

INTEGRITY PACT

Between

Bharat Heavy Electricals Ltd. (BHEL), a company registered under the Companies Act 1956 and having its registered office at "BHEL House", Siri Fort, New Delhi – 110049 (India) hereinafter referred to as "The Principal", which expression unless repugnant to the context or meaning hereof shall include its successors or assigns of the ONE PART

and

_____, (description of the party along with address), hereinafter referred to as "The Bidder/ Contractor" which expression unless repugnant to the context or meaning hereof shall include its successors or assigns of the OTHER PART

Preamble

The Principal intends to award, under laid-down organizational procedures, contract/s for

_____. The Principal values full compliance with all relevant laws of the land, rules and regulations, and the principles of economic use of resources, and of fairness and transparency in its relations with its Bidder(s)/ Contractor(s).

In order to achieve these goals, the Principal will appoint Independent External Monitor(s), 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

- 1.1 The Principal commits itself to take all measures necessary to prevent corruption and to observe the following principles:-
 - 1.1.1 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.
 - 1.1.2 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.
 - 1.1.3 The Principal will exclude from the process all known prejudiced persons.
- 1.2 If the Principal obtains information on the conduct of any of its employees which is a penal offence under the Indian Penal Code 1860 and Prevention of Corruption Act 1988 or any other statutory penal enactment, or if there be a substantive suspicion in this regard, the Principal will inform its Vigilance Office and in addition can initiate disciplinary actions.

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

- 2.1 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.
 - 2.1.1 The Bidder(s)/ Contractor(s) will not, directly or through any other person or firm, offer, promise or give to the Principal or 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, immaterial or any 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.

- 2.1.2 The Bidder(s)/ Contractor(s) will not enter with other Bidder(s) into any illegal or 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 cartelization in the bidding process.
- 2.1.3 The Bidder(s)/ Contractor(s) will not commit any penal 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.
- 2.1.4 The Bidder(s)/ Contractor(s) will, when presenting his bid, disclose any and all payments he has made, and is committed to or intends to make to agents, brokers or any other intermediaries in connection with the award of the contract.
- 2.2 The Bidder(s)/ Contractor(s) will not instigate third persons to commit offences outlined above or be an accessory to such offences.

Section 3 – Disqualification from 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 acts in any other manner 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 take action as per the separate "Guidelines on Banning of Business dealings with Suppliers/ Contractors". framed by the Principal.

Section 4 – Compensation for Damages

- 4.1 If the Principal has disqualified the Bidder from the tender process prior to the award according to Section 3, the Principal is entitled to demand and recover the damages equivalent Earnest Money Deposit/Bid Security.
- 4.2 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 equivalent to 5% of the contract value or the amount equivalent to Security Deposit/Performance Bank Guarantee, whichever is higher.

Section 5 – Previous Transgression

- 5.1 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.
- 5.2 If the Bidder makes incorrect statement on this subject, he can be disqualified from the tender process or the contract, if already awarded, can be terminated for such reason.

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

- 6.1 The Bidder(s)/ Contractor(s) undertake(s) to obtain from all subcontractors a commitment consistent with this Integrity Pact and report Compliance to the Principal. This commitment shall be taken only from those sub-contractors whose contract value is more than 20 % of Bidder's/ Contractor's contract value with the Principal. The Bidder(s)/ Contractor(s) shall continue to remain responsible for any default by his Sub-contractor(s).
- 6.2 The Principal will enter into agreements with identical conditions as this one with all Bidders and Contractors.
- 6.3 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 Bidders/ Contractors /Sub-contractors

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 Vigilance Office.

Section 8 –Independent External Monitor(s)

- 8.1 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.

- 8.2 The Monitor is not subject to instructions by the representatives of the parties and performs his functions neutrally and independently. He reports to the CMD, BHEL.
- 8.3 The Bidder(s)/ Contractor(s) accepts that the Monitor has the right to access without restriction to all contract documentation of the Principal including that provided by the Bidder(s)/ Contractor(s). The Bidder(s)/ Contractor(s) will grant the monitor, upon his request and demonstration of a valid interest, unrestricted and unconditional access to his contract documentation. The same is applicable to Sub-contractor(s). The Monitor is under contractual obligation to treat the information and documents of the Bidder(s)/ Contractor(s) / Sub-contractor(s) with confidentiality.
- 8.4 The Principal will provide to the Monitor sufficient information about all meetings among the parties related to the contract provided such meetings could have an impact on the contractual relations between the Principal and the Contractor. The parties offer to the Monitor the option to participate in such meetings.
- 8.5 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 heal the situation, 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.
- 8.6 The Monitor will submit a written report to the CMD, BHEL 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.
- 8.7 The CMD, BHEL shall decide the compensation to be paid to the Monitor and its terms and conditions.
- 8.8 If the Monitor has reported to the CMD, BHEL, a substantiated suspicion of an offence under relevant IPC / PC Act, and the CMD, BHEL has not, within reasonable time, taken visible action to proceed against such offence or reported it to the Vigilance Office, the

Monitor may also transmit this information directly to the Central Vigilance Commissioner, Government of India.

8.9 The number of Independent External Monitor(s) shall be decided by the CMD, BHEL.

8.10 The word 'Monitor' would include both singular and plural.

Section 9 – Pact Duration

9.1 This Pact begins and shall be binding on and from the submission of bid(s) by bidder(s). It expires for the Contractor 12 months after the last payment under the respective contract and for all other Bidders 6 months after the contract has been awarded.

9.2 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 as above, unless it is discharged/ determined by the CMD, BHEL.

Section 10 – Other Provisions

10.1 This agreement is subject to Indian Laws and jurisdiction shall be registered office of the Principal, i.e. New Delhi.

10.2 Changes and supplements as well as termination notices need to be made in writing. Side agreements have not been made.

10.3 If the Contractor is a partnership or a consortium, this agreement must be signed by all partners or consortium members.

10.4 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.

10.5 Only those bidders/ contractors who have entered into this agreement with the Principal would be competent to participate in the bidding. In other words, entering into this agreement would be a preliminary qualification.

For & On behalf of the Principal

(Office Seal)

For & On behalf of the Bidder/ Contractor

(Office Seal)

Place-----

Date-----

Witness: _____

(Name & Address) _____

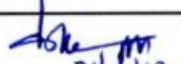
Witness: _____

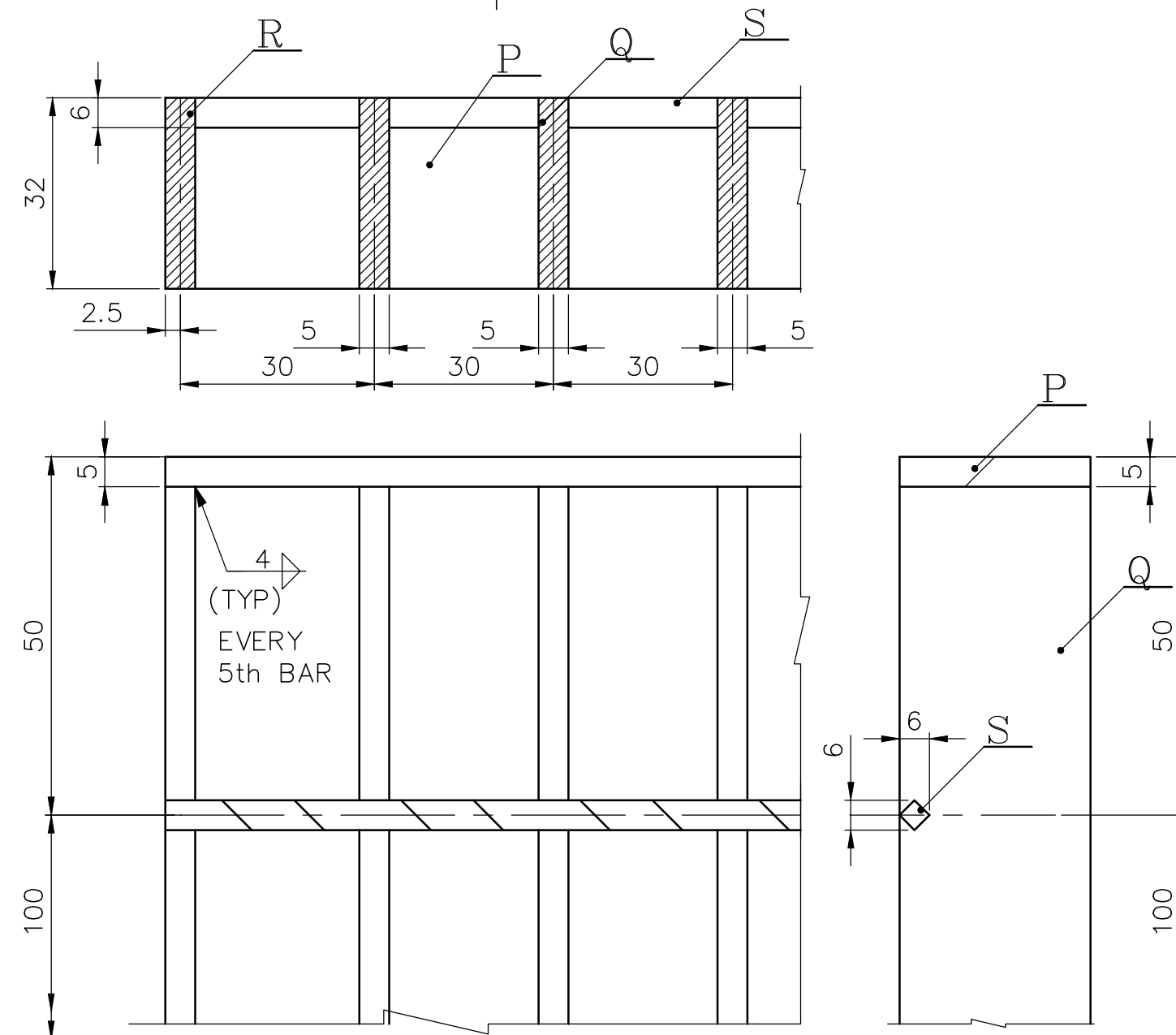
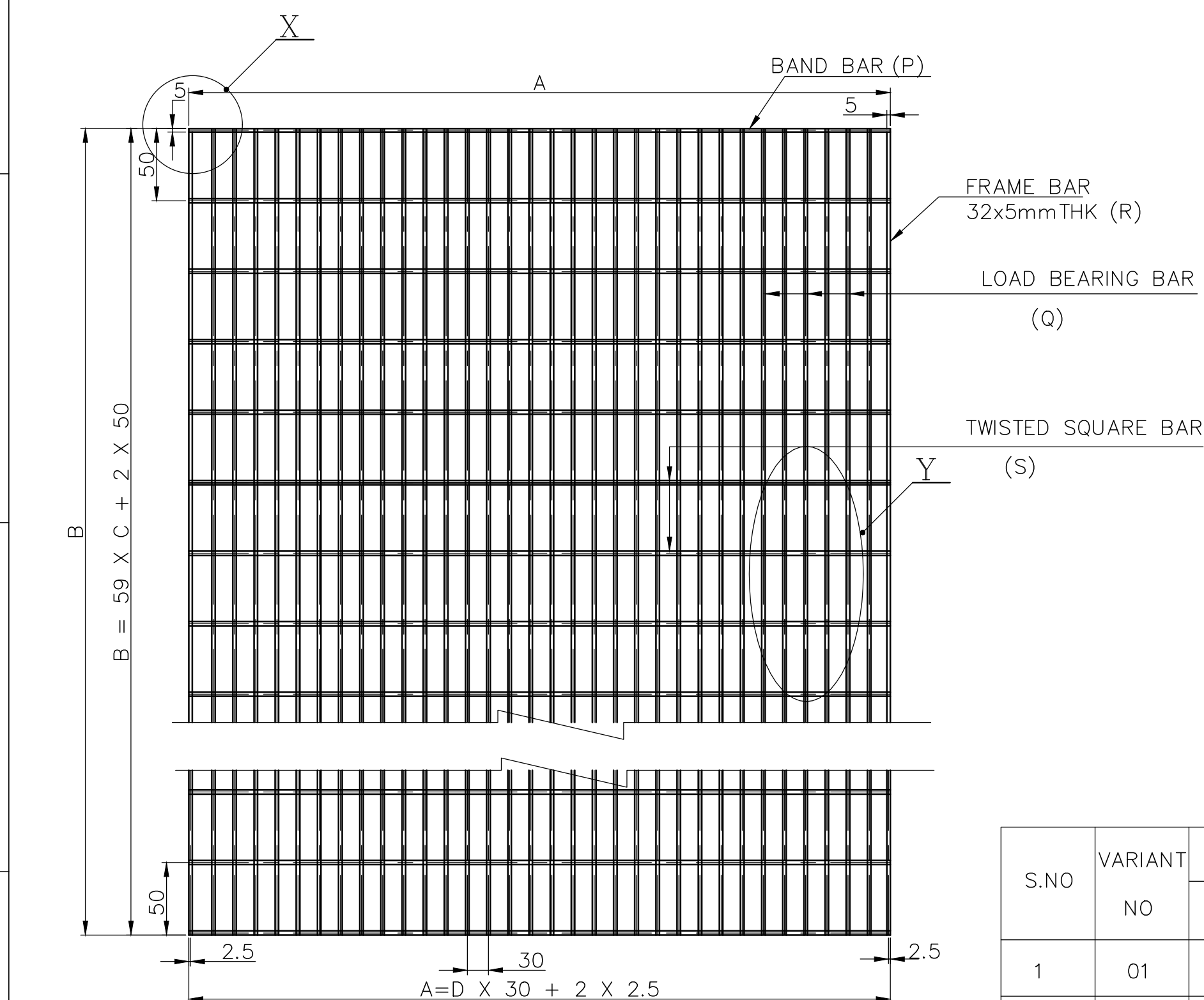
(Name & Address) _____

	MANUFACTURER'S NAME & ADDRESS BHEL: TIRUCHIRAPPALLI		STANDARD QUALITY PLAN					QP NO.: CQP 4731 REV.NO.00 DATE: 21/06/2012 PAGE: 1 OF 1					
	APPROVED SUB-CONTRACTOR										ITEM: ELECTROFORGE FLOOR GRILLS & STEP TREADS		
			SUB-SYSTEM :Steam Generator and Auxiliaries,										
SL. NO.	COMPONENT & OPERATIONS	CHARACTERISTICS	CLASS	TYPE OF CHECK	QUANTUM OF CHECK	REFERENCE DOCUMENT	ACCEPTANCE NORMS	FORMAT OF RECORD	AGENCY			REMARKS	
1	2	3	4	5	6	7	8	9	D*	M	C	N	10

1.0 RAW MATERIAL:													
1.1	Bearing Bar. Square Twisted Bar Chequered Plate & other Support plates	Chemical Properties Mechanical Properties Physical Properties	B	Verification of Record	100%	As per BHEL Purchase order(PO)/ BHEL drawing/Material Specification//Laboratory test report./ Test certificate..	MTC	√	P	V	V	Witness of raw material for BHEL Purchase order requirement by BHEL/BHEL AIA. Refer Note-1	
			B	Lab analysis	1 No per / PO		MTC	√	P	W	W		
			B	Visual, Dimensions Straightness Surface finish	At random		IR	√	P	W	W		
2.0 IN PROCESS CONTROL:													
2.1	Checks on EF weld machines	Weld parameters, Weld quality Straightness of bars Mesh size and other Dimensions of grating	B	Machine setting Measurement & Visual checks. (Projection & Fusion of weld)	6 times per Shift	WPS / PQR(ASME Sec-I) / BHEL Drawing	IR./ Log book	√	P	W	V	Square twisted bar welding shall be properly fused with Bearing bar.	
		Weld Strength	B	Load test	Once ** per Shift	By applying 20Kg Pull load on weld joint.	Log book	√	P	W	V	** Random	
2.2	Pull out test on EF Weld. And Macro Etch test	Strength test	B	Lab test	1 No per / PO	Manufacturers practice	LTC	√	P	W	W	Shall be carried out in a NABL appd.lab./ Manufacturers .own lab.	
2.3	Manual welds in Step treads	Weld parameters, Weld Size & quality	B	Visual inspection for weld defects	100%	WPS / PQR(ASME Sec-I) / AWS D 1.1/ BHEL Drawing /Free from defects	Log book	√	P	W	V		
2.4	Dimensions	Physical	B	Measurement	100%	As per BHEL Purchase order & BHEL drawing	DR	√	P	W	V#	#Witness by BHEL AIA - 2%/ Per size/ PO.	
3.0 TESTS													
3.1	Deflection Load test (Before galvanizing)	Physical / Dial gauge	B	Measurement	1No./ Per size/ PO.	BHEL Purchase order/ BHELAppd Drawing.	IR	√	P	W	W	Refer Note: 2	
3.2	Galvanizing	1.Visual 2.Mass of zinc 3.Adhesion 4.Preece Test 5.Coating Thickness	B	Visual, Lab test Measurement	As per Standard IS2629, IS 4759, IS2633	As per BHEL Purchase order, BHEL drawing.	Log Book, IR	√	P	W	V*	* Witness of testing on One sample per PO identified by BHEL / BHEL AIA.	
4.0	PACKING, CRATING AND IDENTIFICATION	Bundling / Identification /Protection	B	Visual	100%	Shall be tied with steel strip/Compact packing BHEL PO.No & Item No shall be stenciled.	IR		P	V	V		

LEGEND:

J. Nanthini 21/06/2012 J. NANTHINI	 V. KALYANARAMAN 21/6/12	Note: (1) Samples shall be selected by BHEL/BHEL AIA for the offered inspection lot. Testing shall be done in a NABL approved lab / Suppliers own lab in the presence of BHEL/BHEL AIA. (2) Deflection shall be measured with a dial gauge by applying a Uniformly Distributed Load-1000Kg.per Sq. meter. Floor Grill shall be placed on two vertical supports-1200mm. apart. Deflection=1200/325 = 3.69mm.
PREPARED	APPROVED	Legend: * Records, indentified with "Tick" (√) shall be essentially included by SUPPLIER in QA documentation. ** M: Manufacturer C: MANUFACTURERS ' QC N: BHEL / BHEL AIA P: PERFORM. W: witness. V: verification , CHP: customer shall identify in column N "N" AS ' W" CLASS : A - CRITICAL ; B - MAJOR ; C - MINOR . MTC: Mill test certificate. LTC: Lab test certificate. IR: Inspection Report. DR: Dimension Report.
SIGNATURE		

DETAIL-X

S.NO	VARIANT NO	SIZE OF FLOOR GRILL				ITEM NO/NO.OFF								WT. PER FLOOR GRILL BEFORE GALVANISING IN KG	WT. PER FLOOR GRILL AFTER GALVANISING IN KG
		WIDTH A	LENGTH B	C	D	P		Q		R		S			
1	01	305	6000	100	10	01	2	02	9	03	2	04	60	86.099	89.288
2	02	515	6000	100	17	05	2	06	16	07	2	08	60	141.088	146.319
3	03	995	6000	100	33	09	2	10	32	11	2	12	60	266.742	276.639

NOTES: —

1. FLOOR GRATINGS ARE TO BE GALVANISED BY HOT DIP PROCESS AFTER CLEANING BY PICKLING PROCESS.
MINIMUM AVERAGE WEIGHT OF ZINC COATING SHALL BE 610 GRAMS PER SQ. METRE.
2. STRUCTURAL STEEL CONFORMING TO SPECIFICATION IS 2062 E250A ONLY ARE TO BE USED
3. GALVANISING TO BE DONE AFTER ALL WORKS ARE COMPLETED.
4. ALL SCRATCHED SURFACES AND AREAS DAMAGED BY SITE WELDING SHALL RECEIVE ATLEAST TWO COATS OF COLD GALVANISING USING ZINC RICH PRIMER /PAINTS. THE TOTAL DRY FILM THICKNESS OF SUCH TOUCH UP COLD GALVANISING SHALL NOT BE LESS THAN 150 MICRONS.
5. DESIGN LIVE LOAD FOR FLOOR GRILL = 1000 KG/SQ.M
6. ALL GRATING MEMBERS ARE TO BE ELECTROFORGED EXCEPT BAND BARS.
7. WEIGHT OF FLOOR GRILL INDICATED DOES NOT INCLUDE WEIGHT OF WELD, WHICH IS NEGLIGIBLE.
8. FLOOR GRILLS ARE SUPPORTED BY INTERMITTENT FLOOR BEAMS SUCH THAT, FLOOR GRILLS TAKE LIVE LOAD AS PER NOTE NO. 05 AND MAXIMUM DEFLECTION IS LIMITED TO $L/250$ OR 6MM WHICHEVER IS MINIMUM WHERE THE SPAN OF SUPPORTS (L) WILL BE 1.5M MAXIMUM.
9. FRAME AND LOAD BEARING BAR WELDING : ALL FOUR CORNERS TO BE FULL WELDED TO BAND BARS AND EVERY FIFTH LOAD BEARING BAR TO BE WELDED TO BAND BAR BY MANUAL WELDING FULL DEPTH, AT BOTH ENDS FROM ONE SIDE.
10. GRATINGS (32mm THICK) ARE FOR OUT DOOR APPLICATION
11. TOLERANCE FOR LENGTH AND WIDTH OF GRATINGS SHALL BE ± 5 mm

REV	DATE	ALTD.	CHD	APPD	REV	DATE	ALTD.	CHD	APPD	REV	DATE	ALTD.	CHD	APPD
	03-01-08	KESAVAN	PENCHAAL	RJK		10-06-05	KARTHIK	PENCHAAL	RJK		20-05-05	KARTHIK	PENCHAAL	RJK
06	NO.OF BARS INCREASED BASED ON MANUFACTURERS FEED BACK				05	TOLERANCE FOR LENGTH AND WIDTH ADDED				04	TITLE BLOCK REMOVED			

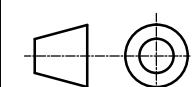
REV	DATE 12.02.2013	ALTD. PRAKASH	CHD MPR	APPD MPR	REV	DATE 22.02.12	ALTD. PRAKASH	CHD MPR	APPD RRS	REV	DATE 04-05-08	ALTD. kesavan	CHD PENCHAL	APPD RJK
09	ITEM No.04,08 & 12 MATERIAL SPECIFICATION REVISED.				08	DRAWING UPDATED BASED ON QC/QA FEED BACK. PLATE IS REVISED AS FLAT IN BOM				07	DRAWING UPDATED			
REV	DATE 10.09.'03	ALTD.	CHD SKR	APPD RRS	REV	DATE 21.08.03	ALTD.	CHD SKR	APPD RRS	REV	DATE	ALTD.	CHD SKR	APPD RRS
03	DRG. REVISED AS AGREED BY NTPC AS PER CLAUSE 9.0 OF M.O.M OF 4th TCM BETN. BHEL & NTPC dated .10 th &11.09.'03				02	DRAWING UPDATED AS PER NTPC TRANSMITTAL FOR DOCUMENTS REF.No. CC:PEV: 2240:108: TR: 02 Dt.05.08.03				01	DRAWING TITLE BLOCK UPDATED			

[illegible]

AGREEMENT WITH	 BHARAT HEAVY ELECTRICALS LTD UNIT:HIGH PRESSURE BOILER PLANT TIRUCHIRAPPALLI-620 014	DEPT	NAME	SIGN	DATE
		CODE	DRN	S.MANIVANNAN	31/05/03
		S1122	DESN	S.K.RAMAN	31/05/03
			CHD	S.K.RAMAN	31/05/03
			APPD	R.RAMASAMY	31/05/03

LONG SPAN FLOOR GRILL - 32MM
(6 TWISTED SQUARE - GALVANISED)

BHEL DRG NO.



1-35-811-02525

REV 0