

### **Modified Term of Reference**

1. NIFTEM shall license the operation and maintenance of the pilot plants to a person/firm on competitive technical & financial bid basis. The bidder shall give a presentation before the committee designated by the institute about the experience, financial viability and vision about the operation and improvement of the pilot plant. The Institute shall issue Letter of award to the successful bidder and the bidder shall take the possession of the pilot plants within a period as may be specified in Letter of award. No extension shall be allowed to the Licensee to delay the possession/ operation.
2. The successful bidder/ processor shall be designated as Licensee who should obtain the license as a food business operator from NIFTEM as the licensing authority. NIFTEM will levy license fee on monthly basis. The monthly license fees shall be paid by the licensee along with the applicable taxes before 10<sup>th</sup> of the month. No part payment shall be accepted by the NIFTEM. The license fee shall be liable to pay penalty @10% of the license fees if paid before 20<sup>th</sup> of the month and under no circumstances it can be delayed beyond the 20<sup>th</sup> of the month. It will be treated as violation of the license agreement and can lead to terminate the license agreement.
3. During the presentation before the committee the bidder shall provide the detail of any equipment not in place or other accessories or structural modification required, the same shall be procured and installed by the licensee at his cost and risk which can be taken away after the termination of the agreement. However, any further requirement is observed later on the same will be communicated to the designated committee/ person. No structural modification shall be allowed without the pre approval from the committee.
4. The processor shall deposit advance licensing fee for 3 months and also security deposit equivalent to the 3 months in the form of bank guarantee shall be obtained for the security of equipment. Such amount shall be deposited with the institute before taking the possession for operation. No extension shall be allowed for this purpose.
5. Licensee will not be allowed to display the name of his/ her organization in the premises on NIFTEM pilot plants. The Licensee shall not be allowed to sub-license any facility of the Pilot plant.
6. Initially the license will be given for a period of one year which may be renewed for additional one year as may be mutually decided by both the parties.
7. the insurance of the pilot and machinery in the name of NIFTEM for the amount equivalent to the cost of installed machinery or deposit the insurance premium amount to the institute to obtain the insurance policy.
8. The committee is of the opinion that at least 6% of the cost of plant and machinery should be the base value for financial bid.
9. The licensee should pay all the applicable taxes.

10. The Licensee shall be responsible to comply with the labour laws and staffs/ labours appointed by the licensee would not be having any right to make any claim from NIFTEM.
11. The expenses of the operation and maintenance of ETP should be divided among of all the five pilot plants in following proportion and should be levied from the licensee.
  - a) Ready to eat products - 10%
  - b) Indian tradition food products - 15%
  - c) Milk processing line and dairy products - 30%
  - d) Fruits and vegetables processing products - 15%
  - e) Meat and poultry processing - 30%
12. Licensee shall allow the students and faculty to use the processing facilities as per their requirements.
13. There will be no restriction for the official visitor of the institute to visit the premises.
14. The licensee will be responsible for ensuring the supply of requisite essentials such as fuel, refrigerant, packaging material and other necessary needs for producing the products. However, the Institute will arrange the supply of electricity, water and gas on the actual cost basis. However, if there is any failure to supply the electricity, water and gas which is beyond the control of institute, the licensee shall not claim any damages from the institute for such failure.
15. For operation and maintenance, the licensee shall use genuine consumables and spare parts as mentioned in the manuals supplied by the manufacturer. The parts should be changed in the presence of NIFTEM staff.
16. The spare parts that are available with NIFTEM can be purchased from NIFTEM.
17. The institute shall enter into an agreement with the licensee and incorporate appropriate clause of General Condition of Contract and all other conditions in line with GFAR guidelines.
18. The licensee shall comply with all laws applicable to the operation, maintenance and management of the facility and the performance of the service including GMP and GHP(for cleanliness). Licensee shall apply for and obtain, and NIFTEM shall assist in applying for and obtaining all necessary permits, licenses and approval required to allow licensee to do business. Licensee should also file such reports, notices and other communications as may be required by any government agency regarding the project to NIFTEM.
19. The Licensee shall be responsible for disposal and management of solid waste & other waste disposal as per the Pollution Control Board's regulation and inform NIFTEM about the same. The licensee shall be liable for any penalty or fine is levied by any authority for such violation and the institute shall recover the penalty, fine, damages, cost, if any, paid by the institute for waste disposal.
20. The licensee shall maintain at a location acceptable to NIFTEM, the pilot plant operating logs, records and reports to documents the operation and maintenance of the facility in

all form and substance sufficient to meet NIFTEM reporting requirement under this agreement.

21. The licensee shall be working within the demarcated floor area only. The licensee may approach to the institute for additional floor area which shall be given by NIFTEM on payment of the approved charges.
22. NIFTEM shall provide with all vendor manuals, spare part list, project data books and drawings which are provided to NIFTEM by the OEM or contractor responsible for construction, installation, repair or maintenance of the Pilot Plant or a part thereof.
23. The licensee shall give an undertaking of making only good quality products safe for human consumption.
24. The license may be terminated by either side after giving due notice in writing of three months.
25. After completion of the tenure, the licensee will handover all the assets and belongings of NIFTEM in the good working condition and shall compensate the institute for any damage or loss of the equipments of the pilot plants.
26. In the event of any dispute in the interpretation of the terms of the agreement or difference in opinion on any point in the agreement, the parties hereto shall use their best efforts to settle amicably by mutual negotiations.
27. If the dispute cannot be resolved through negotiations, it may be referred to arbitration by a single arbitrator jointly by the parties. The venue and seat of arbitration shall be NIFTEM at Kundli only.

Further, NIFTEM may consider making appropriate publicity to invite potential entrepreneurs to use the facility as Incubation Centre. Also the Incubation Centre may be allowed to be used by the Startups. The facility can be registered as Food Processing Incubation Centre under the Startup Support Scheme of Central/ State Government. The NIFTEM can also use the facility for imparting training of various stakeholders.

As part of the academic requirement and to make the students Industry Ready, the facility should be extended to the students as Experiential Learning Units. Appropriate arrangements can be made to distribute the whole batch of students to operate each of the Pilot Plant during their final year under graduate study. The products made during the experiential learning of the students or during the trainings, can be sold through food parlours to generate income. It is also advisable to have product sale outlets in/ near the campus or in NCR.