

INDIA NON JUDICIAL STAMPED PAPER OF RS 100/-

Memorandum of Understanding

This memorandum of Understanding (MoU) is made on the.....day of
.....2015 at Guwahati .

Between

Directorate of Horticulture & Food Processing, (Govt. of Assam), Khanapara,
Guwahati-781022, Assam, represented herein by its Director,
....., hereafter referred to as 'THE DIRECTORATE' (which
expression shall unless repugnant to the context and meaning thereof be deemed
to include its successors and permitted assignee) of the FIRST PART.

AND

..... a manufacturing company of Micro Irrigation Systems
registered under companies Act 1956, having its registered office at
..... represented by its authorized
representative Mr....., S/O ----
-----Age ----- hereinafter referred to as "THE COMPANY", (which

expression shall unless repugnant to the context and meaning thereof be deemed to include its successors and permitted assigns) of the SECOND PART.

WHEREAS THE DIRECTORATE desires for installation of Micro Irrigation Systems in the Farmer's Field under "On Farm Water Management (OFWM) Programme "of "National Mission for Sustainable Agriculture "(NMSA) in order to harness maximum benefits from available water resources to enhance crop productivity without affecting the soil health. Farmers availing the said facilities will be benefitted immensely , as they would be able to utilize their available water resources for increasing the crop yield and earning more profit, thereby contributing to the state's economy.

WHEREAS , THE DIRECTORATE and THE COMPANY intends to promote Micro Irrigation (MI) facilities in the farmers field, within the entire State of Assam as per feasibility.

AND WHEREAS, to implement the project successfully and comply with directions of the Govt. of India and the state Government from time to time, the parties hereto are desirous of recording their understanding on the matter, on the terms set out here under:-

NOW THIS DEED OF AGREEMENT WITNESSETH AS FOLLOWS :

1. THE DIRECTORATE hereby agreed to provide work order to the COMPANY for undertaking work of installation of MI system in the farmers' field whole over the state of Assam under the programme of "ON FARM WATER MANAGEMENT" (OFWM) of "National Mission for Sustainable Agriculture"

(NMSA) scheme as per farmers' choice and applications collected by THE COMPANY on 'first come first serve basis'.

2. THE COMPANY hereby agreed to undertake the work of installation of MI system in the farmers' field as per work order issued by THE DIRECTORATE.
3. THE COMPANY agreed to provide free after sales service to the farmers for at least three years and shall set up service centres for providing technological and agronomical support at the grass root level.
4. THE COMPANY will supply and install only good quality materials having BIS certification as per specification laid down in the NMMI guideline.
5. THE COMPANY may supply the materials directly or through its authorized Distributor/ Dealers. However , in all cases THE COMPANY will authenticate the invoices.
6. THE COMPANY will also submit a quality checked certificate from Central Institute of Plastic Engineering and Technology (CIPET), Dept. of Chemicals and Petrochemicals, Ministry of Chemicals and Fertilizers, Govt. of India, PO. Changsari, Guwahati- 781101, Dist. Kamrup, Assam, for each batch of material (MI System) before installation in the farmers' field in addition of possessing of BIS certificate.
7. THE DIRECTORATE will arrange frequent surveillance by inspection teams comprising officials of NCPAH/ PFDC, CIPET, Irrigation Association of India (IAI), BIS and TSG. The team will draw random samples periodically from the field, within a period of three years from the date of installation of the system. The systems should be fully functional at the time of conducting inspection.

- 8.** THE COMPANY in the event of any complain received regarding after sales service or supply of defective/ sub-standard material , do hereby agree to rectify the defects within a period of 15 days. If it fails to comply, THE DIRECTORATE will have the right to invoke the Bank Guarantee by forfeiting in part or as a whole on merit.
- 9.** THE DIRECTORATE will issue warning to THE COMPANY for the first offence of detection of failures or supply of poor sub-standard quality material, if so required . For subsequent offences, THE DIRECTORATE will deregister, restricts and blacklist THE COMPANY from participating in the OFWM programme throughout the country in addition to invoking of Bank Guarantee.
- 10.**THE COMPANY will provide and maintained distribution of the drip laterals and emitters in accordance with crop spacing duly ensuring effective root zone wetting.
- 11.**THE COMPANY will ensure that the application of water between the first and the last emitter on a lateral to be uniform (within 10% variation).
- 12.**THE DIRECTORATE will commission installation of the drip / Sprinkler system only when the farmers are fully satisfied.
- 13.**THE COMPANY agreed to provide the farmer a “Users’ Manual“in vernacular language, covering detailed operation and maintenance of the M I System of the relevant manufacturer installed in his field.
- 14.**THE COMPANY will also train the beneficiaries for operation (irrigation, fertigation, chemigation etc) and maintenance of drip/ sprinkler irrigation systems and asked them to follow the instructions accordingly.

- 15.**THE COMPANY will publish list of service centres /offices with full address/ telephone numbers/ e-mail etc and each service centre/ office of drip / sprinkler system manufacturers should have facilities to provide technical guidance on agronomic practices, system maintenance schedule, supply spare parts and ensure satisfactory performance of the system during the warranty period.
- 16.**THE COMPANY, if fails to provide free services, the same should be brought to the notice of the DIRECTORATE by the concerning District Agricultural Officer for taking appropriate action.
- 17.** THE COMPANY agreed to take the responsibility for any disputes arising through their distributors or dealers. The concerning District Agricultural Officer will take necessary measures for redressal of disputes at District levels.
- 18.**THE DIRECTORATE with the approval of State Level Committee of National Mission for Sustainable Agriculture(NMSA) is free to take strong punitive measures against erring company as well as against its own staff, in order to safeguard the interests of farmers' and to ensure effective utilization of public funds.
- 19.**THE DIRECTORATE will release the Govt. assistance in the name of THE COMPANY through crossed Cheque/Draft after satisfactory completion of the work on production of a completion certificate from concerned farmers and physical verification report of the District's Technical Support Group (TSG) notified and headed by DAO concerned with the approval of District Level Committee of NMSA.

- 20.**THE COMPANY will be entitled for only the percentage of Govt. assistance as per admissible per unit cost norms fixed in the guideline. However, the maximum upper limit will be the percentage of Govt. assistance as per admissible per unit cost norms fixed in the guideline or the proportionate percentage of the total cost of installation of MI System in the farmer's field as per COMPANY's own price list, whichever is less.
- 21 .**THE COMPANY will declare its price list at the beginning of each financial year and has agreed not to supply to any institutions/Government Department within or outside the state at lower rates than what he has offered to THE DIRECTORATE. If it is found that THE COMPANY is supplying sprinkler/ drip sets at rates lower than quoted with THE DIRECTORATE , then it will have to pay back the excess money charged from the cultivators to THE DIRECTORATE .
- 22 .**THE COMPANY will collect the farmers' share only after issuance of approval letter to the farmer concern by the Directorate, directly from farmer in case of non- loanee farmer and in case of loanee farmer, it will take authority letter from the concerned farmer to draw the amount from his account in bank.
- 23 .**THE DIRECTORATE will ensure proper invoice with statutory commercial details i.e. Serial Number, CST/ IST/ TIN number etc. Printed on it and countersigned by authorised representative of THE COMPANY is issued to the beneficiary & subsidy is released on the same.
- 24 .**THE COMPANY will install the system within twenty one days on receipt of work order from the DIRECTORATE.

- 25** .THE DIRECTORATE will ensure that the payment of subsidy is made within seven working days from the date of submission of report of completion.
- 26** .THE COMPANY agreed to pay a non refundable registration fees of Rs 0.50 lakhs (Rupees Fifty thousand) only by Demand Draft in favour of the Director of Horticulture & F.P., Assam payable at Guwahati and shall be valid for a period of 3 (three) years from the date of registration.
- 27** .THE COMPANY also agreed to submit Bank Guarantee of Rs 2.50 lakhs (Rupees Two lakhs fifty thousand) only valid upto 31st March,2017 duly pledged in favour of Director of Horticulture & F.P., Assam for due performance of contract and supplies(separately for Drip and Sprinkler). Such bank guarantees if invoked shall be en-cashable at Guwahati. The same is required to be extended in case of renewal of registration.
- 28** .THE COMPANY agreed to execute a TRI-PARTY AGREEMENT among beneficiary farmer and concern District Agriculture Officer before installation of MI System in the farmers' field and each party will keep one copy of the same besides submitting one copy to THE DIRECTORATE.
- 29** THE COMPANY should submit their Annual Action Plan for the next year in the month of January of every year depending upon the demand of farmers and also submit monthly progress report to THE DIRECTORATE.
- 30** .The Notice of correspondence between the parties shall be addressed in the following manner

DIRECTORATE

COMPANY

Director of Horticulture & F.P.

Assam, Khanapara, Guwahati-781022

Any change of address for communication for the purpose of this Memorandum of Understanding shall be by registered post to the other party and upon receipt thereof the changed address shall stand substituted in the above clause.

FORCE MAJEURE

1. If either party be prevented from performing their/its part of the obligations under this presents due to the existence of force majeure such as earthquake, flood, riot, war, storm, tempest, civil commotion, blasts, malicious damages, fire, or any other act or omission or cause beyond the control of the party concerned provided that the cause was not induced by the party themselves or itself, in such event such delay or lapse would be treated as justified.

COMPENSATION FOR BREACH

2. Either of the parties herein committing any breach of this MOU , or unduly delays in performance of their obligations herein shall be liable to pay compensation to the party aggrieved.

NOT PARTNERSHIP

3. That this Agreement is not in the nature of a Partnership as contemplated either by the Indian Partnership Act 1932 or by the Income Tax Act 1961.

BREACH AND CONSEQUENCES:

4. Without prejudice to the right to terminate this MOU in the event of breach by either party to this MOU , the other party (the aggrieved party) shall be entitled to specific performance of the contract and also

be entitled to recover all losses, damages and expenses incurred as a consequence of such breach from the party committing breach.

CUSTODY OF AGREEMENT:

5. The Original Copy of this MOU shall remain with the **First Party** and the Duplicate copy thereof may be retained by the **Second Party**.

JURISDICTION

6. Only the Courts at Guwahati shall have the jurisdiction to try and determine or adjudicate all actions, suits and other legal proceedings arising out of or in relation to this MOU .

IN WITNESSES where of both the parties set and subscribed, their hands on this --
--- day of -----, 2015.

Witnessess :

1.

FIRST PARTY

2.

SECOND PARTY

