

Memorandum of Understanding

between

Ministry of Heavy Industries & Public Enterprises, Government of India
Department of Heavy Industry
Udyog Bhawan, New Delhi 110011

- hereinafter referred to as >>DHI<< -

and

Fraunhofer-Gesellschaft zur Förderung der angewandten Forschung e. V.,
Hansastraße 27 c, 80686 München, Germany

as legal entity for its

Fraunhofer-Institut für System-und Innovationsforschung (ISI), Karlsruhe

- hereinafter referred to as >>Fraunhofer-
Gesellschaft<<

- hereinafter referred to as >>Party or collectively as
Parties<< -

Whereas,

Fraunhofer- Gesellschaft is the leading organization for applied research in Europe. Its research activities are conducted by 66 institutes and research units at locations throughout Germany. The Fraunhofer- Gesellschaft employs a staff of nearly 24,000, who work with an annual research budget totalling more than 2 billion euros. Of this sum, around 1.7 billion euros is generated through contract research. More than 70 percent of the Fraunhofer- Gesellschaft's contract research revenue is derived from contracts with industry and from publicly financed research projects. International collaborations with excellent research partners and innovative companies around the world ensure direct access to regions of the greatest importance to present and future scientific progress and economic development.

Its Fraunhofer Institute for Systems and Innovation Research (ISI) analyses the origins and impacts of innovations. It researches the short- and long-term developments of innovation processes and the impacts of new technologies and services on society. On this basis, ISI is able to provide its clients from industry, politics and science with recommendations for action and perspectives for key decisions. ISI's expertise is founded on our scientific competence as well as an interdisciplinary and systemic research approach.

Whereas,

Department of Heavy Industry (DHI) is a department of the Government of India, responsible for promoting heavy engineering industry including machine tools, heavy electricals, capital goods also the automotive industry. DHI also oversees management of Central Public Sector Enterprises under its charge.

The vision of DHI is to promote a modern, healthy and robust automobile, heavy engineering, heavy electrical and capital goods sector and self-reliant and growth oriented Central Public sector Enterprises under the Department.

Now, therefore, the Parties have agreed as follows:

Article 1 - Fields of Cooperation

DHI and Fraunhofer- Gesellschaft wish to cooperate in the field of Manufacturing with Fraunhofer- Gesellschaft as Technology Resource Partner for Manufacturing.

The cooperative activities may comprise the following:

- a) Profiling of specific technologies (globally) as entrusted by Department of Heavy Industry from time to time
- b) Technology Road mapping for specified Capital Goods sub sectors
- c) Assessment of Technology status of Capital Goods clusters
- d) Cooperation in presence events in on technology
- e) Upgrading existing technology institutes in India / setting up Greenfield institutes
- f) Other technology-related co-operation and collaboration.

Article 2 - Terms of Cooperation

This Memorandum of Understanding (MoU) sets forth the Parties' intentions to collaborate on future projects. The Parties recognize that this MoU does not construe any kind of project in a legally binding form. If the Parties wish to carry out specific projects, all terms and conditions relating to such specific projects which are based on the mutual understanding as it is declared under this MoU shall be agreed upon separately in individual written agreements. Each of those agreements shall provide rules as deemed appropriate for each project, such as in particular, but not limited to, project description, work plan, staffing, expenditures, duration, handling of intellectual property (licence agreements, rights of use, etc.), obligations of confidentiality, applicable law and other conditions necessary in each case.

It is thereby the Parties' clear intention that future projects might be implemented also with Fraunhofer Institutes other than Fraunhofer ISI mentioned on page one (1) of this MoU.

Although the Parties wish to cooperate in future projects this MoU does not impose any duty on either of the Parties to disclose any information to the other Party nor to enter into any individual agreement or obligation.

This MoU has no financial obligation on either Party. Each Party shall bear its own-internal and external – costs in connection with this MoU, except if otherwise stipulated between the Parties. Cooperative activities under separate agreements are subject to and dependent upon the availability of appropriate funds, personnel, and resources. Neither Party is required to obligate funds pursuant to this MoU.

Article 3 - Confidentiality

The Parties wish to explore their potential for collaborative relationship and projects. In connection with such as exploration the Parties may also exchange Confidential Information (i.e. especially any non-public information, including, but not limited to financial terms and technical or commercial information). DHI and Fraunhofer-Gesellschaft shall for the duration of this MoU and for a period of five (5) years after its termination not make accessible to third parties Confidential Information received from the other Party and declared to be confidential. This shall not apply to information

- which is already known or generally accessible to the other Party or the public without any obligation to keep it confidential, or
- which becomes known or generally accessible to the public after its disclosure without any involvement or fault on the part of the other Party, or
- which corresponds to information disclosed or made accessible to the other Party by an entitled third party without any obligation to keep it confidential, or
- which is independently developed by an employee of the other Party not in possession of the Confidential Information disclosed.

The Parties will not, without the prior written consent of the disclosing Party, copy or reproduce any document which may be supplied, and any Party receiving such document will return the same and any copies thereof to the Party supplying the same without undue delay upon that Party's request. The information and results may only be used for the purpose for which they were transmitted and they not be passed on to third parties without prior written consent.

All confidential or other information supplied pursuant to this Agreement shall remain the property of the Party disclosing or supplying the same and no rights or licenses, including but not limited to the right to apply for intellectual property rights, are granted to the other Party in the same.

The Parties agree that any Confidential information is made available "as is" and that no warranties are given or liabilities of any kind are assumed with respect to the quality of such Confidential Information, including, but not limited, to its fitness for the purpose, non-infringement of third party rights, accuracy, completeness or its correctness. Such limitation of liability shall not apply in cases of intent.

Article 4 – Duration

This MoU shall enter into force on the date of its signing and shall remain in force for a period of the five years.

It may be extended by mutual consent in writing. Either Party may terminate this MoU at any time by giving three (3) month's written notice. The right of each Party to terminate this MoU with immediate effect for good cause (e.g. if a party substantially breaks the terms of this MoU) remains unaffected.

Article 5 – Miscellaneous

As far as any export licenses are necessary for the fulfilment of any contractual obligation of this MoU these obligations are under the proviso of the granting of the corresponding license.

Ancillary agreements, amendments and supplements hereto must be made in writing. The same applies for a waiver of the written form.

Notwithstanding the Parties keen interest in establishing a research and development cooperation with each other, each Party has to consult the other Party prior to any intended use of the name and/or the logo of the other Party. Likewise, an express written consent is also requested before publishing press releases or news in which the name or logo of the other Party is mentioned.

The relationship between the Parties is only that of independent contractors with several rights, liabilities, duties and obligations set out in this MoU. No Party is deemed or construed to constitute the other Party a partner, joint venture, principal, agent or fiduciary of the other Party.

No Party has the authority to act for or to incur any liability or obligation on behalf of the other Party except with the express written authority of the other Party.

Any dispute arising from the interpretation or implementation of this MoU shall, in the first instance, be resolved amicably and expeditiously by consultation or negotiation between the Parties or such other means as they may mutually decide.

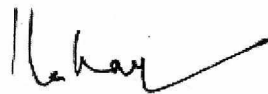
This agreement is to be executed in English, and each Party shall retain a copy of the Agreement.

On behalf of:

Ministry of Heavy Industries & Public Enterprises,
Government of India

Place: New Delhi

Date: October 5, 2015



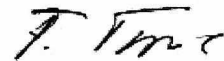
(Vishvajit Sahay)
Joint Secretary
to Government of India

On behalf of:

Fraunhofer – Gesellschaft zur Förderung der
angewandten Forschung e. V.

Place: New Delhi

Date: October 5, 2015



(Frank Treppe)
Director Corporate Strategy & International Relations,
Associate Member of the Board