

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING (“MoU”) is made on the _____ day of the month of _____, 2018 between the Directorate of Urban Development (UDD) Shimla, Government of Himachal Pradesh, India, through its Director cum State Mission Director DAY-NULM, (hereinafter called the first party) which expression shall includes his assignees executor and successors on the one hand.

AND

M/s _____ registered under _____, having registered office at _____, is authorized Training Partner of concerned SSCs (Sector Skill Council)/ RDAT Regional Directorates of Apprenticeship Training)/ NCVT (National Council on Vocational Training) having corporate office

(Hereinafter called the “Second party”) which expression shall include in assignees, executors and succession, acting through its authorized representative Mr./ Miss/ Mrs.

Both the parties mentioned above shall be jointly referred to as “Parties” under this MoU.

1. Background

1.1. The first party is designated as the State Urban Livelihoods Mission (SULM) by the Ministry of Housing and Urban Poverty Alleviation, Government of India under the Deendayal Antyodaya Yojna - National Urban Livelihood Mission and has entrusted to

impart placement linked skill training to the unemployed/ underemployed urban poor in the selected cities of the state among other mission activities. The mission through its established procedures has empanelled eligible organizations as Skill Training Providers (STPs) and the second party is one among the empanelled agencies.

- 1.2. The first party willing to empanelled Skill Training Provider for procuring service for imparting placement linked skill training under the mission. Among others, the second party also has submitted a proposal to the mission. The mission found the offer in proposal submitted by the second party as fitting to its requirements and goals of the project and accepted their proposal, on belief that the second party will deliver the service in specified input quality and outcome as promised in the proposal

2. Purpose of this MoU.

- 2.1. This MoU is signed/agreed between the parties for the purpose of establishing a frame work for procuring the service from the skill training providers for identifying, mobilizing, imparting skill training and arranging placement for the underemployed/ unemployed urban poor as per the guidelines issued by Ministry of Housing and Urban Poverty Alleviation (MoHUPA) and amended from time to time and also as per the instructions issued by State Urban Livelihoods Mission time to time.
- 2.2. The Ministry of Housing and Urban Poverty Alleviation (MoHUPA) has issued guidelines and office memorandums and will amend, modify and add further features to these guidelines/ office memorandums/ Circular from time to time for the effective implementation of the component which shall be binding upon the parties of this MoU. However, the MoHUPA has given freedom to the States for setting up appropriate operational procedures for conducting the placement linked skill training. Therefore, if any practice or procedure or norms is specifically mentioned in the Training Operational procedure and Instruction(s) to the STPs issued by SULM along with the request for proposal to the second party, then it will be applicable even though the guideline(s) of the MoHUPA directs otherwise.
- 2.3. Both parties hereby affirm that they shall work towards the delivery of better outcome of the project with highest degree of professional integrity.

3. Responsibilities of the first party.

- 3.1. DAY-NULM in the capacity of the State Urban Livelihoods Mission (SULM) has primary role in managing and monitoring the projects under DAY-NULM in the State. The DAY-NULM shall ensure inter-alia, the following:
 - 3.1.1. Inspect the training centre without delay on receiving the intimation from the STP regarding the readiness assessment and issue training commencement order if the centre found befitting as per DAY-NULM norms.
 - 3.1.2. Timely release of payment to the STP as per schedule.
 - 3.1.3. Regular Monitoring of Performance in terms of quality of inputs and outcomes in comparison with the project goal and offer by the STP in the agreed proposal.
 - 3.1.4. Conduct regular visits, quality assurance checks and inspections at the training centers.

- 3.1.5. Timely feedback on the shortfalls in the quality of inputs of the training to the STP and direct correctional measures and issue notices in case of non compliance.
- 3.1.6. Ensure that the progress of activities is reported by the second party in time and is entered in the MIS properly and impose penalty on non-compliance.
- 3.1.7. Tracking of outcomes including placement and salary level as per the proposal and DAY-NULM norms and take appropriate actions on non-compliance.

3.2. Timeline for the setting up centers and commencement of batches.

3.2.1. Timeline for STPs is as follows:

| S. No. | Deliberations | Timeline |
|---------------|--|------------------------------|
| 1. | Setting up of own training centers | Within 15 days of work award |
| 2. | Commencement of skill training batches | Within 30 days of work award |

4. Responsibilities of the Second Party

4.1 The STP under this MoU agrees to the following:

- 4.1.1. Set up the training centre as per DAY-NULM standards and specification within 30 days from the date of issue of the work order by the mission and appoint qualified trainers within the prescribed time frame and intimate the mission.
- 4.1.2. Inform the date of commencement of the training to all the selected candidates on getting the Training Commencement Order from the mission.
- 4.1.3. Start the training within the time frame as per DAY-NULM norms and ensure that all the selected candidates are present in the batch on the day of commencement day itself.
- 4.1.4. Conduct the training without any deviation from the training proposal submitted by the STP and the operational procedure and guideline lay down by DAY-NULM.
- 4.1.5. The second party will be fully and directly responsible for achieving the outcomes of the training programs in full compliance with DAY-NULM norms. It includes but not limited to all responsibilities related to quality of the training, assessment & certification, placement of trained candidates on a salary in accordance of minimum wages act and track them and support for a period 12 months.
- 4.1.6. The second party shall comply with all terms and conditions of DAY-NULM Guidelines and any revisions if any thereto.
- 4.1.7. The second party shall promptly inform all the parties of any changes or any modifications that affects its legal nature and the objectives under this MoU. Such information shall be communicated to the first party within 7 days of such modification.
- 4.1.8. The second party shall inform the first party if any problem arises in conduct of the training batch and in any case should not hide such issues or any deviation from the plan.
- 4.1.9. The Training service providers shall not subcontract or outsource the whole or a part of the services unless otherwise agreed by the first party, failing which the mission can terminate the contract, impose suitable penalty, delist from empanelment and take appropriate action on the decision of the State Mission Director.

- 4.1.10. The second party shall adhere to all the terms and conditions issued by the first party, time to time.
- 4.1.11. The Second party will depute a “Full Time” State Coordinator exclusively for Himachal Pradesh.

In addition of above second party will also ensure the following:

4.2 Setting up of the Training Centre.

- 4.2.1** On receiving the work order, the skill training provider should take immediate steps to set up the training centre in the proposed city in a location in conformity with the norms laid down by State Urban Livelihoods Mission. After setting up the training centre with all required equipments, physical infrastructure, teaching learning materials etc STP will inform to concerned ULB/CMMU with a copy to first part. The ULB/CMMU will conduct an inspection of the newly set up training centre within five days from the receipt of information regarding setup of training center. The ULB/CMMU will immediately intimate the STP regarding the short comings if any found as per the Training Operational Procedure of DAY-NULM. The short comings will be intimated in writing under two heads (a) Minor issues and (b) Major issues. In case of minor issues that are rectifiable before the training commencement date SULM will give conditional sanction for starting the training.
- 4.2.2** The National Occupational Standards (NOS) have been developed by various Sector Skill Councils under NSDC. The NOS specify the standard of performance an individual must achieve for carrying out a function in the work place. The NOS are laid down by the employers through the Sector Skill Councils under NDSC. The NOS and identified Job Roles are in accordance to the standards prescribed under the National Vocational Education Qualifications Framework (NVEQF) as mentioned in the National Skill Policy. In addition the Ministry of Labour & Employment has designed curriculum for a list of Modular Employable Skill (MES) courses under the Skill Development Initiative Scheme. The curriculum as provided by MoL&E also will be followed for the skill training courses.
- 4.2.3** All Skill Development courses offered under the scheme framework must conform to the National Skill Qualification Framework (NSQF) notified on 27.12.2013 which provides for transition of all training/ educational programs/ courses so as to be NSQF compliant.
- 4.2.4** In addition to the skill training on specific trade related skills, the training course modules should have the following modules integrated into the course curriculum – **a.** Soft Skills – Basic Communication skills (in English and local language), Basic Computer operations (for courses other than computer training), Professional Etiquettes, etc. **b.** Financial Literacy – Orientation and awareness on savings, credit, subsidy, remittance, insurance and pensions. **c.** Other government schemes – the candidate may also be provided information regarding other government schemes (including other components of DAY-NULM) and entitlements for poverty alleviation. The ULB should facilitate access to such schemes and entitlements for the urban poor.

- 4.2.5.** On the Job Training (OJT) depending on the nature of the trade, the STP should arrange On the Job Training for the batch in the reputed industries in the nearest locations. However the duration of OJT should not exceed one third of the total training hours.
- 4.2.6.** Details of training center wise courses and targets are as per ANNEXURE -1. The Location for training center may be altered with mutual consent of both the parties and targets can be increased/ decreased based on the performance of the 2nd Party.

4.3 Third Party Certification & Assessment Costs

- 4.3.1.** The cost of the skill training per trainee payable to the STPs is inclusive of third party assessment and certification. Certification and assessment should be done by the sector skill councils (SSCs), Regional Directorates of Apprenticeship Training (RDAT)/ National Council on Vocational Training (NCVT). The STP should manage to get the affiliation/approval of the assessment bodies for their training centers at their own cost and effort well in advance before the completion of the training. However, the STPs can make use of the standing orders under DAY-NULM for getting the approval/affiliation from the assessment bodies.
- 4.3.2.** The STPs should inform the details of the batch to the certification agency in advance as per the norms of SSC/NCVT. STP shall inform the concerned Certification Agency with details of number of candidates to be assessed, trades to be assessed and location of the training centre. The second party should ensure assessment and declaration of results within 30 days of completion of batch. If a candidate fails in the assessment, then she/he should be retrained for re-assessment and certification. The re-training and reassessment cost of such unsuccessful candidates shall be borne by the second party. The SULM shall reimburse the training cost of only successful and certified candidates to the second party.

4.4 Training Infrastructure

- 4.4.1 Building:** Building shall be either owned by the STP, or shall have a valid rent agreement/ lease agreement for premises with the owner. In case of rented/leased premises the agreement should be valid at least up-to the proposed date of completion of the batch/batches sanctioned.
- 4.4.2.** The building shall be a permanent structure with internal and external walls plastered and painted. Height of the ceiling of the training centre should be minimum nine feet. If false ceiling is provided height can be reduced by another one feet in special circumstances. If the height is not uniform then the minimum ceiling height in the room has to be taken into consideration. If only a part of the room is used for instruction then the area used for instruction should be 9 feet or above. There should be adequate toilets, urinals and wash basin in the training centre. Toilets for males and females should be segregated with appropriate partition. Toilets must be equipped at all times with the soap, clean hand towels, basic mop or swab, western style commode with functioning cistern, regular water supply, and sufficient ventilation. The facility must be cleaned thoroughly at least twice during every eight hour usage cycle or more frequently if required.

4.5 CCTV Cameras

- 4.5.1.** CCTV Cameras with audio facility should be provided in all academic rooms to ensure that the training is imparted as per standards and DAY-NULM norms.
- 4.5.2.** Recording: The central monitor should be easily accessible to centre in charge. The training centre should have proper and secluded place to store the recorded data of CCTV. The recorded material should be under exclusive charge of the centre in-charge till they are erased or transferred to head quarter. The CCTV console should be visible to centre in charge from the place where he sits. Only centre in charge should have ready access to the CCTV system.
- 4.5.3.** Coverage: It should be ensured that the cameras are well connected and are configured for maximum and optimal coverage.
- 4.5.4** Review: CCTV footage should be reviewed, inter alia, for the following particulars:
- a. Training deliverables (As per activity cum lesson planner)
 - b. Trainer's skills via domain experts
 - c. Live distance learning
 - d. Trainers' attendance
 - e. Candidates attendance
 - f. Identify any malpractice during assessment
- 4.5.5** CCTV footage will be reviewed by the inspection team of City Mission Management Units and State Mission Management Units on a random basis. Footage viewed on sample basis will be saved on an external storage.

4.6 Chair, Tables and furniture

- 4.6.1** Chair should be arranged as single occupancy basis. It should have enough space for sitting along with arm for writing and space. In case table – bench arrangement at least 2 ft. Space of bench should be available for each student.

4.7 Domain related Equipments

- 4.7.1** Domain related equipments as per the specification given by the certifying agency should be installed in the training centre. In case of SSC, if SSC has not specified the minimum equipment, the STP should follow the NCVT specification till SSC specifies the equipments. If the equipment specifications are not prescribed by SSC/NCVT the STP should obtain a certificate from the industry expert. The STP has to submit the list of equipments with specification and number to SULM. However the equipments as prescribed by NCVT/SSC should be available in the centre for the conduct of the skill training.
- 4.7.2** The STP should ensure that all the equipments, tools, computers, internet connection, power backup system required for the skill training program are perfectly functional throughout the course of the training.
- 4.7.3** In case any equipment in the centre becomes nonfunctional, the second party should email the equipment failure report to SULM and CMMU without delay. Non-reporting of failure of equipments will invite imposing appropriate penalty as decided by the Mission Director.

4.8 Bio metric attendance

4.8.1 Bio-metric attendance of the students should be reported to SULM through the designated MIS of DAY-NULM. The bio metric device should be regularly maintained and time taken to replace a non-working device should not be more than 24 hours. Failure to report the attendance due to non-availability of bio metric device should not be more than 1 day. For any additional days of non-reporting of attendance, the training duration will get extended by equivalent period. In case any technical issue on the National Level MIS for uploading the bio metric attendance, the STP should inform the same to the SULM and SULM will make alternate arrangement to record and report the attendance either online or offline.

4.9 First aid and Drinking water

4.9.1 Clean and purified drinking water should be available for the candidates in the training centers throughout the working hours. The STPs should also keep first aid box in all the training centers.

4.9.2 The Skill Training Providers can either arrange separate training centre for DAY-NULM or may arrange separate academic rooms in the existing training centre as per DAY-NULM norms. The size of the academic rooms may vary depending on the targets assigned to the STP. The size of the batch assigned to the second party will be as per the requirement of the mission. After setting the required infrastructure and equipments in the centre the STP should report the same to the SULM.

4.10 Display of Information

4.10.1 Training summary and achievement board regarding the DAY-NULM batch, daily attendance etc. should be displayed separately at the centre.

4.10.2 Contact details of the DAY-NULM authorities in the District/State should be displayed in the training centre.

4.10.3. Code of conduct for the student enrolled under NUM shall be circulated (in-vernacular language) to the student and shall be displayed at the training centre.

4.10.4. Certificate of trainer (certification from concerned SSC) must be displayed at centre.

5. Cost of the assignment.

Cost of the assignment all inclusive is fixed as Rs 42.42/hr, ₹ 36.44/hr and ₹ 30.35/hr for category 1, 2 and 3 respectively for per candidate successfully completing the training programme, as per milestones mentioned below. Payments will be made through NSDC or as decided by State Mission Director, as Department is implementing EST&P Component of DAY-NULM in partnership with NSDC. There will be deductions from this amount in case of non compliance of inputs and outcomes as prescribed in the Training Operational Procedure. Further an additional incentive will be provided to 2nd party as under;

- a. ₹ 3000 per candidate (where placement is 70% - 85%).
- b. ₹ 5000 per candidate (where placement is 85% and above).

6. Bank Guarantee and Release of Payments.

6.1. Bank Guarantee: 5% of the project cost.

6.2. Project cost shall be considered on the basis of work order placed by DUD.

6.3 Schedule of payment to the STPs.

| S. No. | Installment | % of total cost of the Batch/ batches | Output/ Outcome parameter |
|--------|-----------------------------|---------------------------------------|---|
| 1. | 1 st Installment | 30% of the training cost | On commencement of training batch against validated candidates . |
| 2. | 2 nd Installment | 50% of the training cost | On successful certification of the trainees. |
| 3. | 3 rd Installment | 20% of the training cost | Based on the outcomes. |

6.2. Twenty per cent of the training cost (3rd Installment) which is linked to the placement outcome will be released to the Training Provider on satisfying the specific conditions as follows:

- i. The training provider shall be eligible for 100% payment if outcome achievement in placements (Wage employment & Self Employment) is 70% and above and is in accordance with the offer given in the proposal.
- ii. Training Provider will be paid on pro-rata basis if outcome achievement is less the 70%. In case the achievement is 60% only 6/7 of the 3rd installment will be paid.
- iii. In case the achievement is less than 50% the Skill Training Provider will be delisted from empanelment in that particular trade/center.

6.3. The STP shall not be entitled to any additional funding for any extension in the tenure of the training. In general the training program shall be completed within the approved project tenure failing which the second party will be liable to pay the penalty.

6.4. The first party may suspend all the payments or part to the Second Party if the Second Party fails to perform any or all of its obligations under this MoU. However, the first party shall take this action only after giving a due notice to the STP specifying the nature of non-performance and providing due opportunity to remedy such failure within a reasonable period as maybe specified in the notice.

7. Special Conditions

7.1 National Urban Livelihoods mission is a Centrally Sponsored Scheme planned and controlled by Ministry of Housing and Urban Poverty Alleviation (MoHUPA) and the Guidelines / office memorandums / Circulars / Orders issued by MoHUPA, Government of India will be applicable for implementation of the project. However, Government of India has given freedom to the SULM to set appropriate strategies and implementation model in the state. Therefore in case any of the process, procedure or the norms in the documents issued by MoHUPA is conflicting or mismatching with the operation procedure or instruction to the STPs already issued by the SULM along with the RFP, the later (those issued by SULM) shall be followed.

7.2. The amendment to the Guidelines, new office memorandums and circular issued by MoHUPA, Government of India shall be applicable for both the parties. However, the first party will have the right to bring into operation or to set apart the new orders and amendments as and when required. However the SULM will not issue orders or norms after signing the agreement.

8. Communication

8.1. All notice and communication under this MOU shall be served to the representatives of the parties in the address detailed below –

- i. First Party – Director of Urban Development cum State Mission Director, Directorate of Urban Development, Palika Bhavan Talland, Shimla-2, Himachal Pradesh-171002
- ii. Second Party –

8.2. Formal communication shall include communication by email as well.

9. Confidentiality

9.1. All parties acknowledge the confidentiality of information that may be exchanged among the parties from time to time under this MoU. All parties agree not to disclose the same to a third party, unless such information is:

- i. When the government makes it part of public domain as per policy of the government with regard to transparency.
- ii. Require to be disclosed in accordance with the applicable laws of the country.

10. Arbitration and Applicable Laws –

10.1 The parties hereby agree that in case of any dispute arising in connection with this MoU, the parties will first attempt to resolve it amicably through discussion. If such attempt fails, it shall be referred to the Addl. Chief Secretary, (UD) to the Government of Himachal Pradesh whose decision shall be final and binding on all the parties.

10.2 All disputes shall be resolved as per the Government of India policies and applicable Indian Laws.

10.3 Failing which efforts made as per clause 10.1, disputes if any continue between the parties during the execution of agreement shall be tried at Shimla where head office of the first party is situated.

11. Force Majeure –

11.1 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 nature, war or military operations, national or local emergency, natural disasters (fire, lightning, flood or such similar disasters), or any other reason which lies outside the control of the parties.

12. Validity of the MoU

12.1 This MoU shall come into force on the date of execution of the MoU and shall be valid for the project period. Project period means the time period of 24 months which is specified in

the accepted proposal for conducting the training program and Twelve months for tracking the candidates after completing the placement.

12.2 In special circumstances the services of the empanelment agencies can be extended on physical progress, conduct and work performance.

13. Debarment of the STP

13.1 The First party may debar the Second party from submitting a fresh proposal for a specific period or will remove the agency from the list of empanelled agencies if the STP does not remedy a failure in performance under this MoU within the period specified in the notice.

13.2 However, the first party shall take action for debarment only after giving a due notice to the second party with specifying the nature of non – performance of the second party with an opportunity to remedy such failure within a reasonable period as maybe specified in the notice, and after giving the second party an opportunity to be heard.

14. Termination

14.1 (i) The termination shall be done either of the parties by providing 30 days written and valid reason.

(ii) If the second party withdraw from the MoU, the second party will be liable for compensating all the damages caused to the first party. The damaged will be calculated by the first party keeping in the view, payments (if any) made as per clause 6.3, including time cost, cost of completion of the training of the existing batch, expenditure for arranging placement etc.

14.2 The first party may terminate the MoU by giving 30 days prior notice showing the reason to the second party in case, the second party:

- i. Becomes insolvent or bankrupt or is convicted under any criminal or civil charges under the applicable laws in the country.
- ii. Does not take remedial measures for a failure in performance as pointed out by the first party within a specified period of notice issued.
- iii. If the second party is found to be involved in any misrepresentation/ falsification/ tempers of records / data/ details concerning the project, or found to be involved in fraudulent practice or malpractice in the project.

14.3 In the event of termination, the STP shall be liable to refund the whole or a part amount of the funds released by the first party, as provided under clause 6.3 of this agreement along with penal interest at Central/ State Government notified rates.

15. Recovery of dues under the MoU

15.1 In case of any failure by the second party to refund money where a recovery of dues has been ordered by the first party, the same shall attract action through the State Government under Public Money Recovery Act of the State Government or Revenue Recovery Act, 1890 or any other legal provision of the State Government. This does not debar State

Urban Livelihoods Mission to take any other penal action as applicable under extant laws of the country.

15.2 Bank Guarantee may be forfeited if not performed as per clause 3.2.

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

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

17. Conflict of interest

17.1 The STP is required to provide objective and impartial services with highest degree of professional integrity at all times holding the interests of DAY-NULM as paramount. The STP shall strictly avoid conflicts with other assignments or its own corporate interests. The STPs should disclose to the Mission Director any situation of actual or potential conflict that impacts its capacity to serve the best interest of DAY-NULM. Failure to disclose such situations shall lead to the disqualification of the Training Service Provider or the termination of its Contract and/ or sanctions by the mission.

18. Modification of MoU

18.1. Any provision of this MoU may be amended or modified at any time by mutual consent among the parties.

18.2. All amendment/modification in the MoU should be in form of writing, duly signed with seal by parties concerned, as an Addendum to the MoU.

In witness where off parties hereto have causes this agreement and indicate their consent to this MoU with having a duplicate thereof on behalf of respective party or by their dully authorized official(s)/ officer(s) on the date and place mentioned herein above.

Signed, sealed and delivered within Name and address of State Urban Livelihoods Mission

By the hands of duly authorized representatives

1. For First Party (SULM)

2. For Second Party (STP)

Signature

Signature

Director, Urban Development cum
State Mission Director, DAY-NULM

Witness 1.

Witness 2.

First Party

Second Party

ANNEXURE – 1

Targets for financial Year 2017-18 under EST&P Component of DAY-NULM

Name of Training Provider: _____

| S. No. | Training Center (ULB) | District | Assigned Trades/ Courses | Targets |
|---------------|----------------------------------|-----------------|-------------------------------------|----------------|
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| Total | | | | |

First Party

Second Party

First Party

Second Party