

New Delhi, Dated 18th June, 2014

Notification No 13/2014

Sub: Model MoU document for projects sanctioned under Aajeevika Skills/ Roshni to consortium of PIAs -reg

The undersigned is directed to state that in all projects sanctioned under Aajeevika Skills/ Roshni to consortium of Project Implementing Agencies (PIAs), the model Memorandum of Understanding (MoU) document attached to this notification shall be applicable. All consortium of PIAs who have been sanctioned projects under Aajeevika Skills/ Roshni are requested to immediately contact the designated Central Technical Support Agency and the State Government Nodal Agency for Skills with a fair copy of the MoU. It is also requested that this process may be undertaken at the earliest in order to complete the process of execution of MoU for commencement of project implementation.

2. A copy of the Model MoU is available on Aajeevika Skills website (<http://aajeevikaskills.gov.in>).
3. This has the approval of the competent authority.

Encl: as above



(S.B. Tiwari)

Under Secretary to the Government of India
Tel:011-24603617

To,

1. All Project Implementing Agencies registered under Aajeevika Skills
2. All Nodal Agencies in State Government in-charge of implementing Aajeevika Skills

Copy to:

1. PPS to AS (RD)
2. PPS to AS (RL)
3. PPS to AS & FA
4. All Officials in Aajeevika Skills Division.
2. Guard File.
3. Shri Abu O.S (to upload the notification on Aajeevika Skills website).

Model MOU
[TO BE USED IN CASE OF CONSORTIUM OF PIAs]

Among

Aajeevika State Skill Mission

And

Central Technical Support Agency, Aajeevika Skills

And

Consortium of Project Implementation Agencies, Aajeevika Skills

Note: This is a model MoU to be executed between the above mentioned parties after project sanction by the Project Sanctioning Authority, i.e Ministry of Rural Development in case of Year Programme States for Aajeevika Skills projects.

Model Memorandum of Understanding

(For Aajeevika Skills /Roshni projects sanctioned by the Ministry of Rural Development as per Aajeevika Skills Guidelines as amended from time to time. This MoU does not apply to projects under Himayat initiatives)

1. This Memorandum of Understanding is entered into on this <insert day> <month, year> (hereinafter called MoU).

Among

_____ <Name of State Rural Livelihood Mission or designated State Nodal Agency for skill development>, hereinafter called the “Aajeevika State Skills Mission” (which expression shall and include, unless it is repugnant to the context, its administrators, successors and assignees) under the administrative control of _____ <Name of the Department in State Government>; and represented by its authorized signatory Shri/Smt/Ms. _____ working as _____ (Designation) aged _____ years in the _____ <Name of State Rural Livelihood Mission or designated State Nodal Agency for skill development>,

And

_____ <Name of Central Technical Support Agency>, an agency appointed by Aajeevika Skills Division in the Ministry of Rural Development, hereinafter called “the Central TSA” (which expression shall mean and include, unless it is repugnant to the context, its administrators, successors and assignees) and represented by its authorized signatory Shri/Smt/Ms. _____ working as _____ <Director General/Project Director/Registrar/Chief Executive Officer/General Manager/ Deputy General Manager ¹>, in the _____ <Name of Central Technical Support Agency>, aged _____ years.

And

Consortium of Project Implementing Agencies as detailed in the Consortium Agreement (copy enclosed) <attach copy of consortium deed> comprising of :

¹ Strike out portions that are not applicable

(a) _____ <Name of PIA sanctioned project in the consortium>, bearing Permanent Registration Number _____ <to give the Permanent Registration Number allotted by MoRD>, a _____ <legal nature of organization> having its Head Office at _____ <complete address of PIA to be given>, hereinafter referred to as "the PIA" (which term and expression shall mean and include, unless it is repugnant to the context, its successors, administrators and assignees) and represented by its authorized signatory Shri/ Smt/Ms _____ years working as _____ <designation>, aged _____ years.

(b) _____ <Name of Lead Partner in the Consortium ²>, bearing Permanent Registration Number _____ <to give the Permanent Registration Number allotted by the MoRD>, a _____ <legal nature of organization> having its Head Office at _____ <complete address of PIA to be given>, hereinafter referred to as "the Lead Partner" (which term and expression shall mean and include, unless it is repugnant to the context, its successors, administrators and assignees) and represented by its authorized signatory Shri/ Smt/Ms _____ years working as _____ <designation>, aged _____ years.

(c) _____ <Name of Partner in the Consortium ³>, bearing Permanent Registration Number _____ <to give the Permanent Registration Number allotted by the MoRD>, a _____ <legal nature of organization> having its Head Office at _____ <complete address of PIA to be given>, hereinafter referred to as "the Partner in Consortium" (which term and expression shall mean and include, unless it is repugnant to the context, its successors, administrators and assignees) and represented by its authorized signatory Shri/ Smt/Ms _____ years working as _____ <designation>, aged _____ years.

2. All the parties mentioned above shall be jointly referred to as "Parties" under this MoU.

3. Purpose of MoU

² Where applicant PIA and Lead Partner are same, the details of applicant PIA to be furnished here

³ Where there are more than two partners in consortium apart from the applicant PIA and the Lead Partner, details of all the other partners to be furnished separately by adding sub-clauses.

3.1. This MoU establishes a multi-party framework for execution of projects under the Aajeevika Skills Guidelines, September 2013 (as may be amended from time to time), of the Ministry of Rural Development, Government of India. It sets out the role and responsibilities of each of the parties for achievement of common objectives of Aajeevika Skills.

3.2. All parties hereby affirm that they shall work towards the implementation of the project MoU in letter and spirit, and with highest professional ethics.

4. Responsibilities of the Parties to the MoU.

(I) Aajeevika State Skills Mission (ASSM)

4.1. The ASSM has a primary role in stewardship and monitoring of the projects under Aajeevika Skills in the State. The ASSM shall ensure, *inter-alia*, the following:

- (i) It will discharge its responsibilities through facilitation, timely support and timely review of the progress of the project.
- (ii) Release matching share of State assistance totalling 25% of the total project cost (other than North-East States)/ 10% of the total project cost (in case of North-East States only), which may include a contribution of upto 10% of total project cost in kind in the form of infrastructure facilities for the project⁴ to the TSA on sanction of the project. However, the release of State share will be in consonance with the due and payable instalments, as detailed under Clause 5.9 of Aajeevika Skills Guidelines, September, 2013 (as amended from time to time). The cash component of the State's share shall be paid to the PIA through the TSA.
- (iii) Regular Monitoring of performance and outputs including assessment of quality, desk appraisal, field visits, and other inspections as specified in the Guidelines and related procedures.

⁴ *Strikeout portions that are not applicable*

- (iv) Regular review of quality of performance through field visits, quality assurance checks and inspections.
- (v) Facilitate information exchange, dissemination, analysis of trends and feedback into management and monitoring of the Aajeevika Skills project.
- (vi) The stewardship role shall be exercised in accordance with the Guidelines and procedures for Aajeevika Skills projects (by the Ministry of Rural Development, Government of India from time-to-time).

(II) Technical Support Agency (TSA)

4.2. The TSA, under MoU will ensure the following:

- (i) Undertake capacity building of the ASSM and PIAs, through orientation, training & technical workshops, as maybe required from time to time.
- (ii) Provide inputs to State Skills Mission on the quality and relevance of the projects of the PIA.
- (iii) Undertake regular and concurrent monitoring of the project being undertaken by the PIA, through field visits and MIS review, to continuously assess the performance of the PIA for inputs to all stakeholders and for timely course correction as per extant prescribed quality and standard operating procedures.
- (iv) Ensure timely fund release for the project to the PIA as per prescribed service standards and operational norms.
- (v) Participate in all discussions and meetings with SRLMs and the PIA as well as other stakeholders as maybe required for implementation of the project.
- (vi) Undertake all other activities as required in the role of a TSA for achieving the objectives of the Aajeevika Skills Guidelines, as notified by

the Ministry of Rural Development, Government of India from time-to-time.

(III) Consortium of Project Implementing Agencies

4.3. The Consortium of Project Implementing Agencies, consisting of the PIA and the Lead Partner, under this MoU individually and jointly agree to the following:

- (i) The PIA and the Lead Partner will be fully and directly responsible for achieving the physical targets (as given in the Work Schedule attached with the MoU) and corresponding financial targets of the project in full compliance with the Aajeevika Skills Guidelines and the project sanction order.
- (ii) The PIA and the Lead Partner shall comply with all terms and conditions (generally given as annexure to the sanction order), in addition to the norms specified under Aajeevika Skills Guidelines, 2013 (and any additional requirements arising out of revisions in Guidelines thereto as may be mutually agreed upon).
- (iii) The PIA and the Lead Partner shall proactively endeavour to enhance the quality norms across the project value chain.
- (iv) The Lead Partner shall be liable and committed to:
 - a) Develop capabilities of other members in the consortium in skilling and placement.
 - b) Ensure a clear explicit periodical oversight mechanism (preferably on monthly basis) for implementation of the sanctioned project in accordance with the terms and conditions (generally given as annexure to the sanction order), in addition to the norms specified under Aajeevika Skills Guidelines, 2013 (as amended from time-to-time).
 - c) Undertake full responsibility on behalf of other consortium members for implementation of the project in accordance with the terms and conditions (generally given as annexure to the sanction order), in addition to the norms specified under Aajeevika Skills Guidelines, 2013 (as amended from time-to-time).

- d) Continue to be the Lead Partner for the sanctioned project till its successful completion.
- e) Undertake to pay all of the money / financial dues payable by the PIA wherever proceedings for recovery of money/ financial dues to the Government (either Central or State Government) on account of inability of the PIA to perform or achieve the physical or the financial targets assigned under this MoU (excepting Force Majeure conditions), has been initiated, including any other penal action as applicable under extant laws of the country.
- (v) The PIA and the Lead Partner shall not modify the consortium deed (copy enclosed) or enter into an arrangement between the members which alters, materially or in spirit, any of the defined arrangement between the members in the consortium deed, unless such modifications have been specifically agreed to in writing by ASSM and the TSA, with the prior approval in writing from the Ministry of Rural Development.
- (vi) All duly approved modifications in the consortium that affects legal nature of the consortium and/or the objectives committed under this MoU, shall be communicated to other consortium partners by the PIA within 7 days of such approval for modification (s).

5. Financing of the project

5.1. The PIA, undertaking the Aajeevika Skills project as a consortium, is sanctioned financial assistance for the project *<Title of the project as below>*

- (i) Sanction reference no: sanction letter no *<_____ >* dated *<___>* for skilling of _____ *<give total number of candidates for skilling>* in District(s)_____ *<give names of district>* in _____ *(give names of trade>.*
- (ii) Total project cost Rs.*<___>* project tenure *<insert number of years>*⁵.
- (iii) The State share of funding (25% in case of States /Union Territories and 10% in case of North-East States) for the project⁶:
 - a. shall be Rs. *<insert amount>*, amounting to _____ % *<insert ratio>* of the total project cost as cash component, and

⁵ Refer to the complete copy of Sanction order along with its Annexure including Terms & Conditions

⁶ Strikeout portions that are not applicable.

- b. *of the total State Government support ____ % of the project cost <give percentage of the total cost> shall be in the form of infrastructure support <give details> (*strike out if not applicable).

5.2. The PIA or the Lead Partner shall not be entitled to any additional funding for any extension in the tenure of the project, unless specifically approved by the Project Sanctioning Authority. In general all projects shall be required to be completed within the approved project tenure, failing which the project may be closed by the Project Sanctioning Authority on a recommendation from the TSA. Such closure shall result in limiting the funding of the project to the extent of physical achievement attained till the sanctioned tenure of the project.

5.3. The TSA in consultation with the ASSM or on advice from the ASSM, may suspend all the payments to the PIA if the PIA fails to perform any of its obligations under this MoU. However, the TSA shall take this action only after giving due notice to the PIA specifying the nature of non-performance of the PIA, and providing due opportunity to the PIA to remedy such failure within a reasonable period as maybe specified in the notice. No separate communication shall be given to the Lead Partner. The responsibility of informing the Lead Partner shall be that of PIA.

6. Communication

6.1 All notices and communication under this MoU shall be addressed to the following representatives of the parties as detailed below-

- (i) <Insert name, designation, email address of ASSM>
- (ii) <Email address notified by the TSA>
- (iii) <Email address of authorised person of PIA as registered on Aajeevika Skills website for obtaining PRN⁷>

⁷ The PIA shall be responsible for updating details of authorised person on Aajeevika Skills website. No separate communication shall be given to Lead Partner of the Consortium or to any other partners of the consortium. It shall be the responsibility of the PIA to ensure that all partners in the consortium are duly informed

6.2. Formal communications shall include communication by email as well. No separate communication shall be given to the Lead Partner or other partners. The responsibility of informing the Lead Partner and other partners shall be that of PIA.

6.3. Any deviation from this MoU or Aajeevika Skills Guidelines, 2013 (as amended from time to time) and related order and procedures shall be permitted only with written approval of Ministry of Rural Development, Government of India.

6.4 All communications to the PIA under the MoU from the ASSM shall be routed through the TSA, with a copy to the MoRD.

7. Confidentiality

7.1. All parties acknowledge the confidentiality of information that maybe exchanged among the parties from time to time, under this MoU. All parties agree not to disclose the same to any outside party, unless such information is:

- (i) Part of the public domain at the time of disclosure or.
- (ii) Require to be disclosed in accordance with the applicable laws of the country.

8. Arbitration and Applicable Laws-

8.1. The parties hereby agree that any dispute arising in connection with this MoU shall first be addressed mutually by the Parties. If the said Parties are unable to resolve the dispute mutually, shall be referred to the Empowered Committee for NRLM in the Ministry of Rural Development, Government of India, whose decision shall be final and binding on all parties.

8.2 In case an aggrieved party seeks judicial remedy, and where the Ministry of Rural Development is the First Deponent, the petition shall be filed in jurisdiction of Delhi High Court. In case the First Deponent is the ASSM, the petition shall be filed in the High Court of the concerned State.

9. Force Majeure-

9.1. No failure or omission by any of the parties to perform any of the terms and conditions under this MoU shall give rise to any claim against such party or be deemed breach of this MoU if such failure or omission arises from an act of God, war or military operations, national or local emergency, natural disasters (fire, lightening, flood or such similar disasters), or any other reason which lies outside the control of the Parties.

10. Validity of the MoU

10.1. This MoU shall come into force on _____ <give date of commencement of the MoU> and shall be valid for the entire lifecycle of the project.

11. Debarment of the PIA and other partners in consortium

11.1. Where the PIA has been given a notice by the ASSM (through the TSA) or by a Central TSA to remedy the failure in performance, the Project Sanctioning Authority may debar the PIA, the Lead Partner and/or other partners from applying for a fresh project in future if the PIA or the Lead Partner and/or other partners does not remedy the failure in performance under this MoU within the period specified in the said notice.

11.2. However, the Project Sanctioning Authority shall take action for debarment only after the TSA has given a due notice to the PIA specifying the nature of non-performance of the PIA and after giving the PIA an opportunity to remedy such failure within a reasonable period as maybe specified in the notice, and after giving the PIA an opportunity to be heard. All communication of the ASSM to the PIA in the matter shall be sent through the TSA concerned. The responsibility of informing the Lead Partner and/or other partners and bringing the Lead Partner and/or other partners to the hearing shall be that of PIA. No separate communication shall be given to the Lead Partner and/or other partners to appear for hearing.

12. Termination

12.1. Where a PIA seeks termination of the MoU, it shall give a 30 days written notice to the TSA with a copy to the ASSM, and only when the Project Sanctioning Authority has accepted the termination request, the MoU may be terminated.

12.2. The TSA may terminate the MoU with the prior approval of the Project Sanctioning Authority, by giving 30 days notice to the PIA under intimation to the ASSM in case :

- (i) the PIA or the Lead Partner becomes insolvent or bankrupt or is convicted under any criminal or civil charges under the applicable laws in the country.

- (ii) the PIA or the Lead Partner does not remedy a failure in performance as pointed out by the ASSM or the TSA within a specified period of notice issued by the ASSM or the TSA.

- (iii) is found to be involved in misrepresentation/ falsification of records / data / details concerning the project, or found to be involved in fraud or malpractice in the project.

12.3. However, the TSA shall take action for termination of MoU only after giving a due notice to the PIA specifying the reasons for termination with an opportunity to reply within a reasonable period as maybe specified in the notice, and after giving the PIA an opportunity to be heard. The PIA shall be accompanied by the Lead Partner and/or other partners in such hearing. No separate communication shall be given to Lead Partner and/or other partners of the consortium to appear for hearing.

12.4 In the event of termination, the PIA will be liable to refund to the ASSM/TSA such portion of the funds received which has not been utilised for the purpose for which it was sanctioned alongwith penal interest at Central Government notified rates.

12.5 In the event of termination of the project the PIA shall fully and collaboratively cooperate with ASSM and TSA to ensure smooth exit in respect of the project including submission of all requisite documents and information (digital or hard copies).

13. Recovery of dues under the MoU

13.1 In case of any failure by the PIA to refund money in cases where a recovery of dues has been ordered by the TSA, the same shall attract action through the State Government under Public Money Recovery Act of the State Government/UT concerned or Revenue Recovery Act, 1890 or any other legal provision of the State Government/UT concerned. This does not preclude the ASSM, State Government or Technical Support Agency to take any other penal action as applicable under extant laws of the country.

14. Effect of invalidity of any clause of MoU on validity of MoU.

14.1. The invalidity of any provision of this MoU shall not invalidate other provisions or the MoU. Any such gap should be duly modified through amendment to the MoU in writing, with mutual consultation among all the parties.

15. Modification of the MoU

15.1. Any provision of this MoU may be amended or modified at any time by Parties only with the written approval of the Project Sanctioning Authority obtained by TSA and communicated duly to ASSM and PIA.

15.2 All amendment/modification in the MoU shall have to be in writing, duly signed with seal by all parties concerned, as an Addendum to the MoU.

The Parties indicate their consent to this MoU by the signatures of their authorised representatives.

Signature (ASSM)

In the presence of the following witnesses:

1

2

Signature (Technical Support Agency)

In the presence of the following witnesses:

- 1
- 2

Signature (PIA⁸).

In the presence of

- 1.
- 2.

Signature (Lead Partner⁹)

In the presence of

- 1.
- 2.

Signature (consortium Partner (s)¹⁰)

In the presence of

- 1.
- 2.

(where there are more than one partners in consortium, apart from the applicant PIA and the Lead Partner, all the other partners also to sign with seal).

Enclosed:

1. Copy of Sanction order issued by Project Sanctioning Authority

⁸ The authorized signatory shall be duly authorized by the competent authority in PIA for signing the MoU through Board resolution/Power of Attorney.

⁹ The authorized signatory shall be duly authorized by the competent authority of Lead Partner of Consortium for signing the MoU through Board resolution/Power of Attorney.

¹⁰ The authorized signatory shall be duly authorized by the competent authority of Consortium member for signing the MoU through Board resolution/Power of Attorney.

2. Copy of Standard Terms & Conditions
3. Copy of Special Terms & Conditions (if any)
4. Work Schedule for the Project (Annual District-wise, center-wise, trade-wise targets)
5. Copy of the Consortium deed agreement duly signed and executed by all members on Rs.100 stamp paper.