



KUDREMUKH

KIOCL Limited.

(A Government of India Enterprise)

II Block, Koramangala,

BANGALORE 560 034.

Phone: 080- 25532168. 25531150,

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Web: www.kiocltd.com, Email: bgmcpts@kudreore.com

AN ISO 9001, 14001 & OHSAS 18001 COMPANY

OPEN TENDER NOTICE

No. TS/BFU/DISP/48

Date: 19.01.2012

KIOCL Limited invites bids from reputed consultants/consultancy firms for identification of a partner for the creation of Special Purpose Vehicle (SPV) for setting up of 1,00,000 TPA capacity Ductile Iron Spun Pipe (DISP) Plant at Blast Furnace Unit, KIOCL Limited, Panambur, Mangalore, Karnataka State.

Bidders can collect the tender documents on all working days from the office of the GM (CP&TS), KIOCL Limited, Bangalore, from 19.01.2012 to 20.02.2012, 2.00 PM or the same can also be down loaded from our above website

Cost of Tender document Fee: Rs.500/- (Rs. Five Hundred only)

Earnest Money Deposit : Rs.50,000/- (Rs. Fifty Thousand only)

The last date for submission of sealed bid is 20.02.2012, 3.00 PM.

A pre bid meeting is scheduled on 06.02.2012, 11.00 AM at the office of the General Manager (CP&TS), Technical Services Dept., KIOCL Limited, 2nd Block, Koramangala, Bangalore – 560 034 for related clarifications.

KIOCL Limited reserves the right to reject any or all the bids without assigning any reasons whatsoever and without any liability.

GENERAL MANAGER (CP&TS)

No. TS/BFU/DISP/48
Date: 19.01.2012

INVITATION TO BID

KIOCL Limited invites bids from reputed consultants/ consultancy firms for identification of a Partner for the creation of Special Purpose Vehicle (SPV) for setting up of 1,00,000 TPA capacity Ductile Iron Spun Pipe Plant at Blast Furnace Unit, KIOCL Limited, Panambur, Mangalore, Karnataka State.

KIOCL Limited (Formerly Kudremukh Iron Ore Company Limited):

KIOCL LIMITED, the country's prestigious 100% export oriented unit and Mini Rathna Company, having its Pelletisation Complex and Pig Iron Complex at Mangalore, is engaged in the business of manufacturing and exporting high quality Iron Oxide Pellets and supply of pig iron for domestic market. An ISO-9001:2008, ISO-14001:2004 certified company also compliant with OHSAS: 18001:2007 certifications for Occupational Hazards and Safety Management System, has its Corporate Office at Bangalore.

1.0 Scope of Services:

The scope of the consultancy services will be:

- (a) Preparation of the Notice inviting tender (NIT) for equity participation by a SPV partner for setting up of DISP Plant at Mangalore in consultation with KIOCL.
- (b) Finalization of the Pre-Qualification Criteria to be incorporated in the NIT for the SPV partner with KIOCL on mutual discussion.
- (c) Techno-commercial evaluation of the offers received from the participants/bidders.
- (d) To carryout due diligence on the credibility / financial strength etc., of the prospective bidder.
- (e) Submission of the Techno-commercial evaluation and identifying the most suitable SPV partner with recommendation including presentation as required to KIOCL.
- (f) To prepare suitable SPV partner Agreement to be signed between KIOCL and the successful partner in consultation with KIOCL and successful SPV partner.
- (g) To assist KIOCL till the signing of SPV partner agreement with the successful partner for the above project.

2.0 Bid qualifying conditions

The consultants / consultancy firms who are submitting their tender documents shall furnish the following details.

General Information

Name of the Consultant/Firms	Address for Communication	Contact Person	Contact Number
			Land Line: Mobile: Fax No: E-mail :

SPECIFIC INFORMATION FOR PRE-QUALIFICATION CRITERIA

The bidder should fulfill the following eligibility criteria to submit the tender:

Sl.No.	Description	Minimum Required
1	Average annual financial turnover during last three (03) years, ending 31 st March 2011. <i>Note: Audited Profit & Loss account and Balance sheet for last three completed financial years should be furnished to meet the PQ criteria.</i>	Should be at least Rs. 15 Lakhs Lakhs (Rupees. Fifteen lakhs only)
2	Highest value of having successfully completed similar work/s during last seven (07) years ending 30 th November 2011. Similar job means the consultants / consultancy firms shall have the experience in identification of a partner for the creation of Special Purpose Vehicle (SPV) for setting up of any single major project with a value equal or more than 250 crores between any two (02) Public Sector Undertaking organizations OR One PSU and One Private organization.	(a) Three (03) nos. of similar completed works costing not less than Rs. 20 Lakhs (Rupees Twenty lakhs only) of each work. OR (b) Two (02) nos. of similar completed works costing not less than Rs. 25 Lakhs (Rupees Twenty five lakhs only) of each work. OR

	<p>Note: The work completion certificates mentioning the consultancy value, date of start of job, date of completion of the job and total project cost for the SPV partner finalized by the consultant, name & details of the project should be furnished to meet the PQ Criteria.</p> <p>The offer received from those bidders who do not qualify for the above PQ criteria will not be considered for further processing.</p>	(c) One (01) no. of similar completed work costing not less than Rs. 40 Lakhs (Rupees Forty lakhs only).
3	The consultant / consultancy firms should have the followings details:	
	(i) PAN Number	
	(ii) Service Tax Number	
4	<p>(i) Ownership of the firm; whether the firm is proprietary, partnership or Private / Govt., organization.</p> <p>(ii) In case of partnership, the details of partnership along with the agreement copies and the signature of authorized signatory on behalf of the firm should be furnished.</p>	
5	BANK DETAILS:	
	Name of the Bank	
	Branch Code	
	Branch Address	
	Type of Account	
	Account No.	
	MICR No.	
	IFSC/RTGS No.	

3.0 Tender Documents

The tender document consists of:

- a) Open Tender Notice Advertisement.
- b) Invitation to bids.
- c) Schedule of Items and Prices at Annexure - I
- d) Terms & conditions at Annexure - II
- e) Integrity Pact format at Annexure - III

A pre bid meeting has been scheduled to be held on 06.02.2012 (Monday), 11.00 AM at the office of the General Manager (CP&TS) Technical Services Dept., KIOCL Limited, 2nd Block, Koramangala, Bangalore - 560 034, for related clarifications. Bidders are requested to confirm in advance about their participation in the pre-bid meeting. Subsequent to the pre-bid meeting, amendments to tender terms and conditions, if any, shall be issued in the form of Bulletin and also uploaded on the website. Offers shall be submitted in accordance with the tender terms and conditions and the amendments issued, if any. The last date for submission of bids is 20.02.2012 (Monday), 3.00 PM.

4.0 Sealed bids shall be submitted in the manner as mentioned below:

- a) First sealed Envelope superscribed as "**Un Priced – Consultancy services for identification of a partner for the creation of SPV for setting up of 1,00,000 TPA capacity Ductile Iron Spun Pipe Plant at Blast Furnace Unit, KIOCL Limited, Panambur, Mangalore**", shall contain two (02) full set of all the above tender documents at 3.0 above including all annexure duly filled-in and supporting documents with official seal & signature on all pages but without any mention of rates & prices.

First envelope shall also contain "TENDER DOCUMENT FEE" and "EARNEST MONEY" in the form of Demand Draft as per below.

- b) Second sealed Envelope superscribed as "**Priced - Consultancy services for identification of a partner for the creation of SPV for setting up of 1,00,000 TPA capacity Ductile Iron Spun Pipe Plant at Blast Furnace Unit, KIOCL Limited, Panambur, Mangalore**" shall contain prices filled in strictly as per format 3.0 (c) above i.e. Schedule of Items and Prices at Annexure -I. Price should be quoted only in Annexure-I and no other additional papers to be enclosed there in.
- c) Both the above envelopes should be kept in another cover and sealed and superscribed as "Bid - **Consultancy services for identification of a partner for the creation of SPV for setting up of 1,00,000 TPA capacity Ductile Iron Spun Pipe Plant at Blast Furnace Unit, KIOCL Limited, Panambur, Mangalore**" and addressed to

General Manager (CP&TS),
Technical Services Dept.,
KIOCL Limited, II Block,
Koramangala,
BANGALORE – 560 034

and shall be submitted to his office till 03.00 PM, on or before 20.02.2012.

- 5.0 The bid shall be accompanied by a Tender form fee (TFF) of **Rs. 500/-** (Rupees. Five hundred fifty only) and Earnest Money Deposit (EMD) of **Rs. 50,000/-** (Rupees. Fifty thousand only) in the form of Demand draft in favour of "KIOCL LIMITED" payable at Bangalore. Bids not accompanied with TFF and EMD are liable for rejection.

This EMD will be returned to the unsuccessful bidders without any interest after the award of the work to successful bidder. For the successful bidder the EMD amount will be returned on completion of job without any interest.

- 6.0 Further to the submission of the offer, un-priced offers will be opened for scrutiny for ascertaining the technical suitability on 20.02.2012 at 4.00 PM. Price bids of techno-commercially acceptable offers will be opened in the presence of bidders in due course.
- 7.0 Acceptance of the bid will be intimated to successful bidder through a Letter of Intent (LOI)/Work Order. The bidder shall sign LOI/ Work Order and send the same to KIOCL Limited within seven (07) days from the date of receipt. In the event of failure on the part of the bidder to sign and return the LOI within the specified time, the EMD shall be liable to be forfeited at the sole discretion of KIOCL Limited.
- 8.0 The bid shall be valid for a period of "**Three (03) months**" from the due date of receipt of the bid.
- 9.0 KIOCL Limited decision shall be final & no correspondence shall be entertained in this regard.
- 10.0 There will be no negotiation & order will be placed on the L-1 offer. The total price quoted as per the Annexure-I will be considered for finalizing the L-1 bidder. Hence, bidders are requested to quote competitive rates against schedule of items at Annexure-I.
- 11.0 KIOCL Limited reserves the right to reject any or all bids without assigning any reasons whatsoever.

Thanking you,

Yours faithfully,
for KIOCL LIMITED.

(N.S.JEYAKUMAR)
General Manager (CP&TS)

ANNEXURE - I

SCHEDULE OF ITEM & PRICE

Sub: Consultancy services for identification of a partner for the creation of SPV for setting up of 1,00,000 TPA capacity Ductile Iron Spun Pipe Plant at Blast Furnace Unit, KIOCL Limited, Panambur, Mangalore

Sl. No.	DESCRIPTION OF WORK	UNIT	AMOUNT IN RUPEES
1	Identification of a partner for the creation of Special Purpose Vehicle (SPV) for setting up of 1,00,000 TPA capacity Ductile Iron Spun Pipe (DISP) Plant at Blast Furnace Unit, KIOCL Limited, Panambur, Mangalore as per the scope of services in clause No.1.0 (a) to (g) of Invitation to Bid.	LUMPSUM	
2	Applicable service tax & cess%		
	TOTAL OF Sl. No. 01 to 02		

(Rupees..... only)

Note:

1. The price quoted (in Sl. No.1) shall be exclusive of services tax and cess which will be paid by KIOCL along with each invoice.
2. Price quoted (in Sl. No.1) shall be lump sum inclusive of all expenses towards the scope in complete including site visits, to and fro travel expenses, boarding, lodging and local travel etc.
3. The price shall be firm and binding without any escalation whatsoever till completion of works in all respects.
4. Income tax as per prevailing rate shall be deducted from each invoice and the TDS certificate will be issued by KIOCL.

Seal & Signature of the Bidder

TERMS & CONDITIONS:

1.0 TIME SCHEDULE:

Total time schedule for the above job is **28 weeks** from the issue of LOI/Workorder.

2.0 TERMS OF PAYMENTS:

Sl. No.	% age	Description
a	7.5	Lump sum fee payable on submission of the Draft Notice inviting tender (NIT) for equity participation by a SPV partner for setting up of DISP Plant at Mangalore in consultation with KIOCL.
b	7.5	Lump sum fee payable on submission of the Final Notice inviting tender (NIT) for equity participation by a SPV partner for setting up of DISP Plant at Mangalore in consultation with KIOCL.
c	20	Lump sum fee payable on submission of the detailed report of the due diligence study carried out on the credibility / financial strength etc., of the bidders / promoters.
d	20	Lump sum fee payable after acceptance of the Techno-commercial evaluation of the offers and recommendation with identification of most suitable SPV partner.
e	10	Lump sum fee payable on submission of draft SPV agreement .
f	15	Lump sum fee payable on acceptance of draft agreement and initialization of SPV partner Agreement between KIOCL and the successful partner.
g	20	Lump sum fee payable to assist KIOCL till the signing of final agreement with the successful partner for the project.

3.0 PRICES:

- (i) Price quoted shall be lump sum inclusive of all expenses towards the scope in complete including site visits, to and fro travel expenses, boarding, lodging and local travel etc.
- (ii) The price shall be firm and binding without any escalation whatsoever till completion of works in all respects.
- (iii) The quoted lump sum fee shall be inclusive of all applicable taxes & duties and exclusive of services tax and cess which will be paid by KIOCL along with each invoice.

- (iv) Income tax as per prevailing rate shall be deducted from each invoice and the TDS certificate will be issued by KIOCL Limited at the end of the financial year.
- (v) Prices shall be filled in the Price Schedule with ink/ball pen. There shall not be any corrections or over writings. Please ensure that the column where prices need to be mentioned is filled up.
- (vi) Price schedule shall be signed and sealed on each page and shall not contain any alterations/conditions/notes whatsoever.
- (vii) Any variation in service tax & cess imposed after the due date of submission of offer will be paid /recovered by KIOCL, only during the tenure of contract, depending upon nature of levies and enabling clauses to pay / recover the same from the concerned party.

4.0 OTHER CONDITIONS:

- (i) It is the responsibility of the consultant/consultancy firm to deploy competent personnel for carrying out the job.
- (ii) Compensation: The quoted lumpsum fee shall be inclusive of all expenses towards cost of travel to KIOCL site at Mangalore/ Corporate Office at Bangalore, boarding, lodging, local transportation etc. of the consultant/s personnel on this assignment.
- (iii) Penalty: If, consultant / consultancy firm fails to complete the work or the component part of the work within the stipulated completion date or the component milestone stipulated in the CONTRACT, consultant / consultancy firm shall pay to KIOCL, as penalty for such default (unless extension of time is granted by KIOCL Limited) as below which lapse between the date of completion as prescribed in the order and the actual date of completion of the work. The amounts determined on the basis of the percentages of the proportioned value as specified herein.
 - i) Delay for first 30 days - 0.05% per day to a maximum of 1.5 % of the total CONTRACT VALUE.
 - ii) Delay beyond first 30 days up to 45 days - 2.5% of the total CONTRACT VALUE.
 - iii) Delay beyond 45 days - maximum of 3.5% of the total CONTRACT VALUE.

KIOCL Limited reserves the right to waive the penalty clause either in part or in full at its sole discretion.

- (iv) Secrecy: Both the CONSULTANT and KIOCL undertake that they shall hold in confidence one Part to the other directly or indirectly in connection with the job. All information gathered

there from and therein shall not be disclosed to any third party.

- (v) Arbitration: In case of arbitration if any, Arbitration shall be as per Arbitration and conciliation Act 1996. Jurisdiction to this will be Bangalore only.
- (vi) Termination: Under exceptional circumstances KIOCL is free to terminate the order/contract either in whole or portion thereof. In such cases, KIOCL will be compensating for the services carried out till the date of cancellation as per mutually agreed terms.
- (vii) Safety: The consultants shall comply with all safety regulations as per statutory requirement under the Factories Act.
- (viii) Fraud prevention policy of KIOCL:

“Fraud Prevention Policy” is being followed at KIOCL, which provides a system for prevention/detection/reporting of any fraud. It also forbids everyone from involvement in any fraudulent activity and that where any fraudulent activity is suspected by anyone the matter must be reported to the Chief Vigilance Officer-`Nodal Officer`, 2nd Block, KIOCL Limited, Koramangala, Bangalore- 560 034 as soon as he/she comes to know of any fraud or suspected fraud.
- (ix) Integrity Pact: The bidder shall execute Integrity Pact Agreement with the KIOCL as per the Integrity Pact Agreement prescribed format supplied by KIOCL Limited. The following Independent External Monitor (IEM) is nominated for the above job.

Sri. Lukose Vallatharai
No. 20, Bore Bank Road,
Benson Town,
BANGALORE – 560046,
Phone No. 080-23536649
Email: lukose3@gmail.com

The bidder shall sign and seal with witness signature in the Integrity Pact Agreement format at the time of acceptance of LOI/WO in case of the successful bidder.

Seal & signature of the bidder

INTEGRITY PACT

THIS AGREEMENT is entered into between the following Parties:
KIOCL Limited, IInd Block, Koramangala, Bangalore 560 034
hereinafter referred to as "**The Principal**",

and

Name & Address of the Party

.....

.....

.....

hereinafter referred to as "**The Tenderer/ Contractor/ Consultant**"

Preamble

The Principal intends to award a contract, following its laid-down organizational procedures, for fixing of **consultant for identification of a partner for the creation of Special Purpose Vehicle (SPV) for setting up of 1,00,000 TPA capacity Ductile Iron Spun Pipe Plant at Blast Furnace Unit, KIOCL Limited, Mangalore, Karnataka State.** The Principal values full compliance with all relevant laws and regulations and the principles of economical use of resources and of fairness and transparency in its relations with its Tenderer(s) and /or Contractor(s).

In order to achieve these goals, the Principal cooperates with the renowned international Non-Governmental Organization, "Transparency International" (TI). Following TI's national and international experience, the Principal will appoint an Independent External Monitor (IEM) who will monitor the tender process and the execution of the Contract for compliance with the principles mentioned below.

IT IS AGREED AS FOLLOWS:

Definitions:

a) "**Principal**" means KIOCL LIMITED, incorporated under the Companies Act 1956, having their registered office at Koramangala, Bangalore – 560 034 and includes their successors.

b) "**Tenderer**" means the person, firm or company submitting a tender against the Invitation to Tender and includes his/ its/ their staff, consultants, parent and associate and subsidiary companies, agents, consortium and joint venture partners, sub-contractors and suppliers, heirs, executors, administrators, representatives, successors.

c) "**Contractor**" means the Tenderer whose tender has been accepted by the principal or Company whose tender has been accepted and shall be deemed to include his/ its/ their successors, representatives, heirs, executors and administrators unless excluded by the Contract.

d) " **Independent External Monitor**" means a person, hereinafter referred to as IEM, appointed, in accordance with **clause 8.a** below, to verify compliance with this agreement.

e) "**Party**" means a signatory to this agreement.

f) "**Contract**" means the contract entered into between the Principal and Tenderer/Contractor for the execution of work mentioned in the preamble above.

Commitments of the Parties

Section 1 - Commitments of the Principal:-

The Principal commits itself to take all measures necessary to prevent corruption (inducement to violate duty assigned to its employees) and to observe the following principles;

i) No employee of the Principal, personally or through family members or any third person, will in connection with all stages of tendering or the execution of Contract, demand or take a promise, or accept, for him/herself or any third person, any material or non-material benefit which he/she is not legally entitled to;

ii) The Principal will, during the tender process, treat all Tenderers with equity and reason. The Principal will in particular, before and during the tender process, provide to all Tenderers the same information and will not provide to any Tenderer any information/ clarification through which the Tenderer could obtain an advantage in relation to the tender process or the Contract execution;

iii) The Principal will not take, directly or indirectly, any steps, which could unduly influence the functioning of IEM.

iv) If the Principal obtains information on the conduct of any of its employees which is a criminal offence under the relevant Anti-corruption Laws of India/ guidelines of Govt. / guidelines of CVC/ guidelines of Principal, or if there be a substantive suspicion in this regard, the Principal will inform its Vigilance Office and in addition can initiate disciplinary actions.

v) If the Principal obtains information of conduct of a bidder, contractor or sub-contractor or of an employee or a representative or an associate of a bidder, contractor or sub-contractor, which constitutes corruption, or if the

Principal has a substantive suspicion in this regard, the Principal will inform the Vigilance Department of the principal.

Section 2 - Commitments of the Tenderer(s)/Contractor(s):-

2.1 The Tenderer /Contractor commits himself to take all measures necessary to prevent corruption. He commits himself to observe the following principles during his participation in the tender process and during the Contract execution;

i) The Tenderer / Contractor will not directly or through any other person(s) or firm, offer, promise or give to the Principal, or to any of the Principal's employees involved in the tender process or the execution of the Contract or to any third person any material or immaterial benefit which he / she is not legally entitled to in order to obtain, in exchange, an advantage during the tender process or to vitiate the Principal's tender process or the execution of the Contract.

ii) The Tenderer / Contractor will not enter with other Tenderers into any illegal agreement or understanding, whether formal or informal. This applies in particular to prices, specifications, certifications, subsidiary contracts, submission or non-submission of bids or actions to restrict competitiveness or to vitiate the Principal's tender process or the execution of the Contract.

iii) The Tenderer / Contractor will not commit any criminal offence under the relevant Anti-corruption Laws of India; further, the Tenderer / Contractor will not use improperly, for purposes of competition or personal gain, or pass on to others, any information provided by the Principal as part of the business relationship, regarding plans, technical proposals and business details, including information contained or transmitted electronically.

iv) The Tenderer / Contractor of foreign origin shall disclose the name and address of the agents/representatives in India, if any. Similarly, the Tenderer / Contractor of Indian Nationality shall furnish the name and address of the foreign principals, if any.

v) The Tenderer / Contractor will, when presenting his bid, disclose any and all payments he has made, is committed to or intends to make to agents, brokers or any other intermediaries in connection with the award of the Contract.

vi) The Tenderer/ Contractor will not take, directly or indirectly, any steps, which could unduly influence the functioning of IEM.

vii) The Tenderer / Contractor will not instigate third persons to commit offences outlined above or be an accessory to such offences.

2.2 Obligation to Ensure Compliance

a). Each Party will take all reasonable steps to ensure that the provisions of this agreement which are binding on it are complied with by all of its staff, consultants, parent and associated and subsidiary companies, agents, consortium and joint venture partners, sub-contractors and suppliers.

b). Each Party will appoint an appropriate senior manager with responsibility for ensuring that the provisions of this agreement are complied with.

Section 3 - Disqualification from tender process and exclusion from future contracts

a). If the Tenderer, before award of Contract, has committed a transgression through violation of any of the terms **under section 2 above** or in any other form such as to put his reliability or credibility as Tenderer into question, the Principal is entitled to disqualify the Tenderer from the tender process or to terminate the Contract, if already signed, for such reason.

b). If the Tenderer / Contractor has committed a transgression through a violation of any of the terms **under section 2 above** or in any other form such as to put his reliability or credibility into question, the Principal is entitled also to exclude the Tenderer / Contractor from future Contract award processes. The imposition and duration of the exclusion will be determined by the severity of the transgression. The severity will be determined by the circumstances of the case, in particular the number of transgressions, the position of the transgressors within the company hierarchy of the Tenderer /Contractor and the amount of the damage. The exclusion will be imposed for a minimum of six (6) months and a maximum of three (3) years.

c). If the Tenderer / Contractor can prove that he has restored/ recouped the damage caused by him and has installed a suitable corruption prevention system, the Principal may revoke the exclusion before the expiry of the period of such exclusion.

d). A transgression is considered to have occurred if, in light of all available evidence, a reasonable doubt is possible.

SECTION 4 - COMPENSATION FOR DAMAGES

a). If the Principal has disqualified the Tenderer from the tender process prior to the award according to **Section 3 above**, the Earnest Money Deposit (EMD) furnished, if any, along with the offer as per the terms of the Invitation to Tender (ITT) shall be forfeited. This is apart from the disqualification of the Tenderer as may be imposed by the Principal as brought out at section **3 above**.

b). If the Principal has terminated the Contract according to **Section 3 above**, or if the Principal is entitled to terminate the Contract according to **section 3 above**, the EMD/Security Deposit furnished by the contractor, if any, as per the terms of the ITT/Contract shall be forfeited. This is apart from the disqualification of the Tenderer, as may be imposed by the Principal, as brought out at **section 3 above**.

Section 5 - Previous Transgression

a) The Tenderer hereby declares that no previous transgressions with respect to provisions of Integrity pact occurred in the last three (3) years with any other Company in any country or with any other Public Sector Enterprise in India and, as such, there is no case for his exclusion from the tender process.

b) The Tenderer hereby agrees that if he has made/makes incorrect statement in regard to this aspect, he can be disqualified from the tender process or the Contract, if already awarded, can be terminated for that reason.

Section 6 - Equal treatment of all Tenderers/Contractors/ Sub-contractors

a) The Tenderer / Contractor undertakes to obtain from all sub-contractors a commitment consistent with this integrity pact, and to submit it to the Principal at the time of seeking approval of the principal for appointment of sub-contractors.

b) The principal will enter into agreements with identical conditions as that of this Integrity Pact, with all Tenderers / Contractors

c) It is essential for all tenderes / contractors to sign the Integrity Pact with the company if the value of the transaction is more than 30 lakhs. The principal will disqualify from the tender process all tenderers/ contractors who do not sign this Pact or violate its provisions.

Section7 - Breaches of this Agreement

a) In the event that any Party believes that there is *prima facie* evidence that there has been a failure by a Party to comply with any provision of this agreement, such Party will take the following actions:

i) It will report full details of such suspected non-compliance to the IEM and CVO with copies to the Chief Executives of each of the Parties.

ii) If any such non-compliance has been carried out, or assisted by an individual who is a member of a professional association, and such non-compliance may constitute a breach of any disciplinary code of such professional association, such Party may report such matter to the professional association.

b) If such non-compliance may constitute a criminal offence, either in the country in which the Contract is being carried out, or in the home country of the organization or individual which carried out or assisted such non-compliance, such Party may report such matter to the appropriate criminal authorities in those territories.

c) In the event that any Party breaches any provision of this agreement, the other Parties may, in addition to the rights under this agreement, claim damages against the defaulting Party, and exercise any other rights they may have against the defaulting Party.

d) The Parties will take appropriate disciplinary or enforcement action against any of their staff, consultants, parent and associated and subsidiary companies, agents, consortium and joint venture partners, sub-contractors and suppliers who cause or assist in any breach of any provision of this agreement.

Section 8 - Independent External Monitor/Monitors (IEM)

a). The Principal, will appoint a competent and credible IEM/Number of IEMs for the duration of this agreement from the panel of IEMs appointed in consultation with the Central Vigilance Commission (CVC).

b). The IEM will assess, on an independent and objective basis, the extent to which the Parties comply with their obligations under this agreement.

c). The Parties will, after submission of a tender; after the award of any contract to them and for the duration of the contract:

i) Allow the IEM unrestricted access to all books, records and staff relevant to such tender;

ii) Ensure that the IEM has unrestricted access to the relevant books, records and staff of their consultants, parent and associated and subsidiary companies, agents, consortium and joint venture partners, sub-contractors and suppliers.

d). In the event that the IEM believes that there is *prima facie* evidence that there is a violation of this agreement, the IEM will report the same to CEO of the Principal.

e). Upon receipt of a report from the IEM, CEO of the Principal and the Board will discuss and try to agree upon the appropriate action to be taken in line with **sections 3,4 & 5 above** to deal with such violation.

f). The IEM has no power to inquire any of the Parties to undertake any actions. No statement by the IEM, whether oral or in writing, is binding on any of the parties. Any Party in legal or dispute resolution proceedings can

use all reports and other documentation issued by the IEM. The IEM can be called as a witness in legal or dispute resolution proceedings.

g). Fee and /or any other incidentals including traveling/conveyance expenses, if any, payable to IEM shall be borne by the Principal.

h). The IEM can only be removed from his appointment, if:

1. All parties agree in writing to remove him: or
2. He resigns: or
3. He is removed from his office by order of a Court having appropriate jurisdiction.

i) On completion of the term by the IEM or if the IEM is removed from his appointment or in case of death of IEM (whichever is earlier), the Principal will appoint another IEM as per **section 8.a) above** for the remaining duration of this agreement.

Section 9 - Duration of Agreement

a). This agreement comes into force as soon as it has been signed by all the Parties have signed it. It cannot be terminated or varied except by the written agreement of all the Parties.

b). This agreement will expire after 12 months from the date of last payment under the respective Contract for the Contractor, and for all other Tenderers 6 months after the award of the Contract.

Section 10 - Other Provisions

a). The Principal will disqualify from the tender process all Tenderers who do not sign this Pact or violate its provisions.

b). Should any occasion arise entailing IEM to undertake any investigation under the provisions of this agreement, the venue for such investigation shall generally be at KIOCL Corporate Office, Kormangala, Bangalore –560 034.

c). This agreement is subject to Indian law. Place of performance and jurisdiction is the corporate office of the Principal. In case of any dispute, the courts at Bangalore only shall have jurisdiction.

d). Changes and supplements as well as termination notices need to be made in writing. Side agreements have not been made.

e). Addresses along with other relevant details of the Chief Executives of the Parties are as given under;

<p>1. Principal: Chairman-cum-Managing-Director, KIOCL Limited II-Block, Koramangala, BANGALORE – 560 034 INDIA.</p>	<p>Tel : 080-25531322(O) Fax : 080-25531272(O) Fax : 080-25521584(O)</p>
<p>2. Tenderer / Contractor </p>	<p>Tel: Mobile: Email: Fax:</p>

f). Should one or several provisions of this agreement turn out to be invalid, the remainder of this agreement remains valid. In that case the parties will strive to come to an agreement to their original intentions.

g). If the contractor is a partnership or consortium, all partners or consortium members must sign this agreement.

For the Principal

Place.....

Date

Witness 1:

(Name & address)

Witness 2:

(Name & address)

For the Tenderer/ Consultant

Place.....

Date

Witness 1:

(Name & address)

Witness 2:

(Name & address)
