

मिजोरम MIZORAM

173037

MEMORANDUM OF UNDERSTANDING (MOU)

This Memorandum of Understanding (MoU) has been executed on 1st October 2021 at New Delhi

BETWEEN

Department of Agriculture & Farmers Welfare (DA&FW), Ministry of Agriculture & Farmers Welfare (MoA&FW), Government of India (GoI), New Delhi – 110001, through Shri Vivek Aggarwal, Additional Secretary, Department of Agriculture & Farmers Welfare (DA&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

M/s. Mizoram Rural Bank, Head Office, Zarkawt, Aizawl -796007 through Shri V. Jaya Chandra, Chairman, Head Office, Aizawl (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

Chairman
Mizoram Rural Bank
Head Office : Aizawl



MEMORANDUM OF UNDERSTANDING (MOU)

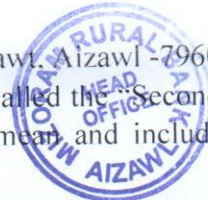
This Memorandum of Understanding (MoU) has been executed on 1st October 2021 at New Delhi

BETWEEN

Department of Agriculture & Farmers Welfare (DA&FW), Ministry of Agriculture & Farmers Welfare (MoA&FW), Government of India (GoI), New Delhi – 110001, through Shri Vivek Aggarwal, Additional Secretary, Department of Agriculture & Farmers Welfare (DA&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

M/s. Mizoram Rural Bank, Head Office, Zarkawt, Aizawl -796007 through Shri V. Jaya Chandra, Chairman, Head Office, Aizawl (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, the M/s. Mizoram Rural Bank, Head Office, Zarkawt, Aizawl -796007 has already agreed to lend under the Central Sector Scheme” of financing facility under ‘Agriculture Infrastructure Fund’.

The DA&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, MoU with DA&FW (GoI) is being executed for the implementation of Financing Facility Under Agriculture Infrastructure Fund Scheme to provide funding to Primary Agricultural



be in a location having a separate LGD Code. In case of loans beyond ₹2 crore, interest subvention will be limited up to 2 crore. However for a private sector entity there will be a limit of a maximum of 25 such projects. This limitation of 25 projects will not be applicable to State agencies, APMCs, National and State Federations of Cooperatives, Federations of FPOs and Federation of SHGs. For APMCs, interest subvention for a loan up to ₹ 2 Crore will be provided for each project of different infrastructure types e.g. cold storage, sorting, grading and assaying units, silos, etc. within the same market yard. The extent and percentage of funding to private entrepreneurs out of the total financing facility may be fixed by the National Monitoring Committee.

WHEREAS, credit guarantee coverage will be available for eligible borrowers from this financing facility under Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) scheme for loans up to ₹ 2 crore only. The fee for this coverage will be paid by the Government. In case of FPOs the credit guarantee may be availed from the facility created under FPO promotion scheme of DA&FW.

Farmers Welfare Programme Implementation Society under DA&FW will provide PMU support to the scheme at the central level and state PMUs of PM KISAN at state level. Services of knowledge partners will be engaged to identify clusters including export clusters and gaps in supply chains to target projects and prepare viable project reports to support the beneficiaries.

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 postharvest 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, Central/State agency or Local Body sponsored Public Private Partnership Projects, Agricultural Produce Market Committees (APMCs) (APMCs operated regulated markets for agri allied sector produce including fisheries), State Agencies, National and State level federations of Cooperatives, Federations of FPOs and Federations of Self Help Groups (SHGs).

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

Responsibilities and Obligations of Second Party/Lender

The Second Party/Lender hereby undertakes to pass-on the entire benefit of this Scheme to its borrowers/ beneficiaries.

The Second Party/Lender hereby undertakes to implement the Scheme as per the terms & conditions under the Scheme Guidelines.

The Second Party/Lender hereby undertakes that it will follow the best industry practices of lending to implement the Scheme.

The Second Party/Lender will exercise necessary due diligence in risk assessment and will adopt diligent appraisal and sanction procedures, including assessment of the loan eligibility and the repayment capacity of the borrower/beneficiary.

Second Party / Lender will recover the interest subvention from the beneficiary, whose loan account under AIF has become NPA, upon recovery process.

The Second Party/Lender will adhere to all extant guidelines issued by the, DA&FW (GoD) RBI/ NABARD under the Scheme Guidelines including the amendments/ modifications issued from time to time.

The Second Party/Lender will provide utilization/end use certificate to the First Party on a quarterly basis and also the certificate in relation to the physical progress of the construction leading up to the completion of the infrastructure unit financed under the Scheme. The Second Party/Lender shall submit a consolidated utilization certificate on completion of the proposed unit within one year period from the completion of construction or a maximum of 12 months from the date of the disbursement of the 1st installment/tranche of the loan amount.



The Second Party/Lender will provide each borrower/beneficiary a statement, which will make him/her understand the amount given as subvention, how the subvention has been adjusted and the impact of the subsidy on his/her equated monthly installments (EMI).

The Second Party/Lender shall provide all other information, statements and particulars as may be required from time to time by the First Party or by the DA&FW Government of India under the Scheme.

The Second Party/Lender shall furnish the credit information periodically to credit information companies, as per the prescribed format.

The Second Party/Lender will clearly explain to the loanees/ borrowers/ beneficiaries the consequences of availing loan on fixed/floating rates of interest.

The Second Party/Lender shall cooperate and contribute in creating a unified e-portal for implementation of the scheme.

Governing Laws, Disputes and Jurisdiction

This MoU shall be governed by the laws of India and all disputes and differences between First Party and Second Party/Lender arising part of these presents shall as far as possible be resolved through negotiations. However, if any differences/ disputes still persist the same shall be referred 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
अवर सचिव/Under Secretary
कृषि विभाग, Government of India
कृषि विभाग, Ministry of Agriculture & Farmers Welfare
कृषि विभाग, Government of India
कृषि विभाग, Ministry of Agriculture & Farmers Welfare
कृषि विभाग, New Delhi-110001

For and on behalf of Mizoram Rural Bank

(V. JAYA CHANDRA)

CHAIRMAN

MIZORAM RURAL BANK

