



**FARM DEVELOPMENT
AND
AGRO-FORESTRY MANAGEMENT
SERVICES**

HORTICULTURE PRODUCE MANAGEMENT INSTITUTE

Millet House, B-11 (3rd Floor),

Sector-4 Noida, 201301,

NCR Delhi India

www.hpmi.org.in email : info@hpmi.org.in

Farm Development & Agro-forestry Management Services

HPMI has a specialized division, engaged in developing eco-friendly self-sustainable commercial agriculture farms on turn-key basis. This division extends support to corporates, land lords having the passion for agriculture farms & absentee land lords.

Pre-requisite

The beneficiaries should have land having boundary or fencing, irrigation facilities, electricity connection. In addition to this required pre-requisite the beneficiary should be prepared to invest one time capital investment and revolving working capital as per the status report.

Scope of Services:

First of all we would prepare a status report giving the details of activities being carried out for last three years including financial analysis. After that we would prepare a detailed project report and if agreed mutually, we would take up turn key execution.

Fee :

HPMI would charge the following fee from the beneficiaries:

Beneficiary membership fee :

Annual beneficiary membership fee (statutory being Society)
Rs. 1000/- (per year)

Status Report cum pre-feasibility Report

Rs. 2,50,000/- plus actual travel , lodging/boarding expenses of the Executive.

Detailed Project Report with five years business plan.

5% of the total estimated project cost but the cost charged for status report will be reduced from it.

Technical Facilitation fee:

HPMI will charge 40 % of the net profits (after deducting average existing income and revolving working capital).The capital investment ,will not be the part of profit calculation for the purpose of calculating the Technical Facilitation fee.

MEMORANDUM OF AGREEMENT :

This memorandum of agreement is signed by exchanging signed copies through emails (which will be signed on Rs 100.00 stamp paper before the project starts and financial considerations are paid) written on 2023.

Between

HORTICULTURE PRODUCE MANAGEMENT INSTITUTE

And

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WHEREAS, the Horticulture Produce Management Institute ,hereinafter called “**HPMI**” for it’s further expressions in this document, having it’s Administrative office at **Millet House, B-11 (3rd Floor), Sector-4, Noida, 201301, NCR Delhi India** is a Technical Facilitation Organization, desirous to extend their services for a commercial agriculture development or farm development projects.

WHEREAS, Mr/Ms -----hereinafter called “**BENEFICIARY**” having it’s office at and farm/agriculture land at-----measuring-----acres and desirous to take the expert services of HPMI for the commercial farm development under their “**FARM DEVELOPMENT & AGRO-FORESTRY PROJECT**” on mutually agreed terms.

WHEREAS, both the executants have agreed to the following mutually agreed terms and conditions to achieve the aims of the joint initiative for a mutually beneficial commercial agribusiness project.

- 01- The “**BENEFICIARY**” will provide clean (with respect to it’s legal status) land having fencing/boundaries, irrigation facilities and electricity supply to “**HPMI**” for taking up the project as per the status report prepared by “**HPMI**” and accepted by “**BENEFICIARY**”.
- 02- **CAPITAL INVESTMENT** :The “**BENEFICIARY**” will provide one time investment towards capital investment for farm development and required infrastructure development at farm(if required), which will not be taken into consideration while calculating the Technical Facilitation Charges to be paid to “**HPMI**”.
- 03- **REVOLVING WORKING CAPITAL** :The “**BENEFICIARY**” will provide revolving working capital, which will never be lost and “**HPMI**” will stand responsible and accountable for this revolving fund, to be paid on “0” date .
- 04- **MINIMUM ASSURED INCOME** : If any existing activity is going on and the revenue being earned will be treated as Minimum Assured Income.

- 05- **“HPMI”** will charge Rs 5,00,000/- as advance at the time of signing the MOU for a “farm size” up to Rs 20 Acres and after that it would be increased @ 25% for each twenty acres and this amount will be adjusted in the fifth year of operation against revenue to be shared , as this MOU will be valid for five years in first phase. In case of termination from the Beneficiary’s side due to any reason, this retainership/advance will be forfeited and similarly if HPMI does not perform in two full calendar years, a penalty will be levied which should be minimum to the tune of Minimum Assured Return plus 12% interest on the money paid to HPMI or spent on the advise of HPMI and contract will be terminated.
- 06- **“BENEFICIARY”** will bear all expenses of the Nodal Person for visiting site . The man-days of Nodal Person and other experts will be paid (Rs 25,000.00; Rs 10,000.00; Rs 5000.00; Rs.3000.00 & Rs 1500.00,respectively, as per their status and actual travel and lodging / boarding expenses) as per the understanding between HPMI & various Scientific & professional organizations for utilizing their services in the interest of Country’s Agrarian Economy’s development.
- 07- **“HPMI”** will appoint Farm Supervisors at the cost of **“BENEFICIARY”** who will be responsible for the execution of the project as per the policy guide lines (mutually decided and technical protocols given by HPMI as and when required)
- 08- **SERVICE CHARGING TO HPMI :** **“HPMI”** will prepare a financial statement at the end of every six months and after taking working capital and minimum assured return (if there is any in case of any pre-existing commercial activity), the remaining revenue will be shared between the **“BENEFICIARY”** & **“HPMI”** in the ratio of 60:40,respectively as **“HPMI”**s service charges for **“TURN KEY MANAGEMENT”** of theproject. The service charges or any other taxes as applicable will be charged to **“BENEFICIARY”**
- 09- **“HPMI”** will be held responsible and accountable for the loss of revolving working capital as the day to day decision making for utilization of the revolving capital is being granted to **“HPMI”**.
- 10- The **“BENEFICIARY”** will nominate one nodal person who will be the joint signatory in a **“BANK ACCOUNT”** which will be opened for this purpose under the name and style of **“FARM DEVELOPMENT & AGROFORESTRY SERVICES PROJECT”** as per the mutual agreement and the said account will be operated jointly by the authorized signatories, nominated from both the sides. This account will be the one stop financial management account for any payment as well as receipts.
- 11- **“HPMI”** will submit a monthly activity report giving the activities carried out in the previous months, activities to be carried out in the coming month along with a summary of financial statement during first week of the respective month to the **“BENEFICIARY”**.

12- In no case "BENEFICIARY" will interfere in day to day operations of the project. If there is any suggestion, observations, he/his representative can submit in writing and both the nodal persons will discuss the same and reach a logical end in the interest of project.

13- **PERIOD** : The first phase of the "FARM MANAGEMENT PROJECT" will be for a period of five years and the next phase will be extended as per the mutual discussion followed by renewal of the agreement for next five years, if desired by both the "EXECUTANTS".

14- **TERMINATION OF THE AGREEMENT** : This agreement will be valid for five years but both the parties can terminate the agreement by giving one year's notice or paying compensation equivalent to previous year's revenue as per their share.

15- **ARBITRATION** :In case of any difference of opinion or dispute, the matter will be resolved by mutual discussion but if it is not resolved amicably, the matter will be referred to the sole Arbitrator, who will be appointed by mutual consent ,whose decision will be final and binding to both the parties.

BOTH THE EXECUTANTS PUT THEIR SIGNATURE BELOW :

On & behalf of "HPMI"

On & behalf of "BENEFICIARY"

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Auth.Signatory

Auth.Signatory

Witness

Witness