MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING is made (in supersession of the Memorandum of Understanding made on 24th day of July of the year 2009) at Aizawl, Mizoram on this 7th November, 2012, between the Government of Mizoram represented by the Secretary to the Government of Mizoram, Agriculture Department 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 Godrej Agrovet Limited previously known as Godrej Oil Palm Limited, a Company registered under the Companies Act, 1956 (Act 1 of 1956) having its registered office at Pirojshanagar, Eastern Express Highway, Vikroli (East), Mumbai – 400079 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 Parties agree to sign fresh Memorandum of Understanding (MOU) only due to merging of Godrej Oil Palm Limited and Godrej Agrovet Limited into Godrej Agrovet Limited.

AND WHEREAS the First Party intends to promote cultivation and processing facilities of Oil Palm in earmarked areas within the district of Kolasib & Mamit under Department of Agriculture (Crop Husbandry), Government of Mizoram.

AND WHEREAS the Second Party agrees to take up development of Oil Palm in the above earmarked areas and setting up of Oil Palm Mill;

AND WHEREAS the PARTIES hereto are desirous of recording their understanding on the matter, on the terms set out hereinafter;
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 Project Management 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.

6. The Oil Palm FFBs shall be purchased from the farmers by the **Second Party** at the collection Centres set up within the factory zone at the rate fixed under Section-13 of **Mizoram Oil Palm (Regulation of Production and Processing) Act, 2004.**
7. 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 Palm Oil Mills or processing plants with all infrastructure facilities and shall obtain required clearance from Industries Department, Pollution Control Board, etc., including import of spouts, 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 Department of Agriculture, Govt. of Mizoram which shall be the Nodal Agency for the purposes of this Memorandum of Understanding.
14. The First Party shall make available all State and Central subsidies as allowed in other State for Oil Palm development to the Second Party.

15. A Security Deposit of Rs.5,00,000/- (Rupees five lakhs 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 Oil Palm Mill in Mizoram, the said amount shall be recovered by the First Party from the Second Party.

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

Signed, sealed and delivered by: For and on behalf of Government of Mizoram.

( LAL RAMTHANGA )
Principal Secretary to the Government of Mizoram
Agriculture, Govt. of Mizoram
Aizawl

WITNESSES:
1) Signature
   (i) Name  Dr. C. LALZARL (Director)
              Agriculture (Husbandry)
              Mizoram : Aizawl
   (ii) Address

2) Signature
   (i) Name  R. K. NITHANGA
              Deputy Director (Oil Palm)
              Directorate of Agriculture
              Mizoram : Aizawl
   (ii) Address
Signed, sealed and delivered by:

For Godrej Agrovet Limited.

(R.R.GOVINDAN)
Executive Vice President (Oil Palm Plantation & PB)

WITNESSES:

1) Signature
(i) Name
   Leonie John
   Godrej Agrovet Ltd, Parshlochan, Eastern Express
   Shapay, Vikhroli (E), Mumbai - 79.
(ii) Address

2) Signature
(i) Name
   LAVKANSHI PACHRU
   Sr. Executive, Godrej Agrovet Ltd