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**CONSULTANCY AGREEMENT FOR DEVELOPMENT OF  
INTEGRITY INDEX FOR PUBLIC ORGANISATIONS**

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**BETWEEN**

**CENTRAL VIGILANCE COMMISSION**

**AND**

**(NAME OF CONSULTANCY FIRM)**

## CONSULTANCY AGREEMENT

This Consultancy Agreement ("**Agreement**") is entered into on [●], 2016 by and **between:**

**Central Vigilance Commission** (hereinafter referred as Commission) of the **FIRST PART;**

**AND**

of the **SECOND PART;**

(hereinafter referred as consultant)

The Commission and the Consultant are collectively referred to as the "**Parties**" and individually as a "**Party**".

### WHEREAS

1. The Commission has appointed the Consultant to provide services as defined in this document along with those stated in the request for proposal dated 12.05.2016 and clarifications issued thereafter.
2. The Consultant has accepted this engagement in terms of the appointment letter dated ----- issued by the Commission subject to the terms and conditions set forth herein.

Now it is hereby agreed between parties as follows:-

### A. DEFINITIONS

In this Agreement, the following terms, unless the context otherwise requires, shall have the following meanings

Commission	-	means Central Vigilance Commission acting through its Secretary/Additional Secretary /Director
CPSE	-	Central Public Sector Enterprise
Govt. Department	-	All departments under the control of Central Govt. of India.
CPSB	-	Central Public Sector Banks under the control of Central Govt.

## **B. TERMS OF REFERENCE**

### **B1. PROJECT BACKGROUND**

With a view to implement its mandate the Commission wishes to adopt a strategy which will ensure transparent, accountable and efficient governance. One such tool is the Integrity Index for public organisations which will be based on bench marking of governance processes by internal and external stakeholders. The Commission believes that integrity, long term sustainability, good governance, transparency and profitability are all closely linked and can help public organisations create islands of excellence in the medium to long term while achieving all the objectives. Accordingly, the **Commission** wishes to undertake a research-based approach to creating an integrity index that various organizations can use to measure themselves and which will evolve with changing needs.

### **B2. OBJECTIVES**

The main objectives for which the Integrity Index is to be established are:

- i) Define what constitutes Integrity of Public Organizations
- ii) Identity the different factors of Integrity and their inter-linkages
- iii) Create an objective and reliable tool that can measure the performance of organizations along these above factors
- iv) Validate the findings over a period of time to improve upon the robustness of the tool that measures Integrity

- v) Create an internal and external ecosystem that promotes working with Integrity where public organizations lead the way.

### **B3. SCOPE OF SERVICES**

- Develop a 5 year Draft Road Map for Integrity Index and its associated ecosystem
  - Understand the structure and development of similar exercises conducted by other Governments and Public Organizations
  - Propose a road map for the formulation, establishment and development of process, organization and structure for such measurement, advocacy and use of the scores
  - Understand the ecosystem that is necessary for long term sustenance of the measurement, up-gradation and promotion of use of the Index such that it becomes an integral part of policies and decision making
- Manage and execute the project -
  - Develop reliable Integrity Index models and statistically validate the creation of such measurement instruments
  - Test run the Index among a set of Public Organizations to establish its reliability and validate the model
  - Conduct the 1<sup>st</sup> Assessment to prove the validity of the Index and create a baseline measurement process
  - Understand the above mentioned Aims and Objectives of the exercise and propose ways and means to achieve them.

### **C. Performance Guarantee (PG):**

A sum @ 5% of the awarded amount as Performance Guarantee will be required to be submitted by Consultant in favour of S.O (Cash), Central Vigilance Commission, New Delhi in the form of bankers cheque/demand draft/bank guarantee from any scheduled bank within 30 days after issue of Letter of Acceptance (LOA). If the successful bidder fails to furnish the performance guarantee within 30 (thirty) days after the issue of Letter of Intent (LOI), the submission of PG can be extended. The extension shall carry

interest of 12% and will be extended only till 90 days from LOA by Commission. In case the Consultant fails to deposit the performance guarantee in the extended period, the Commission reserves the right to cancel the offer.

**D. SECURITY DEPOSIT:**

i. A sum @ 5% of the gross amount of bills shall be deducted from each running bill payable to the Consultant. The sum so accumulated can be released against Bank Guarantee of equal amount issued by any Scheduled Bank in favour of the SO (Cash), Central Vigilance Commission.

ii. The Bank Guarantee should be valid upto 3 months beyond the completion of the contract period. The security deposit shall be released only after the successful completion of the contract .No interest of any sort shall be payable over the Security Deposit amount deposited by the Consultant.

**E. TENDER VALIDITY PERIOD**

The tender along with the rates and condition thereby shall be open for acceptance of the Competent Authority for a period of 90 days from the date of opening of the financial bid and no request for any variation in quoted rates and/ withdrawal of vendor on any ground by successful bidder be entertained within validity period.

**F NOTICE AND INSTRUCTIONS**

The Consultant shall furnish the complete address of its permanent office and local office along with telephone numbers, fax numbers, email id etc. to Commission. Any notice or instructions given to contractor under the terms of the contract shall be deemed to have been served on him, if it has been sent at local office or to the address of the firm last notified by the Consultant or delivered to its authorized signatory.

## **G      ADVANCES**

No request for making advance payment on any ground shall be entertained by the Commission.

## **H      CLAIM**

Under no circumstances Consultant is entitled to claim any charges over and above the charges prescribed in the terms of this contract. The Commission shall not be liable and responsible for any damage/loss of any nature and magnitude caused to the Consultant or its employee in the performance of the duty under this contract.

## **I      OFFICER IN CHARGE FOR DECISION**

i.      It shall be accepted as an inseparable part of the contract that in matters regarding competency, efficiency, conduct and behaviour, the decision of the Commission acting through its authorised official (s) shall be final and binding on the Consultant.

## **J.     INDEMNITY**

ii.     The Commission shall be deemed to be indemnified by the Consultant for lapses/defaults or other mischievous acts etc by its personnel or organisation.

## **K.     INCOME TAX AND OTHER STATUTORY TAXES**

Income Tax, VAT, Service Tax and all other statutory taxes, charges, levies etc shall be deducted from each running bill at the rates prevalent during the period.

## **L. DEFAULT BY THE CONSULTANT**

1. If the Consultant fails to start the work on the specified date and time, and/or repudiates the contract before the expiry of such period without any reasonable grounds acceptable to the Commission, the Commission without prejudice to any other remedy may recover damages for breach of the contract at the rate of 2% (two percent) of the awarded amount and black list the consultant from award of any work in future for certain period as the Commission may deem fit.

2. In case of failure of the Consultant in fulfilling the contract, the Commission may at its discretion, terminate the contract either wholly or in part by giving 15 days advance notice to the Consultant assigning reasons thereof. On termination of the contract, it shall be the responsibility of the Consultant to remove his manpower and materials within two days of date specified. The Commission shall not indemnify any loss caused to the Consultant by such terminations, whatsoever it may be.

3. That, if at any stage during the period of the contract any case involving moral turpitude is instituted in a court of law against the Consultant or its employees, the Commission reserves exclusive and special rights for the outright termination of the contract without any notice to the contractor and in that event the contractor shall not be entitled to any compensation from the Commission.

4. If the performance of the Consultant is found poor despite repeated instructions, the Commission may recover up to 10% (ten percent) of the awarded amount towards Liquidated Damages and the performance guarantee and the security deposit so deducted may also be forfeited; and/or terminate the contract after giving 15 days notice. The Consultant shall not be entitled for compensation for any loss which it may incur on such termination

**M. MILESTONES:**

Indicative milestones to monitor progress of activities shall be observed as under.

**Activity**

1. Project Execution Report
2. Execution of Project (Workshops, survey, primary data collection and analysis of data etc)  
1st feedback on execution  
2nd feedback on execution
3. Integrity Index Report
4. Evaluation and Assessment of Integrity Index
5. Final Report

**N. CONFIDENTIALITY**

The Consultants, their Sub-consultants and the Personnel of either of them shall not, either during the term or within five (5) years after the expiration of this Contract, disclose any proprietary or confidential information relating to the Project, the Services, this Contract or operations without the prior written consent of the Commission. In case of 3rd party information gathered in execution of the project, similar confidentiality shall be maintained.

**O. FORCE MAJEURE.**

(a) For the purposes of this Contract, "Force Majeure" means an event which is beyond the reasonable control of a Party, and which makes a Party's performance of its obligations hereunder impossible or so impractical as reasonably to be considered impossible in the circumstances, and includes, but is not limited to, war, riots, civil disorder, earthquake, fire, explosion, storm, flood or other adverse weather conditions, strikes, lockouts or other industrial action ( except where such strikes, lockouts or other industrial action are within the power of the Party invoking Force Majeure to prevent), confiscation or any other action by government agencies.



(b) Force Majeure shall not include any event which is caused by the negligence or intentional action of a party or such Party's Sub-consultants or agents or employees, nor any event which a diligent Party could reasonably have been expected to both take into account at the time of the conclusion of this Contract and avoid or overcome in the carrying out of its obligations hereunder.

(c) Force Majeure shall not include insufficiency of funds, manpower or failure to make any payment required hereunder.

## **01 MEASURES TO BE TAKEN IN CASE OF FORCE MAJEUR**

(a) A Party affected by an event of Force Majeure shall take all reasonable measures to remove such Party's inability to fulfil its obligations hereunder with a minimum of delay.

(b) A Party affected by an event of Force Majeure shall notify the other Party of such event as soon as possible, and in any event not later than fourteen (14) days following the occurrence of such event, providing evidence of the nature and cause of such event, and shall similarly give notice of the restoration of normal conditions as soon as possible.

(c) The Parties shall take all reasonable measures to minimize the consequences of any event of Force Majeure.

(d) Not later than thirty (30) days after the Consultant, as a result of an event of Force Majeure, have become unable to perform a material portion of the Services, the Parties shall consult with each other with a view to agreeing on appropriate measures to be taken in the circumstances.

## **02. EXTENSION OF TIME IN CASE OF FORCE MAJEUR**

Any period within which a Party shall, pursuant to this Contract, complete any action or task, shall be extended for a period equal to the time during which such Party was unable to perform such action as a result of Force Majeure.

**03. PAYMENTS IN CASE OF FORCE MAJEUR**

During the period of their inability to perform the Services as a result of an event of Force Majeure, the Consultant shall be entitled to be reimbursed for additional costs reasonably and necessarily incurred by them during such period for the purposes of the Services and in reactivating the Services after the end of such period.

**P. DEVIATION IN SCOPE OF WORK**

Commission reserves the right to increase or decrease the scope of work. The increase and decrease in scope of work may result in change in cost of the project. The increase/decrease in cost will be mutually deliberated and decided on the basis of prorated cost to be incurred by the Consultant.

**Q. ADDRESS FOR COMMUNICATION**

**COMMISSION:**

Secretary, Central Vigilance Commission, SATARKTA BHAWAN, GPO COMPLEX, BLOCK-A, INA, NEW DELHI – 110023. Telefax 24651229

**CONSULTANT:**

.....

**R. SCOPE INCLUDES FOLLOWING:**

Scope of work inter alia includes all the works related to project execution, evaluation, assessment and preparation of reports indicated as below. Reports are to be submitted in 7 spiral bound copies. Final report is to be submitted in hard bound format. Soft copies of the reports in PDF format shall also be made available.

## **R1. PROJECT EXECUTION REPORT:**

It shall include following:-

- (i) Study of prevalent concepts within the country and in different countries towards arriving at similar type of indexing.
- (ii) Recommended method for arriving at the index as considered in the instant assignment. Logic and reasoning for doing so with fact and figures. Assumptions and limitations etc. The methodology would include details of workshops to be conducted, the type of surveys to be carried out, questionnaires proposed, survey of data, sample size, and method of analysis of data to be done.

## **R2. EXECUTION OF PROJECT:**

Execute the project on the lines detailed in the Project Execution Report. This would interalia include holding workshops in the organisations to be covered in the Integrity Index Project, doing the surveys, collecting data from the primary sources, collating and analysing the data. This would also include regular feedback to the Commission on the progress of the project.

## **R3. INTEGRITY INDEX REPORT:**

The index methodology including details of the workshops held, analysis of feedback, sample surveyed, data collected, assumptions, method of analysis of the data, limitations, and conclusion including recommendation.

## **R4. EVALUATION AND ASSESSMENT OF INTEGRITY INDEX:**

This would involve ascribing scores based on the Index to the 25 organisations and evaluating the Index as a on going process.

## **R5. FINAL REPORT:**

Should contain the methodology for benchmarking the different sectors and organizations within the sectors along with the five year road map with recommendation regarding extension of this survey to include all the other organisations under the Commission, i.e. Central Govt. Department, Central Public Sector Banks and Central PSUs.

**S. STAGES OF PAYMENT**

Payments will be linked to the indicative milestones listed in clause M above.

**T. PROHIBITION OF CONFLICTING ACTIVITIES**

The Consultants shall not engage, and shall not cause their Personnel as well as their Sub consultants and or Associates and their Personnel to engage, either directly or indirectly, in any of the following activities:-

(a) During the term of this Contract, any business or professional activities in the Government domain which would conflict with the activities assigned to them under this Contract; and

(b) Up to five years after the termination of this Contract, such other activities as may be in conflict with the present assignment.

**U. LIABILITY OF THE CONSULTANTS**

Subject to the provisions of this contract and additional provisions, if any, set forth in the contract, the Consultants' liability under this Contract shall be as provided by the Applicable Law.

**V. DOCUMENTS PREPARED BY THE CONSULTANTS TO BE THE PROPERTY OF THE COMMISSION IN PERPETUITY**

All the data, report, material, reports, other documents and software prepared by the Consultants for the Commission under this Contract shall become and remain the property of the Commission, and the Consultants shall, not later than upon termination or expiration of this Contract, deliver all such documents to the Client, together with a detailed inventory thereof. The Consultants may retain a copy of such documents and software. Such document and software etc as prepared should not be used by the consultant unless specifically permitted by the Commission in writing.

## **W. CHANGE IN THE APPLICABLE LAW**

If, 7 days prior to the date of receipt of the bid or after the date of this Agreement, there is any change in the Applicable Law with respect to taxes and duties which increases or decreases the cost or reimbursable expenses incurred by the Consultant in performing the Services, then the remuneration and reimbursable expenses otherwise payable to the Consultants under - this Contract shall be increased or decreased accordingly by agreement between the Parties hereto.

## **X. FAIRNESS AND GOOD FAITH**

The Parties undertake to act in good faith with respect to each other's rights under this Contract and to adopt all reasonable measures to ensure the realization of the objectives of this Contract.

## **Y. OPERATION OF THE CONTRACT**

The Parties recognize that it is impractical in this Contract to provide for every contingency which may arise during the life of the Contract, and the Parties hereby agree that it is their intention that this Contract shall operate fairly as between them, and without detriment to the interest of either of them, and that, if during the term of this Contract either Party believes that this Contract is operating unfairly, the Parties will use their best efforts to agree on such action as may be necessary to remove the cause or causes of such unfairness, but no failure to agree on any action pursuant to this Clause shall give rise to a dispute subject to arbitration in accordance with Clause.

## **Z. SETTLEMENT OF DISPUTES**

### **Z1 AMICABLE SETTLEMENT**

The Parties shall use their best efforts to settle amicably all disputes arising out of or in connection with this Contract or the interpretation thereof.

## **Z2 DISPUTE SETTLEMENT**

Any dispute between the Parties as to matters arising pursuant to this Contract which cannot be settled amicably within thirty (30) days after receipt by one Party of the other Party's request for such amicable settlement may be submitted by either Party for settlement in accordance with the provisions specified in the contract.

## **Z3. SELECTION OF ARBITRATORS**

(a) In the event of any dispute or difference between the parties hereto, such disputes or differences shall be resolved amicably by mutual consultation. If such resolution is not possible, then the unresolved dispute or difference shall be referred to arbitration of the sole arbitrator to be appointed by the Secretary, Central Vigilance Commission. The provisions of Arbitration and Conciliation Act, 1996 (No. 26 of 1996) shall be applicable to the arbitration. The venue of such arbitration shall be at Delhi or any other place, as may be decided by the arbitrator. The language of arbitration proceedings shall be English. The arbitrator shall make a reasoned award ("the award"), which shall be final and binding on the parties. The cost of arbitration shall be shared equally by the parties to the agreement. However, expenses incurred by each party in connection with the preparation, presentation shall be borne by the party itself.

(b) Pending the submission of and/or decision on a dispute, difference or claim or until the arbitral award is published, the Parties shall continue to perform all of their obligation under this Agreement without prejudice to a final adjustment in accordance with such award.

(c) The Indian Arbitration and Conciliation Act, 1996 and any statutory modifications or re-enactment thereof, rules made there under and for the time in force shall be applicable to the Arbitration.

## **AA. LOCATION**

The Services shall be performed at such locations as desirable to be carried out for arriving at the stated index in the listed 25 organisations in Annexure B. In addition to this the locations so as to recommend extension of this index for adoption in other organisations as stated in the document. The survey is to be confined in India only, irrespective of location of organisation(s) or its offices outside India.

## **BB. TAXES AND DUTIES (CONSULTANTS RESPONSIBILITY)**

Unless otherwise specified in the contract document, the Consultants, Sub-consultants and Personnel's shall pay such taxes, duties, fees and other impositions as may be levied under the Applicable Law.

## **CC. ANNEXURES**

The Agreement consists of Annexure A (List of 25 CPSEs/Ministries/Departments/PSBs etc from different sectors to be covered for the Integrity Index), Annexure B (Man month Input For Key Professional Staff) and Annexure C (Detail of Each Key Personnel)

In witness where of the parties have executed and delivered this agreement as of the day, month and year first above written.

**For and behalf of Commission**

**For and behalf of Consultant**

**ANNEXURE A**

**List of 25 CPSEs/Ministries/Departments/PSBs etc from different sectors to be covered for the Integrity Index**

<b>Sl. No.</b>	<b>Sector</b>		<b>Name of CPSE/Ministry/PSB etc</b>
1	Oil and Gas	1	IOCL
		2	ONGC
2	Power	3	NTPC
		4	PGCIL
3	Coal	5	Eastern Coalfields
		6	Western Coalfields
4	Steel	7	SAIL
5	Banks	8	PNB
		9	Syndicate Bank
6	Transport	10	NHAI
		11	Mumbai Port Trust
		12	RVNL
		13	M/o Railways
7	Mining	14	NMDC
		15	NALCO
8	Defence	16	BEL
9	DHI	17	BHEL
10	Commerce and Textiles	18	CCI
11	Social Sector	19	FCI
		20	EPFO
		21	MCI
12	Communication	22	MTNL
13	Urban Development & Local bodies	23 & 24	DDA and South MCD
11		Financial Sector	25



**ANNEXURE B**

**MANMONTH INPUT FOR KEY PROFESSIONAL STAFF**

A: Key Personnel

<b>S.No</b>	<b>Key Personnel</b>	<b>Man Months</b>
<b>1.</b>		
<b>2.</b>		
<b>3.</b>		
....		

**Detail of Each Key Personnel:-**

***A. Name of Key Personnel:-***

***B. Relevant Experience and Educational Details:-***

***C. Role & Responsibility in this Assignment:-***

FOR PROPOSED Key Personnel

Proposed Position: ..... Photograph

Name of Firm: .....

Name of Staff: .....

Profession: .....

Date of Birth:

Years with Firm/Entity: ..... Nationality: .....

Membership of Professional Societies: .....

Detailed Task Assigned: .....

**Key Qualifications:**

[Give an outline of staff member's experience and training most pertinent to tasks on assignment. Describe degree of responsibility held by staff member on relevant previous assignments and give dates and locations. Use about half a page.]

**Education:**

[Summarise college/university and other specialised education of staff member, giving their names, dates attended, and degrees obtained. Use about one quarter of a page.]

Note:a)

b)

c)

d)

e)

- Personnel is to affix his recent photograph on first page of CV.
- Complete address and phone number of the Personnel is to be provided.
- Document for proof of age is to be enclosed.

- Document for proof of qualification is to be enclosed.

**Employment Record:**

[Starting with present position, list in reverse order every employment held. List all positions held by staff member since graduation, giving dates, name of employing organisations, titles of positions held, and locations of assignments. For experience in last ten years, also give types of activities performed and client references, where appropriate. Use about three quarters of a page.]

**Certification by the Candidate**

I, the undersigned, (Name and Address) certify that I I will be available for the entire duration of the current project (named .... ). If I leave this assignment in the middle of the completion of the work, Commission would be at liberty for taking action as deemed fit.

I have no objection if my services are extended by the Commission for this work in future. Date: .....

(Day /Month/Y ear)

Date: .....

(Day/Month/Y ear)

**[SIGNATURE OF STAFF MEMBER OR AUTHORISED REPRESENTATIVE OF THE FIRM]**

**BID SUBMISSION FORM**

[TO BE SUBMITTED ON INSTITUTE/ORGANISATION LETTER HEAD]

FROM (Name of Firm)

To:

Secretary  
Central Vigilance Commission,  
Satarkta Bhawan, INA N. Delhi-  
110070

**Subject: Submission of Technical and Financial proposal for engagement as consultant for development of an integrity index for public organisations.**

We, the undersigned, offer to provide the consulting services for the above in accordance with your Request for Proposal, Pre-bid clarifications, Contract document and our Proposal. We are hereby submitting our Proposal, which includes this Technical Proposal and a Financial Proposal (unconditional) sealed under a separate envelope for the above mentioned work.

Further all information and documents submitted with the Technical Bid and during the tenure of this contract are true and correct to the best of our knowledge and belief. Bid contains pages .....to.....

If negotiations are held during the period of validity of the Proposal as stated in bid document, we undertake to negotiate on the basis of the proposed staff. Our Proposal is binding upon us and subject to the modifications resulting from contract negotiations.

We understand you are not bound to accept any Proposal you receive.

Yours sincerely,

Authorised Signatory

Name of the firm

Address

**FINANCIAL PROPOSAL SUBMISSION FORM**

**[TO BE SUBMITTED IN A SEPERATE SEALED ENVELOPE ON  
INSTITUTE/ORGANISATION LETTER HEAD]**

FROM: (Name of Firm)

TO:

Secretary  
Central Vigilance Commission, Satarkta  
Bhawan, INA N. Delhi-110070

**Subject: Engagement as consultant for development of an integrity index for public organisations.**

I/We, the undersigned, offer to provide the consulting services for the above work in accordance with your Request for Proposal, Pre-bid clarifications, Contract document and our Proposal. Our attached financial proposal is for the sum of \_\_\_\_\_[Amount in words and figures]. This amount is inclusive of the applicable taxes.

The cost component breakup of Consultancy fee is detailed in enclosed annexure.

Our financial proposal shall be binding upon us subject to the modifications resulting from contract negotiations, up to the expiration of the validity period of the proposal.

We understand you are not bound to accept any Proposal you receive.

Encl: - Cost breakup

yours sincerely,

Authorised Signatory  
Name of the firm  
Address