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MEMORANDUM OF UNDERSTANDING

BETWEEN

**DAV COLLEGE TRUST AND MANAGEMENT SOCIETY,
CHITRAGUPTA ROAD, NEW DELHI**

AND

**ZUARI CEMENT LIMITED
YERRAGUNTALA, KADAPA DISTRICT.**

Statutory Alert:

1. The authenticity of the Stamp Certificate can be verified at Authorised Collection Centers (ACCs), SHCIL Offices and Sub-registrar Offices (SROs).
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This agreement made this 2nd day of June, 2008 between the Zuari Cement Ltd., a Company incorporated under the Companies Act having its Registered office at Krishna Nagar, Yerraguntla, Kadapa district-516311, Andhra Pradesh, hereinafter referred to as the "Enterprise" (which expression unless excluded or is repugnant to the context shall include its successors and assigns) of the one part and the D.A.V.College Trust and Management Society a society registered under the Societies Registration Act 1860, and having its registered office at New Delhi, hereinafter referred to as the Society (which expression unless excluded or is repugnant to the context, shall include its successors and assigns) of the other part.

Whereas the Enterprise is involved in the business of manufacturing and selling of cement having one of its Cement Plant at Yerraguntla, Kadapa District and is keen to provide certain amenities to its employees at Yerraguntla Plant, one of the amenities being the provision of Education facilities for the wards and dependents of its employees.

And whereas the Enterprise is having a building with 8 class rooms, a library and other rooms on 2 acres of land in which a primary School was functioning which was being managed by the Enterprise to be taken over and administered by DAV College Managing Committee for extending the educational facilities upto Secondary level for the wards of its employees and residents of the nearby areas.

And whereas in order to improve the quality of education being imparted in the school functioning under the control of the Enterprise, the Enterprise has approached the Society, which has been successfully running and managing Schools and Colleges throughout India, for taking over the management, development and functioning of the said school as per the terms and conditions set out hereinafter.

And whereas in pursuance of the wishes of the Authorities of the Enterprise the Society has agreed to take over, administer and run the school at the project site.

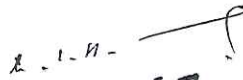
And whereas it is further mutually agreed to reduce into writing the terms and conditions mutually agreed to, hence, this Memorandum of understanding through Shri. Suresh Sivanandam, Vice President – HR for and on behalf of the Enterprise and Shri R.S.Sharma, General Secretary, DAV College Managing Committee for and on behalf of the Society so as to serve as a record for reference hereafter.

Now these presents witness as follows:

1.0 General:

- 1.1 That under the terms and conditions, hereinafter set forth the Society hereby agrees to take over Composite Co-educational School in English Medium from Class LKG leading to Class V on Public School lines which shall be developed upto Secondary level. The school shall be got affiliated by the DAV College Managing Committee (DAV CMC) or the Society, with the Central Board of Secondary Education, Delhi as per the norms of the Affiliation Bye-laws of CBSE.




General Secretary
D.A.V College Managing Committee
Chitra Gupta Road New Delhi-55

- 1.2 That for getting the school affiliated with the Central Board of Secondary Education, the Enterprises shall provide a certificate to the effect that the school has been sponsored and is fully financed by the Enterprise, but its management and administration has been handed over to the DAV College Managing Committee, New Delhi.
- 1.3 That the name of the school shall always have the words "D.A.V." prefixed or suffixed with the name of the Enterprise sponsoring the School. The School name shall be "ZUARI CEMENT DAV PUBLIC SCHOOL".
- 1.4 That the school shall be directly governed and controlled by the DAV College Managing Committee, New Delhi.
- 1.5 That the terms of the agreement shall initially be for a period of 30 (thirty) years renewable thereafter for such period(s) as may be mutually agreed upon.

2.0 Local Managing Committee:

- 2.1 That the D.A.V.College Managing Committee shall constitute Local Managing Committee (LMC) consisting of the following members for efficient running of the school. The term of the Committee shall be three years.

(a)	Representative of the Enterprise including Chairman who would be the Chief Executive/Head of the Enterprise/Project.	-	3
(b)	Representatives of the DAV College Managing Committee to be nominated	-	3
(c)	Educationist to be nominated by DAV CMC	-	2
(d)	Teacher Representatives	-	2
(e)	Parents Representatives	-	2
(f)	CBSE Nominees	-	2
(g)	Principal of the School as Member Secretary of LMC	-	1
(h)	Government nominee(s), if required		
- 2.2 That the Vice-Chairman shall be one of the representatives of the DAVCMC nominated on the LMC.
- 2.3 That the school LMC shall function as per the policies laid down by the DAVCMC and shall work for and on behalf of the DAVCMC to ensure the smooth functioning of the school.


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3.0 Appointments:

- 3.1 That the DAV College Managing Committee shall appoint the Head of the School whose selection shall be done at the Society's Headquarters in Delhi. The other members of the staff will be selected by an Ad-hoc selection committee, which will be constituted by the DAV College Managing Committee, New Delhi on which there will be one or two representatives of the Enterprise.
- 3.2 That the staff of the existing school functioning under Zuari Cement Ltd. will not be the liability of the Society and the Society will not be bound to absorb the employees of the erstwhile school. However, the staff members under the existing school management will be given a chance to attend the interview conducted by DAV CMC to select the staff of the school under reference. If any staff member of the presently Management is found suitable, may be given employment afresh by the DAV Management. In such an event the concerned employee(s) shall resign from the present Management and the payment of all dues for the period of earlier service will be the liability of the Enterprise.
- 3.3 That the selection of the staff will preferably be done at the place where the school is located.
- 3.4 That the members of the staff shall be paid their salaries and allowances etc., as per the rules and regulations of the DAV College Managing Committee subject to the approval from LMC at Annual Budget.
- 3.5 That the Head of the school shall be provided free residential accommodation by the Enterprise while the teachers and other staff at the discretion of Enterprise and subject to availability, shall be provided accommodation on the same terms and conditions as is provided to the employees of the same status of the Enterprise. The rent chargeable shall not exceed 5% of the basic pay of an individual member of the staff. Perquisite value of accommodation provided shall be considered as income in the hands of teachers as per Income Tax Provisions. The staff and their families will be entitled to free medical treatment as may be available to the employees of the Enterprise.
- 3.6 That the Enterprise will provide transport for Head of the School for official purpose as and when required.
- 3.7 That the Enterprise will ensure that the share of the management towards Provident Fund Gratuity, leave encashment & other benefits are remitted by the school to the DAV College Managing Committee regularly each month and are incorporated in the Annual Budget.
- 3.8 That the staff of the school shall be the employees of the Society and they will be governed by the service rules of the DAV College Managing Committee. In case of termination of any employee, the school shall be compensated by the Enterprise towards the payment, if any, which may have to be paid to the



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Chitra Co. Ltd.
New Delhi-55
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employee, as per the rule of DAV College Managing Committee provided the rules of governing termination has been placed before LMC and approved.

In case of closure of the school, the compensated amount to the staff shall be paid by the Enterprise.

4.0 Admissions:

4.1 That the admission of students to the school will be on merit based on test and interview. Preference for admission will be given to the wards of the employees of the enterprise and the School staff. The wards of the School staff will be given full fee concession (to the maximum of two children) studying in the School. If the seats are available admission may also be given by the head of the school to outsiders.

4.2 That the School will charge fees from the wards of the employees of the Enterprise according to the yardstick fixed by the Enterprise, but from outsiders the DAV College Managing Committee would be free to charge the fee as may be prescribed by it in consultation with LMC.

5.0 Land, Building and Capital Expenditure:

5.1 That the Enterprise shall provide at least 2 acres of land for one Secondary School and shall also provide properly constructed building on a nominal lease of Rs.1/- (Rupees One only) per annum for running the school. The building shall be according to the norms laid down by the Central Board of Secondary Education and the DAV College Managing Committee.

5.2 That the Enterprise shall provide all the amenities like water, electricity, furniture, science apparatus and equipment, library books, sports, material etc., to the school for smooth functioning of the school.

6.0 Recurring Expenditure:

6.1 That the Enterprise shall be required to meet the total deficit on running the school after deducting the income of the school realized as fees etc., from the students.

6.2 That the school shall pay to the DAV College Managing Committee each month 7% of the (Basic pay + DA) of the School staff to cover its administrative and service charges etc. It will also make its contribution to the DAV College Managing Committee for Regional Director's Fund and Arya Vidya Sabha & Arya Pradeshik Pratinidhi Sabha contributions at the rate to be determined by the DAV College Managing Committee from time to time, which shall be incorporated in the Annual Budget.

6.3 That the Principal of the school shall prepare the Annual Budget for the school and get it approved from the LMC before sending it for approval to the DAV



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General Secretary
DAV College Managing Committee
4000 Gupta Road, New School

CMC. The Enterprise will meet the deficit of the school in accordance with the approved Budget.

7.0 Accounts Audit:

7.1 That all the funds of the school shall be deposited in a Scheduled or Nationalized Bank at the project site. The School shall maintain three accounts in the Bank as follows:

- a) DAV College Managing Committee Account: To be operated jointly by the representatives of office Bearers of the DAVCMC and authorized representative of the Enterprise.
- b) The School Account: To be operated jointly by the Head of the School and Manager / Regional Director.
- c) The pupil's Fund Account: To be operated by head of the school jointly with the Manager / Regional Director of the School in accordance with the rules of the DAVCMC. This fund would be utilized exclusively for the benefit of the school children.

7.2 That the funds of the School shall not be used by the DAV College Managing Committee for any purpose other than that of the School.

7.3 That the accounts of the School shall be audited by Internal Auditors of DAV College Managing Committee and by the Chartered Accountants to be appointed by the DAV CMC. The report of the Chartered Accountant shall be placed before the LMC for their information and necessary action. The Chartered Account shall be appointed with the concurrence of Enterprise and the fees payable to the Auditors should be within the approved limits in the Annual Budget.

7.4 That the traveling and other out of pocket expenses of the representatives of the DAV College Managing Committee on the LMC or other officials required to attend the meetings, interview boards etc., on official assignments will be met from the School fund.

8.0 That the either party, if it is not satisfied with progress of the School or there are other reasonable grounds, may give a notice of at least two years (two academic sessions) for termination of the contract.

9.0 That the disputes, if any, shall be subject to arbitration, if mutual consultations between the Enterprise and the Society fail to resolve the issue. The arbitration shall be strictly in accordance with the Arbitration and Conciliation Act, 1996 as amended from time to time. The place of Arbitration shall be at Andhra Pradesh.



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DAV College Managing Committee
Chand Supta Rd New Delhi-55
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10.0 That the jurisdiction in the event of disputes arising out of the terms of the agreement shall be Courts at Andhra Pradesh.

In witness thereof the parties have set their respective hands hereon the 2nd day of June 2008 above written.



Signature:

Name: Suresh Sivanandam

Designation: Vice President H R

(For and on behalf of the enterprise)

 R.S. SHARMA
Signature: General Secretary
Name: D A.V College Managing Committee
Designation: Chitra Gupta Road, New Delhi-55
(For and on behalf of the Society)

Witnesses:

1. Venkateswar Rao Chitta
AGM - P & A
Zuari Cement Ltd,
Krishna Nagar, Yerraguntla
Kadapa District.
Andhra Pradesh

(Signature)

2.



(Signature)

Name and address J.P. SHOOR
DIRECTOR (PS-II),
DAVCMC, NEW DELHI