



KIOCL LIMITED.

(A Government of India Enterprise)

II Block, Koramangala, BANGALORE 560 034.

(An ISO 9001 & ISO 14001 Company)

Phone No. 080-25532168 / 25531150,

Fax: 080-25532153 / 25535941.

OPEN TENDER NOTICE

No.TS/BFU/COP/DPR/588

Date: 24-06-2009

KIOCL Limited invites sealed bids from reputed consultants / agencies for preparation of a Detailed Project Report (DPR) for setting up of a 0.3 MTPA capacity non-recovery coke oven plant at Blast Furnace Unit, Mangalore, Karnataka state.

The tender details are available in our website www.kudremukhore.co.in. Bidders can collect the tender documents on all working days from the office of the DGM (CP&TS), KIOCL Limited, Bangalore, from 24.06.2009 till 17.07.2009, 3.00 PM or the same can also be down loaded from our website.

A pre bid meeting is scheduled on 03.07.2009, 11.00 AM at the office of the Additional General Manager (Production), BFU, KIOCL Limited, Panambur, Mangalore – 575010 for related clarifications. The last date for submission of sealed bid is 17.07.2009, 5.00 PM.

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

DY. GENERAL MANAGER (CP & TS)

INVITATION TO BIDS

KIOCL Limited, invites sealed bids from reputed consultants / agencies for preparation of a Detailed Project Report (DPR) for setting up of a 3 Lakhs tons per year capacity non-recovery coke oven plant at Blast Furnace Unit, KIOCL, 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: 2000, ISO-14001: 1996 certified company also compliant with OHSAS: 18001:1999 certification for Occupational Hazards and Safety Management System, has its Corporate Office at Bangalore.

KIOCL Limited have plans to install a Non-Recovery Coke Oven Plant in the existing Blast Furnace Complex at Mangalore, for the production of metallurgical coke. The purpose of putting up the coke oven plant is to produce coke for internal consumption at their Blast Furnace for the production of pig iron and balance quantity will be sold in the Indian market.

1.0 Scope of Services:

The detailed scope of work is as per Annexure - `B` enclosed.

2.0 Bid qualifying conditions

- (i) The consultancy firm should have annual financial turnover of at least Rs. Fifteen (15) Crores for the past three (03) financial years, ending 31st March 2009. The bidder shall

furnish the profit & loss account and balance sheet for the last 03 years.

- (ii) The consultancy firm should have prepared at least one Detailed Project Report (DPR) for the non-recovery coke oven plant of capacity not less than 0.3 MTPA in India with in the last Ten (10) years.

Or

The consultancy firm should have been a technical consultant for installation and commissioning of a coke oven plant of capacity not less than 0.3 MTPA with in the last Ten (10) years.

Necessary supporting documents should be furnished in support of the above qualifying criteria. The offers from those bidders who do not qualify for the above condition shall not be considered.

3.0 Tender Documents

The tender documents consists of:

- a) Open tender Notice.
- b) Invitation to bids.
- c) Schedule of Items and Prices at Annexure - A
- d) Detailed scope of works, terms & conditions of contract at Annexure- B

The above tender documents can be collected till 17-07-2009, up to 3.00 PM from the office of the Dy. General Manager (CP&TS), KIOCL Limited, II Block, Koramangala, Bangalore 560 034, Tel 080 25532168, Fax: 080 25535941/25532153 or the same can be down loaded from our website www.kudremukhore.co.in.

A pre bid meeting has been scheduled to be held on 03-07-2009, 11.00 AM at the office of the Additional General Manager (Production), Blast Furnace Unit, KIOCL Limited, Panambur, Mangalore 575 010, for related clarifications. Bidders are requested to confirm in advance of their participation in the pre-bid meeting. The last date for submission of bids is 17-07-2009, 5.00 PM.

Bidders are requested to make a visit and get acquainted with site conditions before submission of their bids.

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

- a) First sealed Envelope superscribed as "**Un Priced** - Consultancy services for the preparation of DPR for coke oven plant of 0.3 MTPY capacity at BF Unit, KIOCL Limited, Mangalore", shall contain one full set of all the above tender documents at 3.0 above including all annexure duly filled-in and documents in support of pre-qualification with official seal & signature on all pages but without any mention of rates & prices.

First envelope shall also contain "EARNEST MONEY" in the form of Demand Draft as per Para 5.0 below.

- b) Second sealed Envelope superscribed as "**Priced** - Consultancy services for the preparation of DPR for coke oven plant of 0.3 MTPY capacity at BF Unit, KIOCL Limited, Mangalore" shall contain prices filled in strictly as per format 3.0 (c) above i.e. Schedule of Items and Prices at Annexure -A.
- c) Both the above envelopes should be kept in another cover and sealed and superscribed as "**Bid** - Consultancy services to preparation of DPR for coke oven plant of 0.3 MTPY capacity at BF Unit, KIOCL Limited, Mangalore" and addressed to Deputy General Manager (CP&TS), KIOCL Limited, II Block, Koramangala, BANGALORE - 560 034 and shall be submitted to his office till 05.00 PM, on or before 17.07.2009.

- 5.0 The bid shall be accompanied by an Earnest Money Deposit of Rs.1,00,000/- (Rupees One Lakh Only) in the form of Demand draft in favour of "KIOCL LIMITED" payable at Bangalore. No other form of EMD will be accepted. Bids not accompanied with EMD are liable for rejection.

This EMD will be returned to the unsuccessful bidders without any interest. In case of successful bidder, the said EMD amount will be released after successful completion of the work without any interest.

- 6.0 Sealed bids will be received till 17-07-2009, 5.00 PM at the office of the Dy. General Manager (CP&TS), KIOCL Limited, II Block, Koramangala, Bangalore – 560 034. Further to the submission of the offer, un-priced offers will be opened for scrutiny and on ascertaining qualification & technical suitability, price bids of technically acceptable offers will be opened in the presence of bidders.
- 7.0 Award of work will be intimated to the successful bidder through a letter / fax which will be treated as authorization to mobilize and commence the work.
- 8.0 The bid shall be valid for a period of “Six Months” from the due date of receipt of the bid.
- 9.0 Other relevant details are specified in the Annexure – B.
- 10.0 Bidders shall submit/fill the price format as per Annexure – A only.
- 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)
DY. GENERAL MANAGER (CP&TS)

ANNEXURE - `A`

SCHEDULE OF ITEMS & PRICES

Sl.No.	DESCRIPTION OF WORK	UNIT	AMOUNT IN RUPEES
1.	Preparation of Detailed Project Report (DPR) for non-recovery type coke oven plant of capacity 0.3MTPA adopting state of the art technology with the steam and power generation facilities, coal handling plant, coke-sorting plant etc., in accordance with ANNEXURE – B terms & condition of contract.	LUMPSUM	
	TOTAL (Rs)	:	

IN WORDS:

(Rupees)

Signature & Seal

NOTE: The quoted lumpsum fee shall be exclusive of all applicable taxes & duties and inclusive of all expenses towards the scope in complete including site visits, to and fro travel expenses, boarding, lodging and local travel etc.

ANNEXURE- B

DETAILED SCOPE, TERMS & CONDITIONS OF CONTRACT

1.0 SCOPE OF WORK:

The detailed project report shall be prepared by the consultant for non-recovery type coke oven plant of capacity 0.3 MTPA with steam and power generation facilities, coal handling plant, coke sorting plant etc. The DPR shall be prepared based on state of the art technology (best technology), environmental friendly monitoring and control system keeping in view of all statutory regulations etc., including automatic controls for material handling, storing & dispatching system, economic viability of the project, budgetary offer with other relevant informations.

Based on the above, the DPR shall cover the following apart from other important relevant informations:

- (i) Executive summary
- (ii) Process description, flow diagrams and general layout of the plant.
- (iii) Engineering and process know-how for non-recovery coke oven.
- (iv) Production norms, volume of production and consumption of raw materials of the proposed scheme.
- (v) Technological Design and services facilities.
- (vi) Testing and linkage of raw materials.
- (vii) Detailed drawings, specifications and estimations for civil, structural, electric, conveying works.
- (viii) Requirement of Soil investigation and detailed site survey.
- (ix) Detailed shop layouts for the scheme.
- (x) Any off-site and infra-structural facilities like external water supply, external power supply, external transport, roads, etc to be studied and incorporated in the report.
- (xi) Manpower requirement for the construction and operation stages.
- (xii) Project implementation schedule in the form of a bar chart.
- (xiii) Market scenario based on results of detailed study and available information both nationally and internationally.

- (xiv) Capital cost and production cost for the scheme.
- (xv) Economic viability of the project, budgetary offer and other relevant informations
- (xvi) Requirement of EIA and EMP studies for the project.
- (xvii) Clearances from the statutory bodies of the State and Central Govt. for the project.
- (xviii) Other relevant details as required for the DPR for the above project.

2.0 TIME SCHEDULE:

The time schedule for the scope of work indicated under clause No.1.0 is five (05) months from the date of issue of work order.

3.0 TERMS OF PAYMENTS:

- (i) 10% of the fee shall be payable after the first visit to the site and submission of brief report on the visit by the consultant.
- (ii) 60% of the fee shall be payable in Five (05) installments based on the progress of the job with a letter from the consultant and certification by KIOCL Limited.
- (iii) 20% of total fee shall be payable after the submission of the draft copy of the detailed project report and acceptance by KIOCL Limited.
- (iv) Balance 10% of total fee shall be payable after the submission of the Final Report.

4.0 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 exclusive of all applicable taxes and duties. Which will be paid by KIOCL along with each payment/invoice.
- (iv) Any variation in taxes, levies & duties will be paid or recovered by KIOCL accordingly.
- (v) 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.

- (vi) 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.
- (vii) Price schedule shall be signed and sealed on each page and shall not contain any alterations/conditions/notes whatsoever.

5.0 EXCLUSIONS FROM SCOPE OF SERVICES:

- (i) Any tour outside India by the consultants.
- (ii) Obtaining statutory clearances from state and central Govt. bodies.

6.0 OBLIGATION OF KIOCL LIMITED:

The following information and facilities to the extent available shall be provided on free of cost by KIOCL Limited to the successful bidder.

- (i) Provision of office accommodation for Engineers during their stay at site.
- (ii) Reference drawings of the area proposed and available relevant information for the proposed project.

7.0 SPECIAL CONDITIONS:

- (i) It is the responsibility of the agency/firm/consultant to deploy competent personnel for carrying out the job.
- (ii) Security: Site of work is within the prohibited area. All entries/exits for men and materials shall be through the main gate of BF Unit only. This is manned by CISF Security Force staff. Entry/Gate passes duly counter signed by the company's authorized Executive are therefore required to be furnished at the main gate without fail.
- (iii) Compensation: The quoted lumpsum fee shall be inclusive of all expenses towards cost of boarding, providing residential accommodation, local transport expenses between places of residence and site office complete including cost towards posting and withdrawal of site staff etc.,
- (iv) Force Majeure: If the work is delayed on account of Force Majeure, which affects the time for completion of the

- works, suitable extension in completion period shall be given by KIOCL Limited.
- (v) 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 project, all informations gathered there from and therein shall not be disclosed to any third party.
 - (vi) Arbitration: In case of arbitration if any, Arbitration shall be as per Arbitration and conciliation Act 1996. Jurisdiction to this will be Bangalore High Court only.
 - (vii) 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.
 - (viii) Safety: The consultants shall comply safety regulations as per statutory requirement under the Factories Act

8.0 INTEGRITY PACT:

- (i) A copy of the details of Integrity Pact at Annexure-C.
- (ii) Bidders are requested to confirm acceptance of all terms of the Integrity Pact and to return the signed copy of the same, affixing signature along with seal on all pages, along with the bid.
- (iii) The name and address of External Independent Monitor (EIM) will be as under:
 - Sri. S.S. Meenakshisundaram
 - No.1332, Double Road,
 - Indiranager,
 - BANGALORE – 560 038.
 - Phone: 080-25288265
 - Email: meenakshi54@hotmail.com

(N.S.JEYAKUMAR)
DY. GENERAL MANAGER (CP&TS)

KIOCL LIMITED

(A Govt. of India Enterprise)

AN ISO 9001:2000, ISO 14001:1996, OHSAS 18001:1999 COMPANY

INTEGRITY PACT PROGRAM

1. INTRODUCTION:

KIOCL LIMITED, is a Central Govt. Public Sector Undertaking engaged in Mining of Iron Ore and Manufacturing Pellets and marketing it in India and abroad. KIOCL enjoys *Mini Rathna* status among the Central Govt. Public Sector undertakings, and conducts its business in highest ethical standards, fully adhering to CVC guidelines and exemplary industry practices.

KIOCL does its business with a number of domestic and international buyers, contractors and vendors of goods and services. It is committed to fostering ethical and corruption free business environment, and values its relationships with all counterparts and deals with them in fair and transparent manner.

In order to achieve and strengthen these goals, KIOCL is implementing the Integrity Pact Program in Co-Operation with Central Vigilance Commission (CVC) and Transparency International (TI). As part of this initiative KIOCL will, in consultation with CVC and TI, appoint external Independent Monitors who will help KIOCL monitor and implement the Integrity Pact Program.

Following are the details of KIOCL's Integrity Pact Program:

1. Commitments and Obligation of KIOCL
2. Commitments and Obligations of counterparties

3. Violation and Consequences
4. Independent Monitor
5. Implementation and Guidelines
6. Periodic Review and Evaluation

2. COMMITMENTS AND OBLIGATION OF KIOCL.

- (a) KIOCL is committed to have ethical and corruption free business dealings with counterparties.
- (b) KIOCL values its relationship with all counterparties and will deal with them in a fair and transparent manner.
- (c) KIOCL and /or its Associates (Employees, Agents, Consultants, Advisors etc) will not seek or take bribes/undue benefits directly or indirectly for themselves or for third parties.
- (d) KIOCL will honour its commitments and make due payments to counterparties in time subject to fulfilling contractual obligations.
- (e) KIOCL will initiate punitive and corrective action, and pursue it vigorously whenever corruption or unethical behavior occurs.**

3. COMMITMENTS AND OBLIGATIONS OF THE COUNTERPARTY.

1. The counterparty, directly or indirectly (through Agents/ Consultants/ advisors etc), will not pay any bribes or offer or imply any form of illegal benefit to any one to gain undue advantage in dealing with KIOCL.
- (b) The counterparty will not engage in collusion, price fixing, cartelization, etc., with other counterparts.
- (c) The counterparty will not pass to any third party any confidential informations entrusted to it, unless duly authorized by KIOCL.
- (d) The counterparty will promote and observe ethical practices within its Organisation and its affiliates.
- (e). The counterparty will inform the External Independent Monitor:

- i
- ii
- iii

If he receives demand for a bribe or illegal payment/benefit.

If comes to know of any unethical or illegal payment/benefit

If he makes any undue payment to any KIOCL's Associates.

(f) The counterparty will not make any false or misleading allegations against KIOCL or its Associates.

4. VIOLATIONS & CONSEQUENCES:

(a) If a counterparty commits a violation of its Commitments and Obligations under the Integrity Pact Program during bidding process (from the date of publication of tender to the date of award of work), he/she shall be liable for forfeiture of EMD /Bid Security submitted, without prejudice to other action that may be taken against it.

(b) In case of violation of the Integrity Pact whereby after award of the contract, KIOCL terminates or is entitled to terminate the contract. KIOCL shall be entitled to demand and recover from the counterparty liquidated damages equivalent to 10 percent of the contract value, or the amount equivalent to security deposit/ performance guarantee, whichever is higher.

(c) KIOCL may ban and exclude the counterparty from future dealings until the External Independent Monitors is satisfied that the counterparty will not commit any future violation.

(d) KIOCL may initiate criminal proceedings against the violating counterparty.

(e) The counterparty will be liable to pay damages as determined by the External Independent Monitor.

5. EXTERNAL INDEPENDENT MONITOR (EIM)

(a) CMD, KIOCL is the authority to appoint External Independent Monitor(s) (EIM) to oversee Integrity Pact Program implementation and effectiveness. The process for their appointment shall be similar to Outside Expert Committee (OEC). For this purpose, a panel of Independent Monitors may be constituted by KIOCL in consultation with Transparency International (TI) and / or CVC, with whose clearance they will be appointed. It will be voluntary, non-salaried position of 3-year term. EIM will have status/benefits similar to those of Chairman of Audit Committee of Board/ status of the Directors of KIOCL

(b) In order to ensure their impartiality, they would not be drawn from KIOCL back ground.

(c) The EIM will be people of impeccable Integrity conversant with KIOCL's business, and experienced in commercial activities.

(d) It will be voluntary, non-salaried position of 3 year term. EIM will have status/benefits similar to those of Chairman of Audit Committee of Board/status of the Directors of KIOCL.

(e) The major goal of EIM will be to oversee the implementation of Integrity Pact program to prevent corruption, bribes, and any other unethical practices in the KIOCL.

(f) The EIM will not have administrative or enforcement responsibilities. He will coordinate his efforts with either anti-corruption institution such as CVC. He may engage services of outside agencies such as accounting firms, law firms etc., at KIOCL's expense, if required, in discharge of his responsibilities, with prior consent of KIOCL.

(g) The EIM will have access to all Officers and internal records of the KIOCL. He will also have access to counterparties records and information regarding its dealing with KIOCL.

(h) The EIM will have the right to attend any meetings between KIOCL and the counterparties.

- (i) If EIM observes or suspect an irregularity, he will inform the CMD of KIOCL and Chairman of Audit Committee of its Board of Directors. Once the EIM is satisfied that an irregularity has taken place, he may inform the Board of KIOCL.
- (j) The EIM can be removed from his Office for appropriate reasons by KIOCL only by an open and transparent process and such decision will have to be ratified by the Board of KIOCL.

6. IMPLEMENTATION GUIDELINES

To implement the Integrity Pact Program the following general guidelines will govern the same:

- a) To select and appoint EIM in consultation with TI and / or CVC.
- (b) To get commitment from all Senior Level Executives/Officials of KIOCL to implement the program, so that any resistance to acceptance of Integrity Pact Program is minimized.
- (c) To develop detailed implementation plan and finalise the Integrity Pact document in consultation with the EIM.
- (d) To notify all Senior Staff Members, Board of Directors, any other oversight body of the Organisation and major suppliers of KIOCL's plan to implement the Integrity Pact Program, which is to be included in KIOCL's web site and disclosed to the media.

7. PERIODIC REVIEW & EVALUATION

KIOCL will periodically review the effectiveness of Integrity Pact Program by the following procedure:

- (a) The EIM and senior leadership of KIOCL will make an bi-annual self-assessment of Integrity Pact Program effectiveness and identify areas to improve.
- (b) The EIM will submit an annual report on the progress/effectiveness of Integrity Pact Program to the KIOCL Board of Directors.

(c) KIOCL may conduct an annual 360 degree review (by an outside agency) with senior Executives, Junior Executives, suppliers and competitors of effectiveness of Integrity Pact Program in reducing corruption.

(d) KIOCL will arrange regular meet with TI and / or CVC on an annual basis to review the effectiveness of program.

(e) For any amendments or changes in the clauses, consistent with the overall spirit of Integrity Pact, the CMD will be competent to approve the same and need not revert back to the Board.

INTEGRITY PACT

THIS AGREEMENT is entered into between the following Parties:

KIOCL Limited hereinafter referred to as

“The Principal”,

and

< Name of the Party > hereinafter referred to as **“The Tenderer/ Contractor”**

Preamble

The Principal intends to award a contract, following its laid-down organizational procedures, for **< nature of Contract, in brief >**. 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 External Independent Monitor (EIM) 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) **"External Independent Monitor"** means a person, hereinafter referred to as EIM, appointed, in accordance with **clause 8.a** below, to verify compliance with this agreement.

c) **"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 EIM.

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 EIM.

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 50 lakhs. The principal will

disqualify from the tender process all tenderers/ contractors who do not sign this Pact or violate its provisions.

Section 7 - 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 EIM 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.

A) 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.

b). 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.

c). 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 - External Independent Monitor/Monitors (EIM)

- a). The Principal, will appoint a competent and credible EIM/Number of EIMs for the duration of this agreement from the panel of EIMs appointed in consultation with the Central Vigilance Commission (CVC).
- b). The EIM 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 EIM unrestricted access to all books, records and staff relevant to such tender;
 - ii) ensure that the EIM 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 EIM believes that there is *prima facie* evidence that there is a violation of this agreement, the EIM will report the same to CEO of the Principal.
- e). Upon receipt of a report from the EIM, 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 EIM has no power to inquire any of the Parties to undertake any actions. No statement by the EIM, 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 EIM. The EIM 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 EIM shall be borne by the Principal.
- h). The EIM 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) If the EIM is removed from his appointment, the Principal will appoint another EIM 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 EIM 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:</p> <p>Chairman-cum-Managing-Director, KIOCL Limited, II-Block,Koramangala, BANGALORE – 560 034. INDIA.</p>	<p>Tel : 080-25531322 (O) : 080-25531272 (O) Fax : 080-25521584 (O)</p>
<p><i>2. < Details of Tenderer are to be filled in by Tenderer concerned ></i></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

For the Tenderer/ Contractor

Witness 1:

(Name & address) -----

Witness 2:

(Name & address) -----

