MEMORANDUM OF UNDERSTANDING
BETWEEN
INDIAN HIGHWAYS MANAGEMENT COMPANY LTD.
AND
MAHARASHTRA STATE ROAD DEVELOPMENT CORPORATION (LIMITED) – MSRDC (LTD.)
FOR INCLUSION OF TOLL PLAZAS
UNDER NATIONAL ELECTRONIC TOLL COLLECTION (NETC) PROGRAMME
MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding ("MoU") is made and signed on this 7th day of MAY 2019 ("Effective Date") between

Indian Highways Management Company Limited, having its registered office at NHAI, G-5 & 6, Sector 10, Dwarka, New Delhi-110075, CIN: U74140DL2012PLC246662 (hereinafter called "IHMCCL", which expression shall include its successors, executors and permitted assigns) of the First Part;

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INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED
Article 5 General Agreement
Not Applicable
0 (Zero)
INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED
MAHARASHTRA STATE ROAD DEVELOPMENT CORP LTD
INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED
100 (One Hundred only)

New Delhi
M. C. L
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Statutory Note:
1. The authenticity of this stamp certificate should be verified from e-stamp.com. Any discrepancy in the details on the Certificate and as available on the website renders it invalid.
2. The onus of establishing the legitimacy is on the users of the certificate.
And

**Maharashtra State Road Development Corporation (Ltd.),** an Government of Maharashtra Undertaking, having its office at Opp. Bandra Reclamation Bus Depot, Near Lilavati Hospital, K.C. Marg, Bandra (West), Mumbai -400050 hereinafter called the, **Party of Second Part.**

**IHMCL and MSRDC (Ltd.)** shall individually be referred to as a "**Party**" and collectively as the "**Parties**".

**WHEREAS**

A. Indian Highways Management Company Limited (IHMCL) has been mandated to implement interoperable Electronic Toll Collection (ETC) system in the country by National Highways Authority of India (NHAI).

B. FASTag is registered trademark of IHMCL.

C. IHMCL has released Scheme Guidelines for Inclusion of State/City Toll Plazas under National Electronic Toll Collection (NETC) Programme (hereinafter called "Scheme Guidelines"), vide Policy Circular dated 10 January, 2019 with the following key objectives:
   - Implementation of unified & interoperable Electronic Toll Collection (ETC) system for National Highways as well as State Highways in India to facilitate seamless movement by offering ETC services across all tolled roads in India.
   - Interoperable ETC system to offer the convenience of electronically paying toll at any toll collection point through a single ETC account and a single On-Board Unit (FASTag)

D. MSRDC (Ltd.), a Government of Maharashtra Undertaking, having its office at Opp. Bandra Reclamation Bus Depot, Near Lilavati Hospital, K.C. Marg, Bandra (West), Mumbai -400050.

E. National Payments Corporation of India (NPCI) is an umbrella organization for all retail payment systems in India and has been incorporated for implementation & integration of electronic payment systems in the country and is owning, operating and managing various payment systems such as National Electronic Toll Collection (NETC), National Financial Switch (NFS), Immediate Mobile Payment Service (IMPS) RuPay Card Payment Service, CTS, BBPS, UPI, NACH and AEPS etc.
F. MSRDC (LTD.) in order to promote and implement the electronic toll collection on its expressways in the State of Maharashtra is desirous to avail the ETC services being offered under NETC Programme.

G. MSRDC (LTD.) has submitted a Proposal to IHMCL expressing interest to include its toll plazas under National Electronic Toll Collection (NETC) Programme.

H. The Parties hereto agree and confirm to execute a separate detailed agreement covering the broader terms and conditions related to this MoU.

NOW THIS MoU WITNESSES AS UNDER:

1. INTRODUCTION

National Electronic Toll collection (NETC) programme, the flagship initiative of National Highways Authority of India (NHAI) and Ministry of Road Transport & Highways (MoRT&H), has been implemented on pan India basis in order to remove bottlenecks and ensure seamless movement of traffic by allowing electronic payment of toll fees on National Highways through a RFID-based tag called FASTag, usable across all toll plazas on National Highways. The programme provides a unified and interoperable Electronic Toll Collection (ETC) solution for National Highways in India. Indian Highways Management Company Ltd. (IHMCL), a company promoted by NHAI, has been mandated to implement the NETC Programme across the country by NHAI. National Payments Corporation of India (NPCI) is functioning as the Central Clearing House (CCH) for the NETC programme.

Currently the National Electronic Toll Collection Program (NETC) is operational at more than 430 toll plazas along National Highways across the country. To further enhance programs' coverage and to offer seamless services to consumers across the country, IHMCL has released Scheme Guidelines for Inclusion of State/City Toll Plazas under National Electronic Toll Collection (NETC) Programme, vide Policy Circular dated 10 January, 2019. This shall offer participating state authorities/agencies shorter turnaround time by allowing them to be a part of the robust FASTag solution architecture which already supports 4 million tags.

2. SCOPE & INTENT

2.1. The Parties are therefore willing to enter into MoU for collaborating and work together for implementation of electronic toll collection through FASTag at the toll plazas under the jurisdiction of MSRDC (LTD.).
2.2. Pursuant to this MoU, a Contract Agreement shall be entered into between the Parties that will identify specific terms and conditions for inclusion of toll plazas of MSRDC (Ltd.) under National Electronic Toll Collection (NETC) programme.

2.3. The arrangement of NETC services between the Parties shall be continued till the validity period of this MoU/Contract Agreement, whichever is later, However the Financial Assistance of will be limited up to the period as specified in the Scheme Guidelines, as amended from time to time by IHMCL.

3. BROAD ROLES AND RESPONSIBILITIES

3.1. IHMCL

a) Share guidelines/documents of the NETC programme as below:
   - ETC Infrastructure requirement specifications at Toll Plazas
   - Procedural Guidelines for NETC programme, as amended from time to time.
   - Programme related technical documents such as Interface Control Document (ICD), Tag specifications guidelines etc. as amended from time to time
   - Empanelled list of System Integrators for ETC infrastructure implementation, discovered unit rates of ETC equipment, etc. for reference.

b) Specify the Design, Standard and Specifications of FASTag as per MoRT&H directives/guidelines

c) Empanelment of FASTag manufacturers/supplier

d) Release policy circulars pertaining to NETC Programme

e) Modification in the Scheme Guidelines, as per NETC programme requirements from time to time

f) Provide financial assistance to MSRDC (Ltd.) as per Scheme Guidelines

g) Arrangement for issuance of FASTag through various issuing entities and engaging NCPI for providing clearing and settlement service.

3.2. MSRDC (Ltd.):-

a) Ensure installation of ETC infrastructure along with overall operation and maintenance as per requirements under NETC programme. The ETC system deployed at the toll plazas should comply with the standard requirement specifications as issued by IHMCL and NHAI. Also, ensure upgradation of ETC system at toll plazas as specified by IHMCL/NHAI from time to time for enhancement of NETC programme.

b) Selection of Acquiring Entity(ies) for its Toll Plazas for acquiring electronic toll transactions
c) Determine the acquiring fee (%) for ETC transactions in consultation with IHMCL and bear the cost of acquiring fees for its toll plazas.

d) Arrange for requisite fund for installation of ETC infrastructure and payment of acquiring entity(ies) at Toll Plazas as per guidelines set in the Scheme Guidelines.

e) Intimate IHMCL, NPCI and Acquirer Entity(ies) on changes in Toll rules, tariffs etc. as and when applicable

f) Requisite support and action for dispute resolution and grievance redressal for all disputes pertaining to state toll plazas

g) Engage System Integrators/vendors for installation of ETC infrastructure at toll plazas.

h) Appoint Point of Contact (POC) person to coordinate with IHMCL/ NPCI and other stakeholders for day-to-day operations.

i) Create a separate cell for handling customer queries and issues related to FASTag Operation.

j) Own the responsibility of all the data and information relating to electronic toll transactions at its toll plazas

3.3. NPCI

a) Carry out the roles and responsibilities as defined in the NETC Procedural Guidelines as applicable and as amended from time to time in consultation with IHMCL.

b) Ensure Clearing & Settlement for all transactions at state toll plazas

c) Certification of member banks in consultation with IHMCL.

d) Maintain and make necessary improvement in the NETC switch and Mapper as per programme requirement

e) Prepare the MIS of electronic toll transactions at Toll Plazas and share reports to MSRDC (Ltd.) and IHMCL on a periodic basis as per requirement

f) Co-ordinate with concerned banks and facilitate dispute resolution for all disputes pertaining to state toll plazas

g) Ensure to support MSRDC (Ltd.), Issuer Bank and Acquirer Bank to process & Settle the disputes raised by Issuer Bank and Acquirer Bank on NETC transaction.

h) Provide all transactions data on post settlement on a daily basis and applicable tax liability report on monthly basis through system
4. COMMERCIALS

4.1. The commercial arrangement, financial assistance and other applicable terms shall be as per the Scheme Guidelines document, as amended from time to time by IHMCL.

4.2. The Financial Assistance to MSRDC (Ltd.) by IHMCL shall be released only after approval of the proposal of MSRDC (Ltd.) by Competent Authority of IHMCL.

5. CONFIDENTIALITY

5.1. As used in this MoU, “Confidential Information” shall mean and include any data and information disclosed by either Party (the “Disclosing Party”) to the other Party (the “Receiving Party”) pursuant to this MoU and designated as confidential either verbally or in writing. For avoidance of doubt, any pricing or other information or the terms, existence and information in this MoU are confidential. For the purpose of this clause, any information which is verbally conveyed as being confidential in nature, shall be reduced in writing within 7 working days of such oral disclosure by specifically indicating it as confidential.

5.2. The Receiving Party shall maintain and keep secret and not disclose the Confidential Information to any third Party without prior written consent of the Disclosing Party, and the Receiving Party shall use such Confidential Information solely for the purpose of performing its obligations under this MoU. The Receiving Party shall not exploit commercially any Confidential Information of the Disclosing Party other than pursuant to this MoU.

5.3. Confidential Information will not be deemed to include the information’s by a Party where it can demonstrate and document that such information is or subsequently has come into the public domain other than by breach of this MoU; or was lawfully known by the Party prior to disclosure to it by the other Party; or lawfully received from a third Party; or that can be documented as independently developed by a Party without use of any portion of the other Party’s Confidential Information or is required to be disclosed by a Party under a legal requirement.

5.4. The Parties agree that they may disclose the Confidential Information to another third Party, strictly on “need to know” basis provided that:

5.5. Such third-Party signs a similar confidentiality undertaking with IHMCL and MSRDC (Ltd.).

5.6. IHMCL and MSRDC (Ltd.) has acquired written consent from each other prior to any disclosure to a vendor or consultant.

5.7. Upon termination, the Receiving Party shall ensure to return and/or destroy all confidential information provided to the Receiving Party by the Disclosing Party.

5.8. The terms of this Clause shall survive for the period of 5 years upon termination of this MoU.

5.9. If either Party provides the other Party with any third-Party information or materials, it will ensure that these have the requisite rights, authorizations, or agreements in place to enable the other Party to access and use such information pursuant to this MoU. Either Party shall be
and remain entirely responsible for such third Parties and any information or materials provided by them.

6. PROCEDURES FOR AMENDMENT, CANCELLATION AND NON-EXCLUSIVITY

6.1. This Memorandum may be amended at any time during its term and shall not be amended except in writing.

6.2. This Memorandum embodies the entire understanding of the Parties as to its subject matter.

6.3. Either of the two Parties can, at any time during the validity period of the Memorandum, rescind/cancel the same after giving a month’s notice in writing.

6.4. This Memorandum does not grant any exclusive right to any of the two Parties in the areas of cooperation that they mutually agree to and shall not create any legal binding obligations upon either Party.

7. DISPUTE

In case of any dispute or difference between the Parties arising out of or in relation to this Memorandum, the Parties shall promptly and in good faith endeavour to reach an amicable resolution and settlement. In case the Parties are not able to resolve the dispute within 90 days of its being raised, the same shall be referred to arbitration as per the Permanent Machinery of Arbitration (PMA) issued vide DPE O.M. No.3/3/91- PMA dated 5th May, 1993 and its subsequent amendments / modifications. The venue of the Arbitration shall be at New Delhi.

8. GENERAL PROVISIONS

8.1. Branding: The right, title and interest in respective logo(s) of each Party would vest perpetually with the owner of the said logo. The consent for usage of logo shall be for the limited purpose of this MoU and the same, if issued, shall be non-exclusive in nature and no license rights, if any, would be deemed to have been granted by one Party to the other. The Parties will have the right to publish the findings from any independent research/ research arising out of this MoU with/without other Party's branding provided that the publishing of such findings is not in breach of any non-disclosure or confidentiality obligations contained in Clause 4 of this MoU.

8.2. Damages: This MoU reflects the intention and discharge of responsibilities of the Parties in connection with the arrangements contemplated hereby; however, this MoU will have no other consequences, against either Party in terms of damages or other claims arising out of or in connection with this MoU.
8.3. **Notices**: All notices, demands, and other communications hereunder shall be in writing, and shall be deemed given to the other Party when delivered by personal delivery, registered post with acknowledgement due, or courier services with proof of delivery. All notices under this MoU shall be given by the Parties at the addresses of the other Party aforementioned in this MoU and either Party may by notice in writing, change their address for this purpose.

9. **Term & Termination**

This Memorandum shall be effective as of the “Effective Date” above mentioned and will remain in force for a period of three (3) years from the date of its execution, unless terminated by any Party by providing 60 days’ notice in writing. The Memorandum can be extended for such periods or further periods by the mutual consent of the Parties. All such extensions shall be in writing.

IN WITNESS WHEREOF, the Parties hereto have executed this MOU as of the date first above mentioned.

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**For and on behalf of IHMCL**

Signed & Sealed by
Name: Shailesh Yadav
Designation: GM, IHMCL

**For and on behalf of MSRDC (Ltd.)**

Signed & Sealed by
Name: V.D. Sapkale
Designation: Executive Engineer (TMU), MSRDC (Ltd), Mumbai

**Witness 1**

Signed by
Name: [Handwritten]
Designation: VP - Operations

**Witness 2**

Signed by
Name: [Handwritten]
Designation: [Handwritten]