MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING is made at Aizawl, Mizoram on this 1st August of the year 2012, between the Government of Mizoram represented by the Secretary to the Government of Mizoram, Department of Agriculture hereinafter called the First Party (which expression shall unless repugnant to the context or meaning thereof, mean and include its successors in the office and assigns) of the ONE PART.

AND 3F Oil Palm Agrotech Private Limited, Hyderabad, a Company registered under the Companies Act, 1956 (Act 1 of 1956) having its corporate office at Hyderabad hereinafter called the Second Party (which expression shall unless repugnant to the context or meaning thereof, mean and include its successors in the office and assigns) of the OTHER PART.

WHEREAS the First Party intends to promote cultivation and processing facilities of Oil Palm in earmarked areas in Mizoram.

AND WHEREAS the Second Party agrees to take up development of Oil Palm in the Districts of Serchhip, Aizawl and Saiha and setting up of Palm Oil Mills;

AND WHEREAS the parties hereto are desirous of recording their understanding on the matter, on the terms set out hereinafter;

For 3F Oil Palm Agrotech Private Limited

[Signature]
Vice-President - Operations

Secretary,
Agriculture Department,
Govt. of Mizoram
NOW, THEREFORE, IT IS AGREED BY THE PARTIES HERETO AS UNDER:-

1. The Second Party shall abide by the guidelines issued by the Government of Mizoram from time to time.

2. The Second Party shall have their own extension support for area expansion programmes, nursery development and distribution of planting materials.

3. The Second Party shall abide by and comply with the price of Oil Palm Fresh Fruit Bunches (FFBs) fixed by the Price Fixation Committee.

Secretary Agriculture, Director of Agriculture and Second Party constituted under the Mizoram Oil Palm (Regulation of Production and Processing) Act, 2004.

4. The Second Party shall assist the farmers in availing loan from the commercial banks/Co-operative Banks.

5. The Second Party shall if so authorized by the farmers ensure recovery of loans by way of deductions from bills payable to farmers from their sale of Oil Palm FFBs, to it and effect such amount as duly recovered for onward transmission/remittance to the financial institutions on behalf of the concerned farmers.

The Oil Palm FFBs shall be purchased from the farmers by the Second Party at the collection Centres set up for the purpose.

For 3F Oil Palm Agrotech Private Limited

Vice-President - Operations

Secretary, Agriculture Department, Govt. of Mizoram
The Second Party shall set up collection centre for collecting of Oil Palm FFBs as to be decided by the Mizoram Oil Palm Project Management Committee constituted under the Mizoram Oil Palm (Regulation of Production and Processing) Act, 2004 to facilitate timely supply and collection of Oil Palm Fresh Fruit Bunches.

8. The Second Party shall be fully responsible for setting up of oil extraction units or processing plants with all infrastructure facilities and shall obtain required clearance from Industries Department, Pollution Control Board, etc., including import of planting materials, if required.


10. The Second Party shall continue their operations of the Oil Palm Development in the area allotted to them and shall take up a minimum of 10,000 hectares in the next 5-10 years, from the date of MOU.

11. The Second Party shall always extend full co-operation and maintain a cordial relationship with the farmers.

12. The Second Party shall not withdraw from this Memorandum of Understanding for any reason whatsoever.

13. The First Party shall perform its obligations, supplement extension support for the development of Oil Palm activities and all other activities through the state Oil Palm Advisory Committee which shall be the Nodal Agency for the purposes of this Memorandum of Understanding. For 3F Oil Palm Agrotech Private Limited

Vice-President-Operations.
14. The **First Party** shall make available all State and Central subsidies as allowed in other States for Oil Palm development to the **Second Party**.

15. A Security Deposit of Rs.5,00,000/- (Rupees Five Lakh Only) in the form of Bank Guarantee shall be furnished by the **Second Party**, so that, in the eventuality of the **Second Party** failing to set up the Palm Oil Mill in Mizoram, the security deposit of Rs.5 lakh shall be forfeited and credited to the account of the Government of Mizoram.

**IN WITNESS WHEREOF**, the parties hereto have hereunto signed this **Memorandum of Understanding** on the day, month and the year first hereinabove mentioned.

*signed, sealed and delivered by:*  

For and on behalf of **Government of Mizoram**

(T.V.FAMBawl)  
Secretary to the Govt. of Mizoram  
Agriculture & Horticulture  
Govt. of Mizoram  
Aizawl  
Secretary,  
Agriculture Department,  
Govt. of Mizoram
WITNESSES:

1) Signature

   (i) Name: DR. E. LALZARLIAMA
   (ii) Address: Director of Agriculture
                 (Crop Husbandry)
                 Mizoram, Aizawl

2) Signature

   (i) Name: 
   (ii) Address: 

Signed, sealed and delivered by:

For 3F Oil Palm Agrotech Pvt. Ltd.
(P. MALLESHAM)
Vice President, Operations

WITNESSES:

1) Signature

   (i) Name: CHINTAMANI S.R
   (ii) Address: 3F OIL PALM AGROTECH LTD.
                 HYDERABAD

2) Signature

   (i) Name: 
   (ii) Address: 

Secretary,
Agriculture Department
Govt. of Mizoram