

**Agreement for execution of seed production programme of Groundnut K-6 C/S between  
APSSDCL, Kurnool and M/s. \_\_\_\_\_ during Rabi 2018-19.**

This agreement is executed between M/s. Andhra Pradesh State Seeds Development Corporation Limited, a company registered under Companies Act, 1956 having registered office at D.No: 4-150, Prasadampadu, Ramavarappadu Post, Vijayawada - 521 108, Andhra Pradesh State (herein after called first part) through its District Manager (Seeds), **Kurnool** (who and whose successors and assignees are hereinafter called the APSSDC) part of the First Part.

And

**M/s. \_\_\_\_\_** (herein after called second part/ producer/Organizer/farmer grower) having their residence / registered office at \_\_\_\_\_ through its proprietor / Managing Partner (Legal document shall be enclosed) **Sri \_\_\_\_\_**.

Whereas the second part has voluntarily approached the DM (Seeds), **Kurnool** of, part of the first part for taking up seed production programme of first part during **Rabi 2018-19** season through farmers / growers.

**Terms & Conditions:**

**1. Basic essential Documents related to seed production firm to be submitted by the Producer / Organizer.**

- a. The Central Seed License / J.D.A. Seed License.
- b. Seed Processing Plant Certificate issued by APSSCA.
- c. Details of the Proprietor / Managing Partner (PAN, TIN, Bank account etc.)
- d. Technical details such as equipment, processing plant, qualified persons, source material procured from the agency or APSSDCL supplied, Lab facilities, Supervisory technical staff etc.
- e. Proof of owner / partner of a firm.

2. **E.M.D.** - The second part has to submit a Demand Draft/ RTGS receipt/ Bank guarantee in favour of the V.C. & Managing Director, APSSDC Ltd., Vijayawada for an amount or equivalent to 5% Value (calculation on the current market rate of seed at the time of agreement) of seed, Production quantity offered.

3. The second part has agreed to organize \_\_\_\_\_ quintals through production programme of Foundation/ Certified **Groundnut K-6 Certified Seed** crop varieties in the fields of farmers during **Rabi 2018-19** season to supply to the first part and the said seed in turn will be supplied by the APSSDCL to the farmers specially in the State of A.P. and all over the world as and where required.

| S.No | Crop /Variety        | Class of Seed | Acreage allotted (in acres) | Foundation / Certified seed production quantity in quintals | Quantity of seed | E.M.D | Cut off date for supply |
|------|----------------------|---------------|-----------------------------|---|------------------|-------|-------------------------|
| 1    | 2                    | 3             | 4                           | 5   | 6                | 7     | 8                       |
| 1    | <b>Groundnut K-6</b> | <b>C/S</b>    |                             |   |                  |       |                         |

4. The second part shall submit the details of seed production being implemented along with a list of growers, village wise acreage, plot wise, location wise with survey numbers within 15 days from the date of sowing, to the Registered office of APSSDCL, i.e., first part Vijayawada / District Manager (Seeds) **Kurnool** Unit.

5. The seed production area should be registered and certified with A.P. State Seed Certification Agency at their own cost and such details are to be submitted to the Unit office and Head office i.e., first part.
6. Inspection details of seed production plots by the A.P.S.S.C.A and any short fall of the area over the registered area or otherwise shall be submitted.
7. The second part should engage qualified persons to supervise the Production Programme and maintain the seed multiplication chain to improve the seed quality and subsequently the productivity of the farmers. Geo tagging of the production plots is mandatory so as to ascertain the genuineness of the production programme and ensure that the seed crop under production programme should be covered in e-crop booking.
8. For the above purpose, Certification/ packing material i.e., bags, labels, treatment materials shall be supplied by first part and the said packing materials are required to be collected/ lifted by Second part from first part's nearest unit office/ office/ outlet etc., at their own cost.
9. Seed processing and packing work to be undertaken by the second part in their own seed processing plant or at the seed processing plants approved by A.P.S.S.C.A. at their own cost and start of processing/ packing of the said seed, as per schedule given by the first part in the presence of Represent of first part, the second part should also undertake to keep the said seed stocks in their own custody and the first part shall depute supervisory staff to their plant during the processing/ packing /storage space to ensure quality. Further, the seed stocks kept in the custody of the second part shall moved as per the instructions of the first part to the sale points.
10. The second part shall be held responsible for genetic purity, germination, admixture of other crop/varieties for the seed supplies made, if any problem arises at field level during seed production and at processing plant or at any stage.
11. Since, the raw seed shall be received, processed and packed at Second part's/ Producer's processing plant etc., hence, the entire seed shall be deemed to be in the custody of the second part concerned till it processed free from dust/ pellets/ soil/ grass/ substandard material, tagged, packed and received by first part's official. In case of any loss of germination, vigor etc., on account of seed stored in their premises/ or any other premises while in the custody of the second part and in case, the said seed supplied by the second part i.e., Organizer/ Producer/ farmer grower, to the first part, the second part shall also solely responsible and liable for all consequences, damages/ compensations what so ever and the second part shall pay the entire loss along with all damages to the first part and or to the farmers to whom seed supplied through the first part in addition to refunding the advance if any taken from the first part and further the EMD also forfeited.
12. Seed produced for A.P.S.S.D.C.L., i.e., first part under this agreement shall not be pledged to any bank or to any other financial institutions by the Organizer / Producer i.e., second part. It is further agreed by the both parties that the stocks already hypothecated and insured in the name of A.P.S.S.D.C.L., i.e., first part shall not be pledged in any way or

hypothecated again to any other financial institutions or banks for borrowing additional finance or for any other purposes.

13. 75% of the value of the seed supplied will be released within 15 days of receipt of Goods Received Note/ Acknowledgement on L.R. / G.R. Note / Delivery Challan from the units of APSSDC Ltd., i.e., first part who has received seed stocks. Balance 25% will be released within 60 days after confirmation of quality standards and also no complaint certificate received from the seed distribution units for the standard lots of seed as per the quality control Lab test results of APSSDC Limited., i.e., first part or its authorized.
14. In case of failure of seed in germination or any quality standards after processing of the seed before supplying to the first part, the first part has every right to reject such lots. The loss or entire damages caused to the farmers/ first part due to lack of physical/ genetical, morphological quality standards, delay in supply or due to time loss because of poor quality supply/ non-supply or seed rejected due to quality parameters and any other acts which results productivity loss, time loss, hardship to farmers and first part should be borne by the second part by paying full compensation as required to farmers and also to the first part and the first part is in no way will share any amount for such losses and the second part shall also liable for all legal consequences and shall pay full compensation as decided by the Team of officials constituted for the purpose by Department of Agriculture/ V.C. & Managing Director as the case may be.
15. The second part shall be solely responsible for the physical purity and correct weighment of the bags/ containers and in case of any complaints on shortage in quantity found in the containers/ packed bags, the second part shall be responsible for all the legal consequences of Weights & Measurement Department and losses caused to the first part/ farmers and also liable for initiating criminal prosecutions against the second part on account of cheating and duping the APSSDC Ltd., i.e., first part / breach of trust, with a malafide intention to cause loss/ willfully causing loss/ damage or due to negligence to the first part/ farmers.
16. The second part shall supply only prescribed standard and both physical/ genetically pure quality and all seed parameters like moisture, luster, ODVs etc., seed duly certified by the A.P. State Seed Certification Agency/ Telangana Seed Certification Agency as the case may be, as per the specifications of the Seed Act of 1966, as modified or amended from time to time. The seed shall be supplied only from the fresh stock invariably fresh harvest of the season and not from the revalidated stocks, even if the said seed stocks meets the certification standards and the first part reserves every right to reject all or part stocks which are rain soaked/ affected, poor quality, lacking luster and contaminated with any one or more admixture at the growing stages physically impure having contaminated or mixed with pellets or grass / or dust / or husk or with vegetation or harvesting crop vegetation or virus/ bacteria/ fungi or other infestation or at the time of inspection by the supervisory staff of the first part and or if the seed stocks fails to qualify in the first part or first part suggested QC Lab test/ before or after packing/ supply. Further, Foundation/ Certified seed can also be rejected at the receiving ends of the first part or first part given destinations, if found rain damaged, weevil infested/ old and revalidated stock or if it found that the seed not grown from a source seed supplied by the Research centre or first part or else or purchased grain in the name of seed from market, cheated and supplied in the name and title of seed grown from its production programme

in the disguise of registration documents with the APSSCA and also if the container/ bag is found to be damaged/ torn or unsealed during the transit or infested etc.

17. In addition to recovering all damages and full compensation, in the above clauses, the E.M.D will also be forfeited and any amount paid as advance by the APSSDCL i.e., first part to the (farmer grower) producer/ organizer/ second part shall be refunded to the first part within 15 days from the date of issue of notice to that effect to the second part, otherwise from the due date the amount shall be refundable with the penal interest by the second part to the first part is as follows.

| Sl.No | No. of Days delay    | Total Advance amount (in Rs.) | Penal Interest % | Total   |
|-------|----------------------|-------------------------------|------------------|---------|
| 1     | From 15 - 45 days    | X                             | 30               | X + 30% |
| 2     | From 46 days onwards | X                             | 50               | X + 50% |

18. The Corporation is organizing production and supplying certified class of seed i.e. Foundation/ Certified seed. The seed is proposed for distribution, to the farmers under various programmes like Seed Village Programme/ ISOPOM etc. The seed so produced by the farmers through second part under production programmes will be lifted as per the indent given by Commissioner & Director of Agriculture only subjected to demand for all the programmes based on the climatic and other conditions, including further multiplication requirement etc. The first part or party of the first part will inspect the production programme and all related matters and documents/ fields and may also make crop cutting estimates etc, as and when required/ or at all times subjected to availability of man power of the first part, however, entire responsibility of organizing quality seed Production and supply to the first part solely lies with second part only.
19. Second part has to maintain proper documentation of seed production programme from farmers and extend cooperation to the officials of first part/ APSSCA as and when required in case of any legal matter arises.
20. The second part shall ensure the delivery of at least 90% of the expected production based on the average yield obtained in the production centre / crop cutting estimate as per schedule fixed by the first part without any delay/ lag/ deviation. However, the actual quantity drawn by the first part may vary subject to climatic and other unforeseen

conditions, any other exigencies and factors etc and in such event the second part should not insist the first party to accept / take all the seed produced by them.

21. Seed shall only be lifted by the second part from the seed processing plant / godowns of the second part after final certification, to the sale points as indicated by Corporation i.e., first part from time to time i.e., as per schedule, without any deviation or delay and transport charges shall be borne by the second part.
22. In the event of failure on part of second part or violation of any or all the terms and conditions of the agreement and not supplying as per schedule of APSSDCL or not willing to supply/ delaying the supply of the organized quantity of seed in the pretext of escalation of rate / non availability of transport or in the any other pretext/ as and when asked to supply as per the given schedule or delay of processing of seed etc., the first part has reserved its right to declare such Company / Second part as defaulter and the said second part shall be black listed and shall never be allowed to enter into business with the first part from the date of black listing for all the future and further reiterated that, not only the said firm / second part and any of its sister organizations / companies of the first part or any Company headed by the owner, co-owner / partner / M.D./ Chairman of the second part shall also be black listed and accordingly shall not be allowed for future to enter into business with first part and the second part shall pay full compensation / damages as decided by the committee or the V.C. & Managing Director of first part shall liable to be paid / recovered from the second part for the acts / actions of the second part, in addition to that the EMD shall be forfeited. Further, in such an event the first part has every right to procure seed from any/ all other organizers/ growers/ producers to mitigate the demand of the farmer as an exigency/ emergency measure and the second part has no claim later to ask the first part to accept their production seed during the season and they can not make any excuse/case for non-payment of compensation for the first part.
23. In the event of any dispute or differences arises out of this agreement between first part and the second part on any/ all matter covered by these terms and conditions, in any manner, the dispute shall be referred to the sole arbitration of the VC & MD of A.P.S.S.D.C.L., and the decision / order of the arbitrator is final and binding on both the parties and they shall abide by decision of the arbitrator.

24. In case of any legal dispute / difference arises in implementation of this agreement during the period of agreement between the parties, the jurisdiction shall be at Hon`ble High Court at Hyderabad / District Courts at all over the state of A.P. / Vijayawada only.
25. Average/ Weighted average/ value/ cost/ rate of the grain for a fortnight period shall be taken from the A.P. Agriculture Market Department during the harvest period, on the basis of grain arrivals to the market yards, for the purpose of calculation of seed rate/ value/ cost, the said weighted average will be taken into consideration and accordingly the prices fixation sub-committee of the first part will finalize the seed rate. In case of any dispute regarding the rate, the decision of V.C. & Managing Director is final and binding on both the parties.

In witness whereof both the parties above named have sealed and signed of this agreement at **Kurnool** on the day \_\_\_\_\_ and date mentioned above in presence of witness in whose signatures have been put below for production \_\_\_\_\_ quintals seed in \_\_\_\_\_ acres of land and supply the said quantity without fail.

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(Signature of APSSDC official)

(Signature of Organizer /Producer)

Date:

Date:

Address

Address

**WITNESSES:**

1. Signature

1. Signature

Name & Address

Name & Address

2. Signature

2. Signature

Name & Address

Name & Address