

GENERAL TERMS & CONDITIONS FOR UNDERTAKING COLLABORATIVE R&D/TECHNOLOGY DEVELOPMENT PROJECTS OF ONGC ENERGY CENTRE TRUST (OECT)

1.0 GENERAL

- 1.1 All research/technology development project proposals should be submitted in the format given at Annexure-I of these guidelines and terms and conditions of OECT.
- 1.2 Five hard copies of the proposal and one copy in electronic form should be submitted to OECT.
- 1.3 The institute/organisation will identify a Principal Investigator (PI), who has the required experience and expertise in the relevant sphere of work/studies, proposed to be undertaken under the collaborative project, and who is capable of leading and guiding the project team for achieving the objectives and deliverables, as per agreed scope of work.
- 1.4 The institute/organisation shall associate a Co-Principal Investigator (Co-PI) with the project, if not already part of the project team. The Co-PI shall function as PI in the absence of PI and should be totally in knowledge of the activities of the project to prevent loss to the project and OECT, in case PI leaves the project/institute/ organisation.
- 1.5 All required administrative support and infrastructure facilities by way of provision of desired quality of work space, water, electricity, communication and other required infrastructure facilities etc. for smooth implementation of the project shall be provided by the institute/organisation to the PI and the project team. A certificate to this effect shall be submitted in the prescribed format given in Annexure-I of "OECT-R&D Formats".
- 1.6 The institute/organisation will undertake to carry out the project work and related studies, as per the approved scope of work and deliverables etc. within the approved time frame and budget by employing competent personnel.
- 1.7 The institute/organisation will sign an agreement with OECT for undertaking the collaborative project, as per OECT approved scope of work, time schedule, approved budget, milestones etc. and all others terms and conditions. Prior to signing of the agreement, OECT will communicate to the PI/institute/organisation about the award of project through a Letter of Award (LOA) and also provide a copy of draft agreement The PI/institute/organisation is

required to convey their acceptance of LOA before the agreement is signed with the institute/organisation.

- 1.8 The project approved by OECT becomes operative from the date of signing of agreement by the institute/organisation with OECT.
- 1.9 The institute/organization will undertake to perform the required work/studies under the R&D/Technology development project approved by OECT with all reasonable skills, diligence and care in accordance with established practices to the satisfaction of OECT and accept full responsibility for the satisfactory quality of work under the project.
- 1.10 The institute/organisation shall deploy qualified research personnel for achieving all the goals set out under the project, in accordance with laid down procedure for recruitment followed by the institute/organisation.
- 1.11 All the Personnel including Research Personnel, appointed by the institute/ organisation under the project, for full/part duration of the project, are to be treated as project personnel on contract to the institute/organisation and will be governed by the Administrative rules (for leave, TA/DA etc.) of the implementing institute/organisation, as applicable for contract project personnel. They are not to be treated as employees of the OECT under any circumstances and OECT will have no liability, whatsoever, for the Project Personnel, during and after completion of the project duration.
- 1.12 For the expeditious implementation of the research/technology development project, the institute/organisation will provide full support to the PI in the process of selection and appointment of project personnel/staff and payment to them in accordance with the guidelines given in Annexure-I of 'OECT-R&D Formats'.
- 1.13 The consolidated emoluments paid to Research Fellows engaged for the project work will be as per the prevailing OECT norms (as mentioned in the format given at Annexure-I of "OECT-R&D Formats") during the period of implementation of the project. Other than consolidated emoluments, applicable as per OECT norms, TA/DA will be paid, in case of official travel, as per the prevailing rules of the institute/organisation and the same shall be adjusted against the travel budget of the project, as approved by OECT.
- 1.14 Keeping in view the nature of collaborative research/technology development project, OECT may decide to deploy its own manpower to be a part of the project team for effective implementation of the project. During the implementation of the project, the OECT personnel will report to the PI. However, their terms of engagement will remain as per their contract with OECT or applicable service rules. OECT will inform the PI about their placement in advance.

The institute/organisation will provide them all work related facilities and infrastructure support.

- 1.15 The institute/organisation shall not engage any consultant, sub-contract or assign the technical work or studies concerning the project, either wholly or in part to any other institute/organisation or any third party without prior permission in writing from OECT. In case, it is considered necessary in the interest of the project work, the PI will request to OECT in writing giving full justification including its financial and IPR implications. However, mere applying for permission to sub-contract the said project work/studies will not amount to grant of permission and OECT reserves the right to disagree to such request.
- 1.16 Normally OECT will not provide financial support for construction of any building/ permanent or temporary shed, unless the PI and institute/organisation have given satisfactory justification in the project proposal and specific provision is made for that purpose, which is approved by OECT in advance.
- 1.17 If the PI to whom the project has been sanctioned by OECT wishes to leave the institute/organisation, the institute/organisation/PI will inform the same to OECT in advance and in consultation with OECT, evolve steps to ensure successful completion of the project by appointing a new PI, in consultation with OECT, or designate the Co-PI as the PI before relieving the PI.
- 1.18 The PI and the institute will prepare the estimated budget for the proposed collaborative research/technology development work, as per the terms and conditions and the formats of OECT. All applicable taxes and duties should be included in the estimates. With regard to project personnel, OECT shall not be responsible for payment of income tax, professional tax or service tax, if applicable. These taxes must be paid by the concerned individuals.

2.0 REVIEW OF PROGRESS & SUBMISSION OF REPORTS

- 2.1 The Principal Investigator (PI) or in his absence the Co-PI will regularly submit to OECT monthly progress reports on or before 27th day of each month, through e-mail in the prescribed format (Annexure-II of 'OECT-R&D Formats'). The report among other things will include (a) Project Work accomplished against the set targets (b) reasons for the short fall, if any, and proposed remedial measures (c) other scientific achievements made during the period, (d) publications, (e) placement of manpower, (f) procurement of equipment etc. and (f) planned targets for the next month.

- 2.2 The PI shall furnish 3 hard copies and one copy in electronic form of the Progress Report on the project related work/studies, on quarterly basis in the prescribed format (Annexure-II of 'OECT-R&D Formats').
- 2.3 OECT will regularly review the progress of the work through visits to the institute/organisation or by inviting the PI to OECT facilities/office. OECT may, if considered necessary by OECT, depute a team of experts to review the progress of the project. The institute/organisation will extend all required facilities and full support for such visits to facilitate effective monitoring and implementation of the project. The travel budget of the project may include cost towards visits of the PI and others for attending such review meetings.
- 2.4 OECT will provide a copy of the report on the review of the project to the PI, for implementation. The PI and the institute/organisation will take into account the suggestions made by the reviewing team on mid-term corrections/modifications in the project work, while formulating necessary corrective/remedial actions for implementation, subject to feasibility of implementation of such suggestions/actions within the approved project budget. PI will provide action taken report to OECT on the report of review of the project.
- 2.5 On completion of the project, the PI will submit a draft 'Project Completion Report' on the work done under the project for review by OECT. Comments/suggestions, if any, will be incorporated by the PI as appropriate and thereafter, 5 copies of the final consolidated 'Project Completion Report' will be submitted to OECT in the prescribed format (Annexure-III of 'OECT-R&D Formats'). One copy in electronic form will also be submitted to OECT.
- 2.6 The 'Project Completion Report' must include full details of objectives and work plan for the project, work/studies undertaken by PI/institute/organisation, as per the approved objectives/work plan, discussions & inferences, outcome of project and achievements, all relevant technical details/specifications/process flow diagrams, working drawings for designing of the systems/equipment for further work on demonstration/scale up, as the case may be, along with inventory of required materials, specifications etc. All items covered under the head "deliverables" of the project must be covered in this report.
- 2.7 In case of Projects, involving development of biotechnological/microbiological processes/technologies, using specifically isolated/designed microorganisms, the institute/organisation must provide samples of such isolates/cultures, nutrient medium recipes, maintenance and deposition protocols and other detailed information on the isolates to OECT for safe deposition and preservation for protection of IPR and subsequent use.

3.0 FINANCIAL COMMITMENTS & MODE OF PAYMENT

- 3.1 Approval of the R&D/Technology development project and the financial support by OECT is for the specific project and the amount received by the institute/organisation should be exclusively spent for the project work/activities within the approved time duration. The institute/organisation is not permitted to seek or utilize funds from any other organisation (government, semi-government, autonomous and private bodies) for research/technology development project approved by OECT, except in cases, where a project is approved for joint funding with/by OECT.
- 3.2 The institute/organisation will be responsible for expenditure incurred on the project and shall maintain separate account and records for the project approved by OECT. All payments, made by OECT to the institute/organisation (not to the Principal Investigator in his/her individual capacity) by Electronic clearing system (ECS)/ A/C payee cheque, shall be credited to this account. If it is found expedient to keep a part or whole of the amount released by OECT in a bank account earning interest, the interest thus earned shall be reported to OECT and reflected as receipt from OECT in the 'Statement of Accounts'.
- 3.3 The institute/organisation is required to inform OECT if they are recognized as a R&D institute, which is eligible for exemption from deduction of Tax Deduction at Source (TDS) and is also required to produce a certificate from the competent Tax or any other authority in this regard. Normally, TDS rules shall be applicable in respect of all payments made by OECT, unless the institute/organisation is able to produce in advance applicable Tax Exemption Certificate towards such receipts, issued by competent Tax Authorities. It will be the sole responsibility of the institute/ organisation to inform OECT in advance about availing of Tax Exemption and also to ensure timely submission of Tax Exemption Certificate to receive full payment of amount of the instalments. In case of delay in submission of certificate and consequent delay in release of payments, OECT will not be responsible for any delay in implementation schedule of the project on account of such delays. If no prior request is received, OECT will deduct TDS as per applicable rates. In case institute/organisation is desirous of receiving full amount of instalment from OECT and it expects delay in receiving the Tax Exemption certificate from concerned Tax authority, it should provide funds for the project work from its own resources in the interim period and ensure that project work is not hampered.
- 3.4 The release of payments by OECT to the institute/organisation is linked to achievement of identified targets/milestones at various stages of the implementation of the project, which have been approved by OECT.

- 3.5 The first instalment will be paid by OECT within 15 days of signing of agreement and receipt of applicable Tax Exemption Certificate, whichever is later. The maximum amount payable as the first instalment will be 10% of the total project budget, subject to a maximum of ₹ 25 lakhs. The institute/organisation will provide necessary bank account details for ECS transfer of funds, as soon as the LOA is accepted by the institute/organisation.
- 3.6 The PI will provide in the project proposal milestones for (a) procurement of major capital equipment (separate milestone for specific equipment(s); and (b) technical progress/performance for monitoring the progress and in some cases for seeking funds for recurring expenditure. These milestones should be carefully planned as release of instalment will be strictly linked to achievement of the milestone.
- 3.7 The institute/organisation will submit the request for release of milestone based instalment, in the prescribed format (Annexure-IV of 'OECT-R&D Formats') along with the progress report and the latest statement of expenditure in the prescribed format including Committed Expenditure, duly audited by internal/external auditor, as the case may be.
- 3.8 All milestone based payments will be released by OECT only after the satisfactory completion of each milestone-wise tasks/goals by the institute/organisation and their acceptance by OECT. The next milestone based instalment will be released only after receipt of documents on utilization of funds released under previous instalment and other related documents as per prescribed format. In case of procurement of equipment for the project, instalment will be paid by OECT only after the institute/organisation completes all pre-procurement actions, as per laid down procedures of the institute/organisation for such procurement and submits a copy of invoice/purchase order/Letter of Intent/Letter of Credit as the case may be, as supporting document for release of instalment. The PI/institute will submit details of the item, quantity, price, delivery schedule, payment terms etc. and a copy of the purchase order and invoice to be submitted as soon as issued on the supplier. Wherever, the delivery period is over, the PI should confirm receipt of equipment, its commissioning and the extent of payment (full or part payment) made. In case, the equipment delivery period, for which instalment has been released, is not over before the next milestone based instalment becomes due, the PI must confirm giving requisite details and justifications. Any delay in delivery or commissioning of the equipment or release of payments for equipment must be explained with full justification while making request for next instalment. In all cases, the required financial documents must be audited as per clause 3.7 of these guidelines.

- 3.9 No payment will be made for purchase of any new equipment before six months of project completion or if equipment delivery is within last six months of the project, unless specific written approval of OECT is obtained. The budget for purchase of capital equipment is not allowed to be diverted or utilized for any other purpose, without prior written approval from OECT.
- 3.10 On completion of all steps relating to the purchase of capital equipment, the equipment must be entered into asset register.
- 3.11 If a request for release of milestone based instalment is made in a new financial year, the PI should enclose the audited statement of the accounts along with the Utilisation Certificate for the previous financial year duly audited by external auditor in the prescribed format (Annexure-V and VI of 'OECT-R&D Formats'), if not submitted earlier.
- 3.12 On completion of the Project and submission of the final report and other related documents etc., the institute/organisation shall render the final audited accounts/ statement of expenditure in the prescribed format, duly certified by authorised representative of the University/Head of Institute/Organisation for release of the final instalment by OECT. The amount to be released as last instalment for final settlement of account in respect of the project will be 10% of the approved total project budget subject to a maximum of ₹ 25 lakhs.
- 3.13 Any unspent amount left with the institute/organisation will be immediately returned through an ECS/ crossed Demand Draft drawn in favour of "ONGC Energy Centre Trust" payable at New Delhi, but not later than 30 days of approved project completion date. (The institute/organisation shall be liable for penal interest @ 18% per annum on unspent amount retained beyond this period.)
- 3.14 On completion of the project, the institute/organisation shall submit full details of Assets acquired by the institute/organisation under the project utilising OECT funds in the prescribed format (Annexure-VII of 'OECT-R&D Formats') and copies of purchase orders and invoices of all Assets, along with Final audited Statement of Accounts (Annexure-V of 'OECT-R&D Formats').
- 3.15 In case the institute/organisation is not in a position to implement or complete the project, it should, forthwith, refund to OECT the total funds received by it or balance, thereof.
- 3.16 OECT and its authorised representatives shall have the right of access to the books and accounts of the institute/organisation maintained in respect of the project and funds received from OECT. The institute/organisation will provide all assistance to the OECT team to inspect the books of accounts and give suitable reply to their observations/findings in a time bound

manner. All corrective actions required, if any, in this regard will be implemented by the PI and the institute.

4.0 OWNERSHIP OF IMMOVABLE & MOVABLE ASSETS

- 4.1 For permanent, semi-permanent assets acquired solely or mainly out of the project budget, an audited record in the form of a register in the prescribed format (Annexure-VII of 'OECT-R&D Formats') shall be maintained by the institute/ organisation. The term "Assets" include (a) the immovable property acquired out of the funds; and (b) movable property of capital nature where the value exceeds ` 50,000/-. The institute/organisation is required to send to the OECT a list of assets acquired under the project on annual basis. A consolidated list of asserts will be submitted on completion of the project, as a part of the Project Completion Report.
- 4.2 OECT shall have Sole Ownership of all Assets acquired under the project for which OECT has made the payments to the institute. These assets should not be disposed off or encumbered or utilized by the institute/organisation for any purpose other than those for which the budget had been sanctioned, without the prior written permission from OECT.
- 4.3 The institute/organisation shall undertake to properly maintain and upkeep the capital assets/equipment purchased using OECT funds and also to provide all suitable infra-structure, like working space, environment, air conditioning and other required facilities, for smooth operation of equipments, as per procedures recommended by OEM.
- 4.4 On conclusion/ termination of a project, OECT will be free to take back, sell or otherwise dispose off the assets, which are the property of OECT. The institute/organisation shall render to OECT necessary facilities for arranging the return, sale or disposal of these assets. OECT has the discretion to gift its share of assets to the institute/organisation or transfer them to any other institute/organisation, if it is considered appropriate.
- 4.5 If the Capital equipment/other assets are allowed to be retained by the institute/ organisation after completion of the project, the institute/organisation will give an undertaking to maintain the assets from its own resources. Further, if required, the institute/organisation will continue to provide the equipment/assets for use by OECT, if need so arises or in any other projects, which may be awarded to the institute/organisation by OECT in future.

5.0 PUBLICATIONS, INTELLECTUAL PROPERTY RIGHTS & OWNERSHIP

- 5.1 The institute/organisation/inventor(s) are required to seek protection of Intellectual Property Rights (IPR) for the results/output of the research/technology development project sanctioned by OECT. If the results of research are to be legally protected under IPR, the results should not be published without action being taken to secure legal protection for the research results.
- 5.2 The PI must seek prior approval of OECT to publish technical/ scientific papers based on the research work done under the project, which do not merit protection under IPR. The PI will submit a copy of the manuscript of paper at the time of seeking approval from OECT. The investigator(s) should acknowledge the assistance received from OECT. The PI will submit 5 copies of the paper to OECT after it is published.
- 5.3 If the results of the work carried out with OECT support require preparation of a technical booklet/ guides/ software/ CD etc., the institute/organisation, in such cases, will publish/prepare sufficient copies (number of copies to be decided in consultation with and approval of OECT) and keep a portion for their use/ dissemination and submit the remaining copies to the OECT for their use and distribution.
- 5.4 If the result is in the form of a survey report / product performance evaluation or other such activities which have commercial implications, the institute/ organisation will not publish the results without specific written approval of OECT. Such reports/product performance evaluation etc. will be the sole property of OECT.
- 5.5 The intellectual property including inventions, designs, improvements, design and property in discoveries, data, knowledge, information and materials isolated or created in pursuance of the research/technology development activities under the project shall be patented or protected against copy right or similar infringements, jointly, in the name of OECT and the institute/organisation.
- 5.6 The expenditure incurred on filing the patent, maintenance of patent and any other related expenditure will be equally shared by OECT and institute/organisation.
- 5.7 The institute/organisation/PI must send copy/copies in advance of all application forms, containing summary, detailed specifications, drawings etc, as required by appropriate Patent Office, along with all other relevant details to OECT in the prescribed format (Annexure-VIII of "OECT R&D Formats") for seeking written approval from OECT, prior to submission of any application for filing of joint patent.
- 5.8 The institution/organisation/PI should send one copy of the 'Full Text Document' of the joint Patent to OECT within one month of its publication.

- 5.9 The right to first use of IPR/Patent/Technology developed through this collaborative Project Work for its commercial exploitation shall rest with OECT for direct use by ONGC including the Group of Companies of ONGC, without any encumbrances. No royalty will be paid to the institute/organisation for such usage of IPR.
- 5.10 OECT shall have the full right of transferring/assigning/licensing product/process/ technology developed through the project work to third party, under intimation to the institute/organisation. The institute/organisation will share proceeds of IPR sale with OECT.
- 5.11 Any benefit accruing from assignment of right to third parties shall be equally shared between the institute/organisation and OECT.
- 5.12 In case wherein the expenditure incurred on filing the patent, maintenance of patent and any other related expenditure is fully borne by OECT (when the institute/organisation is unable to bear such expenditure), any earnings accruing from transfer and commercialization shall be shared by OECT and the institute/ organisation (including the PI) in the ratio of 60:40.
- 5.13 All rights and obligations relating to joint IPR, if any, shall survive the termination of the project for any reason