

(To be executed on plain paper and submitted along with technical bid/tender documents for tenders)

INTEGRITY PACT

between
Hindustan Urvarak and Rasayan Limited (HURL) hereinafter referred to as "**The Principal**,"
And
_____ hereinafter referred to
as "**The Bidder/ Contractor**."

Preamble

The Principal intends to award contract/s for _____ (Name of Contract) under laid down organizational procedures. The Principal values full compliance with all relevant laws of the land, rules, regulations, economical use of resources, and fairness / transparency in its relations with its Bidder(s) and / or Contractor(s).

To achieve these goals, the Principal shall appoint Independent External Monitors (IEMs) who shall monitor the tender process and the execution of the contract for compliance with the above mentioned principles.

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, shall 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 shall treat all Bidder(s) with equity and reason during the tender process. The Principal shall, in particular, before and during the tender process, provide to all Bidder(s) the same information and shall not provide to any Bidder(s) confidential / additional information through which the Bidder(s) could obtain an advantage in the tender process or the contract execution.
 - c. The Principal shall exclude from the process all known persons having conflict of interest.
- 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 shall inform the Chief Vigilance Officer and in addition shall initiate disciplinary proceedings.

Section 2 - Commitments of the Bidder(s)/ Contractor(s)

- 1) The Bidder(s)/ Contractor(s) commits themselves to take all measures necessary to prevent corruption. The Bidder(s)/ Contractor(s) commits themselves to observe the following principles during participation in the tender process and the contract execution:
 - a. The Bidder(s)/ Contractor(s) shall 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 they are not legally entitled to, in order to obtain in exchange any advantage of any kind whatsoever during the tender process or the execution of the contract.

- b. The Bidder(s)/ Contractor(s) shall not enter with other Bidders into any undisclosed agreement or understanding, whether formal or informal, in violation of the Competition Act, 2002 (as amended from time to time). 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 cartelization in the tender process.
 - c. The Bidder(s)/ Contractor(s) shall not commit any offence under the relevant IPC/PC Act; further, the Bidder(s)/ Contractor(s) shall 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)/Contractors(s) of foreign origin shall disclose the name and address of the Agents/representatives in India, if any. Similarly, the Bidder(s)/Contractors(s) of Indian Nationality shall furnish the name and address of the foreign principals, if any. All the payments made to the Indian agent/representative must be in Indian Rupees only.
 - e. The Bidder(s)/ Contractor(s) shall, when presenting their bid, disclose any and all payments made, is committed to, or intends to make to agents, brokers, or any other intermediaries in connection with the award of the contract.
 - f. Bidder(s) /Contractor(s) who have signed the Integrity Pact shall not approach the Courts while representing the matter to IEMs and shall wait for their decision.
- 2) The Bidder(s)/ Contractor(s) shall not instigate third persons to commit offences outlined above or be an accessory to such offences.

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

If the Bidder(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 their reliability or credibility in question, the Principal is entitled to disqualify the Bidder(s)/Contractor(s) from the tender process or take deemed fit action to debar the Bidder(s)/Contractor(s) from participating in the future procurement processes in line with Government Guidelines.

Section 4 - Compensation for Damages

- 1) If the Principal has disqualified the Bidder(s) from the tender process before 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 is 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 three years with any other Company in any country conforming to the anti-corruption approach or with any Public

Sector Enterprise in India that could justify his exclusion from the tender process.

- 2) If the Bidder makes an incorrect statement on this subject, the Principal is entitled to demand and recover from the contractor in line with section-4 above.

Section 6 - Equal treatment of all Bidders / Contractors / Subcontractors

In the case of Sub-contracting, the Principal Contractor shall take responsibility for adopting the Integrity Pact by the Sub-contractor.

- a. The Principal shall enter into agreements with identical conditions as this one with all Bidders and Contractors.
- b. The Principal shall 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)/ Subcontractor(s)

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

Section 8 - Independent External Monitor

- 1) HURL has appointed Independent External Monitor(s) for this Pact after approval by the Central Vigilance Commission. Presently, the following IEMs has been appointed by HURL:
 - a) **Shri Javeed Ahmad,**
M-1101, Shalimar Gallant Apartment,
Vigyanpuri Mahanagar,Lucknow-226006
E-mail: javeed60@yahoo.com

(Bidders may kindly refer to HURL Website: <https://hurl.net.in>> Tender> Integrity Pact; for updated list of IEMs.)

- 2) 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.
- 3) In case of complaint/ representations on compliance of the provisions of the Integrity Pact by any person/agency, the complaint/representation can be lodged by the aggrieved party with the IEM(s) for his examination. For ensuring the desired transparency and objectivity in dealing with the complaints arising out of the Tendering process, the matter should be examined by the full panel of IEMs who would look into the records, conduct an examination and submit their joint recommendations to the Management.
- 4) The Monitor is not subject to instructions by the parties' representatives and performs their functions neutrally and independently. The Monitor would have access to all Contract documents whenever required. It shall be obligatory for them to treat the information and documents of the Bidders/Contractors as confidential. They report to the Managing Director (MD) of HURL.
- 5) The Bidder(s)/Contractor(s) accepts that the Monitor has the right to access without

restriction, all Project documentation of the Principal, including that provided by the Contractor. Upon their request and demonstration of a valid interest, the Contractor shall also grant the Monitor unrestricted and unconditional access to their project documentation. The same applies to Sub-contractors. The Monitor is under contractual obligation to treat the information and documents of the Bidder(s)/ Contractor(s)/ Sub-contractor(s) with confidentiality.

- 6) HURL shall provide the Monitor with sufficient information about all meetings among the parties related to the Project, provided such meetings could impact the contractual relations between the Principal and the Contractor. The parties offer the Monitor the option to participate in such meetings.
- 7) As soon as the Monitor notices, or believes to notice, a violation of this agreement, they shall inform the Management of the Principal and request the Management to discontinue or take corrective action or 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.
- 8) The Monitor shall submit a written report to the Managing Director (MD) of HURL, within 8 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.
- 9) If the Monitor has reported to the Management of the Managing Director (MD) of HURL, a substantiated suspicion of an offence under the relevant IPC/ PC Act, and the Management of the Principal 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.
- 10) Expenses of IEM shall be borne by HURL as per terms of appointment of IEMs.
- 11) The word 'Monitor' would include both singular and plural.

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. Any violation of the same would entail disqualifying the bidders and exclusion from future business dealings.

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 the Managing Director (MD) of HURL.

Section 10 - Other provisions

- 1) This agreement is subject to Indian Law. The place of performance and jurisdiction is the place from where the Tender/ Contract is issued.
- 2) Changes, supplements, and termination notices must be submitted 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 shall strive to come to an agreement according to their original intentions.
- 5) In the event of any dispute between the Principal 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 organization may adopt any mediation rules for this purpose. The fees / expenses on dispute resolution shall be equally shared by both the parties. If the dispute remains unsolved even after mediation by the panel of IEMs, the Principal may take further action as per the terms & conditions of the contract.
- 6) COMPLIANCE WITH LABOUR LAWS/CODES/SCHEMES:-
 “The bidder (s)/Contractor (s) shall, wherever applicable, comply with all the statutory requirements relating to the contracts such as relevant Labour Laws/Codes/Schemes including but not limited to the EPF & Misc. Provisions Act- 1952, the ESI Act-1948, the payment of Bonus Act-1965, the Contract Labour (Regulation & Abolition) Act, 1970, the Minimum Wages Act-1948, etc. as amended from time to time and for the time being in force.”

 (For & On behalf of the Principal)

 (For and on behalf of Bidder/ Contractor)

(Office Seal)

(Office Seal)

Place.....

Date

Witness 1:_____

Witness 1:_____

(Name & Address)

(Name & Address)

