

756904/2022/034

PRIYA RANJAN, IFS
Joint Secretary



भारत सरकार
 कृषि एवं किसान कल्याण मंत्रालय
 कृषि एवं किसान कल्याण विभाग
 Government of India
 Ministry of Agriculture & Farmers Welfare
 Department of Agriculture & Farmers Welfare

F. No. 1(4)/2019-EM

Dated 31st March 2022

Subject: AC&ABC Scheme- implementation of a tripartite MoU between MANAGE, NABARD and Banks to promote credit lending for venture establishment-reg

Dear Sir,

You are well aware that Ministry of Agriculture & Farmers Welfare, is implementing the programme, 'Establishment of Agri-Clinics & Agri-Business Centres' since almost 20 years, with MANAGE, Hyderabad and NABARD, Mumbai as the stake holders for Training & Hand holding and Subsidy components respectively. A total of 79,636 candidates were trained since inception of the programme in 2002 to 28.02.2022 of which 33,719 agripreneurs have established their ventures with a success rate of 43%. However, out of these 33,719 established agriventures, only around 6000 (17.8 %) agripreneurs could get credit facility and 3123 were extended with subsidy which counts to only 9% of the established ventures and around 50% of the ventures extended with credit facility.

2. It is pertinent to mention that this Ministry has been representing the Finance Ministry for instructing the financial institutions suitably to promote credit lending under AC&ABC programme within the frame work of scheme guidelines and time to time rules and regulations prescribed by RBI and Ministry of Micro, Small & Medium Enterprises. Inspite of that, expected outcome could not be extracted out of the efforts.

3. Recently, MANAGE, Hyderabad in collaboration with NABARD regional Office, Telangana and SBI Local Head Office, Telangana has worked out a tripartite MoU as per which the candidates during the 45 days long training period itself are assessed based on the viability of projects they are going to establish and 'In-principle loan approval' is issued by the end of the training. This model has worked out well in Telangana State and it is proposed to replicate the model across the country, so that the AC&ABC programme will get a boost and it will make a mile stone in the road map for establishment of 'One Agri-Clinic in each village' as envisaged in the Report on Doubling of Farmers Income.

4. A copy of the tripartite MoU is enclosed with the request to share to all the Regional Offices of NABARD with instruction to enter into such agreement with the Lead Banks of the States and implement through the registered Nodal Training Institutes under AC&ABC programme in the States.

Encl: as above.

Shri. G R Chintala

Chairman,
 National Bank for Agriculture & Rural Development
 Plot C-24, 'G' Block, Bandra-Kurla Complex,
 BKC Road, Bandra (East), Mumbai- 400051

Yours faithfully,

(Priya Ranjan)



MEMORANDUM OF UNDERSTANDING

BETWEEN

STATE BANK OF INDIA (SBI), LOCAL HEAD OFFICE, TELANGANA, INDIA

AND

NATIONAL INSTITUTE OF AGRICULTURAL EXTENSION MANAGEMENT
(MANAGE), RAJENDRA NAGAR, HYDERABAD, TELANGANA, INDIA

AND

NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT
(NABARD), REGIONAL OFFICE, TELANGANA, INDIA

FOR COLLABORATIVE APPROACH TO ENHANCE RURAL PROSPERITY

This Memorandum of Understanding (MoU) is made between

STATE BANK OF INDIA, a body corporate constituted under State Bank of India Act 1955, having its Corporate Centre at Madame Cama Road, Nariman Point, Mumbai - 400 021 and its Local Head Office located at Bank Street, Koti, Hyderabad - 500095 for Telangana State represented by General Manager (FI&MM), Shri Krishan Sharma (herein after called "THE BANK" which expression shall include its successors and assignees) as the First Party.

and

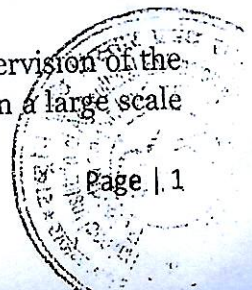
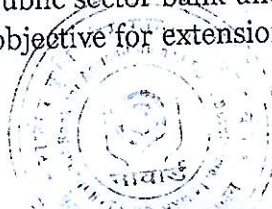
NATIONAL INSTITUTE OF AGRICULTURAL EXTENSION MANAGEMENT (MANAGE)- (An organization of Ministry of Agriculture & Farmers Welfare, Government of India) having its office at Rajendranagar, Hyderabad - 500030 represented by Director General Dr. P. Chandra Shekara (herein after referred to as "MANAGE" which expression shall include its successor and assignees) as the Second Party.

and

NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT (NABARD), a body corporate established under the National Bank for Agriculture and Rural Development Act, 1981 having its office at Plot No. C-24, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai-400051, India and Telangana Regional Office at Hyderabad, hereinafter referred as "NABARD" (which expression shall unless repugnant to the context or meaning thereof be deemed to include its executors, administrators and assigns) represented by Chief General Manager, Shri Y.K.Rao as Third Party.

SBI, MANAGE and NABARD collectively hereafter referred to as Parties.

WHEREAS SBI, is the largest Public sector bank under the control and supervision of the Government of India having the objective for extension of banking facilities on a large scale



to public at large, corporates, industries etc. and also to the rural and semi-urban areas, and for diverse other public purpose. Since its establishment, SBI has been taking into consideration and responding in a progressively liberal manner the financial requirements of cooperative institutions, small scale industries and agriculturists by extending rural credit facilities and has also undertaken village adoption scheme and Integrated Rural Development Programme.

WHEREAS MANAGE is established as a National Institute and is responsive towards challenges of agricultural extension in a rapidly growing and diverse agriculture sector. The policies of liberalization and globalization of the economy and the level of agricultural technology becoming more sophisticated and complex, called for major initiatives towards reorientation and modernization of the agricultural extension system. Effective ways of managing the extension system needed to be evolved and extension organizations enabled to transform the existing set up through professional guidance and training of critical manpower. MANAGE is the response to this imperative need.

WHEREAS NABARD is established as a development bank for providing and regulating credit and other facilities for promotion and development of agriculture, small scale industries, cottage and village industries, handicrafts and other rural crafts and other allied economic activities in rural areas, with a view to promote integrated rural development and securing prosperity of the rural areas and for matters connected therewith or incidental thereto. NABARD deals with matters concerning policy, planning and operations in the field of credit for agriculture and other economic activities in rural areas. NABARD is active in formulating policy and rural development initiatives. Under the provisions of NABARD Act, 1981, NABARD is empowered to associate with various institutions for various credit and developmental functions in the field of agriculture and rural development.

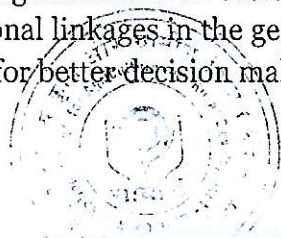
NOW, THEREFORE, considering the common interests in the specific area of promoting agriculture and rural development, the parties are desirous to enter into this MoU to associate together through a collaborative approach to enhance rural prosperity through convergence of their institutional lending & ongoing development initiatives thereby benefitting the stakeholders like Farmers/ Farmer Producer Organizations/ Joint Liability Groups/ Self Help Groups/Rural Artisans / Weavers / Agri-preneurs /Agri Start Ups / Micro, Small and Medium Enterprises, etc. in the State of Telangana.

ARTICLE –I

Objectives

The parties hereby agree to:

- i. The objective of this MOU is to outline the roles and responsibilities of each party in the areas of Convergence enumerated in this MoU.
- ii. Showcasing of implementable pilot projects which may enhance private investment in rural areas through engaging all partner agencies (like SBI Foundation, NAB Foundation, NABCONS, NABKISAN, etc.)
- iii. To provide most effective support and services to Agri entrepreneurs for practicing Sustainable Agriculture in all sectors of Agricultural economy.
- iv. Provide improved regional linkages in the generation, dissemination, and sharing of market information for better decision making.



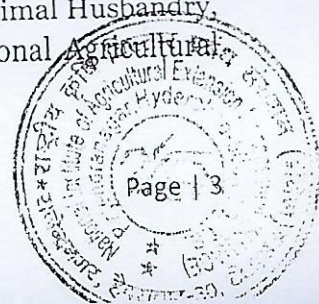
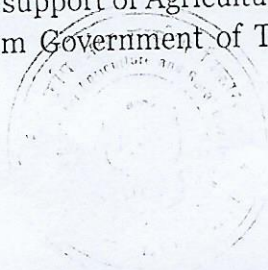
- v. Provide improved access and use of market intelligence with better production and marketing strategies to all stakeholders in the marketing chain.
- vi. To provide hassle free finance to all the eligible Agri entrepreneurs trained by MANAGE for traditional and modern farm and farm related activities including emerging and High Tech Agri activities.
- vii. To facilitate the Joint Initiatives with SBI, MANAGE & NABARD in line with the National and State Challenges and Priorities.
- viii. To partner together for addressing various challenges and areas of improvements in the Agriculture sector of priority to the National and State interests.
- ix. Making available commodity intelligence to all stakeholders including policy makers.
- x. Providing information about high price markets to producers.
- xi. Improving the dissemination of market intelligence.
- xii. Increasing the capacity to absorb and use such market intelligence by all stakeholders.
- xiii. To partner for addressing the areas of improvement among AC&ABC entrepreneurs.
- xiv. Provide training in areas of agriculture & support systems such as business plans to AC&ABC entrepreneurs.
- xv. To document the success stories as case studies.
- xvi. To boost agricultural production through adoption of technology and thus better farming practices by farmers as also to provide self-employment opportunities.
- xvii. According due priority to the schemes formulated by Government of India.
- xviii. Free training to selected graduates under **Agri Clinics and Agribusiness Centers** (AC&ABC) scheme course comprising Entrepreneurship and Business Management, as well as skill improvement modules in the chosen areas of activity and providing subsidy and financial support to the entrepreneurs.
- xix. Document the efforts, actions and process & product involved for replication and larger coverage of areas.
- xx. This MOU shall also serve as a basis of further collaboration **among** the parties on other related activities concerning the matters enumerated herein.

ARTICLE – II

Responsibilities of Parties

Roles and Responsibilities of SBI:

- i) To be a PRIME BANK for financing the AC&ABC applicants trained by MANAGE partnering with NABARD in the Telangana State.
- ii) To provide adequate and timely credit support from the banking system under a single window with flexible and simplified procedure to the Agri entrepreneurs for their cultivation economic activities promoting livelihoods.
- iii) Conceptualize and organize Agri entrepreneurs' workshops in various districts in the State with the departmental support of Agriculture, Horticulture, Animal Husbandry, Sericulture, Fishery etc. from Government of Telangana and National Agricultural Institutes.



- iv) The credit support would be based on viability of the project and adherence to the terms and conditions stipulated by the Bank, guidelines issued by RBI and Government from time to time.

Roles and Responsibilities of NABARD:

- i) Partner on Agriculture related initiatives of SBI as a Knowledge and Institutional partner.
- ii) Popularizing high yielding varieties/hybrids of crops to farmers
- iii) Capacity building of Agripreneurs in the State

Roles and Responsibilities of MANAGE:

- i) To identify the entrepreneurs/enterprises aspiring/doing good businesses that solve the problems faced in agriculture sector.
- ii) Training the entrepreneurs under AC&ABC scheme and other relevant programs.
- iii) Conducting the refresher training programs for existing entrepreneurs.
- iv) Improving the Detailed Project Reports (DPR) of the entrepreneurs.
- v) Identify the promising agripreneurs and Startups in need of financial support.
- vi) Handholding the enterprise / startups by providing technical and business mentoring
- vii) Informing and inviting the SBI and NABARD team during the training programs for sharing the knowledge and due diligence processes with participants of the training programs.

ARTICLE –III

Work Plans

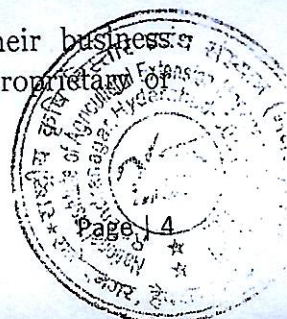
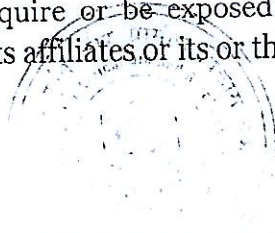
This MoU may be supplemented by work plans to be developed jointly, which will describe more specifically the activities to be carried out under this programme which will set-forth the envisaged contribution of each party. All the work plans will be implemented only after mutual consent is expressed.

- a. SBI and all its constituent district level offices / branches shall prepare a detailed work plan as and when required with objectives, log frame and detailed activity schedule. The work plan document will also indicate the expected outcome of the project.
- b. All parties, i.e. SBI, MANAGE and NABARD, shall be responsible for supporting envisaged activities of the project as per work plan.
- c. Further, the parties are free to enter into specific agreements for particular projects falling within the scope of this MOU, wherever they consider it necessary.

ARTICLE –IV

Confidentiality

- (i) All Parties and their respective employees may, in the course of their business relationship with the other, acquire or be exposed to information that is proprietary or confidential to the other party, its affiliates or its or their respective clients.



(ii) All Parties undertake to hold all such information in strictest confidence and further undertakes not to (a) disclose such information either in whole or in part to any person other than those of its officers, employees and agents who need to know the confidential information for the purpose authorized provided that each such officer, employee or agent has agreed in writing to maintain the confidentiality of the confidential information in accordance with the terms or (b) use such information for any purpose whatsoever save as may be strictly necessary for the performance of the obligations of that party under this agreement. The provisions in this Article shall survive termination or completion of the Memorandum of Understanding.

ARTICLE -V

Amendments

The Parties to this MoU may, by mutual consent, add, modify, amend or delete any words, phrases, sentences, or Articles in this MoU. No amendments or modification of this MoU shall be valid unless the same is made in writing by authorized representatives of both parties and specifically stating the same to be an amendment of this MoU. The modifications/changes shall be effective from the date on which they are made/ executed, unless otherwise agreed to.

ARTICLE -VI

Representation, Warranties and Undertakings

SBI have represented that each of their programme related initiatives are in compliance with applicable laws and governmental rules;

SBI have further represented that this MoU:

- i) is within its powers and has been duly authorised;
- ii) Constitutes their legal, valid and binding obligations; and
- iii) Does not conflict in any material respect with any law or regulation or their constitutional documents or any document binding on them and that they have obtained all necessary consents for the performance by them of this MoU.

NABARD has represented that this MoU:

- i) is within its powers and has been duly authorised by it;
- ii) Constitutes its legal, valid and binding obligations; and
- iii) Does not conflict in any material respect with any law or regulation or its constitutional documents or any document binding on it and that it has obtained all necessary consents for the performance by it of this MoU.

MANAGE has represented that this MoU:

- i) is within its powers and has been duly authorised by it;
- ii) Constitutes its legal, valid and binding obligations; and



- iii) Does not conflict in any material respect with any law or regulation or its constitutional documents or any document binding on it and that it has obtained all necessary consents for the performance by it of this MoU.

Each of the Parties warrants and undertakes that it (and any Person acting on its behalf) shall comply with all applicable laws while performing under this MoU.

ARTICLE –VII

Representatives

NABARD hereby nominates the following representative(s) to interact with SBI and MANAGE with the issues related to the initiatives stated in this MoU.

Chief General Manager, NABARD, Telangana Regional Office, Hyderabad.

SBI hereby nominate the following representative(s) to interact with NABARD and MANAGE to deal with the issues related to the initiatives stated in this MoU and generally in relation to the Programme.

General Manager (FIMM), Telangana Local Head Office, SBI, Hyderabad.

MANAGE hereby nominate the following representative(s) to interact with NABARD and SBI to deal with the issues related to the initiatives stated in this MoU and generally in relation to the Programme.

Director General, MANAGE, Rajendranagar, Hyderabad - 500 030, Telangana

Each Party may change and/or nominate additional representatives as it may deem necessary subject to intimation in writing to the other Party.

ARTICLE –VIII

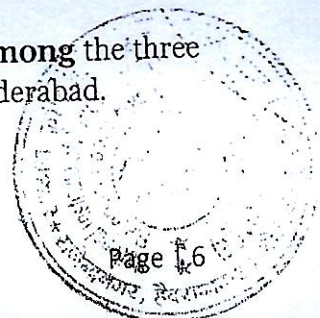
Validity/Termination

This MOU shall come into effect from the date of signing of this MOU all of the parties and be valid for 2 years, and is open for renewal and mutual periodic revisions, based on consensus among the parties which shall be reduced in-to writing.

The MOU can be terminated by either party after giving one month's notice to the other parties. In the event a notice of termination is served by either of the Parties, the parties shall make endeavor to fulfill commitments already agreed upon in the best feasible manner.

This MoU constitutes the entire understanding among the parties hereto. Except as otherwise provided herein, no addition, amendment to or modification of this MoU shall be effected unless it is in writing and signed by and on behalf of all the parties by their respective authorized signatories.

Any dispute arising out of this MoU will be settled by mutual negotiations among the three parties. Any other arbitrations aspects will be settled in the jurisdiction of Hyderabad.



ARTICLE - IX**Relationship**

This MoU is on a principal-to-principal non-exclusive basis between the Parties hereto. Nothing contained herein shall be deemed to create any association, partnership, joint venture or relationship of principal and agent or master and servant or employer and employee **among** the Parties hereto or any affiliates thereof or to provide either Party with the right, power or authority, whether express or implied to create any such duty or obligation on behalf of the other Party. Nothing in this MoU obligates NABARD, MANAGE or SBI to spend a specific sum of money on any specific activity.

ARTICLE - X**Arbitration**

This MOU shall be interpreted, construed and enforced in accordance with the laws of India.

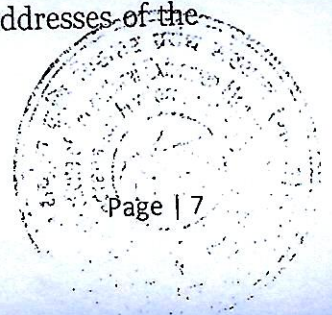
The parties shall use their best efforts to settle amicably all dispute(s) arising out of or in connection with the MoU, or in respect of any defined legal relationship associated or derived there from. If the dispute is not resolved through such amicable talks within fifteen days (15 days) after one Party has served written notice on the other Party requesting the commencement of such discussions, either party may in writing demand that the dispute be finally settled by arbitration in accordance with Arbitration and Conciliation Act, 1996. The sole arbitrator shall be appointed by the Party who raised the dispute from the panel of three persons nominated by the other Party. The language of the Arbitration shall be English and the arbitrator shall be fluent in English and the seat of the arbitration proceedings shall be at Hyderabad. The arbitrator should be person of repute and integrity and place of arbitration shall be (name of the place may be incorporated). "However the parties are not prohibited from approaching the court of law in case of any dispute arising out of the MoU and the courts at Hyderabad will have the jurisdiction.

ARTICLE - XI**Counterparts**

This MoU may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same MoU.

ARTICLE - XII**NOTICE**

Any notice required or provided for by the terms of this MoU shall be in writing, and all notices, reports etc. shall be sent by registered mail, prepaid, or facsimile to the business address of the party to be served therewith. It is agreed that the business addresses of the parties shall be as follows:



The addresses for communication are:

To NABARD:

The Chief General Manager, Telangana Regional Office, Hyderabad

Address: 1-1-61, RTC-X Road, Musheerabad, Hyderabad- 500020

E-mail: hyderabad@nabard.org Phone: 040-27685129

To State Bank of India

General Manager (FIMM), SBI, Local Head Office,

Address: Bank Street, Koti, Hyderabad- 500005

E-mail: dgmsales.lhohyd@sbi.co.in Phone: 040- 23466690


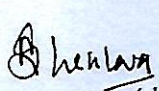
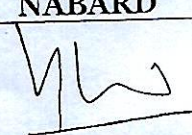
To MANAGE

Director General, National Institute of Agricultural Extension Management (MANAGE)

Address: MANAGE, Rajendranagar, Hyderabad - 500 030, Telangana

Email: AC&ABC-manage@manage.gov.in Phone: 040-24015404, 24594509

THE PARTIES HAVE EXECUTED THIS MEMORANDUM OF UNDERSTANDING (MoU) HERETO HAVE AFFIXED THEIR SIGNATURE WITH OFFICIAL STAMP ON THIS DAY OF 13TH MAY 2021 IN THE PRESENCE OF WITNESS INDICATED.

For and on behalf of SBI	For and on behalf of MANAGE	For and on behalf of NABARD
		
(Shri Krishan Sharma) General Manager – FI&MM, State Bank of India, Telangana Local Head Office, Hyderabad	(Shri Dr. P. Chandra Shekara), Director General, National Institute of Agricultural Extension Management (MANAGE), Rajendranagar, Hyderabad	(Shri Y.K.Rao) Chief General Manager NABARD Telangana Regional Office, Hyderabad

In the presence of

Witness 1:



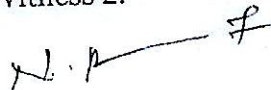
Witness 2:



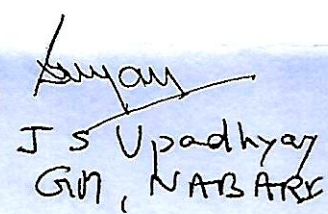
Witness 1:



Witness 2:



Witness 1:



J S Upadhyay
GM, NABARD

Witness 2: