

INTEGRITY PACT AND ROLES & RESPONSIBILITIES OF INDEPENDENT EXTERNAL MONITORS

❖ Integrity Pact

The Integrity Pact envisages an agreement between the prospective vendor/ bidder and the buyer committing the persons/ officials of both the parties not to exercise any corrupt influence on any aspect of the contract. Only those vendors/ bidders, who have entered into such an Integrity Pact with the buyer GRSE, would be competent to participate in bidding with GRSE, wherever the value of each contract will be `2 crore and above.

This Pact is a preliminary qualification for entering into contracts with GRSE for procurement of material and service contracts with a threshold value of `2 crore and above. The Pact will be effective from the stage of Invitation of Bids till the complete execution of the Contract.

❖ Roles & Responsibilities of Independent External Monitors (IEMs)

1. The role of Independent External Monitors commences after receiving any complaints about any tender / contract by any bidder or upon referring a matter in relation to a tender / contract by GRSE for opinion of IEM.
2. The Independent External Monitor shall be responsible to oversee the implementation of Integrity Pact Programme vis-à-vis to prevent / reduce / eliminate corruption, bribes or any other unethical practices.
3. The IEM is to monitor and review the tendering process from inception to the culmination of the contract and compliance to the Integrity Pact therein.
4. To this end, the IEMs would be required to review independently and objectively, whether and to what extent the parties (GRSE / Contractor) comply with the obligations under the Integrity Pact Agreement. They would also be required to ascertain that all parties have acted in a fair and transparent manner.
5. The IEMs will not be subject to instructions by the representatives of the parties and will perform their functions neutrally and independently.
6. The Independent External Monitors will not have administrative or enforcement responsibilities. They will co-ordinate their efforts with the help of the Chief Vigilance Officer, GRSE and other anti-corruption institutions such as the Central Vigilance Commission, New Delhi. They may engage services of outside agencies such as

accounting firms, law firms etc. with prior approval of CMD, GRSE at GRSE's expense, if required, in discharge of their responsibilities.

7. A contentions issue may be referred to the nominated IEM of the contract either by GRSE, by a bidder / contractor or by CVO. If referred to by a party other than GRSE, then IEM will duly inform GRSE prior to commencement of his/her investigation.

8. The Independent External Monitors will have access to all Officers and all records of GRSE relating to the matter connected with or incidental to the tender or contract of having a bearing with that. He/she will also have access to bidders' records and information regarding its dealing with GRSE.

9. IEMs may hold meetings with the bidder or Contract Processing Officers or joint meetings with both to resolve complaints.

10. If the Independent External Monitors observe or suspect an irregularity, he/she will inform Head of the Division. Once the Independent External Monitor is satisfied that an irregularity has taken place, he may inform C&MD of GRSE.

11. As soon as the IEMs notices, or believes to notice, a violation of this Integrity Pact, he will so inform the Chairman of GRSE and request the Management to discontinue or heal the violation, or to take other relevant action. The IEMs can submit non-binding recommendations in this regard. Beyond this, the IEM has no right to demand from the parties that they act in a specified manner, refrain from action or tolerate action.

12. The Independent External Monitors would examine all complaints received by him/her and give his/her recommendation / views to the CMD of GRSE, at the earliest. He/she may also send his/her report directly to the CVO and the commission, in case of suspicion of serious irregularities requiring legal / administrative action.

13. If the IEM has reported to the Chairman of the Board, a substantiated suspicion of an offence under relevant Anti-Corruption Laws of India, and the Chairman has not, within reasonable time, taken visible action to proceed against such offence or reported it to the Vigilance Office, the IEMs may also transit this information directly to the Central Vigilance Commissioner, Government of India.

14. The role of CVO of the Organisation shall remain un-affected 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 or directed to him by the Commission.