

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

**Agreement between the Department of Agriculture and the Selected Kisan Drone Manufacturer under FM Schemes for the year 2023-24.**

**AGREEMENT**

This agreement is entered on this day .....the..... of (month) of **2023-24** (Year) between the **Department of Agriculture** having its Office at Chuttugunta Circle, Adjacent to Rythu Bazar, Guntur, to enter into the agreement

and

..... Manufacturer of Kisan Drone / its  
Selected dealers .....represented by  
its  
Sri ..... S/o ..... aged .....  
years, herein after called Kisan Drone Manufacturer towards the implementation of Farm Mechanization Scheme during the year 2023-24.

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

- i. Shall furnish the **Self Declaration in separate sheets** on
  - The turnover of the firm last three financial years
  - The firm is not blacklisted under any State or Central Government schemes anywhere in the Country.

- The firm has the necessary infrastructure and required technical manpower to manufacture the products mapped during the registration
  - The firm has the number of employees registered under the EPF scheme and ESI scheme and their EPF and ESI deductions are remitted to the account regularly.
  - The Manufacturing unit has the required valid powersupply for operating the unit
  - Required number of spares will be kept with the service centers
  - The firm that they shall not join in a syndicate and mention the price
  - Shall supply only the base models and variants which were issued DGCA type certificate.
  - Shall not raise bills for the existing machinery with the farmer. Shall not exchange with existing machinery
  - Shall emboss/ engrave with the marking “Machinery supplied under SMAM Assistance from DOA during 2023-24”
  - Self-declaration for import items as per proforma enclosed (Annexure 1).
- ii. The inclusion of new dealers shall be made only after the intimation to the Department and shall transact business through that dealer after obtaining approval from the Department.
  - iii. To establish the service centers in the areas of operation to assist the beneficiaries and to provide onsite & offsite assistance and undertake repairs if any at the earliest possible (less than 48 Hours).
  - iv. The firm shall write a letter to the department before the inclusion of any new variants/new machinery after the selection is made within the financial year.
  - v. The manufacturer shall agree to send the invoices claimed by the dealer/manufacturer to the Sales Tax department for cross-verification on tax payment/input claimed as and when required.
  - vi. Manufacturer should furnish the MRP (inclusive of taxes, and transportation) of the Kisan drone along with accessories to be supplied under the various Farm Mechanization subsidy schemes. A hard copy along with prices mentioned in the prevailing market is to be furnished along with this agreement. No escalation of MRP is allowed after entering into the agreement, but MRP can be reduced at any time during the year. Further, the rates quoted by the Firm/Dealer shall not be more than the prevailing market price of the same or similar equipment within or outside the State. If the contrary is proved, Dept will initiate action for blacklisting the Firm/Dealer duly following the procedure.
  - vii. The Manufacturer should furnish the User manual and the Brochure/ leaflet to the customer who purchases the machinery. Details of the coverage of the Warranty period with a Date stamp is to be given to the customer at the time of delivery. Details of the service centers available nearby to customers should be intimated to the customer.
  - viii. Manufacturer/dealer shall complete the process of registration with the

concerned department for Agriculture Drone where ever applicable with the cost to be borne by the farmer group. GPS-enabled device cost is to be borne by the manufacturer only.

- ix. The manufacturer shall agree that in case of non-fulfillment of the obligation of supply of Implements/equipment, as per beneficiary choice and as per the orders / Specifications/quality, shall allow the farmer group to buy from another manufacturing firm. The expenditure incurred/claimed by the group for travel has to be borne by the manufacturer who failed to supply.
- x. The agreement is valid up to 31-05-2024 as per the orders of the department issued from time to time.
- xi. The beneficiary shall place orders on the Manufacturer or its dealer. The Manufacturer/ dealer has to ensure the supply of the same immediately or within 10 days from the date of receipt of the order for the machinery unless mutually accepted in writing by the beneficiary and also for the delay in receipt of Kisan drones.
- xii. The Department can take up verification on price, and quality from time to time in the interest of the farming community through 3rd party firm members in squads.
- xiii. In the event of any failure to supply the indented quantity on time or in the event of the Kisan drone failing to supply which conforms to the specifications, the department has the right to prosecute and take appropriate action, besides initiating suitable legal action.
- xiv. The Manufacturer/ dealer shall not deliver the implements/equipment without a valid purchase order from the beneficiary.
- xv. All the manufacturers of Kisan drones must engrave/ emboss the information "supplied under the SMAM subsidy scheme of Dept. of Agriculture".
- xvi. As per DBT method, beneficiary Groups have to purchase/procure machinery by paying full cost of the agril drone and subsidy will be transferred to beneficiary group accounts after the grounding of the unit.
- xvii. Since, Govt already made tie-up arrangements for the sanction of bank loan to the farmer group for 50% of unit cost, to reduce the burden on the farmer group as below
  - Purchase/procurement of machinery by the farmer group with payment of 50% of machinery cost to the supplier along with purchase order. Cash transactions should not be accepted by dealers/ manufacturers
  - Payment of the balance 50% of the machinery cost to the supplier by the APCOB/DCCB / any nationalized banks after delivery of the machinery and confirmation of the Department of Agriculture.
  - Transfer of Subsidy (up to 40%) to beneficiary group bank account

- by the State Govt on the processing of subsidy claim.
- xviii. Subsidy amount shall be released to farmers group accounts from O/o Commissioner of Agriculture as detailed in Guidelines.
  - xix. In case of any disputes/differences arising out of the agreement the parties should attempt to settle the dispute through mutual and amicable discussions. If the dispute is not settled through such discussions, the matter shall be referred/settled as per Arbitration & Conciliation Act.1996.
  - xx. Any notice or communication or letter addressed to the addressee of either party mentioned in this agreement is deemed to be sufficient notice for all purposes of this Agreement.
  - xxi. The place where this agreement is implemented, it is mutually undertaken and agreed by and between the parties and this agreement shall be deemed to have been entered by the parties concerned at the Courts of law situated at Guntur only shall have the jurisdiction to entertain the said litigation arising out of this Agreement.

**Punitive Actions:**

1. Punitive action includes but not limited to a warning, a penalty by the Spl Commissioner of Agriculture, AP, forfeiting of bank guarantee, black listing and legal action depending on the gravity of the fault/offence, any one or more than one punitive action may be imposed at a time.
2. Under following circumstances punitive actions will be imposed.
  - a. If the Drone supplied by the manufacturer or supplier does not match Type Certified by the DGCA or Quality Council of India
  - b. In case of detection of failures or supply of poor quality Drone and its attachments, the concerned firm will be issued warning for the first offence. In case of subsequent offences, the Firm will be de-empaneled and restricted from participating in any Scheme throughout the state in addition to invoking of bank guarantee. In addition, the manufacturer has to pay back entire amount to the buyer.
  - c. If the Manufactures fail to provide free services during the warranty period as finalized by the SLTC, appropriate action will be taken against them, including and not limited to forfeiting of bank guarantee/ security deposits and blacklisting.
  - d. If false documents are found to be submitted at the time of empanelling, the empanelment of such firms will be

cancelled, blacklisted and their bank guarantee will be forfeited.

- e. If the Manufacturer/Supplier is found supplying the same Model of Kisan Drone at a lower price than the quoted price in this empanelment in any other Schemes/Department or in open market.
  - f. The Manufacturer/ Supplier should not have been blacklisted before or adversely mentioned by any Government Department. Such empanelled firm will be blacklisted.
3. In case of default by the Manufacturer/ Supplier, the Security Bank Guarantee submitted by them will be forfeited to the Government and the firm will be blacklisted. For any lapse by the authorized entity in any matter from the firm, the firm is liable for penalty and further legal action including but not limited to forfeiting of bank guarantee/ security deposits or blacklisting.
4. The Government of Andhra Pradesh or Department of Agriculture may on their own or through their Authorized Entity may hold a Third-Party Inspection of the Drone Supplied. If the Drones supplied does not comply with Type Certified by the DGCA, then the Manufactures liable for penalty and further legal action including but not limited to forfeiting of bank guarantee/ security deposits or blacklisting.

Encl : Annexure 1 for importers or assembled with imported items

Department

On Behalf of the firm

Signature of the  
authorized person:

Signature of the  
authorized person

WITNESSES

1.

2.

**Annexure 1**

**SELF AFIDAVIT- DECLARATION CUM CONFIRMATION OF PRODUCTS /EQUIPMENT OFFERED ON IMPORT**

A) I, Mr. ....Proprietor/  
Managing Partner/ authorized person representing  
M/s .....to deal with  
all types of contracts, tenders, and conclusion of agreements and deal with all legal  
aspects of our Firm / Ltd Company / Corporate Company, located, Head/branch office  
at ..... (Place with full address ) do hereby  
declare that We import and deal, market the following equipment in the Indian market  
with various Departments and Agencies. We import the equipment as total with  
prime movers, and we do not modify/alter equipment in any form manufactured by  
the original manufacturer in the brand name of the Principle manufacturer. The  
equipment offered by us is manufactured by M/s -----originated  
in .....( Country ) and confirmation letter from the  
manufacturer authoring us to deal the products in India and the certificate of Origin  
issued by Chamber of Commerce and Industry of the originated country in evidence of  
import is also submitted herewith for record and verification.

B) Further we declare that we manufacture /assemble and offered the Kisan  
drone/equipment in our offer letter dt .....are fully made in India at our  
factory located at ..... The Prime movers used for the  
equipment are imported directly by us and the Origin of the country is .....  
and at any point, the parts required for manufacturing /assembling the equipment in  
full or partly including the Engines are not imported from China, Mainland and used by  
us at any point of time. In case the Department found that equipment is imported fully  
or partly from China and that our declaration is found to fall, our company can be  
Blacklisted for a period of SIX years and initiate any legal action on me / our  
company and prosecute criminal action as per law.

WE / I made this declaration on this ..... day ..... Month ..... Year and take an  
oath that the information submitted by us / me and signed by me is true to all my  
best

SIGNED IN PRESENCE OF ME

(Signature)

ATTESTED BY NOTARY