

**MEMORANDUM OF
UNDERSTANDING**

(M o U)

BETWEEN

ASSAM LIVESTOCK & POULTRY CORPORATION LTD.

AND

**ANIMAL HUSBANDRY & VETERINARY DEPARTMENT
Government of Assam**

For the Financial Year 2006-07

PREAMBLE

The Assam Livestock and Poultry Corporation is a Public Sector Undertaking of Government of Assam and was incorporated as a Company registered under Companies Act, 1956 (Registration No.2135 of 1983-84) with its Headquarter at Khanapara, Guwahati. The Corporation was started on 06-02-1984. Originally, the authorized Share Capital of the Corporation was Rupees two Crore fifty Lakh only. With the increased activities of the Corporation, the Authorized Share Capital was raised to Rupees Ten Crore during the 1994-95 with Ten Lakh equity shares of Rupees One hundred each. At present, Govt. of India and State Government only have subscribed a total 2,19,002 numbers of equity shares with total value of Rupees Two Crore nineteen Lakh and Two Hundred. The functional activities of the Corporation are conducted through a Board of Directors constituted by the Govt. of Assam. The Governor of Asom appoints the Chairman and Managing Director.

The Corporation have completed its provisional accounts up to 2003-04 and audited by A.G. till April 2005. Accounts finalized up to 1986-87.

The Corporation has 15 numbers of officials of technical background and other employees and 11 nos. of wageworkers in various project sites with a salary liability of Rs.1.20 Lakh per month. The Corporation has started its own operation for production of Day Old Layer Chicks, Feed in its Golaghat Poultry Farm and thus has started revenue generation. The Integrated Piggery Development Project and Pork Processing Plant are being commissioned by the end of August 2006. The trading of eggs, Livestock in Joint venture at public Private participation model also started successfully with a guaranteed revenue income per month to meet the revenue expenditure of the Corporation.

1. MISSION

The Corporation is a techno-commercial organization with a social responsibility towards the development of the society through engagement of the un-employed in livestock and poultry production, trading in rural and sub-urban areas particularly the backward communities in the State. Simultaneously, the Corporation is also in the process of development of the local producers/entrepreneurs through its capacity building programs in various disciplines of livestock and poultry management, production, processing and marketing. On the other hand, the Corporation is also in the process of operation of the modern slaughterhouse and meat processing plants for production of wholesome meats of different animals and poultry for urban and peri-urban consumers through a chain of authorized meat shops in PPP model.

2. OBJECTIVES

- i) To improve the socio-economic condition of the economically backward section of the society, particularly those belonging to Scheduled castes and Scheduled tribes and Other Backward Classes who are dependent on livestock and poultry keeping as their livelihood.
- ii) To commission Meat processing plants and slaughterhouses for production of the hygienic meat and meat products for selling through a chain of modern meat shops in the State and this will lead to economies of scale and set in motion demand driven backward linkage for intensive livestock farming in the villages.
- iii) To generate opportunities of self-employment amongst the educated unemployed youths, particularly for rural areas of the State by developing livestock and poultry management in the state in a modern scientific method.
- iv) To become self-reliant in respect of production of eggs, day-old chicks, layer birds, broilers, pork, mutton, milk-products, animal and poultry feed production meat processing which are far below the requirement of the State.

3. COMMITMENTS [Financial Year 2006-07]

	<i>Criteria</i>	<i>Units</i>	<i>Weightage (%)</i>	<i>Criteria Value</i>				
				<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>
				<i>Excellent</i>	<i>Very good</i>	<i>Good</i>	<i>Fair</i>	<i>Poor</i>
1.	Physical Target							
a	Implementation of Projects	Nos	25	6	4	3	2	1
b	Production of Livestock and Poultry	Nos	15	70000	50000	30000	20000	10000
c	Trading of eggs	Nos in Lakh	5	408	380	350	320	280
d	Livestock & Poultry Product	TPA	5	60	50	35	30	25
2.	Financial Target							
a	Profit before tax	Rs. in Lakh	50	20	18	16	12	8

Actual for last 5 years

	<i>Criteria</i>	<i>Units</i>	<i>2001-02</i>	<i>2002-03</i>	<i>2003-04</i>	<i>2004-05</i>	<i>2005-06</i>	
1.	Physical Target							
i	Commissioning of the Meat Processing Plants	Nos	0	0	0	0	0	
ii	Implementation of the Golaghat Poultry Project	Nos	-	-	-	-	1	
iii	Production of Livestock and Poultry and its products, feeds etc.	TPA	The activities of the Corporation and implementation of schemes & projects are started/ are being started from this year only.					
iv	Trading of eggs	Nos						
v	Livestock & Poultry & its Products.							
vi	Sale of Livestock and Poultry and its products, feeds etc.	TPA						
2.	Financial Target							
a	Profit before tax	Rs. in Lakh	1.46	5.06	1.47	5.13	10.11	

4. DELEGATION OF POWER

The Govt. will consider for empowering the M.D. to implement all the projects through Public Private Participation.

5. ASSISTANCE FROM THE GOVERNMENT

- i. The Govt. will consider releasing the fund against long pending State share to the tune of Rs.391.97 Lakh against the ongoing projects for commission expeditiously. Additionally, to make the three meat processing plant fully operational commercially, another amount of Rs.502.00 Lakh would be required for establishing fore-ward and backward linkages. The Govt. will consider to make provision for this.
- ii. The Golaghat Poultry project is aimed at development of poultry clusters and entrepreneurs especially for egg production in the upper Assam Districts, the Govt. will consider to tie-up Govt. schemes relating to the Rural Development Deptt. for successful implementation.
- iii. The Govt. may consider further exemption of entry tax along with agricultural cess on the items imported (Eggs, Livestock etc) by the Corporation for another 5 Years. In order to have quality check on imported eggs, the Govt. will consider allowing only Assam Livestock & Poultry Corporation to import eggs after working out a revenue modal with the Sales Tax Commissioner under the Deptt. of Finance which may bring greater revenue to the State through egg import as well as steady income to the Corporation.
- iv. The Govt. will consider approving development of the plot of land by the side of GS Road in Khanapara as an Agro Commercial Hub for Agriculture and allied activities including showrooms of various Agro-based Companies and cold rooms as well as small functional office of the Corporation. For this, the Govt. may consider to transfer the mortgageable rights to the Corporation for raising capital and also provide equity capital of Rs.300.00 Lakh and Rs.20.00 Lakh for consultancy for necessary restructuring of the Corporation.
- v. The Govt. will consider transferring the defunct infrastructures of the Veterinary Deptt., especially the Govt. Poultry Farms to the Corporation to run under PPP model.

- vi. The Govt. will consider to declare the Corporation as a nodal agency for the Govt. procurement of the livestock and poultry related goods for Govt. Deptts. like Veterinary, WPT & BC, P& RD etc.
- vii. The Govt. may consider the structuring of Management Board of the Corporation as a mix of Govt. Representatives and professional people and key managers to be taken on contract.

6. FREQUENCY OF MONITORING & INFORMATION FLOW

- a. Monthly progress report will be submitted on prescribed format to the concerned Deptts. with its physical and Financial achievements/ progress.
- b. Monitoring of the activities of the Corporation as per the objective of the MoU by the Authority has to be made quarterly.
- c. Annual evaluation of the Corporation will be made as per the guideline of the MoU.

Sd/- 28-02-07
Managing Director
Assam Livestock & Poultry Corporation
Khanapara, Guwahati – 22

Sd/- 28-02-07
Secretary
Animal Husbandry and Veterinary Deptt.
Govt. of Assam, Dispur.