

**MEMORANDUM OF UNDERSTANDING
BETWEEN
ORISSA POWER GENERATION CORPORATION LTD.
AND
TRANSPARENCY INTERNATIONAL INDIA (TII)**

This Memorandum of Understanding ("MOU") is entered into on this 20th day of December 2011 by and between Orissa Power Generation Corporation Ltd. (OPGC) having its Registered Office at Zone-A, 7th Floor, Fortune Towers, Chandrasekharpur, Bhubaneswar- 751023 (hereinafter referred to as OPGC

And

Transparency International India having its Office at Balwantrai Mehta Vidya Bhawan, Masjid Moth, Greater Kailash-II, New Delhi- 110048 (hereinafter referred to as "TII")

(OPGC and TII are hereinafter referred to individually as "Party" or collectively as "Parties")

1. **Considering** that bribery and corruption is widespread Social and Economic Crime, which undermines good governance and economic development in India and corrodes the moral fibre of our society.
2. **Considering** that all companies and major organization within India share a common responsibility to combat bribery and corruption in all forms and manifestations.
3. **Recognizing** that achieving progress in this area requires sustained efforts not only at national level but also on individual Company or Government Department level.
4. **Welcoming** the efforts of **Transparency International-India (TII)** and other non-governmental organizations as well as business organizations such as Orissa Power Generation Corporation Ltd. (**OPGC**).
5. **OPGC** is a state premier Public Sector Organization incorporated with the object to establish, operate and maintain electric power generation stations and to develop coal mine and to pursue such other objective as are incidental and ancillary thereto. Currently, it is operating 2x210 MW power station at Ib Thermal Power Station, Banharpalli, Dist. Jharsuguda, Orissa and pursuing project development activities for capacity addition of 2x660 MW in the same location. OPGC conducts its business in the highest ethical standards. It does business with a number of domestic and international Bidders, Contractors and Vendors of goods and services OPGC is committed to fostering the most ethical and corruption free business environment and values its relationship with all Counterparties and deals with them in a fair and transparent manner.

6. **Integrity Pact** is a tool developed by Transparency International, which ensures that all activities and transactions between a Company or Government Departments and their Suppliers are handled in Fair, Transparent and Corruption Free manner.
7. **OPGC** will appoint competent and credible Independent External Monitor (IEM) with domain knowledge. The task of the IEM is to review independently and objectively, whether and to what extent the parties comply with the obligations under this agreement.
8. **OPGC** and **TII** have developed the attached Integrity Pact Program and OPGC is committed to implement this Program within its Organization. Based on the experience gained in implementing the Integrity Pact Program in OPGC and other organizations this Program may be further refined to improve its effectiveness.
9. **OPGC** is committed to implement the Integrity Pact Program whole-heartedly both in letter and in spirit.
10. **TII** pledges to support **OPGC** in this regard and provide it with advice and resources in its means to ensure successful implementation of Integrity Pact Program and achievement of its objectives.
11. In case **OPGC** and **TII** have differences concerning the implementation of the Integrity Pact Program they undertake to resolve them through dialogue and discussion. In case, such differences cannot be resolved either party can terminate this Memorandum of Understanding by giving thirty days notice in writing to other party and make such termination public only after it has taken effect. This Memorandum of Understanding will remain in effect unless terminated according to the above provision.
12. The implementation of the Integrity Pact will be jointly reviewed by **TII** and **OPGC**.
13. Now, therefore this Memorandum of Understanding is signed on this 20th day of 2011 and shall remain in effect unless terminated in accordance with the above provision.

For and on behalf of

ORISSA POWER GENERATION
CORPORATION LTD.
Sd/-
(Venkatachalam K)
MD OPGC

For and on behalf of

TRANSPARENCY INTERNATIONAL INDIA
Sd/-
(P S Bawa)
Chairman, TII