

INTEGRITY PACT

Between

Cement Corporation of India Limited (CCI) hereinafter referred to as "The Principal", and -----hereinafter referred to as "The Bidder/Contractor"

Preamble:

The Principal intends to award, under laid down organizational procedures, contract/s for -----The Principal value full compliance with all relevant laws of the land, rules, regulations, economic use of resources and of fairness / transparency in its relations with its Bidder(s) and / or Contractor(s). In order to achieve these goals, 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 above. Section 1 - Commitments of the Principal

1) The Principal commits itself to take all measures necessary to prevent corruption and to observe the following principles:-

a) No employee of the Principal, personally or through family members, will in connection with the tender for, or the execution of a contract, demand, take a promise for or accept, for self or third person, any material or immaterial benefit which the person is not legally entitled to.

b) The Principal will, during the tender process treat all Bidder(s) with equity and reason, The Principal will in particular, before and during the tender process, provide to all Bidder(s) the same information and will not provide to any Bidder(s) confidential additional information through which the Bidder(s) could obtain an advantage in relation to the tender process or the contract execution.

c) The Principal will exclude from the process all known prejudiced persons.

(2) If the Principal obtains information on the conduct of any of its employees which is a criminal offence under the IPC/PC Act, or if there be a substantive suspicion in this regard, the Principal will inform the Chief Vigilance Officer and in addition can initiate disciplinary actions.

Section 2 - Commitments of the Bidder(s)/ contractor(s) :

(1) The Bidder(s)/ Contractor(s) commit 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.

a) The Bidder(s)/Contractor(s) will not, directly or through any other person or firm, offer, promise or give 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 other benefit which he/she is not legally entitled to, in order to obtain in exchange any advantage of any kind whatsoever during the tender process or during the execution of the contract.

b) The Bidder(s)/Contractor(s) will not enter with other Bidders into any undisclosed agreement or understanding, whether formal or informal. This applies in particular to prices, specifications, certifications, subsidiary contracts, submission or non-submission of bids or any other actions to restrict competitiveness or to introduce cartelisation in the bidding process.

c) The Bidder(s)/Contractor(s) will not commit any offence under the relevant IPC/PC Act; further the Bidder(s)/ Contractor(s) will not use improperly; for purposes of

competition or personal gain, or pass on to others, any information or document provided by the Principal as part of the business relationship, regarding plans, technical proposals and business details, including information contained or transmitted electronically.

d) The Bidder(s)/Contractor(s) of foreign origin shall disclose the name and address of the Agents/representatives in India, if any. Similarly the Bidder(s)/Contractor(s) of Indian Nationality shall furnish the name and address of the foreign principals, if any, Further details as mentioned in the "Guidelines on Indian Agents of Foreign Suppliers" shall be disclosed by the bidder(s) / Contractor(s). Further, as mentioned in the Guidelines all the payments made to the Indian agent/representative have to be in 'Indian Rupees only.

e) The Bidder(s)/Contractor(s) 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

f) The Bidder(s)/Contractor(s) will not instigate third persons to commit offences outlined above or be an accessory to such offences.

g) Bidder(s)/Contractor(s) signing IP shall not approach the court while Representing the matters to IEMs and he/she will await their decision in the matter.

h) In case of a joint venture, all the partners of the joint ventures to signed the IP

i) Any violation of Integrity Pact would entail disqualification of the Bidders and exclusion from future business dealings, as per the existing Provision of GFR, 2017, PC act, 1988 and other Financial Rules/Guidelines etc. as may be applicable to the origination concerned.

j) In the event of any dispute between the management and the contractor Relating to those contracts where integrity pact is applicable, in case, both the parties are agreeable, they may try to settle dispute through mediation before the panel of IEMs in a time bound manner. If required the Organizations may adopt any mediation rule for this purpose. In case, the dispute remains unresolved even after mediation by the panel Of IEMs, the organizations may take further action as per the terms & Conditions of the contract.

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

(1) If the Bidders(s)/Contractor(s), before award or during execution has committed a transgression through a violation of Section 2, above or in any other form such as to put his reliability or credibility in question, the principal is entitled to disqualify the

Bidder(s)/Contractor(s) from the tender process or to terminate the contract, if already signed for such reason.

(2) If the Bidder/Contractor has committed a serious transgression through a violation of sector-2 such as to put his reliability or credibility into question, the principal is entitled also to exclude the Bidder/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 with the company hierarchy of the Bidder and the amount of the damage. The exclusion will be imposed for a minimum of 6 months and maximum of 3 years.

(3) If the Bidder/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 prematurely.

(4) A transgression is considered to have occurred if in light of available evidence no reasonable doubt is possible.

Section 4 - Compensation for Damages :

(1) If the Principal has disqualified the Bidder(s) from the tender process prior to the award according to Section 3, the Principal is entitled to demand and recover the damages equivalent to Earnest Money Deposit/ Bid Security.

(2) If the Principal has terminated the contract according to Section 3, or if the Principal MM entitled to terminate the contract according to Section 3, the Principal shall be entitled to demand and recover from the Contractor liquidated damages of the Contract value or the amount equivalent to Performance Bank Guarantee.

Section 5 - Previous transgression :

(1) The Bidder declares that no previous transgressions occurred in the last 3 years with any other Company in any country conforming to the anti corruption approach or with any other Public Sector Enterprise in India that could justify his exclusion from the tender process.

(2) If the Bidder makes incorrect statement on this subject, he can be disqualified from the tender process.

Section 6- Equal treatment of all Bidders/Contractors/Sub-contractors :

(1) The Bidder(s)/ Contractor(s) undertake(s) to demand from all subcontractors the commitment consistent with this Integrity Pact, and to submit it to the Principal before contract signing.

(2) The Principal will enter into agreements with identical conditions as this one with all Bidders and Contractors.

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

Section-7- Criminal charges against violating bidder(s)/Contractor(s)/Subcontractors :

If the Principal obtains knowledge of conduct of a Bidder, Contractor or Subcontractor, or of an employee or a representative or an associate of a Bidder, Contractor or Subcontractor which constitutes corruption, or if the Principal has substantive suspicion in this regard, the Principal will inform the same to the Chief Vigilance Officer.

Section 8 -Independent External Monitor/Monitors :

- (1) The Principal appoints competent and credible Independent External Monitor for this Pact. The task of the Monitor is to review independently and objectively, whether and to what extent the parties comply with the obligations under this agreement.
- (2) The Monitor is not subject to instructions by the representatives of the parties and performs his functions neutrally and independently. He reports to the Chairman, CCI.
- (3) The Bidder(s)/Contractor(s) accepts that the Monitor has the right to access without restriction to all tender documentation of the Principal including that provided by the Contractor. The Contractor will also grant the Monitor, upon his request and demonstration of a valid interest, unrestricted and unconditional access to his project documentation. The same is applicable to Subcontractors. The Monitor is under contractual obligation to treat the information and documents of the Bidder(s)/Contractor(s)/Subcontractor(s) with confidentiality.
- (4) As soon as the Monitor notices, or believes to notice, a violation of this agreement, he will so inform the Management of the Principal and request the Management to discontinue or take corrective action, or to take other relevant action. The monitor can in this regard submit non-binding recommendations. Beyond this, the Monitor has no right to demand from the parties that they act in a specific manner, refrain from action or tolerate action. However, the independent External Monitor shall give an opportunity to the Bidder/Contractor to present its case before making its recommendations to the Principal.
- (5) The Monitor will submit a written report to the Chairman, CCI within 5 to 10 weeks from the date of reference or intimation to him by the Principal and, should the occasion arise, submit proposals for correcting problematic situations.
- (6) Monitor shall be entitled to compensation on the same terms as being extended to / provided to Independent Directors on the CCI Board.
- (7) If the Monitor has reported to the Chairman CCI, a substantiated suspicion of an offence under relevant IPC/PC Act, and the Chairman, CCI has not, within the reasonable time taken visible action to proceed against such offence or reported it to the Chief Vigilance Officer, the Monitor may also transmit this information directly to the Central Vigilance Commissioner.
- (8) The word 'Monitor/ would include both singular and plural.
- (9) Independent External Monitor shall be required to maintain confidentiality of the information acquired and gathered during their tenure/role as independent Monitor. Any breach in this regard would be subject to the legal judicial system of India.
- (10) Independent External Monitor(s) shall be required to furnish an Undertaking and disclose before taking any assignment that he/she has no interest in the matter or connected with the party (Bidder/Contractor) in any manner.

Section 9 — Pact duration :

This pact begins when both parties have legally signed it. It expires for the Contractor 12 months after the last payment under the contract and for all other bidders 6 months after the contract has been awarded. If any claim is made/lodged during this time, the same shall be binding and continue to be valid despite the lapse of this pact as specified above, unless it is discharged/determined by Chairman of CCI.

Section 10 — Other provisions :

- (1) This agreement is subject to Indian Law. Place of performance and jurisdiction is the Registered Office of the Principal, i.e. New Delhi.
- (2) Changes and supplements as well as termination notices need to be made in writing. Side agreements have not been made.
- (3) If the Contractor is a partnership or a consortium, this agreement must be signed by all partners or consortium members.
- (4) Should one or several provisions of this agreement turn out to be invalid, the remainder of this agreement remains valid. In this case, the parties will strive to come to an agreement to their original intentions.

(For and on behalf of the Principal)
(Office Seal)

(For and on behalf of Bidder/Contractor)
(Office Seal)

Place _____
Date _____

Witness 1 :
(Name & Address) _____

Witness 2 :
(Name & Address) _____

