

Penalties/ Disciplinary actions for Safety violations for contract employees

Scope: This Procedure applies to workers including Contractors, subcontractors, consultants and their supervisors who conduct and perform work activities and services in all RCF's Operating Areas at Trombay unit.

General Requirements and Responsibilities: Contractors, subcontractors, consultants and their supervisors must comply with the following requirements;

- Maintain full responsibility for all environmental, safety, security and health compliance matters.
- Shall take prompt action on safety compliance as per RCF's Safety Procedures, Rules and Regulations.
- Responsible for correcting environmental, safety, security and health violations and/or unsafe conditions present in his/her operation.
- Ensure that all work activities and/or services are always carried out safely to prevent injuries and damage to properties.
- Safety record at the RCF will be a criterion used to judge performance and determine whether or not persons/ groups mentioned as above qualifies for future contracts at RCF.
- 'Stop Work Authority' to be used to assist RCF in ensuring the safety and protection of personnel, plant and equipment at all times
- Keep a constant check on the approved method of working to prevent environment, safety, security and health violations.
- Promote accountability for environment, safety, security and health practices and regulations in accordance with the RCF's procedures.
- Initiate immediate corrective actions towards unsafe acts or safety conditions so as to prevent or mitigate future recurrence.

4.0 Definitions:

4.1 Violations: All unsafe acts, offences, breach of procedures or standards as classified herein.

4.2 Disciplinary Actions: Penalty, termination of Contract(s) for Contractors, subcontractors, consultants and their supervisors shall be applicable as per Annexure-I

SN	Safety Violation By Contractor Employee At Work Place	Proposed Penalty (Rs.)
		I st time violation (Calendar Year)
1	Working without wearing safety helmet	1000
2	Working without wearing shoes	1000
3	Working without wearing safety goggle during handling of hazardous chemicals, acid/alkali etc.	1000
4	Working without wearing Safety belt (double lanyard full body harness) for height jobs above 2 meters.	2000
5	Working without wearing face shield during cutting, welding, grinding activity and during maintenance work on acid/alkali lines and equipment's.	1000
6	Not using PPEs, tools/tackles as mentioned in Safety Work Permit	1000
7	Working without valid test certificate for lifting/ lowering	3000

	tools/tackles	
8	Working without appropriate electric plug-pin, RCBO	2000
9	Working without a valid Safety Work Permit	3000
10	Gas cylinder without flash back arrestor	1000
11	Gas cylinder without trolley	500
12	Unauthorized personal entering into Cordon off area	500
13	Faulty wire/ cable laying on ground or using snapped cables	500
14	Improper hand or power tools/ tackles	1000
15	Smoking at work place area.	5000

	Safety violations by Transport contractors		
1	Faulty HAZCHEM displayed on Tanker		500
2	One PVC / Tychem Suit set if available		500
3	Both PVC /Tychem suit set are not available		1000
4	Fire Extinguisher without Hydro Test.		1000
5	TREM card not available		500
6	Hazardous chemicals transportation Training of driver by authorized agencies. (Training card not available with driver)		500
7	Sleeping below the tanker		5000

*** Note:**

1. In case if anyone found violating for the second time, penalty of 1.5 Times will be imposed.

2. In case of 3rd time violation – 15 days away from job for specific contractor labour/ supervisor of contract(s) based on violation will be imposed.

5.0 Safety Training:

Safety training on work place safety shall be mandatory to each new contractor employee and individual Gate passes of such employees shall be stamped as Safety trained employees. On the job trainings / pep talks shall be imparted before starting the job on work site by concerned supervisor/ Safety officers.

6.0 Health of contractor employees:

Contractors have to obtain fitness certificate and show it to the RCF supervisors prior to commencement of work. It is to be ensured that no contract workers are allowed to enter the premises having major health issues or not enter after having any drug/ alcoholic drinks.

INTEGRITY CLAUSE

RCF is committed to ensure that it carries its business with integrity and transparency. The Company has framed rules to avoid all forms of corruption by following a system that is fair, transparent and free from any influence/prejudiced dealings prior to, during and subsequent to the currency of the contract to be entered into with a view to :-

Enabling RCF to procure/ undertake the Project/Work (Delete what is not applicable) at a competitive price in conformity with the defined specifications by avoiding the high costs and the distortionary impact of corruption on public procurement, and Enabling BIDDER to abstain from bribing or indulging in any corrupt practices in order to secure the contract by providing assurance to them that their competitors will also abstain from bribing and other corrupt practices and RCF will commit to prevent corruption, in any form, by its officials.

RCF has therefore laid down the following transparent procedures (wherever required is referred to as the 'Integrity Pact')

which is expected to be adhered by the Company as well as the BIDDER:

1. Commitments of RCF:

- 1.1 RCF undertakes that no official of RCF, connected directly or indirectly with the Project/Work, will demand, take a promise for or accept, directly or through intermediaries, any bribe, consideration, gift, reward, favour or any material or immaterial benefit or any other advantage from the BIDDER, either for themselves or for any other person, organization or third party related to the contract in exchange for an advantage in the bidding process, bid evaluation, contracting or implementation process related to the contract.
- 1.2 RCF will, during the pre-contract stage, treat all BIDDERS alike, and will provide to all BIDDERS the same information and will not provide any such information to any particular BIDDER which could afford an advantage to that particular Bidder in comparison to other BIDDERS.
- 1.3 In case any preceding misconduct on the part of any official(s) is reported by the BIDDER to RCF with full and verifiable facts, necessary disciplinary proceedings, or any other action as deemed fit, including criminal proceedings may be initiated by RCF and such a person shall be debarred from further dealings related to contract process. In such a case while an enquiry is being conducted by RCF the proceedings under the contract would not be stalled.

2. Commitments of BIDDER:

- 2.1 The BIDDER commits itself to take all measures necessary to prevent corrupt practices, unfair means and illegal activities during any stage of its bid or during any pre-contract or post-contract stage in order to secure the contract or in furtherance to secure it and in particular commit itself to the following:
- 2.2 The BIDDER will not offer, directly or through intermediaries, any bribe, gift, consideration, reward, favour, any material or immaterial benefit or other advantage, commission, fees, brokerage or inducement to any official of the RCF, connected directly or indirectly with the bidding process, or to any person, organization or third party related to the contract in exchange for any advantage in the bidding, evaluation, contracting and implementation of the contract.

- 2.3 The BIDDER further undertakes that it has not given, offered or promised to give, directly or indirectly any bribe, gift, consideration, reward, favour, any material or immaterial benefit or other advantage, commission, fees, brokerage or inducement to any official of RCF or otherwise in procuring the Contract or forbearing to do or having done any act in relation to the obtaining or execution of the contract or any other contract with RCF for showing or forbearing to show favour or disfavour to any person in relation to the contract or any other contract with RCF.
- 2.4 BIDDER shall disclose the name(s) and address (es) of foreign principals, associates, agents and distributors, advisors, representatives and sub-contractors.
- 2.5 BIDDER shall disclose the payments to be made by them to agents/ brokers or any other intermediary, in connection with this bid/ contract.
- 2.6 The BIDDER further confirms and declares to RCF that he has not engaged any individual or firm or company, whether Indian or foreign, to intercede, facilitate or in any way to recommend to RCF or any or its functionaries, whether officially or unofficially to the award of the contract to the BIDDER, nor has any amount been paid, promised or intended to be paid to any such individual, firm or Company in respect of any such intercession, facilitation or recommendation.
- 2.7 The BIDDER, either while presenting the bid or during pre-contract negotiations or before signing the contract, shall disclose complete details of any payments made, is committed to or intends to make to any officials of RCF or their family members, agents, brokers or any other intermediaries in connection with the contract and the details of services agreed upon for such payments.
- 2.8 The BIDDER will not collude with other parties, interested in the contract, to impair the transparency, fairness and progress of the bidding process, bid evaluation, contracting and implementation of the contract.
- 2.9 The BIDDER will not accept any advantage in exchange for any corrupt practice, unfair means and illegal activities.
- 2.10 The BIDDER shall not use improperly, for purposes of completion or personal gain, or pass on to others, any information provided by RCF as part of the business relationship, such as plans, technical proposals and business details including information contained in any electronic data carrier. The BIDDER also undertakes to exercise due and adequate care to ensure that no information is divulged to others.
- 2.11 The BIDDER commits to refrain from giving any complaint in connection with the Project, directly or through any other manner, without supporting it with full and verifiable facts.
- 2.12 The BIDDER shall not instigate or cause to instigate any third party to commit any of the actions aforestated.
- 2.13 If the BIDDER or any employee of the BIDDER or any person acting on behalf of the BIDDER, either directly or indirectly, is a relative of any of the employees of RCF, or, if any relative of an employee of RCF has financial interest/stake in the BIDDER, the same shall be disclosed by the BIDDER at the time of filing the tender.

The term `relative' for this purpose would be as defined in Companies Act, 1956 or any modifications thereof.

- 2.14 The BIDDER shall not lend to or borrow any money from or enter into any monetary dealings or transactions, directly or indirectly, with any employee of RCF.

3. Previous Transgression

- i. The BIDDER declares that no previous transgression occurred in the last three years, in respect of any corrupt practices envisaged hereunder, and/or with any Public Sector Enterprises/ Government department that could justify BIDDERS exclusion from the tender process.
- ii. The BIDDER agrees that if it makes any incorrect statement in the bid, BIDDER can be disqualified from the tender process of the contract, and if already awarded, the Contract can be terminated for such reason.

4. Earnest Money / Security Deposit

- 4.1 The value and the validity of the Earnest Money / Security Deposit required to be given by bidder shall be as mentioned in NIT.
- 4.2 In case the successful BIDDER violates any of the terms of NIT, RCF shall be entitled to forfeit the EMD/SD without assigning any reason.

5 Sanctions for violations

- 5.1 Any breach of the aforesaid provisions by the BIDDER or any one employed by it or acting on its behalf (whether with or without the knowledge of the BIDDER or any one employed by it or acting on its behalf (whether with or without the knowledge of the BIDDER) shall entitle RCF to take all or any one of the following actions, wherever required.
- i) To immediately call off the pre contract negotiations without assigning any reason or giving any compensation to the BIDDER. However, the proceedings with the other BIDDER(s) would continue.
 - ii) The Earnest Money Deposit (in pre-contract stage) and /or Security Deposit/Performance Bond (after the contract is signed) shall stand forfeited either fully or partially, as decided by RCF, without assigning any reason therefor.
 - iii) To immediately cancel the contract, if already signed, without giving any compensation to the BIDDER.
 - iv) To recover all sums already paid by RCF, together with interest thereon at 2% higher than the prevailing Lending Rate of State Bank of India or at 2% higher than LIBOR as may be applicable based on whether the bidder is an Indian party or a foreign party. If any outstanding payment is due to the BIDDER from RCF in connection with any other contract for any other Project/Work/Supply, such outstanding payment could also be utilized to recover the aforesaid sum and interest.

- v) To encash the advance bank guarantee and performance bond/ warranty bond, if furnished by the BIDDER, in order to recover the payments, already made by RCF, along with interest.
 - vi) To terminate all or any other Contracts with the BIDDER. The BIDDER shall be liable to pay compensation for any loss or damage to RCF resulting from such termination and RCF shall be entitled to deduct the amount so payable from the money(s) due to the BIDDER.
 - vii) To debar/blacklist the BIDDER from participating in future bidding processes of RCF for a minimum period of five years, which may be further extended at the discretion of RCF.
 - viii) To recover all sums paid, in violation of this Pact by BIDDER to any middleman or agent or broker, with a view to securing the contract.
 - ix) In case where irrevocable Letters of Credit have been opened in respect of any contract signed by RCF with the BIDDER, the same shall not be operated.
 - x) Forfeiture of Performance Bond in case of a decision by RCF to forfeit the same without assigning any reason for imposing sanction for violation of this Pact.
- 5.2 RCF will be entitled to take all or any of the actions mentioned at para 5.1 (i) to (x) also on the Commission by the BIDDER or any one employed by it or acting on its behalf (Whether with or without the knowledge of the BIDDER) of an offence as defined in Chapter IX of the Indian Penal code, 1860 or Prevention of Corruption Act, 1988 or any other statute enacted for prevention of corruption.
- 5.3 The decision of RCF to the effect that a breach of the provisions of the conditions has been committed by the BIDDER shall be final and conclusive on the BIDDER. However, the Bidder can approach the Independent Monitor appointed for the purposes of this Pact.

6. Facilitation of Investigation

In case of any allegation of violation of any provisions of these terms or payment of commission, RCF shall be entitled to examine all the project documents of the BIDDER and the BIDDER shall provide necessary information and documents in English and shall extend all possible help for the purpose of such examination.

7. Law and Place of Jurisdiction

Indian Law shall be applicable to the NIT and Courts in Mumbai shall have Jurisdiction.

8. Other Legal Actions

The Actions stipulated in this Integrity Pact are without prejudice to any other legal action that may follow in accordance with the provisions of the extant law in force relating to any civil or criminal proceedings.

9. Validity

- 9.1 The validity of this Integrity Pact shall be from date the NIT is issued and extend upto two years from the date of last payment under the contract. In case BIDDER is not awarded Contract/Purchase Order, this Integrity Pact shall expire after twelve months from the date of issue of the NIT.
- 9.2 Should one or several provisions of this Pact turn out to be invalid, the remainder of this Pact shall remain valid. In this case, the parties will strive to come to an agreement to their original intentions