Integrity Pact

Between

Gujarat Alkalis and Chemicals Ltd (GACL), P.O. Petrochemicals, Vadodara – 391 346, India, having manufacturing units at Vadodara and Dahej hereinafter referred to as “The Principal”,

And

M/s............................................................... hereinafter referred to as “The Seller / Bidder / Contractor / Service Provider / Consultant / Advisor / Dealer / Agent or “the Party”.

Preamble

The principal intends to award, under laid-down organizational purchase and other procedures, LOI / Purchase orders / Work orders / Contracts for supplies / services to meet its business requirement. The Principal values full compliance with all relevant laws and regulations, and the principles of economical use of resources, ethical practices, fairness and transparency in its relations with its Sellers / Bidder / Contractor / Service Provider / Consultant / Advisor / Dealer / Agent or ‘the Party’.

Section 1 – Commitments of the Principal

The Principal commits itself to take all measures necessary to observe the following principles;

a) To ensure transparency in business transactions to the satisfaction of Stakeholders
b) To ensure adherence to the terms of Agreement/Contract finalized with “the Party”.

c) To ensure timely release of payments on due date with no follow up required by the party subject to party fulfilling all the conditions of LOI/PO/Contract/work order/ Agreement/Assignment and complying with the documentation as required.

d) To ensure minimum hurdles to the Vendors/Suppliers/Service Providers in completing the Agreement of the Contract

Section 2 – Commitments of the Seller / Contractor / Service Provider / Consultant / Advisor / Dealer / Agent or “the Party”.

(1) “The Party” commits itself to take all measures necessary to observe the following principles during its participation in the tender process and during the PO/Contract execution and discharge of its obligations

a) To be true and honest in furnishing information to the Principal

b) Not to influence GACL or its employees in its decision-making. Not to indulge into any pressure tactics on Principal’s employees involved in the tender process or execution of contract or to any third person on his behalf or at his instance, not to offer any material or immaterial benefit which “the Party” is not legally obliged to offer, in order to obtain in exchange an advantage during the process.

c) To ensure adherence to and fulfillment of the terms and conditions of Agreement/ Contract to the satisfaction of the principal.

d) “The Party” will not enter into any illegal agreement or understanding or arrangement whether formal or informal with other bidders so as to influence price.

e) “The Party” will not commit any criminal offence or breach of the anti-corruption Laws of India, further “The Party” will not use for purposes of competition or personal gain, or unauthorisedly pass on to others, any information provided by “the Principal” as a part of the business relationship, such as plans, technical proposals and business details, including but not limited to, any information contained or transmitted electronically.

f) “The Party” will before or at the time of presenting his bid, disclose to “the Principal” any and all payments he has made, is committed to or intends to make to agents, brokers or any other intermediaries or persons in connection with the award of the contract/assignment.

(2) “The Party” will not instigate third persons/third party to commit offences outlined
above or be an accessory to such offences. “The Party” shall ensure that sub- contractors, sub vendors involved in the execution of job shall also adhere to and fulfil the above commitments of “the Party”.

Section 3 – Disqualification from Vendor List and tender process and exclusion from future contracts

If “the Party”, before awarding of contract and/or during execution of contract, has violated or committed breach of Section 2 at this part or committed transgression of said section in any other form making his reliability or credibility into question, the Principal is entitled to disqualify the party from the vendor list and tender process or to terminate the contract, if already signed, for such reason.

(1) If “the Party” has committed a serious transgression through a violation of Section 2 such as to put his reliability or credibility into question, “the Principal” is entitled also to exclude “the Party” 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 or the case, in particular the extent of transgression or number of transgressions, the position of the transgression within the hierarchy in “the Party’s” organization and the amount or extent of the damage. The company shall decide to put “the Party” under hold or permanently black list.

(2) If “the Party” can prove that it has restored/recouped the damage caused by it and has established a secure anticorruption/damage prevention system, “the Principal” may revoke the exclusion at any such time.

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

Section 4 – Criminal Charges against “the Party”

If the Principal obtains knowledge of conduct of “the Party” or a sub vendor or sub contractor or of an employee or a representative or an associate of “the Party” or Subcontractor, which constitutes corruption, or if the Principal has substantive suspicion in this regard, “the Principal” has an option to take suitable action.

Section 5 – Pact Duration

This Pact begins when both parties have legally signed it and will remain in force throughout the period of business between “the Principal” and “the Party”.

Section 6 – Other Provisions

(1) This agreement is subject to Indian Law. Place of performance and jurisdiction is the Corporate Office of the Principal.

(2) Changes and supplements as well as termination notices need to be made in writing. Side agreements have not been made nor can be made if violative of the above provisions.

(3) If “the Party” is a corporate or a partnership or a consortium, this agreement must be signed by the authorized person. A copy of “Power of Attorney” may be submitted.

(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 Principal” and “the Parties” will strive to come to an agreement to their original intentions.

For “the Principal”

Place: ____________________________

Date: ____________________________

For “the Party”

Witness 1: ________________________

Witness 2: ________________________