

This Agreement is made on this the ___day of _____, 2011 at New Delhi

BETWEEN

1. ALL INDIA COUNCIL FOR TECHNICAL EDUCATION

represented by it's Chairman (hereinafter referred to as "**AICTE**", which expression shall unless repugnant to the context thereof, include its successors, assigns) and having its Office at _____, New Delhi, of the **ONE PART**;

AND

2. State of _____, represented by it's _____ (hereinafter referred to as "**Government**", which expression shall unless repugnant to the context thereof, include its successors, assigns) of the **OTHER PART**;

WHEREAS

A. in pursuance of the Policy of the Government of India to boost polytechnic education in the country, it is proposed to take up the Scheme on Polytechnics under which polytechnics are to be established through public private partnership (hereinafter called the Scheme) with the main objective of giving boost to the polytechnic education in the country.

B. The AICTE aims to achieve holistic development of Polytechnic Education in the Country along with Equity and inclusiveness in Technical Education.

C. The Public Private Partnership shall be an enabler of Technical Education at Polytechnic level which shall involve partnering between the AICTE & State Government on one hand and Private Sector on the other hand.

D. The AICTE shall act as an enabler and a facilitator by providing funding of three crores for establishment of new Polytechnics and by ensuring that all necessary Physical and Academic infrastructure and facilities in those Polytechnics strictly in accordance with norms and standards/Regulations prescribed by the AICTE.

E. The AICTE with the approval of the Government of India has framed a Scheme under which an amount of Rs. 9000 million has been allocated which shall be utilized towards supporting 300 Polytechnics with the support & participation of Rs.30 Million per Polytechnic on estimated average cost of Rs. 150 Million plus Land towards establishment of one Polytechnic.

F. The PPP mode will be as defined in the AICTE Approval Process Hand Book 2011-12.

NOW THEREFORE in consideration of the foregoing and the respective covenants and agreements set forth in this Agreement, the sufficiency and adequacy of which is hereby acknowledged, and intending to be legally bound hereby, the Parties agree as follows:

1. There shall be maximum 10 or more Polytechnics in one State /Union Territory, as the case may be.
2. The estimated average cost of building a Polytechnic is Rs.150 Million and Land.
3. The Private Partner under scheme shall be a private entity or an Industry within the meaning and concept of PPP as defined under the Approval Process Handbook [2011-12] of the AICTE.
4. On the announcement of the Scheme, the AICTE will invite applications for establishment of Polytechnics in India under PPP mode from the sponsoring bodies being a Society / Trust / Section 25 Company as strictly in accordance with the terms and conditions prescribed under the AICTE Regulations and the Approval Process Hand Book.
5. The applications for establishment of Polytechnics under PPP mode shall be considered, evaluated and shortlisted by the AICTE on the following parameters:-
 - Polytechnic location in Rural Place

- Polytechnic exclusively for Women
- At least two courses concerning local ethos
- Industry as Private Partner
- Programs applied for are more than the mandatory 02 requirement (> 2 Programs)
- Hostels to provide for at least 100 Boys and/ or 100 Girls

6. The applications received from the respective State Governments would be put before the Committee for further recommendation which will be sent to the MHRD for further processing.

7. After selection of proposal from an applicant, the state government shall be intimated about the same and on receipt of such an intimation from AICTE, the State Govt. shall enter into an agreement with the selected applicant for establishment of the Polytechnic strictly in accordance with the Regulations and Approval Process hand Book framed by the AICTE. A copy of Model agreement to be signed between the State govt. And the selected applicant is annexed as **APPENDIX-1**. In the agreement to be signed between the State Govt. and the selected following mandatory provision shall be made:-

- The applicant shall form a Governing Body and Finance Committee and both shall consist of two nominees of State Government and one nominee of AICTE;
- The state Govt. shall forecast emerging skill requirements in the region and accordingly the concerned Polytechnic shall take actions thereon as per suggestion of the State Govt. for further strengthening in respect of various courses presently being run as required locally and add new courses with the concurrence of relevant State/UT and national authorities and / or abolish courses that are redundant or irrelevant to the local industry needs;
- The Polytechnic shall periodically review training requirements and training of teachers and of administrative /office staff;
- The Polytechnic shall facilitate placement of polytechnic graduates;
- The Institution/sponsoring body shall contribute in terms of building, industry /machinery and equipment which may be useful in furthering the objectives of the SCHEME.

- The Institute shall set up placement cells in the Polytechnic to guide /help the graduates in employment /self employment and developing suitable sustainable mechanism to trace the careers of the graduates for at least three years and shall furnish periodical reports with respect to the placement as mentioned above to SSC.
 - The admissions and fees of the Polytechnic shall be regulated as per the policy of the state Govt.
8. After signing of the agreement, a certified copy thereof shall be forwarded by the state Govt. to AICTE for further consideration and action under the scheme.
9. The MHRD will provide a grant of Rs. 3.00 crore to the State Government on the recommendation of AICTE under the Scheme towards capital assets for establishment of the polytechnics through public private partnership. Out of the said amount of Rs.3 Crores, first instalment of an amount of Rs. 10 Million shall be disbursed by the MHRD after receipt of certified copy of the agreement as provided in Clause 8 subject to the condition that Private/Industry Partner in the PPP shall furnish an irrevocable Bank Guarantee of Rs. 10 Million

from a nationalised Bank _____ for a period of _____months/years in the name of Member-Secretary, AICTE, New Delhi submitted to AICTE. The 2nd instalment of Rs. 10 million will be released by the MHRD for complete building plan, complete construction required for conducting first year classes and issuance of LOA by AICTE after an application is made on line on the AICTE web portal www.aicte-india.org and processing as per rules and regulations of approval process. The 3rd instalment of Rs. 10 Million will be released by the MHRD on completion of building as building plan, issuing completion and occupancy certificate, completion of AICTE inspection and submission of utilisation certificate in respect of released grant, to the complete satisfaction of the AICTE. Further, Private Partner in the PPP shall submit a fixed deposit of Rs. 1.5 Million in the name of AICTE at the time of issuance of LOA.

10. The Bank Guarantee shall be refunded after submission of complete details of completion of building as building plan, issuing completion and occupancy certificate, completion of AICTE inspection and submission of utilisation certificate in respect of released grant, to the complete

satisfaction of the AICTE. The Bank Guarantee, however, will be forfeited or extended in time by AICTE, if any of the Clause as mentioned in this agreement is violated.

11. The AICTE shall be an Apex body for implementation and monitoring of the Scheme.
12. The State Govt. shall provide the Non - agricultural land as required under AICTE norms/approval process hand Book/Regulations for at least thirty years to be used for establishment of Polytechnic and an amount up to Rs. 20 Million for establishment of each Polytechnic.
13. The Second Party agrees to establish a State Steering Committee (hereinafter called the SSC) for implementation and appraisal of the scheme at the local level. The SSC will have the following:
 1. Secretary (Technical Education of State)
Chairman
 2. DTE of the Concerned State
Member
 3. Two experts nominated by AICTE
Member

THE RESPONSIBILITIES OF THE SSC

14. THE responsibilities of the SSC shall interalia be:-

- i. To develop the Institute Development Plan (IDP) for the Polytechnic. The IDP shall define the long term goals of the institute, the issues and challenges facing the institute and the strategies for dealing with them. It shall set targets for institutional improvement, define key performance indicators etc;
- ii. To obtain short term, medium term and long term requirement of polytechnic from the local industries and take steps to produce graduates accordingly. Development of course curricula if required.
- iii. To identify training needs of faculty and and recommend their deputation for training in associated industries / other institutes.
- iv. To ensure implementation of various activities of the scheme in time bound manner so as to adhere to the time schedule agreed in the IDP.
- v. To monitor the progress of implementation of the scheme at the institute level and furnish periodical reports to the State Govt. and AICTE.
- vi. Setting up of suitable mechanism to obtain feedback from the trainees about quality of

training and using the feed back for improvement in the training delivery.

15. The SSC shall develop implementation and appraisal mechanism of the scheme at the local level review the performance of the polytechnic under the Scheme and submit quarterly reports to the SSC. AICTE.
16. With the broad objective of improving the quality of training leading to better employability, both the parties shall jointly agree and finalize Key Performance Indicators (KPIs) as yearly targets for next five years, for improving the internal as well external efficiency of the Polytechnic against the base line information. These parameters shall be used to evaluate the success of the scheme during and after the project period. The agreed KPIs shall be appended to this agreement.
17. In case of unsatisfactory performance in achieving KPIs, the SSC shall submit a detailed report to AICTE within 30 days of receipt of a notice in this regard, interalia indicating the reasons for failure and measures required to be taken.
18. The SSC shall forward this report to the AICTE with their comments. The AICTE shall fix responsibility for such failure and ensure that necessary action in taken.

19. The Private partner shall contribute and provide Rs.100 million and more and total recurring cost towards establishment and running the Polytechnic, for which adequate provision shall be made by the applicant

MISCELLANEOUS

20. In order to ensure sustainability of the Scheme, the FIRST PARTY and the SECOND PARTY shall

- (a) ensure the availability of sufficient funds for consumables and materials for training.
- (b) Allow industry to sponsor candidates for training in these institutes on payment basis to generate higher revenue; and
- (c) ensure that the expenditure on salary and wages is limited to 80% of the total recurring expenditure so that sufficient funds are available for the purchase of consumables and material for training.

21. THE IMC shall maintain regular books of accounts as required under the SCHEME/relevant Societies Registration Act. These would be subject to audit by authorities as per Government of India norms.

22. Through this agreement both the parties affirm their commitment to carry out the activities and

achieve the objectives as mutually agreed upon herein.

23. The efforts of both the parties shall be to resolve the issues, if any, amicably. However, in case of disagreement, the matter shall be placed before the Hon'ble Minister, HRD, Government of India whose decision shall be final and binding on all the parties.

Signed at New Delhi on.....this day of.....2011.

For and on behalf of
AICTE

For and on behalf of
THE GOVERNOR /ADMINISTRATOR
STATE/UT GOVERNMENT OF

WITNESSES