

MEMORANDUM OF AGREEMENT

This Agreement is made on this _____ day of _____ (month), 200__ (year) between the Government of India, through the Ministry of Urban Employment and Poverty Alleviation, hereafter referred to as **First Party**;

AND

The State Government of _____ (name of the State) through its Hon'ble Governor, hereafter referred to as **Second Party**;

AND

The _____, designated as the **State level Nodal Agency** for the implementation of the Integrated Housing and Slum Development Program, hereafter referred to as **Third Party**;

WHEREAS, Second Party seeks financial assistance from First Party under the Integrated Housing and Slum Development Program for urban local bodies in its jurisdiction through Third Party;

WHEREAS Second Party and Third Party have agreed to abide by the Guidelines of the Integrated Housing and Slum Development Program for the purpose of said assistance;

WHEREAS Second Party has agreed to implement the reforms as prescribed in the Guidelines of the Integrated Housing and Slum Development Program as per the schedules indicated at Annexure 'A' (mandatory reforms at the level of the State Government);

WHEREAS Third Party has entered into Memoranda of Agreement with the urban local bodies under the jurisdiction of Second Party seeking assistance under the Integrated Housing and Slum Development Program in order to implement the reforms as prescribed in the Guidelines of the Integrated Housing and Slum Development Program as per the schedules indicated at Annexure 'B' (mandatory reforms at the level of the urban local body) and Annexure 'C' (optional reforms at the level of the urban local body);

AND WHEREAS the First Party has considered the documents mentioned at Annexures 'A', 'B' and 'C' and found them to be consistent with the goals and objectives of the Integrated Housing and Slum Development Program;

AND WHEREAS First Party agrees to release the first installments of the admissible grants approved by the State Level Coordination Committee, constituted under the Integrated Housing and Slum Development Program during the financial year _____ to urban local bodies through Third Party, in accordance with the Terms and Conditions specified in this Agreement;

NOW THE PARTIES WITNESSETH as follows:

1. That First Party shall release the first installment of grant to urban local bodies through Third Party under Integrated Housing and Slum Development Program,

equal to 50% of the total Central Assistance admissible for the projects approved under the Integrated Housing and Slum Development Program by the State Level Sanctioning Committee and sanctioned by the Central Sanctioning Committee during the financial year _____ upon signing of the Memorandum of Agreement and submission of the above mentioned documents that are annexed with this Agreement at Annexure 'A', 'B' and 'C';

2. Subsequent releases of approved Central Assistance under Integrated Housing and Slum Development Program shall be considered only if the schedule of implementation of the reform agenda as indicated in detail in Annexure 'A', 'B' and 'C' to this Memorandum of Agreement as per the Guidelines of the IHSDP are adhered to and utilization certificates for previous releases of grant under IHSDP along with reports on physical achievement are furnished by the Third Party to the First Party;
3. That First Party or any other Institution nominated by it may undertake a site visit to ascertain the progress of the on-going projects and also the reform agenda through designated representatives periodically;
4. That apart from the progress report, Third Party shall obtain a quarterly progress report from the urban local bodies and sent through Second Party after duly verifying the expenditure against grant received to First Party. In case Third Party fails to obtain such report from the urban local body or submit such report to the first party, subsequent installment of grant to the defaulting urban local body may be withheld until such submission;
5. The Third Party shall obtain audited accounts in respect of each project from the urban local body which has received funds under Integrated Housing and Slum Development Program within six months of the close of the financial year;
6. In the event of requirement of additional funds due to unforeseen circumstances or cost overrun, Second Party through Third Party shall ensure that the projects sanctioned under the Integrated Housing and Slum Development Program are completed within the stipulated period without raising any additional demand on First Party.
7. Second Party and Third Party shall ensure timely completion of projects under the Integrated Housing and Slum Development Program;
8. Second Party, through Third Party shall submit a half-yearly report of the progress in respect of implementation of the reform agenda as per guidelines of Integrated Housing and Slum Development Program on the completion of the project as indicated in the detailed project reports for the same;
9. The parties to the Agreement further agree that in case of a dispute between the parties, the matter shall be resolved through mutual discussions;
- 10 That in case of any delay in the implementation of the reforms agenda or submission of any periodic reports etc. by the Second Party or Third Party, due to circumstances beyond control of Second Party or Third Party, i.e. force majeure or any other reason, any decision on the matter of extension of time for

implementation of the goals and objectives of the Integrated Housing and Slum Development Program shall be at the discretion of First Party.

11. That in case of any breach regarding the Terms and conditions of the Integrated Housing and Slum Development Program, First Party shall be entitled to withhold subsequent installment of grant on giving 30 days notice to Second Party and Third Party, though before issuing such orders, opportunity of hearing shall be given to Second Party and Third Party.

IN WITNESS THEREOF, all the parties have signed on these presents of Memorandum of Agreement in the presence of witnesses.

WITNESSES

(First witness)

*[Name, designation and stamp of the
Authorised signatory of First Party]*

(Second witness)

*[Name, designation and stamp of the
Authorised signatory of Second Party]*

*[Name, designation and stamp of the
Authorised signatory of Third Party]*