

Memorandum of Agreement (MoA)

Between

**Government of India through
The Ministry of Urban Development**

And

The State Government of _____

Through Department of _____

And

_____ **(State Level Nodal Agency)**

THIS AGREEMENT is made on this _____2006 between the Government of India, through the Ministry of Urban Development, of Part-I

AND

The State Government of (Name of the State)_____through its Governor, of Part-II

AND

_____, the State Level Nodal Agency identified for implementation of UIDSSMT, of Part-III.

WHEREAS Part-II seeks financial assistance from Part-I under the Urban Infrastructure Development Scheme for Small & Medium Towns (UIDSSMT) for Urban Local Bodies in its jurisdiction through Part-III;

WHEREAS Part-II and Part-III have agreed to abide by the Guidelines under UIDSSMT for the purpose of said assistance;

AND WHEREAS Part-III has entered into Memorandum of Agreements with Urban Local Bodies (ULBs) seeking assistance under UIDSSMT to implement the reforms as per the guidelines of UIDSSMT and as per the timelines indicated in details in Annexure-A(State Level Mandatory Reforms), B (ULB Level Mandatory Reforms) and C(State/ULB Level Optional Reforms) respectively which shall constitute Subsidiary Agreements under this main Agreement;

AND WHEREAS Part-I has considered the documents mentioned in Annexure-A, B and C and found them consistent with the goals and objectives of UIDSSMT;

AND WHEREAS Part-I agrees to release the first installment of admissible grants approved by State Level Sanctioning Committee (SLSC) constituted under UIDSSMT during the financial year 2005-06 to ULBs through Part-III, State Level Nodal Agency (SLNA), under Urban Infrastructure Development Scheme for Small & Medium Towns (UIDSSMT) in accordance with the terms and conditions specified here-in-after in this agreement;

NOW THE PARTIES WITNESSED as follows:

1. That the Part-I shall release the first installment of grant to ULBs through State Level Nodal Agency (SLNA) under UIDSSMT, being 50% of the total central assistance admissible for the projects sanctioned under UIDSSMT by State Level Sanctioning Committee (SLSC) during the financial year 2005-06 upon signing of this Memorandum of Agreement (MoA) and submission of the above mentioned documents which are annexed with the agreement as Annexure A, B and C.

2. Any further central assistance under Urban Infrastructure Development Scheme for Small & Medium Towns (UIDSSMT) shall be considered only if the timelines indicated in detail in Annexure A, B and C to this MoA to implement the reform agenda as per the guidelines of UIDSSMT are adhered to and utilization certificates (UCs) for previous releases of grant under UIDSSMT are furnished by SLNA to Part-I.

3. That the Part-I or any agency nominated by it, may undertake site visits to ascertain the progress of the ongoing projects and also the reforms agenda through designated representatives periodically;

4. The ULBs shall submit a Quarterly Report through SLNA of the spending of the grant, corresponding matching state and ULB/Parastatal share to the Part-I. In case ULBs fail to submit such a report, further installment of grant may be withheld until such submission;

5. The ULBs shall submit audited accounts in respect of each project funded under UIDSSMT within six months of close of financial year;

6. In the event of requirement of additional funds due to unforeseen circumstances or cost over-run, Part-II through Part-III will ensure that these projects are completed within stipulated period without raising any additional demand for funding to Part-I;

7. Part-II and Part-III shall institute mechanisms to ensure timely completion of Projects undertaken under UIDSSMT;

8. Part-II through Part-III shall submit a half yearly report of the progress in respect of the implementation of the reform agenda as per the guidelines of UIDSSMT and as per the timeline indicated in detail in Annexure A, B and C respectively;

9. That Part-II and ULBs shall submit a complete report regarding the outcome of the UIDSSMT on the completion of the project;

10. That the Parties to the agreement further covenant that in case of a dispute between the parties the matter will be resolved through mutual discussion.

11. That in case there is any delay in the implementation of the reforms agenda or submission of any periodic reports, etc., by Part-II and/or by the ULBs, due to the circumstances beyond the control of Part-II and/or ULBs, i.e. *Force Majeure* or any other reason, the decision on the matter of extension of time for the implementation of the goals and objectives of the Urban Infrastructure Development Scheme for Small & Medium Towns (UIDSSMT) shall be at the discretion of Part-I.

12. That in case of any breach regarding the terms and conditions of the UIDSSMT, Part-I shall be entitled to withhold subsequent installments of the grant.

IN WITNESS HEREOF all the Parties have put their hands on these presents of Memorandum of Agreement in the presence of witnesses.

SIGNATORIES:

1. For Government of India through
the Ministry of Urban Development (Part-I)

2. For Government of _____(State Govt.) (Part-II)

3. For _____(Name of State Level Nodal Agency) (Part-III)

WITNESS:

1.

2.