

## Forage Harvester Machine

### Terms and Conditions for executing Rent/Lease Agreement

BY AND BETWEEN

**PUNJAB AGRO INDUSTRIES CORPORATION LIMITED**, a company registered under the companies Act. 1956 and having its Registered office at plot no. 2A, Sector 28 A, Chandigarh (hereinafter referred to as the Service Provider or PAIC which term shall include its successors and assigns) of the One part (Service Provider)

AND

(2) \_\_\_\_\_, a private limited company registered under the Companies Act, and having its registered office at \_\_\_\_\_ (hereinafter referred to as client), through its, authorized signatory \_\_\_\_\_ (name & designation) which term shall include its successors and assigns of the second part (Client).

WHEREAS the client offered to take \_\_\_\_\_ or machine on rent for the purpose of harvesting the maize crop from the Service Provider.

1. The service Provider will provide services to M/s \_\_\_\_\_, during the period i.e. from \_\_\_\_\_ to \_\_\_\_\_.
2. The client has requested the Service Provider to place one New Holland Harvester FR500 in good condition to provide harvesting services uninterruptedly for the season starting from \_\_\_\_\_ to \_\_\_\_\_. The client hereby agrees to take forage Harvester machine FR500 on rent from the Service Provider for harvesting the maize crop @ Rs. \_\_\_\_\_ per acres (GST extra if applicable)
3. The Forage Harvester machine FR500 shall be rented out for the period upto \_\_\_\_\_ which may be renewed only after the mutual consent.
4. The Party hereby admits that the said Forage Harvester machine FR500 will be used within the radius of 50 KM of destination as agreed between the parties. If the harvester is moved to any other location the cost of movement and responsibility will be on the Client with the prior permission of the Service Provider.
5. Calculation of acreage will be done through the counter on the machine by both parties jointly and invoice will be raised accordingly.
6. The Client agrees to pay the bills within fifteen days of receipt of invoice from the Service Provider. In default of payment on due date, penal interest @ prime lending bank rates of SBI plus 1% on each installment due would be charged on the outstanding amount. Invoice will be raised on weekly basis.
7. Before the execution of this agreement, the client shall deposit an amount of Rs.10,00,000/- (Ten lakh) for each harvester as a security to the Service Provider, which will be refunded (without any interest) on expiry of the period of this agreement subject to clearance of all dues by the client.
8. However, the Client should have to pay the agreed rent of **minimum 250 acres @ Rs. \_\_\_\_\_** per acre to the Service Provider. In case the machine is not able to work for minimum of 250 acres due to any major breakdown, the client will not be responsible for minimum 250 acres rent and minimum rent will be charged on Pro-rata basis in that case, provided the client has intimated Service Provider, in writing, well in time.

9. The Service Provider agreed to provide one driver- cum-operator and one helper for the machine on its own expenses. However, charges for accommodation and food to the operator and helper has to be borne by the client including their travelling expenses etc. Travelling expenses, if any involved other than for the said purpose will be borne the by Operator/Helper themself.
10. To and Fro Transportation charges i.e both from Service Provider to the Destination and back from Destination to PAIC will be borne by client.
11. The cost of fuel, lubricants & minor repairs, if any, will be borne by client. The Service Provider undertakes to be responsible for major repairs, service defects the smooth running of Forage Harvester machine. However minor/routine repair and maintenance of the machine has to be carried out by the client at its own cost for smooth operations.
12. The Service Provider has to ensure timely delivery of services relating to the harvesting as per the requirements of the client. If there is any reason, the Service Provider will not be able to provide harvesting services due to any break down or repair, it should inform the client promptly and due to this interruption, the client will not be entitled for any claim (money) for this period which is beyond the control of Service Provider.
13. Client will ensure soil is not wet & crop is not dry totally i.e the harvester should be operated under standard conditions. The client shall take reasonable steps to ensure that the farmer stops irrigating the field at least 3(three) days before the scheduled date of harvesting.
14. The client will make the necessary arrangements for proper parking and security of the harvester and also make the arrangements for accommodation for the staff of the Service Provider. Service Provider should take appropriate Insurance for the Machine as well as Operator and Helper to cover for the losses/damages/injury to person deployed by Service Provider.
15. The Client admits that the Service Provider is the sole owner of the said Forage Harvester machine. No right, title or interest in the Forage Harvester Machine shall pass to the Client by virtue of this present rental agreement. Forage Harvester machine shall remain the property of the Service Provider and the client undertakes not to sell, assign, sub-let, sub-lease, pledge or hypothecate or otherwise encumber or suffer lien upon or against any interest in rented-out Forage Harvester machine or in this agreement. The Client further undertakes not to use Forage Harvester Machine except with the prior written consent of the Service Provider and further undertakes not to allow any third person to use as the licensee or otherwise the said Forage Harvester machine without the written consent of the Service Provider.
16. Upon expiry of the period of the agreement or in case of default on termination of the rent deed by the Service Provider, the Client undertakes to deliver up possession of Forage Harvester Machine to the Service Provider at specified storage place intimated by the Service Provider at the cost and expense of the Client and in good and working condition.
17. In the event of any default in payment of any rental or breach of any of the terms and conditions hereof on the part of Client, the Service Provider would be entitled to possession of Forage Harvester Machine and take such action as are permissible in law for recovery of the dues in accordance with Indian law.
18. If the maize planted under the Client for harvesting is lost due to any natural disaster and party informed the Service Provider atleast 15 days prior to the dispatch of

harvester machine, the agreement stands terminated without any dispute. A complete refund will be done by Service Provider like advance/deposited. If any delay occurs on the part of Client, the security deposited by him will be forfeited.

19. All disputes and differences, claims and questions whatsoever which could arise either during the subsistence of this agreement or afterwards between parties shall be referred to sole Arbitrator to be appointed by the Managing Director of PAIC and shall be subject to the jurisdiction of the High Court, Punjab and Haryana, Chandigarh. Such Arbitration shall be in accordance with and subject to the provisions of the Arbitration and Conciliation Act, 1996 or any statutory modification thereof for the time being in force. The Venue of Arbitration will be in Chandigarh.