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सत्यमेव जयते

केन्द्रीय सतर्कता आयोग
CENTRAL VIGILANCE COMMISSION



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015/VGL/012-276469

सं./No.....

दिनांक / Dated.....**25.02.2015**

Circular No. 02/02/2015

Subject:- Adoption of Integrity Pact in Public Sector Banks / Insurance Companies / Financial Institutions - regarding.

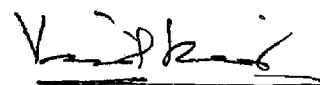
Reference:- Commission's Office Order No. 41/12/07 dated 04.12.2007, Circular No. 24/8/08 dated 05.8.2008 & Circular No. 10/5/09 dated 18.5.2009 and D/o Expenditure O.Ms dated 19.7.2011 & 20.7.2011.

In the year 2007, the Commission recommended implementation of a concept called Integrity Pact (IP) in respect of all major procurements, which essentially envisages an agreement between the prospective vendors /bidders and the buyer committing the persons/officials of both the parties not to exercise any corrupt influence on any aspect of the contract. Further, in May 2009 the Commission formulated a Standard Operating Procedure (SOP) outlining the essential ingredients of IP. The IP envisages a panel of Independent External Monitors (IEMs), who would review independently and objectively, whether and to what extent parties have complied with their obligations under IP.

2. Commission's circular dated 05.8.2008 exempted Public Sector Banks (PSBs) / Insurance Companies (ICs) / Financial Institutions (FIs) from adopting IP in view of their limited procurement activities. However, over the years, it has been observed that Public Sector Banks, Public Insurance Companies and Financial Institutions are increasingly undertaking major procurement activities. It has, therefore, become imperative for PSBs, ICs & FIs also to now adopt IP and appoint IEMs to make their procurement and contracting process fair & transparent. Ministry of Finance, Department of Expenditure subsequently vide O.Ms dated 19.7.2011 & 20.7.2011 has issued guidelines to all organisations including attached/sub-ordinate offices of the Ministries/Departments to implement the Integrity Pact.

3. In view of above, all Public Sector Banks, Insurance Companies and Financial Institutions shall adopt and implement the Integrity Pact. Thereafter, a panel of four/five names of eminent retired persons as prescribed vide para 5 of Commission's SoP issued vide Circular No. 10/5/09 dated 18.5.2009 may be sent to the Commission for approval as IEMs. The Commission would approve two IEMs out of the panel forwarded by the PSBs / ICs / FIs for appointment as IEMs. The copy of the Integrity Pact enclosed alongwith DoE's O.M. dated 20.7.2011 addressed to D/o Public Enterprises may be used for the purpose of IP in the Public Sector Banks/Insurance Companies/Financial Institutions.

4. All Public Sector Banks/Insurance Companies/Financial Institutions may, therefore, ensure that the Integrity Pact is adopted and all the formalities are completed by 30th April, 2015.



[J. Vinod Kumar]

Officer on Special Duty

Enclosure : As stated.

1. All CMDs of Public Sector Banks / Insurance Companies / Financial Institutions.
2. All CVOs of Public Sector Banks / Insurance Companies / Financial Institutions.