

MEMORANDUM OF UNDERSTANDING

BETWEEN

INDIAN OIL CORPORATION LTD.

AND

HARYANA RENEWABLE ENERGY DEVELOPMENT AGENCY

For

SETTING UP OF BIOMASS TO COMPRESSED BIO-GAS(CBG) PLANTS IN HARYANA



SHAIENDRA SHUKLA
Chairman, HAREDA



(17)

This Memorandum of Understanding (hereinafter referred to as "MOU") is executed at Chandigarh on this 27th Day of September, 2018 (the Effective Date), by and between:

INDIAN OIL CORPORATION LTD, a company incorporated under the Companies Act, 1956 having its registered office at G-9, Ali Yavar Jung Marg, Bandra (East), Mumbai-400051 (hereinafter referred to as "IndianOil" which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and permitted assigns) of the first part.

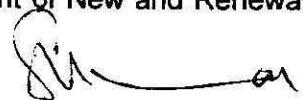
AND

HARYANA RENEWABLE ENERGY DEVELOPMENT AGENCY, a Nodal Agency of Government of Haryana located at Institutional Plot No. 1, Akshay Urja Bhawan, Sector-17, Panchkula (hereinafter referred to as "HAREDA" which expression shall unless repugnant to the context or meaning thereof be deemed to mean and include its successors and permitted assigns) of the second part.

IndianOil and HAREDA are individually referred to as "Party" and collectively as "Parties".

ARTICLE-I - RECITALS

1. Whereas IndianOil, a Maharatna Central Public Sector Undertaking under the administrative control of Ministry of Petroleum and Natural Gas, Government of India, is a flagship public sector oil company with business interests across the entire energy value chain in oil, natural gas as well as non-conventional sources such as solar, wind, nuclear, bio-fuels and is in a position to support various entities engaged in bio-gas production by marketing the compressed bio-gas (CBG) through its sales channels including retail outlets across the country.
2. Whereas, burning of paddy straw in fields is a major environmental concern. One of the sustainable solutions to paddy straw burning is through creating commercial use of paddy straw
3. Whereas, with a view to tackle the above referred environmental concern, IndianOil is interested in setting up Bio-Mass processing plants to produce Compressed Bio-Gas (CBG) in the state of Haryana. The plants shall be installed by entrepreneurs or in certain specific cases directly by Indian Oil or its joint venture company (JVC).. The proposed Bio-Mass to CBG plants will take care of environmental concerns, create additional income to farmers, create rural employment & entrepreneurial opportunities and provide a green organic source of compost for soil enrichment, The concept and technology of the plants is new and such plants will be among the first ones of such scale to be set up in India.
4. Whereas HAREDA was formed in May, 1997 as a state nodal agency for promotion and development of renewable energy programs / projects and energy conservation programme in the state of Haryana. HAREDA is registered as a society under the Societies Act of 1860 and is working under the Department of New and Renewable Energy Sources, Government of Haryana.



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5. Whereas the Parties wish to explore opportunities for cooperation whereby CBG and other by-products are produced from bio-mass in Haryana.
 6. Whereas, in order to formalize the points of mutual understanding and to avoid any disputes and misunderstandings, the Parties now desire to record the terms and conditions to govern their understandings reached in this MOU.

NOW THEREFORE, the Parties hereby agree as follows:

ARTICLE-I- DEFINITIONS

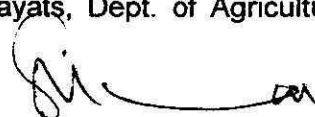
1. "PLANT" shall mean bio-mass processing plant, processing various bio-mass / waste to produce CBG and by-products.
2. "PARTIES" shall mean HAREDA and Indian Oil.

ARTICLE II - SCOPE OF COOPERATION

1. The Parties have agreed to explore possible cooperation in the area of development of Plants for production of CBG and other by-products from bio-mass/ waste sources in Haryana (hereinafter referred to "Project").
2. For facilitating setting up of the Plants and its viability, the Parties agree as under:
 - 2.1 HAREDA will facilitate identification of land parcels in various location of Haryana for the Plants. The lease of the identified land to entrepreneurs jointly identified by HAREDA and IndianOil or in certain cases directly to IndianOil shall be as per the terms and conditions of Gram Panchayat Land Lease Policy of Government of Haryana notified vide Notification No. SBA-4/2013/55698-713 Dated 25.11.2013 and its amendments, if any.
 - 2.2 The Plants will be eligible for incentives and benefits as applicable for such plants as enumerated in Haryana Enterprise Promotion Policy-2015 and Haryana Bio-Energy Policy 2018 any amendment thereto & any other policy notified by Govt. of Haryana / Govt. of India for the said projects as and when notified.
 - 2.3 Parties shall explore possibilities for further reduction on the taxes currently applicable or CBG and its by-products etc.
 - 2.4 HAREDA shall facilitate and extend its cooperation to the entrepreneurs / IndianOil, who are setting up the Plants in Haryana, to market and sell by-products of the CBG Plants including compost, manure and slurry in Haryana for which no State Government approval / permission will be required.
 - 2.5 HAREDA shall facilitate and extend its cooperation to the entrepreneurs / IndianOil, for collection, storage and supply of bio-mass/ waste for the CBG Plants, through Urban Local Bodies, Gram Panchayats, Dept. of Agriculture etc.



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- 2.6 HAREDA shall facilitate to the entrepreneurs / Indian Oil in expeditious obtaining of all required statutory approvals from the State Government like NOC from District Administration, etc., for Plant, transport and retailing of CBG, preferably through single window system.
 - 2.7 The Parties will facilitate promotion of agriculture extension activities to farmers in the command area, including awareness programme for organic manure and other agricultural products.
 3. The Plants shall primarily be installed by entrepreneurs or through, joint venture of institutions/entrepreneurs or in certain specific cases directly by Indian Oil or its JVC.
 4. IndianOil shall use its commercial expertise to create and expand market for CBG/ and other by-products in the catchment area of the Plants through promotional activities and also provide technical support to the customers, wherever required. HAREDA would support IndianOil in such activities whenever so required and would use its good offices to involve other State Government agencies and institutions for the purpose.
 5. IndianOil shall facilitate technology, facilities and other services for entrepreneurs setting up the Plants.
 6. Both Parties shall ensure that the land and other facilities provided as per the MOU to entrepreneurs are used for the purpose of the Plants only.
 7. Both Parties shall support each other and HAREDA shall facilitate IndianOil in developing the market for CBG and other by-products in the catchment area of the plants.
 8. The brand equity acquired through these Plants shall be the exclusive right of the individual Parties and shall not be used in any manner by either of the Parties without prior consent of the other Party.

ARTICLE III - SHARING OF EXPENSES

Each Party shall bear the expenses incurred on its employees and travel or other related expenses incidental thereto. No party shall have the authority to incur any monetary or other obligation on behalf of the other party unless otherwise expressly agreed in writing by such other party in advance.

ARTICLE IV-CONFIDENTIALITY

The Parties acknowledge that it may be necessary to disclose confidential and proprietary information including the data, designs, know how, material and other information (confidential Information) to other party during discussions. The receiving Party shall keep confidential Information confidential and shall not communicate the same to any third party, without the prior written consent of the disclosing Party. In case of termination/expiry of this MoU the obligation of confidentiality of receiving party shall survive and continue for a period of one year from the date of expiry or termination of the MOU.


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ARTICLE V -TERM AND VALIDITY

The MOU shall be valid for ten (10) years from the Effective Date and may be extended with consent of both the Parties for a period as mutually agreed. The MOU can be terminated by either Party by serving a notice of 30 days to the other Party.

Article IV ("Confidentiality"), Article VI ("Governing Law & Arbitration") and Article VII (Notices) shall survive termination, or expiry of the MoU. Both Parties shall be relieved from liabilities and obligations under this MoU upon such termination/expiry, except in relation to their obligation to maintain confidentiality and such obligations and liabilities that have arisen or accrued prior to termination/expiry.

ARTICLE VI-GOVERNING LAW & DISPUTE RESOLUTION

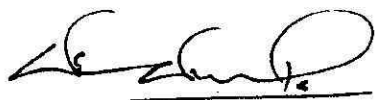
This MOU shall be construed and governed by the laws of India.

Any dispute arising out of this MOU shall be resolved amicably through discussions in good faith with a view to expeditiously resolve such dispute. In the event the dispute persists, the Parties agree to resolve the dispute through Administrative Mechanism for Resolution of CPSEs Disputes as mentioned in DPE OM No. 4(1)/2013-DPE(GM)/FTS-1835 dated 22-05-2018".

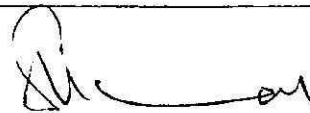
ARTICLE VII- NOTICES

All notices/communications authorized or required between the Parties are to be made in written English, addressed to the parties as shown below, and shall be delivered in person, by registered mail, courier, or by fax (with a confirmation copy sent by registered email), Oral communication and e-mails do not constitute notice for purposes of this MoU "Received" means actual delivery of the notice to the address or facsimile address of the nodal officers of the respective Parties:

Indian Oil Corporation Limited	Haryana Renewable Energy Development Agency
Kind Attention: Executive Director (AE&SD), CO	Kind Attention: Chairman
Address: 5 th Floor, Core 6, SCOPE Complex, 7, Institutional Area, Lodhi Road, New Delhi – 110 003	Address: Institutional Plot No. 1, Akshay Urja Bhawan, Sector-17, Panchkula, Haryana - 134109
Fax :	Fax:
Email: ksubodh@indianoil.in	Email: chairmanhareda@gmail.com



SHAIENDRA SHUKLA
Chairman, HAREDA



ARTICLE VIII : NATURE OF THIS MOU

- 1. Nothing contained in this MoU shall be considered as an offer capable of acceptance by any Party nor will anything contained herein create or impose any other obligations on any party.
- 2. This MoU expresses non-binding understanding of the parties. This MoU is not intended to create, nor shall it be deemed to create, any legally binding obligations enforceable against any party to this MoU; except in respect of Article III, IV, V, VI, VII, VIII, and IX (1) which shall be binding.

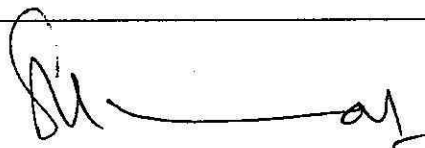
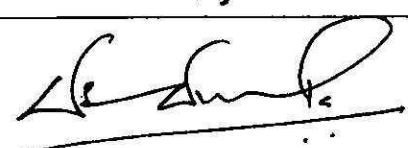
ARTICLE IX - MISCELLANEOUS

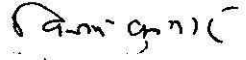
- 1. The Parties agree that in no event shall any party be liable to the other party for any indirect or consequential loss, expense or damage of any nature whatsoever.
- 2. The Parties shall facilitate for execution of definitive detailed implementation agreement(s) for implementation of the identified projects as and when the details are finally agreed / approved under Haryana Bio-Energy Policy 2018.

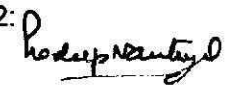
ARTICLE X- USE OF PROHIBITED CROPS AND MATERIAL

Plant shall not be allowed to use prohibited crops and other material in the State of Haryana to be used as feed stock. The by-products from the plant shall preferably be used for agricultural purpose only.

IN WITNESS WHEREOF, the Parties by their duly authorized representatives have caused this MoU to be executed as of the day and year first above written.

Indian Oil Corporation Limited Core-6, SCOPE Complex, 7, Institutional Area, Lodhi Road New Delhi	Haryana Renewable Energy Development Agency Institutional Plot No. 1, Akshay Urja Bhawan, Sector-17, Panchkula, Haryana
	
(Authorized Signatory)	(Authorized Signatory)
Name : Subodh Kumar Designation : ED (AE&SD), CO	Name : Shailendra Shukla Designation : Chairman SHAIENDRA SHUKLA Chairman, HAREDA

Witnesses 1: 
Dy. General Manager (AE), CO

Witnesses 2: 
P.K. NAUTIYAL
SR. TECHNICAL MANAGER
HAREDA.