MEMORANDUM OF UNDERSTANDING (MOU)

This Memorandum of Understanding (MoU) has been executed on 27, November 2020 at New Delhi

BETWEEN

Department of Agriculture, Cooperation & Farmers' Welfare Ministry of Agriculture DAC&FW (GOI) Government of India New Delhi – 110001, through Shri Vivek Aggarwal, JS/DAC&FW (hereinafter called the "First Party", which shall unless repugnant to the context shall mean and include their successors, assignees and administrators) ON THE FIRST PART

AND

NABKISAN Finance Limited, a subsidiary of National Bank for Agriculture and Rural Development (NABARD), a Company registered under the Companies Act, 1956 and having its Corporate Office at NABARD, Ground Floor, D Wing, C - 24, 'G' Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051 (hereinafter called the "Second Party/Lender/Institution"), which shall unless repugnant to the context shall mean and include their successors, assignees and administrators) ON THE SECOND PART

WHEREAS, NABKISAN Finance Limited, Corporate Office, NABARD, Ground Floor, D Wing, C - 24, 'G' Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051 through Smt Suseela Chintala, Managing Director and CEO, has already agreed to lend under the Central Sector Scheme" of financing facility under 'Agriculture Infrastructure Fund'.

The DAC&FW , Government of India has issued the operational guidelines for the Scheme (hereinafter called the "Scheme Guidelines") by setting out broad features of the Scheme, terms for loan and subsidy reimbursement, selection of beneficiaries, roles and responsibilities of various agencies under the Scheme and its monitoring, etc. The Scheme Guidelines as amended from time to time shall be treated as part and parcel of this MoU and shall be read together for all purpose.

WHEREAS, eligible projects under the scheme will facilitate setting up and modernization of key elements of the value chain including

(A) Post Harvest Management Projects including Supply chain services, e-marketing platforms, Warehouses, Silos, Pack houses, Assaying units, Sorting& Grading units, Cold chain, Logistics facilities, Primary processing centers, Ripening Chambers etc.

(B) Viable projects for building community farming assets including –

Organic Inputs production units, Bio stimulant production units, Infrastructure for smart and precision agriculture, Projects identified for providing supply chain infrastructure for clusters of crops including export clusters and Projects promoted by Central/State/Local Governments or their agencies under PPP for building community farming assets or post harvest management projects.

WHEREAS, eligible beneficiaries will be Primary Agricultural Credit Societies (PACS), Marketing Cooperative Societies, Farmer Producers Organizations (FPOs), Self Help Group (SHG), Farmers, Joint Liability Groups (JLG), Multipurpose Cooperative Societies, Agri-entrepreneurs, Startups, Aggregation Infrastructure Providers and Central/State agency or Local Body sponsored Public Private Partnership Projects.

WHEREAS,need based refinance support will be made available by NABARD to all eligible lending entities including cooperative banks and RRBs as per its policy.

WHEREAS, interest subvention and credit guarantee support will be released to Banks and lending institutions through PFMS.

WHEREAS, any grant or subsidy available under any present or future scheme of Central/State government can be availed for projects under this financing facility. In cases of capital subsidy such amount shall be considered as promoter's contribution. However, a minimum of 10% of the project cost shall be mandatory as promoter's contribution.

WHEREAS, cap on lending rate of participating lending entities will be 06 monthly MCLR plus 100 basis point (floating) subject to maximum 9.00 percent (Nine percent per annum) for funding under this scheme. This cap will be applicable on the amount of loan covered under interest subvention component.

WHEREAS,the decision on sanctioning of loan by lending institute will be communicated to the applicant within the time period of 60 days from the date of loan application.

WHEREAS, the subvention will be allowed only till the account is under standard category. Further, if the account slips into NPA, no subvention will be allowed for the period account remains under NPA category. The subvention will further be allowed from the date of upgradation of the account to standard category.

WHEREAS, the scheme will cover the accounts disbursed under the projects mentioned and specified above from the date of first disbursement.

The DAC&FW Government of India shall be at full liberty to amend/modify/withdraw/terminate the Scheme and/or amend/modify the Scheme Guidelines

to the Department of Financial Services (DFS), GOI. The decision of the DFS shall be final and binding on the parties.

The conditions as laid down above and incorporated in the scheme shall form part and parcel of this MoU and shall be binding on second party.

Signed at Delhi on this date as mentioned above.

For and on behalf of

विवेक अग्रवाल / VIVEK AGGARWAL
संयुक्त सचिव / Joint Secretary
भारत सरकार/Govt. of India
कृषि एवं किसान कल्याण मंत्रालय /M/o Agriculture & Farmers Welfare
कृषि, सहकारिता एवं किसान कल्याण विभाग/D/o Agri. Coopn. & Farmers Welfare
कृषि भवन, नई दिल्ली /Krishi Bhawan, New Delhi

For and on behalf of NABKISAN Finance Ltd.

MANAGING DIRECTOR & CEO
NABKISAN FINANCE LIMITED
C/O, GROUND FLOOR, 'D' WING,
NABARD HEAD OFFICE, G , BLOCK
C- 24 , BKC, MUMBAI - 400051