



Guidelines on Establishing Aromatic plants Clusters



Aromatic and medicinal crops play a vital role in our daily lives. In particular, aromatic crops are widely used in the production of perfumes, cosmetics, and traditional systems of medicine such as Siddha, Ayurveda, and Unani. These crops generally thrive in both cool and warm climates and contribute significantly to natural medicine and beauty care.

Establishing production clusters for aromatic crops can enhance both productivity and export potential, thereby increasing farmers' income.

A wide range of aromatic crops are cultivated across Tamil Nadu. Districts such as Dindigul, Theni, Nilgiris, Krishnagiri, and Tiruvannamalai are especially known for the cultivation of crops like lemongrass, vetiver, tulsi (holy basil), rosemary, palmarosa, marikozhundhu (Spanish thyme), marugu (sweet marjoram), and mint.



Recognizing the importance of aromatic crops, adopting a cluster-based approach for cultivation, harvesting, and value addition can provide additional income opportunities—particularly for women farmers involved in aromatic crop farming.

1.Objectives

- a. To encourage women farmers to adopt Aromatic plants cultivation as a profitable livelihood activity.
- b. To Support women farmers in collectively undertaking farming of aromatic plants from planting to post-harvest processing.
- c. To reduce the cost of cultivation and enhance profitability through collective efforts and value addition.

2.Selection of Districts

District where Aromatic plants are predominately cultivated have been selected for implementation of aromatic cluster.

During the financial year 2025–26, two aromatic crop production clusters will be established in each of the five identified districts—Dindigul, Theni, Nilgiris, Krishnagiri, and Tiruvannamalai—with an estimated budget allocation of Rs.20 lakhs.

3.Selection of Panchayats

a) Selection Committee

For establishment of aromatic plants cultivation cluster in the district, a **District Level Selection Committee** will be formed to identify the most suitable panchayat for aromatic crops cultivation. The committee shall include:

- a. Project Director, Mathi
- b. Assistant Project Officer (Livelihood)
- c. District Resource Person (Farm)
- d. Block Mission Managers of block where aromatic plants are grown.
- e. Representative from Horticulture dept.

b) Selection Criteria

- a. **Panchayats** where SHGs are **already involved in aromatic plants cultivation** shall be chosen on priority.
- b. Panchayats with climatic conditions specifically temperature and rainfall suitable for the Aromatic crop's cultivation.
- c. Availability of dependable irrigation sources like canals, borewells or rainwater harvesting.
- d. **Accessibility to nearby markets or processing centres to facilitate the sale and value addition of product.**

4. Selection of Beneficiaries

- a. A **meeting** will be conducted **at the panchayat level**, involving representatives from the Panchayat Level Federation (PLF) and the Community Resource Person (Farm).
- b. The meeting will be organized to explain the project objectives, guidelines, and expected outcomes of the aromatic crops cultivation cluster initiative.
- c. The benefits of collective aromatic crop cultivation as a viable income-generating activity will be highlighted during the meeting.
- d. Participation will be encouraged, and any queries or concerns from potential beneficiaries will be addressed.
- e. After the meeting, **applications will be collected from SHG members interested** in adopting aromatic crop cultivation as a livelihood activity.
- f. For **each cluster, 20 women farmers** interested in aromatic crops cultivation will be selected from the same panchayat or neighbouring panchayats in areas where aromatic crop cultivation is extensively practiced.

g. The details of the selected beneficiaries will be placed before the Grama Sabha for approval.

i. General criteria for selection of Beneficiaries:

a. The beneficiary should be an **SHG member for at least two years**.

b. The beneficiary **should not have any NPA** (Non-Performing Asset) or overdue payments in any NRLM-supported loans.

c. The beneficiary **should not hold the position of President, Secretary, Joint Secretary, or Treasurer in the Panchayat Level Federation (PLF) or Block Level Federation (BLF)**.

d. The beneficiary should **preferably not be** a bookkeeper, Community Service Team member (CST), Community-Based Collector (CBC), District Resource Person (DRP), Block Resource Person (BRP), Block Mission Manager (BMM), Bank Correspondent (BC), or any other Community Resource Person (CRP).

e. **Priority** may be given to SHG members who are differently abled, destitute widows, Scheduled Caste (SC), Scheduled Tribe (ST), and those identified as poor and very poor in the Participatory Identification of Poor (PIP) list.

f. Beneficiaries who have **already been covered under various farm livelihood schemes in the last five years should not be** considered to avoid repetition.

ii. Specific Criteria

a. **20 SHG women members** with minimum **1 acre to 2 acres of land** will be identified from each selected panchayat. **Leased landholders** may also be considered.

- b. Selected members must be willing to undergo structured training on Improved varieties, Integrated Nutrient Management, Irrigation & Post harvest management, etc.,
- c. Each Selected member must contribute **minimum Rs.1000/- as membership fees.**
- a. Member contribution may be used for Administrative expenses which may be decided by cluster based on the proper resolution.

5. Cluster- Formation

- a. A **group of 20 SHG women** farmers with minimum 1 acre to 2 acres land and interested / experienced in aromatic cultivation from same or neighbouring villages will be integrated to form a aromatic plants cluster.
- b. Each cluster **must cultivate aromatic crops** in a **minimum** area of **20 acres.**
- c. Secretary and Treasurer is to be elected by all 20 members of cluster to manage administrative, technical and accounting works of the cluster.
- d. **A bank account** is to be opened in the **nearby Indian Bank** in the name '**Panchayat Name as prefix - TNSRLM Aromatic Plants Cluster 2025.**' (Ex. Kattur TNSRLM Aromatic Plants Cluster 2025)

6. Implementation Strategy

- a. **High quality seeds or seedlings** of the same crop (preferably same variety) shall be procured for all cluster members through the Horticulture department.
- b. Seed / seedlings and essential inputs such as bio-fertilizers, organic manures, pesticides, etc., shall be **procured in bulk** for all the members to ensure consistency and cost-effectiveness.
- c. Simultaneous planting shall be encouraged to enable synchronized harvesting and marketing.

- d. CRP (Farm) and BC(LH) to check the cultivation of aromatic plants and regular technical support and guidance shall be provided to farmers throughout the crop period by the DRP (Farm) and CFS trainer or SPARK identified by VKP.
- e. Harvesting shall be synchronized to facilitate efficient **aggregation and collective marketing.**

7. Registers to be Maintained

- a. Beneficiaries Basic Data Register
- b. Resolution Register
- c. Cash Book
- d. Loan disbursal and collection register
- e. Aromatic plants production and sales register
- f. Asset and Repair & maintenance register.
- g. Visitor Register

8. Fund Allocation

Each aromatic plants cluster will receive Rs.20 lakhs with the following breakup

S.No	Expenditure	Amount (Rs.)
1	For crop cultivation (RF) (To be repaid) (Rs.60,000/- per beneficiary)	12,00,000
2	Land lease rent (to set up value addition unit and for farming) for one year (To be repaid)	70,000
3	For value addition per batch (Infrastructure) (Based on business plan) (be repaid)	7,00,000
4	Training cost (need not be repaid)	28,000

5	Registers and name board (need not be repaid)	2,000
	Total	20,00,000

As per above table Rs.19,70,000/- to be repaid

i. Fund Release

- a) The **CRP-Farm will verify and confirm the selection** of office bearers and the opening of the cluster's bank account.
- b) The **formation of the cluster** and the eligibility of the selected members will be **verified by the BC (Livelihood), BMM, and APO (Livelihood)** as per Annexures 2 and 3, and a recommendation will be submitted to the DMMU.
- c) An amount of **₹12.30 lakh** (including training and register costs) shall be disbursed by the DMMU to the BLF within seven days.
- d) The **BLF will then transfer the amount to the cluster** within the following seven days after executing a tripartite agreement between the BLF (agreement model given in Annexure 4), the cluster, and the beneficiary. The agreement will include clauses stating:
 - i. The funds shall be utilized for the cultivation of aromatic crops in the designated village.
 - ii. The cluster approach will be followed for the procurement of seeds, seedlings, fertilizers, plant protection inputs, aggregation marketing, and to carry out value addition in the aromatic crops cluster.
 - iii. The loan will be repaid at an interest rate of 6%, starting from the fourth month.
- e) The remaining **₹7.70 lakh will be released based on the business plan** submitted by the cluster and verified by the APO (Livelihood), DRP (Farm), and DSMS.
- f) Fund transfers to the BLF should include a narration with the cluster name.

- g) Only the **actual cost incurred for aromatic plant cultivation will be provided as a loan**. If the incurred cost is less than the sanctioned amount, only the actual cost will be disbursed. Any additional cost beyond the sanctioned loan amount shall be borne by the beneficiary.
- h) Under this scheme, **₹0.60 lakh per acre** will be provided to each member as a revolving fund for aromatic plant cultivation.
- i) All transactions should be carried out only through ECS (RTGS/NEFT).

9. Training to beneficiaries

- a. A **three day** training program will be provided to the beneficiaries.
- b. The training shall include two days of indoor session on Improved varieties, Integrated Nutrient Management, Irrigation & Post-harvest management, primary processing, value addition, marketing, etc.,.The Third day will be an **exposure visit** to nearby private or government aromatic crop cultivation farm.
- c. An **amount of Rs.28,000/-** is allocated to three day training out of the Rs.20 lakhs allocated to each aromatic cluster.

S. No	Activity	Unit cost	No of units	Amount(Rs.)
1	Resource person fee to DRP Farm	1,500	3	4,500
2	Food & Refreshments for 3 days	250	66	16500
3	Transportation charges	6,000	1	6,000
4	Stationery, Projector, leaflets	1000		1000
	Total			28,000

10. Marketing Strategy

Before marketing, focus should be given on production of high quality Aromatic crops.

- a. The DSMS manager shall facilitate attractive packing and branding of the products.
- b. The **DSMS Manager and DRP (Farm)** to identify various marketing avenues for aromatic plant products
- c. **DSMS Manager** shall also facilitate marketing of the products through e-Commerce platform.
- d. **CRP Farm / BC (LP)** shall ensure timely **mobilization of products** for supply to the identified marketing channels.

11. Value addition

- a. Since value addition enhances the quality and market value of aromatic plants enabling farmers to secure better prices a **detailed proposal along with a business plan** shall be submitted by the cluster to the DMMU for any proposed value addition activities.
- b. The services of '**Mathi Siragugal Thozhil Maiyam**' may be utilized by the cluster for the preparation of the proposal and accompanying business plan.
- c. Business plan should be evaluated by **BMM, DSMS Manager and APO(LH)** evaluation report to be **submitted to PD (Mathi)**.
- d. The entire value addition activities of Aromatic Plants Cluster should be carried out at the **supervision of the CRP Farm** and in the absence of CRP Farm, BC LH shall be responsible. BC LH should conduct a field visit and certify that the all the cluster activities are completed and the cluster is ready for value addition.
- e. The **Asst. Project Officer (LH)** should conduct a **super check** through a physical field visit and recommend a release of balance second tranche.
- f. Based on the **evaluation of the proposal and readiness of the beneficiaries** the DMMU will release value addition funds to the cluster through the **BLF** after executing a bipartite agreement between BLF and

the Cluster (Annexure-5) for the procurement of machinery required for aromatic value addition.

- g. Machineries for Value addition may include Pulverizer, Electric Dryer, Sieving Machine, Automatic Packaging Machine, Condensation unit, Boiling Unit, Hydraulic Weight lifting Machine, Temperature Control Setup, Brush cutter, Chaff cutter, Electric weighing Machine, etc.,
- h. The **procurement process** should be followed **as per community procurement guidelines of TNVKP**.

12. Loan Repayment

- a. All members shall repay the loan with an interest rate of **6%**.
- b. A **moratorium period of 3 months** is fixed only interest is to be repaid.
- c. Following the moratorium, repayments should be made in monthly instalments. The repayment amount, along with the applicable interest, should be paid on **or before the 5th of every month to the cluster account**.
- d. Repayments should be recorded in a cash Book and proper receipts to be given to the beneficiary. Repaid amount should be deposited promptly into the Cluster's bank account.
- e. From the cluster account, **the due amount (Principal and interest) for that month should be transferred to the BLF Farm Cluster Account through ECS**.
- f. **Repayment period should be 18 months** after the moratorium period.
- g. The Repaid amount along with the collected interest may be re-lent for aromatic crop cultivation during the next season or for cultivation on additional land by the Cluster's existing members **up to two more repayment cycles**.

- h. If any of the existing members are **not willing to continue aromatic cultivation** in the next season or on additional land, **eligible new members** who are interested in joining the cluster may be included **after verification by the team consisting of BC (LH), BMM and APO (LH).**
- i. If no SHG member in the panchayat is willing to cultivate aromatic in later year or after 2 more repayment cycles, with approval from DMMU should release the fund to a **new cluster** willing to take up aromatic cultivation as a cluster activity.

13. Monitoring & Evaluation

- a) **CRP (Farm)** shall be responsible for ensuring **timely loan repayments** by the SHG members and providing regular handholding support at the cluster level.
- b) The name of the cluster, year, beneficiary details, internal loan details and the no. of rop cultivation, etc., shall be maintained by the **PLF in the Livelihood register.**
- c) **BMM, Zonal BC & BC (LH) will inspect the cluster**, ensure regular meeting are conducted, and oversee the expenditure made and income generated along with the maintenance of registers.
- d) BLF shall also maintain a register with the cluster name and year.
- e) The **District Resource Person (Farm)** must visit members along with officers from Horticulture Department and provide necessary **technical advice.**
- f) The **Assistant Project Officer (Livelihood)** will conduct monthly inspections to **monitor Utilization of cluster funds**, Maintenance of records, Adherence to planned activities and timelines.

- g) The Project Director, Mathi, shall randomly visit the operational cluster.
- h) The **PD (Mathi)** should conduct **monthly review** on functioning, repayment and earnings of the aromatic cluster with APO (LH), DRP Farm, BMM and BC(LH).
- i) **Progress** can be reviewed **once in 6 months** in **convergence meeting** with the Line departments under the chairmanship of **District collector.**

14. Expected Benefits

- a. Increased income for SHG women farmers through collective farming resulting in higher production and improved access to markets and better prices.
- b. Bulk procurement of seeds, fertilizers, and pesticides reduces individual costs, while shared use of farm equipment contributes to overall savings.
- c. Aggregation of produce enables better price negotiation with traders and buyers.

15. Way Forward

- a. Encourage more SHG members to adopt aromatic crop cultivation as a sustainable, income-generating activity, thereby fostering local employment and strengthening economic resilience in rural areas.
- b. Promote value addition among SHG women to get the quality standardisation, certification and attractive branded packaging.
- c. To promote marketing of aromatic oils through retail and e-commerce platforms.

Annexure 1: Target for Aromatic Plants Clusters

S. No	District	No of clusters
1	Dindigul	2
2	Theni	2
3	Krishnagiri	2
4	Nilgiris	2
5	Madurai	2
	Total	10

Annexure -2

Recommendation for fund release from DMMU to BLF.

S. No.	Particulars	Details
1	Name of the Block	
2	Name of the Cluster	
3	Name of the Panchayat	
4	Grama Sabha approval date of selected Beneficiaries	
5	Date of Account opening	
6	Bank Name	
7	Branch Name and IFSC code	
8	Account Name as per bank passbook	
9	Account Number	
10	Secretary Name and Mobile Number	
11	Treasurer Name and Mobile Number	
12	Beneficiary eligibility (Sub format enclosed) for number of Beneficiaries whether verified	
13	Per member contribution in (Rs.)	
14	Conduct of Regular meeting	
15	Name of the Register Maintained	

16	Near by market (mentioned name and distance)	
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Cluster formation and selection of beneficiaries are verified as per guidelines and Recommended for release of funds to the _____ cluster of _____ PLF in _____ Block through BLF.

**Block Coordinator
(LH)**

**Block
Manager**

**Mission Asst. Project Officer
(LH)**

Annexure -3

Sub Format for Eligibility of Beneficiary Identified***

S. No.	Particulars	Details
1	Name of the Beneficiary	
2	Name of the Husband/ Guardian	
3	Address	
4	Date of Birth/Age	
5	Mobile Number	
6	Name of the SHG	
7	Number of years as an SHG member	
8	NRLM member ID No.	
9	Community(SC/ST/MBC/BC/Others)	
10	Whether comes under special category	

	(Diff. abled / Widows/Destitute widows)	
11	Aadhar card Number	
12	Smart card Number	
13	Do you have MGNREGA card?,If yes provide card number	
14	PIP Number and Category	
15	Bank Account Number	
16	Bank Name	
17	Branch Name and IFSC code	
18	Total area of Land owned / leased(Acres)	
19	Whether the member presently cultivates aromatic plants?	
20	Experience in aromatic plants cultivation	
21	Area of land were aromatic plants cultivation done (in cents)	
22	Any loan availed under livelihood activities a. Name of the scheme: b. Loan amount availed in Rs.	
23	Any overdue / NPA in Rs.	

I declare that the above details are correct and in line with my consensus.

Date :

Beneficiary Signature

Place:

The above details were verified by me and found correct

Name of the CRP(Farm):

CRP(Farm) Mobile Number:

Signature of CRP(Farm):

Attachment:

1. Aadhar Card Xerox Copy
2. Smart Card Xerox Copy
3. MGNREGA Xerox card
4. SHG Resolution copy for the number of years as an SHG member
5. SHG Resolution copy not to be an office bearer in BLF/PLF
6. SHG Resolution copy for No overdue or NPA in any Bank/institution
7. Patta copy/Lease agreement copy
8. Copy of Personnel Bank account book first page
9. Selected Member grama saba approval copy

*** This format to be collected for each beneficiary separately and attached to the Annexure-1 for fund release to BLF.

Annexure-4:

TRIPARTITE AGREEMENT

This Tripartite Agreement is made on this ____ day of _____, 20__ at _____
among:

1. Block Level Federation (BLF), a community-based organization constituted under the guidelines of the [Tamil Nadu Rural Livelihoods Mission], having its office at _____, represented herein by its Secretary, Selvi/Smt. _____, and treasurer, Selvi/Smt. _____, hereinafter referred to as the "First Party" (which expression shall, unless excluded by or repugnant to the subject or context, include its successors and permitted assigns);

AND

2. _____ Cluster, a collective of _____ cultivating SHG women farmers functioning under the aegis of the First Party, with its registered/recognized office at _____, represented by its Cluster Secretary, Shri/Smt. _____, and cluster treasurer, Selvi /Smt. _____, hereinafter referred to as the "Second Party";

AND

3. Selvi/Smt. _____, daughter/wife of _____, residing at _____, a member of the Self Help Group _____ under the jurisdiction of the above-mentioned BLF, hereinafter referred to as the "Third Party" or the "Beneficiary".

WHEREAS:

- The First Party is responsible for facilitating and overseeing _____ initiatives at the _____ Block level.
- The Second Party manages implementation and support at the cluster level.

- The Third Party is a beneficiary of the scheme, participating through her Self Help Group (SHG).

NOW, THEREFORE, THIS AGREEMENT WITNESSETH AS UNDER:

1. Roles and Responsibilities

1.1 First Party (Block Level Federation) Shall:

- Facilitate capacity building, training, and support services for _____ (Agriculture/Horticulture/Sericulture/Animal Husbandry/Agriculture Engineering)
- Mobilize and release funds/grants/subsidies received under any government or non-governmental scheme to the Second and/or Third Party, as per approved norms.
- Release the _____ cluster funds of Rs. _____ received from the District Mission Management Unit to the Second Party's bank account within 7 days from the date of receipt of funds.
- Participate (through any one of its representatives) in the monthly meeting of the cluster and monitor the cluster activities and progress.
- Monitor the proper maintenance of registers by the cluster.
- Provide conflict resolution support and maintain oversight over operations.
- Monitor and evaluate the implementation of the project and ensure adherence to prescribed guidelines.

1.2 Second Party (_____ Cluster) Shall:

- Coordinate procurement, input supply, training, and market linkages.
- Maintain records of disbursements, training, production, and sales.
- Release of Rs. _____ against cultivation assistance, purchase of fertilizers and pesticides and other equipments to the Third Party's bank account within 7 days of receiving funds from the First Party.
- Monitor the utilization of the fund released to the Third Party for the above-mentioned purposes.
- Collect 6% interest from the Beneficiary starting from the ____ month onwards, and Transfer to the First Party's Farm Cluster bank account.

1.3 Third Party (Beneficiary) Shall:

- Utilize the funds strictly for the purposes they are meant for and shall not divert the funds for consumption or personal purposes.
- Repay the loan with 6% interest starting from the _____ month from the date of receiving funds from the Second Party and pay only interest during the first _____ months.
- Properly maintain all assets acquired under the scheme and shall not sell or transfer them to outsiders without prior approval from the Second and First Parties.
- Participate in training, share production data, and allow inspections as required.
- Ensure cleanliness in _____ units, and follow standard protocols.

2. Duration

This Agreement shall remain in force till the repayment of loan unless extended by mutual consent or terminated earlier as per Clause 5.

3. Financial Terms

Disbursement and utilization of funds shall follow the instalment structure detailed in Section 1.2.

All repayments with interest shall be made as per the repayment schedule.

Refer to Annexure A for detailed repayment schedule.

4. Dispute Resolution

Disputes, if any, shall be resolved amicably at the Panchayat level first. If unresolved, they shall be escalated to the Block Level Committee under the [Tamil Nadu Rural Livelihoods Mission].

5. Termination

This Agreement may be terminated:

- By mutual consent of all parties;
- By the First Party upon breach or non-performance by the Second or Third Party;
- By the Third Party upon return of all assets and repayment of funds as applicable, with 30 days written notice.

6. Miscellaneous

The Agreement does not constitute an employment or agency relationship.

All annexures, rules, guidelines, and communications relating to the scheme are binding components of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

Signature of First Party (BLF Secretary) Signature of First Party (BLF treasurer)

Name: _____ Name _____

Seal: _____ Seal: _____

Signature of Second Party (Cluster Secretary) Signature of First Party ((Cluster treasurer)

Name: _____ Name _____

Seal: _____ Seal: _____

Signature of Third Party (Beneficiary)

Name: _____

SHG Name: _____

Witnesses:

1. _____ (Name & Address)

2. _____ (Name & Address)

Annexure A: Repayment Schedule

Name of the cluster or Activity:

Name of the Beneficiary with Father or Husband Name:

Name of the SHG:

Total Loan Amount:

Interest rate:

Repayment period:

S. No.	Month	Repayment Amount (Rs.)		Total amount to be repaid
		Principal	Interest	
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
	Total			

Signature of the BLF

Signature of Cluster

Secretary & Treasurer

Secretary & Treasurer

Signature of the Beneficiary

Annexure-5:

BIPARTITE AGREEMENT

This Bipartite Agreement is made on this ____ day of _____, 20__ at _____

Among:

1. Block Level Federation (BLF), a community-based organization constituted under the guidelines of the [Tamil Nadu Rural Livelihoods Mission], having its office at _____, represented herein by its Secretary, Selvi/Smt. _____, and treasurer, Selvi/Smt. _____, hereinafter referred to as the "First Party" (which expression shall, unless excluded by or repugnant to the subject or context, include its successors and permitted assigns);

AND

2. _____ Cluster, a collective of _____ cultivating SHG women farmers functioning under the aegis of the First Party, with its registered/recognized office at _____, represented by its Cluster Secretary, Shri/Smt. _____, and cluster treasurer, Selvi/Smt. _____, hereinafter referred to as the "Second Party or the "Beneficiary ";

WHEREAS:

- The First Party is responsible for facilitating and overseeing _____ initiatives at the _____ Panchayat level.
- The Second Party manages implementation and support at the cluster level.

NOW, THEREFORE, THIS AGREEMENT WITNESSETH AS UNDER:

1. Roles and Responsibilities

1.1 First Party (Block Level Federation) Shall:

- Release the value addition amount of Rs. _____ received from the District Mission Management Unit to the Second Party's bank account.

- Participate (through any one of its representatives) in the monthly meeting of the cluster and monitor the cluster value addition activities and progress.
- Monitor the proper maintenance of assets and registers by the cluster.
- Provide conflict resolution support and maintain oversight over operations.
- Monitor and evaluate the procurement process as per community procurement guidelines of TNVKP.

1.2 Second Party (_____ Cluster) Shall:

- Arrange Value addition infrastructure, Procurement of machinery, working space and creating market linkages.
- Maintain records of disbursements, production, and sales.
- Release of Rs. _____ against procurement of Value addition infrastructure, Procurement of machinery and Lease /rent
- The procurement process should be followed as per community procurement guidelines of TNVKP.
- Repay the loan with 6% interest starting from the ____ month onwards, to the First Party's Farm Cluster bank account.

2. Duration

This Agreement shall remain in force till the repayment of loan unless extended by mutual consent or terminated earlier as per Clause 5.

3. Financial Terms

Disbursement and utilization of funds shall follow the instalment structure detailed in Section 1.2.

All repayments with interest shall be made as per the repayment schedule.

Refer to Annexure A for detailed repayment schedule.

4. Dispute Resolution

Disputes, if any, shall be resolved amicably at the Block level first. If unresolved, they shall be escalated to the DMMU under the [Tamil Nadu Rural Livelihoods Mission].

5. Termination

This Agreement may be terminated:

- By mutual consent of all parties;

- By the First Party upon breach or non-performance by the Second
- By the Second Party upon return of all assets and repayment of funds as applicable, with 30 days written notice.

6. Miscellaneous

The Agreement does not constitute an employment or agency relationship.

All annexures, rules, guidelines, and communications relating to the scheme are binding components of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

Signature of First Party (BLF Secretary)	Signature of First Party (BLF treasurer)
Name: _____	Name_____
Seal: _____	Seal: _____

Signature of Second Party (Cluster Secretary)	Signature of First Party ((Cluster treasurer)
Name: _____	Name_____
Seal: _____	Seal: _____

Witnesses:

1. _____	(Name	&	Address)
2. _____	(Name & Address		