

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING is made on this 16th day of July, 2011, between the Governor of Manipur for and on his behalf represented by Special Secretary (Planning), Govt. of Manipur (hereinafter referred to as the "State Government") on one part and NORTH EASTERN DEVELOPMENT FINANCE CORPORATION LTD. (NEDFi), a company within the meaning of the Companies Act 1956 (1 of 1956) and having its registered office at NEDFi House, G.S. Road, Dispur, Guwahati-781006, Assam (hereinafter referred to as "Consultant") on the other part.


WHEREAS the Consultant, intend to take up the work of evaluation and monitoring of completed projects funded under SPA/NLCPR/NEC in Manipur as a Third Party Monitor to the satisfaction of the State Government.

And whereas the State Government has agreed to appoint the Consultant and the latter has also agreed to accept the said appointment on the terms and conditions appearing hereafter.

Now, it is hereby agreed by and between the parties thereto as under:

1. Task:

- (i) To verify whether the works undertaken are executed as per approved Estimates, Plan of Action, Time Frame.
- (ii) To verify whether the physical progress is commensurate with the funds released.
- (iii) To verify & check whether work has been executed as per approved specifications and designs and whether materials used in the work conform to prescribed BIS standards, Building codes and other specifications, including quality of the works executed under the schemes.
- (iv) To verify and check whether work has been executed within the approved estimated cost and as per the implementation schedule laid down in the DPR/estimates. If any deviation occurs, the reasons thereof may be examined.
- (v) To examine the reasons for the delay in the execution of works because of time and cost overrun, if any and to check whether it can be avoided at all.
- (vi) To examine whether the implementation of projects have contributed to economic development of rural and urban economy and help in improving the economic well being of the rural and urban areas. Besides execution of the


16-07-11



works/schemes/projects within the approved cost and stipulated time, "Outcome" aspects of the works executed could also be covered.

(vii) To identify the constraints, if any, in implementation of the project, fix responsibility, and make actionable recommendations.

2. **Duration of Evaluation:**

- i) The assignment would be deemed completed when all the work is completed, to the satisfaction of the State Government, as per Clause 1 of this MoU.
- ii) The assignment shall be for four months from the date of engagement. The Consultant will have to provide the final report at the close of the consultancy.

3. **Accountability:**

- i) The Consultant shall develop a methodology for the evaluation, and submit the same to the State Government within a week of the commencement of the assignment. State Planning Department shall approve the methodology within 5 days of submission.
- ii) A mid-assignment progress of work report shall be submitted to State Government within 45 days from start of the assignment. The final report shall be expected at the end of four months from the start.
- iii) During execution of the consultancy, any problem anticipated by the Consultant shall be immediately brought to the notice of the State Government.
- iv) The State Govt. reserves the right to ask for additional reports and/or specific issues.
- v) The Consultant shall appoint a senior executive to act as Team Leader and their Nodal Officer for the assignment. The Team Leader shall, normally, be based in Manipur during the pendency of the assignment.
- vi) The Reports shall be the property of the State Planning Deptt and shall not be made public without prior written permission of the Planning Deptt.

4. **Support Facilities for the Evaluation Exercise:**

- i) No Secretariat support will be provided.

16-07-11

- ii) Concerned line departments shall provide all information including documents, bills, vouchers, M/R/estimate etc. required for the evaluation. Planning Department shall help facilitate this.
- iii) The State Planning Deptt shall facilitate visits by the Consultant to offices/work sites/etc.

5. Deliverables:

- (i) A mid-term project report answering each item of Clause 1 of this MoU.
- (ii) An end of project final report on each item of Clause 1 of this MoU.

6. Remuneration:

- (i) A consultancy fee of 0.5% of the total project cost monitored shall be paid to the Consultant for undertaking the evaluation work and subject to delivery of reports as listed in Clauses 5 (i) and 5 (ii) of this MoU.
- (ii) No other payments, including incidentals and expenses, shall be paid.

7. Payment Terms

- i) 30% of the total consultancy fee inclusive of service tax shall be released as advance on award of Work Order.
- ii) 20% of the consultancy fee shall be released on submission of mid-term project report as per Clause 5 (i) of this MoU.
- iii) Balance 50% will be released on submission of the final report as per Clause 5 (ii) of this MoU.

Payments to be made through cheque or Demand Draft payable at Imphal drawn in favour of North Eastern Development Finance Corporation Ltd.

8. Governing Laws:

This MoU shall be governed and construed in accordance with the substantive laws of India.

9. Force Majeure:

9.1 Definition

For the purpose of this MoU, "Force Majeure" means an event which is beyond the reasonable control of a Party and which makes a party's performance of its

Signature
16-07-11

Signature

obligations under this MoU impossible or so impractical as to be considered impossible under the circumstances.

9.2 No Breach of MoU

The failure of a Party to fulfill any of its obligations under the MoU shall not be considered to be a breach of, or default under, this MoU in so far as such inability arises from an event of Force Majeure, provided that the Party affected by such an event (a) has taken all reasonable precautions, due care and reasonable alternative measures in order to carry out the terms and conditions of this MoU, and (b) has informed the other Party as soon as possible about the occurrence of such an event.

9.3 Extension of Time

Any period within which a Party shall, pursuant to this MoU, complete any action or task, shall be extended for a period equal to the time during which such Party was unable to perform such action as a result of Force Majeure.

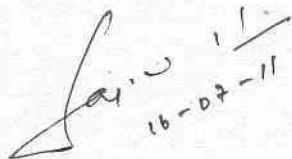
10. Termination:

10.1 By the State Government

The State Government reserves the right to terminate the services of the Consultant without assigning any reason thereof.

The State Government may terminate this MoU, by not less than fifteen (15) days written notice of termination to the Consultant, to be given after the occurrence of any of the event specified in paragraphs (a) to (d) of this Clause 10.1 and forty five (45) days in the case of the event referred to in (e):

- (a) If the Consultant does not remedy a failure in the performance of their obligations under this MoU, within fifteen (15) days after being notified or within any further period as the State Government may have subsequently approved in writing;
- (b) If the Consultant becomes insolvent or bankrupt;
- (c) If, as the result of Force Majeure, the Consultant is unable to perform a material portion of the Services for a period of not less than forty five (45) days; or
- (d) If the Consultant, in the judgment of the State Government has engaged in corrupt or fraudulent practices in competing for or in executing the MoU


16-07-11



For the purpose of this clause:

“Corrupt practice” means the offering, giving, receiving, or soliciting of anything of value to influence the action of a public official in the selection process or in contract execution.

“Fraudulent practice” means a misrepresentation of facts in order to influence a selection process or the execution of a contract to the detriment of the Client, and includes collusive practice among Consultants (prior to or after submission of proposals) designed to establish prices at artificial non-competitive levels and to deprive the Client of the benefits of free and open competition.

(e) If the State Government, in its sole discretion, decides to terminate this MoU.


10.2 This is a Memorandum of Understanding between the parties and therefore does not bestow any right on the Consultant to claim any regular appointment.

11. Confidentiality:

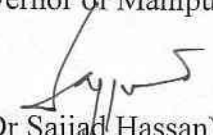
- i) All data and information received from Departments for the purpose of this assignment shall be confidential and shall not be shared with any one without the prior written authorisation of the State Planning Department.

In witness whereof the parties hereto have set and signed with seals this Memorandum of Understanding on the day, month and year first above written.

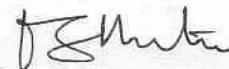
For and on behalf of the
NEDFi


(Gautam Chintey)
Deputy General Manager
NEDFi, Guwahati

For and on behalf of the
Governor of Manipur,

 11
16-07-11
(Dr Sajjad Hassan)
Special Secretary (Planning)
Government of Manipur

Witnesses :

1. 
2. 