

Agreement

This agreement is made on between (Name of the Company) a company registered under companies act,1956 and having corporate office at (address) hereinafter called) which expression shall include ,where the context so admits, its successors and assign) of the First part and Shri S/o.....village..... Tehsil..... District..... (Punjab) ('Farmer)) of Second part

Whereas:

1. The (farmer) is willing to diversify his crop pattern and he had requested (Company.) for technical expertise & knowhow.

2. (Company) has the requisite expertise and the infrastructure to provide materials, the technical know-how and the agricultural best practices to enable the farmers to maximize the yield. (Company) has facility to buy from Farmers the produce at pre decided comfort rates, quality parameters & grade. Hence both the parties agreed for contract farming on the following terms & conditions:

1. Term:

1.1 This agreement between (Company.) & the (Farmer) will be effective from the above date & will be valid for a period of Nine months.

2. Responsibilities of

2.1. (Company.) will provide to (Farmer) technical expertise, improved method of cultivation, improved seeds of below mentioned variety/varieties and will make available high technique farming facilities.

Crop	variety	quantity of seed (kg/acre)	value of seed (Rs. /acre)
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2.2. (Company.) will assist the (farmer) in enhancing the agricultural knowledge of the Farmer & will also recommend methods which may result in increase of the crop yield.

2.3 (Company.) agrees to purchase 100% of the Produce of the seed/variety of the crop provided by (Company.) as per rates & quality parameters mentioned overleaf. The Produce which does not meet the quality parameter & grades will not be purchased by (Company.) under any circumstances.

2.4 The price at which (Company.) shall purchase the produce from the Farmer shall include the cost of planting, rouging, haulm-cutting, harvesting, sorting, grading, packing, cost of transporting and inputs used in the multiplication operations, including, water, chemicals, fertilizers, fungicides, insecticides.

2.5 If market price of the Produce is higher than comfort price given by (Company.) on the day of purchase, then (Company.) may at its discretion declare an offer price (Market linked prices both for hand and combine harvest) for the purchase of produce based on quality & grade.

2.6 (Company.) will pay the value of Produce to the (Farmer) within 20 days from the date of purchase.

5. Responsibilities of Farmers:

3.1 Farmer will grow the crop as per the Package of Practices of (Company.) and will harvest the crop at the right time of maturity.

3.2 Farmers will bring the produce to the designated yard of the Market committee, for which (Company.) representative will issue quota slip.

3.3 Farmer shall bear the cost of loading, unloading & cleaning of the Produce.

3.4 Farmer shall be responsible for providing all the inputs including water, chemicals, fertilizers, fungicides, insecticides and labour required for the cultivation of the Produce. (Company.) shall not provide any inputs to the Farmer.

3.5 Farmer shall be responsible for all taxes, cesses excluding market cess and outgoings, of any nature whatsoever, in respect of his land and the produce and the Farmer shall keep (Company.) indemnified against any claims in this regard.

3.6 (Company.) shall not be liable for any failure in the crop or for any shortfall in the yield of the (Company.) supplied seeds for any reason whatsoever.

4. Compensation

4.1 (Company.) does not guarantee or warranty for quality of seed & quantum of yield. (Company.) shall also not be responsible for any compensation to the

farmer for any loss suffered due to or arising out of any natural calamity, & any force majeure event.

5. GENERAL

- 5.1 Farmer shall be responsible for all taxes, levies etc. in respect of the Land where the contract farmed crops are grown by the Farmer.
- 5.2 Farmer agrees to indemnify and keep indemnified (Company.) against any loss, costs, charges and expenses that (Company.) may suffer or incur on account of any claim being made by any person or persons against (Company.) in respect of anything done in pursuance of this agreement or arising out of any defect in the title of the said land or in any other manner whatsoever.
- 5.3 Farmer represents and warrants that it shall not, during the subsistence of this agreement:
 - i) sell or dispose of the (Company.) seeds to any person or entity other than to (Company.) or any party designated, in writing, by (Company.); or
 - ii) use the (Company.) seeds, for any purpose, other than multiplication under the terms of this Agreement.
- 5.4 The relationship between (Company.) and the Farmer shall be on principal to principal basis and nothing contained in this agreement shall cause either party represent itself as the partner agent or assign of the other.
- 5.5 (Company.) has the right to assign the right to purchase the contract farmed crops from the Farmer to any person it may in its sole and absolute discretion decide.
- 5.6 This Agreement contains the agreement of the parties with respect to the subject matter hereof and supersedes all prior agreements whether written or oral between the Parties with respect thereto.
- 5.7 No amendments or waiver of any of the provisions of this agreement shall be binding unless made in writing and signed by both parties.
- 5.8 The failure of either party at any time or times to demand strict performance by the other of any of the terms of this agreement shall not of itself be construed as a continuing waiver or relinquishment thereof and each may at any time demand strict and complete performance by the other of such terms.

- 5.9 Any notices to be sent under this agreement shall be in writing (which includes messages sent by facsimile transmission) and may be delivered personally or by facsimile or by recorded airmail, addressed to the addressee at the address which appears at the top of this agreement or such other business address as it may from time to time notify in writing to the other party. Any such notice shall be deemed to be received, in the case of personal delivery, at the time of delivery, in the case of facsimile transmission at the time the sender (having correctly transmitted the document) receives the successful transmission report and in the case of recorded delivery airmail, whatever is the standard practice hours after posting.
- 5.10 Except as otherwise agreed, the parties agree to keep this agreement and the terms of this agreement strictly confidential except for any disclosure required for the purposes of implementing the provisions of the agreement, provided that a similar duty of confidentiality is imposed on any party to whom any information is disclosed.
- 5.11 Should any provision(s) of this Agreement be held invalid or unenforceable under the laws of India, such invalidity shall not affect the entire Agreement. This Agreement shall then be construed as if it did not contain the provision(s) held to be invalid, and the Parties shall endeavour, in good faith to replace such invalid provision(s) with a new provision(s) which shall be as nearly as possible similar in its/their legal and commercial effect to the replaced provision.
- 5.12 All payments shall be made subject to statutory deductions as applicable at the relevant time. Either party shall be liable to bear statutory levies/taxes as may be respectively applicable to them under the prevailing laws.
- 5.13 No Party shall be liable to the others for any delay or failure in the performance of any of its duties and obligations under this Agreement to the extent that such delay or failure is caused by any event or circumstances beyond its control including any acts of God, laws, rules and regulations and the like.

6. TERMINATION and CONSEQUENCES

- 6.1 (Company.) may terminate this agreement with a prior notice of 30 days to the other party without assigning any reason, or

6.2 (Company) may terminate this agreement at any time without giving any notice in the following circumstances:

- i. If the Farmer sells the contract farmed crops to any third party.
- ii. If the Farmer fails to perform any of his obligations and / or commits breach of any of the terms and conditions of this agreement.

6.3 Upon termination of this Agreement howsoever occasioned the rights that may have accrued to the Parties under this Agreement shall survive and the Parties shall have the right to enforce such rights.

6.4 In the event that this Agreement is terminated by either party and /or either Party commits a breach of the terms of the Agreement, that Party shall indemnify the other for all costs, expenses incurred and damages suffered by the former in relation to this Agreement.

7. Dispute:

7.1: All disputes between the parties hereto pertaining to or arising out of this agreement shall be settled by the parties in accordance with Arbitration and Conciliation Act 1996 as amended from time to time. MD, PAIC or his nominee shall be sole arbitrator to settle the dispute between them. The arbitration shall be conducted in Chandigarh.

Party of First Part
Signature of (Company.)

Second Part
representative Farmers
signature. (With stamp)

Variety Wise Quality parameters and comfort price in Punjab-2009

Nature of Parameters	Parameters	Varieties								
		101	106/146			134/135		160		170
Fixed	Moisture (%)	17	17	18	17	18	17	18	17	18
	Admixture (%)	6	6	6	6	6	6	6	10	12
	Broken (%)	0.5	0.5	4	0.5	4	0.5	4	0.5	4

	Harvesting Method	Hand	Hand	Combine	Hand	Combine	Hand	Combine	Hand	Combine
Variable	Foreign Matter (%)	3	2	3	2	3	2	3	2	3
	Damage/Discolor /Immature (%)	6	7	9	10	12	6	8	6	8
	Green Grains (%)	8	8	10	12	15	8	10	10	12
	Red Grains (%)	1	1	1	1	1	1	1	1	1
	Proc.Period	Nov.Dec	Oct.Nov	Oct.Nov	Nov.Dec	Nov.Dec	Oct.Nov	Oct.Nov	Oct.Nov	Oct.Nov
	Committed yield/acre	12	20	20	20	20	20	20	20	20
Comfort Price	Rs/q	1800	1200	Market	1200	Market	1350	Market	1000	Market

