

By Registered Post



Secretariat,
Chennai-9.

Labour and Employment Department
Letter No.3621/S2/2017-6, Dated 21.07.2017

From
Tmt.P.Amudha, I.A.S.,
Secretary to Government.

To

- ✓ 1.M/s. DesignTech Systems Limited,
6, Commerce Center,
Pand Road,
Pune -411 038,
Maharashtra , India.(w.e.)
2. The Registrar,
Anna University,
Chennai-600 025.(w.e.)

Sir,

Sub: Establishment of Centre of Excellence and 5t-SDIs in
Tamil Nadu – MoU signed –sent – Regarding.

I am directed to enclose an original copy of the MoU duly signed by the Secretary to Government, Department of Labour and Employment, Government of Tamil Nadu, Siemens Industry Software (India) Pvt. Ltd., DesignTech Systems Ltd., India and the Registrar of Anna University on 4.7.2017 for establishment of 1 Centre of Excellence and 5(t-SDIs) Technical Skill Development Institutes in the State. The receipt of the MoU may be acknowledged.

Yours faithfully,

for Secretary to Government.

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AGREEMENT BETWEEN

**DEPARTMENT OF LABOUR AND EMPLOYMENT,
GOVERNMENT OF TAMILNADU**

AND

SIEMENS INDUSTRY SOFTWARE (INDIA) PRIVATE LIMITED

AND

DESIGNTECH SYSTEMS LIMITED

AND

ANNA UNIVERSITY

The Agreement is executed on this 4th day of July, 2017 (Effective Date) by and between the Governor of Tamil Nadu duly represented by and acting through the **Secretary to Government, LABOUR AND EMPLOYMENT DEPARTMENT, GOVERNMENT OF TAMILNADU**, having its office at Secretariat, Chennai-9, hereinafter called the "GoTN" (which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include its successors and assigns) of the FIRST PART;

And

SIEMENS INDUSTRY SOFTWARE (INDIA) PRIVATE LIMITED (SISW), having its corporate office at Tower D, 16th Floor, Global Business Park, MG Road, Gurgaon 122002, Haryana, India, hereinafter called "SISW" (which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include its successors and assigns) of the SECOND PART;

And

DESIGNTECH SYSTEMS LIMITED, having its registered office at 6, Commerce Center, Paud Road, Pune 411038, Maharashtra, India, hereinafter called "DesignTech" (which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include its successors and assigns) of the THIRD PART.

And

ANNA UNIVERSITY established on the 4th September 1978 represented by the Registrar (which expression shall, unless the same be repugnant to the context or meaning thereof, mean and include its successors and assigns) of the OTHER PART

GoTN, SISW and Design Tech and Anna University, shall hereinafter be collectively referred to as parties and individually as party.

WHEREAS:

- (a) GoTN is engaged in policy formulation, program implementation, coordinate with various stakeholders, knowledge management, research and innovation, creation of intellectual property, training and capacity building to improve the Quality and Quantity of Higher, Technical education and Skill development eco-system in the State of Tamil Nadu.

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- (b) SISW is engaged in the business of developing and licensing of Product Lifecycle Management software to customers on a worldwide basis; and that it shall provide the Product Lifecycle Management software to GoTN and further act as a technology partner to actively collaborate and assist DesignTech in running of the various skill development centers (detailed hereinafter) in the State of Tamil Nadu.
- (c) DesignTech is engaged in the business of marketing and system integrating software applications and hardware, and providing associated value added Information Technology services. DesignTech has agreed to set-up skill development centers in Tamil Nadu in active collaboration and assistance from SISW, whereby they will supply software, hardware and courseware, and operate the various skill development centers.
- (d) SISW and DesignTech jointly submitted a proposal to the GoTN to set up 1 cluster, with each cluster comprising of 1 Centre of Excellence and 5 technical – Skill Development Institutes, in the State of Tamil Nadu under Siemens Skill Development initiative.
- (e) Anna University, is engaged in conducting training for Graduates, Post – Graduates, Doctorates and for others.
- (f) GoTN, SISW and Design Tech and Anna University have mutually discussed the proposal and agreed to enter into this agreement as detailed hereinafter. The proposal submitted will form part of this Agreement.

NOW, THEREFORE, in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

1. DEFINITIONS:

In this Agreement, the following expressions shall have the meaning stated herein:

“**Agreement**” shall mean this agreement executed between GoTN, SISW and Design Tech and shall include any written modifications thereof and the Annexures hereto.

“**Applicable Law**” shall mean all the laws national and international, enacted or brought into force, as the case may be, and enforced by the Government of India or GoTN, as the case may be, and the regulations and notifications made

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thereunder and judgments, decrees, injunctions, writs and orders of any court of record, as may be in force and effect.

“Centres of Excellence or COE & Technical Skill development Institute or t-SDI” shall mean Industry linked Siemens Centres of Excellence for Government Engineering and Polytechnic Institutes. These COE’s are to be identified by GoTN and to be established, maintained and run by DesignTech in active collaboration and assistance from SISW, as per the terms of this Agreement.

“Effective Date” shall mean the date mentioned at the beginning of this Agreement.

“GoTN” means the Department and any agency, authority (including any regulatory authority) department, inspectorate, ministry or statutory person (whether autonomous or not) (including any successor thereof) under the control and direction of the Government of Tamil Nadu.

“GOI” means the Government of India and any of its duly authorised agency, authority, department, ministry or person (whether autonomous or not).

“GoTN” means the Government of Tamil Nadu and any of its duly authorised agency, authority, department, ministry or person (whether autonomous or not).

“Relevant Authorities” means the GOI or GoTN or any other regulatory authority appointed by GOI or GoTN having jurisdiction in relation to the subject matter of this Agreement under the Applicable Law.

“Set-up” means the date from which each COE’s and t-SDIs has become operational, students have been enrolled and necessary approval, infrastructure, and facilities to operate COE and t-SDIs have been obtained from **GoTN**.

“t-SDI” means technical-Skill Development Institutes set up with the purpose of upgrading skills of students in technical vocational trades like Automotive, Electrical, Electronics and Information and Communication Technology, and Manufacturing and Fabrication.

2. INTERPRETATION

In this Agreement, unless the context otherwise requires;-

- (a) Words denoting the singular number shall include the plural and vice versa.
- (b) Heading and bold typeface are only for convenience and shall not affect the construction of this Agreement.

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- (c) References to the word "include" or "including" shall be construed without limitation.
- (d) References to this Agreement or to any other agreement, deed or other instrument shall be construed as a reference to such agreement, deed, or other instrument as the same may, from time to time, be amended, varied or supplemented.
- (e) A reference to a clause or schedule is, unless indicated to the contrary, a reference to a clause or schedule of this Agreement.
- (f) Words denoting a person shall include an individual, corporation, company, partnership, trust or other legal entity.

- (g) References to dates and times shall be construed to be references to Indian dates and time.
- (h) References to the word "days" shall, unless otherwise indicated mean calendar days.
- (i) The Annexures to this Agreement shall form an integral part of this Agreement and shall be read along with this Agreement; and
- (j) In addition to terms defined in Clause 1, certain other capitalized terms are defined elsewhere in this Agreement and whenever such terms are used in this Agreement, they shall have their respective defined meanings, unless the context expressly or by necessary implication otherwise requires.



3. SCOPE OF SERVICES / PROJECT

- (a) To make qualitative improvements in technical education by setting up of 01 CoE and 5 t-SDIs by providing
 - Infrastructure in college Laboratories by adopting latest open technologies in engineering, design, manufacturing, planning, analysis and management in order to serve the needs of all the adjoining industrial units, irrespective of use of the machinery and technology;
 - Skill up-gradation of Faculty by training;
 - Upgrade course curriculum to modern industrial practices;
 - Promote research and development and innovation for existing Industries.

- (b) Promote Industry: Academia interface to improve relevance in technical education system, in line with industry requirements;

- (c) Train students to improve their employability: Enable students to compete in national and international employment market for better work opportunities, remuneration and growth;

- (d) Enhance the reputation of technical institutions as modern and equipped with state of art technologies and industry processes;

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- (e) Create a pool of skilled manpower to cater to current and future industrial landscape of the State and country.

4. RESPONSIBILITIES OF DESIGNTECH AS PROPOSER

- (a) It shall act as proposer, implementer and system integrator for the overall project in active collaboration and assistance with SISW. It shall be the primary partner to set-up the COEs and t-SDIs and to provide assistance to GoTN.
- (b) It shall set up the COEs and t-SDIs by supplying, installing and system integrating the hardware, software, and courseware from SISW and other suppliers in the State of Tamil Nadu. The details of hardware, software, courseware, and number of COE's and t-SDI's (which forms the BOM, bill of material) are detailed in Annexure – A to this Agreement.
Caveat: Some of the Lab Hardware especially in t-SDI's is linked to Industry Partner tie-ups. The current Bill of Material may undergo change as per the Industry Partner's specific requirements. The changes will be informed to GoTN through change request form.
- (c) It shall supply the software, hardware and courseware to GoTN for use within COEs and t-SDIs.
- (d) It shall conduct training of Faculty on SISW software applications and all supplied products at COEs and t-SDIs.
- (e) It shall provide support under the academic program to assist GoTN to
- Enroll students for training courses and provide course material.
 - Train the students on supplied products and courseware.
 - Certify the students upon successful completion of training as may be agreed between the parties herein.
 - It shall operate and maintain each COEs and t-SDIs for 2 years from the date of set-up at its own cost and, thereafter, shall provide assistance to trained staff of GoTN or its authorized representatives for a period of 1 year. It shall, thereafter, hand over the assets at COE and t-SDIs in full working condition including the operational responsibilities to GoTN or its nominee/ residing institutes, at no additional cost.
- (f) It shall operationalize all COEs and t-SDIs within 6 months from receipt of approval and other infrastructural facilities from GoTN, including but not limited to access of the ready site at the demarcated institutions/locations.
- (g) It shall deploy its experienced personnel at each COEs and t-SDIs as per the details mentioned in Annexure - B attached to this Agreement.
- (h) This program proposes to annually train a maximum of 11,500 students/ candidates per Cluster i.e., 1 CoE and 5 t-SDIs at full capacity (100% utilization). The skill development training would be imparted to both present and past students of the concerned institutions, people who are employed but

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underpaid, unemployed, as well as candidates with technical degree/ diploma from adjoining areas who would benefit from this program. GoTN will be solely responsible for mobilization and final authority for selection of all students.

- (i) It shall assure that the assistance from the GoTN is utilized in a proper way for the successful implementation of the project. It shall provide progress report on implementation of the project and utilization certificates of the assistance granted by the GoTN from time to time.
- (j) It shall be responsible to comply with all the applicable laws including all labour welfare legislations as may be applicable to the State of Tamil Nadu, in respect of its personnel deployed for imparting training at the skill centers.

5. RESPONSIBILITIES OF SISW :

- (a) It shall act as technology partner and program advisor to DesignTech for the project implementation and operation.
- (b) It shall train and certify DesignTech Faculty to be posted on-site at the COEs and t-SDIs.
- (c) It shall monitor quality of the training imparted by DesignTech and shall actively assist and collaborate with DesignTech for the overall implementation and operation of the COEs and t-SDIs.
- (d) It dedicates itself to the project and provides the In-kind grant support to DesignTech (as per proposal).
- (e) It shall participate in the overall governance of the centers both at State and Local level.

6. RESPONSIBILITIES OF GOTN :

- (a) GoTN will identify the institutes for setting up of the COEs and t-SDIs
- (b) GoTN will demarcate the required area for the set-up of the laboratories, and provide the necessary infrastructure as per project specifications outlined in the proposal, including electricity, water, plumbing/ pneumatic piping, furniture, fixtures and adequate security, internet and student training consumables (at actual usage) for the laboratories in the COEs and t-SDIs. GoTN will also arrange to provide necessary approvals as required from various Government departments in the State of Tamil Nadu.
- (c) GoTN shall sign the Software License and Services Agreement ("SLSA") and other terms related to use of hardware with SISW and shall comply by those terms. GoTN and its institutes shall use software license(s) and hardware sold to it in accordance with the terms of the SLSA.
- (d) In consideration of the above obligations agreed to be undertaken by SISW and DesignTech, GoTN agrees to pay the total amount of (INR) 54.68 Crores (Rupees Fifty Four Crores and Sixty Eight Lakhs Only) sanctioned vide G.O.(Ms)No.229, Labour and Employment Department, dated 28.11.2016 plus,

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taxes as applicable at the time of supply towards financial assistance for setting up 1 cluster (1 CoEs and 5 t-SDIs) (Annexure C). The release of the said amount is subject to the terms and conditions mentioned in this agreement (as per clause 8)

The above said financial assistance is sanctioned for capital expenditure and recurring cost for three years incurred (acquired and paid) by SISW and Design Tech with reference to the Project during the operative period of the scheme as a onetime grant.

- DesignTech and SISW hereby agree to comply with all the terms and conditions laid down in this Agreement. Breach of any of the conditions of this Agreement will authorize the State Level Approval Committee and/or GoTN to take over the project along with all the assets of the Project and other fixed assets, except other liabilities of SISW, DesignTech, and their promoters and employees.

7. OBLIGATIONS OF ANNA UNIVERSITY

- (a) Mobilization and enrollment of students for training courses.
- (b) Arrange for about 13,000 sq.ft carpet area space for Center of Excellence and about 5,000 sq.ft area for each Technical Skill Development Institute
- (c) Arrange for furniture and fixtures like chairs, tables air-condition space, etc. for all laboratories

8. PAYMENT TERMS AND APPLICABLE TAXES

GoTN agrees to pay the total amount of (INR) 54.68 Crores (Rupees Fifty Four Crores and Sixty Eight Lakhs only) plus, taxes as applicable at the time of supply towards financial assistance for setting up 1 cluster (1 CoEs and 5 t-SDIs) as per the following Schedule :-

- (a) At the time of signing of agreement, GoTN agrees to pay fifty percent of the total Government contribution i.e. (INR) 27.34 Crores (Rupees Twenty Seven Crores and Thirty Four Lakhs only) plus taxes and duties as applicable at the time of execution (signing) of the Agreement.
- (b) The balance fifty percent of the Government contribution i.e. (INR) 27.34 Crores (Rupees Twenty Seven Crores and Thirty Four Lakhs only) (excluding taxes), shall be paid by GoTN to Design Tech, once Design Tech completes the shipment of the various equipment, software, courseware, etc., to GoTN. All invoices will reflect the Government contribution value, and will be detailed as per the scope of supply, with accompanied copies of acknowledged delivery challan.
- (c) GoTN shall release the applicable payment to DesignTech within a reasonable period from the date of receipt of the invoice.

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- (d) All amounts shall be paid through account payee cheque in favor of "DesignTech Systems Limited".

9. MONITORING THE ACTIVITIES OF THE COEs and t-SDIs

- (a) State Level monitoring of the COEs and t-SDIs

This shall be monitored and reviewed at State Level by a Committee under the chairmanship of Additional Chief Secretary to Government, Finance Department. The review meeting shall be conducted quarterly. The committee shall advise/direct the COEs and t-SDIs and resolve all issues arising during the implementation and operation of the project. The Committee shall consist of persons as mentioned in Annexure- D





- (b) Board of Governance:

The parties will form a Board of Governance to oversee the implementation and operations of the COEs and t-SDIs. The review meeting shall be conducted monthly. The Board will comprise of the following:-

- One representative from SISW.
- One representative from DesignTech.
- Other Industry members (not exceeding 2) to be mutually agreed upon among the parties.
- One representative from Director of Technical Education
- One representative from Tamil Nadu Skill Development Corporation
- One representative from Anna University

10. UTILIZATION OF FUNDS

The activities carried out by the various COEs and t-SDIs will be reported quarterly to GoTN through the State Level and Local Board of Governance meetings. GoTN or its nominated institutions will be solely responsible for determination, charging and collection of the fees from the students, and maintaining the relevant records as per agreed norms. DesignTech will maintain separate accounts to record the operational expenditure of the COEs and t-SDIs for the entire project, which shall be certified by the statutory auditors and will be submitted to GoTN at the end of each year.

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11. BREACH OF AGREEMENT & REMEDIAL PERIOD

In case DesignTech and SISW commits breach of any condition as laid down in this Agreement, then GoTN shall bring the same to the notice of Design Tech and SISW. In case the breach is not rectified within sixty days from the date of notice, as per the words and spirit of this Agreement, GoTN is authorized to take over the project along with the assets of the project and other fixed assets.

12. CONFIDENTIAL INFORMATION

The parties recognize that in the course of providing the software and performing the services pursuant to this Agreement, all parties may have access to confidential information and trade secrets belonging to the other and each party desires that such confidential information and trade secrets remain confidential. Each party agrees that all confidential information and trade secrets communicated to the other in any manner (the "Confidential Information"), will be used by the recipient party only for the purposes allowed by this Agreement. The other party's Confidential Information will not be disclosed by the recipient party, other than to its employees and, in the case of SISW, to its consultants, agents, and contractors, without the prior written consent of the other party. Each party will advise its employees and, shall sign confidential agreement with those who receive any of the other party's Confidential Information. The confidentiality provisions of this Section will not apply to any Confidential Information that (i) was or becomes generally available to the public other than as a result of disclosure by the recipient party in violation of this Agreement; (ii) becomes available to the recipient party from a source other than the other party, provided that the recipient party has no reason to believe that such source is itself bound by a confidentiality or non-disclosure agreement with the other party or otherwise prohibited from disclosing such Confidential Information by a legal, contractual or fiduciary obligation; (iii) was in the recipient party's possession prior to receipt from the other party; (iv) is independently developed by the recipient party without the use of the other party's Confidential Information; or (v) is required to be disclosed by the recipient party by a Governmental agency or law, so long as the recipient party provides the other party with written notice of the required disclosure promptly upon receipt of notice of the required disclosure. Upon demand, the parties shall comply with each other's instructions regarding the disposition or return of the Confidential Information in its possession or control.

Upon any actual or threatened violation of this Section by either party, the other party will have the right, in addition to such other remedies which may be available to it, to seek injunctive relief enjoining such acts or attempts, it being acknowledged and agreed that monetary damages are inadequate to protect the other party.

The image shows four handwritten signatures in purple ink. From left to right: a signature that appears to be 'P. Ash', a signature that appears to be 'Sam', a signature that appears to be 'by Au', and a signature that appears to be 'Au'.

13. LIMITATION OF LIABILITY

Except as agreed and provided under this Agreement, neither party shall be liable to bear or pay any damages arising out of loss of income, loss of profit, special, incidental, indirect, punitive, exemplary or consequential, to any party including third parties, and all such damages are expressly disclaimed. The aggregate liability of DesignTech and SISW to GoTN, in contract or tort or under statute or otherwise, for any direct loss or damage suffered by GoTN arising from or in connection with this Agreement, will be limited to, and will not exceed, in the aggregate, the amount received by Design Tech and SISW, respectively, under the Agreement.

14. ASSIGNMENT

SISW and DesignTech hereby agrees that their rights and obligations under this Agreement shall not be assigned to, or in favor of, any third party or parties without the written consent of GoTN, which shall not be unreasonably delayed or denied.

15. DISPUTE RESOLUTION

The parties shall endeavor to resolve all or any dispute arising out of or in connection with, this Agreement amicably within thirty days of notice being issued by the non-defaulting party to the defaulting party. In case no amicable solution is arrived between the parties within the said sixty days, then, such dispute/s shall be settled through the court located in Chennai.

16. UNCONTROLLABLE CIRCUMSTANCES

If the performance of any part of this Agreement by SISW or DesignTech is prevented or delayed by acts of civil or military authority, flood, fire, epidemic, war or riot, or other acts beyond the reasonable control of either party, the party affected shall be excused from such performance only during the continuance of any such event.

17. SEVERABILITY

If any provision or provisions of this Agreement shall be held to be illegal, invalid or unenforceable, the validity, legality and enforceability of the remaining provisions shall not, in any way, be affected or impaired thereby and the parties hereto agree to replace the illegal or unenforceable provisions with valid provisions which are as close as possible to the illegal or unenforceable provisions in their respective meaning, purpose and commercial effect within reasonable time.

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18. GOVERNING LAW AND JURISDICTION

This Agreement shall be governed and construed in accordance with the laws of India, and the court at Chennai shall have the jurisdiction to entertain any dispute or suit arising out of, or in relation to, this Agreement.

19. PUBLICITY

Neither party shall make any public disclosure, except as may be required by applicable law, relating to discussions and or terms related to this Agreement, without obtaining the prior written consent of the other party. Either party shall not use and shall not let their employees, agents and sub-contractors from using the name, trademark or logo of other party in any sale, marketing publication, advertisement, or other publication. Either party shall not make, or let its employees, agents or sub-contractors make, any public statement relating to the other party.

20. MODIFICATION, AMENDMENT, SUPPLEMENT OR WAIVER

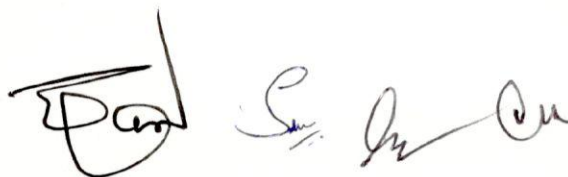
No modification, amendment, supplement to or waiver of this Agreement or any of its provisions shall be binding upon the parties hereto unless made in writing and duly signed by the authorized representative of the party against whom enforcement thereof is sought. A failure or delay of any party to this Agreement to enforce at any time any of the provisions of this Agreement or to exercise any option which is herein provided, or to require at any time performance of any of the provisions hereof, shall, in no way, be construed to be a waiver of such provisions of this Agreement.

21. ENTIRE AGREEMENT

This Agreement together with all Annexures attached hereto constitute the entire agreement between the parties and supersedes all previous agreements, promises, representations, understandings and negotiations, whether written or oral, between the parties with respect to the subject matter hereof.

This Agreement is prepared in four originals and each party shall retain one copy. Each copy shall be treated as original when taken separately and shall constitute as one when taken together.

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In witness hereof, the Government of Tamil Nadu, Siemens Industry Software (India) Pvt. Ltd., DesignTech Systems Ltd., and Anna University have executed those presently in manner hereinafter mentioned on the 4th day of July 2017 at Chennai.

**SIGNED BY AND ON BEHALF OF THE GOVERNOR OF TAMIL NADU
BY SECRETARY TO GOVERNMENT, LABOUR AND EMPLOYMENT
DEPARTMENT, GOVERNMENT OF TAMILNADU**

Name: P. AMUDHA

Signature: P. A. [Signature] 4/7/2017

Designation: Secretary to Government
Labour and Employment Department
Secretariat, Chennai-600 009

SIGNED ON BEHALF OF SIEMENS INDUSTRY SOFTWARE (INDIA) PVT. LTD.

Name: SATHEESH KURUP

Signature: [Signature]

Designation: Sr. Director

Name : SRIDHAR SUBRAMANIAM

Signature : [Signature]

Designation: C.F.O



SIGNED ON BEHALF OF DESIGNTech SYSTEMS LIMITED

Name: Vikas Khanvelkar

Signature: [Signature]

Designation: Managing Director



SIGNED ON BEHALF OF ANNA UNIVERSITY

Name: S. GANESAN

Signature: [Signature]

Designation: Registrar Anna University

WITNESS

Name: A. RASADURAI

Signature: [Signature]

Designation: Dean, MIT

Name : DEVENS PADYA.

Signature : [Signature]

Designation: DIRECTOR.

DARASHAW & COMPANY
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