

(To be executed on Rs.200/-non-judicial stamp paper to be notarized)

Agreement between Department of Agriculture and the Tractor manufacturer under FM Schemes for the year 2022-23.

AGREEMENT

This agreement is entered on this day.....of.....(month) of **2022** between **Department of Agriculture** having its Office at Chuttugunta Circle, Adjacent to Rythu Bazar, Guntur and (Tractor Manufacturer) and its Selected dealers represented by its (designation), Sri....., S/o....., aged.....years, herein after called Manufacturer. This agreement is executed for the purpose of empanelment of Tractor Manufacturer with Dept of Agriculture in respect of implementation of Farm Mechanization Scheme during the year 2022-23.

The selected Manufacturer and its dealer agree to the following terms and conditions:

- i. Shall furnish the **Self Declaration in separate sheets** on
 - The turnover of the firm -more than Rs 50 Lakhs every year(last three financial years)
 - The firm is not blacklisted under any State or Central Government schemes any where in the Country.
 - The firm has the necessary infrastructure, required technical manpower to manufacture the products mapped during the registration
 - The firm has..... number of employees registered under EPF scheme and ESI scheme and their EPF and ESI deductions are remitted to the account regularly.
 - The Manufacturing unit has the required valid required Power supply for operating the unit
 - Required number of spares will be kept with the service centers
 - from the firm that they shall not join in a syndicate and mention the price
 - Shall supply only the base models and variant which were issued test reports by designated institutions of DAC&FW, GOI
 - Shall not raise bill for the existing machinery with farmer. Shall not exchange with existing machinery
 - Shall emboss/ engrave with the marking "machinery supplied under Assistance from DOA during 2021-22"
- ii. The inclusion of new dealer shall be made only after the intimation to the Department and shall transact business through that dealer after obtaining approval from Department.
- iii. To establish the service centers in the areas of operation to assist the beneficiaries and to provide on site & off site assistance and undertake repairs if any at the earliest possible, less than 48 Hours.
- iv. The firm shall write a letter to department before inclusion of any new

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- variants/new machinery after the selection is made within the financial year.
- v. The manufacturer shall furnish the list of machinery willing to supply under subsidy scheme of Dept along with its quality testing certificates.
 - vi. Dept of Agriculture at its discretion will approve the machinery to be supplied under the Dept subsidy scheme.
 - vii. The manufacture shall agree to send the invoices claimed by dealer/manufacturer to be sent to Sales Tax department for cross verification on tax payment / input claimed as and when required.
 - viii. Manufacturer should furnish the MRP (inclusive of taxes, transportation) of various machinery & equipment to be supplied under the various Farm Mechanization subsidy scheme. A hard copy along with prices mentioned in prevailing market and price quoted for the year is to be furnished along with this agreement .No escalation of MRP is allowed after approval of prices, but MRP can be reduced any time during the year. Further, the rates quoted by the Firm/Dealer to the Department shall not be more than the prevailing market price of the same or similar equipment within or outside the State. If contrary is proved, Dept will initiate action for blacklisting of the Firm/Dealer duly following the procedure.
 - ix. In respect of Tractors, Revision of quoted prices(MRP) is allowed on quarterly basis
 - x. The Manufacturer should furnish the User manual and the Brochure/ leaflet to the customer who purchases the machinery. Details of the coverage of Warranty period with Date stamp is to be given to customer at the time of delivery. Details of the service centers available nearby to customers should be intimated to customer.
 - xi. Manufacturer / dealer shall complete the process of registration with the Transport department for machinery/Farm power wherever applicable IN THE NAME OF THE CHC GROUP with the cost to be borne by the farmer group.
 - xii. The manufacturer shall agree that in case of non-fulfillment of the obligation of supply of Implements / equipment, as per beneficiary choice and as per the orders / Specifications /quality, shall allow the farmer group to buy from another manufacturing firm. The expenditure incurred/ claimed by group for travel has to be borne by the manufacturer who failed to supply.
 - xiii. **The agreement is valid up to 30-05-2023/as per the orders of the department issued from time to time.**
 - xiv. The beneficiary will place orders on the Manufacturer or its dealer for the required quantity. The Manufacturer/ dealer has to ensure the supply of the same immediately or within 10 days from the date of receipt of order for the machinery unless until mutually accepted in writing by the beneficiary also for the delay in receipt of farm equipment.
 - xv. The Department can take up verification on price, quality from time to time in the interest of Farming Community through 3rd party firm members in squads.

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- xvi. In the event of any failure to supply the indented quantity on time or in the event of the implements/ equipment failing to supply which conform to the specifications Department has right to prosecute and take appropriate, besides initiating suitable legal action.
- xvii. The Manufacturer/dealer shall not deliver the implements/equipment without valid purchase order from the beneficiary.
- xviii. The manufacturers shall sticker/ paint/ engrave/ emboss the stipulated information on every unit of machinery supplied under subsidy scheme of Dept. of Agriculture viz., Serial number & Year; Weight; Name of the subsidy scheme; name of the supplying firm; .
- xix. In respect of Tractors/Harvesters/Power drawn implements, information viz., Engine number, Chassis number, Serial number & year, Name of the subsidy scheme, name of the supplying firm is to be **engraved/embossed on the machinery.**
- xx. Dept of Agriculture is adopting DBT method for subsidy sanction and release where in the eligible subsidy amount is sanctioned and released to the beneficiary farmer.
- xxi. Payment terms for purchase of machinery by Beneficiary: Beneficiary Farmer Group will place purchase order and pay 50% of machinery cost along with purchase order through online from the Bank the account opened in the name of Group. Balance 50% machinery cost shall be transferred by the bank after supply of the machinery and on receipt of joint inspection report and other loan documents by the Bank.
- xxii. In respect of Tractors, total cost shall be paid in advance as per the SOP agreed mutually by the APCOB and Tractor manufacturer
- Group will place purchase order after sanction of CHC unit by the Dept and sanction of loan by the Bank
 - 50% tractor cost shall be paid along with purchase order through RTGS from the Bank account of Farmer Group.
 - Balance 50% of tractor cost shall be released by the Bank after confirmation of dealer on the availability of Tractor for supply duly mentioning its chassis number and engine number.
 - Dealer shall ensure delivery of Tractor within 48 hours from receipt of 2nd payment from the bank duly completing RTA registration, insurance, hypothecation etc
- xxiii. In case of any disputes/ difference arising out of the agreement the parties should attempt to settle the dispute through mutual and amicable discussions. If the dispute is not settled through such discussions, the matter shall be referred / settled as per Arbitration & Conciliation Act. 1996.
- xxiv. Any notice or communication or letter addressed to the addressee of either parties mentioned in this agreement is deemed to be sufficient notice for all purposes of this Agreement.
- xxv. The place where this agreement is implemented, it is mutually undertaken and agreed by and between the parties and this agreement shall be deemed

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to have been entered by the parties concerned at the Courts of law situated at
–Guntur only shall have the jurisdiction to entertain the said litigation arising
out of this Agreement.

Department

On Behalf of the firm

Signature of the
Authorized person:

Signature of the
authorized person

WITNESSES

1.

SIGNED IN PRESENCE OF ME

(Signature)

ATTESTED BY NOTARY