



தமிழ்நாடு தமிழ்நாடு TAMILNADU

BC 032925

25688 / 29.12.2015
 Palladam Coir Growbag
 Cluster Implementing Agency
 Puliampatti - Palladam (Tk)

(Signature)
 E. AKBAR NAVAS
 Stamp Vendor,
 L. No. 12 / TRP / 2008
 Puliachi, Tamilnadu.



AGREEMENT

THIS AGREEMENT made at Cochin this 29th day of December 2015 between THE COIR BOARD, a statutory body constituted under the Coir Industries Act, 1953 and having its head office at M.G. Road, Cochin-16 hereinafter referred to as "Coir Board" (which expression shall unless it be repugnant to the context or meaning thereof be deemed to mean and include its successors and assigns) of the ONE PART and PALLADAM COIR GROWBAG CLUSTER a Society established/registered under Section 10 of the Tamil Nadu Act, 1975 (TAMIL NADU ACT 27 OF 1975) and having its registered office at S.F.No.85/2, Puliampatti Post, Karadivavi (Via), Palladam (Tk), Tiruppur District hereinafter referred to as the "Implementing Agency" (which expression shall unless it be repugnant to the context or meaning thereof be deemed to mean and include its successors and assigns) of the OTHER PART.

**PALLADAM COIR GROWBAG CLUSTER
 IMPLEMENTING AGENCY**

(Signature)
 Authorised Signatory
 S. PRABHU

(Signature)
 श्री.आर. अजिता कुमार / Sri. Ajith Kumar
 निदेशक (सि) / Director (M)
 कायम मस / Coir Board
 सू.स. मस. उ. मंत्रालय, भारत सरकार
 Ministry of MSME, Govt. of India
 कोच्ची / Kochi - 682016

Preliminary:**WHEREAS:**

a) The Coir Board has been constituted under the Coir Industry Act 1953 and functioning under the Ministry of MSME, Govt. of India to devote itself to the development and promotion of coir industry in the country with the support, assistance and guidance of the Govt. of India.

b) The Government of India, with a view to making the traditional industries more productive and competitive and facilitating their sustainable development, has announced a scheme for regeneration of traditional industries, by name "**Scheme of Fund for Regeneration of Traditional Industries (SFURTI)**" under which clusters of traditional industries in the MSME sector are setup and developed. The Scheme is implemented by the Ministry of Micro, Small and Medium Enterprises (MSME) and its organizations and institutions in collaboration with State Govts. The orders on approval of this scheme, its operational guidelines prescribed by the Govt. of India and its amendments from time to time, will form integral part of this agreement.

c) The Government of India has identified the Coir Board as the Nodal Agency (NA) for implementation of the scheme in coir sector who shall in turn identify the Implementing Agencies (IA) for the proposed clusters in a transparent manner with the approval of the Scheme Steering Committee (SSC) constituted by the Ministry of Micro, Small and Medium Enterprises (MSME).

d) The primary objectives of the Scheme are:

1. Develop clusters of traditional industries in various parts of the country.
2. Make traditional industries more competitive with more market driven, productive, profitable and sustained employment for traditional industry artisans and rural entrepreneurs.
3. Strengthen local governance system of industry clusters.
4. Build up innovated and traditional skills, improved technologies in processing, market intelligence, and new models of public-private partnership.

e) The SFURTI, with a view to achieve the aforesaid objectives, envisages the development of certain selected activities of village industries by developing clusters, marketing channels and forum, market facilitation centers, strengthening of Sales outlet, capacity building, design upgradation, setting up of Common Facility Centers (CFC) etc.

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S. Prabh

Authorized Signatory

S. PRABHU

श्री. अशोक कुमार / श्री. Ajith Kumar
निदेशक (ए) / Director (A)
कोयल बोर्ड / Coir Board
ए. ए. नॉर्थ बिल्डिंग, बंगलुरु, कोयल विभाग
Ministry of MSME, Govt. of India
अहमदाबाद / Ahmedabad - 380016

f) The Coir Board, being the Nodal Agency is desirous of implementing the said Scheme in each cluster through Implementing Agencies (IA) such as Registered Institutions/ Societies, Institutions of Non Government Organizations (NGOs), Institutions of Central Government and State Government and Semi Government Institutions, etc.

g) The Implementing Agency, being actively involved in the activities for the development of Coir Industries/ rural employment, possesses the requisite expertise to implement the said Scheme and desirous of undertaking the Scheme and accordingly approached the Coir Board for undertaking the **PALLADAM COIR GROWBAG CLUSTER** Cluster programme (herein after referred to as the "said Programme") under the said Scheme on the terms and conditions herein after appearing.

NOW THIS AGREEMENT WITNESSETH:

1) Terms and conditions;

The assignment given to the Implementing Agency shall include and comprise the following:

(a) The Institution/ NGO shall work as the implementing Agency and would identify and arrange suitable land for the cluster at **Puliyampatti, Palladam Tk. Tiruppur District.**

(b) The Implementing Agency shall implement various interventions as outlined in the approved Detailed Project Reports of clusters and shall during the implementation of the said cluster programme, provide from time to time, equipments/ machines/ tools/ working capital/raw material and other infrastructure facilities to be used for common facility, by way of user fee based model to the beneficiaries in the cluster in a phased manner. The Implementing Agency shall take proper care, upkeep, insurance and account of these assets, keep them in trust and ensure its efficient operation till the completion of the said programme and thereafter, as required.

(c) The Implementing Agency will make available the assets provided at the Common Facility Centre as aforesaid and the records and books of accounts of the cluster for inspection by any officials of the Comptroller & Auditor General of India, Ministry of MSME/ its authorized agents or agencies and Coir Board.

(d) The Implementing Agency will oversee the formation of a Special Purpose Vehicle in the cluster before seeking approval for hard interventions under the project.

**PALLADAM COIR GROWBAG CLUSTER
IMPLEMENTING AGENCY**

S. Prashu
Authorized Signatory

S. PRASHU

[Signature]
श्री. अर. अनिल कुमार (श्री. Anil Kumar)
निदेशक (तंत्र) / Director (M)
संघ, कोयंबटूर / Coir Board
ए. ए. अर. अ. अ. संस्थान, भारत सरकार
Ministry of MSME, Govt. of India
कोयंबटूर / Kutch - 682016

- (e) The assets provided at the Common Facility Centre shall always be the property of Coir Board during the continuance of the said programme and thereafter, unless otherwise specified in writing by the Coir Board.
- (f) The Implementing Agency shall keep identification marks on the body of the assets procured by utilizing the scheme funds and put up appropriate name boards for the said programme at the premises of the cluster and the Common Facility Centres.
- (g) The Implementing Agency shall keep separate records and books of accounts for the said programme and the funds utilized there under.
- (h) The Implementing Agency shall be responsible to furnish Utilization Certificates as per the formats prescribed for the funds released by the Coir Board under this programme from time to time and send quarterly/half yearly/yearly reports and returns regularly on the progress of the said programme in the prescribed formats to the Coir Board.
- (i) The Implementing Agency may levy service charges for utilization of Common Facility Center's assets at the rates fixed in consultation with Coir Board. The services of the Common Facility Centre shall be made available to all those agencies/ artisans/entrepreneurs whomsoever working in the coir sector.
- (j) The Implementing Agency shall recruit and engage a full-time Cluster Development Executive to be located in the cluster, preferably one amongst the stakeholders, in order to ensure efficient implementation of the project. Selection of Cluster Development Executive must be made from 3 options viz. (i) a local capable & strongly acceptable Cluster Development Executive from among the beneficiary group, (ii) grooming of an existing person from the group to become a good Cluster Development Executive and (iii) if options (i) and (ii) fails, an externally recruited Cluster Development Executive. Additional qualifications, experience and expertise to be considered while selecting the Cluster Development Executives in line with the requirements of the project deliverables.
- (k) In case an external person is chosen as the Cluster Development Executive, a capable local person may be made the deputy to the Cluster Development Executive by the Implementing Agency so that he is groomed to take up the responsibility once the regular Cluster Development Executive leaves the cluster after financial support is stopped.
- (l) The Cluster Development Executive appointed by the Implementing Agency shall be responsible for the implementation of the programme and to conduct diagnostic studies in the clusters and prepare annual action plan/ annual plan besides promoting linkages with professional institutions, local institutions, PRIs assisting the sourcing of raw materials, tying up of credit linkages, marketing of finished goods, collection of user fees, operation and maintenance of CFCs etc.

PALLADAM COIR GROWBAG CLUSTER
IMPLEMENTING AGENCY

J. Prabhakaran
Authorized Signatory

S. PRABHU

[Signature]
श्री. आर. अजित कुमार / Shri. Ajith Kumar
निदेशक (अ) / Director (A)
कोयल बोर्ड / Coir Board
ए. ए. और ए. ७, बंगलुरु, भारत सरकार
Ministry of MSME, Govt. of India
कोयल / Coir - 500018

- (m) Implementing agency shall be eligible for Technical Supports from the Technical Agencies engaged by the Coir Board for each Cluster who have expertise in cluster development methodology.
- (n) The Implementing Agency shall be liable to implement the cluster development methodologies/ strategies formulated/ prescribed by the Coir Board/ Technical Agencies from time to time or as finalized mutually and also to formulate the consortium of the beneficiaries/cluster level stake holders wherever applicable towards the productive prospects, benefits and sustainability and long life of the cluster.
- (o) The duration of the SFURTI programme shall be up to 31.03.2017, unless it is extended further, in writing by Coir Board.
- (p) That Implementing Agency and its functionaries shall be jointly and severally liable to Coir Board for performance of the work including performance of services and of the Implementing Agency's obligations including that of its associates, contractors/ sub-contractors engaged for the cluster development, well before the date of termination of the programme.
- (q) That the Implementing Agency agree and acknowledge that the time of completion of the project, as set forth in this agreement, is the essence of the contract and Implementing agency shall accordingly undertake the performance of work with the objective of achieving the project implementation and completion within the prescribed time schedule, complying with the qualitative and quantitative parameters of the specified deliverables in the Detailed Project Report.
- (r) The Implementing Agency shall abide by the contents of the operational guidelines of the scheme prescribed by Govt. of India vide O.M.No 4(25)/2012-KVI-1 (Part-III) dated 30.06.2015 issued by the Government of India, Ministry of MSME and the amendments, if any made from time to time. The said O.M, shall also form part of this agreement.
- (s) The tripartite agreement signed by Coir Board, Implementing Agency and **M/s. PALLADAM COIR GROWBAG CLUSTER** Special Purpose Vehicle will also form part of this agreement.
- (t) The Implementing Agency will open an office with all infrastructure and function in the cluster area. Moreover, Implementing Agency should nominate one person in that office as office assistant other than Cluster Development Executive, for carrying out daily activities of the office premises.
- (u) The Implementing Agency agree to undertake the procurement of goods and services, engagement of contractors, consultants, experts etc. for the cluster as and when required in a fair & transparent manner consistent with the Govt. of India rules and regulations and the directions from Coir Board from time to time.
- (v) The release of costs of Implementing Agency will be need based and on quarterly basis.

**PALLADAM COIR GROWBAG CLUSTER
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S. Prashu
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S.P.RASHU

[Signature]
श्री. उत्तर अश्विनी कुमार (PN) Ashwini Kumar
निदेशक (अ) / Cluster Manager (A)
कोयूर बोर्ड / Coir Board
सू.स. और ब. अ. विभाग, कोयूर संस्थान
Ministry of MSME, Govt. of India
कोयूर / Kooty - 682018

2) Financial Assistance:

- (a) The Financial assistance from the Coir Board shall be towards implementation of Hard and Soft interventions with provision for setting up of Common Facility Centers (CFC) and cluster level activities, which will be released as per the project cost approvals, in suitable instalments as grant amount, as provided in the Tripartite Agreement, read with the operational guidelines of SFURTI.
- (b) The specific form of assistance as per the approved final action plan shall be communicated at the time of release of funds during the period of the programme from time to time.
- (c) The amount sanctioned shall be released in suitable manner in instalments according to the operational guidelines of the scheme as per the approved action plan and as decided from time to time by Coir Board.
- (d) The *Implementing Agency* shall maintain separate and dedicated bank account in their name with a nationalized bank in the locality of the cluster, *jointly operated by their authorized signatory and president of Special Purpose Vehicle*, for utilization of the funds received from the Nodal Agency for implementation of the hard interventions like setting up of CFC, civil works, procurement and installation of machinery and shall allow the auditors deputed by the Coir Board and/ or the representatives of the Coir Board/Ministry of MSME/A.G. to inspect and audit such accounts at any time. The Nodal Agency shall release to this account 75% of the project cost meant under Hard Interventions as grant amount in instalments as per the guidelines approved by the Ministry on recommendation by NAFO only if the *Special Purpose Vehicle* contributes 25% as its share for total hard intervention cost in lump sum into this joint account.
- (e) In addition to the above, the *Implementing Agency* shall maintain another separate and dedicated account with a nationalized bank in their locality, in their name for remitting the Implementing Agency & Soft intervention costs received from the Nodal Agency and shall allow the auditors deputed by the Nodal Agency and/or the representatives of the Nodal Agency / Ministry of MSME/A.G. to inspect and audit such accounts at any time.
- (f) The *Implementing Agency* shall maintain separate records for recording the details of the assets acquired out of the Coir Board funds and the assets provided by the Coir Board both movable and immovable and shall send periodic report of the same to the Coir Board. All the assets acquired out of the Coir Board funds will be the property of the Coir Board and the *Implementing Agency* shall not create any charge or encumber the same and shall use the same only for the purpose for which it has been acquired.
- (g) The *Implementing Agency* shall furnish the utilization certificates from time to time in the prescribed form of GFR 19-A, Govt. of India and should be accompanied

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S.PRABHU

S. Prabhakar
श्री. अर. अजित कुमार / श्री. अर. अजित कुमार
निदेशक (वि.)/उपनिदेशक (म)
अरुण कोयल Coir Board
सू. अ. और म. ३, बंगलौर, भारत सरकार
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by audited statements of accounts indicating the expenditures incurred on various items pertaining to the grant received from the Coir Board from time to time.

(h) The Implementing Agency shall set up and update a website for the cluster and facilitate the web based Project Management System (PMS) by Coir Board.

3) Other activities that need to be ensured by Implementing Agency through Special Purpose Vehicle with assistance of the Technical Agency are:

- a. Organizing awareness and exposure visit of artisans
- b. Mandatory opening of Bank Account by artisans and beneficiaries under Jan Dhan Yojana
- c. Providing Health insurance coverage for all the artisans under the cluster as applicable under KVIC rules (Janashree Bima Yojana & Rashtriya Swasthya Bima Yojana wherever applicable)
- d. Enrolling the beneficiaries under Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) which will offer a renewable one-year life cover of Rs.2 lakh to all savings bank account holders in the age group of 18-50 years, covering death due to any reason, for a premium of Rs.330 per annum.
- e. Enrolling the beneficiaries under the Pradhan Mantri Suraksha Bima Yojana (PMSBY) which will offer a renewable one-year accidental death-cum-disability cover of Rs.2 lakh for partial/permanent disability to all savings bank account holders in the age group of 18-70 years for a premium of Rs.12 per annum per subscriber.
- f. Issue of Aadhaar based Identity card to artisans mentioning the benefits, privileges, rights as well as their specific responsibilities along with necessary undertakings in regard to the implementation of the programme.
- h. Progressively enroll the beneficiaries under the Atal Pension Yojana (APY) which will focus on the unorganized sector and provide subscribers a fixed minimum pension of Rs.1,000, Rs.2,000, Rs.3,000, Rs.4,000 or Rs.5,000 per month, starting at the age of 60 years, depending on the contribution option exercised on entering at an age between 18 and 40 years and providing periodic training to artisans in the cluster.
- i. Self Help Group members may also be extended these general and miscellaneous supports as extended to the artisans under Cluster Programme.

4) Utilization of funds:

- (a) It is expressly agreed that the outlay sanctioned hereunder shall be utilized only for the purpose of the assignment and the funds shall not be diverted for any other industry, purpose, assignment or use.

**PALLADAM COIR GROWERS CLUSTER
IMPLEMENTING AGENCY**

S. Prashu
Authorized Signatory

S. PRASHU

C. P.
श्री. आर. जी. के. कुमार / Shri. Ajith Kumar
निदेशक (आ) / Director (A)
कोयल बोर्ड / Coir Board
ए. ए. ७०१ ए. ३, बंगलूर, कर्णाटकराज्य
Ministry of MSME, Govt. of India
कोयल / Kochi - ६८००१६

(b) Implementing Agency shall channelize the funds as per the above said joint bank account specifically earmarked for the assignment (and not pool it in other finances).

(c) In the event of any misutilisation of funds (like diversion for any other purpose other for which it is granted, misappropriation etc.) and non achievement of targets fixed for the cluster, the Implementing Agency shall be bound to refund the entire amount released to it by the Coir Board along with interest and penal interest at the rates as may be decided by the Coir Board.

(d) The funds earmarked towards the cost of implementing agency shall be utilized for the development of cluster.

(e) The Implementing Agency will arrange for the credit requirements including working capital for activities within the cluster.

5) Monitoring mechanism;

(a) Implementing Agency and the Cluster Development Executive shall work from time to time in co-ordination with the Coir Board and also under the directions from Working Committee set up under the scheme operational guidelines.

(b) The Coir Board and or Government of India, Ministry of MSME shall depute its representatives or officials to assess the progress of the programme from time to time.

(c) In the event of unsatisfactory progress of the programme, the Coir Board shall have the right to discontinue the programme. There upon the Coir Board shall be at liberty to entrust the said activity to any other person or agency to conduct and carry the same afresh or to continue the same further from where the activity was discontinued and for this purpose Coir Board shall be at liberty to utilize all data, reports and technique collected and developed by the Implementing agency on the termination of the activity as aforesaid.

(d) That in case of abandonment or earlier termination of the project/ work without its completion, the total amount/advances paid to Implementing agency including the unutilized amount shall be returned by the Implementing Agency with interest on term deposit rates(at the rates prevailing in the Nationalized Banks) to Coir Board.

6) Progress Report

Implementing Agency shall give progress report on all ongoing programme to Coir Board. This report shall cover (i) work done for the previous year (ii) future activities and strategies and (iii) details of financial expenditure incurred during the year under broad heads.

PALLADAM COIR GROWBAG CLUSTER
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S. Prabin
Authorizing Signatory

S. PRABIN

[Signature]
श्री. आर. अशोक कुमार / DR. Ashok Kumar
डिरेक्टर (डी) / Director (M)
कोर बोर्ड / Coir Board
ए. टी. जी. ए. बिल्डिंग, वी. वी. ए. रोड
Ministry of MSME, Govt. of India
कोर/कोई - 602019

7) End of programme report and certificates.

At the end of programme Implementing Agency shall send (i) comprehensive report of the programme, outlining its achievements (ii) utilization certificate with relevant statements and enclosures for audit purposes, including a detailed statement of assets created.

8) Completion of the Project

The project shall be deemed to have been successfully completed on submission of the final report by Implementing Agency and its acceptance by the Scheme Steering Committee at the Ministry level.

9) Operations & Maintenance (O&M) Of Assets

(a) Implementing Agency shall ensure that the services of the facilities created under the Scheme are extended to the cluster in general, in addition to the member enterprises.

(b) Implementing Agency shall be responsible for O&M of assets created under the Scheme beyond the project duration. Implementing Agency shall ensure that the users of these facilities pay for the services rendered, for the maintenance of the assets.

(c) In case of dissolution of Implementing Agency/Special Purpose Vehicle within 10 years from the date of sanction of assistance by the Government under the Scheme, all the assets created with such assistance shall be vested with the Government.

10) Handing over assets at the end of programme period

At the end of the programme, Implementing Agency shall prepare a comprehensive list of assets (movable and immovable) purchased/ created and ensure that they are handed over to Coir Board, if so directed. Assets may also be handed over during period of programme depending upon the nature of the assets. Relevant copies of purchase or other documents, if any, should also be handed over by Implementing Agency to Coir Board at the time of transfer, if so directed.

11) Breach of terms and its rectification

If in the opinion of Coir Board there is a major breach by Implementing Agency of the terms herein contained or for any reason Implementing Agency is not in a position to continue the assignment, Coir Board shall have the right to bring to the notice of Implementing Agency the breach of contract or the fact of its inability to successfully continue the assignment and upon the failure of Implementing Agency to rectify the breach and successfully continue the assignment within 45 days thereof, this agreement shall be terminated by Coir Board whereupon Implementing

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S. Prabh
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निदेशक (सि) / Director (M)
कोयल बोर्ड / Coir Board
सू.स. और म. उ. विभाग, नया दिल्ली
Ministry of MSME, Govt. of India
कोयल / Kachi - 600016

Agency shall be removed from the assignment forthwith and shall refund the entire amount released by the Coir Board.

12) No Liability to Coir Board

There shall be no principal and agent relationship between Coir Board and Implementing Agency. The Coir Board shall not be held liable for acts of omissions or commissions of Implementing Agency resulting in claims and damages from third party against Coir Board. The Implementing Agency shall at all times indemnify the Coir Board against any claims in respect of any damages of compensation payable in consequences of any accident or injury sustained by its (Implementing Agency) employee of the subcontractors or by any other third party resulting from or by any transportation/ conveyance or act or omissions conducted by or on behalf of the Implementing Agency. Similarly, the Implementing Agency, shall all times indemnify Coir Board against all claims / damages etc for any intellectual property rights (IPR) while providing its services under the project.

13) Amendment to Agreement:

Implementing Agency and Coir Board may make amendment to this Agreement, as per requirements, by mutual consent, in writing.

14) Notification of change

The Implementing Agency shall notify the Coir Board of any material change in their status, shareholding or that of any guarantor of the Implementing Agency, in particular, where such change would impact on performance of obligations of Implementing Agency under this agreement.

15) Force Majeure:

Neither of the parties shall be held responsible for non-fulfillment of their respective obligations under this agreement due to exigency of one or more force majeure events like floods, fire etc., provided on the occurrence of cessation of many events the effected, shall give one month notice within occurrence of such event.

16) Resolution of dispute /interpretation

In case any dispute arise between the Implementing Agency and Coir Board, the same shall be settled mutually, and if any difference of opinion persist, the same shall be referred for arbitration to the Secretary, Ministry of MSME, Govt. of India, whose decision shall be final and binding on both parties.

**PALLADAM COIR GROWERS CLUSTER
IMPLEMENTING AGENCY**

S. Aravind
Authorized Signatory

S.ARAVIND

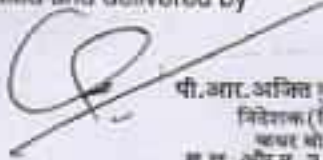
[Signature]
श्री. आर. अजित कुमार / Shri. Ajith Kumar
निदेशक (अर) / Director (M)
कोयल बोर्ड / Coir Board
श. अ. और म. उ. मंत्रालय, महा सचकार
Ministry of MSME, Govt. of India
कोयल / Cochi - 622018

17) Jurisdiction

The terms & conditions of the agreement shall be interpreted in Indian laws and shall be subject to the jurisdiction of Courts at Kochi, Kerala. In witness where of the parties to this Agreement have hereunto signed their respective names and affixed their respective seals the date and the year first here in above written.

Signed, Sealed and delivered by

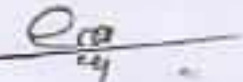
Sri



श्री. आर. अजित कुमार / Sri. Ajith Kumar
निदेशक (मि) / Director (M)
कोयल बोर्ड / Coir Board
क. ए. अड्डे नं. 3, नयालय, भारत सरकार
Ministry of MEME, Govt. of India
कोयल / Kochi - 682018

For and on behalf of the

1st Party, in presence of Witness

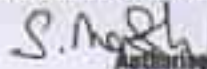
1. V. Babu Deputy Director Coir Board, Cochin. 

2.

Signed, Sealed and delivered

by Sri S. PRABHU

PALLADAM COIR GROWBAG CLUSTER
IMPLEMENTING AGENCY


Authorized Signatory
S. PRABHU

for and on behalf of the 2nd Party in the presence of witness

1. M. Vijayaraj V.R. VEDAYAGOPAL S/o V. RAMALINGAM
TK9 GARDIES VADIGARAJAPURAM UPPILIPALAYANKO. GONDAR 641015.

2. T. Sekar, S/o V. Thangavelu
Project Manager, ITCOT
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