

AGREEMENT

FOR THE SALE OF BIO-MASS RESIDUE

BETWEEN

THE BIO-MASS RESIDUE PURCHASER

AND

THE FARMER

AGREEMENT

This AGREEMENT made this day of

.....

BETWEEN

_____, a company incorporated under the Companies Act 1956/2013, and having its registered office at _____

represented by _____ (hereinafter referred to as the company, which expression shall include its successors and assignees of the one part)

AND

..... S/O agedyears, residing at

.....

..... hereinafter referred to as the FARMER (Farmers' Group/ Farmers' Cooperative Body. Panchayat) (the expression farmer shall include his/her legal heirs, representatives, successors, testators, administrators assignees of the other part):

WHEREAS the Company is mainly engaged in the producing/generating bio mass energy and for this purpose, has its production units/ facilities at _____

and was on the lookout for suitable farmers who would be willing to provide biomass residue by entering into a long term arrangement with the Company and also by undertaking to sell their contracted bio mass residue to the Company.

AND WHEREAS the Farmer is owning and/or in possession of agricultural land measuring _____ acres, which yields biomass residue, which is required by the Company for generation of bio mass energy, compressed biogas, pellets, briquettes, etc. and accordingly, the company is desirous of entering into an agreement with the Farmer for purchasing the biomass residue as per the agreed specifications, on mutually acceptable terms and conditions and accordingly this agreement is entered into between the parties.

AND WHEREAS, both the parties, after understanding the requirements of each other have agreed to the terms set out below.

NOW THIS AGREEMENT BETWEEN THE PARTIES WITNESSETH AS FOLLOWS:

1. Both the parties have agreed upon the specification of the biomass residue, upon the basis of which, both the parties have mutually decided upon the rate of the biomass residue in terms of per kilogram.
2. The Farmer has agreed to sell the bio mass residue on his agricultural land measuring _____ acre at the rate of _____, in a year, to the Company.
3. The Company undertakes to buy the entire contracted biomass residue from the farmer during the period of the agreement.
4. The parties have agreed that it shall be the responsibility of the Company to collect the bio mass residue from the land of the Farmer at its costs within a mutually agreed time period immediately post harvest. The company shall be responsible to make the necessary arrangement with regard to equipment and infrastructure in this regard, without impinging the agricultural land of the farmer in any manner.
5. That the Company shall not dispute with regard to the quality of the bio mass residue, once the rates have been fixed between the parties with regard to sale/purchase of biomass residue.
6. The Company shall have the right to inspect the land and shall provide necessary instructions/guidance to the farmer in all matters connected with the biomass residue to be purchased by the Company under this agreement. However, it is clarified that the company shall have no interference with regard to the agriculture activities /practices being followed by the farmer for cultivation of crops. The cultivation and the processes/methodologies attached to it shall be the sole prerogative of the farmer.
7. The company shall make all the Payments to the farmer for purchase of biomass residue in pursuance to the terms of this agreement, by way of Demand Draft/ crossed cheque/ bank transfer on immediate /daily/weekly/monthly basis.
8. This agreement will be valid and in force for a period of five years from the date first above mentioned herein above but however, both the

parties with mutual consent in writing will be at liberty to extend the same for further periods as may be thought fit and proper upon the same terms and conditions agreed upon herein.

9. This agreement is being entered into in mutual trust and confidence and both the parties to this agreement agree to faithfully discharge the obligations and duties contained herein keeping in view the fact that the bio mass residue is basically meant for producing/generating bio mass energy, compressed biogas, pellets, briquettes, etc. and that maintaining quality is prima facie and essential condition.
10. Neither of the parties to this agreement shall be held liable/responsible for fulfilling any of their obligations/duties contained herein if they are attributable to normal force majeure circumstances which are beyond the reasonable control of either of the parties.
11. All disputes of differences arising under this agreement will be settled mutually in an amicable manner by both the parties failing which the matter will be referred to arbitration and in such an event the provisions of Arbitration and Conciliation Act, 1996 shall apply.
12. This agreement will be subject to the jurisdiction of competent courts at_____.

IN WITNESS WHEREOF both the parties have affixed their seal/signature on the day..... month..... and the year..... in the presence of following witnesses.

COMPANY

FARMER

WITNESS:

WITNESS

Sarpanch

WITNESS

Member Panchayat

WITNESS

Nambardar