

**TERMS AND CONDITIONS FOR THE SALE OF COTTON SEED BY
OFFER FOR SEASON 2009-2010**

During the season 2009-10 The Maharashtra State Cooperative Cotton Growers' Marketing Federation Ltd. is working as an agent of NAFED for procurement, processing and Marketing of cotton and authorized to dispose/sale cotton seeds. These terms and conditions are prescribed for the sale of cottonseed for season 2009-10.

The Maharashtra State Co-operative Cotton Growers' Marketing Federation Ltd., hereinafter referred as "Cotton Federation"

The parties interested in purchase of cottonseed, duly registered, shall be referred hereinafter as "Buyer".

1) ELIGIBILITY:

- a. Only registered buyers shall be allowed to give an offer for the purchase of cottonseed. The Zonal Manager/Concerned Officer is empowered to grant the registration and cancel the registration of buyers who do not abide by the terms and conditions.

2). PROCEDURE FOR REGISTRATION :

- a. The buyers shall obtain registration certificate by applying in the prescribed form to the Zonal Offices. For the registration buyer shall have to pay refundable deposit of Rs.5000/- (Rs.Five thousand only). This deposit will not attract any interest. This registration will be valid for one cotton season only i.e. cotton season 2009-10. In addition to this they are also required to become NOMINAL MEMBER by paying Rs.10/- as Nominal Membership Fees (NON REFUNDABLE) as per by-law No.10 of The MSCCGMF Ltd.
- b. Once the buyer get registered at any one of the aforesaid offices of the Federation, then he will be eligible to submit the offer for the purchase of cotton seed of any zone of the Federation. The Zonal Manager shall grant certificate of Registration after the deposit is received. A copy of terms and conditions of cottonseed sale shall be supplied to the buyer along with registration certificate. These terms and conditions for sale of cottonseed shall be binding on such registered buyers.
- c. Once the registration is granted to the buyer, the information about his registration should be communicated immediately by the concerned Zonal Manager to all the Zone offices. Details of registration shall be furnished as follows.

- 1) Name & address of the Buyer
- 2) Registration No.,
- 3) Date of Registration,
- 4) Name of the office where he has been registered.

3. PROCEDURE FOR SUBMISSION OF OFFER FOR THE PURCHASE OF COTTON SEED.

- a. Information of Heap wise Cotton seed stock available for sale will be made available at respective zonal office.
- b. Sample of Heap wise Cotton seed stock will be made available for the observation of buyer at respective zonal offices.
- c. By observing the samples at zonal offices as well as observing the quality of cotton seed actual in heap at respective stations/ Ginning Pressing Factory, registered buyer can submit his offer for the purchase of cotton seed on their letter head in the prescribed format given by the zone offices. **NO DISPUTE WILL BE ENTERTAINED AFTER THE CONFIRMATION OF SALE.** Registered buyers shall have to submit their offers before 01.00 p.m. at respective zonal offices.
- d. While submitting the offer buyer should mention his Registration No., date, and name of the office where he is registered.
- e. For each zone, only one offer will be considered from every registered buyer.
- f. Confirmation to the offer will be communicated to the buyer on the same day by concerned zone offices.
- g. Price to be quoted in the offer should be without applicable taxes. ie., Price should be excluding applicable taxes. Cotton federation will not accept the offer where in price is quoted with tax.
- h. The cotton seed offers for the concerned zone will be accepted in the following week days only.
 1. Monday and Thursday :- AURANGABAD, NAGPUR, KHAMGAON, NANDED, PARLI AND YAVATMAL.
 2. Tuesday and Friday:- WANI, JALGAON, AKOLA, PARBHANI AND AMRAVATI.

4. ADVANCE PAYMENT:

- a. After the confirmation of sale of cottonseed, buyer should pay Rs.150/- per qtl as an advance payment within 2 working days from the next date of confirmation of sale in respective zone only.
- b. If buyer fails to make an advance payment in time as above 4(a), then extension of 2 days can be granted on written request of buyer to the concerned Zonal Manager for making advance payment. It will be at the discretion of the Zonal Manager of Federation to accept or reject the request. In case extension is granted then, 10 paise per Rs.100/- per day will be charged as penalty.
- c. In case advance payment is not made in stipulated time i.e. within 4 days with penalty, the payment may be allowed by comparing rate of contract with rates of same day offer of particular center whichever is higher up to

- 8th day from the date of offer along with full payment only. This facility will be allowed to particular buyer for 3 times in a season only.
- d. If buyer fails to make an advance payment and fails to sign the contract within the above mentioned time limit then registration of such buyer shall automatically stands cancelled. His name will be removed from the list of registered buyer and amount of registration deposit shall be forfeited by the Federation. Accordingly the concerned Zonal Manager should inform to the all concerned offices about cancellation of registration. In such an event lot in question (cotton seed) shall be resold. If federation sustains any loss including penalty and other charges in the event of resale of such lots/heaps, shall be recoverable from the defaulting buyer (besides forfeiture of registration deposit). If federation makes any profit in such resale, no part thereof nor the amount of registration deposit shall be refunded to the defaulted buyer.

NOTE : To clarify more for above a, b, c & d, in case the last day of payment falls on holiday then the advance payment shall be accepted on immediate next working day without penalty.

5. PREPARATION OF CONTRACT:-

- a. After the requisite advance payment, contract will be prepared and signed by the buyer or his authorized representative. On behalf of cotton Federation, Zonal Manager/Dy.Manager or his authorized officer will sign the contract. The contract will govern by these terms and conditions.

6. BALANCE PAYMENT:-

- a. Buyers should make the balance payment within 8 days from the date of confirmation of sale, after adjusting, proportionally the advance payment made by buyer.
- b. In case buyer fails to make balance payment in time as above 6(a), then for the extension of time maximum up to 5 days can be granted on the written request of buyers to concerned zonal manager before the expiry of due date along with Rs.100/- per qtl as an additional advance payment.
- c. For the balance payment on extended time period, 15 paise per Rs.100/- per day will be charged as penalty.
- d. In case buyer fails to make balance payment within stipulated time i.e. within 13 days from the date of confirmation of sale with penalty as above 6(b) the payment may be allowed by comparing rates of contract with rates of latest offer of particular center/lot whichever is higher up to further 5 days only with the penalty of 20 paise per Rs.100/- per day.
- e. If buyer fails to make balance payment and sign the contract within the time limit then registration of such buyer shall automatically stand cancelled. His name will be removed from the list of registered buyer and

amount of registration deposit and advance payment already made shall be forfeited by the Federation. The lot in question shall be resold. If federation sustains any loss including penalty and other charges in the event of resale of such lots/heaps, same shall be recoverable from the defaulting buyer besides forfeiture of registration deposit and advance payment. If federation makes any profit in such resale, no part thereof nor the amount of registration deposit shall be refunded to the defaulted buyer.

NOTE : To clarify more for above a, b, c, d & e, in case the last day of payment falls on holiday then the advance payment shall be accepted on immediate next working day without penalty.

7. RE- REGISTRATION:-

In case of default in payment as per the terms, buyers registration will be cancelled & re-registration will be allowed as under:-

If the stock of cotton seed which he had earlier purchased and for which advance payment was not earlier made has still remained unsold, the buyer concerned, should take delivery of stock by depositing advance payment along with balance payment (full and final payment) on the date of re-registration at the rate prevailing on the date of re-registration or previous rate plus penalty for late payment whichever is higher.

If the stock of earlier transaction is sold, buyer has to pay the losses accrued if any (besides forfeiture of registration fee and penalty) before re-registration . Re-registration will be accepted on receipt of Rs.5000/- as registration deposit & Rs.5000/- as penal registration fee which will be nonrefundable. This facility will be allowed only once in a season.

8. WEIGHMENT /DELIVERY OF COTTON SEED.

- a. Delivery of cottonseed in all cases shall be given after receiving full payment including penalty, late lifting charges and applicable taxes etc.
- b. Weighment will be done in packing of 40 kgs. 45 kgs. 50 kgs. or 60 kgs. of each bag, according to size of seed. There will not be Weighment and delivery of cottonseed after sunset.
- c. Quantity indicated by the zone for the sale of cotton seed shall be approximate. At the time of actual delivery if there is any shortfall in the quantity, the buyer will have to accept the same and contract of that quantity will be reduced to the extent of actual delivery weight.
- d. Buyer should take delivery of cottonseed at the earliest. Once the cottonseed is sold cotton federation will not be responsible for deterioration in quality on account of rain or for any reason.

9. LATE LIFTING CHARGES:

- a. The buyer of cotton seed will have to lift the cotton seed immediately after he makes full payment for the cotton seed. If he fails to do so, he will have to pay late lifting charges as given in the following table before lifting the cottonseed.

Sr. No.	Particulars	Free Period for the lifting of cotton seed	Late lifting charges after free delivery period
1	Where buyer pays within 8 days from the date of confirmation of sale.	Up to 15th day from the date of confirmation of sale.	Rs.1/- per quintal per day.
2	In the case of payment made after due date	7 days from the date of late payment	Rs.1/- per quintal per day.

- b. The buyers who have effected full payment (with penalty if any) but have not lifted the cotton seed purchased by them, within given free period given in 9 (a) above then such buyers hereinafter called the said buyers will have to take the delivery of cotton seed by paying late lifting charges within 7 days from the last date of free delivery period. If the said buyers fail to do so, then in such case Federation will be entitled to resell such un-lifted cotton seed and Federation will recover losses if any from the said buyers, besides forfeiture of advance payment. If Federation makes any profit in such resale no part thereof nor the amount of advance payment shall be refunded to the said buyers. Also registration of the said buyers will stand cancelled.

10. MODE OF PAYMENT

- a. Advance payment and Balance payment can be accepted at respective zonal offices by way of local demand draft / Bankers pay order payable locally. i.e., payable at respective zonal offices.
- b. For the zone Parli/Parbhani & Nanded where the branch of Bank of India is not operative hence advance payment and balance payment will be accepted by way of local demand draft / Bankers pay order payable at Aurangabad.
- c. For Wani zone where the branch of Bank of India is not operative hence advance payment and balance payment will be accepted by way of local demand draft / Bankers pay order payable at Yavatmal.
- d. For Khamgaon zone where the branch of Bank of India is not operative hence advance payment and balance payment will be accepted by way of local demand draft / Bankers pay order payable at Akola.

11. DISPUTE :-

- a. Any dispute arises out of cottonseed sale, shall be subject to the jurisdiction of co-operative court (or local competent court) at the head quarter of the Zonal Manager.

12. C FORM FACILITY :-

- a. Zonal Manager before giving 'C' form facility shall first confirm & ensure that buyer who is claiming C form facility is eligible for the same facility. Those buyers who want to avail 'C' form facility shall have to submit 'C' form well in advance with the Zonal Offices. 'C' form received in advance will be in future course adjusted gradually against amount of purchase of cotton seed. In case any buyer who is eligible to avail 'C' form facility, but due to any reason he is not in a position to submit 'C' form in advance, he will have to deposit amount equivalent to the sale tax applicable time to time plus 2% penalty on sales tax amount as security deposit with Federation at the time of making final payment. The said security deposit will remain with Federation for two months and in case within two months buyer fails to submit 'C' form, security deposit along with penalty of 2% on sales tax amount will be deposited with sales tax office by Federation out of the security amount received as above.
- b. Buyers who will submit 'C' form within two months their security deposit towards 'C' form will be refunded without interest at zone office under due approval of Zonal Manager.

13. RIGHT OF ACCEPTANCE OR REJECTION THE BID:-

- a. Federation reserves its rights to amend, alter, modify or change any of the above terms and conditions and accept or reject any offer received from the buyer partly or fully without assigning any reason.

Jt.Managing Director