

**CORRIGENDUM-1 TO OPEN TENDER NOTICE**

**Tender Notice No. PS/TENDER/02/2015**

The date of submission of tender for “**Annual Contract for supply of packed purified drinking water jars- approx. 600 Nos. monthly**” published vide Open Tender Notice No. PS/TENDER/02/2015 is hereby extended up to **12:00 hrs on 22 July 2015** and shall be opened **on same day at 1500 hrs**. Other terms & conditions shall remain unchanged. Please visit our website for details [www.tropmet.res.in](http://www.tropmet.res.in) & CPP Portal: [www.eprocure.gov.in](http://www.eprocure.gov.in)

Scientific Officer, Grade-II,  
For Director  
Email: [psu.iitm@tropmet.res.in](mailto:psu.iitm@tropmet.res.in)

INDIAN INSTITUTE OF TROPICAL METEOROLOGY PUNE 411 008

TERMS & CONDITIONS

ENQUIRY NO: **PS/139/04/2015**

Tender Notice No. **PS/Tender/02/2015**

**Sub :- Annual Contract for supply of packed 20 ltr. purified drinking water jars” (Approx. 600 Nos. Jars Monthly) preferably Bisleri / Aquafina/ Kinley / Bailley or equivalent.**

- 1) The Tenderers are requested to give detailed sealed tender in their own forms in two Bids i.e.

**Part – I Technical Bid.**

**Part - II Commercial Bid**, both the bids addressed to the Director, Indian Institute of Tropical Meteorology, Dr. Homi Bhabha Road, NCL Post, Pashan, Pune – 411 008, INDIA.

- 2) This tender is not transferable.

- 3) If a request is made to IITM for Tender Documents a sum of **Rs.1,000/- (Rs. One Thousand only) (Non-refundable)** has to be paid in the form of Demand Draft drawn in favour of “The Director, Indian Institute of Tropical Meteorology, Pune” **from Nationalized / Commercial Bank**. Otherwise tender will not be considered.

Tender documents are also available on Institute’s website, bidder can download the same. However, tender fees as mentioned above required paying along with technical bid.

- 4) You have to submit two separate bids in two separate envelopes and you may keep both the bid envelopes in an envelope for sending to us.

One envelope will contain only the **TECHNICAL SPECIFICATIONS** of the indented equipment.

Another envelope will contain only the **FINANCIAL BID** in which price and any other

information, which has financial implications, will only be given.

The main envelope, which will contain both the bids, should be super scribed with our tender enquiry No.**PS/139/04/2015** due on **22<sup>nd</sup> July 2015**.

- 5) Please indicate page nos. on your quotation ex. If the quotation is containing 25 Pages, please indicate as 1/25, 2/25, 3/25 -----25/25.
- 6) Last date for the receipt of completed tender is **up to 12:00 hrs. on 22<sup>nd</sup> July 2015** **& Technical Bid** will be opened on the same day **at 15:00 hrs** in the presence of the representatives of the vendors present.
- 7) Price bid (Part II) of only such of those tenderers who are found eligible after scrutiny of their Part I of the tenders will be opened on any subsequent working day which will be intimated to all the eligible tenderers.

- 8) The tender must be valid for a period of at least **180** days from the date of opening.
- 9) **Eligibility Criteria:**  
**The invitation to bid is open to all Bidders who qualify the Eligibility Criteria as given below. Failure to provide the desired information and documents may lead to disqualification of the Bidder.**
- a. The Bidder should be a Company registered under the Companies Act, 1956 since the last three years.
  - b. The Bidder should be an authorized dealer to quote for the products of the OEM.
  - c. The Bidder should have minimum annual turnover of Rs. 50 lakhs during the last three financial years. (2012-13, 2013-14, and 2014-15) or Calendar year 2012, 2013, 2014 or the Bidder's financial year).
  - d. The Bidder should not be currently blacklisted by any bank / institution in India or abroad.
  - e. The Bidder should provide reference of client who have procured **water jars**.
  - f. The Bidder should be a profit (profit after tax) making company in the last financial year i.e. 2014-15 (or Calendar year 2014 or the Bidder's financial year).
  - g. **Minimum experience in the field** : 5 years (Certificate of Incorporation or, memorandum/Articles of Association along with documentary proof to be enclosed)
  - h. **Network:** Should have distribution network at Pune.
  - i. Should be able to provide service as and when required.
  - j. The packaged drinking water should be BIS – **IS14543 certified**. The manufacturer should have valid license. (Relevant documents along with latest surveillance inspection report may be submitted)
- 10)The purpose of certain specific conditions is to get or procure best Equipment/ service etc. for IITM. The opinion of Technical Committee shall be guiding factor for Technical short listing.
- 11)Supplier shall finally warrant that all the stores, equipment and components supplied under the SUPPLY ORDER shall be new and of the first Quality according to the specifications and shall be free from all the defects.
- 12)Tender must clearly indicate the features offered unit price, VAT tax, transport, transit-insurance, installation charges. Institute cannot furnish any certificate for exemption or reduction in VAT tax or any other duty/tax. The vendor should mention the price of the water jars and the duties/taxes to be paid such as customs duty/excise duty/VAT taxes etc. separately.

#### **Duties and Responsibilities of the Service Provider**

- 13)The Bidder has to strictly ensure best service for supply of purified drinking water as per the standards declared by the Bureau of Indian Standards vide **No. IS: 14543 and IS: 15410**.

- 14) Packaged drinking water means water derived from any source of potable water which may be subjected to treatments, such as, decantation, filtration, combination of filtration, aeration, filtration with membrane filter, depth filter, cartridge filter, activated carbon filtration, demineralization, remineralization, reverse osmosis or any other method to meet the prescribed standard and packed. It may be disinfected to a level that will not lead to harmful contamination in the drinking water. It may be disinfected by means of chemical agents and/or physical methods to reduce of the number of micro-organism to a level that does not compromise food safety or suitability. It shall be filled in a sealed container of various compositions, forms and capacities that is suitable for direct consumption without further treatment. In case remineralization is a part of the treatment process, the ingredients used shall be food grade quality and confirm to the requirements of the Prevention of Food Adulteration Act, 1954 and the rules framed there under. **(Clause 3.2 of IS : 14543 : 2004).**
- 15) The service provider has to ensure that any upgradation in standards brought in by BIS either during the currency of the contract or before has to be met by the manufacturer
- 16) The Institute will, if necessary, arrange to get the water tested for quality from appropriate laboratories. In the event of any deficiencies noticed in the quality of water on account of not meeting the standard specified in **BIS – IS 14543**, or such other specifications prescribed by Government, or presence of any impurities, chemicals, toxic contents, sediments etc, Institute reserves the right to terminate this arrangement forthwith. Attendant costs, damages, if any, caused shall be made good by the supplier to the Institute.
- 17) The manufacturer should have a valid license for manufacturing the packaged drinking water and should be able to provide the latest periodic surveillance inspection report of the valid license period.
- 18) The processed water should meet all the requirements in terms of a) physical, b) chemical (general chemical substances, toxic substances and pesticides residues), c) microbiological and d) radioactive residues besides the requirements for packaging
- 19) In case of delay in delivering the requirements within the specified period, the Institute may, without prejudice to any other steps it may take in this regard, impose penalty of 50% cut in charges payable for delay upto three days and 100% cut in charges payable for delay of more than seven days except in case of "force majeure".

**FORCE MAJEURE:** Neither party shall be liable for any delay in performing obligations or for failure to perform obligations if the delay or failure results from any of the following (whether happening in India or elsewhere) FORCE MAJEURE, Act of God or any governmental Act, fire, earthquake, explosion, accident, industrial dispute, civil commotion or anything beyond the control of either party. The parties hereto shall make all reasonable endeavours to minimise any such delay. Upon

cessation of the event giving rise to the delay, the parties shall, in so far as may be practicable under the circumstances, complete performance of their respective obligations as described in these terms and conditions.

20) Institute shall make claims, if any, in writing – (a) within 30 days from the date of payment of the relative bill, if the claim relates to shortage, damage or delay, (b) Any such claim lodged by the Institute shall be settled by the service provider within a period of one month.

21) The Institute may for any reasons whatsoever or without assigning any reason discontinue the arrangement before the expiry of the period mentioned in this agreement by issuing a notice of 30 days to the service providers.

22) The service provider shall be solely responsible for compliance with the provisions of all central and state laws, various taxes (Income tax, sales tax, service tax, etc), labour and industrial laws, such as minimum wages, compensation, EPF, Bonus, Gratuity, etc. relating to persons deployed for providing services to Institute.

23) The whole of the works included in the contract shall be executed by the bidder and the bidder shall not directly or indirectly transfer, assign or sublet the contract or any part, share or interest therein without written consent of the Institute. Notwithstanding the above, the decision of the Institute to grant such permission shall be final and binding on the bidder.

**24) Rate Contract for One Year :**

**a) The quantity of packed purified drinking water jars may vary and likely to be increased to meet the requirement of employees of this Institute. Hence, the bidders are required to give their acceptance / undertaking along with their bid that the rates quoted by them will be valid for one year from the placement of Purchase Order and the increased quantity of goods will be supplied at the same cost, terms and conditions as per the PO. The exact increase in quantities will be communicated in due course. Keeping this in view prices may be quoted accordingly.**

**b) The quantities mentioned in the financial offer are tentative for evaluation of tender only. Actual quantities may vary**

**c) IITM reserves the right to place Purchase Order directly to the successful bidder for any further requirement of packed purified drinking water jars at the agreed unit rate i.e. the rate contract for a period of one year from the date of first Purchase Order.**

25) As this Institute is exempted from payment of Custom Duty vide NOTIFICATION NO. 51/96-CUSTOMS DATED 23 JULY 1996, Excise Duty vide NOTIFICATION NO. 10/97-CENTRAL EXCISE DT. 1<sup>ST</sup> MARCH 1997 & LBT vide No.PMC-LBT-005-0064836 AUNDH dated 16.05.2013. Exemption certificate will be issued on request.

26) No advance can be paid.

27)The **payment terms** shall be as follows:

i) 100% payment of the Packaged Drinking Water Provider shall be released within 30 (thirty) working days from the date of the submission of the bills duly supported by the relevant documents as proof of delivery in good condition through electronic means. Institute will pay the agreed amount on the basis of monthly bill submitted by the agency.

28)The prices quoted should be firm and irrevocable and not subject to any change whatsoever, even due to increase in cost of raw material components and fluctuation in the foreign exchange rates and excise duty.

29)Indicate the names of the Indian reputed Organizations where you have supplied the similar product and may attach the satisfactory performance report from user Organization.

30)The vendor should have supplied and deployed similar kind of packed purified drinking water jars in govt. Institutes Completion certificate / Experience Certificate for the same should be enclosed.

31)a) If you have supplied identical or similar kind of packed purified drinking water jars to other Institutes under Ministry of Earth Sciences and Ministry of Science & Technology, the details of such supplies for the preceding three years should be given together with the prices.

b) Based on the above information IITM will have its option to obtain details of the equipment, their performance, after sales services etc. for evaluation of the tender, directly from the concerned Labs. /Scientists etc.

32)The Institute is autonomous scientific research organization under the Ministry of Earth Sciences and is a recognized center for studies leading to M.Sc. and Ph.D. of the University of Pune and various other Universities. As such, all possible concessions/discounts / rebates applicable for educational Institutions may be given.

33)The Tenderers / bidders are requested to quote for Educational Institutional Price, since we are eligible for the same.

34)Kindly attach a copy of your latest DGS&D, New Delhi registration Certificate under the compulsory Scheme of Ministry of Finance regarding the registration of Indian Agent of foreign supplier wherever it is applicable.

35)The Tenderer is required to furnish the Permanent Account Number (PAN) Allotted by the Income Tax Department. If registered with the National Small Industries Corporation, the registration number, purpose of registration and the validity period of registration' etc. should also be provided in Technical Bid for Indian Agents.

36)Vendor should clearly mention the following:

- Make and model of every item quoted.
- Delivery period.
- Company profile with a list of those institutes/users should be attached where vendor has supplied the packed purified drinking water jars in question in past.
- A letter of AUTHORISED REPRESENTATIVE from the Principal should invariably be attached with quotation
- A copy of latest Income Tax clearance Certificate from Income Tax Department (INDIA)

37) Discount offered should be mentioned clearly in the commercial bid only.

38) LBT payment if any, the same may please be shown separately.

39) Goods should not be dispatched until the Vendor receives a firm order.

40) The packaged drinking water should be delivered in good condition. In case of any damage/leakage, the responsibility shall be that of the Service Provider. The cost of the material and loss of time shall be recovered from them

**41) Earnest Money Deposit:**

- a) The Earnest Money Deposit of **Rs.16,000/- (Rs. Sixteen Thousand only)** must be paid / sent along with your technical bid in the form of a Demand Draft, Banker cheque or Bank Guarantee from a Nationalized / Commercial Bank drawn in favour of The Director, Indian Institute of Tropical Meteorology, Pune payable at Pune, otherwise your technical & financial bids will not be considered at all. The Earnest Money of successful bidder will be returned only after installation, satisfactory demonstration and on acceptance of the equipment by the user Scientist / HOD as per the terms of our purchase order. If the successful bidder fails to fulfill the contractual obligations before the due date, he will forfeit the EMD.

The Earnest Money of the unsuccessful bidder whose technical bid has not been found suitable will be returned within **forty five days** after receipt of Technical Committee recommendations.

- b) Those who are registered with Central Purchase Organization (e.g. DGS&D), National Small Industries Corporation or the concerned Ministry / Department need not to furnish EMD along with their bids.
- c) Though EMD has to be submitted by Demand Draft, Banker's Cheque or Bank Guarantee, we prefer to have Bank Guarantee for easy return to the bidders once a decision is taken by IITM. (Specimen of Bank Guarantee is enclosed at Annexure 'A').
- d) Tenders not accompanied with Demand Draft / Bank Guarantee towards "Earnest Money Deposit" will summarily be rejected.

42) Successful bidder is required to furnish an amount equivalent to **Rs.50,000.00 (Rs. Fifty Thousand only)** as a '**Security Deposit**' in the form of Demand Draft / Bank Guarantee from any Nationalized / Commercial Bank in favour of 'Director, IITM, Pune' within 21 days on receipt of Purchase Order. The Security Deposit will be returned only

after the successful execution of the order / contract. Refund of Security Deposit whenever considered admissible by the Purchaser, shall be without interest only.

- 43) The successful tenderer shall execute an agreement with the Institute on stamped paper within fourteen days of placing of the Purchase Order.
- 44) Part and incomplete tenders are liable to be rejected.
- 45) Conditional Offers will not be considered.
- 46) The tenders must be clearly written or typed without any cancellations / corrections or overwriting.
- 47) **Fax / E-mail / Telegraphic / Telex tenders will not be considered.**
- 48) IITM will not be responsible:
  - a) For delayed / late quotations submitted / sent by Post / Courier etc.
  - b) For submission / delivery of quotations at wrong places other than the Office of Director, IITM, Pune – 411 008.
- 49) In case of any dispute regarding part-shipment, non-compliance of any feature etc., the Director, Indian Institute of Tropical Meteorology, Pune will be the final authority to decide the appropriate action and it will be binding on the vendor.
- 50) The vendor needs to have a full-fledged office, PoC or testing center to showcase and test the functionality of the ordered equipment's in Pune.
- 51) Director reserves the right to reject any or all tenders without assigning any reason.
- 52) The vendor must sign and stamped the duly filled **Pre Contract Integrity Pact** (Annexure-B) as a part of technical qualification criteria.

**Note : Please submit Technical compliance sheet along with tender .**

(V. R. Mali)  
Scientific Officer Gr.-II  
for Director  
**Contact No. : (020) 25904483 / 210**  
**e-mail : [vipin@tropmet.res.in](mailto:vipin@tropmet.res.in)**

Indian Institute of Tropical Meteorology,

Dr. Homi Bhabha Road, Pashan,  
Pune – 411008

**Sub :- Commercial Bid Annual Contract for supply packed purified drinking water jars” (Approx. 600 Nos Jars Monthly).**

Sr. No.	Item Description	Qty	Unit Rate	Total
01.	Annual Contract for supply packed purified drinking water jars of 20 Liter” (Rates should be inclusive of packing material, courier charges, transport charges)	600 per Month approx..		
02.	Discount if any (only on Per Unit Rate)			
03.	VAT			
04.	Service Tax			
05.	Total			

Name of Product / Brand :

Signature of the Authorised signatory.

Name of the Firm.....

Place:.....

Date:.....

Address.....

(with rubber stamp of the firm)

**BID SECURITY FORM**

Whereas 1 (hereinafter called "the Bidder") has submitted its bid dated (*date of submission of bid*) for the supply of \_\_\_\_\_ (*name and/or description of the goods*)(hereinafter called "the Bid").

KNOW ALL PEOPLE by these presents that WE \_\_\_\_\_ (*name of bank*) of (*name of the country*), having our registered office at (*address of bank*)(hereinafter called "the Bank"), are bound unto (*name of Purchaser*) (hereinafter called "the Purchaser") in the sum of \_\_\_\_\_ for which payment well and truly to be made to the said Purchaser, the Bank binds itself, its successors, and assigns by these presents. Sealed with the Common Seal of the said Bank this \_\_\_ day of 20\_\_\_ THE CONDITIONS of this obligation are:

- If the Bidder withdraws it's bid during the period of bid validity specified by the Bidder on the Bid Form; or  
 If the Bidder, having been notified of the acceptance of it's bid by the Purchaser during the period of bid validity:
- a) fails or refuses to execute the Contract Form if required; or
  - b) fails or refuses to furnish the performance security, in accordance with the Instruction to Bidders.

We undertake to pay the Purchaser up to the above amount upon receipt of its first written demand, Without the Purchaser having to substantiate its demand, provided that in its demand the Purchaser will note that the amount claimed by it is due to it owing to the occurrence of one or both of the two conditions, specifying the occurred condition or conditions.

This guarantee shall remain in force up to forty five days after the period of the bid validity, and any demand in respect thereof should reach the Bank not later than the above date.

(Signature of the Bank)  
 Name of Bidder.

**PRE CONTRACT INTEGRITY PACT**

**General**

This pre-bid-contract Agreement (hereinafter called the Integrity Pact) is made on \_\_\_\_\_ day of the month of \_\_\_\_\_, between, on one hand, the **Director IITM, Pune** acting through Shri \_\_\_\_\_, Designation of the officer, Ministry/ Department, Government of Indian (hereinafter called the ‘BUYER”, which expression shall mean and include, unless the context otherwise required, his successors in office and assigns) of the First Part and M/s \_\_\_\_\_ represented by Shri \_\_\_\_\_, Chief Executive Officer (hereinafter called the ‘BIDDER/Seller” which expression shall mean and include, unless the context otherwise requires, his successors and permitted assigns) of the Second Part.

WHEREAS the BUYER proposes to procure (Name of the Stores/Equipment/Item) and the BIDDER /Seller is willing to offer/has offered the stores and

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

NOW, THEREFORE,

To avoid all forms of corruption by following a system that is fair, transparent and free from any influence/prejudiced dealings prior to, during and subsequent to the currency of the contract to be entered into with a view to :-

Enabling the BUYER to obtain the desired said stores/equipment 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 BIDDERS to abstain from bribing or indulging in any corrupt practice in order to secure the contract by providing assurance to them that their competitors will also abstain from bribing and other corrupt practices and BUYER will commit to prevent corruption, in any form, by its officials by following transparent procedures.

The parties hereto agree into this Integrity Pact and agree as follows :-

**Commitments of the BUYER**

- 1.1 The BUYER undertakes that no official of the BUYER, connected directly or indirectly with the contract, will demand, take a promise for or accept, directly or through intermediaries, any bribe, consideration, gift, reward, favour or any material or immaterial benefit or any other advantage from the BIDDER, either

- for themselves or for any person, 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 BUYER will, during the pre-contract stage, treat all BIDDERS alike, and will provide to all BIDDERS the same information and will not provide and such information to any particular BIDDER which could afford an advantage to that particular BIDDER in comparison to other BIDDERS.
  - 1.3 All the officials of the Buyer will report the appropriate Government office any attempted or completed breaches of the above commitments as well as any substantial suspicion of such a breach.
2. In case any such preceding misconduct on the part of such official(s) is reported by the BIDDER to the BUYER with full and verifiable facts and the same is prima facie found to be correct by the BUYER, necessary disciplinary proceedings, or any other action as deemed fit, including criminal proceeding, or any other action as deemed fit, including criminal proceedings may be initiated by the BUYER and such a person shall be debarred from further dealings related to the contract process. In such a case while an enquiry is being conducted the BUYER the proceedings under the contract would not be stalled.

### **Commitments of BIDDERS**

3. The BIDDER 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 stage in order to secure the contract or in furtherance to secure it and in particular commit itself to the following :-
  - 3.1 The BIDDER will not offer directly or through intermediaries, any bribe, gift, consideration, reward, favor, any material or immaterial benefit or other advantage, commission, fees, brokerage or inducement to any official of the BUYER, connected directly or indirectly with the bidding process, or to any person, 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 further undertakes that it has not given, offered or promised to give, directly or indirectly any bribe, gift, consideration Reward, favor, any material or immaterial benefit or other advantage, commission, fees, brokerage or inducement to any official of the BUYER or otherwise in procuring the Contract or forbearing to do so 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 favor or disfavor to any person in relation to the contract or any other contract with the Government.

- 3.3\* BIDDERS shall disclose the name and address of agents and representatives and Indian BIDDERS shall disclose their foreign principals or associates.
- 3.4\* BIDDERS shall disclose the payments to be made by them to agents/brokers or any other intermediary, in connection with this bid/contract.
- 3.5\* The BIDDER further confirms and declares to the BUYER that the BIDDER is the original manufacturer/integrator/authorized government sponsored export entity of the defense stores and has not engaged any individual or firm or company whether Indian or foreign to intercede, facilitate or in any way to recommend to the BUYER or any of its functionaries, whether officially or unofficially to the award of the contract to the BIDDER, nor has any amount been paid, promised or intended to be paid to any such individual, firm or company in respect of any such intercession, facilitation or recommendation.
- 3.6\* The BIDDER, either while presenting the bid or during pre-contract negotiations or before signing the contract, shall disclose any payments he has made, is committed to or intends to make to officials of the

BUYER or their family members, agents, brokers or any other intermediaries in connection with the contract and the details if services agree upon for such payments.

- 3.7 The BIDDER will not collude with other parties interested in the contract to impair the transparency, fairness and progress of the bidding process, bid evaluation, contracting and implementation of the contract.
- 3.8 The BIDDER will not accept any advantage in exchange for any corrupt practice, unfair means and illegal activities.
- 3.9 The BIDDERS shall not use improperly, for purposes of competition or personal gain, or pass on to others, any information provided by the BUYER as part of the business relationship, regarding plans, technical proposals and business details, including information contains in any electronic data carrier. The BIDDER also undertakes to exercise due and adequate care lest any such information is divulged.
- 3.10 The BIDDER 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 shall not instigate or cause to instigate any third person to commit any of the action mentioned above.

- 3.12 If BIDDER or any employee of the BIDDER or person acting on behalf of the BIDDER, either directly or indirectly, is a relative of any of the officers of the BUYER, or alternatively, if any relative of an officer of the BUYER has financially interested/stake in the BIDDER's firm, the same shall be disclosed by the BIDDER at the time of filling of tender.

The term 'relative' for this purpose would be as define in Section 6 of the Companies Act 1956.

- 3.13 The BIDDER shall not lend to or borrow any money from or entire into any monetary dealings or transactions, directly or indirectly, with any employee of the BUYER.

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

- 4.1 The BIDDER declares that no previous transgression occurred in the last three years immediately before signing of this Integrity Pact, with any other company in any country in respect of any corrupt practices envisaged hereunder or with any Public Sector Enterprise in India or any Government Department in India that could justify BIDDER's exclusion from the tender process.

- 4.2 The BIDDER agrees that if it makes incorrect statement on this subject BIDDER can be disqualified from the tender process or the contract, if already awarded, can be terminated for such reason.

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

- 5.1 While submitting commercial bid, the Bidder shall deposit an amount \_\_\_\_\_ (to be specified in RFP) as Earnest Money/ Security Deposit, with the BUYER through any of the following instruments:

i) Bank Draft or a Pay Order in favor of \_\_\_\_\_

ii) A confirmed guaranteed by an Indian Nationalized Bank. Promising payment of the guaranteed sum to the BUYER on demand within three working days without any demur whatsoever and without seeking any reason whatsoever. The demand for payment by the BUYER shall be treated as conclusion proof of payment.

iii) Any other mode or through any other instruments (to be specified in the RFP).

- 5.2 The Earnest Money/ Security Deposit shall be valid upto a period of six months or the complete conclusion of the contractual obligation to the complete satisfaction of the both the BIDDER and the BUYER, including warranty period, whichever is later.

- 5.3 In case of the successful BIDDER a clause would also be incorporated in the Article pertaining to performance Bond in the Purchase Contract that the provisions of Sanctions for Violation shall be applicable for forfeit the same without assigning any reason for imposing sanction for violation of this Pact.
- 5.4 No interest shall be payable by the BUYER to the BIDDER on Earnest Money/Security Deposit for the period of its currency.

## **6. Sanction for Violations**

- 6.1 Any breach of the aforesaid provisions by the BIDDER or any one employed by it or acting on its behalf (whether with or without the knowledge of the BIDDER) shall entitle the BUYER to take all or any one of the following actions, wherever required:

i) To immediately call off the pre contract negotiations without assigning any reason or giving any compensation to the BIDDER. However, the proceedings with the other BIDDER(s) would continue.

ii) The Earnest Money (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 BUYER and the BUYER shall not be required to assign any reason thereof.

iii) To immediately cancel the contract. If already signed, without giving any compensation to the BIDDER.

iv) To recover all sums already paid by the BUYER, and in case of an Indian BIDDER with interest thereof at 2% higher than the prevailing Prime Lending Rate of State Bank of India, while in case of a BIDDER from a country other than India with interest thereon at 2% higher than the LIBOR. If any outstanding payment is due to the bidder from the BUYER in connection with any other contract for any other stores, such outstanding payment could also be utilized to recover the aforesaid sum and interest.

v) To encash the advance bank guarantee and performance bond/warranty bond, if furnished by the BIDDER, in order to recover the payments, already made by the BUYER, along with interest.

vi) To cancel all or any other Contracts with the BIDDER. The BIDDER shall be liable to pay compensation for any loss or damage to the BUYER resulting from such cancellation/rescission and the BUYER shall be entitled to deduct the amount so payable from the money(s) due to the BIDDER.

vii) To debar the BIDDER from participating in future bidding processes of the Government of India for a minimum period of five years, which may be further extended at the discretion of the BUYER.

Viii) To recover all sums paid in violation of this Pact by BIDDER(s) to any middleman or agent or broker with a view to securing the contract.

ix) in case where irrevocable Letters of Credit have been received in respect of any contract signed by the BUYER with the BIDDER, the same shall not be opened.

(x) Forfeiture of Performance Bond in case of a decision by the BUYER to forfeit the same without assigning any reason for imposing sanction for violation of this Pact.

- 6.2 The BUYER will be entitled to take all or any of the actions mentioned at para 6.1 (i) to (x) of this Pact also on the Commission by the BIDDER or any one employed by it or acting on its behalf (whether with or without the knowledge of the BIDDER), of an offence as defined in Chapter IX of the Indian Penal Code, 1860 or Prevention of Corruption Act, 1988 or any other statute enacted for prevention of corruption.
- 6.3 The decision of the BUYER to the effect that a breach of the provisions of this Pact has been committed by the BIDDER shall be final and conclusive on the BIDDER. However, the BIDDER can approach the Independent Monitor(s) appointed for the purposes of this Pact.

## **7. Fall Clause**

- 7.1 The BIDDER undertakes that it has not supplied/is not supplying similar product/systems 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/systems or sub systems was supplied by the BIDDER to any other Ministry/Department of the Government of India or a PSU at a lower price, then that very price, with due allowance for elapsed time, will be applicable to the present case and the difference in cost would be refunded by the BIDDER to the BUYER, if the contract has already been concluded.

## **8. Independent Monitors**

- 8.1 The BUYER has appointed Independent monitors (hereinafter referred to as Monitors) for this Pact in consultation with the Central Vigilance Commission (Names and Addresses of the Monitors to be given).
- 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.

- 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 the meetings.
- 8.5 As soon as the Monitor notices, or has reason to believe, a violation of this Pact, he will so inform the Authority designated by the BUYER.
- 8.6 The BIDDER(s) accepts that the Monitor has the right to access without restriction to all Project documentation of the BUYER including that provided by the BIDDER. The BIDDER will also grant the Monitor, upon his request and demonstration of a valid interest, unrestricted and unconditional access to his project documentation. The same is applicable to Subcontractors. The Monitor shall be under contractual obligation to treat the information and documents of the BIDDER/Subcontractor(s) with confidentiality.
- 8.7 The BUYER will provide to the Monitor sufficient information about all meetings among the parties related to the Project provided such meetings could have an impact on the contractual relations between the parties. The parties will offer to the Monitor the option to participate in such meetings.
- 8.8 The Monitor will submit a written report to the designated Authority of the BUYER/Secretary in the Department/ within 8 to 10 weeks from the date of reference or intimation to him by the BUYER / BIDDER and, should the occasion arise, submit proposals for correcting problematic situations.

**9. Facilitation of Investigation**

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

**10. Law and Place of Jurisdiction**

This Pact is subject to Indian Law. The place of performance and jurisdiction is the seat of the BUYER.

**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 extant 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 BUYER and the BIDDER/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.

12.2 Should one or several provisions of this Pact turn out to be invalid, the remainder of this Pact shall remain valid. In this case, the parties will strive to come to an agreement to their original intentions.

13. The parties hereby sign this Integrity Pact at \_\_\_\_\_ on \_\_\_\_\_

**BUYER**  
Name of the Officer  
Designation  
Deptt./Ministry/PSU

**BIDDER**  
CHIEF EXECUTIVE OFFICER

Witness

Witness

1. \_\_\_\_\_  
\_\_\_\_\_

1.

2. \_\_\_\_\_  
\_\_\_\_\_

2.

\*Provisions of these clauses would need to be amended / deleted in line with the policy of the BUYER in regard to involvement of Indian agents of foreign suppliers.