

MEMORANDUM OF UNDERSTANDING

FOR OPERATION AND MANAGEMENT OF _____ MENS HOSTEL MESS

This Memorandum of Understanding (MOU) is made and executed on this ____ day of _____, 20 at _____.

BETWEEN

The Principal/Superintendent, _____ Medical College/Hospital/Institution, Andhra Pradesh, under the control of the Directorate of Medical Education, Andhra Pradesh, hereinafter referred to as the “**Institution/First Party**”, which expression shall, unless repugnant to the context, include its successors and authorized representatives;

AND

M/s. _____,
having its registered/office address at _____,

represented by its Proprietor/Authorized Representative **Sri/Smt.** _____,

hereinafter referred to as the “**Contractor/Second Party**”, which expression shall, unless repugnant to the context, include its successors, permitted representatives and assigns.

The First Party and Second Party are hereinafter collectively referred to as the “**Parties.**”

1. PREAMBLE

Whereas the First Party is responsible for the administration and management of the hostel mess facilities for UG, PG and Intern hostel inmates under its control;

And whereas the First Party invited tenders for operation and management of the hostel mess in accordance with the applicable tender conditions and Government rules;

And whereas the Second Party has submitted its tender and has been selected as the successful bidder after following the prescribed tender procedure;

And whereas the Second Party has agreed to operate and manage the hostel mess in accordance with the tender conditions, approved mess menu, financial bid, this MOU and the directions of the competent authority;

Now, therefore, the Parties agree to the following terms and conditions.

2. SCOPE OF THE MOU

The Second Party shall operate and manage the hostel mess at:

Name of Institution: _____

Hostel: UG / PG / Intern / Other: _____

Location: _____

The Second Party shall provide food and mess services to eligible hostel inmates in accordance with the approved menu, prescribed timings, quality standards and all conditions contained in this MOU and the tender documents.

3. PERIOD OF CONTRACT AND TRIAL PERIOD

3.1 Trial Period

The successful contractor shall initially operate the mess for a **trial period of two (2) months** from the date of commencement of the mess.

3.2 Review of Trial Period

During the trial period, the performance of the contractor shall be reviewed by the competent authority based on:

- Quality and quantity of food;
- Timeliness of supply;
- Compliance with the approved menu;
- Hygiene and cleanliness;
- Feedback from hostel inmates;
- Conduct of mess staff;
- Maintenance of kitchen and dining premises;
- Compliance with electricity and water payment obligations;
- Compliance with labour and statutory requirements;
- Maintenance of records and receipts; and
- Any other relevant performance parameters.

3.3 Continuation After Trial Period

Subject to satisfactory performance during the trial period and approval of the competent authority, the contract may be continued for the remaining period so that the **total contract period does not exceed one year**, in accordance with the tender conditions and applicable Government rules.

3.4 No Automatic Right of Continuation

Completion of the two-month trial period shall not by itself create an unconditional right in favour of the contractor for continuation. Continuation shall be subject to satisfactory performance and approval of the competent authority.

4. COMMENCEMENT OF MESS

The Second Party shall commence the mess within **seven (7) days from the date of issue of the work order**, or within such other period as may be approved by the competent authority.

The mess shall commence only after:

1. Execution of the required agreement/MOU;
2. Payment/deposit of the prescribed security deposit;
3. Submission and verification of required documents;
4. Approval of the kitchen and cooking arrangements; and
5. Fulfilment of other tender requirements.

5. SECURITY DEPOSIT

The Second Party shall deposit **Rs.3,00,000/- (Rupees Three Lakhs only)** as security deposit before commencement of the mess, unless otherwise modified by the competent authority in accordance with the final tender conditions.

The security deposit shall remain with the First Party during the contract period.

The security deposit shall not carry interest.

The security deposit shall be refunded after satisfactory completion/termination of the contract and settlement of all dues, subject to deductions, forfeiture or recovery permissible under the tender conditions, this MOU and applicable rules.

The First Party shall be entitled to adjust from the security deposit any amount legally recoverable from the contractor, including unpaid electricity/water charges, damages, penalties, compensation, loss or other dues.

6. EARNEST MONEY DEPOSIT

The Earnest Money Deposit (EMD) shall be governed by the tender conditions and applicable Government rules.

The EMD of unsuccessful bidders shall be dealt with as prescribed in the tender document.

In respect of the successful bidder, the EMD shall be adjusted/retained/refunded as prescribed in the tender conditions.

7. MESS MENU

The Second Party shall prepare and supply food strictly in accordance with the **approved mess menu**.

No unauthorized change, deletion, substitution or reduction in the menu shall be made.

Any modification of the menu shall require approval of the competent authority.

Where appropriate, hostel inmates may be consulted regarding proposed menu changes, but the final approval shall rest with the competent authority.

The contractor shall implement approved menu changes without objection.

8. QUALITY AND QUANTITY OF FOOD

The Second Party shall provide food of good quality and adequate quantity to the hostel inmates.

Food shall:

- Be fresh and properly cooked;
- Be prepared from good-quality ingredients;
- Be hygienically prepared;
- Be served at the prescribed timings;
- Be suitable for consumption;
- Comply with applicable food-safety requirements; and
- Conform to the approved menu.

The contractor shall not compromise on the quality or quantity of food for any reason.

9. FOOD SAFETY AND RESPONSIBILITY FOR FOOD QUALITY

The Second Party shall be solely responsible for the food supplied by the mess.

If food supplied is found to be contaminated, substandard, deficient in quantity or otherwise unfit for consumption, the contractor shall be responsible for the consequences attributable to the contractor.

In case of food poisoning, illness, injury, loss or inconvenience caused due to negligence, defective preparation, poor-quality ingredients, unhygienic practices or other deficiencies attributable to the contractor, the First Party may take appropriate action in accordance with law and the tender/MOU conditions.

Any loss, compensation, penalty or other amount legally recoverable from the contractor may be recovered from the contractor, including from the security deposit, without prejudice to other remedies available to the First Party.

The contractor shall maintain all records required under applicable food-safety laws and shall produce them for inspection when required.

10. FSSAI AND OTHER STATUTORY REQUIREMENTS

The contractor shall possess and maintain a valid **FSSAI Registration/License**, wherever applicable.

The contractor shall comply with all applicable laws, rules, regulations and statutory requirements relating to:

- Food safety;
- Labour;
- EPF;
- ESI, wherever applicable;
- Minimum wages;
- Employee welfare;
- Insurance;
- Health and safety;
- Taxation;
- GST, wherever applicable; and
- Other statutory obligations applicable to the mess operation.

Any statutory liability arising from the contractor's activities shall be borne solely by the contractor.

11. MESS MATERIALS AND EQUIPMENT

The contractor shall provide, at his/her own cost, all materials required for running the mess, including:

- Cooking vessels;
- Utensils;
- Plates;
- Glasses;
- Spoons;
- Serving articles;
- Kitchen equipment;
- Cleaning materials;
- Storage containers; and
- Other necessary articles.

The contractor shall maintain all such articles in proper and hygienic condition.

Damaged, broken or unusable articles shall be replaced by the contractor at his/her own cost.

All materials brought by the contractor shall remain the property of the contractor unless otherwise specifically agreed in writing.

12. COOKING ARRANGEMENTS

Cooking shall be undertaken only in the designated kitchen/mess premises approved by the First Party.

Cooking in unauthorized areas is strictly prohibited.

The contractor shall bear all expenses relating to:

- Cooking arrangements;
- Fuel;
- Cooking materials;
- Kitchen consumables;
- Cleaning materials; and
- Other incidental requirements,

unless specifically stated otherwise in the tender document.

13. CLEANLINESS AND HYGIENE

The contractor shall maintain the kitchen, dining hall, utensils, vessels, storage areas and surrounding premises in a clean and hygienic condition.

The contractor shall ensure proper:

- Cleaning;
- Washing of utensils;
- Storage of food;
- Disposal of waste;
- Pest control;
- Rodent control;
- Insect control; and
- Sanitation.

Waste shall not be allowed to accumulate in or around the mess.

The contractor shall bear the cost of rectification of damage caused to the premises due to negligence, misuse or improper handling by the contractor or his/her staff.

14. ELECTRICITY AND WATER CHARGES

The Second Party shall pay the electricity and water charges relating to the mess, as applicable.

Such charges shall be paid **on or before the 10th of every month**, or within such period as prescribed by the institution.

Proof of payment shall be produced to the First Party whenever required.

All electricity, water and other institutional dues shall be cleared before final settlement of the contract.

Failure to pay such charges shall constitute a breach of the MOU and may result in recovery, penalty or termination in accordance with the applicable conditions.

15. MESS RATE

The mess rate quoted by the contractor and accepted by the competent authority shall remain **unchanged during the contract period of one year**, subject to the terms of the tender.

No unilateral increase in mess charges shall be permitted.

Any increase in the cost of provisions, vegetables, food materials, labour, fuel or other inputs shall be borne by the contractor.

The contractor shall not demand additional payment from students on account of such increases.

16. COLLECTION OF MESS CHARGES

The Second Party shall collect the prescribed mess charges from the concerned students in accordance with the approved procedure.

The contractor shall issue a proper receipt immediately upon collection of the amount.

The receipt shall be issued in the name of the contractor/contracting firm and **not in the name of the hostel or institution.**

The contractor shall maintain proper records of all collections and shall produce them for inspection whenever required.

17. PAYMENT OF MESS CHARGES BY STUDENTS

All eligible hostel students shall take meals from the hostel mess in accordance with the hostel rules.

Students shall pay the applicable mess charges on or before the **10th of every month.**

In cases of delayed payment, the hostel administration may take action for recovery of outstanding dues in accordance with applicable rules.

A late fee/penalty of **Rs.200/- per student** may be recovered wherever specifically prescribed and approved by the competent authority.

18. TIMINGS AND CONTINUITY OF SERVICE

The contractor shall provide meals strictly according to the timings prescribed by the hostel authorities.

The contractor shall ensure uninterrupted mess service throughout the contract period.

The contractor shall not discontinue, suspend or abandon the mess without prior written permission of the competent authority.

In case of any unavoidable disruption, the contractor shall immediately inform the Warden/competent authority and make alternative arrangements as directed.

19. RESTRICTION ON OUTSIDE SUPPLY

The contractor shall not supply food prepared using hostel mess facilities or otherwise provide hostel mess food to:

- Marriage functions;
- Private functions;
- Other departments;
- Private companies;
- Commercial establishments;
- Outside agencies; or

- Unauthorized persons,

without prior written permission of the competent authority.

The hostel mess facilities shall be used primarily for the authorized hostel inmates and purposes specified by the institution.

20. MESS STAFF

The contractor shall appoint sufficient qualified and suitable staff for efficient operation of the mess.

The contractor shall be solely responsible for:

- Wages;
- Salaries;
- EPF;
- ESI, wherever applicable;
- Statutory contributions;
- Employee welfare;
- Conduct;
- Health;
- Safety;
- Insurance; and
- Other liabilities relating to mess staff.

The mess staff shall work only in connection with the authorized mess activities.

They shall not interfere with hostel administration or other hostel activities.

Mess staff shall not enter other hostel premises or restricted areas without authorization.

The contractor shall obtain the required permission for deployment of mess staff and vehicles, wherever applicable.

21. LABOUR LAW COMPLIANCE

The contractor shall comply with all applicable labour laws and statutory requirements.

The contractor shall ensure timely payment of wages and statutory contributions to all eligible employees.

The First Party shall not be responsible for any claim, dispute, compensation or liability arising between the contractor and his/her employees.

Any claim raised by mess staff against the First Party due to acts or omissions of the contractor shall be defended and settled by the contractor at his/her own cost, to the extent legally permissible.

22. INSPECTION AND SUPERVISION

The Warden/Deputy Warden and other authorized officers shall have the right to inspect the mess at any time during the contract period.

Inspection may cover:

- Quality of food;
- Quantity of food;
- Kitchen hygiene;
- Dining hall cleanliness;

- Food storage;
- Cooking practices;
- Staff hygiene;
- Records;
- Receipts;
- Statutory documents;
- Electricity and water payments; and
- General compliance with the MOU.

The contractor shall extend full cooperation during inspection.

The Warden/Deputy Warden may issue instructions for rectification of deficiencies.

23. STUDENT FEEDBACK AND PERFORMANCE REVIEW

The Institution may obtain feedback from hostel inmates regarding:

- Food quality;
- Quantity;
- Menu;
- Timings;
- Hygiene;
- Behaviour of staff; and
- Overall mess service.

Such feedback may be considered while reviewing the contractor's performance.

The performance of the contractor shall be formally reviewed at the end of the two-month trial period and thereafter whenever considered necessary by the competent authority.

24. AUDIT REPORT

The contractor shall submit an annual audit report, to the institution every year, in the manner and within the time prescribed by the competent authority.

The contractor shall provide all books, records, bills, receipts, accounts and supporting documents required for verification of the audit report.

The Institution shall verify the audit report and may seek clarification or additional documents from the contractor wherever required.

Failure to submit the required audit report or failure to provide necessary supporting records shall constitute non-compliance with the MOU and may invite appropriate action under the tender conditions.

25. RECORDS TO BE MAINTAINED BY CONTRACTOR

The contractor shall maintain proper records relating to the operation of the mess, including, wherever applicable:

1. Daily attendance/meal records;
2. Student-wise collection records;
3. Receipts issued;
4. Purchase records;
5. Stock records;
6. Staff attendance;
7. Wage payment records;
8. EPF/ESI records;
9. Electricity and water payment records;
10. Food-safety records;

11. Complaints and corrective-action records;
12. Audit records; and
13. Other records required by the competent authority.

All such records shall be produced for inspection whenever required.

26. PROHIBITION OF SUBLETTING OR TRANSFER

The contractor shall not:

- Transfer the contract;
- Assign the contract;
- Sublet the mess;
- Hand over the mess to another person;
- Engage another agency to operate the mess in place of the contractor; or
- Transfer any part of the contractual responsibility,

without prior written permission of the competent authority.

Unauthorized subletting or transfer shall constitute a material breach and may result in cancellation of the contract and forfeiture/recovery of amounts as applicable.

27. DISCLOSURE OF CONTRACTOR DETAILS

The contractor shall furnish complete and accurate details of the proprietor/authorized representative and contracting firm, including:

- Name;
- Address;
- Mobile/telephone number;
- E-mail ID;
- PAN;
- GST details;
- FSSAI details;
- Bank details, wherever required; and
- Other information required by the institution.

The contractor shall immediately inform the institution of any change in such particulars.

28. INDEMNITY

The contractor shall indemnify and keep indemnified the First Party, its officers and employees, to the extent permissible under law, against claims, losses, damages, penalties, liabilities and expenses arising out of:

1. Negligence or misconduct of the contractor or his/her staff;
2. Food contamination or food poisoning attributable to the contractor;
3. Labour claims;
4. Violation of statutory requirements;
5. Damage to institutional property caused by the contractor or his/her staff;
6. Unauthorized activities; and
7. Breach of the terms of this MOU.

This clause shall not restrict any statutory liability or remedy otherwise available to the First Party.

29. DAMAGE TO INSTITUTIONAL PROPERTY

The contractor shall be responsible for damage caused to hostel/mess property due to negligence, misuse, unauthorized alterations or improper handling by the contractor or his/her staff.

The cost of repair or replacement may be recovered from the contractor in accordance with applicable rules.

30. CANCELLATION, SUSPENSION AND TERMINATION

The competent authority may suspend, remove or terminate the contractor for reasons including, but not limited to:

- Poor quality of food;
- Insufficient quantity;
- Irregular supply;
- Failure to maintain hygiene;
- Unauthorized change of menu;
- Non-payment of electricity/water charges;
- Violation of tender conditions;
- Misconduct of staff;
- Unauthorized subletting or transfer;
- Failure to comply with statutory requirements;
- Failure to submit required records/audit report;
- Food-safety violations;
- Abandonment or discontinuance of service; or
- Any other material breach of the tender/MOU.

Where required, the contractor may be given an opportunity to explain or rectify the deficiency before termination, subject to the nature and urgency of the breach and applicable Government rules.

The decision of the competent authority shall be final subject to applicable statutory remedies.

31. TERMINATION DURING TRIAL PERIOD

If the contractor's performance during the two-month trial period is found unsatisfactory, the competent authority may discontinue the contract in accordance with the tender conditions and applicable rules.

The contractor shall not claim compensation merely on account of discontinuation arising from unsatisfactory performance during the trial period.

The security deposit and other amounts shall be dealt with in accordance with the applicable tender conditions.

32. DISCONTINUANCE BY CONTRACTOR

The contractor shall not discontinue or abandon the mess service without prior written notice and approval of the competent authority.

Abrupt discontinuance of the mess shall constitute a breach of contract.

The contractor shall make proper arrangements for handing over the mess and clearing all dues before discontinuance.

33. FINAL SETTLEMENT AND REMOVAL OF MATERIALS

On completion or termination of the contract, the contractor shall:

1. Stop mess operations on the date directed by the competent authority;
2. Remove his/her materials after obtaining permission;
3. Clear electricity and water charges;
4. Clear all other dues payable to the institution;
5. Settle staff-related liabilities;
6. Return institutional property, if any;
7. Submit required records; and
8. Complete all formalities required for final settlement.

The security deposit shall be released only after verification and settlement of all applicable dues and liabilities.

34. NO COMPENSATION ON TERMINATION

The contractor shall not be entitled to compensation, damages, loss of profit or any other claim merely because the contract is suspended, discontinued or terminated for a valid reason under the tender conditions, this MOU or applicable rules.

35. COMPLIANCE WITH TENDER CONDITIONS

The tender notification, tender schedule, technical bid, financial bid, approved mess menu, work order and other documents forming part of the tender shall be read together with this MOU.

The contractor shall comply with all applicable conditions contained therein.

In the event of any inconsistency, the applicable Government rules and the conditions of the final approved tender shall prevail, subject to the decision of the competent authority.

36. GOVERNMENT RULES AND DIRECTIONS

The contractor shall comply with all applicable Government orders, rules, instructions, circulars and directions issued by the Directorate of Medical Education, Government of Andhra Pradesh and the competent authority from time to time.

Any amendment or modification required to bring the MOU in conformity with Government instructions shall be binding upon the contractor, subject to applicable law and prescribed approval.

37. OFFICIAL COMMUNICATION

All official communications may be made to the address, mobile number and e-mail ID furnished by the contractor.

The contractor shall ensure that the contact details remain active throughout the contract period.

E-mail communication shall be treated as valid official communication wherever permitted under the tender conditions and applicable rules.

38. FORCE MAJEURE

Neither Party shall be held responsible for failure to perform an obligation to the extent such failure is directly caused by circumstances beyond reasonable control, including natural calamities, war, riots, government restrictions, epidemics or other circumstances recognized under applicable law.

The contractor shall immediately inform the competent authority of such circumstances.

The competent authority shall determine the appropriate course of action, including temporary arrangements for uninterrupted food supply to hostel inmates.

39. DISPUTE RESOLUTION

Any dispute arising out of or relating to this MOU shall, in the first instance, be brought to the notice of the competent authority for resolution.

The Parties shall attempt to resolve the matter in accordance with the tender conditions, Government rules and applicable law.

Nothing in this clause shall prevent the competent authority from taking immediate action where necessary to protect the interests, safety or welfare of hostel inmates.

40. JURISDICTION

Any legal proceedings arising out of this MOU shall be subject to the jurisdiction of the competent courts/authorities having jurisdiction over the institution, subject to applicable law.

41. FINAL AUTHORITY

The Warden/Deputy Warden shall supervise the day-to-day functioning of the mess subject to the instructions of the Principal/Superintendent and the Directorate of Medical Education.

The competent authority shall have the power to decide matters not specifically covered by this MOU, in accordance with applicable Government rules, tender conditions and the interests of the institution and hostel inmates.

42. ENTIRE AGREEMENT

This MOU, together with the tender notification, tender schedule, technical bid, financial bid, approved menu, work order and other documents specifically incorporated into the contract, constitutes the understanding between the Parties regarding operation of the hostel mess.

No amendment to this MOU shall be valid unless made or approved in writing by the competent authority.

43. DECLARATION BY CONTRACTOR

The Second Party declares that:

1. The information and documents submitted with the tender are true and correct.
2. The contractor has read and understood the tender conditions and this MOU.

3. The contractor agrees to comply with all applicable Government rules.
4. The contractor shall provide food and services strictly according to the approved menu and prescribed standards.
5. The contractor shall comply with all applicable statutory and labour requirements.
6. The contractor shall not sublet or transfer the contract without written permission.
7. The contractor shall maintain all required records and submit them whenever required.
8. The contractor shall submit the required annual audit report, preferably LF Audit, to the institution.
9. The contractor shall accept the decision of the competent authority, subject to applicable statutory provisions and legal remedies.

44. ACCEPTANCE

The Second Party hereby accepts all the terms and conditions contained in this MOU and undertakes to operate the hostel mess diligently, efficiently, hygienically and in the best interests of the hostel inmates and the institution.

45. SIGNATURES

IN WITNESS WHEREOF, the Parties have executed this MOU on the date and place first mentioned above.

FOR THE FIRST PARTY

For and on behalf of the Institution

Name: _____

Designation: Principal/Superintendent

Institution: _____

Signature: _____

Date: _____

Official Seal:

FOR THE SECOND PARTY

Contractor / Authorized Representative

Name: _____

Designation: _____

Name of Firm: _____

Address: _____

Mobile No.: _____

E-mail: _____

Signature: _____

Date: _____

Firm Seal:

WITNESSES

Witness No. 1

Name: _____

Address: _____

Signature: _____

Date: _____

Witness No. 2

Name: _____

Address: _____

Signature: _____

Date: _____

ANNEXURE – I

APPROVED MESS MENU

Sl. No.	Meal	Menu	Timings
1	Breakfast	_____	_____
2	Lunch	_____	_____
3	Evening Snacks	_____	_____
4	Dinner	_____	_____
5	Special Meal	_____	_____

Note: The above menu may be modified only with the approval of the competent authority.

ANNEXURE – II

FINANCIAL TERMS

Accepted Mess Rate per Student per Month: Rs. _____

Security Deposit: Rs. 3,00,000/- (Rupees Three Lakhs only), subject to final tender conditions.

Student Payment Due Date: On or before the 10th of every month.

Electricity/Water Payment Due Date: On or before the 10th of every month, or as prescribed by the institution.

Late Fee/Penalty: Rs.200/- per student, wherever specifically prescribed by the competent authority.

The accepted mess rate shall remain unchanged during the contract period, subject to the approved tender conditions.

ANNEXURE – III

DOCUMENTS TO FORM PART OF THE MOU

The following documents shall be treated as integral parts of this MOU:

1. Tender Notification;
2. Tender Schedule;
3. Technical Bid submitted by the contractor;
4. Financial Bid submitted by the contractor;
5. Work Order;
6. Approved Mess Menu;
7. Security Deposit receipt;
8. FSSAI Registration/License;
9. GST Registration Certificate;
10. PAN Card;
11. Registration Certificate of the firm;
12. Experience certificates;
13. Turnover certificate/details;
14. Affidavit/declaration submitted by the contractor;
15. Applicable labour/statutory compliance documents;
16. Annual audit report/LF Audit report, as applicable; and
17. Any subsequent written amendment approved by the competent authority.

Note: In case of any discrepancy among the above documents, the applicable Government rules and the finally approved tender conditions shall prevail, subject to the decision of the competent authority.