

# **MEMORANDUM OF UNDERSTANDING**

**BETWEEN**

**ARYAMAN FINANCIAL SERVICES LIMITED**  
**(LEAD MANAGER TO THE ISSUE)**

**AND**

**CLN ENERGY LIMITED**  
**(THE COMPANY)**



CHALLAN  
MTR Form Number-6



GRN	MH005613323202425P	BARCODE	[Barcode]		Date	23/07/2024-13:10:41		Form ID	
Department Inspector General Of Registration					Payer Details				
Non-Judicial Stamps					TAX ID / TAN (If Any)				
Type of Payment General Stamps SoS Mumbai only					PAN No.(If Applicable)				
Office Name GENERAL STAMP OFFICE MUMBAI					Full Name		CLN ENERGY LIMITED		
Location MUMBAI									
Year 2024-2025 One Time					Flat/Block No.				
Account Head Details				Amount In Rs.	Premises/Building				
0030056201 General Stamps				100.00	Road/Street				
					Area/Locality				
					Town/City/District				
					PIN				
					Remarks (If Any)				
					Amount In One Hundred Rupees Only				
Total				100.00	Words				
Payment Details SBIEPAY PAYMENT GATEWAY					FOR USE IN RECEIVING BANK				
Cheque-DD Details					Bank CIN	Ref. No.	10000502024072303379		7812860130829
Cheque/DD No.					Bank Date	RBI Date	23/07/2024-13:11:41		Not Verified with RBI
Name of Bank					Bank-Branch		SBIEPAY PAYMENT GATEWAY		
Name of Branch					Scroll No. , Date		Not Verified with Scroll		

Department ID :

NOTE:- This challan is valid for document to be registered in Sub Registrar office only. Not valid for unregistered document.

सदर चलन केवल दुसरे मित्रक कार्यालयत मोदणी करावयाच्या दस्तासाठी लागू आहे. मोदणी न करावयाच्या दस्तासाठी सदर चलन लागू नाही.

Mobile No. : 7710039077

**MEMORANDUM OF UNDERSTANDING BETWEEN THE LEAD MANAGERS TO THE ISSUE AND THE COMPANY**

**THIS MEMORANDUM OF UNDERSTANDING made on July 23, 2024**

**BETWEEN**

**ARYAMAN FINANCIAL SERVICES LIMITED (AFSL)**, a Company registered under the Companies Act, 1956, and having its Registered Office at 102, Ganga Chambers, 6A/1, W.E.A., Karol Bagh, New Delhi - 110005 and having its Corporate Office at 60, Khatau Building, Alkesh Dinesh Marg, Fort, Mumbai - 400 001 (hereinafter referred to as the **Lead Manager "LM"**) which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns, of the **FIRST PART**;

**AND**

**CLN ENERGY LIMITED**, a company incorporated under the Companies Act, 1956 and having its Registered Office At Plot-18, Sector-140 Phase-2, Nepz Post Office, Gautam Buddha Nagar, Dadri, Uttar Pradesh, India, 201305 (hereinafter referred to as the **"Company"** or **"CLN"**) which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns, of the **SECOND PART**;

**WHEREAS:**

- A. The Company proposes a Public Issue of upto 28,92,000 Equity Shares at an issue price of Rs. [●] aggregating to Rs. [●] lakhs ("the Issue")
- B. The Company has approached the Lead Managers to manage the Issue and the Lead Managers have accepted the engagement, inter-alia, subject to the Company and entering into a Memorandum of Understanding for the purpose being these present:-

**NOW, THEREFORE**, the Company and the Lead Managers do hereby agree as follows: -

1. The Issue would be Lead Managed by the Lead Managers jointly.
2. Any change by way of addition to and deletion from the Issue Management team may be effected in prior consultation with the Lead Managers.
3. The Company hereby declares that it has complied with all the statutory formalities under the Companies Act, 2013, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and other conditions, instructions and advices issued by Securities and Exchange Board of India (hereinafter referred to as "the Board") and other relevant statutes to enable it to make the Issue. The Company also undertakes to comply with the following requirements as and where applicable before opening of the Subscription List:
  - a. Approval of lenders regarding the Issue.
  - b. Necessary Clearances from Government / Statutory Bodies / Municipal Authorities regarding the Project.
4. The present Issue has been authorized pursuant to a resolution of our Board dated June 20, 2024 and by Special Resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an EGM of our shareholders held with shorter notice on June 22, 2024.
5. The Company undertake and declare that any information made available to the Lead Managers or any statement made in the Offer Documents shall be complete in all respects and shall be true and correct and that under no circumstances it shall give or withhold any information or statement which is likely to mislead the investors.
6. The Company also undertake to furnish complete audited report(s) (in case of a corporate body), other relevant documents, papers, information relating to pending litigations, etc., to enable the Lead Managers to corroborate the information and statements given in the Offer Documents.

The Company accept full responsibilities to update the information provided earlier and duly communicate to the Lead Managers in cases of all changes in materiality of the same subsequent to submission of the offer document to SEBI but prior to opening date of Issue.

**For Aryaman Financial Services Limited.**



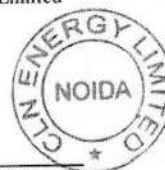
**Mr. Shripal Shah**  
(Executive Director)



**For CLN Energy Limited**



**Mr. Sunil Gandhi**  
(Whole Time Director)



The Company accept full responsibility for consequences if any, for making false misleading information or withholding, concealing material facts which have a bearing on the Issue.

7. The Company shall, if so required, extend such facilities as may be called for by the Lead Managers to enable them to visit the plant site, office of the Company or such other place(s) to ascertain for itself the true state of affairs of the Company including the progress made in respect of the project implementation, status and other facts relevant to the Issue.
8. The Company shall extend all necessary facilities to the Lead Managers to interact on any matter relevant to the Issue with the solicitors/legal advisors, auditors, co-managers, consultants, advisors to the Issue, the financial institutions, banks or any other organisation, and also with any other intermediaries who may be associated with the Issue in any capacity whatsoever.
9. The Company shall ensure that all advertisements prepared and released by the Advertising Agency or otherwise in connection with the Issue conform to Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and the instructions given by the Lead Managers from time to time and that they shall not make any misleading or incorrect statements in any public communication or publicity material including corporate, product and Issue advertisements of the Company, interviews by its promoters, directors, duly authorised employees, representatives of the issuer, documentaries about the Company or its promoters, periodical reports and press releases issued by the Company or research report made by the Company, any intermediary concerned with the Issue or their associates or at any press, brokers' or investors' conferences.
10. The Company shall not, without prior approval of the Lead Managers, appoint other intermediaries (except Self Certified Syndicate Banks) or other persons associated with the Issue such as Advertising Agencies, Printers, etc. for printing the application forms, allotment advices, allotment letters, share certificates / debenture certificates, refund orders/ unblocking of funds or other instruments, circulars or advices.
11. The Company shall, whenever required and wherever applicable, in consultation with the Lead Managers, enter into an agreement with the concerned intermediary associated with the Issue, clearly setting forth their mutual rights, responsibilities and obligations. A certified true copy of such agreements shall be furnished to the Lead Managers.
12. The Company shall take such steps as are necessary to ensure the completion of allotment and despatch of letters of allotment and refund orders/ unblocking of funds to the applicants including Non Residents Indians soon after the basis of allotment is approved by the Designated Stock Exchanges but not later than the specified time limit and in the event of failure to do so, pay interest to the applicants as provided under the Companies Act, 1956 and 2013 as disclosed in the Offer Document.
13. The Company shall take steps to pay the underwriting commission and brokerage to the underwriters and stock brokers, etc., within the time specified in any agreement with such underwriters, stock brokers, etc. or within a reasonable time.
14. The Company undertakes to furnish such information and details regarding the issue as may be required by the Lead Managers to enable them to file a report with the Board or place it on their websites.
15. The Company shall keep the Lead Managers informed if it encounters any problem due to dislocation of communication system or any other material adverse circumstance which is likely to prevent or which has prevented the Company from complying with its obligations, whether statutory or contractual, in respect of the matters pertaining to allotment, dispatch of Refund Orders/ Unblocking of Funds, Share Certificates, Debenture Certificates, Demat Credit, etc.
16. The Company shall not resort to any legal proceedings in respect of any matter having a bearing on the Issue except in consultation with and after receipt of advice from the Lead Managers.
17. The Company shall, in consultation with the Lead Managers, file the Issue Document(s) with Registrar of Companies / Stock Exchanges and declare, determine the Record Date / the Issue Opening Date.
18. The Lead Managers shall have the right:
  - ⇒ To call for complete details from the promoters of all firms in which the Company and their promoters / directors are connected in any way.
  - ⇒ To call for any reports, documents, papers, information etc., necessary from the Company to enable it to certify that the statements made in the Issue are true and correct.
  - ⇒ To withhold submission of the Draft Offer Document / Offer Document to SEBI in case any of the particulars, information, etc., called for is not made available by the company.
19. The responsibility of the Lead Managers would be limited to the activities as agreed upon in Inter-se-allocation of responsibilities.

For Aryaman Financial Services Limited.


Mr. Shripal Shah  
(Executive Director)

For CLN Energy Limited


Mr. Sunil Gandhi  
(Whole Time Director)

20. The services rendered by the Lead Managers are on best efforts basis and in an advisory capacity. The Lead Managers shall not be held responsible for any acts or omissions by the Company.
21. Any action in connection with the Issue, on behalf of or by the Company shall be subject to prior consultation of the Lead Managers.
22. The Company hereby indemnify and keep indemnified the Lead Managers, at all times from any claim or demand arising out of or in connection with or in relation to the Issue and holds the Lead Managers harmless, against all actions, losses, damages, claims, penalties, expenses, suits or proceedings of whatsoever nature made, suffered or incurred consequent thereupon.
23. The Company shall, in mutual consultation, agree and abide by the advice of the Lead Managers to suitably defer / postpone the issue in the event of any happenings which in the opinion of the Lead Managers would tend to paralyse or otherwise have an adverse impact on the political or social life or economic activity of the society or any section of it, and which is likely to affect the marketing of the Issue.
24. The Lead Managers shall have the right to withdraw from the Issue if it is felt that it is against the interest of the investors. i.e. if the Lead Managers find non-compliances of SEBI (ICDR) Regulations, 2018 and any other major violations of the Laws of the Land by the Company and Company related entities.
25. The Company shall not access the monies raised in the Issue till finalisation of basis of allotment or completion of Issue formalities.
26. The Company shall refund/ unblock the monies raised in the Issue to the applicants if required to do so for any reason such as failing to get listing permission or under any direction or order of the Board. The Company shall pay requisite interest amount if so required under the laws or direction or order of the Board.
27. Time Frame: The assignment is expected to be completed in the shortest/quickest possible time. However, it is to be distinctly understood that the pace of the progress of the transaction would depend on the time taken for statutory clearances and the flow of information from the Company / Promoters and top management.
28. For Services rendered, the Company shall pay to Aryaman Financial Services Limited, fees of Rs. 45 lakhs (excluding applicable taxes).

The above fees includes the fees payable to Legal Advisor

All other expenses such as Escrow Bankers Charges, Printing and Postage, Marketing, PR, Publicity, BSE/NSE/SEBI Fees, Depository fees, Issue Brokerage, NIB/ASBA/ Underwriting, Market Making Fees and other Misc. Expenses would be borne directly by the company on actual basis.

#### Mode of Payment

The schedules of disbursement of these expenses are mentioned below:





- a) Rs.10.00 lakhs as first instalment; upon execution of this engagement letter.
- b) Rs.10.00 lakhs at the time of the filing of the Draft Offer Document with NSE/ BSE / SEBI and submission of Due Diligence Certificate.
- c) Rs.10.00 lakhs at the time of receiving Stock Exchange approval for using their name in the Offer Document for listing of the shares on the SME platform.
- d) Remaining amounts are to be paid on successful opening of the issue.

In addition to the above 1% of Issue Size has to be paid to the Stock Exchange directly by your company before IPO as security deposit which is refundable after 5 months of the listing.

**GST & any other applicable taxes shall be payable extra in addition to above fees as applicable at the time of payment.**

Underwriting Fees shall be as per agreement to be entered mutually at a later stage.

The fees shall become due and payable as soon as the above event is completed. At no stage would any of the fees be refunded or become refundable, even if the assignment is not completed for any reason whatsoever. Payments (be it fees or any other amount whatsoever) after 15 days from the date of bill / due date shall attract interest @ 15% p.a. till the date of settlement.

<p><b>For Aryaman Financial Services Limited.</b></p>   <p><b>Mr. Shripal Shah</b> (Executive Director)</p>	<p><b>For CLN Energy Limited</b></p>   <p><b>Mr. Sunil Gandhi</b> (Whole Time Director)</p>
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29. In the event of breach of any of the conditions mentioned above, the LM shall have the absolute right to take such action as it may in its opinion determine including but not limited to withdrawing from the Issue Management. In such an event the Company will be required to reimburse all costs and expenses incurred as determined mutually and also such fee for services rendered till such date of withdrawal, as may be determined mutually by the Company and LM.
30. If any dispute or difference shall arise between the parties to this agreement as to the interpretation of this agreement or any covenants or conditions thereof or as to the rights, Duties or liabilities of any parties hereunder or as to any act, matter or thing arising out of or under this agreement (even though the agreement may have been terminated) and the same shall be referred to a mutually agreed arbitrator who shall proceed as per Arbitration and Conciliation Act, 1996. The seat, or legal place, of arbitration shall be Mumbai, Maharashtra and the language to be used in the arbitral proceedings shall be English / Hindi.
31. Confidentiality: All information provided by the Company would be kept confidential and would be used for the purpose of due diligence and with a view to decide on whether the same has to be disclosed in the Offer Document to confirm to SEBI Regulations.

Information provided shall be used exclusively for the purpose of the transaction only.

#### Termination Clause




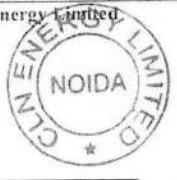
The agreement shall be valid for a period of one year from the date of signing of MOU and may be extended for a further period by mutual MOU between the parties.

Notwithstanding the above, the MoU shall terminate on the occurrence of any of the following:



- I. Mutual Consent between our Company & AFSL &; or
- II. By either our Company or AFSL upon giving 60 days written notice thereof to the other party; or
- III. By Completion of the Transaction
- IV. If our Company decided not to proceed with the Transaction, on receipt of such information by AFSL.




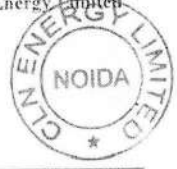
In case of expiry of MoU or in case Our Company terminates this MoU, the amount incurred by AFSL upto the date of termination of MoU will only be considered valid. Notwithstanding the above after receipt of Stock Exchange approval, if our Company does not proceed with the IPO, 50% of the remaining fees shall still be payable to AFSL.

IN WITNESS WHEREOF the parties hereto have set their hands on the day and the year hereinabove written.

<p>For Aryaman Financial Services Limited.</p>   <p>Mr. Shripal Shah (Executive Director)</p>	<p>For CLN Energy Limited.</p>   <p>Mr. Sunil Gandhi (Whole Time Director)</p>
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#### WITNESS:

1. 
2. 

<p>For Aryaman Financial Services Limited.</p>   <p>Mr. Shripal Shah (Executive Director)</p>	<p>For CLN Energy Limited.</p>   <p>Mr. Sunil Gandhi (Whole Time Director)</p>
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