

**CHANDIGARH ADMINISTRATION
EDUCATION DEPARTMENT**

NOTIFICATION

11th December, 2007

No. DPI-UT-A5-23(25)/2007/643 WHEREAS the Chandigarh Administration being desirous of providing quality school education at affordable rates by involving the community at large, has consulted eminent persons in the field of education and has decided to establish schools in partnership with institutions in civil society, under the Scheme, namely, "The Establishment of Schools in Partnership with Institutions in Civil Society Scheme, 2007."

Now, therefore, in exercise of his powers under Article 239 of the Constitution, the Administrator, Union Territory, Chandigarh, is pleased to notify the following Scheme for the establishment of Schools in partnership with institutions in civil society.

1. Short Title and Commencement:

(i) This Scheme may be called "the Establishment of Schools in Partnership with Institutions in Civil Society Scheme, 2007".

(ii) The Vision-cum-Policy Statement contained in the Appendix shall be read as a part of this Scheme.

(iii) This Scheme shall come into force from the date of its publication in the Chandigarh Administration's Gazette.

2. In this Scheme, unless 'the context otherwise requires, the following words and expressions shall have the meaning assigned to them as under:-

- i) "Allotment" under this Scheme shall mean allotment of a Government-owned built-up school site situated in different locations of Chandigarh to the Partner Society / Trust by way of a license on such license fee and subject to such terms and conditions of the license as may be determined by the Administration.
- ii) 'Appellate Authority' for this scheme shall mean the Adviser to Administrator, Union Territory, Chandigarh.
- iii) 'Category of Site' shall mean a site for Pre-Primary, Primary, Middle, High and Senior Secondary Schools or integrated schools as the case may be.
- iv) 'Committee' shall mean a committee consisting of eminent citizens involved with education and one member nominated by the Chandigarh Administration as convenor, constituted in order to perform relevant functions required to implement this Scheme. The Committee shall be constituted for a fixed term of two years. Persons associated with Private Schools shall not serve on the Committee for more than one term consecutively.
- v) "Competent Authority" for this scheme shall mean the Secretary Education, Union Territory, Chandigarh.

- vi) 'Infrastructure' means immovable facilities including the building to be provided by the Chandigarh Administration.
- vii) 'Licence' means a licence granted by the Chandigarh Administration to the Society / Trust to establish, manage and run the school for a period of 30 years.
- viii) 'Licence Fee' means the annual amount payable by the Partner Society/Trust, in lieu of use and occupation of the school building as per the terms of the MoU.
- ix) 'Nodal Agency' for this scheme shall mean the Education Department, Union Territory, Chandigarh.
- x) 'Society' means a Society registered under the Societies Registration Act, 1860.
- xi) 'Trust' means a Trust registered under the Indian Trusts Act, 1926.
- xii) 'Licencee' means the Society/Trust managing/using the premises/school building.
- xiii) 'School' shall mean a co-educational school in the pre-primary, primary, middle, high and senior secondary categories.

3. Salient Features;

The establishment of schools in partnership with institutions in civil society shall be guided by the following principles:

- a) The partner society/trust shall not be required to bear any burden on account of the cost of land or construction of building on it. The land, the building and infrastructure of an immovable/fixed nature shall be provided by the Chandigarh Administration.
- b) All costs incurred in the establishment, management, and running of such schools shall be borne by the Partner Society/Trust, from its own resources.
- c) The status of the Partner Society/Trust vis-à-vis the land allotted to it will be that of a licencee.
- d) The licence shall be valid for an initial period of 30 years subject to provisions in Clauses 13 & 14. The ownership of the land as well as the building and other immovable facilities provided for the establishment of a school under this project shall vest wholly in the Chandigarh Administration for all intents and purposes.
- e) The Government-owned, built-up school sites would only be allotted to institutions, i.e. societies/trusts and not to individuals.
- f) No franchisee of any institution / society shall be eligible for allotment under these Rules.
- g) The applicant institution / society shall be eligible for the allotment of only one site in each allotment.

- h) The premises can only be used for the designated purpose/ related activities - that is, running a school and ancillary activities and not for any other activities.
- i) The Schools to be set up under this Scheme, will be co-educational.

4. Eligibility:

To be eligible for allotment of a site under these rules:

- a) The Society/ Trust should have been in existence for at least five academic sessions and have been imparting and providing of education as its principal aim and object; and
- b) it should be in possession of financial resources commensurate with its objectives; and
- c) it should have experience in running educational institutions, OR its members should be persons of international, national or regional repute as academicians, educationists or social workers.

5. Applications for allotment:

Applications for the allotments of Schools sites under this Scheme shall be invited in a prescribed format by the Director Public Instruction (Schools), UT Chandigarh, by publishing a notice in leading national and regional newspapers.

The applications so received would be examined by the Committee for making its recommendations. In every case, whether of allotment or rejection, reasons at once comprehensive, specific and eloquent, must be recorded by the Committee. The Committee may hear the applicant (s) before making its recommendations in order to arrive at a proper, considered decision consistent with the objectives of this Scheme and based upon a comparative assessment of the merits and demerits of the applicants.

Recommendations or the allotment of school sites under this Scheme would be made by the Committee to the Administrator and the decision of the Administrator thereon shall be final and binding on all parties.

6. Affiliation:

The School would be required to obtain necessary affiliation with the CBSE/ICSE and any other permission that might be required from any competent authority.

The Partner Society/Trust shall follow the rules, guidelines, instructions and/or policies prescribed by the CBSE/ICSE and Chandigarh Administration with regard to the appointment of qualified teaching and non-teaching staff, payment of salaries and other charges and settlement of retirement benefits.

The responsibility of ensuring the above will rest with the school management. Any liability that might arise out of non-

adherence to or violation of such rules, guidelines, instructions and/or polices would be that of the School/Society alone.

7. Fee Structure:

The fee structure would reflect that the School is free of the financial burden of land and building costs.

The fee structure would cover operation and maintenance costs.

Any surplus generated would be ploughed back into the running of the school.

The diversion of funds from the School to any other activity unrelated to the activities of the School will not be permitted.

8. Social Commitment:

The Society/ Trust would be expected to meet its social commitment through the following measures:

1. Reserving fifteen percent of the seats for children from poor families or running a separate shift for students from poor families (comprising of minimum 15%).

and

2. Creating a special facility for children requiring extra academic attention
or
Physically handicapped children;

and

3. Creating a special facility for exceptionally talented children.

The chosen form(s) of social commitment between internal choices shall be specified in the application.

9. Execution of Agreement:

On successful allotment, the Partner Society/Trust shall be required to execute an MoU on the format approved by the Administration within 30 days from the offer of such allotment failing which the said offer shall stand cancelled.

The MoU shall be got registered with the Sub Registrar, UT Chandigarh in settlement of all terms and conditions for the successful running of the project, of appropriate value stamp papers for such MoU. The expenses on the execution and registration of such documents shall be borne by the Partner Society/Trust.

10. Commencement of the Project:

The Society/Trust shall start the school's functioning from the new academic session immediately following the date of taking over the physical possession of the building/premises.

11. **Conditions of the Licence:**

a) The Society/Trust shall pay a licence fee at the rate of Rs. 75,000/- per acre per month through a demand draft/ banker's cheque only payable quarterly in favour of the Director Public Instruction (Schools), U.T., Chandigarh to be paid by the 10th day of January, April, July and October every year. For the current year, the licence fee shall be paid by the Society/Trust prior to the date of taking over the physical possession of the building/site. In the event of non-payment of licence fee by the due date, the licensee shall be liable to pay interest @ 10% per annum in addition to a penalty upto 10% (lumpsum) of the due amount.

Provided that such penalty shall be imposed by the competent authority after affording an opportunity of being heard in person with 20 days notice.

b) The Appellate Authority at its discretion may uphold, reduce or waive off such penalty as it may think proper after hearing both the parties as per the merits of the case any time provided such appeal is filed within 30 days of such order for penalty by the Competent Authority.

c) The licence fee so fixed under the above scheme shall be revised @ 2% of the prevalent licence fee every year. The prevalent licence fee shall be the amount of licence fee being paid at the time of such revision from time to time.

d) The Society/Trust shall not transfer its rights in respect of the licence granted to it by the Education Department, Chandigarh Administration to any third party and shall not mortgage or alienate its licence rights in any manner whatsoever. The Society/ Trust shall not at any time part with the possession of the school building/ premises in any manner whatsoever and shall, after the completion/ termination of the licence period hand over to the Education Department, Chandigarh Administration full and peaceful physical possession of the school building/ premises along with all immovable infrastructure provided to it. The Society/Trust shall not sub-let the school building/premises in any manner whatsoever.

12. The Managing Committee of the school will necessarily have one member nominated by the Chandigarh Administration.

13. **Performance Review:**

The Committee would review the working of the School once a year and the findings of such a Review, factually substantiated and duly reasoned, shall be communicated to the School Management for course corrections, if any.

14. **Cancellation/Termination:**

The Chandigarh Administration may terminate/cancel the MoU in any of the following contingencies namely :-

i) On the expiry of the licence period.

Or

ii) By giving 60 days' notice any time during the currency of the licence, in case the services rendered by the Society / Trust are not found to be satisfactory or in conformity with the norms and standards prescribed for the same.

Or

iii) By giving 60 days' notice if the Society/ Trust fail to meet its social commitment as per terms of the Scheme.

Or

- iv) By giving 60 days' notice if the Society/Trust breaches any of the terms and conditions of this Scheme or the MoU or in the event of any misconduct including assigning its functions and responsibilities to any third party or subletting the whole or any part of the work or in the event of insolvency/bankruptcy of the Society/Trust or in the event of any serious and intentional misrepresentation, concealment or suppression of any relevant material or information by the Society/Trust.

Or

- v) If the Society/Trust communicates its unwillingness to complete/continue the period of the MoU by giving 60 days' written notice:

Or

- vi) By giving 60 days' written notice if the Society/ Trust charges school fees at exorbitant, excessive or exploitative rates in violation of the basic objects and purposes of the Scheme.

Or

- vii) On the basis of any final and binding judgment or order passed by a competent court of law.

Provided that the Society/Trust shall continue to provide full services till the expiry of the ongoing academic session.

Provided that before a notice of termination / cancellation is served under this clause on account of unsatisfactory working of the Society/Trust an opportunity shall be granted to it to improve its functioning to the expected standard.

The Society/Trust shall hand over vacant peaceful physical possession of the school building/premises alongwith immovable infrastructure to the Education Department, Chandigarh Administration after the completion of the licence period or cancellation/termination of the MoU.

15. All legal matters arising out of the MoU shall be subject to the jurisdiction of Courts at Chandigarh only.

16. The Administrator, Union Territory, Chandigarh may amend any of the provisions of this Scheme in the public interest.

17. All existing schemes for allotment of sites for schools are repealed.

Dated, Chandigarh, the
7th December, 2007.

KRISHNA MOHAN, IAS
Home Secretary,
Chandigarh Administration.

No. DPI-UT-A5-23(25)/2007/643 Dated, the 11th Dec, 2007

A copy of Notification is forwarded to the Controller, Printing and Stationery Department, UT Chandigarh with the request that the above Notification alongwith Appendix on Vision-cum-policy statement and Memorandum of Understanding may please be got published in the Chandigarh Administration (Extra-Ordinary) Gazette and 200 copies thereof be supplied to this office for record.

Director Public Instructions(S)
Chandigarh Administration.

No. DPI-UT-A5-23(25)/2007/643 Dated, the 11th Dec, 2007.

A copy is forwarded to the following for information and necessary action:

- i) The Finance Secretary, Chandigarh Administration.
- ii) The Chairman, Chandigarh Housing Board, Chandigarh.
- iii) The Commissioner, Municipal Corporation, Chandigarh
- iv) The Special Secretary Finance-cum-Director Higher Education, UT Chandigarh
- v) The Estate Officer, Union Territory, Chandigarh.
- vi) The Director Information Technology, UT, Chandigarh.
- vii) The Director Public Relations, Chandigarh Administration.
- viii) The Chief Engineer, Union Territory, Chandigarh.
- ix) The Chief Architect, Department of Urban Planning, UT Chandigarh.
- x) The State Informatics Officer, National Informatics Centre, Union Territory Secretariat, Chandigarh. He is requested to place the Notification, Appendix on Vision-cum-policy statement and Memorandum of Understanding on the web site of Chandigarh Administration.
- xi) Notice Board outside the office of the DHE and DPI(S), UT Chandigarh.

Director Public Instructions(S)
Chandigarh Administration.

No. DPI-UT-A5-23(25)/2007/643 Dated, the 11th Dec, 2007.

A copy is forwarded to the following for information :-

- i) PA to Home Secretary for the information of ES.
- ii) PA to DPI(S) for the information of DPI(S)
- iii) The District Education Officer, UT Chandigarh. Further action for the implementation of above scheme shall be taken by her in consultation with the undersigned at an early date.
- iv) The Registrar Education(S), o/o Director Public Instructions, UT, Chandigarh.
- iv) The Assistant Controller (F&A), O/o Director Public Instructions, UT, Chandigarh.

Director Public Instructions(S)
Chandigarh Administration.

Appendix

Vision-cum-Policy Statement

Chandigarh Administration

Allotment of School Sites in the Union Territory of Chandigarh: Towards A More Socially Relevant Partnership

During the auction of school sites conducted on 12.9.2006 by the Estate Office under its open auction policy, the Chandigarh Administration came under scathing attack from prospective buyers and the media, who complained that the reserve price of Rs.15,907 per square yard was out of the reach of genuine organizations engaged in the activity of running schools. The common refrain was that such high rates were not viable and even if some entrepreneur with deep pockets were to make a successful bid at this very rate or more, consequences to the system and to society would be disastrous, and that the end sufferer would be parents who would be forced to fork out large sums to keep the child in school. It was argued in various forums that the Administration would be doing a great disservice to the cause of education, by persisting with this policy. Educational activity, particularly the running of schools, must not be considered a money-spinning operation, and that the essential ingredient of 'Service to Society' must be given due weightage in the process of allotment. The terms and conditions of allotment must be modified to reflect this crucial reality.

2. The Administration is alive to the need to create more seats in schools, and more schools within its territory, to cater to the increased pressure on admission to schools here. The city of Chandigarh is not only home to an ever-growing migrant population; it continually attracts families seeking a better education for their children compared to the one available in their home towns in Punjab, Haryana and Himachal Pradesh. Perhaps it would not be incorrect to call the schools of Chandigarh, a melting pot of different cultures and a point of convergence where the national, if not the global citizen of tomorrow, is being shaped.

3. In a meeting of eminent educationists chaired by the Adviser on 27.9.2006, the following significant views were expressed:

- (a) There is a crying need for more schools and better quality schools.
- (b) These schools must be spread out in different parts of the city. All sections of society have a right to expect good quality school education.
- (c) The Societies engaged in the management of schools - some for several decades now - were vociferous in their unanimity that 'they could not purchase real estate at such high rates, run schools on it and still hope to survive'.
- (d) The history of education in India over the past couple of centuries has been scripted by Societies, Charitable

Trusts and philanthropic organizations of different faiths, who approached Governments for land and in return worked to provide education to generations of children in that town or city.

- (e) Some of the most respected names in the Schools Sector in India might be attracted by the potential that Chandigarh has to offer, but would never be able to participate in a competitive auction like the one the Chandigarh Administration offers as a model for allotment, simply because their charters – their guiding principles – do not permit it, or because they just cannot raise that kind of money, or both.
- (f) This has resulted in a situation where the high price tag does not necessarily bring in the best players. It was argued that in fact, the reverse was true - this auction model was *ab initio* faulty because it actually DEPRIVED the best and the most reputed schools from attempting to enter Chandigarh.
- (g) The compulsions of the Administration in choosing only that mode of allotment that could be seen as fair, open and transparent, were explained. The educationists were of the view that it is merely a question of designing an appropriate model that permits only the best to enter the arena and where 'the best' is clearly and unanimously defined. Here, 'the best' would not necessarily be synonymous with 'the wealthiest' – simply because the one factor that made the whole process unviable – i.e. ownership of land – would not be on offer. What would be on offer would be the chance – the exciting opportunity - to partner the Chandigarh Administration in its endeavour to offer excellent quality school education to all sections of society.

4. Based on some of the concepts that crystallized during this session and subsequent meetings held on 27.9.2006, 31.10.2006, 2.11.2006, 10.11.2006 and 13.11.2006, a few aspects of the proposed Scheme could be outlined as under:

- (a) Ownership of the land would continue to vest in the Chandigarh Administration.
- (b) The sites would be allotted by way of a licence and on payment of annual licence fee, only to Societies actually engaged in school management – not individuals. In any case, affiliations to Boards like CBSE, ICSE etc. are only granted to Societies and organizations, not individuals.
- (c) It would be a partnership project between the Administration and the Society, with the latter not burdened by any element of land cost.

(d) To reinforce the concept of 'Administration - owned, Society – managed' even further, the actual construction of the School building could also be effected by the Administration in consultation with the Society's architects. Instead of creating a string of similar - looking structures for which Chandigarh has been lampooned in the past by critics and laypeople alike, we could actually design and construct '**a school with a soul**'. 'Let us permit divergence – one size need not fit all' – this was the view whole - heartedly endorsed by all present. Thus we would have imaginatively designed schools that would neatly reverse the Chinese proverb – 'Children walk to school and run back home'.

(e) **This means that the partner Society bears no burden on account of land or construction of the building.**

(f) A licence arrangement would be drawn up keeping all these parameters in view.

5. In the selection of partner schools, the **criteria for eligibility** would be made very clear in terms of some or all of the following:

- (a) the number of years of experience of running a high school with a certain minimum student strength.
- (b) financial soundness.
- (c) presence in a minimum number of cities in the country.
- (d) quality benchmarks prescribed for the operation of the school.
- (e) social commitment in existing institutions coupled with a vision for discharging a clearly spelt out clear-cut social obligation through these new schools.
- (f) excellence in innovative teaching methods.
- (g) concern for ecology and the environment in theory and practice.

This list is merely indicative.

In a situation where criteria like (a), (b) and (c) are equal in respect of two or more contenders, criteria like (d), (e), (f) and (g) would play a determining role.

6. (a) Advertisements could be inserted in leading national dailies inviting applications for this Partnership Project and specifying the criteria for allotment.

(b) The applications would be scrutinized by a Committee comprising of

prominent citizens with an excellent reputation for personal integrity, professional acumen and institution building. The Committee would view the detailed presentations made by the contenders. The deliberations of the Committee could also be videotaped as an exercise in total transparency. Two Observers could be invited to provide checks and balances, as well as mature leadership. The decisions would be shared with the public appropriately by posting details on the UT website. **No effort would be spared to ensure that the transparency quotient of the Project is very high.**

7. (a) The licence was initially proposed for ten years, extendable at decadal intervals. But all members felt that the Societies would require a longer lease period to nurture the Institution from scratch. Hence a thirty-year licence period was thought appropriate.

(b) Appropriate clauses would be built into the terms and conditions to take care of unfortunate defaults / breach of any of the terms and conditions of the agreement/MoU.

8. The fee structure would be reflective of the fact that the Partner school is free of the financial burden of land and building costs and is merely to provide staff and engage in management of the activities of the school.

9. The admission process, while having a merit orientation, could be designed to reduce exclusivity or eliminate it altogether. If possible, a geographical element (location) can be built into the admission process like in places abroad and in Indian metros.

10. The social commitment of the Partner Society would be very critical.

For example:

- a) reserving a certain number of seats for underprivileged students.
- b) carrying out projects in slum areas and labour colonies.
- c) adopting poor clusters for community work.
- d) actually running an entire second shift for the poor.
- e) running a parallel facility for children with learning disorders.
- f) starting an Adult Education Initiative.
- g) providing space and resources for a Vocational Training Project.
- h) creating a special facility for exceptionally talented children.

This would be clearly described by the Society / Trust at the application stage and would be assessed by the Committee in considerable detail.

Conclusion:

Though this Partnership Project would entail a change in the existing allotment policy, it would be a change for the better, keeping the needs and aspirations of every citizen in mind. Alloting land to the highest bidder is one way of allotting school sites, but as our past experience has shown, not necessarily the best.

Instead; retaining land with the Administration, making value additions on it, working in partnership with genuine and committed Partners in Civil Society chosen through a transparent and careful process, directly making need-based interventions to benefit the underprivileged, and raising a generation of young people unfettered by the divisions of the past and sensitive to diversity issues and other factors that the world now sees as critical, might actually serve to repay the initial investment with interest, several times over.

Chandigarh can then take justifiable pride in being one of the few cities in India to put its children first – where they rightfully belong. Alongwith its forward-looking and dynamic image in various other fields, it can then truly call itself 'The Little City with A Big Heart' !

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (hereinafter referred to as MoU) is signed on this _____ day of _____, 2007 between the President of India through the Secretary Education, Chandigarh Administration with its postal address as 4th Floor, Deluxe Building, U.T. Secretariat, Sector 9, Chandigarh of the one part,

AND

the Society/Trust (mention complete name and address of the Society/Trust) _____ registered under the Societies Registration Act, 1860/ Indian Trust Act, 1926 and having its registered office at _____ (hereinafter referred to as the Society/Trust which expression shall include their successors, representatives and assigns) of the second part.

The Chandigarh Administration and the Society/Trust are individually referred to as party and collectively as parties.

WHEREAS the Chandigarh Administration being desirous of providing quality school education at affordable rates by involving the community at large, has consulted eminent persons in the field of education and has decided to establish schools in partnership with institutions in civil society, under the Scheme, namely, "The Establishment of Schools in Partnership with Institutions in Civil Society Scheme, 2007."

AND WHEREAS the above named Society/Trust is willing to run/manage the establishment of the school located in _____.

AND WHEREAS the Chandigarh Administration in consideration of the conditions hereinafter contained and on the part of the Society/Trust to be faithfully observed and performed hereby grants licence to the Society/Trust to establish, manage and run the school.

NOW, THEREFORE, THIS MEMORANDUM OF UNDERSTANDING WITNESSES AS FOLLOWS:

1. In this MoU, unless the context otherwise requires, the following words and expressions shall have the meaning assigned to them as under:-

- i) 'Category of Site' shall mean a site for Pre-Primary, Primary, Middle, High and Senior Secondary Schools or integrated schools as the case may be.
- ii) 'Committee' shall mean a committee consisting of eminent citizens involved with education and one member nominated by the Chandigarh Administration as convenor, constituted in order to perform relevant functions required to implement this MoU.
- iii) 'Infrastructure' means immovable facilities including the building to be provided by the Chandigarh Administration.
- iv) 'Licence' means a licence granted by the Chandigarh Administration to the Society/Trust to establish, manage and run the school for a period of thirty years.
- v) 'Licence Fee' means the annual amount payable by the Partner Society / Trust, in lieu of use and occupation of the school building as per the terms of this MoU.

- vi) 'Nodal Agency' for this scheme shall mean the Education Department, Union Territory, Chandigarh.
 - vii) 'Society' means a Society registered under the Societies Registration Act, 1860.
 - viii) 'Trust' means a Trust registered under the Indian Trusts Act, 1926.
 - ix) 'Licencee' means the Society/Trust managing/using the premises/school building.
 - x) 'Scheme' means the Establishment of Schools in Partnership with Institutions in Civil Society Scheme, 2007 appended herewith, as amended from time to time.
 - xi) 'School' shall mean a co-educational school in the pre-primary, primary, middle, high and senior secondary categories.
2. The Society/Trust has applied to the Director Public Instruction (Schools), U.T., Chandigarh in response to the advertisement issued by the Chandigarh Administration for the grant of a licence to establish, manage and run the school. The Committee constituted by the Chandigarh Administration after examining the application of the Society/Trust found it eligible and suitable and recommended its case for the grant of a licence for the purpose of running the school. The recommendations of the Committee have been approved by the Administrator, U.T., Chandigarh subject to the fulfilment of conditions/stipulations imposed on the Society/Trust in this MoU or which may be imposed by the Chandigarh Administration in future.
 3. This arrangement/licence for "Establishment of Pre-Primary / Primary / Middle / High / Secondary School in Partnership with Institutions in Civil Society" shall be for a period of 30 years reckonable from the date of execution of this MoU on such terms and conditions as mentioned in this MoU which may be extended at the sole discretion of the Chandigarh Administration for a further period of 10 years on such terms and conditions as may be agreed between the parties.
 4. The Society/Trust shall commence the school's functioning from the new academic session immediately following the date of taking over the physical possession of the building/premises.
 5. a) The Society/Trust shall pay a licence fee amounting to Rs.75000/- per acre per month payable quarterly through a demand draft/ banker's cheque only, in favour of the Director Public Instruction (Schools), U.T., Chandigarh to be paid by the 10th day of January, April, July, and October every year. For the current year, the licence fee shall be paid by the Society/Trust prior to the date of taking over the physical possession of the building site. In the event of non-payment of licence fee by the due date, the licencee shall be liable to pay an interest @ 10% per annum in addition to a penalty upto 10% (lumpsum) of the due amount.

Provided that such penalty shall be imposed by the competent authority after affording an opportunity of being heard in person

with 20 days notice.

b) The Appellate Authority at its discretion may uphold, reduce or waive off such penalty as it may think proper after hearing both the parties as per the merits of the case any time provided such appeal is filed within 30 days of such order for penalty by the Competent Authority.

c) The licence fee so fixed under the above scheme shall be revised @ 2% of the prevalent licence fee every year. The prevalent licence fee shall be the amount of licence fee being paid at the time of such revision from time to time.

6. The Society/Trust shall not transfer its rights in respect of the licence granted to it by the Chandigarh Administration to any third party and shall not mortgage or alienate its licence rights in any manner whatsoever. The Society/ Trust shall not at any time part with the possession of the school building/ premises in any manner whatsoever and shall, after the completion/ termination of the licence period hand over to the Education Department, Chandigarh Administration full and peaceful physical possession of the school building/ premises along with all immovable infrastructure provided to it. The Society/Trust shall not sub-let the school building/premises in any manner whatsoever.
7. The Society/Trust shall be required to obtain necessary affiliation with the CBSE/ICSE and any other permission/approval that might be required from any competent authority for the purpose of running the school. In the event of failure on the part of the Society/Trust to obtain such affiliation, the Chandigarh Administration may terminate this MoU by giving a written notice of 15 days to the Society/Trust.
8. The Society/Trust shall follow the rules, guidelines, instructions and/or policies prescribed by the CBSE/ICSE and the Chandigarh Administration with regard to the appointment of qualified teaching and non-teaching staff, payment of salaries and other charges and settlement of retirement benefits etc. Any liability, which may arise due to non-adherence or violation of any such rules, guidelines, instructions and/or policies would be that of the Society/Trust alone. The Chandigarh Administration will not be liable for the same in any manner.
9. The land, building and infrastructure of an immovable/ fixed nature shall be provided by the Education Department, Chandigarh Administration without any cost. The Society/Trust shall bear the cost of providing infrastructure of a movable nature and shall bear the burden of the establishment / management of the school and running the day-to-day activities of the school, from its own resources.
10. The liability on account of payment of electricity/water charges in respect of the school building/premises and any and all expenditure on account of any taxes/cesses/duties etc. shall be borne wholly by the Society/Trust. The Society/Trust shall also undertake all regular maintenance of Civil, Electrical, Public Health and Horticulture works in respect of the site and building occupied by the Society/Trust as per terms and

conditions of this MoU.

11. The Society/Trust shall also manage the sanitation as well as security of the building and infrastructure under its charge.
12. The employees who may be appointed by the Society/Trust for the establishment and management of the school shall not in any way be the responsibility of the Chandigarh Administration. The Chandigarh Administration shall have no liability whatsoever on account of any expenditure which may accrue due to any award/order of the court. The Chandigarh Administration shall not be responsible in any manner whatsoever for any proceedings which such employees or any one or more of them may institute against the Society/Trust.
13. The fee structure would reflect that the school is free of the financial burden of land and building costs. The fee structure can be such that operation and maintenance costs are covered.
14. The ownership of the land, building and other immoveable infrastructure provided for the establishment of the school shall vest wholly in the Education Department, Chandigarh Administration for all intents and purposes.
15. The Chandigarh Administration shall not be responsible in any manner whatsoever for any loss caused to the property of the Society/Trust by fire, floods, explosion, war, internal rebellion or unrest, strike or agitation, embargo by civil or military authorities, any act of God, act of omission of carriers or any other such or similar cause(s).
16. The decision of the Chandigarh Administration with regard to appraisal or evaluation of the quality of performance/work/functions carried out by the Society/Trust shall be final and binding on it.
17. The Chandigarh Administration or any officer/official authorized by it shall be at liberty to check at any time the functioning of the school.
18. The school building/premises allotted by the Chandigarh Administration shall be used for the designated purpose and related activities i.e. running a school and ancillary activities only, and not for any other activity/ purpose. No addition or alteration in the building shall be made except with the prior approval of the Chandigarh Administration.
19. The Managing Committee of the School must have one member nominated by the Chandigarh Administration. The said Committee shall review the working of the school once a year and the findings of such a Review, factually substantiated and duly reasoned, shall be communicated to the School Management for course corrections, if any.
20. The Chandigarh Administration may terminate/cancel this MoU in any of the following contingencies namely :-
 - i) On the expiry of the licence period.
 - Or

- ii) By giving 60 days' notice any time during the currency of the licence, in case the services rendered by the Society/Trust are not found to be satisfactory or in conformity with the norms and standards prescribed for the same.
Or
- iii) By giving 60 days' notice if the Society/Trust breaches any of the terms and conditions of the Scheme or this MoU or in the event of any misconduct including assigning its functions and responsibilities to any third party or subletting the whole or any part of the work or in the event of insolvency/bankruptcy of the Society/Trust or in the event of any serious and intentional misrepresentation, concealment or suppression of any relevant material information by the Society/Trust.
Or
- iv) If the Society/Trust communicates its unwillingness to complete/continue the period of this MoU by giving 60 days' written notice:
Or
- v) On the basis of any final and binding judgement or order passed by a competent court of law.

Provided that the Society/Trust shall continue to provide full services till the expiry of the ongoing academic session.

Provided that before a notice of termination is served under this clause on account of unsatisfactory working of the Society/Trust an opportunity shall be granted to it to improve its functioning to the expected standard.

21. The Society/Trust shall hand over vacant peaceful physical possession of the school building/premises alongwith immovable infrastructure to the Chandigarh Administration after the completion of the licence period or cancellation/termination of the licence.

22. The licensee shall in all respects comply with and be bound by "The Establishment of Schools in Partnership with Institutions in Civil Societies Scheme, 2007" , as amended from time to time. In case of any conflict or inconsistency between the Scheme and this MoU, the Scheme shall prevail.

23. All legal matters arising out of this MoU shall be subject to the jurisdiction of Courts at Chandigarh only.

24. The applicant Society/Trust shall bear the costs incurred in connection with this MoU.

25. The parties hereby declare that they have read the terms and conditions contained in this MoU completely and that they fully understand the contents thereof and unconditionally agree to abide by all the clauses contained in this MoU.

26. The MoU shall not be amended, altered or modified except by an instrument in writing signed by both parties.

27. Where an amendment, alteration or modification is carried out via e-mail or fax or any other recognised mode (whether electronic or otherwise) the same shall immediately thereupon be recorded in writing and signed by the parties and shall not be acted upon unless and until it so written and signed.

This MoU is signed by the parties hereto with respect to the subject matter hereof and there is no agreement, understanding, covenant, condition or undertaking, oral or written,

express or implied, concerning this subject that has not been merged herein or superceded hereby.

In witness whereof both the parties hereto have put their signature/seal on this _____ day of _____, 2007

**Education Secretary,
Chandigarh Administration.
(for and on behalf of the
President of India)**

Witnesses

- 1.
- 2.

Name and address

Signature _____

Signature _____

For the Society/Trust

Witnesses

- 1.
- 2.

Name and address

Signature _____

Signature _____

This Memorandum of Understanding is presented before me for registration in the office of the Sub-Registrar, U.T. Chandigarh by Shri _____ for and on behalf of _____ (name of the Society/Trust with its Regd. Office at _____), aged about _____ years, occupation _____ on this day _____ of _____, 2007 between the hours _____ and _____.

Presenter

**Sub-Registrar,
U.T. Chandigarh.**

That the executants of this deed/MoU admit its due execution and contents therein to be true and correct. The executant is identified to my satisfaction by _____.

Both the witnesses are known to each other and I personally know the first witness.

Executant

**Sub-Registrar,
U.T. Chandigarh.**

Witness No. 1

Witness No.2