

**MEMORANDUM
OF
UNDERSTANDING**

**CONSTRUCTION INDUSTRY
DEVELOPMENT COUNCIL [CIDC]**

&

**DEPARTMENT OF HEALTH &
FAMILY WELFARE,
GOVERNMENT OF GUJARAT**

4th January, 2010, Gandhi Nagar

Memorandum of Understanding

This MOU is entered into on this day dated 4th January, 2010 between **Construction Industry Development Council** having their Registered Office at 801, Hemkunt Chambers, 89, Nehru Place, which includes its successors and assigns herein -after called the **First Party**

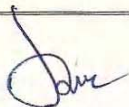
And The Principal Secretary, Department of Health & Family Welfare, Government of Gujarat, having their offices at Block – 7, New Sachivalaya, Gandhinagar hereinafter called the **Second Party**.

Whereas, the First Party is an organization, established by the Planning Commission, Government of India and the Indian Construction Industry with an objective to streamline the functioning of Indian Construction Industry, and the Apex representative organization having active participation of several constituents of Indian Construction Industry and the Government and has evolved several producers and facilitate inter-alia setting up of several institutions to enable Construction Industry acquire the status as a vibrant global entity.

And the Second Party through the **Project Implementation Unit**, which is under the Gujarat Government, is undertaking various works related to Healthcare Infrastructure, in the State of Gujarat with a special focus on development of Hospitals, Medical Colleges, Healthcare facilities and misc. allied works related thereto.

With objective of developing 'State-of-the-Art' physical infrastructure in the State in the above-mentioned sectors, the Second Party has initiated construction works on a number of projects across the State. While the need has been felt to engage a nodal agency that will render construction advisory and venture management services and shall evolve systems and effective dispute resolution mechanisms for seamless implementation of such projects, the Second Party wishes to engage the services of the First Party to act the nodal agency for project management services as per the following scope of work to eliminate the time and cost over-runs and economize on the investment of resources, inter-alia, ensure conformity of standard operational systems.

- (a) To evolve and develop standard systems for fair and equitable procurement of end-to-end construction management and supervision services carried out by the Second Party.



The scope of the work would entail the following:

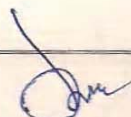
- Selection of Vendors for all services including detailed engineering and day to day supervision and monitoring, as required.
- Establishment and monitoring of Quality Assurance Systems
- Verification and validation of designs and drawings for compliance to specifications & Standards before issue for implementation
- Reviewing the testing of materials and reporting the results. Testing costs will be borne by the Department.
- Resolution of conflicts arising during processes of project implementation

- Effective QA systems required for quality, compliance and time-frame during project execution

To accomplish these objectives, the obligations of respective Parties, under this MoU shall be as follows:-

(a) First Party :

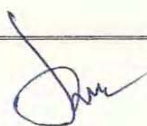
- To provide End-to-end construction advisory services
- To develop and implement on behalf of the Second Party the Quality Systems
- To develop and implement on behalf of the Second Party the Bidding Documents issuance of NIT for implementation.
- To develop and implement on behalf of the Second Party, manage and maintain data base of required service / product providers.
- To develop and implement on behalf of the Second Party a Project / Works / Contract Manual for smooth implementation of the earmarked Projects
- To develop and implement on behalf of the Second Party venture / Project Management / Project Monitoring / Management Information Systems.



- To develop and implement on behalf of the Second Party the Dispute Resolution Systems in accordance with the Prevalent Act
- To develop and implement on behalf of the Second Party vending process and pricing features.
- To facilitate conduct of periodic review meetings and follow up actions and to take all such actions as may be required for fulfillment of the objectives.
- To establish a well equipped office in Gandhinagar for efficient transaction of operation & communication related to Projects & PIU

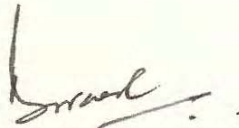
(b)Second Party :

- To authorize the First Party to act on behalf of the Second Party to accomplish the tasks and meet the obligations as defined in the relevant clause elsewhere in this MoU
- To provide facilitation of necessary approvals / grant of approvals to enable the First Party to discharge their obligations.
- To provide necessary resources based support to the First Party.
- The fee structure for the assignment shall be as follows:
 - Fee – 2.875 % of the estimated value of the Projects to be handled by the First Party
 - Payment terms:
 - 15 % advance upon signing of MoU
 - Equated monthly payments aggregating to 95 % of total fees including advance
 - Balance upon completion 5 %
- To identify the specific charter of services to be provided by the First Party and the Schedule
- And to generally extend all help and support to the First Party, as may be required by them in fulfilling their obligations.



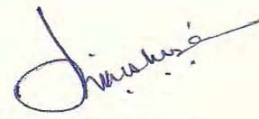
1. Both Parties agree and that in order to accomplish the objectives of this MoU they would set-up necessary task forces, Working Groups, Committees and Join Ventures based on exigent requirements, for which Separate MoU will have to be entered into.
2. The validity of this MoU shall be Two Years from the date of signing the same and thereafter extended through mutual consent.

First Party



(Dr. P.R. Swarup)
Director General
Construction Industry
Development Council,
New Delhi

Second Party



(Rajesh Kishore)
Principal Secretary
(Health & Family Welfare)
Department of Health,
Government of Gujarat, Gandhinagar

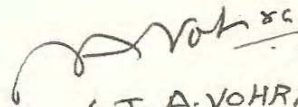
1. Witness



DEEPAK MAZUMDAR
By Director

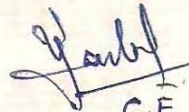
2. Witness

1. Witness



(I A. VOHRA)
Joint Secy.
Health & F.W. DEPT.
Gandhinagar

2. Witness



C.E. PIU.
Gandhinagar.

Date : January 4, 2010
Place : Gandhi Nagar