

INTEGRITY AGREEMENT

To be signed by the bidder and same signatory competent/authorized to sign the relevant contract of behalf of Client

This Integrity Agreement is made at on this Day of.....20.....

BETWEEN

President of India represented through Chief Executive Officer, KARNATAK ANTIBIOTICS AND PHARMACEUTICALS LTD. (Hereinafter referred as the "Principal/Owner", which expression shall unless repugnant to the meaning or context hereof include its successors and permitted assigns.

AND

..... Through
..... (Hereinafter referred to as the
"Bidder/Contractor" and which expression shall unless repugnant to the meaning or context hereof include its successors and permitted assigns).

Preamble

WHEREAS the Principal / owner has floated the Tender (TENDER No.....)
(Hereinafter referred to as "Tender/Bid") and intends to award, under laid down organizational procedure, contract for (ITEM DESCRIPTION)
Hereinafter referred to as the "Contract"

AND WHEREAS the Principal /Owner values full compliance with all relevant laws of the land, rules,

regulations, economic use of resources and of fairness/transparency in its relation with its Bidder(s) and Contractor(s).

AND WHEREAS to meet the purpose aforesaid both the parties have agreed to enter into this Integrity Agreement (hereinafter referred to as "Integrity Pact" or "Pact"), the terms and conditions of which shall also be read as integral part and parcel of the Tender Bid documents and Contract between the parties. NOW, THEREFORE, in consideration of mutual covenants" contained in this Pact, the parties hereby agree as follows and this Pact witnesses as under:

Article 1: Commitment of the Principal /Owner

1) The Principal /Owner commit itself to take all measures necessary to prevent corruption and to observe the following principles.

(a) No employee of the Principal/Owner, personally or through any of his/her family members, will in connection with the Tender, or the execution of the 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/Owner will, during the Tender process, treat all Bidder(s) with equity and reason. The principal/owner 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 /Owner shall Endeavour to exclude from the Tender process any person, whose conduct in the past has been of biased nature.

2) If the Principal/Owner obtains information on the conduct of any of its employees which is a criminal offence under the Indian Penal code (IPC)/Prevention of Corruption Act, 1988 (PC Act) or is

in violation of the principles herein mentioned or if there be a substantive suspicion in this regard, the

Principal/Owner will inform the Chief Vigilance Officer and in addition can also initiate disciplinary actions as per its internal laid down policies and procedures.

Article 2: Commitment of the Bidder(s) / Contractor(s)

1) It is required that each Bidder/Contractor (including their respective officers, employees and agents) adhere to the highest ethical standards, and report to the Government/Department all suspected acts of fraud or corruption or Coercion or Collusion of which it has knowledge or becomes

aware, during the tendering process and throughout the negotiation or award of a contract.

2) 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/owner's employees involved in the Tender process or execution of the Contract or to any third person any material or other benefit which he/she 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) will not enter with other Bidder(s) into any undisclosed agreement or understanding, whether formal or informal. This applies in particular to prices, specifications, certification, subsidiary contracts, submission or non-submission of bids or any other actions to restrict competitiveness or to cartelize 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) /Contract(s) will not use improperly, (for the purpose of competition or personal gain).or pass on to others, any information or documents provided by the Principal/Owner as part of the business relationship, regarding plans, technical proposals and business details, including and 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 names and addresses of agents/representatives in India, if any Similarly Bidder(s)/Contractor(s) of Indian Nationality shall disclose names and addresses of foreign agents/representatives, if any. Either the Indian agent on behalf of the foreign principal or the foreign principal directly could bid in a tender but not both. Further, in cases where an agent participates in a tender on behalf of one manufacturer, he shall not be allowed to quote on behalf of another manufacturer along with the first manufacturer in a subsequent/parallel tender for the same item.

(e) The Bidder (s)/Contractor (s) will, when presenting his bid, disclose (with each tender as per proforma unclosed) 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.

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

4) The Bidder(s)/contractor(s) will not, directly or through any other person or firm indulge in fraudulent practice means a willful misrepresentation or omission of facts or submission of fake/forged documents in order to induce public official to act in reliance thereof, with the purpose of obtaining unjust advantage by or causing damage to justified interest of others and /or to influence the procurement process to the detriment of the Government interests.

5) The Bidder(s)/Contractor(s) will not, directly or through any other person or firm use Coercive Practices (Means the act of obtaining something, compelling an action or influencing a decision through intimidation, threat or the use of force directly or indirectly, where potential or actual injury may befall upon a person, his/her reputation or property to influence their participation in the