	Duration of Contract Package (Time for Completion)	
4	Date of issue of NIT/NIQ	
5	Period of sale of Bid Document	
6	Date of Pre-bid meeting (if any)	
7	Description of Scope of work	
8	Qualifying requirements*	
9	Urgency of requirement of Works/Goods/Services (applicable) covered under Contract Package	
10	Any special feature of the Contract Package	

* Note Please attach separate sheet if required.

(Head of Project)

(Signature of the Coordinator)

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Appendix-III

Status of contract packages in which IP is included

Details for the quarter ending (To be submitted latest by 10^h day after end of quarter)

Name of the Division of C.O. /R.O. /Project/PS /Unit

Name of the Coordinator

Phone Number

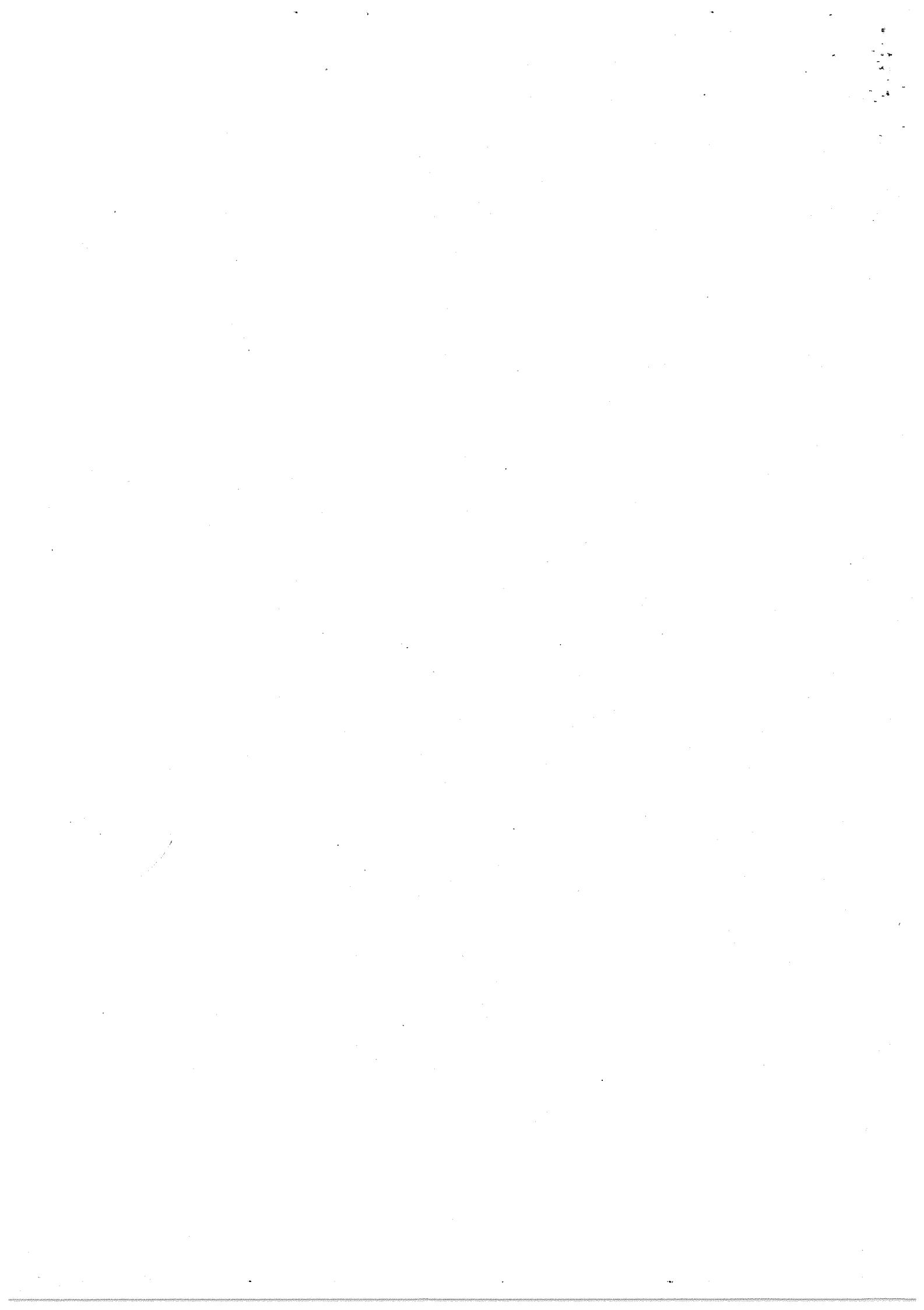
E-mail Address

Sl. No.	Name of Work & Tender No.	Corrigenda/ Addenda, if any issued	Tender Evaluation Status	LOA/Contract Agreement Reference	Major Post tender modification, if any having financial implication	Completion / Closure of contract
1. Goods						
2. Services						
3. Works						

(Head of Project)

(Signature of the Coordinator)





(Format of Integrity Pact)

(To be executed on plain paper at the time of submission of bid and on Non-Judicial Stamp Paper of appropriate value by successful Bidder (Contractor) prior to signing of Contract Agreement)

PRE CONTRACT INTEGRITY PACT

Between

CVPP(P) Limited, a company incorporated under the Companies Act 1956 and having its registered office at Chenab Jal Shakti Bhavan, Opposite Saraswati Dham, Rail Head Complex, Jammu -180012 (J&K)), hereinafter referred to as "The Employer" which expression shall mean and include, unless the context otherwise requires, his successors, executors, administrators, agents and permitted assigns of the **first part**.

And

M/s _____, a company/ firm/ individual (status of the company) and having its registered office at _____ represented by Shri _____, hereinafter referred to as "The Bidder/Contractor" which expression shall mean and include, unless the context otherwise requires, his successors executors, administrators, agents and permitted assigns of the **second part**.

WHEREAS the Employer has floated the tender (NIT NO.....) and intends to award under laid down organisational procedures, contract/s for (Name of the work/goods/services) hereinafter referred to as the contract.

AND WHEREAS the Employer values the full compliance with all the relevant laws of the land, regulations, economic use of resources and of fairness/transparency in its relation with its Bidder(s) and contractors (s).

AND WHEREAS to meet the purpose aforesaid both the parties have agreed to enter into this Integrity Agreement'(hereinafter referred to as "INTEGRITY PACT"), the terms and conditions of which shall also be read as integral part and parcel of the tender/bid document and Contract between the parties.



Handwritten signature in blue ink, possibly reading '04/11/2011'.

NOW, THEREFORE,

In consideration of the mutual covenants contained in this pact, the parties hereby agree as follows and this Pact witnesses as under:

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

Enabling the Bidder(s)/ Contractor(s) to abstain from bribing or indulging in any corrupt practice in order to secure the contract by providing assurance to them that their competitors will also abstain from bribing and other corrupt practices and the Employer will commit to prevent corruption, in any form, by its officials by following transparent procedures.

1.0 COMMITMENTS OF THE EMPLOYER:

- 1.1 The Employer undertakes that no official of the Employer, 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/ Contractor, either for themselves or for any person, organization or third party related to the contract in exchange for an advantage in the bidding process, bid evaluation, contracting or implementation process related to the contract.
 - 1.2. The Employer will, during the pre-contract stage, treat all the Bidders/ Contractors alike, and will provide to all the Bidders/ Contractors the same information and will not provide any such information to any particular Bidder/ Contractor which could afford an advantage to that particular Bidder/ Contractor in comparison to other Bidders/ Contractors.
 - 1.3. All the officials of the Employer will report to the appropriate Authority any attempted or completed breaches of the above commitments as well as any substantial suspicion of such a breach.
- 2.0** In case any such preceding misconduct on the part of such official(s) is reported by the Bidder to the Employer with full and verifiable facts and the same is prima facie found to be correct by the Employer, necessary disciplinary proceedings, or any other action as deemed fit, including criminal proceedings may be initiated by the Employer or Independent External Monitor 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 Employer the proceedings under the contract would not be stalled.

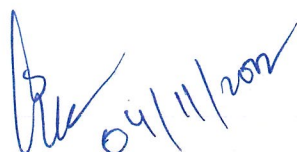


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3.0 COMMITMENTS OF THE BIDDER(S)/ CONTRACTOR(S):

The Bidder(s)/ Contractor(s) commits themselves to take all measures necessary to prevent corrupt practices, unfair means and illegal activities during any stage of its bid or during any pre-contract or post-contract stage in order to secure the contract or in furtherance to secure it and in particular commit themselves to observe the following principles during participation in the tender process and during contract execution:

- 3.1 The Bidder(s)/ Contractor(s) will not offer, directly or through intermediaries, any bribe, gift, consideration, reward, favour, any material or immaterial benefit or other advantage, commission, fees, brokerage or inducement to any official of the Employer, 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 Bidder/ Contractor further undertakes that it has not given, offered or promised to give, directly or indirectly any bribe, gift consideration, reward, favour, any material or immaterial benefit or other advantage, commission, fees, brokerage or inducement to any official of the Employer 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 Employer for showing or forbearing to show favour or disfavour to any person in relation to the contract or any other contract with Employer.
- 3.3 The Bidder(s)/ Contractor(s) shall disclose the name and address of agents and representatives and Indian Bidder(s)/ Contractor(s) shall disclose their foreign principals or associates.
- 3.4 The Bidder(s)/ Contractor(s) shall, when presenting their bid, disclose any/all payments made, is committed to or intends to make to agents, brokers or any other intermediaries, in connection with this bid/award of the contract.
- 3.5 Deleted
- 3.6 The Bidder, either while presenting the bid or during pre-contract negotiations or before signing the contract, shall disclose any payments made, is committed to or intends to make to officials of the Employer 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 Bidder/ Contractor will not collude with other parties interested in the contract to impair the transparency, fairness and progress of the bidding process, bid evaluation, contracting and implementation of the contract.
- 3.8 The Bidder/ Contractor will not accept any advantage in exchange for any corrupt practice, unfair means and illegal activities.
- 3.9 The Bidder/ Contractor shall not use improperly for purposes of competition or personal gain, or pass on to others, any information provided by the Employer as part of the business relationship, regarding plans, technical proposals and business details, including information contained in electronic data carrier. The Bidder/ Contractor also undertake to exercise due and adequate care lest any such information is divulged.

A handwritten signature in blue ink, followed by the date 04/11/2022.

- 3.10 The Bidder(s)/ Contractor(s) commits to refrain from giving any complaint directly or through any other manner without supporting it with full and verifiable facts.
- 3.11 The Bidder(s)/ Contractor(s) shall not instigate or cause to instigate any third person to commit any of the actions mentioned above.
- 3.12 If the Bidder/ Contractor or any employee of the Bidder/ Contractor or any person acting on behalf of the Bidder/ Contractor, either directly or indirectly, is a relative of any of the officers of the Employer or alternatively, if any relative of an officer of the Employer has financial interest/ stake in the Bidder(s)/ Contractor(s) firm (excluding Public Limited Company listed on Stock Exchange), the same shall be disclosed by the Bidder/ Contractor at the time of filling of tender.

The term 'relative' for this purpose would be as defined in Section 2(77) of the Companies Act 2013.

- 3.13 The Bidder(s)/ Contractor(s) shall not lend to or borrow any money from or enter into any monetary dealings or transactions, directly or indirectly, with any employee of the Employer.
- 3.14 The representative of the Bidders/ Contractors signing Integrity Pact shall not approach the Courts while representing the matters to IEMs and he/she will wait their decision in the matter.
- 3.15 In case of sub-contracting, the bidder shall take the responsibility of the adoption of Integrity Pact by the Sub-contractor.

4.0 PREVIOUS TRANSGRESSION:

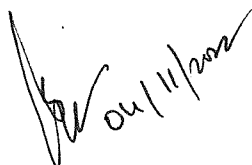
- 4.1 The Bidder(s)/ Contractor(s) declares that no previous transgression occurred in the last three years immediately before signing of this Integrity Pact, with any other company in any country in respect on any corrupt practices envisaged hereunder or with any Public Sector Enterprise in India or any Government Department in India.
- 4.2 If the bidder makes incorrect statement on this subject, he can be disqualified from the tender process or action can be taken for banning of business dealings as deemed fit by the Employer.

5.0 EARNEST MONEY (SECURITY DEPOSIT):

The provision regarding Earnest Money/ Security Deposit as detailed in the Notice Inviting Tender (NIT) and Instruction to Bidders (ITB) section of the Bid Document is to be referred.

6.0 SANCTIONS FOR VIOLATIONS:

- 6.1 Any breach of the aforesaid provisions before award or during execution by the Bidder/ Contractor or any one employed by it or acting on its behalf such as to put their reliability or credibility in question. Shall entitle the Employer to take action as per the procedure mentioned in the "**Guidelines on Banning of Business Dealings**" attached as **Annex-A** and initiate all or any one of the following actions, wherever required:

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- (i) To immediately call off the pre contract negotiations without assigning any reason or giving any compensation to the Bidder/ Contractor. However, the proceedings with the other Bidder(s)/ Contractor(s) would continue.
- (ii) The Earnest Money Deposit (in pre-contract stage) and/ or Security Deposit/ Performance Bond (after the contract is Signed) shall stand forfeited either fully or partially, as decided by the Employer and the Employer shall not be required to assign any reason thereof.
- (iii) To immediately cancel the contract, if already signed, without giving any compensation to the Contractor. The Bidder/ Contractor shall be liable to pay compensation for any loss or damage to the Employer resulting from such cancellation/ rescission and the Employer shall be entitled to deduct the amount so payable from the money(s) due to the Bidder/ Contractor.
- (iv) To encash the Bank Guarantee, in order to recover the dues if any by the Employer, along with interest as per the provision of contract.
- (v) To debar the Bidder/ Contractor from participating in future bidding processes of CVPP(P) Limited as per provisions of "**Guidelines on Banning of Business Dealings**" of CVPP(P) Limited (**Annex-A**), which may be further extended at the discretion of the Employer.
- (vi) To recover all sums paid in violation of this Pact by Bidder(s)/ Contractor(s) to any middleman or agent or broker with a view to securing the contract.
- (vii) In cases where irrevocable Letters of Credit have been received in respect of any contract signed by the Employer with the Bidder/ Contractor, the same shall not be opened/ operated.
- (viii) Forfeiture of Performance Security in case of a decision by the Employer to forfeit the same without assigning any reason for imposing sanction for violation of this Pact.

6.2 The Employer will be entitled to take all or any of the actions mentioned at para 6.1 (i) to (viii) of this Pact also on the Commission by the Bidder/ Contractor or any one employed by it or acting on its behalf (whether with or without the knowledge of the Bidder/ Contractor), 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 Employer to the effect that a breach of the provisions of this Pact has been committed by the Bidder/ Contractor shall be final and conclusive on the Bidder/ Contractor. However, the Bidder/ Contractor can approach the Independent External Monitor(s) appointed for the purposes of this Pact.



7.0 INDEPENDENT EXTERNAL MONITOR(S):

- 7.1 The Employer has appointed Independent External Monitors (hereinafter referred to as monitors) for this Pact in consultation with the Central Vigilance Commission.
- 7.2 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.
- 7.3 The Monitors shall not be subject to instructions by the representatives of the parties and perform their functions neutrally and independently.
- 7.4 Both the parties accept that the Monitors have the right to access all the documents relating to the project/ procurement including minutes of meetings. The right to access records should only be Limited to the extent absolutely necessary to investigate the issue related to the subject tender/ contract.
- 7.5 As soon as the Monitor notices or has reason to believe, a violation of this Pact, he will so inform MD, CVPP(P) Limited and request CVPP(P) Limited 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.
- 7.6 The Bidder(s)/ Contractor(s) accepts that the Monitor has the right to access without restriction, to all Project documentation of the Employer including that provided by the Bidder/ Contractor. The Bidder/ 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 Sub-contractor(s). The Monitor shall be under contractual obligation to treat the information and documents of the Bidder/ Contractor/ Sub-contractor(s) with confidentiality. The monitor has also signed declaration on 'Non-Disclosure Agreement' and of 'Absence of conflict of interest'. In case of any conflict of interest arising at a later date, the IEM shall inform MD, CVPP(P) Limited and recuse himself/ herself from that case.
- 7.7 The Employer 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 as and when required.
- 7.8 The Monitor will submit a written report to the MD, CVPP(P) Limited within 8 to 10 weeks from the date of reference or intimation to him by the Employer/ Bidder and should the occasion arise, submit proposals for correcting problematic situations.
- 7.9 The word 'Monitor' would include both singular and plural.

8.0 FACILITATION OF INVESTIGATION:

In case of any allegation of violation of any provisions of this Pact or payment of commission, the Employer or its agencies shall be entitled to examine all the documents including the Books of Accounts of the Bidder/ Contractor and the Bidder/ Contractor shall provide necessary information and documents in English and shall extend all possible help for the purpose of such examination.



9.0 GOVERNING LAWS AND JURISDICTION:

Unless otherwise hereinafter provided, the Pact shall be governed by, construed & Interpreted in accordance with the laws of UT of J&K and Laws of Union of India (as applicable to the UT of J&K).

Amendments, if any effected by the Government (Central and/or UT) to the laws shall invariably be applicable to the Pact to the extent of their applicability to the UT of J&K. In case of any dispute in relation to any matter or action arising out of Pact or which may arise at any time, the courts of Jammu and Kashmir at Jammu shall have the jurisdiction to deal with the same.

The place of performance and jurisdiction is registered office of the Employer i.e Jammu (J&K).

The Arbitration clause provided in the tender document/contract shall not be applicable for any issue/dispute arising under the Integrity Pact.

10.0 OTHER LEGAL ACTIONS:

- 10.1 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.
- 10.2 Changes and supplements as well as termination notice need to be made in writing.
- 10.3 If the Contractor is a partnership or a consortium or a joint venture, this pact must be signed by all partners of the consortium/ joint venture.

11.0 VALIDITY:

- 11.1 The validity of this Integrity Pact shall be from date of its signing and extend up to 5 years or the complete execution of the contract to the satisfaction of both the Employer and the Bidder/ Contractor/ Seller, including warranty period, whichever is later. In case BIDDER is unsuccessful, this Integrity Pact shall expire after six months from the date of the signing of the contract.
- 11.2 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 intention.
- 11.3 Issues like Warranty/Guarantee etc. shall be outside the purview of IEMs.
- 11.4 In the event of any contradiction between Integrity Pact and its Annexure, the clause in the Integrity Pact will prevail.
- 11.5 If any claim is made/lodged during the time, the same shall continue to be valid despite the lapse of this Pact, unless it is discharged/determined by the competent Authority, CVPPPL.



IN WITNESS WHEREOF the parties have signed and executed this Integrity Pact at the place and date first above mentioned in the presence of the following witnesses.

For & On behalf of the Employer
(Office Seal)

Place: _____

Date: _____

Witness

1. _____

(Name and address)

2. _____

(Name and address)

For & On behalf of the Bidder/ Contractor
(Office Seal)

Place: _____

Date: _____

Witness

1. _____

(Name and address)

2. _____

(Name and address)

A handwritten signature in black ink, consisting of several loops and a long vertical stroke, located in the lower-left quadrant of the page.

Guidelines on Banning of Business Dealings

1.0 Introduction

- 1.1 CVPP(P) Limited deals with Agencies viz. parties/ Contractors/ suppliers/ bidders, who are expected to adopt ethics of highest standards and a very high degree of integrity, commitments and sincerity towards the work undertaken. It is not in the interest of CVPP(P) Limited to deal with Agencies who commit deception, fraud or other misconduct in the tendering process and/or during execution of work undertaken. CVPP(P) Limited is committed for timely completion of the Projects within the awarded value without compromising on quality.
- 1.2 Since suspension/ banning of business dealings involves civil consequences for an Agency concerned, it is incumbent that adequate opportunity of hearing is provided and the explanation, if tendered, is considered before passing any order in this regard keeping in view the facts and circumstances of the case.

2.0 Scope

- 2.1 CVPP(P) Limited reserves its rights to remove from list of approved suppliers / Contractors (if such list exists) or to Suspend/Ban Business Dealings if any Agency has been found to be non / poor performing or have committed misconduct or fraud or anything unethical or any of its action(s) which falls into any such grounds as laid down in this policy.
- 2.2 The procedure of (i) Removal of Agency from the List of approved suppliers / Contractors (ii) Suspension and (iii) Banning of Business Dealing with Agencies, has been laid down in these guidelines.
- 2.3 These guidelines shall apply to all the units of CVPP(P) Limited.
- 2.4 These guidelines shall not be applicable in Joint Venture, Subsidiary Companies of CVPP(P) Limited unless they are assignees, successors or executor.
- 2.5 The suspension/banning except suspension/banning under Integrity Pact shall be with prospective effect i.e. future business dealings.

3.0 Definitions

In these Guidelines, unless the context otherwise requires:

- i) **“Agency/ Party/ Contractor/ Supplier/ Bidders/ Vendors”** shall mean and include a public Limited company or a private Limited company, a joint Venture, Consortium, HUF, a firm whether registered or not, an individual, cooperative society or an association or a group of persons engaged in any commerce, trade, industry, etc. “Party / Contractor/ Supplier / Bidder/Vendor” in the context of these guidelines is indicated as ‘Agency’.
- ii) **“Unit”** shall mean the Corporate Office, Project/ Power Station/ Regional Office/ Liaison Office or any other office of CVPP(P) Limited.
- iii) **“Competent Authority”** and **‘Appellate Authority’** shall mean the following:



- a. For works awarded/under Tendering from corporate office (falling in the competency of MD /Board of Directors)
 - Competent Authority: MD
 - Appellate Authority: Board of Directors
 - b. For works awarded/under Tendering from Corporate Office/Projects/ Power Stations/ Regional Offices/Liaison Offices (falling in the competency of JMD /General Manager)
 - Competent Authority: JMD/General Manager, as the case may be
 - Appellate Authority: MD /JMD, as the case may be
 - c. For works awarded/under Tendering from Corporate Office/Regional Offices / Projects/ Power Stations/ Liaison Offices (falling in the competency of GGM and below)
 - Competent authority in case of works awarded /under Tendering from Corporate Office/Regional Office shall be GGM or GM of the concerned division as the case may be.
 - Competent Authority: Head of the Unit not below the rank of General Manager.
 - Appellate Authority: Next higher authority
- iv) **“Investigating Committee”** shall mean a Committee appointed by Competent Authority to conduct investigation.

4.0 Initiation of Banning / Suspension

Action for Suspension / Banning Business Dealings with any Agency shall be initiated by the department responsible for invitation of Bids/Engineer-in-charge after noticing the irregularities or misconduct on the part of Agency concerned. Besides the concerned department, Vigilance Department of each Unit/ Corporate Vigilance may also be competent to initiate such action.

5.0 Suspension of Business Dealings.

5.1 If the conduct of any Agency dealing with CVPP(P) Limited is under investigation, the Competent Authority may consider whether the allegations (under investigation) are of a serious nature and whether pending investigation, it would be advisable to continue business dealing with the Agency. If the Competent Authority, decides that it would not be in the interest to continue business dealings pending investigation, it may suspend business dealings with the Agency. The order of suspension would operate for a period not more than six months and may be communicated to the Agency as also to the Investigating Committee. The Investigating Committee may ensure that their investigation is completed and whole process of final order is over within such period. However, if the investigations are not completed within six months, the investigation committee shall put up the proposal to the competent authority for approval of extension of time maximum up to further three months with in which the committee shall conclude the proceedings.

5.2 The order of suspension shall be effective throughout CVPP(P) Limited in case of work



falling in the Competency of MD/ Board of Directors, in case of works falling in the competency of HOP and below suspension shall be effective throughout the Project/Power Station and attached liaison offices/units and in case of work falling under the competency of GGM and below at Corporate office suspension shall be effective at Corporate office. During the period of suspension, no business dealing shall be held with the Agency.

- 5.3 If the Agency concerned asks for detailed reasons of suspension, the Agency may be informed that its conduct is under investigation. It is not necessary to enter into correspondence or argument with the Agency at this stage.
- 5.4 It is not necessary to give any show-cause notice or personal hearing to the Agency before issuing the order of suspension.
- 5.5 The format for intimation of suspension of business dealing is placed at **Appendix- I**.
- 6.0 Ground on which Banning of Business Dealings can be initiated**
- 6.1 If the security consideration, including questions of loyalty of the Agency to CVPP(P) Limited so warrants;
- 6.2 If the Director /owner of the Agency, proprietor or partner of the firm, is convicted by a Court of Law for offences involving moral turpitude in relation to its business dealings with the Government or any other public sector enterprises, during the last five years;
- 6.3 If the Agency has resorted to Corrupt, Fraudulent, Collusive, Coercive practices including misrepresentation of facts and violation of the any provisions of the Integrity Pact provided in the Contract.
- 6.4 If the Agency uses intimidation / threatening or brings undue outside pressure on CVPP(P) Limited or its official for acceptance / performances of the job under the contract;
- 6.5 If the Agency misuses the premises or facilities of CVPP(P) Limited, forcefully occupies or damages the CVPP(P) Limited's properties including land, water resources, forests / trees or tampers with documents/records etc.
- 6.6 If the Agency does not fulfill the obligations as required under the Contract and Violates terms & conditions of the contract which has serious affect for continuation of the Contract.
- 6.7 If the work awarded to the agency has been terminated by CVPP(P) Limited due to poor performance of the contract in the preceding 5 years.
- 6.8 If the Central Vigilance Commission, Central Bureau of Investigation or any other Central Government investigation Agency recommends such a course in respect of a case under investigation or improper conduct on agency's part in matters relating to the Company (CVPP(P) Limited) or even otherwise;
- 6.9 On any other ground upon which business dealings with the Agency is not in the public interest.
- 6.10 If business dealings with the Agency have been banned by the Ministry of Power, Government of India OR any PSU/ any other authority under the MOP if intimated to CVPP(P) Limited or available on MOP Website, the business dealing with such



agencies shall be banned with immediate effect for future business dealing except banning under Integrity Pact without any further investigation.

(Note: The examples given above are only illustrative and not exhaustive. The Competent Authority may decide to ban business dealing for any good and sufficient reason).

7.0 Procedure for Banning of Business Dealings

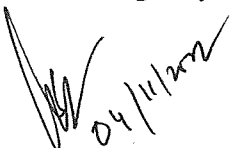
- 7.1 An Investigating Committee shall be constituted by the authority competent to Ban the business dealing comprising members from Engineering/Indenting department (convener), Finance, Law and Contract. The level of the committee members shall be GM / GGM & above for works falling in the competency of MD/ Board of Directors, DGM & above for the works falling in the competency of JMD and SM & above for works falling in the competency of GGM / GM and below.
- 7.2 During the period of Banning of Business Dealings, no Business Dealing shall be held with the Agency.
- 7.3 The functions of Investigating Committee in each Unit to be appointed by the competent authority in line with para 3 (iii) shall, inter-alia include:
 - a) To study the report of the department responsible for invitation of bids and decide if a prima-facie case for banning exists, if not, send back the case to the Competent Authority.
 - b) To recommend for issue of show-cause notice (after vetting by legal deptt.) to the Agency by the concerned department as per clause 7.4 "Show Cause Notice".
 - c) To examine the reply to show-cause notice and call the Agency for personal hearing, if required.
 - d) To submit final recommendations to the Competent Authority for banning or otherwise including the period for which the ban would be operative considering the implications for CVPP(P) Limited on account of the act/ omission on the part of the agency, intention of the agency as established from the circumstances of the case etc.

7.4 Show Cause Notice

Once the proposal for issuance of Show Cause Notice is approved by the Competent Authority, a 'Show Cause Notice' (as per format at **Appendix-II** of these guidelines) shall be issued to the delinquent Agency by the Competent Authority or by a person authorized by the Competent Authority for the said purpose. The Agency shall be asked to submit the reply to the Show Cause Notice within 15days of its issuance. Further, the Agency shall be given an opportunity for Oral hearing to present its case in person, if it so desires, and the date for Oral Hearing shall necessarily be indicated in the Show Cause Notice.

The purpose of issuing the Show Cause Notice is only that the Agency concerned shall be given an opportunity to explain their stand before any action is taken. The grounds on which action is proposed to be taken shall be disclosed to the Agency inviting representation and after considering that representation, orders may be passed. Such orders require only the satisfaction of the authority that passed the final orders.

If the Agency requests for inspection of any relevant document in possession of CVPP(P)


04/11/22

Limited, necessary facility for inspection of documents may be provided.

During the conductance of oral hearing, only the regular duly authorized employees of Agency will be permitted to represent the Agency and no outsider shall be allowed to represent the Agency on its behalf.

Reply to the Show Cause Notice given by the Agency and their submissions in oral hearing, if any, will be processed by the Committee for obtaining final decision of the Competent Authority in the matter.

In case, no reply to Show Cause Notice is received from the Agency within stipulated time, further reminder shall be given with further period of 10 days thereafter if no reply is received action for processing ex-parte against the concerned Agency shall be initiated.

7.5 Speaking Order

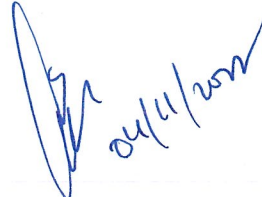
The speaking order (reasoned order) for banning the business dealing with the Agency shall be issued by the Competent Authority or by a person authorized for the said purpose.

The decision regarding banning of business dealings taken after the issue of a Show Cause Notice and consideration of representation, if any, in reply thereto, shall be communicated to the Agency concerned along with a reasoned order. The fact that the representation has been considered shall invariably be mentioned in the communication. Also the fact that if no reply was received to the Show Cause Notice shall invariably be indicated in the final communication to the Agency. The format for intimation of banning of business dealing is placed at **Appendix- III**.

7.6 Period of banning

In case banning is processed for violation of provisions of Integrity pact or due to corrupt or fraudulent practices, the Competent Authority shall decide on the period of banning on case to case basis depending on the gravity of the case and considering the implications for CVPP(P) Limited on account of the act/ omission on the part of the Agency, intention of the Agency as established from the circumstances of the case etc. The period of banning shall not be less than 6 months and shall not exceed 2 years and in case termination of contract due to poor performance the period of banning shall be for 5 years. For contracts awarded to JV/Consortium, a constituent of the JV shall be permitted to participate in the bidding process if it has not been banned on grounds of its role and responsibility in the tendering process for which the Joint Venture has been banned in Past. In case if the Joint Venture which has been banned does not indicate the roles and responsibility of individual Partner(s) then, the partner of the banned Joint Venture shall only be allowed to participate in the bidding process if its participation share is less than 35%.

In case the information/documents submitted by Agency in competing for the tender found to be false/forged then CVPP(P) Limited, without prejudice to any other rights or remedies it may possess, shall recover from Agency the cost incurred in carrying out physical assessment for establishing veracity of such information/documents. In case Agency refuses to reimburse such cost to CVPP(P) Limited then banning period of Agency shall be extended by another one year.



A handwritten signature in blue ink, followed by the date '04/11/2011' written in blue ink.

7.7 Effect of Banning

As far as possible, the existing on-going contract(s) with the Agency may continue unless the Competent Authority, having regard to the circumstances of the case, decides otherwise, keeping in view contractual and legal issues which may arise thereof. In case the existing Contracts are allowed to continue, the suspension/Banning of Business Dealing along with default of the Contractor shall be recorded in the experience certificate issued for the work.

The Agency, (after issue of the order of banning of business dealings) would not be allowed to participate in any future tender enquiry and if the Agency has already participated in tender process as stand-alone OR constituent of joint venture and the price bids are not opened, his techno-commercial bid will be rejected and price bid will be returned unopened. However, where the price bids of Agency have been opened prior to order of banning, bids of Agency shall not be rejected and tendering process shall be continued unless Competent Authority having regard to the circumstances of the case decides otherwise keeping in view the Contractual, Legal issues which may arise thereafter. However, in case the suspension /Banning is due to default of an Agency for the provisions under Integrity Pact and the Agency happens to be Lowest Bidder (L1), the tendering process shall be annulled and fresh tenders shall be invited.

During the Suspension/ Banning period, if it is found at any stage that Agency has participated in tender enquiry under a different name then such Agency would immediately be debarred from the tender/contract and its Bid Security / EMD / Performance Security would be forfeited. Payment, if any, made shall also be recovered.

After Suspension/ Banning order, the Suspended/ Banned Agency shall not be allowed to participate as Sub-Vendor/Sub-Contractor in the tenders.

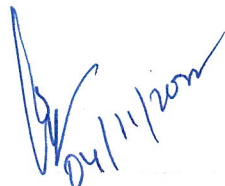
Further, if the Suspended/ Banned agency is an approved Sub-Vendor under any Contract for such equipment/component/service, the Main Contractor shall not be permitted to place work order/Purchase order/Contract on the Suspended/ Banned agency as a Sub-Vendor /Sub-Contractor after the date of Suspension/ Banning even though the name of the party has been approved as a Sub-Vendor /Sub-Contractor earlier.

There would be no bar on procuring the spares and awarding Contracts towards Annual Maintenance (AMC)/ O&M/ Repair works on Agencies pertaining to the packages for which they have been banned provided the Equipment has been supplied by such Agency.

Banning of business dealing shall not be applicable to the Subsidiary Company of the Banned agency provided subsidiary company has not participated on the strength of the Banned agency. However, in case of a default by a Sub-Contractor, the banning shall be applicable to the Sub-Contractor as well as the Lead Partner of the concerned JV or the Sole bidder as the case may be.

7.8 Hosting at CVPP(P) Limited website

The concerned unit shall forward the name and details of the Agency (ies) banned along with period and reasons of banning to IT Division of Corporate Office for displaying the same on the CVPP(P) Limited website.



Handwritten signature and date: 04/11/2020


8.0 Appeals against the Decision of the Competent Authority.

The Agency may file an appeal against the order of the Competent Authority banning of business dealing before Appellate Authority. Such an appeal shall be preferred within 30 (Thirty) Days from the date of receipt of the order of banning of business dealing. Appellate Authority would consider the appeal if convinced may constitute another committee for further investigation. The investigation Committee constituted by the Appellate Authority shall study the report of the previous investigating committee and reply submitted by the Agency while filling its case for appeal and call the Agency for personal hearing if requested by the Agency. Based on the recommendation of the committee Appellate Authority shall pass appropriate Speaking (Reasoned) order in line with Sub-Para 7.5 above which shall be communicated to the Agency as well as the Competent Authority (as per format enclosed as **Appendix-IV** with these guidelines).

9.0 Circulation of the names of Agencies with whom Business Dealings have been banned

The name of the concerned banned agency shall also be shared with MOP and other PSU in the sector and all the units of CVPP(P) Limited.

The provisions of this policy supersede and will have overriding effect on all earlier guidelines, procedures & system issued for the similar purpose.


04/11/2022

(Format for Intimation of Suspension of business dealing)

BY REGD. POST/SPEED POST/COURIER

No.....

Date.....

To

M/s

Attn.: Shri

Sub: Intimation of Suspension of Business Dealings

Dear Sir,

Whereas the work of was awarded to your firm vide letter of award no ...dd..... amounting to Rs. OR in response to CVPP(P) Limited NIT (e-tender / physical tender) nodt. you have submitted your bid. (strike out whichever is not applicable).

Whereas the conduct of your firm in respect of the following is under investigation:

Brief of the default

"Whereas the Competent Authority prima facie considered the allegations (under investigation) are of a serious nature and decided pending investigation, it is not in the interest of the corporation to continue business dealing with your firm

This order shall have the following effects:

- i) Further business dealings with your firm is Suspended within Region/Project/Unit/wide CVPP(P) Limited. The order of Suspension is effective with immediate effect and would operate for a period of six months or till the investigation is completed and whole process of final order is over within such period. However, if investigations are not completed in six months' time, the Competent Authority may extend the period of Suspension
- ii) During the period of Suspension, no business dealing shall be held with your firm. No enquiry / bid / tender shall be issued to your firm nor will the bids submitted by your firm be entertained.
- iii) In cases where tenders have already been issued to you and price bids are yet to be opened, the Price Bid submitted by you shall not be opened and BG/EMD, if any, submitted by you shall be returned.
- iv) In cases where tenders have already been issued to you and Price Bids have already been opened, the tendering process shall be continued.
- v) In case of on-going contracts between you & CVPP(P) Limited, (including cases where contract has already been awarded before the issue of Suspension order) you will be required to continue with the execution and perform as per terms of the contract.
- vi) (a) In case the Firm is in Joint Venture the following would also be applicable:



i) **Participation of Agency in Joint Venture**

Tenders in which your firm has been proposed as Joint Venture Partner by any of the bidders and price bids have been opened prior to Suspension of your firm in such cases the tendering process shall not be annulled on this ground and the Agency shall be permitted to continue as Partner in the Joint Venture for such bidding. However, where event of Price Bid opening has not taken place prior to Suspension/Banning of Agency then in such case Agency shall not be permitted to participate as Partner in the Joint Venture.

ii) **Banning of joint Venture:**

As the Joint Venture is Banned, your firm intends to bid as Partner(s) of Joint Venture in bidding process then it shall be permitted to participate in the bidding process if it has not been Banned on grounds of its role and responsibility in the tendering process for which the Joint Venture has been Banned in Past. In case if the Joint Venture which has been Banned does not indicate the roles and responsibility of individual Partner(s) then, the partner of the Banned Joint Venture shall only be allowed to participate in the bidding process if its participation share is less than 35%.

b) Your firm shall not be allowed to participate as Sub-Vendor/Sub-Contractor in the tenders.

Further if your firm is an approved Sub-vendor under any Contract for such equipment/component/service, the Main Contractor shall not be permitted to place work order/Purchase order/Contract on your agency as a Sub-Vendor/Sub-Contractor after the date of Suspension/ Banning even though the name of the party has been approved as a Sub-Vendor/Sub-Contractor earlier.

c) There would be no bar on procuring the spares and awarding Contracts towards Annual Maintenance (AMC)/ O&M/ Repair works on Agencies pertaining to the packages for which they have been banned provided the Equipment has been supplied by such Agency.

d) Banning of business dealing shall not be applicable to the Subsidiary company of the Banned agency provided subsidiary company has not participated on the strength of the Banned agency.

On expiry of the above period of Suspension/Banning, you may approach..... (Indicate the concerned procurement department), with request for revocation of the order mentioning inter-alia the steps taken by you to avoid recurrence of misconduct which has led to Suspension.

Yours faithfully,

For & On behalf of CVPP(P) Limited

Note: Strike out whichever is not applicable



(Format of Show Cause Notice)

BY REGD. POST/SPEED POST/COURIER

No.....

Date.....

To

M/s

.....

Attn.: Shri

Sub: Show Cause Notice

Ref :

Dear Sir,

You are hereby required to Show Cause in writing within 15 days from the date hereof why Business Dealing with your firm should not be banned / your firm is placed in the Banning List (as the case may be) and be debarred from entering into any contracts with CVPP(P) Limited for the following reasons:

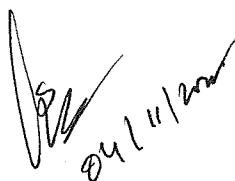
(Give Reasons)

Your reply (if any) should be supported by documents and documentary evidence which you wish to rely in support of your reply. In case you desire to present your case in person to CVPP(P) Limited, a personal hearing shall be conducted onat.....Hours for which prior intimation be furnished to this office. Should you fail to reply to this Show Cause Notice within the time and manner aforesaid, it will be presumed that you have nothing to say and we shall proceed accordingly.

Your reply, if any, and the documents / documentary evidence given in support shall be taken into consideration prior to arriving at a decision.

Yours faithfully,

For & On behalf of CVPP(P) Limited



(Format for Intimation of Banning of Business Dealing)

BY REGD. POST/SPEED POST/COURIER

No.....

Date.....

To

M/s

Attn.: Shri

Sub: Intimation of Banning of Business Dealings

Dear Sir,

Whereas the work of was awarded to your firm vide letter of award no ...dtd..... amounting to ` OR In response to CVPP(P) Limited NIT (e-tender / physical tender) nodt. you have submitted your bid .(strike whichever is not applicable)

Whereas the Competent Authority had prima facie considered the allegations as detailed below are of a serious nature and decided to conduct investigation.

"Brief of the Default may be mentioned"

Whereas show cause notice vide no ... dtd.....was served upon you. (Whereas in spite of the opportunity given to you, you failed to submit the reply to the show cause notice within the time period mentioned there upon or further extended period, if any). Whereas you submitted the reply along with documents vide your letter no. _____dt. _____ presented your case in the personal hearing dated(if any). After considering the allegations made in the show cause notice, your reply to the show cause notice documents/documentary evidence in support thereof and personal hearing dated.....(if any), it has been decided to Ban the Business Dealing with you and you are hereby debarred from entering into contracts with CVPP(P) Limited.

(In order to make the intimation of banning of Business Dealing Speaking Order (Reasoned Order) the issue of Show Cause Notice and consideration of representation in reply to show cause notice, opportunity of personal hearing, shall be communicated to the Agency concerned along with a reasoned order. The order for Banning should also contain the reasons with detailed justification for conclusion of decision to Ban the Agency. Also the fact if no reply to the Show Cause Notice was received or request for personal hearing was not made shall invariably be indicated in the communication to the Agency. The above order shall mention the grounds considering violation of any provision of Integrity Pact, any ground mentioned in Guidelines of Banning of Business Dealings, default by the agency under fraudulent practise/ or any unethical practise and /or violation of any provision of Tender/Contract Condition having serious implications.)



This order shall have the following effects:

- i) Further business dealings with your firm is banned with immediate effect. The order of Banning would operate for a period of _____years/month Competent Authority may extend the period of Banning.
- ii) During the period of Banning, no Business Dealing shall be held with your firm. No Enquiry/ Bid/ Tender shall be issued to your firm nor will the bids submitted by your firm be entertained.
- iii) In cases where tenders have already been issued to you and Price Bids are yet to be opened, the Price Bid submitted by you shall not be opened and BG/EMD, if any, submitted by you shall be returned.
- iv) In cases where tenders have already been issued to you and price bids have already been opened, the Tendering Process shall be continued.
- v) In case of on-going contracts between you & CVPP(P) Limited, CVPP(P) Limited (including cases where contract has already been awarded before the issue of Banning order) you will be required to continue with the execution and perform as per terms of the contract.

vi) (a) In case the Firm is in Joint Venture the following would also be applicable:

i) **Participation of Agency in Joint Venture:**

Tenders in which your firm has been proposed as Joint Venture Partner by any of the bidders and price bids have been opened prior to Banning of your firm in such cases the tendering process shall not be annulled on this ground and the Agency shall be permitted to continue as Partner in the Joint Venture for such bidding. However, where event of price bid opening has not taken place prior to Banning of Agency then in such case Agency shall not be permitted to participate as Partner in the Joint Venture.

ii) **Banning of joint Venture:**

As the Joint Venture is banned, your firm intends to bid as Partner(s) of Joint Venture in bidding process then it shall be permitted to participate in the bidding process if it has not been banned on grounds of its role and responsibility in the tendering process for which the Joint Venture has been banned in Past. In case if the Joint Venture which has been banned does not indicate the roles and responsibility of individual Partner(s) then, the partner of the banned Joint Venture shall only be allowed to participate in the bidding process if its participation share is less than 35%.

(b) Your firm shall not be allowed to participate as Sub-Vendor/Sub-Contractor in the tenders.

Further if your firm is an approved Sub-vendor under any Contract for such equipment/component/service, the Main Contractor shall not be permitted to place work Order/Purchase Order/Contract on your agency as a Sub-Vendor/Sub-Contractor after the date of Banning even though the name of the party has been approved as a Sub-Vendor/Sub-Contractor earlier.

(c) There would be no bar on procuring the spares and awarding Contracts



towards Annual Maintenance (AMC)/ O&M/ Repair works on Agencies pertaining to the packages for which they have been banned provided the Equipment has been supplied by such Agency.

- (d) Banning of Business Dealing shall not be applicable to the Subsidiary company of the Banned Agency provided subsidiary company has not participated on the strength of the Banned Agency. However, in case of a default by a Sub-Contractor, the banning shall be applicable to the Sub-Contractor as well as the Lead Partner of the concerned JV or the Sole bidder as the case may be.

On expiry of the above period of Banning, you may approach _____ (Indicate the concerned procurement department), with request for revocation of the order mentioning inter-alia the steps taken by you to avoid recurrence of misconduct which has led to Banning.

Further if you desire to appeal against this order you may do so within 30 days from the date of issue of this order to the appellate authority as here under:

Appellate Authority:

Designation:

Address:.....

Ph. no.

e-mail:

Yours faithfully,

For & On behalf of CVPP(P) Limited

Note: *Strikeout whichever is not applicable*



(Format for communication of Appellate Decision on Suspension/Banning Order)

BY REGD. POST/SPEED POST/COURIER

No.....

Date.....

To

M/s

Attn.: Shri

Sub: Suspension / Banning of Business Dealings - Intimation of decision of Appellate Authority

Ref: 1. Order dated Placing M/s on Suspension/Banning List by CVPP(P) Limited;
2. Your Appeal reference Dt.....

Dear Sir,

This has reference to the order dt..... placing you on Suspension/Banning List and your appeal petition reference dt.... on the same.

After considering the findings of the Original Authority in order and submissions made by you in your appeal, and the documents/documentary evidences available on record, it has been decided finally that:

- * There is no infirmity in the order of the Original Authority, and the allegations stand substantiated and the Suspension/ Banning for the period of years/month from the date of order, as ordered by the original Authority is upheld,
- * Considering your submissions, the order of Suspension/Banning passed by the original authority is upheld, but with a reduction in period of Suspension/Banning for years/months from the date of order of original authority;
- * Considering your submissions and the evidence available on record, there is enough justification to annul the order of the original authority.

(*** Incorporate any one of the above as applicable)

In order to make the Communication of Appellate Authority on Banning of Business Dealing Speaking Order (Reasoned Order) the fact that the representation of the agency has been considered and reference of grounds brought forward by the Agency in his defense and if any opportunity of personal hearing has been given to the Agency as a part of principle of natural justice shall invariably be mentioned in the communication. The order for Banning should also contain the reasons with detailed justification for conclusion of decision to Ban the Agency. Also the fact if no sufficient grounds has been furnished shall invariably be indicated in the final communication to the Agency. In case the option for Banning of Agency or reduction of Time Period for Banning of Agency is exercised then the above order shall mention the grounds considering violation of any provision of Integrity Pact, any ground mentioned in



Guidelines of Banning of Business Dealings, default by the agency under fraudulent practise/
or any unethical practise and /or violation of any provision of Tender/Contract Condition having
serious implications.)

Yours faithfully,

For & On behalf of CVPP(P) Limited

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke extending to the right.

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ANNEXURE-III

(To be filled and uploaded online)

(Format for declaration by the Bidder)

Self-Declaration by the Bidder

I/We, M/s _____ (*Name of Bidder*) hereby certify that I/We have not been banned / de-listed / black listed / debarred from business on the grounds mentioned in Para 6 of Guidelines on Banning of Business dealings (Annex-A) to Integrity Pact, ITB Clause _____ of Tender Document.

I/We, M/s _____ (*Name of Bidder*) hereby further certify that I/We have not been declared ineligible under Para 6 of Guidelines on Banning of Business Dealings.

(Seal & Signature of Bidder)

Note: This 'Declaration' should be on the letter head of Bidder.

