

No. FM-11/75/2020-AS-FME
Government of India
Ministry of Food Processing Industries
Panchsheel Bhawan
August Kranti Marg, New Delhi- 110049

Dated: 11th June, 2021

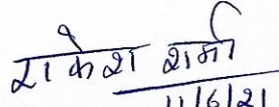
OFFICE MEMORENDUM

Subject: Tripartite Agreement between Host Institute, Mentor Institute and State Nodal Agency

As per the Para. 7.1 of revised guidelines for establishment of Common Incubation Centre dated 5th March, 2021, Tripartite Agreement has to be entered into between Host Institute, Mentor Institute and State Nodal Agency to ensure the monitoring of the implementation of Common Incubation Centre. The Tripartite Agreement defines the roles and responsibilities of all the three parties along with the terms & conditions of operation of the Incubation Centre.

2. The undersigned is directed to enclose a copy of model Tripartite Agreement between Host Institute, Mentor Institute and State Nodal Agency for further necessary action.

3. This has the approval of competent authority.


11/6/21
(Rakesh Sharma)

Deputy Secretary to the Government of India

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To,

1. Host Institutes of all Common Incubation Centres.
2. Mentor Institutes of all Common Incubation Centres
3. State Nodal Agencies of all the States/ UTs

Copy to:

1. Sr. PPS to Addl. Secretary, FPI/PS to JS (FME).
2. Director, IIFPT, Thanjavur, Tamil Nadu.

TRIPARTITE AGREEMENT

This Tripartite Agreement is entered into this ____ day of ____Month 20____

BETWEEN

..... (Address) The Host Institute hereinafter called **FIRST PARTY** (information about FIRST PARTY)

AND

..... (Address) The Mentor Institute hereinafter called **SECOND PARTY** (information about SECOND PARTY)

AND

----- (Address) The State Nodal Agency (SNA) hereinafter called **THIRD PARTY**..... (information about THIRD PARTY)

1. COMMUNICATIONS

All the notices, demands and other communications under this agreement shall be written in English language.

Any legal notices, demands, claims and other communications, which shall invariably be in writing, in a form other than an electronic record, shall be served only by registered post with acknowledgement due to the addresses listed above or such other address as either (FIRST PARTY or SECOND PARTY or THIRD PARTY) may notify the other. The parties agree that any legal notices, demands, claims and other communications, including communication by electronic record and e-mail, shall not be treated as valid or legally binding.

2. RESPONSIBILITIES OF FIRST PARTY

2.1. The FIRST PARTY shall establish the CIC with the processing line as per the Approval Letter and relevant guidelines of MoFPI - PMFME scheme adhering to the stipulated time lines.

2.2. FIRST PARTY shall be responsible to utilize the fund sanctioned by MoFPI under PMFME scheme for setting up of CIC (purchase of machineries / construction / renovation of building facilities) in the proposed area.

- 2.3. As per Rule 235 of Government Financial Rules, 2017 (GFR, 2017), The FIRST PARTY receiving grants should, irrespective of the amount involved, would be required to maintain subsidiary accounts of the Government grant and furnish a set of audited statement of accounts. These audited statements of accounts would be required to be furnished after utilization of the Grants-in-aid or whenever called for.
- 2.4. The FIRST PARTY shall responsible to arrange required land, building and other basic amenities such as water, electricity, etc. for establishment of CIC
- 2.5. FIRST PARTY shall be responsible to arrange the proper infrastructure / equipment / facilities (water / electricity / ETP etc.) as per the sanctioned proposal / minor requirements of the external agency / O & M operator for running the CIC.
- 2.6. The FIRST PARTY shall make necessary arrangements for the security of the premises / personnel / equipment / machineries of the CIC.
- 2.7. FIRST PARTY shall lease out the CICI to an O&M operator through a transparent process. The O&M operator should operate the Incubation Center on commercial basis.
- 2.8. The FIRST PARTY shall provide guidance / support to the external agency / O & M operator throughout the tenure for running the CIC with the help of SECOND PARTY (if required)
- 2.9. FIRST PARTY shall ensure that the CIC is available to large number of micro enterprises and for all the trainings under PMFME and other State and Central Government Schemes through O&M agency and any micro enterprise should be able to use the services of the Incubation Center if they are willing to pay for the charges
- 2.10. The FIRST PARTY shall submit their claim for release of instalment of grant to the THIRD PARTY after fulfilling the conditions and complete with the requisite documents as detailed in para no. 6 of Revised Guidelines dated 5th March, 2021 for establishment of Common Incubation Facility under PMFME Scheme and any other condition as provided in approval letter.
- 2.11. The FIRST PARTY shall comply with Terms and Conditions given with the approval letter and Revised guidelines of establishment of Common Incubation Facility dt 5th March 2021.
- 2.12. The FIRST PARTY shall be a part in fixing the commercial rates for utilizing the facilities & trainings along with THIRD PARTY and external agency / O & M operator.
- 2.13. The FIRST PARTY shall submit progress report on quarterly basis to THIRD PARTY providing details of financial and physical progress of CIC.

2.14. The FIRST PARTY shall constitute a committee for monitoring and advisory with a representative from SECOND PARTY for continuous monitoring of the operations to ensure effective implementation of the scheme.

3. RESPONSIBILITIES OF SECOND PARTY

3.1. The SECOND PARTY shall play a key role in monitoring the establishment of the CIC in FIRST PARTY premises.

3.2. The SECOND PARTY shall give the machinery details and specifications to the FIRST PARTY with respect to the processing lines proposed, if required.

3.3. The SECOND PARTY shall monitor the Incubation Center during the installation and demonstration, if proposed by the FIRST PARTY.

3.4. The SECOND PARTY shall charge (%) of total income from CIC as mentoring charges to the FIRST PARTY as mutually agreed upon

or

The SECOND PARTY shall charge (%) of total cost of Processing Lines from CIC as mentoring charges/ consultancy charges to the FIRST PARTY as mutually agreed upon.

3.5. The SECOND PARTY may charge, as mutually agreed to, the FIRST PARTY for transfer of any technology owned / developed by SECOND PARTY

4. RESPONSIBILITIES OF THIRD PARTY

4.1. THIRD PARTY shall release the fund obtained from MoFPI to FIRST PARTY for setting up of CIC under PMFME Scheme, upon complying with terms the condition as specified in the revised guidelines dt 05.03.2021 and the Approval Letter.

4.2. The THIRD PARTY shall evaluate documents submitted by the FIRST PARTY with the claim for release of further instalment/s of grant, such as i) CA certificate for actual expenditure along with purchase orders/ work orders, ii) Chartered Engineer (Civil) and Chartered Engineer (Mechanical) Certificate on the status, quality, progress and expenditure incurred on the approved civil and mechanical components respectively as detailed in guidelines.

4.3. The THIRD PARTY will forward the claim of release of further instalment/s of Grant-in-Aid to MoFPI with its recommendation.

4.4. The THIRD PARTY shall recalculate the cost of project based on the cost given in the DPR/ actual cost incurred, whichever is less, of the items/components approved by Ministry for this project, before forwarding the claim to Ministry with its recommendation.

- 4.5. The THIRD PARTY shall monitor the activities related to establishment, operation and utilization of the FIRST PARTY in terms of record maintenance, beneficiaries list, audit reports etc. through periodic reviews and reports
- 4.6. THIRD PARTY shall ensure the compliance with governing laws, by-laws, norms and statutory clearances required for establishment and operation of CIC by FIRST PARTY
- 4.7. The THIRD PARTY shall also have the role for selecting the SHGs/ FPOs/ Co-operatives/ other entrepreneurs to use the CIC along with the FIRST PARTY and external agency / O & M operator based on commercial basis.
- 4.8. The THIRD PARTY shall ensure that the CIC is utilized by a large number of micro-enterprises / FPO / SHG / Co-operatives and for all the trainings under MoFPI - PMFME and other Government Schemes along with the FIRST PARTY and the external agency / O & M operator.

5. MUTUALLY AGREED CONDITIONS OF ALL THE PARTIES

All the parties will be supportive and co-operative to each other and shall ensure the involvement and commitment for the smooth functioning of CIC.

6. FINANCIAL ARRANGEMENTS

The mentoring charges (%) of total income will be provided by the FIRST PARTY to the SECOND PARTY as mutually agreed to by both the parties.

Or

The SECOND PARTY shall charge (%) of total cost of Processing Lines from CIC as mentoring charges/ consultancy charges to the FIRST PARTY as mutually agreed upon.

Or

Any other financial arrangement b/w FIRST PARTY and SECOND PARTY for technical guidance and mentoring during establishment and/ or operation of CIC.

7. DURATION OF AGREEMENT

The agreement shall be valid for Five year(s) from the date of signing of this agreement. On expiry of the contract / tenure, if required **ALL THE PARTIES** may enter into the new contract.

8. RECORDS

- 8.1. The FIRST PARTY shall maintain accounts, balance sheet, beneficiary's details & address, stock details, AMC, daily records and periodical reports regarding the day to day activities of CIC.

8.2. The FIRST PARTY shall maintain the record of the No of Beneficiaries utilizing the facility and monitor the activities taking place in the CIC and also collect all the information (Refer Clause 8.1.) from external agency / O & M operator.

9. AUDIT

9.1. Joint inspection report of THIRD PARTY, FIRST PARTY and SECOND PARTY verifying the actual physical progress(completion) of the project at the ground including installation and commissioning of Incubation facility shall be prepared and submitted before requesting for seconds and/ or final instalment of Grant-in-Aid from MoFPI.

9.2. The FIRST PARTY shall submit the annual report to the THIRD PARTY (Refer Clause 8 & 9) on or before 31st March of every year during the tenure duly audited by their auditing authority along with the bank statement indicating the expenditure incurred for the work.

9.3. The external agency / O & M operator should submit the complete information on No of beneficiaries with their address, contact no, Aadhar no etc., and No. of. hrs of utilisation of machineries and work list to the FIRST PARTY on monthly basis.

10. DISPUTE

10.1. If any dispute or difference arises between the parties hereto as to the construction, interpretation, effect and implication of any provision of this agreement including the rights or liabilities or any claim or demand of any party against other or in regard to any other matter under these presents but excluding any matters, decisions or determination of which is expressly provided for in this agreement, such disputes or differences shall be settled under the Rules of Arbitration by Sole Arbitrator with the consent of both the parties failing which the aggrieved party shall approach to the Court of Competent Jurisdiction for the appointment of Sole Arbitrator in accordance with the Arbitration & Conciliation Act, 1996 (as amended / modified from time to time) and rules framed thereunder for the time being in force (the Act) and the reference to arbitration shall be deemed to be submission within the meaning of the Act

10.2. If, however, 'FIRST PARTY' or 'SECOND PARTY' or 'THIRD PARTY' does not make any claim or demand or raise any dispute or difference in terms of sub clause 11.I within one year from the date on which such demand or claim arises, 'FIRST PARTY' or 'SECOND PARTY' or 'THIRD PARTY' shall be deemed to have waived and abandoned such claim or demand or the right to raise such dispute or difference against the other party.

10.3. The venue of the Arbitration shall be at..... (where SNA is Located)

10.4. Each party shall bear and pay its own cost of the arbitration.

10.5. The provisions of this clause shall not be frustrated, abrogated or become inoperative, notwithstanding this agreement expires or ceases to exist or is terminated or revoked or declared unlawful.

10.6. The jurisdiction of this agreement will be the courts at.....(where SNA is Located).

11. AMENDMENT TO THE AGREEMENT

During operation of the agreement, if in the opinion of all the parties some alteration of modification of the agreement is considered essential, these may be mutually discussed and agreed upon in writing.

12. SEAL OF PARTIES

This agreement has been executed in two originals, one of these has been retained by FIRST PARTY and the other by external agency / O & M Operator. This agreement will become effective immediately from the date of execution and shall be valid for a period of one year and may be extended further by mutual consent of the parties.

IN WITNESS WHEREOF, all the parties herein set their respective hands on the -----day, -----month and -----year first above written in the presence of following witnesses.

For and on Behalf of
(FIRST PARTY)

Add

Name

Director / Institute Head

Witnesses:

Signature

Name / Designation:

Address:

Signature

Name / Designation:

Address:

For and on Behalf of
(SECOND PARTY)

Add

Name

Director / Institute Head

Witnesses:

Signature

Name / Designation:

Address:

Signature

Name / Designation:

Address:

For and on Behalf of
(THIRD PARTY)

Add

Name

Director (SNA)

Witnesses:

Signature

Name / Designation:

Address:

Signature

Name / Designation:

Address: