

CRISAT International Crops Research Institute for the Semi-Arid Tropics

February 9, 2010

Mr P N Reddy Managing Director M/s. Nu Genes Pvt Ltd Plot No.18, 1st Floor, NCL Enclave Near Balaji Hospitals, NH-7, Medchal Road SECUNDERABAD 500 055

Dear Mr Reddy,

Memorandum of Agreement (MoA) for a Research Partnership Sub: in the ICRISAT-Private Sector Sorghum Hybrid Parents Research Consortium.

We are glad to receive the signed Memorandum of Agreement as a Promotional Member of research partnership in the ICRISAT-Private Sector Sorghum Hybrid Parents Research Consortium and we thank you for the same.

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I am herewith enclosing a set each of Sorghum MoA signed by ICRISAT Director General for your records. Please arrange to send the balance membership grant contribution of Rs.1,62,500/- (Rupees one lakh sixty two thousand and five hundred only) for the year 2010, at the earliest possible.

ICRISAT highly appreciates the support your organization provides to the research activities of Sorghum Research Consortium.

With best regards,

Yours sincerely,

C L Laxmipathi Gowda

Global Theme Leader – Crop Improvement

Encl: As above

CC:

Drs William D. Dar, DA Hoisington, Peter Ninnes, R Agrawal, and BVS Reddy - ICRISAT.

Headquarters: Patancheru 502 324, Andhra Pradesh, India Tel +91 40 30713071 Fax +91 40 30713074 +91 40 30713075 Email icrisat@cgiar.org Liaison Office: CG Centers Block, NASC Complex, Dev Prakash Shastri Marg, New Delhi 110 012, India

Tel +91 11 32472306 to 08 Fax +91 11 25841294

ICRISAT-Nairobi (Regional hub ESA) PO Box 39063, Nairobi,

Kenya +254 20 7224550 Tel +254 20 7224001 Email icrisat-nairobi@cgiar.org **ICRISAT-Niamev** (Regional hub WCA) BP 12404 Niamey, Niger (Via Paris) Tel +227 20 722626, 20 722529 +227 20 734329 Fax Email icrisatsc@cgiar.org

ICRISAT-Bamako BP 320 Bamako Mali Tel +223 20 223375 Fax +223 20 228683 Email icrisat-w-mali@cgiar.org

ICRISAT-Bulawayo Matopos Research Station PO Box 776. Bulawayo, Zimbabwe Tel +263 83 8311 to 15 +263 83 8253, 8307 Fax Email icrisatzw@cgiar.org

ICRISAT-Lilongwe Chitedze Agricultural Research Station PO Box 1096 Lilongwe, Malawi Tel +265 1 707297, 071, 067, 057 +265 1 707298 Fax Email icrisat-malawi@cgiar.org

ICRISAT-Maputo c/o IIAM, Av. das FPLM No 2698

Caixa Postal 1906 Maputo, Mozambique Tel +258 21 461657 +258 21 461581 Fax Email icrisatmoz@panintra.com

www.icrisat.org

Memorandum of Agreement (MoA) for a Research Partnership as PROMOTIONAL MEMBER in the

ICRISAT-Private Sector Sorghum Hybrid Parents Research Consortium (SHPRC)

This Agreement is entered between the International Crops Research Institute for the Semi-Arid Tropics (hereinafter referred to as "ICRISAT"), Patancheru 502 324, Andhra Pradesh, India, and the Nu Genes Private Limited (hereinafter referred to as the "Seed Company"), a company incorporated in India/other country (Seed Company to provide a copy of Incorporation and Articles of Association to ICRISAT) having its principal place of business at Hyderabad, Andhra Pradesh, India.

"ICRISAT" and the "Nu Genes Private Limited" may hereinafter collectively be referred to as "Parties" and individually as a "Party".

1. Preamble

Whereas ICRISAT is an autonomous, nonprofit, international research organization for sciencebased agricultural development. It is one of the 15 Centers under the aegis of the Consultative Group on International Agricultural Research (CGIAR). ICRISAT works to improve the farming systems of the semi-arid tropical (SAT) areas of the developing world through integrated genetic and natural resource management strategies, including genetic resources conservation and improvement of crops (sorghum, pearl millet, pigeonpea, groundnut and chickpea). ICRISAT carries out its mission by forming research partnerships with government, non-government, and private sector organizations in developing countries, and linking these partners to advanced research institutions worldwide.

Whereas sorghum is a staple crop for millions of poor farmers in the SAT regions of Africa and Asia, with India having the largest area (9-10 million ha) under sorghum in both Asia and world.

Whereas sorghum improvement research at ICRISAT has made considerable progress in improving sorghum for grain and fodder yields in the last 36 years, and several hybrid parents and varieties were developed for multiple uses.

Whereas public and private sector seed companies working on developing hybrid sorghum have expressed interest in becoming partners for research on the diversification of sorghum hybrid parents for multipurpose uses.

Therefore ICRISAT and the Seed Company agree to a research partnership under the ICRISAT-Private Sector Sorghum Hybrid Parents Research Consortium (SHPRC) with the following objectives and conditions.

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2. Objective

The objective of this **ICRISAT-Private Sector Sorghum Hybrid Parents Research Consortium (SHPRC)** is to diversify sorghum hybrid parents for multiple uses and share these with partners to help them develop, test and market the commercial sorghum hybrids that are highly productive in different agro ecological zones. This is expected to facilitate large-scale cultivation of multi-purpose sorghum by poor farmers in developing countries.

3. Scope

Grants received through membership in the SHPRC will be used for ICRISAT's crop improvement research leading to the development of improved germplasm in sorghum with farmer- and market-preferred traits.

4. Membership

All organized and registered private and public sector commercial seed companies/corporations or agencies dealing with crop improvement, hybrid seed production and marketing are eligible to become members of the SHPRC.

5. Terms and Conditions

The detailed terms and conditions, provision of research grant, dissemination of information and material generated from this research will be guided by the following.

5.1 The research under this consortium will be consistent with ICRISAT's mission, mandate and agreed research agenda.

5.2 The SHPRC membership is for **five** (5) **years (2009-2013), effective 1 January 2009**. If an already established company doing sorghum work decides to join the consortium after 31 December 2009, it will be required to pay the membership fee from 1 January 2009 onwards. Similarly, any member withdrawing membership before 31 December 2013 will be required to pay the membership fee until 31 December 2013. In addition, any company that discontinues membership and then rejoins will be required to pay all membership fees retroactively. If a SHPRC Seed Company is taken over or merges with a non-member Seed Company, the latter will inherit the consortium obligations as well, and abide by all the agreements. A Seed Company starting sorghum research afresh may join the consortium and pay the fees from the date of joining the consortium.

- 5.3 The grant contribution to become a **Primary Member** is **Rs.650,000 and Promotional Member Rs.325,000 per annum** (subject to mid-term review and revision in 2011). The **Seed Company** agrees to pay the stipulated membership fee to ICRISAT before the end of June every year, but not later than August. The **Promotional Members** should graduate to **Primary Members** within two years of their enrolment.
- 5.4 ICRISAT will retain the exclusive right on the materials and publication of research information as international public goods.

- 5.5 The Seed Company will not use ICRISAT's name directly in marketing their product without prior written permission from ICRISAT.
- 5.6 ICRISAT will be free to supply these materials to any public sector organizations or other public/private sector seed companies.
- 5.7 Breeding materials at all stages of development are available to the SHPRC Primary Members as well as public sector research institutions. The Promotional Members are eligible for the established and commercial hybrid parents, three years after they are made available to the Primary Members.
- 5.8 ICRISAT provides, upon request, up to 100 advanced parent lines or progenies (seed up to 10 grams per line/progeny) per year to the SHPRC Primary Members as they become available.
- 5.9 ICRISAT provides, upon request, up to 50 advanced lines (seed up to 10 grams per line) per year to the SHPRC Promotional Members (subject to limitations in 5.7 above).
- 5.10 The annual membership fee and the use of the materials received should be specific to and restricted to only one country. The Seed Company wishing to join the consortium will declare the country in which the materials are to be used, which will become part of this MoA. The Seed Company cannot change the country declared within the period of 5 years (2009-13). Any subsidiary seed company, fully owned by the SHPRC member company, but located outside the country of the member company or a company operating in different countries should become an associate member to have the access to the materials from ICRISAT at a discount of 40% of the annual grant for each country. Other conditions remain the same as regular members.
- 5.11 The non-member seed companies would have the access only to the parental lines of commercial hybrids, and three years after they are supplied to the members. ICRISAT will charge the **non-members** at the rate of **Rs.50,000 per line (A/B pair or R-line) for seed production and handling.**
- 5.12 All members will receive a copy of the Annual Progress Report of the consortium, highlighting major research findings and materials developed in that year.
- 5.13 In the spirit of research partnership, the consortium members will be invited for participation in: (i) Scientists' Field Days, (ii) Meetings, and (iii) Seminars at ICRISAT along with NARS public sector R&D institutions.
- 5.14 A five-member ICRISAT-Private Sector Hybrid Parents Research Consortia Advisory Committee for Sorghum, Pearl Millet and Pigeonpea, with three members from the Consortia members, and two members from ICRISAT, will be constituted to monitor and guide the Consortia within the framework of this Memorandum of Agreement. This Advisory Committee will meet at least twice a year to resolve any issues, and revisit and review the arrangements after two years. Advisory Committee members are nominated/elected by the

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Consortia members during the consultation meeting held in alternate years. The Advisory Committee members will elect a Chair from among the members.

- 5.15 The ICRISAT Management Group is authorized to review the terms and conditions of this MoA and implement amendments/revisions from time to time, in consultation with the Advisory Committee.
- 5.16 The contract contains the entire agreement of the parties hereto with respect to the work and supersedes all prior agreements and understandings, oral or written with respect thereto.

6. Confidentiality

- 6.1 The Parties shall hold in confidence all confidential information disclosed by one Party to the other. They agree not to disclose the information to third Parties, and only to release and disclose such information to individuals within the Party's corporation that are directly involved with the project, on a need to know basis.
- 6.2 Notwithstanding the above, the Parties agree that either Party, subject to confidentiality agreements, may share information with potential cooperators in their territories.
- 6.3 Each Party disclosing confidential information to other Party shall do so in a document clearly marked as CONFIDENTIAL INFORMATION.
- 6.4 The term "Confidential Information" shall not include materials or information that
 - Are generally known to the public.
- Are already known to the receiving Party at the time of disclosure, as evidenced by verifiable written records.
 - Becomes known to the receiving party from a third party lawfully entitled to disclose the same and receiving party informs the disclosing party within 30 days of the receipt.
- Are independently known or developed by the receiving Party.
 - Are required to be disclosed by law.
 - 6.5 Unless otherwise agreed in writing, all confidential information remains the property of the disclosing Party.

7. Intellectual Property

ICRISAT and the **Seed Company** recognize the importance of Intellectual Property as a component part of the agricultural research agenda. ICRISAT reserves all "agricultural related" intellectual property rights, without limitation discovered or produced as a result of research under this SHPRC. ICRISAT will make available to its developing country partners results of its activities by the most appropriate mechanism, which may include seeking of statutory IP protection wherever appropriate.

The **Seed Company** shall not transfer the sorghum material and/or related information received from ICRISAT under this agreement to any third party.

The exchange of materials for research as under this MoA will be carried out under the Standard Material Transfer Agreement (SMTA) approved by the Governing Body of the ITPGRFA and the ICRISAT Material Transfer Agreement (MTA).

8. Liability

Each Party shall indemnify and hold harmless the other Party's employees, representatives, and executive officers, from and against any liability, damages, costs or expenses or any claim, action, suit or other proceeding arising out of the indemnifying Party's conduct under this MoA, except to the extent that:

- a) such liability, damages, claim, action, suit or other proceeding is caused willfully by the Party being indemnified, or
- b) such liability, damages, costs or expenses, claim, action, suit or other proceeding is caused by or results from negligence on the part of such Party.

9. Negation of Employment, Partnership and Agency

The Seed Company and ICRISAT shall represent themselves individually, and shall ensure that their employees do not represent themselves as being employees, partners or agents of the other Party.

Each Party shall not, by virtue of this Agreement, or for any other purpose, deemed to be an employee, partner or agent of the other Party.

10. Period of Agreement

The period of performance for this Agreement will begin effective date of signing of this MoA by the Parties and will remain in force for a period of five years (2009-2013).

11. Termination

Either party may terminate this Agreement at any time prior to the full term of the Agreement period provided that a written notice is given to the other Party ninety (90) days in advance and in compliance to Clause 5.2.

Nevertheless, Clause 6 "Confidential Information" and Clause 7 "Intellectual Property" shall survive and will be effective even after the cessation or termination of this MoA.

12. Points of Contact

12.1 ICRISAT and the **Seed Company** will each designate a principal point of contact for the implementation of the research program under this Agreement. These officials are identified below. All communications to either Party by the other will be sent by registered or certified mail, postage prepaid, addressed to such party at the following respective addresses.

ICRISAT:

International Crops Research Institute for the Semi-Arid Tropics Patancheru 502, 324, Andhra Pradesh, India

Attention:	Dr CLL Gowda
Phone/Fax:	91-40-30713354/91-40-30713074
Email:	c.gowda@cgiar.org

Seed Company:

Nu Genes Private Limited Plot No.18, 1st Floor, NCL Enclave, Near Balaji Hospitals, NH-7, Medchal Rd Attention: Dr K Raghupathi Reddy, Director-Research Tel/Fax: 09490493940 / 08418-232840 Email: nugeneshyd@gmail.com

12.2 Nothing contained in this MoA shall be construed as conferring any right to use in advertising, publicity or other promotional activities, any name, trade name, trade mark, or other designation of either Party to the other Party (including any contraction, abbreviation or simulation thereof) without prior written approval of such other Party.

12.3 The Parties agree that, without the prior review and written approval of other Party, neither Party shall issue a press release or otherwise make a public announcement concerning the subject matter of this MoA or make any statements on behalf of or concerning the other Party to press, media, brokers, banks and/or any other person. The Parties also agree that references and providing links by one Party to the other on web pages and similar documents in the public domain, and their modifications, shall require mutual and prior approval of the Parties.

ICRISAT reserves its right to make public through its website details of SHPRC such as names of partners, grant contributions, conditions of access to ICRISAT material and any other relevant details in accordance with its IPR policy.

13. Dispute Resolution

If there are disputes related to any particular term or condition or clause of this MoA or interpretation of it, settlement of the dispute will be sought first through mutual discussion between the two parties. The Parties will make every possible attempt to resolve in an amicable manner all disputes concerning the interpretation of this MoA and implementation thereof. Any controversy, claim, or dispute arising out of, or relating to this Agreement concerning question of fact or law or breach thereof, will be settled or determined by the Management of ICRISAT, which shall be binding and final.

IN WITNESS WHEREOF, the Parties duly authorized have signed this MoA in two sets of originals in English as of the date hereunder.

ICRISAT

- Qe. Co. Cen

William D Dar Director General Dated: <u>4 Feb 2010</u>

GENES PVT. LTD. Seed Cor Name: Dr K Raghupathi Reddy **Designation**: Director-Research

Dated: