

(To be executed amongst Employer, Contractor and Sub-contractor)

Tripartite Integrity Pact

..... **PACKAGE FOR**

.....
LOA NO.

Amongst

1. NTPC Ltd., a Govt. of India Enterprise (hereinafter referred to as "The Employer")

2. (hereinafter referred to as "Contractor")

..... (hereinafter referred to as "JV Partner(s)/ Consortium Member(s)")

(if applicable)

and

3. (hereinafter referred to as "Sub-contractor")

The Employer, Contractor, JV Partners/Consortium Members and Sub-contractor are collectively referred to herein as 'Parties'

Preamble

The Employer awarded the Contract for.....to the Contractor, as per organizational systems and procedures. The Contractor with the approval of Employer sub-contracted the work for ----- to the Sub-contractor.

This Tripartite Integrity Pact ('Integrity Pact') is an agreement between the Employer, Contractor/JV Partners/Consortium members and Sub-contractor, committing the persons/officials of the Parties not to resort to any corrupt practices in any aspect/stage of contract.

The Employer values full compliance with all relevant laws and regulations, and the principles of economical use of resources, and of fairness and transparency in its relations with its Contractor(s) & Sub-contractor(s). In order to achieve these goals, the Employer will appoint Independent External Monitor(s) (IEM), who will monitor the processes as stipulated in the SOP for implementation of Integrity Pact issued by CVC from time to time.

Section 1 Commitments of the Employer

1. The Employer Commits itself to take all measures necessary to prevent corruption and to observe the following principles in this regard:-
 - a) No employee of the Employer, either in person or through family members including relatives, will in connection with the execution of the Contract, demand or accept a promise for or accept for him/herself or for a third person, any material or immaterial benefit to which he/she is not legally

entitled to.

- b) The Employer will exclude from the process all known prejudiced persons.

- 2. If the Employer obtains information on the conduct of any of its employees which is a criminal offence under the Bharatiya Nyaya Sanhita (BNS) / The Prevention of Corruption

Act (PC Act) or if there be a substantive suspicion in this regard, the Employer will inform the Chief Vigilance Officer.

Section 2 Commitments and Undertakings by the Contractor/Sub-contractor

- 1. The Contractor/Sub-contractor commits and undertakes to take all measures necessary to prevent malpractices & corruption. He commits himself to observe the following principles during the execution of the contract:
 - a) The Contractor/Sub-contractor undertakes not to, directly or through any other person or firm offer, promise or give or influence to any employee of the Employer associated with the execution of the contract or to any third person on their behalf any material or immaterial benefit which he/she is not legally entitled, in order to obtain in exchange any advantage of any kind whatsoever during the execution of the contract.
 - b) The Contractor/Sub-contractor undertakes not to commit any offence under the relevant Anti-corruption Laws of India; further the Contractor will not use improperly, any information or document provided by the Employer as part of the business relationship, regarding plans, technical proposals and business details, including information contained or transmitted electronically for purposes of competition or personal gain and will not pass the information so acquired on to others.
- 2. The Contractor/ Sub-contractor will not instigate and allure third persons/parties to commit offences outlined above or be an accessory to such offences.

Section 3 Disqualification from Bidding Process and Exclusion from Future Contracts

- 1. If the Contractor(s), during execution has committed a transgression through a violation of any provisions of Section 2 so as to put his reliability or credibility as Contractor into question, the Employer shall be entitled to terminate the contract on that ground.
- 2. If the Contractor/ Sub-contractor has committed a transgression through a violation of Section 2 such as to put his reliability or credibility into question, the Employer shall be entitled to exclude including debarring the Contractor/ Sub-contractor for any future tenders /contract award process. The imposition and duration of the exclusion will be determined by the severity of the transgression. The severity will be determined by the Employer taking into consideration the full facts and circumstances of each case particularly taking into account the number of transgressions, the position of the transgressors within the company hierarchy of the Contractor/ Sub-contractor and the amount of the damage. The exclusion will

be imposed for a period not exceeding two (02) years.

3. A transgression is considered to have occurred if the Employer after due consideration of the available evidence concludes that no reasonable doubt is possible.
4. The Contractor/Sub-contractor with its free consent and without any influence agrees and undertakes to respect and uphold the Employer's absolute rights to resort to and impose such exclusion and further accepts and undertakes not to challenge or question such exclusion on any ground, including the lack of any hearing before the decision to resort to such exclusion is taken. This undertaking is given freely and after obtaining independent legal advice.
5. Subject to full satisfaction of the Employer, the exclusion of Contractor/ Sub-contractor could be revoked by the Employer if the Contractor/ Sub-contractor can prove that he has restored/ recouped the damage caused by him and has installed a suitable corruption prevention system in his organization.

Section 4 Compensation for Damages including Forfeiture of / Security Deposit/ Performance & Advance Bank Guarantees

1. If the Employer has terminated the contract pursuant to Section 3, the Employer shall forfeit/encash the Security Deposit/ Performance & Advance Bank Guarantees.
2. In addition to 1 above, the Employer shall be entitled to take recourse to the relevant provisions of the contract related to Termination of Contract due to Contractor's Default.

Section 5 Previous Transgressions

1. The Contractor/ Sub-contractor swears on oath that no previous transgression impinging on anti-corruption principles / any malpractice as mentioned in Section-2 has occurred in the last three years reckoned from the date of bid submission in any other Public/Government organization. The date of such transgression would be the date on which cognizance of the said transgression was taken by competent authority. The transgression(s), for which cognizance was taken even before the said period of three years, but are pending conclusion, shall also be considered to fall within last three years. In case of Sub-contractor, the date of transgression shall be last three years from the date of request to Employer for Sub-contractor approval.
2. If the Contractor makes an incorrect statement on previous transgression as mentioned above in para 1, the awarded contract , can be terminated on this ground. In case the Sub-contractor makes incorrect statement on previous transgression, notwithstanding anything to the contrary contained in the contract between the Contractor and the Sub-contractor, the contract placed on them shall be terminated by the Contractor by itself and/or at the instance of the Employer.

Section 6 Company Code of Conduct

Contractor/ Sub-contractor are also advised to have a company code of conduct

(clearly rejecting the use of bribes and other unethical behaviour) and a compliance program for the implementation of the code of conduct throughout the company.

Section 7 Independent External Monitors (IEM)

1. The Employer will appoint a competent and credible Independent External Monitor for this Pact. The task of the IEMs is to review independently and objectively, whether and to what extent the Parties comply with the obligations under this agreement.
2. The IEMs are not subject to instructions by the representatives of the Parties and perform his functions neutrally and independently. He shall report to CMD of the Employer, or a person authorized by him.
3. The roles & responsibilities of the IEM shall be as per the SOPs issued by CVC from time to time and available in its website <https://cvc.gov.in>.
4. As soon as the IEMs notices, or believes to notice, a violation of this agreement, he will so inform the Management of the Employer (CMD of the Employer or a person authorized by him) and request to discontinue or to take corrective action, or to take other relevant action. The IEMs can in this regard submit non-binding recommendations. Beyond this, the IEMs has no right to demand from the Parties that they act in a specific manner, refrain from action or tolerate action. However, Independent External Monitor shall give an opportunity to the Contractor/Sub-contractor to present its case before making its recommendations to the Employer.
5. The IEMs will submit a written report to CMD of the Employer or a person authorized by him within 30 days from the date of reference or intimation to him by the Employer and, should the occasion arise, submit proposals for correcting problematic situations.
6. The Contractor/Sub-contractor accepts that they shall not approach courts while the matter / complaint / dispute has been referred to the IEM in terms of this pact and they shall await IEM's decision before approaching any Court.
7. The word " IEM" will include Singular or Plural.

Section 8 Pact Duration

This Pact comes into force from the date of signing by all the Parties. It shall expire for the Contractor 12 months after the final payment under the respective Contract. In the case of Sub-contractor, this pact shall expire 12 months after the final payment under the respective sub-contract.

Section 9 Miscellaneous Provisions

1. This Pact is subject to Indian Law. The place of performance and jurisdiction shall be New Delhi.

2. Should one or several provisions of this Pact turn out to be invalid; the remainder of this Pact remains valid. In this case, the Parties will strive to come to an agreement to their original intentions.
3. 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.
4. If the Contractor is a JV partnership / Consortium, this agreement must be signed by all the partners of JV / Consortium Partners as the case may be.
5. The bilateral Integrity Pact dtd.....signed between the Employer & the Contractor at the time of bidding shall also be binding on the Employer & Contractor.
6. The Parties hereby agree that in the event of an inconsistency between the terms of this Integrity Pact and the terms of the contract between the Contractor and the Sub-contractor, the terms of this Integrity Pact shall prevail.

The Parties hereby sign this Integrity Pact aton this day of.....20....

Employer	Contractor	Joint Venture Partner(s) /Consortium members(s) (as applicable)	Sub-contractor
Witness	Witness	Witness	Witness
1.	1.	1.	1.
2.	2.	2.	2.