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MEMORANDUM OF UNDERSTANDING
WITH
PANJAB UNIVERSITY CHANDIGARH

This Memorandum of Understanding is made on this the 25 day of August 2009 between ONGC Academy, KDMIPE Campus, 9 Kaulagarh Road, Dehradun of the **Oil and Natural Gas Corporation Limited (ONGC)**, a company registered under the Companies Act 1956, having its registered office at Jeevan Bharti Building, Tower-II, 124 Indira Chowk, New Delhi – 110001 and one of its offices at Dehradun (herein after referred to as ONGC) which expression shall unless repugnant to the context include its representatives, successors and permitted assignees of the **FIRST PART and**

Panjab University Chandigarh, established in 1956 and located in Sector 14, Chandigarh 160014 as **SECOND PART.**

Whereas the said University has been incorporated for the purposes, among others, of making provision for imparting education in Science, Arts, Letters, and the learned professions and of furthering advancement of learning, the prosecution of original research. The Department of Geology was established in the Panjab University in the year 1958. The Department was soon recognized for its contribution by the University Grant Commission (UGC) which raised the status of the Department to that of the Centre of Advanced Study (CAS) in Geology in the year 1963.

And Whereas ONGC is engaged in the business of hydrocarbons exploration and exploitation, and has agreed to create an ONGC Chair with an endowment amount of Rs. 50 lakh in the field of Exploration and Development of Hydrocarbon Resources in the Centre for Advanced Studies in Geology at Panjab University.

Now Therefore in consideration of the mutual covenants set out in this MoU, the parties hereby agree as per the terms and conditions detailed hereunder:

1. **OBJECTIVE**: To promote training and research for meeting the challenges in the exploration and development of hydrocarbon resources.

2. **AREA OF WORK:**

- Teaching at the postgraduate level and research.
- Supervising and guiding research scholars on problems enumerated by ONGC.

- Collaborative research / study in the Oil & Gas Exploration & Development.

3. GUIDELINES FOR SELECTION OF CHAIR PROFESSOR:

The Chair Professor is to be selected by a selection committee as per University rules. A representative of ONGC is to be associated with the Selection Committee. Selection may be made through an open advertisement in leading nation Newspapers. The tenure of the Chair Professor will be for a maximum period of three years. The term can be extended at the discretion of the Vice Chancellor. Persons of eminence and wide experience in the field of Petroleum Geology will be considered for the Chair.

4. FORMATION OF A COMMITTEE TO REVIEW THE ACTIVITIES UNDER THE CHAIR:

A Committee of the representatives from ONGC and Panjab University will be constituted to review and assess the activities carried out under the Chair. The Committee should meet twice a year at a mutually convenient venue and date.

5. ACTIVITIES UNDER THE CHAIR / OBLIGATIONS OF PUNJAB UNIVERSITY

The activities under the Chair shall be and not restricted to:

5.1 An yearly workshop (1 day) or lecture be organized by Chair professor at select work centres of ONGC to share the experience & latest research in the concerned field.

5.2 Research project to be taken up on topics in consultation with ONGC.

5.3 ONGC would receive copies of all research work under the aegis of Chair and a copy of the Annual Report of Centre for Advanced Studies in Geology at Panjab University.

6. OBLIGATIONS OF ONGC:

TA/ DA & hospitality to be provided by ONGC for the workshop to be conducted by Panjab University Chandigarh under 5.1

7. FINANCIALS AND TERMS & CONDITIONS:

ONGC has agreed to give one time grant of Rs. 50 lakh for meeting the cost of the Chair with following terms & conditions:

- The corpus money donated by ONGC is to be invested in fixed deposit in the nationalized bank by the Panjab University. The salary of the Chair and contingency involved with the Chair will be met out of the interest accrued.
- The savings on the interest will be added to the corpus fund to meet the expenses which might increase due to future enhancement of the salary and contingency grants.
- The University will provide the infrastructural facilities for developing teaching and research facilities in the Centre for Advanced Studies in Geology at Panjab University.
- The Chair should not remain vacant in one stretch for a period of more than 12 months, and the interest accrued on the endowment during the period is to be added to the corpus fund.
- A statement of the utilization of interest funds and the corpus fund is to be submitted by the Panjab University to ONGC Academy.
- Income-Tax and other taxes including Service-Tax if applicable will be borne by the Panjab University Chandigarh.

8. VALIDITY PERIOD OF MOU:

Initially this MoU is valid for a period of three years from the date of signing of MoU. The duration of MoU can be extended as and if mutually agreed upon.

ONGC shall have the rights to terminate the MoU after serving a notice of 15 days before the validity period and the amount of grant shall be adjusted proportionately.

9. REPRESENTATION & WARRANTY:

ONGC hereby represents warrants & covenants to the other as follows of the date of this MoU that:

- It has full power & authority to execute, deliver its obligations under this MoU.
- This MoU has been duly & validity authorized executed & delivered by it & constitutes a valid binding obligation of it, enforceable against it in accordance with its terms.

10. FORCE MAJEURE:

In the event of either party being rendered physically unable by force majeure to perform any obligation required to be performed by them under the contract if any, conclude the relative obligation of the party affected by such force majeure shall be suspended for the period during which such cause last. The term "Force Majeure" as employed hereinafter shall means acts of - God, civil riots, fire directly affecting the performance of the MoU, flood and acts and regulations of respective government of two parties namely the ONGC and the Panjab University. Upon the occurrence of such clause and upon termination the party alleging that it has been rendered unable as aforesaid thereby shall notify the other party in writing within 72 hours (seventy two hours) of the alleged beginning and ending thereof giving full particular and satisfactory documentary evidence in support of it's claim. If services are suspended by force majeure condition lasting for more than one month, the ONGC shall have the option of canceling this MoU in whole or part at the discretion without any liability of its part.

11. ARBITRATION CLAUSE:

Except as otherwise provided elsewhere in the contract, if any dispute, difference, question or disagreement arises between the parties hereto or their respective representatives or assignees, in connection with construction, meaning, operation, effect, interpretation of the contact or breach thereof which the parties are unable to settle mutually, the same shall be referred to Arbitration as provided hereunder:

1) A party wishing to commence arbitration proceeding shall invoke Arbitration Clause by giving 60 days notice to the other party. The notice invoking Arbitration shall specify all the points of disputes with details of the amount claimed to be referred to Arbitration at the time of invocation of arbitration and not thereafter. If the claim is in foreign currency, the claimant shall indicate its value in Indian Rupee for the purpose of construction of the arbitral tribunal.

2) The number of the arbitrators and the appointing authority will be as under:

Claim amount (excluding claim for interest and counter claim, if any)	Number of Arbitrator	Appointing authority
Upto Rs. 5 crore	Sole Arbitrator	ONGC
Above Rs. 5 crore	3 Arbitrators	One arbitrator by each party and the 3rd arbitrator, who shall be the presiding arbitrator, by the two arbitrators.

3) The parties agree that they shall appoint only those persons as arbitrators who accept the conditions of this arbitration clause. No person shall be appointed as arbitrator or presiding arbitrator who does not accept the conditions of this arbitration clause.

4) Parties agree that there will be no objection if the Arbitrator appointed holds equity shares of ONGC and / or is a retired officer of ONGC / any PSU. However, neither party shall appoint its serving employee as arbitrator.

5) If any of the Arbitrators so appointed dies, resigns, becomes incapacitated or withdraws for any reason from the proceedings, it shall be lawful for the concerned party/arbitrators to appoint another person in his place in the same manner as aforesaid. Such person shall proceed with the reference from the stage where his predecessor had left if both parties consent for the same; otherwise, he shall proceed de novo.

6) Party agrees that neither party shall be entitled for any pre-reference or pendente-lite interest on its claims. Parties agree that any claim for such interest made by any party shall be void.

7) The arbitral tribunal shall make and publish the award within time stipulated as under:

Amount of Claims and Counter Claims (excluding interest)	Period for making and publishing of the award (counted from the date of first meeting of the arbitrators):
Upto Rs 5 Crore	Within 8 months
Above Rs 5 Crore	Within 12 months

The above time limit can be extended by the arbitrator, for reasons to be recorded in writing, with the consent of the parties

8) Arbitrators shall be paid fees at the following rates:

Amount of Claims and Counter Claims (excluding interest)	Lump sum fees (including fees for study of pleadings, case material , writing of the award, secretarial charges etc.) payable to each arbitrator (to be shared equally by the parties)
Upto Rs 50 lac	Rs. 7,500/- per meeting subject to a ceiling of Rs. 75,000/-
Above Rs. 50 lac to Rs. 1 crore	Rs. 90,000/- plus Rs. 1,200/- per lac or a part thereof subject to a ceiling of Rs. 1.50,000/-
Above Rs 1 Crore and upto Rs 5 Crore	Rs. 1,50,000/- plus Rs. 22,500/- per crore or a part thereof subject to a ceiling of Rs. 2,40,00/-
Above Rs 5 Crore and upto Rs 10 Crore	Rs. 2,40,000/- plus Rs. 15,000/- per crore or a part thereof subject to a ceiling of Rs. 3,15,000/-
Above Rs 10 Crore	Rs. 3,15,000/- plus Rs. 12,000/- per crore or a part thereof subject to a ceiling of Rs. 10,00,000/-

For the disputes above Rs. 50 lacs the Arbitrator shall be entitled to an **additional amount @ 20%** of the fee payable as per above fee structure.

9) If after commencement of the Arbitration proceedings, the parties agree to settle the dispute mutually or refer the dispute to conciliation, the arbitrators shall put the proceedings in abeyance until such period as requested by the parties. Where the proceedings are put in abeyance or terminated on account of mutual settlement of dispute by the parties, the fee payable to the arbitration shall be determined as under:
   I. 25% of the fees if the claimant has not submitted statement of claim
   II. 50% of the fees if the award is pending

10) Each party shall pay its share of arbitrator's fees in stages as under:
   I. 25% of the fees on filing of reply to the statement of claims.

II. 25% of the fees on completion of evidence.
III. Balance 50% when award is given to the parties.

11) Each party shall be responsible to make arrangements for the travel and stay etc. of the arbitrator appointed by it. Claimant shall also be responsible for making arrangement for travel, / stay arrangements for the Presiding Arbitrator and the expenses incurred shall be shared equally by the parties.

In case of sole arbitrator, ONGC shall make all necessary arrangement for his travel / stay and the expenses incurred shall be shared equally by the parties.

12) The Arbitration shall be held at the place from where the contact has been awarded. However, parties to the contract can agree for a different place for the convenience of all concerned.

13) The Arbitrator(s) shall give reasoned and speaking award and it shall be final and binding on the parties.

14) Subject to aforesaid, provisions of the Arbitration and Conciliation Act, 1996 and any statutory modifications or re-enactment thereof shall apply to the arbitration proceedings under this clause.

12. APPLICABLE LAW AND JURISDICTION:

All question disputes or differences arising under out of or in connection with the MoU shall be governed by Indian Laws, both procedural and substantive and shall be subject to exclusive jurisdiction of Courts at Dehradun.

13. RESPONSIBILITIES AND COMMITMENTS:

In the spirit and context of the purpose of this agreement the parties agree to assist each other, to be committed to professional excellence, to communicate on a regular basis and to encourage open dialogue and cooperation between ONGC and the Panjab University.

14. AMENDMENT:

This MoU may be amended in writing upon the mutual consent of both parties.

15. **CONTACT OFFICES:**

Panjab University and ONGC agree to nominate specific personnel for operational, conduct and implementation of this program.

a. Head ONGC Academy, ONGC shall be the sole operator on behalf of ONGC.

Address: Head-ONGC Academy,
KDMIPE Campus, Kaulagarh Road, Dehradun 248195.

Phone No : 0135-2754283
Fax No : 0135-2758832

b. Registrar, Panjab University ,Chandigarh shall be the sole operator on behalf of the Panjab University.

Address: Registrar,
Panjab University
Chandigarh 160014

Phone No :0172-2541740
Fax No :0172- 2724481

16. The document signed by both the parties constitutes the entire binding and understanding between ONGC and the Panjab University

Signed: S. S. Bari
Registrar
Panjab University

On behalf of Panjab University Chandigarh

Name: Prof. S.S. Bari
Registrar Panjab University Chandigarh

Date: 24/7/09

Place: Chandigarh

Witness:

(A.D. AHLUWALIA)
25/8/09

(K. P. SINGH)
25.8.09

Signed:

On behalf of ONGC

Name: DR. TARUN CHAKRABORTI
Head ONGC Academy
Dehradun

Date: 25.8.2009

Place: Dehradun.

Witness: V. Banerjie
25.8.09
(DR. V. BANERJIE)

Monu Bhatnagar
25.8.09.
(Monu Bhatnagar).