

The Citizen Charter and model format of other contracts and agreement are appended for ready reference and for the benefit of the members of the public.

ANNEXURES	PARTICULARS
01	Citizen Charter
02	Ginning & Pressing Factory Agreement
03	Labour Contract
04	Transportation Contract
05	Seed Sale Contract
06	Domestic Sale Contract
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ANNEXURE-1

CITIZEN'S CHARTER:

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CCI

CITIZEN'S CHARTER

The Cotton Corporation of India Ltd.,
(A Government of India Undertaking)
Ministry of Textiles

This charter is a declaration of our mission, values, activities and standards,
and our commitment as an organisation to help achieve a place of prominence
for the Indian Cotton Industry in the world.

**DEPARTMENT OF ADMINISTRATIVE REFORMS
AND PUBLIC GRIEVANCES**

Items required before the Charter is put on the website

1.	Name of the Ministry/Department/Organisation	:	The Cotton Corporation of India Ltd. (A Govt. of India Undertaking), Ministry of Textiles.	
2.	URL of the Ministry/Department/Organisation's Website	:	www.cotcorp.com	
3.	Please confirm that Charter has been posted on this Website	:	√ <input type="checkbox"/> Yes	<input type="checkbox"/> No.
4.	Details of Nodal Officer Designated in Ministry/ Department/Organisation for implementation of the Charter.	:		
	(i) Name: (ii) Designation:	(1) Shri N. Kirubanithi Director (Finance)	(2) Dr. (Mrs.) Rita Kumar. General Manager (Admn/Hindi)	
	(iii) Address:	The Cotton Corporation of India Ltd., Kapas Bhavan, Plot No.3-A, Sector 10, Belapur, <u>Navi Mumbai 400 614.</u>		

	(iv)	Telephone No.:	27579218 (D) 27579217 Extn 501	27576083 (D) 27579217 Extn. 406
	(v)	Fax No.:	27576069	27579219/27576030
	(vi)	E-mail id:	df@cotcorp.com	gmadm@cotcorp.com

5.	Five hard copies of the modified and approved Charter enclosed.	:	✓ <input type="checkbox"/> Yes	<input type="checkbox"/> No.
6.	Soft copy enclosed.	:	✓ <input type="checkbox"/> Yes	<input type="checkbox"/> No.
7.	Approval of the Minister obtained before issuance of the Citizen's Charter of the Ministry/Department/Organisation.	:	✓ <input type="checkbox"/> Yes	<input type="checkbox"/> No.

8.	Name and E-mail address to whom opinion on the Charter of the Ministry/ Department/Organisation could be sent.	: Shri Subhash C. Grover, Chairman-cum-Managing Director The Cotton Corporation of India Ltd., Kapas Bhavan, Plot No.3-A, Sector 10, Belapur, Navi Mumbai 400 614. E-mail: HYPERLINK "mailto:cmd@cotcorp.com" cmd@cotcorp.com
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THE COTTON CORPORATION OF INDIA LTD.

CORPORATION'S CHARTER

MISSION AND VISION OF THE CORPORATION

MISSION:

We dedicate ourselves to:

- Helping cotton farmers by ensuring them remunerative price for their produce and thereby protect their interest.
- In the case of support price operations, procuring the entire quantity of kapas offered to prevent distress sale by the farmers.
- Facilitating the Indian Textile Industry in sourcing their raw material requirement i.e. good quality, contamination free cotton for production of quality yarn to meet international competition.
- Being the implementing agency for Mini Missions III and IV of Technology Mission on Cotton, to bring improvement in the marketing infrastructure of cotton and in the quality of ginning and pressing of cotton through modernisation and technological upgradation of existing ginning and pressing factories in the country.
- Supplementing the efforts of the Ministry of Agriculture in achieving higher production and productivity of cotton and improvement in its quality by involving ourselves with the activities of Mini Missions II of Technology Mission

on Cotton through our extension programmes and developmental activities.

VISION

- Achieving the twin visions of (a) rendering help to the cotton farmers by way of social services and (b) endeavouring to attain commercial gain by sustained growth of the Corporation.

VALUES

Our values basically include:

- Acting with integrity and judiciousness with transparency and accountability with courtesy and understanding.
- Judiciously managing the Corporation's resources and doing so with the best use of modern knowledge and management practices and with the application of Information Technology.

COMMITMENT OF THE ORGANIZATION TO ITS CLIENTS/CITIZENS

- To maintain a constant dialogue with the cotton industry in different sectors, with the consuming textile industry (who are our buyers) to ascertain their precise requirement of cotton, with the ginning and pressing industry for bringing improvement in cotton processing, with the international buyers to meet their cotton requirements and to fulfill our export commitments, so as to bring about improvement in the overall functioning of the Corporation.
- To fulfill our commitment towards the cotton farmers in ensuring remunerative price to them on the one hand and to procure entire quantity of kapas to prevent distress sale by them on the other, in the event of MSP operations. To also ensure that payment to farmers for their kapas purchase is made within 10 days.

- Constantly make efforts to keep our actions and programmes open and transparent reflecting the high ideals of the Corporation.

DETAILS OF BUSINESS BEING TRANSACTED BY THE ORGANIZATION:

- To act as the Government agency for implementation of the Minimum Support Price operations so as to help the farmers in ensuring remunerative price/price stabilisation and also to prevent distress sale by farmers.
- To make 100% payment to farmers against kapas purchases within 10 days;
- To undertake commercial operations, domestic as well as international i.e. export, at our own risk and responsibility in competition with other sectors of cotton as also to remain competitive in the cotton market.
- To undertake developmental activities in a small way through extension programmes to help improve cotton production, productivity and its quality, such as Village Adoption programme, Distribution of quality seeds and Genuine pesticides, Integrated Pest Management programme, Organising field training for farmers, Promotion of cotton cultivation in non-traditional areas etc.
- To provide Godown Storage Facility to the Corporation's regular mill clients and providing cotton at their door step.
- To act as the Implementing Agency for Mini Missions III and IV of Technology Mission on Cotton (for which the Ministry of Textiles is the Nodal Agency), the objectives of which are improvement in the marketing infrastructure and modernisation/technological upgradation of existing ginning and pressing factories in India for improvement in the quality of cotton.

WE REACH OUT TO OUR CLIENTS/CITIZENS

Cotton growers including their cooperatives, textile mills in the country (both in private and institutional sectors), international buyers and their agents, cotton trading community, ginner and pressers, State Government officials, Officials of Agricultural Produce Market Committee in States, etc.

Through

Field Officers and staff in 192 purchase centres, 88 Executives, 783 Non-executives in 20 branches and 46 executives, 163 non-executives in the Corporate Office located at Kapas Bhavan, Belapur, Navi Mumbai 400 614.

STANDARD OF PERFORMANCE

- The Corporation has evolved strategies to standardise its performance by way of ensuring 100% payments to farmers for kapas purchases within 10 days by ensuring supply of quality cotton to our clients i.e. textile mills, by ensuring reply within 7 days to Government departments for important references received and by satisfying the public in general, making enquiries with regard to Corporation matters/grievances.

Complaints and Grievances

- To attend all complaints received either at branches or at Head Office within three weeks. Complaints at Branch level which can be from purchase centres/within the branches will be sorted out by the Branches themselves, while complaints received at Head Office will be acted upon at Head Office.
- To promptly acknowledge grievance of any nature received from Public/Employees/Members of Parliament/Members of Legislative Assemblies and redress the grievance within three weeks.

Services provided

The services provided by the Corporation can be grouped as under:-

i) **To its clients (buyers) i.e. user textile industry:**

The Corporation serves the user textile industry by way of selling quality cotton to the mills in the private sector including large textile groups and Export Oriented Units, Institutional sector i.e. mills under the management of State Textile Corporation and National Textile Corporation and in the co-operative sector. The Corporation has already established itself as a dependable and regular supplier of quality cotton consistently to the user textile industry, both in the domestic and international market.

ii) **To the cotton growers of the country:**

The Corporation serves the cotton growers by way of procurement of their produce brought in the regulated markets, under open auction. In the event the Support Price Operation (i.e. when the market prices touch the Officially announced minimum support prices level), the Corporation serves the cotton growers by procuring the entire quantity of kapas offered for sale to prevent distress sales by them and to ensure them remunerative prices, as also in sustaining their continued interest in cotton cultivation.

iii) **To the general public/all those connected with cotton marketing/textile industry:**

The Corporation tries to help all those who approach us for various types of enquiries, for information/data pertaining to cotton and to know about the activities of the Corporation, for obtaining published material to the Press/Media by contributing articles/write-up from time to time on issues pertaining to cotton and cotton related issues as also the activities of the Corporation, for such help, the public has to approach either the Corporate office or Branch offices/Liaison office, as per list given elsewhere.

The Corporation itself functions under the guidance and direction of the Board of Directors nominated by the Government of India, under the over-all supervision of the Ministry of Textiles.

Corporation's Expectations:

(i) What we expect from cotton growers:

The Corporation expects from the farmers supply of pure (unmixed) cotton brought at Agriculture Produce Market Committee yards so as to prevent unorganised (village level) sales on the part of the farmers and adequate availability of pure cotton, on the other.

(ii) From our clients:

From our clients i.e. user textile mills, whether in the private or public or the co-operative sector, the Corporation expects premium price for sale of contamination free cotton (i.e. quality cotton with CCI brand name) as also payment from them as per terms of the contract.

(i) From the Public in general/our competitors i.e. those in the Private trade/other State Government Federations, etc.:

From our competitors in the private cotton trade/State Federations etc., the Corporation would expect fair competition/business dealings, while from others having dealings with us, we would expect feedback about the activities of the Corporation our role, significance and contribution in the context of cotton economy of the country.

Review of the Charter:

Scenario of cotton and cotton textile industry changes fast, as also the role, functions, objectives and mission of the Cotton Corporation of

India. Having regard to all these, there is need for a Review of the Corporation's Charter and this will be carried out every two years.

Details of Grievance Officers:

List of Officers to whom public/parties/clients can approach for redressal of their grievances is given below with their names, addresses and telephone numbers:

Name:	1. Shri N. Kirubanithi Adviser (Finance)
Address:	
Office:	The Cotton Corporation of India Ltd., Kapas Bhavan, Plot No.3-A, Sector 10, Belapur, <u>Navi Mumbai 400 614.</u>
Residence:	Flat No. 8, 3 rd floor, NEEL REGENCY BUILDING Ridhi Sidhi Co-op. Hsg. Society Ltd., Road No.1, Plot No.2, Sector-III, New Panvel, Navi Mumbai 400 206
Telephone: Office:	27579218 27579217 Ext. 504
	Residence: 27481215

Name:	2. Dr.(Mrs) Rita Kumar, General Manager (Admn./Hindi),
Address:	
Office:	The Cotton Corporation of India Ltd., Kapas Bhavan, Plot No.3-A, Sector 10, Belapur, <u>Navi Mumbai 400 614.</u>

Residence:	Juhu Sameep Society, 4/69, New D.N.Nagar, Andheri (West) <u>Mumbai 400 053</u>
Telephone: Office:	27576083/27579217 Ext.406.
Residence:	26233421

Publication of Cotton Corporation of India:

More detailed information about the Cotton Corporation as also various types of statistics pertaining to cotton including market prices of cotton for different years are available from copies of our Publication entitled "Indian Cotton - A Profile", which are available at the Administrative office of the Corporation (**Kapas Bhavan**, Belapur, Navi Mumbai 400 614) on complementary basis, to Parties concerned with cotton, cotton trade (marketing) and textile industry. (Presently publications of the Corporation are not priced one).

Information about website of CCI and Ministry of Textiles:

Information about the Cotton Corporation is also available on our website (www.cotcorp.com) as also website of the Ministry of Textiles (www.nic.in/texmin).

Provision also exists on the Corporation's website to receive entire suggestions/feed back in respect of the Corporation's Charter.

List of Nodal Officers at Corporate Office:

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Name:	1. Shri N. Kirubanithi Adviser (Finance)
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Telephone	
Office:	27576083/27579217 Ext.406.
Residence:	26233421

ANNEXURE-2

ON STAMP PAPERS OF REQUISITE AMOUNT AS PER
RELEVANT ACTS OF THE STATE

AGREEMENT FOR ENGAGING GINNING AND PRESSING
FACTORY

An Agreement made at _____ this _____ day of _____ (Year) between the Cotton Corporation of India Limited, a company registered under the Companies Act, 1956 having its Registered Office at Kapas Bhavan Plot No. 3A, Sector 10, CBD Belapur, Navi Mumbai-400614. (Herein after for brevity's sake called the "Corporation" which expression shall unless repugnant to the context or meaning thereof include its successors and assigns) OF THE FIRST PART AND _____ GINNING AND PRESSING FACTORY _____ (hereinafter for brevity's sake called " The Factory" which expression shall unless repugnant to the context or meaning thereof include its successors and assigns) **being**

represented by its owner as well as by lessee/ licensee of the Factory, if any, of the SECOND PART.

WHEREAS the factory, known by the name of -----
--- is owned/ is leased/ is licensed by----- (owner's name)
to----- (Lessee/Licensee's name).

AND WHEREAS the factory has offered to do the work of ginning and pressing of kapas for the Corporation during the cotton season _____ on Job Basis.

AND WHEREAS the Corporation has accepted the offer on the terms and conditions contained herein.

NOW THIS DEED WITNESSETH AND IT IS HEREBY MUTUALLY AGREED BETWEEN THE PARTIES HERETO AS FOLLOWS:

PART 'A': Allotment of capacity & processing of kapas

1. The factory undertakes to make available to the Corporation the undermentioned ginning and pressing capacity per month throughout the season depending on purchase of kapas or cotton and its delivery for ginning and pressing by the Corporation: -

Type	Machines		Production of bales of allotted capacity		Exclusive/ Turn basis (Days in a week)
	Total	Offered to CCI	Per week	Per month	
Saws set					

Double Rollers					
Single Rollers					
Pressing					

and shall be responsible for smooth processing without any interruption whatsoever. If the ginning and pressing capacity allotted to the Corporation by the factory is used for its own ginning or for any other party, thus causing delay in the processing work of the Corporation, **the Corporation shall be entitled to recover damages on account of loss caused by such delays including overhead expenses.**

2. The factory **shall provide to the Corporation** heap platforms/sheds/ barracks/pala house/godowns free of cost, as under:

	<u>Availability</u>		<u>Allotment to CCI</u>	
	<u>No.</u>	<u>Capacity</u>	<u>No.</u>	<u>Capacity</u>
Heap Platforms	-----	-----	-----	-----
Sheds	-----	-----	-----	-----
Barracks	-----	-----	-----	-----
Pallahouse	-----	-----	-----	-----
Godowns	-----	-----	-----	-----

The factory shall continue to provide the above for storing the kapas, cotton, cotton seed, lint, **fully** pressed bales etc, till all the goods belonging to the Corporation are removed **by the Corporation.**

3. The factory agrees to gin and press such quantity of kapas and cotton as will be delivered to the factory by the Corporation for ginning and/or pressing from time to time. Every consignment of kapas and/or cotton delivered by the Corporation to the factory

for ginning and/or pressing will be ginned and/or pressed by the factory immediately after receipt.

4. The factory shall provide and maintain the **agreed** ginning and pressing facilities in their factory premises so that the ginning and pressing work entrusted by the Corporation is not hampered and goes on continuously till the consignment of kapas and/or cotton delivered by the Corporation to the factory, is fully ginned and/or pressed.
5. The factory shall make proper arrangement for the safety of kapas, cotton, cottonseeds, lint pressed bales, etc. belonging to the Corporation in the factory premises and not allow mixing of the same **with any other cotton belonging to any other persons**. If any loss is caused to the Corporation on account of breach of this clause by the factory, the factory will be fully responsible and liable to make good the loss, if any, caused to the Corporation. The loss shall be determined by the Corporation and shall be acceptable to the factory.
6. The factory shall endeavor to minimise the shortages and contamination during the **storage of kapas**, cotton, cottonseed, lint, full pressed cotton bales and other by-products depending on variety of cotton.
7. The factory will provide adequate facilities for the processing of the Corporation's stock for ginning and pressing with required pre and post-ginning and pressing treatment in order to maintain the quality of the cotton bales of the Corporation, till the processing work of the Corporation is fully completed.
8. The factory will be responsible for the quality of ginning and pressing of kapas. In case the Corporation finds that the quality of ginning and pressing is defective, the factory will be liable to make good the loss caused due to damage to the kapas, cotton, cotton-seeds, etc. belonging to the Corporation as ascertained by the Corporation.

9. In case of the ginning factories where only the work of ginning is done and lint has to be transported to a pressing factory in the same compound or station or a pressing factory in another compound **at the same station**, the factory shall bear all cost of transportation of lint from their ginning factory to the pressing factory. The Corporation shall not pay any charges, whatsoever, for the transportation of lint.
10. The factory will be responsible for effecting prompt repairs, replacements or modifications to the machinery, which may be pointed out to them by a representative of the Corporation. The Representative of the Corporation will be empowered to stop the work of Ginning and pressing carried out on behalf of the Corporation if he is of the opinion that it is necessary to do so in the interest of the Corporation and the factory will have to effect necessary repairs, replacement or modification without any loss of time, to the entire satisfaction of the representative of the Corporation. In the event of any delay or refusal on the part of the management of the Factory in carrying out such repairs or modifications within the reasonable time, the factory will be liable for all loss that the Corporation may suffer on account of delay in carrying out the required work of Ginning and pressing.
11. The factory undertakes to carry out ginning and pressing work as per standard practices stipulated or followed by the Corporation from time to time as per Cotton Control Orders and other orders issued by the Government of India from time to time.

PART 'B' : Pressing of cotton bales and its packaging

1. The net weight of a fully pressed bale should not be less than 170 kgs however, tolerance limit of ± 5 kg may be allowed for all the months except during March to June when the tolerance shall be of ± 7 kg. subject to the condition that the average net weight of a lot of 100 bales should not be less than 165 quintals. Suitable deductions will be made from pressing charges if the average net weight of a lot is less than 165 quintals per lot of 100 bales. However, no extra payment will be made

- for excess weight in the lot. The weight list shall be issued for each completed lot recording weight of each bale in the order of serial number and the Factory shall be fully responsible for the correctness of the weight of cotton bales.
2. The pressed bales shall be covered from all the sides as per CCI specifications i.e. fully covered with new iron hoops of 18/19 gauge and 1/2" width, with cloth 20X20 count, 48X40 R&P, 127 cm width, weight 122 gms per Sq Metres to be arranged by G&P factory with stitching and covering of bales from all sides including top and bottom and its stitching by a three ply jute twin/cotton thread evenly spaced and properly made. The distance between two stitches shall not exceed 30mm. In case the packing material is found to be of sub-standard or inferior quality or is unsatisfactory, the factory shall make good the loss to the Corporation as determined by the Corporation.
 3. The factory shall not allow any bales of the Corporation to remain without marking and stamping of the Corporation after pressing. The marking of the bales should be done on one side of the bales by black and superior quality of ink so that it is durable and clearly visible. The ink used should be non-percolating. No other colour should be used. On demand from the Corporation, Factory shall affix canvas stickers on the bales in lieu of ink markas.

PART 'C' Safety & Protection of stocks:

1. The factory shall take all steps necessary to safeguard the goods of the Corporation in the factory against fire, theft and burglary. For this purpose, the factory shall check electrical appliances and electrical installations periodically and keep fire fighting arrangements as required under the tariff, to reduce the insurance premium. If the factory has over-head electric wiring within its premises, it shall arrange to **at its** own cost for underground electric wiring before the commencement of the work of ginning and pressing of the kapas and cotton delivered by the Corporation to the factory.

2. The factory will ensure that no goods belonging to the Corporation such as kapas, cotton, cotton seed, lint, full pressed cotton bales and other goods are allowed to go out of the premises of the ginning and pressing factory without a proper gate-pass duly signed by the Authorised Representative or employee of the Corporation coupled with a gate pass of the factory.
3. The factory will keep adequate staff at the gate of the factory premises for making entries in the register specially maintained for the purpose, of all daily inward and outward movement of kapas, cotton, cotton seed, lint, bardana, pressed bales and other goods. The Manager or any person incharge of the factory shall cause such report of the said staff to be given to the representative of the Corporation during the course of the day. The representative of the Factory shall reconcile the entries, if any discrepancy is pointed out. The factory shall also give certificate of inward and outward movement separately for kapas, cotton, cottonseeds, lint, bardana, pressed bales and other goods on the basis of the inward and outward register. The factory shall also maintain daily stock register indicating number of bales pressed daily and closing stock. Factory agrees and undertakes to certify the stock of the Corporation jointly with the representatives of the Corporation and to furnish statement of stocks to the Corporation, as and when required.
4. The factory shall not object to the access of any officer of the Corporation from Head Office/Branch Office visiting the factory to the inward and outward register and the gate passes maintained by the person posted at the gate/Gate-keeper and shall handover the register and the gate passes, if required. The register and the gate passes would be returned after getting photocopies in the eventuality of investigation.
5. The factory shall make proper arrangements for protection of the goods of the Corporation against theft, mixing, damage or any other risk by providing safety measures

- in the factory and shall be fully responsible and liable to make good any loss that the Corporation might suffer on account thereof.
6. The Factory agrees and undertake not to hypothecate, pledge or otherwise encumber or charge the kapas or cotton, whether ginned **or unginning**, pressed or not, cotton seed and other goods belonging to the Corporation lying in the premises of the factory and shall indemnify and keep indemnified the Corporation against any claim that may be made there to by any other party. The factory shall also not have any lien on the goods of the Corporation.
7. The factory **shall** under no circumstances, detain any stock of the Corporation or restrict the Corporation from removing its stock out of the factory premises even in case of any dispute.
8. The factory shall take all the safety measures in running the factory and maintain the machines and the factory buildings in accordance with the provisions of the Factories Act and rules made thereunder and any other laws **including labour laws and child labour act** in force. The factory shall be solely responsible for contravention or non-compliance with provisions of the said Act and the said Rules. The Corporation and/or any of its employee and/or its temporary, casual, skilled or unskilled labour shall not be responsible for any such contravention as it is giving its stocks for processing on job basis only and in no way responsible for maintenance of equipments/machinery/factory.

PART 'D': Ginning & Pressing rates and release of payment against bills

1. The ginning and pressing rates shall include all job work to be done by factory from kapas heap to ginning and carrying of lint upto press point in case of ginning and from gin house/pala house to pressing of bales including weighment and marka etc.,
-

in case of pressing with broad details of work requirements and inputs of material are as under:

For Ginning: Providing of required number of labourers for all stages of work beginning from kapas heap upto gin house and inter-alia the following stages of work in the course of ginning:

- i) Carrying of graded kapas from the grading hall/heap to gin hall.
- ii) Feeding of kapas to the gins.
- iii) Cleaning of lint, filling into the lint boras, weighment of lint boras if any, and stacking of boras.
- iv) Picking of roll touch and yellow picking from the lint at the time of ginning.
- v) Transportation of lint to the press hall and in case of Ginning unit only - to Press Hall of pressing factory at the same centre or **another centre**.
- vi) Carrying of seeds from the gin hall to seed godown .
- vii) Sweeping of lint in ginning hall, picking of kapas buras from heap to gin hall and removing gin waste and miscellaneous items etc. to storing points.
- viii) Weighment of lint, if required.
- ix) Any extra labour required to be deployed in the case of ginning of kapas and in emergencies and natural calamities like rain, **lightning**, thunder, cyclone etc.

For Pressing: Providing of required number of labourers for mixing as well as cleaning of lint before feeding in the opener and pressing of bales with standard net weight of 170 kg lint with tolerance limit of **+5 kgs** on either side and inter-alia the

following stages of work in the course of pressing of lint into cotton bales:

- i) Unloading, carrying and stacking of the lint boras from within the factory or to be received from outside.
- ii) Carrying and opening of lint in the lint hall.
- iii) Pala making
- iv) Feeding of cleaned lint into the press box.
- v) Removing of bales from press platforms to stacking point.
- vi) Weighment of bales.
- vii) Marking of bales.
- viii) Any extra labour required to be deployed in the course of pressing of bales and in emergencies and natural calamities like rain, **lightning**, thunder, cyclone etc.

2. For the described work of ginning and pressing including the inputs of labour and material as per D (1) and B (2), Corporation shall pay to the factory owner the ginning and pressing charges at the following rates:

Particulars	Processing Type	
	Roller	Sawgin
i) Combined ginning & pressing rates per bale with iron hoops including cost of cloth (Modern Factory/Conventional)	Rs._____	Rs._____
ii) Ginning rate per quintal of kapas/lint (Modern Factory/Conventional)	Rs._____	Rs._____
iii) Pressing rate per bale with iron hoops and with cost of 100% cotton cloth to be arranged by the factory.	Rs._____	Rs._____

iv) Pressing rate per bale with iron hoops but without including cost of cloth	Rs. _____	Rs. _____
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Note:

- ◆ The specifications for iron hoops (18/19 gauge, 1/2" width) and specification for 100% cotton cloth (20X20 count, 48X40 R&P, 127 cm width, weight 122 gms per Sq Metres) should be considered while quoting above rates.
- ◆ It must be clearly indicated whether above rates are for Modern factory or for Conventional factory.
- ◆ Please strike out whichever is not applicable.

It is clearly understood between the parties that the above charges are inclusive of all expenses, taxes and levies, if any, by Central or State Government and local authorities. The Ginning & Pressing Factories Act of 1925 has since been repealed. However, in case any Ginning & Pressing rates are fixed by State Government or any local body, under any Act, then the rate of C.C.I. or the rate fixed by such State Government/Local body, whichever is less, would be paid by C.C.I.

3. The factory will send its bills for Ginning and pressing charges to the Corporation, with a certificate once in a fortnight from the Corporation's representative that the standard of ginning and pressing is according to the prescribed standard. The Corporation shall, after due scrutiny of the bills, make 90% payment of those bills that are passed or accepted by the Corporation to the factory within a fortnight from the date of receipt of the bills by them, if found in order. 10% balance shall be paid after satisfactory completion of **entire** ginning and pressing work **during the season**. The Corporation shall release all payments by account payee cheques payable at ----- . Further, --- T.D.S. and surcharge as per Income Tax Act shall be **deducted by the Corporation**.
4. The Corporation shall have the right to recover any amount outstanding against the factory or any Proprietor or Partner of the factory under any other transaction with the Corporation, from the ginning and/or pressing bills of the factory against the Corporation under this agreement.

PART 'E' Miscellaneous

1. The Factory shall make its own adequate arrangements for the weighment of the Corporation's kapas, cotton, product and by-product and maintain adequate number of weighing scales duly certified by the Weights & Measures Department of Government. The weighment shall be made in presence of the representative of both the parties hereto.
2. The staff and labour employed by the factory in connection with the running of the factory is governed by the Law, Rules and regulations relating to industrial relations, labour laws and child labour act in force. The Corporation and/or any of its employee and/or its temporary, casual, skilled or unskilled labour shall not be responsible for any such contravention. The Corporation shall also not be liable to such staff or for wages, compensation, and damages or in any other manner. The factory shall indemnify the Corporation from and against all risks, claims, demands, orders and judgments in this regard. Further the factory should ensure that they have been allotted Provident Fund Code Number and to this effect produce a certified copy of the letter issued by the Regional Provident Fund Commissioner allotting the code number to the factory.
3. In the event of delay in the Ginning or pressing work by the factory due to breakdown of machinery, the Corporation will have the right to remove the stock of the cotton or kapas to any other factory and the factory (i.e. the second party hereto) shall not have any right to object to the same. In such event, the factory will be liable to make good all consequential loss and damage including the transportation charges and insurance charges that may have to be incurred or suffered by the Corporation.
4. This agreement does not bind the Corporation to offer the whole or any part of its ginning and pressing work to the factory. The Corporation may offer the work of processing to the factory at its own convenience on the basis of circumstances prevailing and the factory shall have no right to claim work from the Corporation.

5. The factory undertakes to provide accommodation for the office of the Corporation with telephone, furniture in the factory premises, and also residential quarters for the staff of the Corporation working in the factory premises, free of charge. The factory will maintain and **provide** adequate supply of water, power supply, approach road from the main road and other amenities and facilities to the staff of the Corporation. The accommodation amenities and facilities shall continue to be provided by the factory to the Corporation even after the actual work of ginning and pressing is over, until the disposal of the bales, the by-products and all other goods of the Corporation.
6. The Corporation reserves the right to withdraw its ginning or pressing work or terminate this agreement without assigning any reason.
7. Since the Corporation shall be delivering its kapas and cotton for processing, cleaning, handling, segregating of variety, ginning, pressing, packing and baling as the job work to the factory under this agreement, it shall be the responsibility of the factory to make all the necessary arrangements for that purpose and sincerely comply with all the clauses of this agreement. In case of failure or lack of attention on the part of the factory at any point, the factory shall make good the loss to the Corporation.
8. The factory is a company/partnership/proprietary/joint family concern. Copies of documents evidencing this fact are annexed hereto.
9. The ginning and pressing factory is held by the factory as the owner/a lessee/a licensee. Copies of documents by which this status was created is/are annexed hereto.
10. This agreement is being executed by Shri -----
----- on behalf of the factory on the strength of a power of attorney executed/a resolution passed on -----
----- . A copy of the power of attorney/resolution is also annexed to this agreement.

11. In case of any dispute or difference arising out of or in relation to this agreement, the same will be referred to arbitration of an Arbitrator (other than an employee of the Corporation) to be appointed by the Branch Manager of the Corporation and whose decision shall be final and binding upon the parties hereto. The arbitration will be governed by the provisions of the Arbitration & Conciliation Act, 1996.

12. This Agreement shall be subject to Jurisdiction of Courts of _____ only.

SIGNED SEALED AND DELIVERED FOR and on behalf of the within named:

THE COTTON CORPORATION OF INDIA LIMITED.,

Shri ----- Signature -----

duly authorised in that behalf in the presence of :

--(THE FACTORY) by Shri -----

----- (Owner)

Signature -----

By Shri-----

(Licensee/lessee)

Signature -----

duly authorised in that behalf in the presence of:

WITNESSES :

(1) Name : _____

Address : _____

(2) Name : _____

Address : _____

DECLARATION

I hereby request to The Cotton Corporation of India Limited,
 on behalf of M/s. -----
----- Factory -----
----- in the capacity of authorized
representative that I give my consent to issue one T.D.S. Certificate for
each completed financial year i.e.200- - 0- & 200- - 0- separately for the
amount of Income Tax deducted at source (T.D.S).

For _____

ANNEXURE-3AGREEMENT FOR LABOUR & HAMALI WORK
FOR THE SEASON 2009-10

AN AGREEMENT MADE AT GUNTUR ON THIS _____
DAY OF _____ 2009 BETWEEN THE COTTON
CORPORATION OF INDIA LIMITED, A COMPANY REGISTERED UNDER
THE COMPANIES ACT, 1956 HAVING ITS REGISTERED OFFICE AT ,
MUMBAI 400 021.(HEREIN AFTER FOR BREVITY'S SAKE, CALLED THE
"CORPORATION" WHICH EXPRESSION SHALL UNLESS REPUGNANT TO
THE CONTEXT OR MEANING THEREOF INCLUDE ITS SUCCESSORS
AND ASSIGNS) OF THE FIRST PART
AND _____
LABOUR&HAMALI WORK
CONTRACTOR _____
_____(HEREIN AFTER FOR BREVITY'S SAKE CALLED "THE
LABOUR&HAMALI WORK CONTRACTOR" WHICH EXPRESSION SHALL
UNLESS REPUGNANT TO THE CONTEXT OR MEANING THEREOF
INCLUDE ITS SUCCESSORS AND ASSIGNS) BEING REPRESENTED BY
ITS CONTRACTOR AS WELL AS BY LESSEE/LICENSEE'S OF THE
CONTRACTOR, IF ANY, OF THE SECOND PART.

AND WHEREAS THE LABOUR& HAMALI CONTRACTOR HAS AGREED TO DO THE WORK OF LABOUR&HAMALI WORK AT GODOWNS FOR THE CORPORATION DURING THE COTTON SEASON 2009-10 ON CONTRACT BASIS.

AND WHEREAS THE CORPORATION HAS ACCEPTED THE OFFER ON THE TERMS & CONDITIONS CONTAINED HEREIN.

I/ WE SHRI/M/S

CONTRACTOR TO DO THE LABOUR&HAMALI WORK, ACCORDING TO THE SPECIFICATION AND SATISFACTION OF THE CORPORATION AT _____ NOMINATED BY THE COTTON CORPORATION OF INDIA LTD. BO, GUNTUR. OUR PROVIDENT FUND CODE NO. _____ AND INCOME TAX PAN NO. _____.

ANNEXURE

THE COTTON CORPORATION OF INDIA LTD. BO. GUNTUR COTTON
SEASON 2009-10

CENTER: _____

FACTORY: _____

Name of the

Contractor: _____

The details of stage wise Grading/ Labour & Hamali work at factory/ AMC.

1.	Weighment supervision & Heaping of Kapas (Particulars of labour work)	Unit	Final rate (Per unit) Rs.
Kapas Stage -at AMC			
(i)	Kapas bags/ boras weighment supervision and its marking at AMC.	Per qntl kapas	
Kapas stage- at factory:			
(ii)	Kapas bags/boras supervision at the time of un-loading	Per qntl kapas	
(iii)	Kapas boras / bags carrying & stacking at factory(heap wise)	Per qntl kapas	
(iv)	Kapas boras/ bags destacking, carrying, cut & open and its heaping.	Per qntl kapas	
(v)	Empty kapas boras/bags cleaning & bundling (One qntl of kapas consist of 1 to 2.5 boras/bags)	Per qntl kapas	
(vi)	Carrying & heaping of graded kapas	Per qntl kapas	
	Total:(i to vi)	Rs.	

Note: Coverage of kapas, seed, Misc.items by tarpaulin and handling of Misc. Work is inclusive in above work.

2.	Grading work	No. of labourers required on 12DR per shift	Unit	Final Rate
(i)	Providing of labourers at factories for the following work: For challana rolling, two challana engaged for shift. 2x 7	14		
(ii)	Picking of yellow kapas from heaped	4		
(iii)	kapas	1		
(iv)	Cleaning of Misc.items	2		
(v)	Picking of yellow strains, oil cotton and cleaning of jin-jump	2		
	Picking of yellow contaminants/ cleaning of empty lint bora at pressing stage	-----	Per qntl	
	Total	23	Kapas	
	Labourer:			

3.	Maintenance /Watch & ward (Day and Night)	Unit	Final Rate (per Bale)
	Maintenance staff required for the following work per shift.		
(i)	Staff at Gin hall : 1 Press hall : 1 Grading point : 1 Supervision of Misc. work : 1 (Such as lint weighment & loading, Cotton seed delivery, bales weighment & loading etc.)		
	Total workers :4 Per Shift.	Per Bale	

Signature

4.	Lint / Bales Stage:	Unit	Final rate per unit
(i)	Lint double pala at press hall	Per bale	
(ii)	Stitching for extra covering of bales	Per bale	
(iii)	Bales carrying, stacking and destacking at ory	Per bale	
(iv)	Empty lint bora re- stitching charges	Per bale	
(v)	Supervision of pressing of bales at press	Per bale	
(vi)	Sample cutting charges(two samples from each lot of 100 bales)	Per bale	
	Total:(i to vi)	Rs.	

Note: Coverage of lint & bales by tarpaulin is inclusive in above work.

5.	Labour required for TMC / Modernized factories Particulars of labour work)	No. of Laborers required on 24 Gins per shift	unit	Final Rate
(i)	Labour for picking foreign material, Yellow/ lack cowdy, other contaminants and Misc. and also Pala at the time of cutting of Kapas Bags /Boras	12	Per Bale	
(ii)	Labour for Bura/Kapas picking and cleaning of Gin Jump & Misc. work	2		
(iii)	Labour for sweeping & Cleaning of kapas in open compound.	1		
(iv)	Workers /Supervision of work in the factory	3		
	Total Labourers	18		

Note:Under the head of Sl No.1 "Weighment supervision & Heaping of Kapas" Colomn No.(vi), Sl No.2 "Grading Work, Sl. No.3. Maintenance /Watch &ward"

and Sl. No.4 "Lint/ Bales Stage"(i),(ii),(iv),(v) are not applicable for TMC/ Modernized factories.

6.	Miscellaneous labour work at factory (on need basis)	Unit	Final Rate Rs.
(i)	Re-heaping of kapas heap	Per qntl of kapas	
(ii)	Re-heaping of cotton seed heap	Per qntl of seed	
(iii)	Turning over of cotton bales	Per bale	
(iv)	Lint bora making from kapas bags/boundaries	Per bora	
(v)	Filling, stacking, destacking, weighment of cowdy/ jin-jump.	Per qntl of cowdy/ Jin-jump.	

Place:

Date:

Signature:

(Name of the Contractor with seal)

Contract Phone No.

Cell No.

Postal Address Stamp:

TERMS & CONDITIONS

1. Labour & Hamali rates are as per Anneure enclosed.
2. I/We the labour contracter agree to deduct 10% of every bill submitted by us for settlement as a security deposit, which will be released at the end of the season on satisfactory completion of work done by me /us.
3. I/We also agree to abide by all terms & conditions prescribed by the Cotton Corporation of India Ltd. I/We the labour contracter also agree to abide by all the rules, Acts, Provisions for employing labourers to do the work of processing kapas/ Lint / bales including minimum wages Act, Payment of Wages Act, Provident Fund Act, Bonus Act, Shops and Establishment Act, Factories Act and all other rules and acts not specified hereunto.
4. I/We agree to submit the certified copy of the challan to CCI every mionth, the establishing payment of P.F. deposited with P.F Department. In case of non payment / less payment of P.F., I/We will wholly responsible for all liabilities due to P.F Department.
5. I/We also give an undertaking that the Cotton Corporation of India Ltd. Will not be responsible for non payment of any dues directly to the labourers and we shall be held responsible for making all legal and lawful payments to be made to the labourer and the rate mentioned above covers all such payments.
6. The rates quoted by us are valid for processing work to be entrusted by the Corporation to us till 31-10-2010 or the end or the end of processing work of kapas/ bales purchased during the season 2009-10 by the Corporation whichever is later.
7. I/ We agree to sign the legal documents contracts and undertakings as prescribed by the Corporation in which support of contracts to be entered into with us for the work for which this quotations are submitted. All expenses / fees to be paid to the

labour department / labour court for registration etc. will be borne by me /us.

8. I / We undertake to compensate the corporation in the event of any delay in processing work on account of insufficient number of labourers supplied by me to do the labour work and quality of work. In this regard the decision of center-in-charge, CCI is final & binding on me /us.
9. I /We agree that the Corporation is no way concerned in case of any increase of labour wages or any such increase due to amendment of any Government acts and I/We shall not demand any proportionate increase or revision in the agreed rates till the completion of the period, as mentioned in Annexure-I.
10. In case of dispute on any terms interpretation etc., the decision of the Dy.Gen. Manager, CCI Ltd, Guntur shall be final and binding on both the parties.
11. All statutory deductions such as Income tax etc. will be deducted from the bills (IT plus SC+EC as applicable will be deducted at source) as per Income Tax Act 1961 U/S 194 (C).
12. I /We undertake to compensate the Corporation for any loss arising out of wilful act of labourers to cause any kind of damage to the Corporation's property.
13. I /We undertake, to take worker's insurance policy with the insurance company and pay the premium and we shall not claim any amount on account of this from the Corporation. Corporation is not responsible for accident, if any, during the contract period and I /We will also not claim any compensation for the same from the corporation.
14. I /We undertake to indemnify the Corporation that in case of any legal suit, filed against the Corporation by any workmen, the Corporation is authorized to recover the same from me/us.

15. I/ We undertake to compensate Corporation any fine/ penalty if any imposed by the state Government authorities for non compliance of provisions of labour Laws Act, factory, shops and establishment act, provident fund Act, Minimum Wages Act, Workmen Compensation Act, Payment Bonus Act, etc. I/We will be responsible for the same.
16. Whenever labour department or any other Govt. agencies demands to furnish the records or documents pertaining to labourers. I/we undertake such responsibility to produce the same to the best satisfaction.
17. Arbitration clause:
 1. This contract is subject to the Jursdiction of B.O., Guntur at Guntur, In case of any dispute.
 2. Any dispute arises out of this contract, will be referred to an Arbitrator (not an Employee of the Corporation) whose appointment will be made by the Dy. Gen.Manager, Guntur. The dispute shall be governed by Arbitration and conciliation Act 1996. The decision is binding on both the parties.
18. In case the labour contract work is undertaken by ginning unit, then the contractor has to undertake the labour and Hamali work at pressing unit of the concerned center.
19. I /We the labour contractor undertake to submit " Clearance Certoficate" of all the dues payable to P.F. Department in the year end before claiming the security deposit from the Corporation, If required.
20. I/We shall abide by terms and conditions mentioned above. If any terms & conditions violated by ms/us, then the Corporation will have a right to cancel the contract after giving three days notice and the Corporation will have a right to forfeit the security deposit & EMD lying with the Corporation.
21. The Corporation do not guarantee for any of the minimum work to the contractor.

Place:

Date:
with seal

Signature of Labour & Hamali contractor

Witness:-

Name & Address:

1.

(Signature)

2.

(Signature)

ANNEXURE-4**TERMS AND CONDITIONS FOR TRANSPORTATION OF KAPAS/ F.P. BALES****FOR THE COTTON SEASON 2009-2010.**

**FROM MARKET YARDS IN KHAMMAM / NALGODNA/ KRISHNA/
GUNTUR/ PRAKASAM & KURNOOL DISTRICTS TO VARIOUS
GINNING & PRESSING FACTORIES IN KHAMMAM/ NALGONDA/
GUNTUR/ PRAKASAM /KRISHNA & KURNOOL DISTRICTS AND
TRANSPORTATION OF BALES FROM VARIOUS PRESSING FACTORIES
TO GODOWNS IN GUNTUR/ KRISHNA/ PRAKASAM/ NELLORE/ WEST
GODAVARI/ KHAMMAM, NALGONDA & KURNOOL DISTRICTS.**

1. The Transporters should have valid PAN No and a copy of the same should be attached along with the tender.
2. The rates quoted shall be inclusive of all expenses and local taxes including loading, unloading charges and service tax. Rates should be on net weight basis per quintal of kapas for transportation of kapas and per bale basis for transportation of F.P. Bales.
3. The contract will be effective from the date of issue of confirmation letter and valid upto 30.11.2010.
4. Once rates are finalized no escalation in the rates will be accepted during the contract period for any reason and no extra charges shall be paid by the Corporation on account of detention of the trucks.
5. The party has to remit Rs.1,00,000/- for each center towards EMD for kapas transportation and Rs.50,000/- for each pressing point for transportation of F.P. Bales by way of DD / PO/ drawn in favour of "The Cotton Corporation of India Ltd., Guntur" along with the tender.
6. Tenders should be submitted strictly in the prescribed tender form along with enclosures which can be had from Branch Office during working hours on any working day by payment of Rs.104/- (Rupees One hundred four only) up to 13.00 hours on 14.10.09. Those who are

- downloading the tender form from the website shall have to pay Rs.104/- (Rupees One hundred four only) by way of DD/PO in favour of "The Cotton Corporation of India Ltd., Guntur" and submit the same to Branch Office along with tender form.
7. Tenders should be submitted in sealed covers duly superscribing "Tender for transportation of kapas / F.P. Bales for 2009-10" addressed to Dy. General Manager, CCI, Guntur on or before 14.00 hours on 14.10.09 and the tenders shall be opened on the same date at 15.00 hours before the tenderers who wish to remain present.
 8. All columns in the tender form should be filled clearly and legibly. Tender form found incomplete in any respect is liable to be rejected.
 9. The Transporter should contact center-in-charges on daily basis for ascertaining the requirement of vehicle and adequate vehicles should be placed on day to day basis according to our requirement / procurement capacity. Transporter should be able to place extra vehicles also instantly in case of demand.
 10. The Transporter will have to transport the kapas from AMC market yard/ bales from pressing point immediately after getting instruction from center-in-charge/ authorized **CCI representative and in case of failure the Corporation will arrange the work done through other transporters at their discretion and the loss / damage / overheads if any will be recover from the transporter besides forfeiture of EMD.**
 11. While transporting the kapas / bales proper care should be taken for safety and no damage should occur during transit.
 12. The transporter is responsible for any complication because excess / short load.
 13. The transit loss if any observed shall be deducted proportionately.
 14. Bales should be loaded lot wise and no intermixing of lots will be allowed.

15. In transit the Transporter should take the proper protection of stock. No trucks should be moved with kapas/ F.P. Bales without covering tarpaulins.
16. The vehicles should be clean and the vehicles carrying coal, cement, chemicals etc. which cause damage to kapas / bales should not be used.
17. Other things being equal, preference shall be given to the local transporters offering the lowest rates having good record and own fleet of vehicles.
18. In case of any accident or eventuality during the transit the same should be informed to the Branch Office, Guntur / Center Incharge immediately besides completing the formalities of lodging F.I.R. with police, investigation report, arrangement of Fire Brigade report and photographs etc. The transporter will be responsible for submitting the copies of F.I.R, Fire brigade report etc. wherever necessary.
19. The bills accompanied with gate pass / LR duly acknowledge the receipt by the center-in-charge should be submitted to Branch Office for settlement of bills which will be settled within 10 working days from the receipt of the bills. 10% amount of bills will be deducted towards Security deposit along with Income Tax, Surcharge, Service tax and other taxes if any applicable from time to time. 10% security deposit shall be refunded on satisfactory completion of work during the contracted period.
20. The Corporation reserves rights to accept / partly accept / reject / any / all tenders or negotiate in full or in part without assigning any reason whatsoever.

DECLARATION

I/We hereby undertake to abide by all the above terms and conditions of the tender supplied by the Corporation and a copy annexed herewith duly signed. The transportation rates per quintal basis for kapas / per bale basis for F.P. bales include loading, unloading and service tax.

We agree with the above terms and conditions

Name & signature of tenderer with seal

Place:

Date:

Witness : Name of the Witness and full address

ANNEXURE-5Contract for Sale of cotton seed

The Cotton Corporation of India Ltd.
(A Government of India Undertaking, Ministry of Textiles)
Branch Office: GUNTUR

No. CCI/ GNT/MKTG/CS/2009-10

Date: _____

M/s. _____

Contract No. _____

Centre: _____

Mode of sale: In Kapas Form/**Ready**

Broker's Name:

Sub: Contract for Sale of cotton seed

Dear Sir,

We confirm having sold to you today the undermentioned quantity of cotton seed at the terms and conditions mentioned below:

S. No.	Centre	Quality	Quantity in Quintals	Rate per Quintal (On spot)	Remarks

- 1) **Deposit:** After confirmation of sale of cotton seed, the buyer shall deposit within 5 days a minimum amount equivalent to 10 % of value of contract. No interest shall be payable on above deposit and the same will be adjusted at the time of last delivery under this contract. Buyers failure to deposit advance value of the contracted cotton seed within the stipulated time shall make the contract liable for cancellation at the option of the Seller.

- 2) **Delivery:** To be lifted from various ginning factories of the center within 5/7 days from the date of intimation regarding the availability of cotton seed for delivery as stated further in Clause 8 (Free Period). If seed is sold on ready basis, there will be no further intimation and the buyer will be required to lift contracted quantity of seed within grace period from the date of sale itself.
- 3) **Payment:** Full payment before delivery by bank demand draft/ pay order of any scheduled bank or pay slip in favour of The Cotton Corporation of India Ltd. payable at Guntur. In case of local cheque, the delivery will be given only after realization of the cheque. No outstation cheque shall be accepted.
- 4) **Quality:** The cotton seed sold to the buyer is on "As is where is basis". No quality dispute of any nature will be entertained, once the sale is concluded.
- 5) **Weighment:** 100 % weighment before delivery.
- 6) **Sales Tax:** Any state/ central sales tax, any VAT, levies, charges etc of any kind shall be on buyers account for which the buyer shall be solely liable. The buyer registered under relevant S.T Act shall furnish necessary 'C' form/ declaration form within the stipulated time. Failure to submit 'C' form/ declaration form shall entitle the seller to recover additional tax from the buyer at the difference in CT rate and VAT rate applicable.
- 7) **Market Cess:** Market cess @1% will be charged on the value of cotton seed and the same will be shown in the invoice and the same will be deposited to concerned APMC on behalf of Buyer.
- 8) **Free Period:** The buyer shall be entitled to a free delivery period as under, to take delivery of contracted cotton seed against full payment:
- a) Upto the purchase of 1999 Quintals of cotton seed by one party on a single day under the branch, 5 days from the date of intimation.

b) For purchase of 2000 Quintals or above, 7 days from the date of sale/intimation.

- 9) **Carrying charge:** After expiry of free period, the rate of carrying charge will be 2.00 % per month on monthly rest basis for first 15 days and from 16th day to 30th day @ 2.25 % per month and after 30th day @ 3% per month on monthly rest basis on the value of cotton seed.
- 10) **Late lifting charges:** On making full payment, 5 working days will be allowed for lifting of cotton seed otherwise from 6th day, the late lifting charges @ 1.00 % per month will be applicable till date of actual lifting of the cotton seed. The buyer shall immediately lift the contracted cotton seed after payment. In case the buyer delays lifting after payment, the Corporation shall not be responsible for any damage, loss in weight and deterioration in quality due to natural causes like rains/ hail storms etc if any, and the cotton seed will be at the risk of the buyers.
- 11) **Carrying of cotton seed:** The Corporation will normally carry Cotton Seed for a period of 21 days from the date of sale/intimation. In the event of buyer or his authorized representative request the Corporation, to carry cotton seed on their behalf and having deposited additional deposit of 10 %, the Corporation shall carry cotton seed for a maximum period of 31 days from the date of sale/intimation.

In the event of the buyer not paying the price of cotton seeds including carrying charges and/ or fail to pay the amount of deposit as per clause 1 and additional deposit as above for extended period and thereby resulting in failure to lift the cotton seeds within 21 days from the date of intimation or in the extended period, the Corporation shall be at its discretion to cancel the contract at any time thereafter and will sell the cotton seed at the risk and cost of the buyer reserving its right to recover the damages for any loss sustained in such resale and also forfeit the deposit, if any. The Corporation is also entitled to claim interest @ 15 % p.a on monthly rest basis for any default or delay in payment of loss amount/ damage claimed by the Corporation.

- 12) The provisions of clauses no.9, 10 & 11 are without prejudice to the rights of the Corporation to resell or dispose off the seeds if the buyer fails to take delivery within 21 days from the receipt of intimation.
- 13) If any buyer deals through broker/commission agent, the broker/agent will be required to deposit an authorisation letter issued by the buyer and the buyer will be responsible for all obligations under this contract. However no brokerage or commission will be paid by CCI.
- 14) **Force Majeure:** Should any circumstances or events such as natural calamity, strikes or labour troubles, riots, insurrection, civil commotions or unrest, sabotage, general hindrances in transportation, acts of elements including fire, storm, flood, lightning, earthquake, tsunami, war (declared and undeclared), war-like operations, armed hostilities, civil war, trade embargo, blockade, quarantine, explosion, terrorist activity, other catastrophe, any act of government which are beyond the control of the seller or any law, regulation or directive (which has the force of law), or any events and other circumstances of force majeure and acts of God that may arise or occur, the contract shall be cancelled to the extent of damage/ destruction, short fall arising due to above causes, and the seller shall intimate quantum of such shortfall to the buyer within 30 days of such shortfall either directly or through broker. The buyer hereby categorically agrees to cancellation of such shortfall and shall not have recourse to any legal action or otherwise thereafter demand any compensation.
- 15) **Arbitration:** In case of any dispute or difference of claim arising out of or in relation to this contract, the same will be referred for arbitration to sole arbitrator to be appointed by the branch head (but not any employee of the Corporation), whose decision shall be final and binding. The Arbitration will be governed by and conducted according to the provision of the Arbitration & Conciliation Act, 1996 and any Statutory re-enactments and amendments made thereof.

Please return the original and one duplicate copy of this contract duly signed and sealed either by hand, facsimile in token of confirmation and acceptance of this contract as per the terms and

conditions contained herein within two days of the receipt of this contract. In the event of non receipt of signed contract within two days the contract will be treated as accepted and confirmed by the buyer.

This contract is subject to the jurisdiction of B.O Guntur at _____.

Buyer's signature
with seal in acceptance
of the above contract.

(Authorised Signatory)

For The Cotton Corporation of India Ltd.

Office Manager/Asst.Manager

Copy to :

1). Broker M/s. _____

2). Centre Incharge, CCI LTD., _____.

ANNEXURE-6SALE CONTRACT:THE COTTON CORPORATION OF INDIA LIMITED

(A GOVERNMENT OF INDIA UNDERTAKING)

Branch Office: _____

Address _____

Contract

No. _____

Date: _____

Broker's Name _____

Mode of Sales: Firm/Indent

Sub: Sale Contract

It is confirmed that the Cotton Corporation of India Ltd., hereinafter referred to as "the Seller" has sold and the _____ Mills Ltd., having its Registered Office at _____ hereinafter referred to as "the Buyer" has purchased from the Seller _____ bales of indigenous cotton on the terms and conditions set out herein below:

Indent No./ Date	Quantity in bales	Variety	Branch	Crop Year	Spot Rate Per Candy	Rs. Per Qntl.

TERMS & CONDITIONS:

1. DEPOSIT MONEY:

The Buyer shall pay within 7 days from the date of the Contract, a minimum amount equivalent to ___ % of the value of contracted cotton. The said amount will be adjusted proportionately with each delivery and shortfall, if any, will be made good in such a manner that ___% of the value of contracted cotton remaining to be delivered will be maintained at all the time till the entire cotton is lifted. Buyer's failure to deposit advance value of the contracted cotton within the stipulated time shall make the contract liable for cancellation at the option of the Seller.

2. SELECTION OF THE CONTRACTED COTTON:

The Buyer shall select the cotton under this contract within 10 days from the date of contract/date of intimation of readiness of cotton bales depending on the mode of sales as mentioned above. If the contracted quantity is up to 500 bales, the Buyer has to make 100% approval without any shortfall and for contracted quantity exceeding 500 bales, a minimum 90% of the contracted quantity has to be selected and approved. *The buyer mill should fully satisfy itself before completing selection.* Selection once made as per indicated quality parameters shall be final and no quality dispute thereafter shall be entertained in respect of the selected cotton.

3. WEIGHMENT, DELIVERY AND PAYMENT TERMS:

Buyer shall be entitled to a free delivery period to take delivery of the contracted cotton against full payment of value and taxes, as detailed hereunder:

- a) _____ days from the date of contract.
- b) _____ days from the date of intimation of readiness of cotton bales.

100% weighment of bales shall be carried out at spot at the time of delivery in the presence of the Buyer's representative/controller and such weighment shall be final and binding. In case of advance payment by the Buyer, the payment shall be worked out for weight calculated

at the rate of 48 candies per 100 bales. All sales shall be on spot basis & expenses after weighment, shall be on the Buyer's account.

If the Buyer makes full payment within the free delivery period in respect of the contracted bales or any part thereof, the Buyer will be entitled for interest benefit on such amount @ 8% p.a. for the unavailed free delivery period.

The Buyer has to effect payment and take delivery of bales within the free period given from date of contract/ date of confirmation. In case of failure on the part of the Buyer to do so, the contract is liable to be cancelled at the option of the Seller. In the event of such a cancellation, the Seller shall be entitled to resell the entire or balance quantity thereof, at any time and in any manner it deems fit and at the same time, reserving its right to recover any damage / losses sustained by such resale.

4. CARRYING OF COTTON:

Without prejudice to the provisions stated above, the Seller may carry or hold cotton on behalf of the Buyer beyond free delivery period, subject to Buyer complying with the following conditions:

- a) The Buyer shall make a request to the Seller to carry cotton on its behalf, before expiry of free delivery period accompanied by advance payment of carrying charges up to the period cotton is required to be carried over.
- b) The rate of carrying charges shall be as mentioned hereunder:

@ _____ per month of 30 days for first _____ days and

@ _____ per month of 30 days thereafter till the delivery of cotton. The amount of carrying charges shall be calculated on monthly /quarterly rest basis. Till payment of the price of the bales to be delivered is fully realised, carrying charges as per the aforesaid rates shall be chargeable. Such carrying charges will be paid alongwith the price of the contracted cotton before lifting of bales under this contract.

Notwithstanding the above conditions and without any prejudice thereto, the Seller may carry cotton or any part thereof on behalf of Buyer for a maximum period of 60 days after the expiry of grace period or for such further extended period as may be allowed at the entire discretion of the Seller. The Buyer shall make full payment of value of cotton and due amount of carrying charges against deliveries during extended period. If payment is not made and delivery not taken within such extended period also, the Seller may forfeit the said advance payment inclusive of advance payment made towards carrying charges and resell the cotton at any time and in any manner it deems fit and recover the losses / damages from the Buyer, if any, sustained in such a resale, inclusive of price difference, carrying charges and interest. The provisions under this contract with respect to a breach of the contract shall be invoked and operated automatically without any need for a notice from the Seller to the Buyer.

5. LATE LIFTING CHARGES:

If after making payment of the value of cotton sold under this contract, the Buyer does not take physical delivery of cotton within fifteen days from the date of making payment, the Buyer shall be liable to pay late lifting charges @ 0.5% per month of such unlifted stock till the delivery of cotton is taken.

6. TAXES:

The Buyer shall pay Sales Tax on the value of cotton at the rate applicable on the date of taking delivery. The Buyer registered under the relevant Sales Tax Act shall furnish necessary 'C' forms/Declaration forms within 3 days from the date of receiving Seller's invoices. Failure to provide 'C' forms shall entitle the Seller to recover additional 4% Sales Tax from the Buyer.

7. PAYMENT:

All payments shall be made by the Buyer in crossed A/c Payee Demand Drafts, Pay Orders or Banker's Cheques only. In case of payment by cheques, delivery shall be allowed to take place only on confirmation of realisation of payment in the Seller's account.

8. ARBITRATION:

- a) No quality arbitration shall lie after the Buyer, himself or through any of his representative, approves the bales at spot or the samples thereof received by the Buyer through courier or in any other manner.
- b) In case of any dispute or difference arising out of or in relation to the contract, same will be referred to arbitration of an Arbitrator (other than an employee of the Seller) to be appointed by the Director (Purchase & Sales) of the Seller and whose decision shall be final and binding upon the parties hereto. The arbitration will be governed by the provisions of the Arbitration & Conciliation Act, 1996.

9. FORCE MAJEURE:

Should any circumstances beyond the control of the Seller such as natural calamity, strike, riot, elements, war, quarantine, fire or any act of circumstances of force majeure, the contract shall be cancelled to the extent of damage/destruction/shortfall arising due to the above causes. The Seller shall intimate quantum of such shortfall to the Buyer within 30 days. The Buyer hereby categorically agrees to such cancellation of shortfall quantity and shall neither have recourse to any action, legal or otherwise, nor demand any compensation in respect thereof.

The duplicate copy of this contract duly signed by the Buyer be returned within 7 days from the date of its receipt in token of confirmation of all the terms and conditions of this contract. If signed copy is not received within stipulated time, the contract shall be treated as accepted and confirmed by the Buyer.

FOR THE COTTON CORPORATION OF INDIA LTD.

Signed for & on behalf

The Buyer: _____

by_____ **duly authorised in that behalf.**

ANNEXURE-7EXPORT CONTRACT:THE COTTON CORPORATION OF INDIA LIMITED*(A Government of India Undertaking)*Kapas Bhavan, Plot No. 3-A, Sector No.10,C.B.D. Belapur, Navi Mumbai – 400 614

Tel No. 757 9217 Telex: 0131-1234 Fax No. (22) 757 60 30 Grams: COTCORPIND

EXPORT CONTRACTNO: **CCI/EXP/2009-10/**

DATE: _____

THE COTTON CORPORATION OF INDIA LIMITED, a company registered under the Companies Act, having its registered office at Kapas Bhavan, Plot No. 3A, Sector 10, CBD Belapur, Navi Mumbai - 400 614, hereinafter referred to as the '**SELLERS**' and **M/S.**

hereinafter referred to as the '**BUYERS**', enter into this contract, for sale/purchase of Indian Cotton, for Export, on the terms and conditions mentioned hereunder,

1. QUALITY, QUANTITY, SALE RATE & FREE SHIPMENT PERIOD:

The Sellers have agreed to sell and the buyers have agreed to buy from the Sellers the following quantities of Indian Cotton of **2009-10** Crop year as under:

Variety/Grade	Quantity in M.Tons/Bales	Price in US Cents per lb FOB Net Navi Mumbai	Free Shipment Period
			45/60 days from the date of contract

2. DEPOSIT MONEY:

The buyer shall be required to pay 4.0/2.5 USC/LB as deposit money within 10 working days from the date of contract. In case the buyer do not

wish to pay above deposit money then they shall have to open L/C for full contracted value within the aforesaid period of 10 working days from the date of contract.

3. TERMS OF PAYMENT

(a) The buyer, who has paid deposit money as per clause no. 2 above, shall establish an irrevocable operative Letter of Credit without recourse to Sellers by Cable / Telex / Swift as per the Sellers pro-forma in US Dollars for 100% value of cotton quantity contracted with a first class International Bank, authorising reimbursement by Cable / Tested Telex / Swift with the New York Correspondent/agency of the L/C issuing Bank and available at the counter of any Scheduled Bank in India, so as to be in the Seller's hand at least 15 days prior to the last date of the month of free shipment period. Such a Letter of Credit shall be valid for negotiation for a minimum period of 30 days after the last date of shipment stated in the L/C. In case of delay in providing L/C as aforesaid, the buyer shall also provide in the L/C for payment of carrying charges up-to the date of shipment as per clause 8 of the contract.

(b) The charges for establishing the Letter of Credit and any Bank charges outside India will be on Buyer's account.

(c) The Buyers shall immediately on hearing from sellers amend the Letter of Credit so as to make it fully operative for effecting shipment and realisation of proceeds. The Bank charges and expenses incidental to such amendment shall be borne by the Buyers. The date of receipt of such amendment/ operative L/C will be deemed as the effective date of receipt of L/C.

(d) Only on receipt of shipping instructions, nomination of vessel and provision of adequate containers by Buyers, shall L/C be deemed fully operative.

(e) It shall be the responsibility of the buyer to keep the L/C operative for shipment for a minimum period of 45 days from the last date of shipment as per contract or till the entire contracted quantity is

shipped whichever is later and related documents are negotiated by the Sellers.

- (f) The Sellers shall be entitled to draw the full amount against the Letter of Credit immediately after shipment and on presentation of the shipping documents without any further need for certification / authorisation etc. In the event of delay in receiving payment beyond 5 working days, the sellers shall be entitled to charge and the buyers liable to pay Interest @ 12.0 % p.a. on such delayed amount.
- (g) In lieu of establishing an irrevocable Letter of Credit as provided under clause 2 above, the buyer shall have the option to make advance payments in the account of the seller to facilitate shipments as per terms of this contract. For this amount received in advance, cash discount @ 6.0 % p.a. on sale consideration excluding statutory Taxes & Duties shall be payable to the buyer on pro-rata basis for the unavailed shipment period to be reckoned from the date of realization upto the last date of free shipment period. However, if any quantity of the contract remains unshipped within the shipment period then the buyer shall be liable to pay late lifting charges @ 0.30 % p.m. of 30 days from the next day of expiry of free shipment period till the date of Bill of Lading.

4. APPROVAL:

- (a) The seller shall arrange to complete offering of actual lot samples for approval within 25/40 days either in parts or in full to the extent of 120% of the contracted quantity and buyer or his authorized representative shall confirm minimum 80% approval from the samples given at any one time, within five working days from the date of samples made available for approval. The buyer or his authorized representative shall complete the approval of contracted quantity within 30/45 days from the date of contract. The cotton lots once approved by the buyers or their agents shall be final and no quality disputes thereafter shall be entertained by the sellers in respect of such approved lots.

- (b) In the event of buyer or his agent not agreeing to the quality of cotton as per the indicated parameters, the samples shall be drawn through an Internationally recognized controller to be appointed by the seller, for testing in a reputed laboratory whose results shall be final and binding to both buyer and seller.
- (c) The approximate net weight of each bale will be about 170 kgs. Variation in contracted quantity to the extent of ± 5 % of number of bales/ M.Tons should be acceptable to the buyers.

5. WEIGHTMENT & INSPECTION OF COUNTRY DAMAGE :

- (a) The sellers shall arrange weightment of approved cotton lots at the port of shipment/spot through an internationally recognized controller and the weight certificates so issued by the controller appointed by the Sellers shall be final.
- (b) The sellers shall arrange country damage inspection of the approved lots at the port of shipment through an independent and internationally recognized controller. The country damage inspection report so issued by the controller appointed by the sellers, will be final and binding on both sellers as well as the buyers. However, the buyers or their local agents shall be free to inspect the bales for country damage prior to shipment at the port of shipment at their own expenses.

6. EXPORT AUTHORIZATION REGISTRATION CERTIFICATE FOR SHIPMENT:

- (a) In pursuance of Notification No. 26 (RE-2008)/2004-09 dated 22nd July, 2008, from Government of India for compulsory registration of contracts before shipment, the buyer or his authorized representative shall intimate in writing the details of shipment schedule at least 45 days in advance so that seller can arrange Export Authorization Registration Certificate from the Office of Textile Commissioner to facilitate shipment, within 45 days."

- (b) The buyers shall make all arrangements for timely shipment and send the shipping instruction well in time and in any case, 15 days before the expiry of contracted shipment period.
- (c) The Buyers shall arrange nomination of vessel for FOB contracts and provide adequate no. of containers well in time and prior to the last date of the shipment.
- (d) Terminal handling charges (THC) at the port of shipment will be on seller's account.
- (e) The buyers shall allow part shipment as well as reallocation of approved lots in shipping instructions, to facilitate shipments in time.
- (f) The buyers or their local agent shall arrange the release of bill of lading as per terms of L/C and shipping instructions, by the shipping company in favour of the sellers immediately after carting / loading of the cargo / consignments on the nominated vessel.
- (g) Depending upon the requirements of the importing country and subject to provision in the L/C, the sellers shall arrange for Phytosanitary certificate, Certificate of origin and Fumigation certificate only. Any requirement of additional certificates / documents shall be arranged by the buyers at their own cost.

7. C&F/FOB SALES MARINE & WAR RISK (WATER BORNE ONLY)

The sellers agree to notify the buyers, name of the vessel and other particulars of consignment shipped, after shipment. The buyer shall cover Insurance for 110 % of the invoice value with a first class insurance company from the port of shipment in India to Warehouse in the country of destination covering all kinds of risks, strikes, riots and civil commotions etc.

8. LATE SHIPMENT:

- (a) In the event of non - shipment within the stipulated free shipment period for any default of the buyer, the Corporation could consider allowing the shipment within the next 60 days for which buyer will

have to pay carrying charges @ 0.90% p.m. of 30 days on monthly rest basis **w.e.f.** _____ till the date of bill of lading and the amount of carrying charges payable for such delayed shipments, shall be included in the L/C to be established by the buyer as provided under clause 3 (a) of the contract.

- (b) If the shipment under the contract is delayed even beyond 60 days as provided under clause 8 (a) above, for any reason for which the sellers are not responsible, Corporation at its sole discretion, may allow shipment of bales within the next **45/30** days for which buyer will have to pay carrying charges @ 1.00% p.m. of 30 days on monthly rest basis **w.e.f.** _____ till the date of bill of lading and provide the buyer makes payment of 5% value of the unshipped quantity of the contract including the due amount of carrying charges upto the extended shipment period, within 10 days after the expiry of 105 days from the date of contract. However, the total extended shipment period shall not exceed 150 days from the date of contract and for any quantities remaining unshipped beyond this period, Corporation shall be free to resell the same at buyer's risk and cost.

9. LICENCE & DUTY

- (a) Export Licence shall be the responsibility of the Sellers. Export duty in India will be on seller's account.
- (b) Import Licence, if required by the Buyer's country will be the responsibility of the Buyers. Any import duty, Tax, or any other levies and Expenses at the destination port, will be on buyer's account.

10. FORCE MAJEURE

- (a) Should any circumstances arise preventing the Sellers from wholly or partly carrying out the obligation under the present contract due to circumstances beyond the Seller's control such as Natural Calamity, Strike, Riots, Acts of Elements, War Military operations of any nature, Blockade, Quarantine, Disruption of communication, Fire, any act of Government or by other circumstances of FORCE MAJEURE, the contract shall be cancelled to the extent of damage/destruction/short-fall

arising due to above causes and no replacement shall be offered to cover the shortfalls.

(b) However, in respect of contracts where advance payments in the account of seller has been received in respect of bales approved, the claim as settled by the Insurance Company on account of fire damages shall be passed on to the buyer and in all such cases, the contracted quantity will be reduced to the extent of fire damages.

The seller shall intimate quantum of such destruction/damage/short-fall to the buyers within 15 days either directly or through the Buyer's Agent.

THAT THE BUYERS HEREBY CATEGORICALLY AGREE TO ACCEPT such cancellation to the extent of the damage/destruction/short-fall and shall not have any recourse to any action, legal or otherwise thereafter, on the sellers.

11. ARBITRATION

The sellers having allowed approval and quality inspection of contracted cotton before shipment shall not entertain any claim relating to quality and country damage. Other disputes arising under the contract shall be as far as possible resolved mutually and only the unresolved disputes or breach of any terms of the contract shall be settled by Arbitration in accordance with the Rules of Arbitration of the Indian Council of Arbitration (ICA) and the award made in pursuance there-of shall be binding on the parties.

"The venue of arbitration shall be Mumbai only."

12. The buyers shall return to the sellers three copies of this contract duly signed by them, in confirmation of all its terms, within 7 days from the receipt thereof by the buyers/Agents, failing which, this contract will be treated as accepted.

BUYERS

SELLERS

(AUTHORISED SIGNATORY)
NAME _____

(AUTHORIZED SIGNATORY)

(Address with Seal)

AGENT: (NAME & ADDRESS)

ANNEXURE-8GODOWN STORAGE FACILITY AGREEMENT:

This Agreement made at _____ on this ____ day of _____ 2002 BETWEEN the Cotton Corporation of India Limited, incorporated under the Companies Act, 1956 and a wholly owned Government of India undertaking having its registered office at Air India Building, 12th Floor, Nariman Point, Mumbai - 400 021 and one of its branch office at _____

_____ and hereinafter referred to as "**the Seller**" (which expression shall unless it be repugnant to the context or meaning thereof be deemed to mean and include its successors and assigns) of the One Part AND _____ Mills Ltd. incorporated under the _____ Act and _____ having its registered office at _____

_____ and _____ branch office at _____ a

nd hereinafter referred to as "**the Buyer**" (which expression shall unless it be repugnant to the context or meaning thereof be deemed to mean and include its successors, assigns and any Liquidator or Assignee appointed thereof) of the Other part.

WHEREAS the Buyer approached the Seller for providing them Godown Storage Facility (hereinafter referred to as "GSF") for the F.P. Cotton bales purchased by Buyer under various sale contracts with the Seller entered into and to be entered into during the Cotton Season _____ i.e. from _____ to _____ and under the scheme of Godown Storage Facility against 10% deposit in advance by the Buyer, Seller will arrange to transport the bales and store in the Buyer nominated godown under lock and key of the Seller in the Buyer's Mill at _____ and deliveries to be effected against payment made by the Buyer from time to time.

AND WHEREAS the Seller agreed to extend the said Godown Storage Facility to the Buyer.

NOW IT IS AGREED BY AND BETWEEN THE PARTIES as follows:

1. The Buyer will take delivery of the cotton bales under *GSF* within maximum period of 60 days after the expiry of grace period or for such further extended period as may be allowed at the entire discretion of the Seller.
2. The Buyer will provide rent-free godown(s) to the entire satisfaction of the Seller duly inspected by the officials of the Seller and godown so provided will be completely under the custody and lock and key of the Seller. Since the Godown Storage Facility has been given for his convenience, the Buyer shall not be entitled to receive any godown rent from the Seller and shall not be entitled to receive any deduction or remission whatsoever in the carrying charges payable by the Buyer.
3. The Buyer will deposit in advance 10% of the value of cotton opted under *GSF* with the Seller for despatching of bales under *GSF*. On receipt of the said advance, the specific lots selected by the Buyer will be despatched to the said godown as per the said request.
4. The bales shall be weighed at upcountry spot in the presence of the Buyer's representative/controller and such weighment shall be final and binding. It is agreed that invoices shall be raised on the basis of such spot weighment.
5. In case the Buyer desires the Seller to arrange for transportation, the Buyer will make a written request and pay the cost of transportation in advance to the Seller. On receipt of such advance payment as well as the advance payment under clause (3) of this agreement, the dispatch instructions will be issued by the Seller. It is agreed that payment of the transportation charges and transit insurance premium (which will be incurred by the Seller) will be on behalf of and on account of the Buyer. If the Buyer nominates their transporter, the same should be out of the transporters empanelled with the Seller and all the transportation charges will be paid by the Buyer directly. In case the transporter nominated by the Buyer is not empanelled with the Seller, the Buyer indemnifies the Seller for any loss occurred to the Seller due to non-deliverance of goods within reasonable time or for any loss due to any mishappening including theft during transit or otherwise.

6. The Seller will not be responsible for delay in dispatches on account of non-availability of transport facilities and also for any other circumstances beyond its control.

7. Till the payment is realised, carrying charges as per rate specified in the contract as revised from time to time shall be applicable. Such carrying charges will have to be paid by the Buyer alongwith value of cotton before lifting of bales from GSF godowns.

8. The Buyer will provide normal security arrangement for movement of stock and also for stacking/destacking, loading and unloading goods from the godown. At the time of receiving the goods in the godown, arrangements for making necessary entries will be made by the Buyer and the particulars of vehicles as well as goods received in the godown will be recorded. For removal of the goods, if necessary, out of the Buyer's godown, similar record will be kept by the Buyer's Security Department.

9. The Buyer will ensure proper safety of the goods lying in its godown. In case of any incidents leading to or tending to lead to any loss or damage to the goods lying in its godown, the Buyer shall give necessary intimation immediately to the Seller. Further, the locks being sealed, in case of breakage/tampering of the seal the necessary intimation thereof shall be given by the Buyer to the Seller without any delay for verification and any other action deemed necessary.

10. If there is a shortfall of any quantity of the contracted goods stored in the Buyer's godown, the same will be on the Buyer's account and it will be the Buyer's responsibility to make it good.

11. In the case of any loss or damage occurring to the goods and if the claim settled by the Insurance Company falls short of the sale price and carrying charges, the deficit shall be made good by the Buyer.

12. The premium paid by the seller for the storage insurance for the stocks stored under this Agreement will form part of the carrying charges payable by the Buyer.

13. The delivery of bales to the Buyer will be made by the Seller directly against full payment including payment of carrying charges, taxes as applicable and other charges payable by the Buyer. Delivery will be made in lots of not less than 50 bales each.

14. The Buyer shall pay Sales Tax on the value of cotton at the rate applicable on the date of taking delivery. The Buyer registered under the relevant Sales Tax Act shall furnish the necessary 'C' forms/Declaration forms at the time of taking delivery. Failure to provide the 'C' forms/declaration forms shall entitle the Seller to recover additional 4% Sales Tax from the Buyer.

15. All expenses upto weighment shall be on the Seller's account. Thereafter, all expenses/charges etc. shall be on the Buyer's account. With regard to other charges/expenses, if any, the decision of the Seller will be final.

16. Subject to the provisions herein contained, the bales will be despatched by the Seller as consignor and to the Buyer as consignee on Seller's account.

17. Notwithstanding that the property in the goods may have passed to the Buyer, the Seller as the unpaid seller of goods will be entitled to rights and lien on the goods by implication of law.

18. In order to protect the rights and lien of the Seller as the unpaid seller of goods, it is expressly agreed by and between the parties hereto as follows:

(a) The transporter will deliver the bales only to an authorised representative of the Seller and the transporter will not deliver the bales directly to the Buyer. Under no circumstances the Buyer will claim delivery, hypothecate or transfer the bales until and unless the Buyer has paid to the Seller in full the price of the goods payable, the carrying charges, interest & all other costs & charges payable as per sale contract.

(b) During the period of storage of the goods in the Buyer's godown, the Buyer and/or its creditors and/or any person claiming through or under it shall not make any claim or demand over the goods so stored which is

prejudicial in any manner to the provisions of this Agreement and the Buyer or anyone on its behalf shall not obstruct or deny the Seller's access to or the clearance and/or removal of the goods by the Seller in its absolute discretion.

18(c) In the event of any labour unrest in the Buyer's mill or lock out or closure of the same or any other such eventuality, the Buyer shall ensure that the bales lying in its godown under this Agreement shall not be involved or shall not be a part of any such dispute, and the Buyer shall extend all necessary cooperation and assistance to the Seller, including rendering all help for legal recourse, for facilitating the Seller to remove the bales from the godown and to exercise all its rights thereon as the unpaid Seller.

18(d) In the event of the winding up or liquidation of the Buyer's mill for any reason whatsoever or in the event of any legal proceedings commencing or an order being passed against the Buyer for attachment/injunction of its property or in any manner adversely affecting the same, then and in that event and in order to protect the Seller's lien over the goods as the unpaid seller, the Seller shall be entitled to remove the bales from the godown without the knowledge or consent of the Buyer and/or the Seller will also be entitled to resell the said bales for the realisation of its dues at the entire risk, costs and consequences of the Buyer.

19. In case any additional facility for payment, delivery or any other part of the Agreement is allowed to the buyer, the same under no circumstances, shall override the terms and conditions of this GSF Agreement and in no way shall make any of the terms and conditions of this Agreement as redundant or void.

20. This Agreement shall also cover the bales contracted during the period from _____ to _____ but remained unlifted/undelivered even after _____.

21. The Seller reserves the right to withdraw/restrict this facility for any act of default/unsatisfactory performance in respect of sale contracts entered into during the season.

22. The above terms & conditions are in addition to the usual terms and conditions contained in the related sale contracts and under no

circumstances shall over-ride the usual terms and conditions as contained in the related sale contracts for sale of cotton by the Seller PROVIDED THAT it shall not be obligatory upon the Seller to resort the arbitration clause contained in the related sale contracts and the Seller at its sole option will be entitled to apply to a court of appropriate jurisdiction for any orders or reliefs under this GSF Agreement without prejudice to its right to resort to the said arbitration clause at any time for any other remedies or reliefs.

IN WITNESS WHEREOF THE PARTIES HAVE SET their hands at _____ on the day, month and year first hereinabove written.

Signed, Sealed and delivered by the within-
Named One Part, The Cotton Corporation
Of India Limited _____

Signed, Sealed and delivered by the within
Named Other part, _____

Witnesses:

1. _____
2. _____

CONTRACT FARMING:

MEMORANDUM OF UNDERSTANDING

1. This Memorandum of Understanding made on the _____ at _____ between **KISAN CLUB**, _____ Village, District _____, State _____ represented by its Convener Shri _____ hereinafter called **Kisan Club** of the **ONE PART** and the Cotton Corporation of India Ltd., _____ (B.O.) represented by Shri _____ hereinafter called the **CCI** (which expression wherever the context so admits or implies - includes its successors and assigns) of the **SECOND PART**, mutually agree on the following terms and conditions for implementing the Integrated Cotton Cultivation programme to be implemented in _____ Village of _____ district of _____ State.

2. **Kisan Club** agrees to participate in the Integrated Cotton Cultivation programme to be implemented in the Dist. of _____ for the crop season 2005-06, the period of which will be from _____ (date) _____ June, 2005 to 28th February 2006. The Convener shall ensure that all the farmers participating in the programme shall give the written authority in the name of Convener of Kisan Club to enter into this Memorandum of Understanding and the Convener of Kisan Club thereafter signs this agreement with the **CCI**.

3. The objective of the project is to produce cotton with improved yield and quality by the farmers of Kisan Club under supervision of the Cotton Corporation of India Ltd. CCI will buy all the cotton produced by the farmers of Kisan Club at the prevalent market price, with some incentive.

4. **Kisan Club** shall submit the list of such farmers alongwith authority letter of all the participating farmers specifying the area of land provided for implementing the programme to **CCI**. Any modification or alteration to the said list cannot be made without prior written approval from **CCI**.

5. Certified Seeds / truthful label Seeds will be used for cultivation and purchase of such seeds will be made in consultation with Committee consisting of **Kisan Club, CCI and Scientist of State Agricultural University (SAU)**. **Kisan Club** shall ensure that its farmer members cultivate only that variety/ hybrid which has been decided upon by the Committee and no other variety or no other hybrid shall be allowed to be grown in that area.

6. The approved seed variety will be procured directly from the seed manufacturing company or its authorised dealer as per the recommendation of the Committee. While buying such seed from the manufacturing company or its Authorised Dealer, if any special discount is given, the same would be passed on to the members of the Kisan Club, by way of cash discount, but no credit would be asked for by the members of the Kisan Club from the seed suppliers.

7. As stated earlier in para 5 above, only the certified seeds or truthful labels seeds will be purchased to be distributed amongst the members of the Kisan Club. For failure of germination or seed related maladies, **CCI** will not be liable to pay any compensation either in the Consumer Court or in the Court of Law, however the claim can be made with the Seed Company. For failure due to natural calamities or reasons beyond anybody's control, **CCI** will not be liable to pay any compensation to **Kisan Club**.

8. The _____ (**Input supplier**) will give financial support to the Kisan Club in engaging the services of Scouts (one Scout for every 500 acres) as well as one Supervisor who will monitor the progress of cotton crop right from the cultivation stage and report regarding the land preparation, sowing, nursery, fertilization, pest management, irrigation and harvesting, etc. to the Scientists of the SAU, so as to achieve the objectives of higher productivity and better quality.

9. **CCI** will render technical assistance to the members of the Kisan Club by arranging periodical meetings with Agricultural Scientists of SAU and provide logistic support in this regard from time to time. This will include the guidance to the farmers by way of improved crop management practices including Integrated Pest Management practices as well as about dosages and time of applications of fertilisers and pesticides as well as training to the farmers on crop management. The pesticides to be applied will be decided by the experts of SAU and the same shall be purchased directly from the manufacturing company or its authorised dealer by the **Kisan Club**

Kisan Club agrees to abide by the instructions given by State Department of Agriculture/SAU and CCI for cultivating the cotton under the scheme.

10. **Kisan Club** will not allow any of the other farmers who are not participating in the programme to put their kapas alongwith kapas of farmers of **Kisan Club** and will not try to sell such kapas to the **CCI**. If it is found that any farmer of **Kisan Club** tries to add the kapas of person not involved in the programme then **CCI** shall have right to reject such kapas of individual farmer. **Kisan Club** agrees to store the harvested kapas at dry and good place so that cotton is not damaged due to excessive moisture and quality is not deteriorated. In the event of rains at harvesting stage, harvested kapas shall be properly dried up and then stored.

11. **Kisan Club** agrees to sell the entire quantity of kapas produced under the Integrated Cotton Cultivation programme to **CCI** at some premium per quintal as incentive over the day's ruling market price prevailing at the nearest Market yard. The **CCI** agrees to buy the entire quantity from the starting of the crop season till 31st March 2006 of the crop season. **Kisan Club** agrees to sell the kapas so accumulated with them without hoarding directly for any higher price. It is agreed by **Kisan Club** that the picking of kapas will have to be made as per the modern picking practices guided by **CCI** to avoid contamination of any kind in the kapas picked from the field. **Kisan Club** also agrees that they will not add any water, salt or any foreign material in the kapas after it is picked from the field and before it is sold.

In case they add such things in kapas before selling **CCI** will have total right to reject such type of kapas.

12. In case **farmers of Kisan Club** want to sell kapas directly from villages, it will be purchased in the presence of representative of **APMC** at the ruling rate prevailing for such quality at nearest Market Yard and weighing of such kapas shall be performed at the village level in presence of representative of **APMC** at spot **and the same will be transported to the Ginning & Pressing Factory. The transportation cost to be incurred in transporting the kapas from village upto the factory premises hired by the CCI shall be borne by the concerned farmers of the Kisan Club.**

13. Any dispute with regard to ruling price of kapas can be settled mutually between **Kisan Club & CCI**. However in case of any disagreement with regard to ruling price of kapas Chief General Manager (Mktg), **CCI Ltd., Navi Mumbai** shall be the final authority to decide the correct price of kapas.

14. In the event of Support price operations,, all purchases under Government directives that have to be made by **CCI** will be solely on account of **CCI** only.

In witness to this Memorandum of Understanding, the representatives of **Kisan Club, CCI** and **other participants** have affixed their respective signatures to this Memorandum of Understanding on the day, month and year set out herein above.

For & on behalf of Kisan Club

For & on behalf of the CCI

(_____)

Authorised Representative

(_____)

Authorised Representative

Witnesses:

1. (_____)
State Agricultural University

2. (_____)
A.P.M.C.

3. Department of APMC

Memorandum Of Understanding between Kisan Club & Mills

MEMORANDUM OF UNDERSTANDING

1. This Memorandum of Understanding made on the _____ at _____ between **KISAN CLUB**, _____ Village, District _____, State _____ represented by its Convener Shri _____ hereinafter called **Kisan Club** of the **ONE PART** and _____ (**Buyer/Mills**) represented by Shri _____ hereinafter called the **Buyer** (which expression wherever the context so admits or implies - includes its successors and assigns) of the **SECOND PART** and the Cotton Corporation of India Ltd., _____ (**B.O.**) represented by Shri _____ hereinafter called the **CCI** (which expression wherever the context so admits or implies - includes its successors and assigns) of the **THIRD PART**, mutually agree on the following terms and conditions for implementing the Integrated Cotton Cultivation programme to be implemented in _____ Village of _____ district of _____. State.

2. **Kisan Club** agrees to participate in the Integrated Cotton Cultivation programme to be implemented in the Dist. of _____ for the crop season 2005-06, the period of which will be from _____ (date) _____ June, 2005 to 28th February 2006. The Convener shall ensure that all the farmers participating in the programme shall give the written authority in the name of Convener of Kisan Club to enter into this

Memorandum of Understanding and the Convener of Kisan Club thereafter signs this agreement with the **Buyer and CCI**.

3. The objective of the project is to produce cotton with improved yield and quality by the farmers of Kisan Club under supervision of the Cotton Corporation of India Ltd. The Buyer shall authorise CCI to purchase on its behalf all the cotton produced by the farmers of Kisan Club at the prevalent market price, with some incentive.

4. **Kisan Club** shall submit the list of such farmers alongwith authority letter of all the participating farmers specifying the area of land provided for implementing the programme to **Buyer**. Any modification or alteration to the said list cannot be made without prior written approval from **Buyer**.

5. Certified Seeds / truthful label Seeds will be used for cultivation and purchase of such seeds will be made in consultation with Committee consisting of **Kisan Club, Buyer, CCI and Scientist of State Agricultural University (SAU)**. **Kisan Club** shall ensure that its farmer members cultivate only that variety/ hybrid which has been decided upon by the Committee and no other variety or no other hybrid shall be allowed to be grown in that area.

6. The approved seed variety will be procured directly from the seed manufacturing company or its authorised dealer as per the recommendation of the Committee. While buying such seed from the manufacturing company

or its Authorised Dealer, if any special discount is given, the same would be passed on to the members of the Kisan Club, by way of cash discount, but no credit would be asked for by the members of the Kisan Club from the seed suppliers.

7 As stated earlier in para 5 above, only the certified seeds or truthful labels seeds will be purchased to be distributed amongst the members of the Kisan Club. For failure of germination or seed related maladies, **Buyer /CCI** will not be liable to pay any compensation either in the Consumer Court or in the Court of Law, however the claim can be made with the Seed Company. For failure due to natural calamities or reasons beyond anybody's control, **Buyer /CCI** will not be liable to pay any compensation to **Kisan Club**.

8 The Buyer will give financial support to the Kisan Club in engaging the services of Scouts (one Scout for every 500 acres) as well as one Supervisor who will monitor the progress of cotton crop right from the cultivation stage and report regarding the land preparation, sowing, nursery, fertilization, pest management, irrigation and harvesting, etc. to the Scientists of the SAU, so as to achieve the objectives of higher productivity and better quality.

9. **CCI** will render technical assistance to the members of the Kisan Club by arranging periodical meetings with Agricultural Scientists of SAU and provide logistic support in this regard from time to time. This will include the guidance to the farmers by way of improved crop management practices including Integrated Pest Management practices as well as about dosages and time of applications of fertilisers and pesticides as well as training to the farmers on crop management. The pesticides to be applied will be

decided by the experts of SAU and the same shall be purchased directly from the manufacturing company or its authorised dealer by the **Kisan Club**

Kisan Club agrees to abide by the instructions given by State Department of Agriculture/SAU and CCI for cultivating the cotton under the scheme.

10. **Kisan Club** will not allow any of the other farmers who are not participating in the programme to put their kapas alongwith kapas of farmers of **Kisan Club** and will not try to sell such kapas to the **Buyer**. If it is found that any farmer of **Kisan Club** tries to add the kapas of person not involved in the programme then **CCI** on behalf of the **Buyer** shall have right to reject such kapas of individual farmer. **Kisan Club** agrees to store the harvested kapas at dry and good place so that cotton is not damaged due to excessive moisture and quality is not deteriorated. In the event of rains at harvesting stage, harvested kapas shall be properly dried up and then stored.

11. **Kisan Club** agrees to sell the entire quantity of kapas produced under the Integrated Cotton Cultivation programme to CCI on behalf of **BUYER** at some premium over the day's ruling market price prevailing at the nearest Market yard. The **Buyer** agrees to buy the entire quantity from the starting of the crop season till 28th February 2006 of the crop season. **Kisan Club** agrees to sell the kapas so accumulated with them without hoarding directly for any higher price. It is agreed by **Kisan Club** that the picking of kapas will have to be made as per the modern picking practices

guided by **CCI/Buyer** to avoid contamination of any kind in the kapas picked from the field. **Kisan Club** also agrees that they will not add any water, salt or any foreign material in the kapas after it is picked from the field and before it is sold to them. . In case they add such things in kapas before selling, **CCI** on behalf of the **Buyer** will have total right to reject such type of kapas.

12. In case **farmers of Kisan Club** want to sell kapas directly from villages, it will be purchased in the presence of representative of **APMC** at the ruling rate prevailing for such quality at nearest **Market Yard** and weighing of such kapas shall be performed at the village level in presence of representative of **APMC** at spot **and the same will be transported to the Ginning & Pressing Factory**. The transportation cost to be incurred in transporting the kapas from village upto the factory premises hired by the **CCI** shall be borne by the concerned farmers of the **Kisan Club**.

13. Any dispute with regard to ruling price of kapas can be settled mutually between **Kisan Club & CCI / Buyer**. However in case of any disagreement with regard to ruling price of kapas **Chief General Manager (Mktg), CCI Ltd., Navi Mumbai** shall be the final authority to decide the correct price of kapas.

14. In the event of Support price operations,, all purchases under Government directives that have to be made by CCI will be solely on account of CCI only and will not be on the account of **Buyer** under the present arrangement.

15. **Buyer** agrees to make the payment within seven days from the date of purchase of the kapas directly to **CCI** for such purchases and **CCI, in turn,** will make the payments to the concerned farmers of the **Kisan Club**.

In witness to this Memorandum of Understanding, the representatives of Kisan Club, Buyer, CCI and other participants have affixed their respective signatures to this Memorandum of Understanding on the day, month and year set out herein above.

**For & on behalf of
Kisan Club**

**For & on behalf of the
Buyer**

**For & on behalf of the
CCI**

(_____)
**Authorised
Representative**

(_____)
**Authorised
Representative**

(_____)
**Authorised
Representative**

Witnesses:

4. (_____)

State Agricultural University

5. ()
A.P.M.C.

6. Department of APMC