

MEMORANDUM OF UNDERSTANDING
BETWEEN
**MINISTRY OF RURAL DEVELOPMENT, GOVERNMENT OF INDIA
AND
BHARAT RURAL LIVELIHOODS FOUNDATION**

This MoU is being entered into between:

The Ministry of Rural Development, Government of India (to be called MoRD hereafter)

And

Bharat Rural Livelihoods Foundation, an independent registered Society for charitable purposes under the Societies Registration Act, 1860 having registration number S/ND/351/2013 and registered office at 38-A Krishi Bhawan, New Delhi (to be called BRLF hereafter)

On this 13th day of January (month) in the year 2014

Whereas the Government of India has decided to

- A. Set up Bharat Rural Livelihoods Foundation (BRLF) as an independent registered Society for charitable purposes under the Societies Registration Act, 1860
- B. Release Rs. 500 Crore for creating the corpus of the new Society, in two tranches subject to conditions laid down by Expenditure Finance Committee

Whereas BRLF's mission is to facilitate and upscale civil society action in partnership with Government for transforming livelihoods and lives of rural households, with an emphasis on women, particularly in the Central Indian Tribal Region in the initial years of its functioning.

Whereas MoRD will continuously enable organisations receiving BRLF support to create convergence and improve access of resources to the households under the Centrally Sponsored Schemes and flagship programmes.


एस. एम. विजयानन्द/S. M. VIJAYANAND
अपर सचिव, Additional Secretary
ग्रामीण विकास विभाग/Deptt. of Rural Development
भारत सरकार/Govt. of India
कृषि भवन, नई दिल्ली/Krishi Bhawan, New Delhi-110001


CHIEF EXECUTIVE OFFICER
Bharat Rural Livelihoods Foundation

Whereas through setting up of BRLF, the MoRD desires to look at a new model of partnership wherein Government proactively engages with private philanthropies, public and private sector undertakings (as part of their corporate social responsibility) as well as other stake-holder groups to raise resources to support and scale up proven interventions of Civil Society Organisations.

And whereas the Government of India decided that the first tranche of Rs. 200 crore (Rupees Two Hundred Crore) will be provided to BRLF at the time of its formation and the second tranche of Rs. 300 crore (Rupees Three Hundred Crore) will be provided after two years subject to fulfilment of certain conditions.

NOW THE MoU STANDS AS FOLLOWS:

1. The first tranche of Rs. 200 crore (Rupees Two Hundred Crore) will be released to BRLF by the MoRD immediately upon signing of this MoU between the two parties and the second tranche of Rs. 300 crore (Rupees Three Hundred Crore) will be released after two years on fulfilment of the following conditions:.

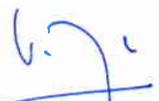
1. The corpus must be managed by BRLF and invested following prudential financial norms under competent advice. No expenditure should be made from the corpus itself and only the income arising out of the corpus can be utilized to fulfill the objectives of BRLF
2. In the initial years, BRLF may focus on blocks that have at least 20 percent tribal population from the tribal regions of Central India, with preference where possible to areas of higher tribal population. However, BRLF should be open for pan-India implementation also, in later years.
3. BRLF needs to frame its corpus management policy, grant making policy, human resources policy etc. within a definite time frame and well before release of the second tranche.


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4. To achieve the objectives of BRLF for upscaling civil society action in collaboration with the Government, the most important component of the grant support to Non-Government Organisations /Civil Society Organisations by BRLF will be to meet their cost of additional professionals and institutional costs of supporting the professionals. In this respect, BRLF should bear no more than 80% of the costs. The rest has to be sourced by the grantee NGO/CSO from own or other sources. A cap on the proportion of funds to be spent on administrative matters should be placed by BRLF (other than salary of professionals).
5. The evaluation criteria for assessing the impact of BRLF should be firmed up at the beginning itself so as to enable an independent assessment of the impact at the end of the XII Five Year Plan. The Government will undertake a review of BRLF after five years and in case the outcomes are not forthcoming as projected, the Government will be free to take back the grant and advise dissolution of BRLF.
6. One of the expectations from BRLF is that the experiences of resolving the problems of the tribal and other poor communities should throw up recommendations to the Government on the changes required in programmes and policies. BRLF will periodically send its recommendations to the Government in appropriate ways.
7. For the release of the 2nd tranche of corpus fund amounting to Rs. 300 crore (Rupees Three Hundred Crore), the following are the conditions to be met by BRLF in addition to the above:
 - a. Completion of the process of hiring of the CEO and other core staff
 - b. Formulation of basic operating policies, including grant approval & monitoring, HR policy etc
 - c. Conclusion of agreements with States regarding flow of programme funds to projects
 - d. Selection of first batch of projects and start of work on ground


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- e. The CSOs supported by BRLF should be able to reach out to at least 1,00,000 families
- f. At least Rs. 100 Crore (Rupees One Hundred Crore) of private contribution should be mobilized either through corpus contribution or through annual grants or through co-financing by other donors
- g. Improvement in scheme delivery should be documented
- h. Regularity of Board meetings in accordance with the letter and spirit of Byelaws of BRLF
- i. Proper management of Corpus with competent advice

2. Through this MoU, the MoRD commits to provide the following support to BRLF:

1. Immediately upon signing of this MoU, MoRD will transfer first tranche of its corpus support of Rs. 200 crore to BRLF
2. MoRD will make every endeavor to foster and facilitate effective working relationship between the State Governments, BRLF and Civil Society Organisations supported by BRLF
3. MoRD will continuously enable organisations receiving BRLF support to create convergence and improve access of resources to the households under the Centrally Sponsored Schemes and flagship programmes
4. MoRD will support BRLF's endeavor to raise financial resources from non-government sources including private philanthropies, public and private sector undertakings, CSR initiatives etc.
5. Upon fulfilment of conditions laid down in this MoU, MoRD will transfer second tranche of its corpus support of Rs. 300 crore to BRLF

3. Reporting:

BRLF will report to the MoRD on an annual basis by submitting its audited financial report; corpus/other funds mobilization, investment and utilization report and narrative annual report.


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4. Visibility:

BRLF should mention the following in its communications and on its letter-head:

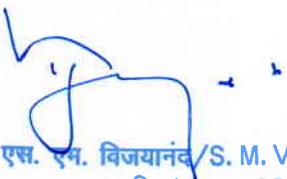
“An independent society set up by the Government of India to upscale civil society action in partnership with Government”

5. Indemnity

BRLF and MoRD shall fully indemnify each other of all statutory liabilities arising due to their own failure to comply with statutory obligations. In addition to this general indemnity, BRLF and MoRD shall completely absolve each other from any other liability issues that may be raised against it by any of its clients /customers /partners

6. Force majeure

1. For the purpose of this MoU, ‘force majeure’ means an event which is beyond the reasonable control of a party, either BRLF or MoRD and which makes a party’s performance regarding its obligations hereunder impossible or so impracticable as reasonably, to be considered impossible in the circumstances and includes, but is not limited to war, riots, civil/disorder, earthquake, fire, explosion, storm, flood and other adverse weather conditions, strikes lock-outs of other similar action which are not within the power of the party invoking “force majeure” to prevent confiscation or any other action by the other party.
2. The failure of any party, either BRLF or MoRD, to fulfill any of its obligations hereunder shall not be considered to be breach of, or default under this MoU in so far as such inability arises from an event of force majeure, provided that the party affected by such event should take all reasonable precautions due care and reasonable alternative measures to the satisfaction of the other party, all with the objectives of carrying out the terms and conditions of this MoU.


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 ग्रामीण विकास विभाग/Deptt. of Rural Development
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3. In the event of a force majeure, BRLF and MoRD shall consult with each other, with a view to agreeing on appropriate measures to be taken under the circumstances.

7. Disputes and arbitration:

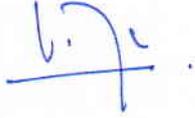
Any dispute between BRLF and MoRD on any matter that has relevance to the smooth and effective functioning of BRLF and achieving the purposes for which BRLF is set up, shall be settled through mutual discussion. In case they are not able to resolve the dispute among themselves, the Secretary, Rural Development, Government of India will act as the Arbitrator.

Signed on 13 th day of January in the year 2014 by

Designated Official on behalf of
Bharat Rural Livelihoods Foundation

Designated Official on behalf of
Ministry of Rural Development
Government of India

Signature:



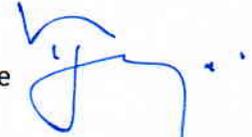
Name:

T. Vijay Kumar

Seal

CHIEF EXECUTIVE OFFICER
Bharat Rural Livelihoods Foundation

Signature



Name

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Witness

Signature:



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Witness

Signature:



Name:

P. S. PRASANNA KUMAR

Address:

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