



## MEMORANDUM OF UNDERSTANDING

This **Memorandum of Understanding** (hereinafter referred to as the “**MOU**”) is made and entered into on this Wednesday day of 27<sup>th</sup> April, 2022;

### **BETWEEN**

**Small Farmers Agribusiness Consortium**, an Autonomous Society promoted by the Ministry of Agriculture and Farmers Welfare, Government of India, registered under the Societies Registration Act, 1860 (XXI of 1860), having its registered office in NCUI Auditorium Building, 5<sup>th</sup> Floor, 3, Siri Institutional Area, August Kranti Marg, Hauz Khas, New Delhi — 110016 (hereinafter referred to as the “**SFAC**” which expression shall, wherever the context permits and requires and unless repugnant to the context or contrary to the meaning thereof, be deemed to mean and include its successors-in-interest and permitted assigns) of the **FIRST PART**;

### **AND**

**Tractors and Farm Equipment Limited**, a company incorporated under the Companies Act, 1956, having its registered office at Old No.35, New No.77, Nungambakkam High Road, Chennai – 600034, represented by Mr. T R Kesavan, Group President (hereinafter referred to as “**TAFE**”, which expression shall, unless repugnant to the context and meaning thereof, be deemed to mean and include its authorised successors, executors, administrators, representatives and permitted assignees) of the **SECOND PART**;

### **WHEREAS:**

- A) SFAC is a pioneer in organising small and marginal farmers as Farmers Interest Groups, Farmers Producers Organisation (“**FPO**”) and Farmers Producers Company (“**FPC**”) for endowing them with bargaining power and economies of scale. It provides a platform for increased accessibility and cheaper availability of agricultural inputs to small and marginal farmers and in establishing forward and backward linkages in supply chain management;
- B) SFAC has created various schemes for the benefit of FPOs and farmer collectives including but not limited to:
- a. Equity Grant & Credit Guarantee Fund Scheme;
  - b. Venture Capital Assistance Scheme
  - c. ENAM Scheme
  - d. Formation and promotion of Farmer Producer Organisation Scheme
  - e. Promotion and development of Delhi Kisan Mandi
  - f. Fund Manager for Department of Consumer Affairs
- C) **TAFE** is providing a Farmer to Farmer (F2F) Custom Hiring mobile application, under the Trade Mark “**JFarm Services**” (JFS), intended to increase the penetration of farm mechanisation and benefit small & marginal farmers through TAFE FOUNDATION which is a charitable trust established for the purposes of promoting public welfare activities and to contribute or assist humanitarian, charitable, benevolent, educational,





scientific, national, public or other useful institutions, and to do all such things which are in public interest.

- D) "JFarm Services" is currently operational in select districts in Sixteen (16) States in India, and seamlessly connects owners of tractors and implements with farmers seeking the equipment on rent. TAFE and JFarm Services do not collect any service charges from the rental service providers or the farmers hiring the equipment.
- E) SFAC and TAFE ("**Parties**") have discussions regarding collaboration for improving access to farm mechanisation/implements for farmers of FPOs supported by SFAC.

**NOW, THEREFORE, THIS MOU WITNESSETH, AND THE PARTIES HERETO AGREE AS FOLLOWS:**

### **ARTICLE 1- DEFINITIONS**

- 1.1. In this MOU, the following terms shall have the following meanings:
- 1.1.1. **Effective Date** shall mean the date on which this MOU is signed by the Parties hereto and if it is not signed by the Parties on the same day, the last date on which it is signed by a Party.
  - 1.1.2. **Parties** shall mean SFAC and TAFE collectively and **Party** shall mean either SFAC or TAFE as the context may demand.
  - 1.1.3. **Breach** shall mean violation of any of the terms of this MOU.
- 1.2. In this MOU, unless the context demands otherwise:
- 1.2.1. words used in singular shall include the plural and vice-versa;
  - 1.2.2. words denotive of one gender shall denote the other gender;
  - 1.2.3. A Person includes a legal or natural Person or a partnership firm, trust, government or local authority and shall also include the legal representative or successor in interest of such person.

### **ARTICLE 2 - TERMS AND CONDITIONS**

- 2.1 SFAC and TAFE have discussed on facilitating farmer members of FPOs supported by SFAC to benefit from farm mechanization services on rental basis. TAFE has agreed to provide "JFarm Services" Custom Hiring digital platform to these farmers. The digital platform includes marquee JFarm Services mobile application and the multi-lingual toll-free call centre for farmers.
- 2.2 Through the JFarm Services digital platform of TAFE, the small and marginal farmers can book tractors and implements on rent. The rental service providers available nearby will be connected to the small farmers without any service charges from JFarm Services.
- 2.3 The objective of this MoU is to:
- a) Increase the access to farm mechanization for small & marginal farmer members of FPOs supported by SFAC.
  - b) Train and empower FPO CEOs with digital platform for enhanced FPO governance and member management.
  - c) Leverage the existing FPO network to promote the Schemes of SFAC.





- 2.4 TAFE will facilitate farmer members of FPOs to hire farm equipment on rent through its JFarm Services platform on a best effort basis depending on the equipment available in the nearby villages. The farmer members will pay the rental charges directly to the rental service providers. TAFE will not charge any service fees for the transactions.
- 2.5 TAFE will assist FPOs in training the farmers on using the "JFarm Services" digital platform (mobile application and toll free helpline) for booking farm equipment on rent.
- 2.6 FPOs supported by SFAC may use "JFarm Services" if found suitable and economical by them.
- 2.7 The Parties shall co-brand "JFarm Services" and SFAC in promotional materials including but not limited to banners, pamphlets and leaflets, with the written consent of the other party. However, the term "**JFarm Services**" which is the Trade Mark of TAFE shall not be used by SFAC for any other branding activity other than that which is agreed to herein.
- 2.8 TAFE will provide access to exclusive features developed in its "JFarm Services" platform for FPO CEOs which includes but not limited to broadcasting customizable messages to farmer members, accepting FPO joining requests from interested farmers nearby, adding commodity or product details which FPO is ready to procure from or sell to farmers and viewing reports on FPO farmer members. The services will be on a best effort basis, and the effectiveness will depend on adoption by the FPO CEO, Directors and Farmer members.

2.9 **GENERAL:**

- 2.9.1 Both parties mutually agree to ensure that there is no violation or breach of the terms and conditions as enumerated in the MOU.
- 2.9.2 This MOU cannot be amended except in writing and under signature of both parties, such document making specific mention that it purports to amend this agreement.
- 2.9.3 TAFE and SFAC understand that the MOU and the terms of activities being agreed herewith are mutually exclusive and strictly confidential to the parties, during the tenure of this MOU.
- 2.9.4 TAFE and SFAC intend to work jointly and explore opportunities to expand the scope of this partnership as per mutual written agreement, in order to add value to the agriculture sector.
- 2.9.5 The Parties hereto shall not at any time use or attempt to use the name or logo belonging to the other party unless specifically authorized in writing.
- 2.9.6 Except as provided herein, both parties shall not without the prior permission in writing of the other assign or transfer either in whole or in part, any right, benefits or the duties and obligations occurring, undertaken or incurred under this MOU to any other person /third party.
- 2.9.7 If any portion of this MOU is held to be invalid or unenforceable in whole or in part, then such provision shall be deemed not to form part of this MOU and the validity and enforceability of the remainder of the MOU will not be affected by any such invalidity or unenforceability. The rights,



powers and remedies provided to the parties in this MOU are in addition to and do not exclude or limit any right, power or remedy provided by law. No waiver, delay or failure by the parties to enforce any provision of this agreement shall prejudice or restrict their rights, nor shall any waiver of any breach operate as a waiver of any subsequent breach.

- 2.9.8 The parties clearly understand and agree that either party shall not have any obligation to pay any monies to other party under MOU. There is no financial involvement by SFAC and it will only play the role of enabler & facilitator.

#### **2.10 TERM & VALIDITY:**

- 2.10.1 The MOU will be effective from the **Effective Date**, as mentioned in Article (1.1.1) and valid for a minimum period of 3 (three) years and shall be extended for further period/s on mutual written consent.
- 2.10.2 This MOU can be terminated at any point of time, with mutual consent of parties. Both the extension and termination will be in writing.

#### **ARTICLE 3-NOTICE**

- 3.1. Any notice required by this MOU shall be in writing, shall specifically refer to this Agreement and shall be sent either by hand, registered or courier or email, all post prepaid and return receipt requested, addressed to each Party at the following addresses, unless subsequently changed by written notice to the other Party.

##### Addresses for Communication:

<b>Small Farmers Agribusiness Consortium</b> NCUI Auditorium Building, 5 <sup>th</sup> Floor, 3, Siri Institutional Area, August Kranti Marg, HauzKhas, New Delhi — 110016	<b>TAFE</b> Old No.35 and New No.77, Nungambakkam High Road, Chennai, Tamil Nadu – 600034
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#### **ARTICLE 4 - GOVERNING LAW AND RESOLUTION OF DISPUTE**

- 4.1. This MOU shall be construed, governed and implemented in accordance with the laws applicable in India. The Parties agree to use their best efforts to negotiate in good faith and settle amicably any issue which may arise or relate to this MOU and the venue of any settlement between both the parties shall be at Delhi.

**IN WITNESS WHEREOF, THE PARTIES HAVE THROUGH THEIR RESPECTIVE DULY AUTHORISED REPRESENTATIVES EXECUTED THIS AGREEMENT IN TWO ORIGINALS THE DAY AND THE YEAR FIRST HEREINABOVE WRITTEN ON WEDNESDAY DAY OF 27<sup>TH</sup> April, 2022.**

