



**THE RAJASTHAN SMALL INDUSTRIES CORPORATION LTD.**  
**UDYOG BHAWAN, TILAK MARG, C-SCHEME,**  
**JAIPUR-302005**

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**No. RSIC/ I & S./ F-17/2010-11/**

**DATE: JANUARY,2011**

**NOTICE FOR EXECUTING MoU WITH IRON & STEEL REGISTERED CONSUMING UNITS FOR THE YEAR 2011-12**

IRON & STEEL REGISTERED SSI UNITS OF THE YEAR 2011-12 MAY ENTER INTO AN MEMORANDUM OF UNDERSTANDING WITH THE CORPORATION FOR LIFTING OF IRON & STEEL MATERIAL DURING THE YEAR 2011-12. THE MOU WITH THE FOLLOWING TERMS AND CONDITIONS MAY BE EXECUTED ON NON JUDICIAL STAMP PAPER UPTO .....

**SSIC REBATE**

AS PER FOLLOWING SLAB SYSTEM SSIC REBATE RECEIVED BY THE CORPORATION WILL BE PASS ON TO THE UNITS UNDER MOU WITH THE RSIC AND BALANCE AFTER COMPLETION OF MOU SUCCESSFULLY AT THE END OF FINANCIAL YEAR.

PROPOSED QTY. FOR MOU	TOTAL REBATE ALLOWED	REBATE AT INVOICE STAGE	BALANCE AFTER COMPLETION OF MOU SUCCESSFULLY AT THE END OF FINANCIAL YEAR.
1.	2.	3.	4.
1000 TO 3000 MT	Rs. 200/- PER MT	100	100
3001 TO 5000 MT	Rs. 300/- PER MT	150	150
5001 AND ABOVE	Rs. 375/- PER MT.	200	175

NOTE: IF SSI UNITS FAILS TO COMPLETE MOU NO SSIC REBATE OTHER THEN AT MENTIONED IN COLUMN 3 WILL BE PAYABLE.

ON NON JUDICIAL STAMP PAPER OF RS. 100/-

**MEMORANDUM OF UNDERSTANDING**

This Memorandum of Understanding is made on this the .....day of .....at Jaipur between The Rajasthan Small Industries Corporation Limited ( A Government of Rajasthan Concern), Udyog Bhawan, Tilak Marg, C- Scheme, Jaipur through its Company Secretary, Shri Ravi Agarwal ( hereinafter called the Corporation) which expression unless contrary to the context hereof, shall mean and include its successors, representative and permitted assign of the one part and M/s.

.....  
.....  
THROUGH ITS PROP / DIRECTOR  
/PARTNER.....SHRI  
.....

(HEREINAFTER CALL THE UNIT) WHICH EXPRESSION SHALL MEAN AND INCLUDE ITS REPRESENTATIVE, SUCCESSORS AND ASSIGNS ON THE OTHER PART.

WHEREAS THE UNIT IS REGISTERED AS A SMALL SCALE INDUSTRY VIDE REGISTRATION No.....

DATE ..... OF M/S. .... AT DISTRICT ..... INDUSTRIES CENTER.....DISTRICT.....OF DEPARTMENT OF INDUSTRIES GOVERNMENT OF RAJASTHAN AND IS WORKING AT .....AND THEREFORE, WISHES TO PURCHASE.....

FROM THE CORPORATION AS ACTUAL USER, UNIT HAS TO PRODUCE ENTREPRENEUR MEMO (EM) FROM THE CONCERNED DIC UNDER MSME ACT, 2006 WITHIN 15 DAYS.

**NOW THIS MEMORANDUM OF UNDERSTANDING WITNESSES AS**

1. THE MAIN OBJECTIVE OF ENTERING INTO THIS MEMORANDUM OF UNDERSTANDING IS TO BUILD UP AS DEDICATED CLIENTELE WITH CONSISTENT OFF-TAKE DURING THE YEAR.
2. THAT THE PERIOD OF THIS MEMORANDUM OF UNDERSTANDING IS FROM..... TO 31.03.2012 UNLESS IT IS MUTUALLY EXTENDED BY THE CONSENT OF BOTH THE PARTIES.
3. THE UNIT HAS AGREED TO PURCHASE.....MT.....(NAME OF ITEM) FROM THE CORPORATION. THE SAID ITEMS..... WOULD BE THOSE MANUFACTURED AND SUPPLIED BY PRODUCERS SAIL/RINL TO THE CORPORATION. FOR THIS AGREED QUANTITY SSIC REBATE RS. .... PER MT WILL BE PASS ON AND GIVEN TO THE UNIT. IF MATERIAL IS LIFTED ABOVE THE COMMITTED MoU QUANTITY SSIC REBATE WILL ALSO BE GIVEN ON THE QUANTITY LIFTED IN EXCESS.
4. OUT OF THE EXISTING JPC/SSIC REBATE OF THE RS. 550/- PER M.T. THE CORPORATION SHALL PASS ON TO THE MANUFACTURER RS. .... PER M.T. KEEPING THE BALANCE WITH IT TO MEET THE ADMINISTRATIVE EXPENSES. THE JPC/ SSIC REBATE OF RS. .... PER M.T. SHALL BE PASSED ON TO THE MANUFACTURER IN THE FOLLOWING MANNER.
  - (a) RS. .... PER M.T. AT THE INVOICE STAGE IF THE SAIL ALLOWS THE JPC REBATE AT INVOICE STAGE OTHERWISE IT WILL BE PAID AFTER IT IS RECEIVED FROM SAIL WITHIN 15 DAYS OF ITS RECEIPT.
  - (b) RS. .... PER M.T. AFTER LIFTING THE ENTIRE CONTRACTED QUANTITY WITHIN THE PRESCRIBED PERIOD WITHIN SUCH EXTENDED PERIOD AS MUTUALLY AGREED UPON BETWEEN BOTH THE PARTIES, THE AMOUNT WILL BE PAYABLE BY THE CORPORATION AFTER RECEIPT OF THE AMOUNT FROM SAIL
5. THE DELIVERY OF THE MATERIAL SHALL BE TAKEN BY THE UNIT, FROM JAIPUR / KOTA SAIL YARD AND / RINL STOCK YARD, JAIPUR.

6. IN CASE OF DIRECT DISPATCH / DELIVERY FROM MAIN PRODUCER PLANT OR RAILWAY SIDING KANAKPURA, JAIPUR / KOTA THE MATERIAL SHALL BE TAKEN BY THE UNIT AT ITS OWN COST I.E. UNLOADING FROM WAGONS AND LOADING ON TRUCKS, OPERATION CHARGES ETC. INCLUDING RAILWAY FREIGHT, WHARFAGE, DEMURRAGE AND ANY OTHER CHARGES ETC. WILL BE BORNE AND PAID BY THE MOU UNITS UNDER DISPATCH INTIMATION TO RR BASIS. ALL THE DOCUMENTS RELATED TO DIRECT DISPATCH MATERIAL WILL BE PROVIDED TO THE UNITS BY THE CORPORATION ONLY AFTER RECEIPT FROM THE MAIN PRODUCER.

IN CASE OF DIRECT DISPATCH THROUGH ROAD UNIT WILL PROVIDE COPY OF PLANT RECEIPT INVOICE, CHALLAN, GTR INTER STATE TAXATION / VAT FORM ETC. WITHIN 24 HOURS FROM THE RECEIPT OF THE MATERIAL TO THE CORPORATION..

7. IN CASE THE UNIT FAILS TO LIFT THE MATERIAL OFFERED TO IT BY THE CORPORATION OR FAILS TO LIFT ANY PART OF THE QUANTITY OFFERED BY THE CORPORATION, THE UNLIFTED QUANTITY WILL BE TREATED AS SERVED AND ACCORDINGLY IT WOULD BE TREATED AS LAPSED IRRESPECTIVE WHETHER THE OFFERED QUANTITY WAS AS PER THE SIZE, SECTION AND GRADE REGISTERED BY THE UNIT.
8. ANY LIABILITY ON ACCOUNT OF WHARFAGE / DEMURRAGE / DETENTION CHARGED ETC. TO THE RAILWAY / ROAD TRANSPORT BECAUSE OF THE DELIVERY UNLOADING OF MATERIAL OR REMOVING THE SAME ETC. FROM THE RAILWAY SIDING WILL BE THAT OF THE UNIT.
9. THAT THE RATE OF THE MATERIAL WOULD BE SAME WHICH SAIL RINL SUPPLIES THE MATERIAL TO THE CORPORATION AT ITS STOCK YARDS / PLANTS AND ANY INCREASE OR DECREASE IN PRICES OR IN STATUTORY DUTIES AND LEVIES I.E. EXCISE, SALES TAX, OCTROI AND RAILWAY FREIGHT, VAT ETC. AS APPLICABLE WOULD BE PAYABLE BY THE UNIT.
10. IF THE CORPORATION IS UNABLE TO SUPPLY THE COMPLETE ASSURED QUANTITY WITHIN THE SPECIFIED PERIOD OF THE CONTRACT BECAUSE OF SAIL / RINL FAILURE OR ANY OTHER CIRCUMSTANCES BEYOND THE CONTROL OF THE CORPORATION OR ANY GROUND OR OTHERWISE THE UNIT HAVE NO RIGHT TO CLAIM COMPENSATION ON ANY GROUND WHATSOEVER FROM THE CORPORATION AND THE CORPORATION SHALL NOT BE HELD LIABLE IN THIS REGARD INCLUDING NON SUPPLY OR SHORT SUPPLY.
11. IN CASE OF A QUALITY DEFECT DETECTABLE MERELY ON PHYSICAL INSPECTION THE SAME MAY BE REPORTED WITH SEVEN DAYS OF RECEIPT OF THE MATERIAL FROM SAIL / RINL OR AS PER NORMS / DEAD LINE PRESCRIBED BY SAIL / RINL. WHICHEVER IS EARLIER. BUT BEFORE LIFTING THE SAME IF SUCH DEFECT IS BECAUSE OF DAMAGE CAUSED DUE TO MISHANDLING OF THE MATERIAL BY RAILWAY / ROAD TRANSPORTER, THEN A CLAIM BE LODGED WITH RAILWAY / ROAD TRANSPORTER. THE CORPORATION SHALL NOT BE RESPONSIBLE FOR ANY LOSS / DAMAGE CAUSED TO THE GOODS IN TRANSIT OR OTHERWISE.
12. BENEFITS RECEIVED FROM SAIL / RINL LIKE TURNOVER DISCOUNT, CONSISTENCY DISCOUNT SHALL ALSO BE PASSED ON TO THE MOU SSI UNITS AND CREDITED TO THE ACCOUNTS OF THE UNITS AT THE EXPIRY OF THE FINANCIAL YEAR AND PAYABLE ONLY AFTER SUCCESSFUL COMPLETION OF MEMORANDUM OF UNDERSTANDING WHO HAVE

ENTERED INTO THIS AGREEMENT WITH THE CORPORATION. I.F.C. WILL BE PAYABLE TO ALL THE M.O.U. UNITS WHO HAVE ENTERED INTO THIS AGREEMENT, AS AND WHEN IT IS RECEIVED FROM SAIL/RINL.

13. THE UNIT SHALL NOT BE ENTITLED TO ANY BENEFITS LIKE SSIC SLAB REBATE, TOD, IFC, CONSISTENCY DISCOUNT ETC. IF THE MATERIAL PURCHASED BY UNIT IS SOLD IN THE OPEN MARKET AS A TRADE INSTEAD OF USING THE SAME AS ACTUAL USER.
14. THE CORPORATION WILL ISSUE RELEASE ADVISE IN FAVOUR OF THE UNIT AND ISSUE THE DELIVERY CHALLANS AFTER RECEIPT OF PAYMENT FROM THE UNIT EITHER BY DD / PAY ORDER/RTGS. IN CASE OF CHEQUES THE DELIVERY OF GOODS / RELEASE ORDER SHALL BE GIVEN AFTER ENCASHMENT OF CHEQUES AND THE CHEQUE IN FAVOUR OF SAIL / RINL WILL BE GIVEN NEXT DAY.
15. IF THE UNIT LIFTS MATERIAL MORE THAN THE COMMITTED QUANTITY, TOD WILL BE PERMITTED ON ACTUAL QUANTITY LIFTED BY THE UNIT ONLY AFTER RECEIPT OF TOD FROM SAIL / RINL.
16. THE UNIT WOULD BE ENTITLED TO TOD AT THE SAME RATE AT WHICH IT WOULD HAVE OBTAINED TOD FROM SAIL / RINL HAD THE UNIT ENTERED INTO AN MoU FOR FLAT / LONG PRODUCTS WITH SAIL / RINL ON ITS OWN STRENGTH FOR PURCHASE OF AGREED QUANTITY.
17. QUANTITY OF SUPPLY IN A MONTH WILL NORMALLY BE RECKONED WITH REFERENCE TO RRS/ CHALLAN RAISED DURING THE MONTH OF DIRECT DISPATCH / STOCKYARD DELIVERIES RESPECTIVELY AND APPLICABLE BENEFITS SHALL BE PAID ACCORDINGLY. IN CASE OF DIRECT DISPATCH BY ROAD, DATE OF PLANT INVOICE WOULD BE RECKONED AS THE DATE OF DISPATCH.
18. IN CASE RSIC IS NOT ABLE “ SUPPLY MATERIAL AGAINST ACCEPTED ORDERS OF THE UNIT DURING MARCH,2012 THE BACKLOG AS ON 01.04.2012 MAY BE CONSIDERED BY RSIC FOR SERVICING TILL 30.04.2012”. THE PRICE APPLICABLE SHALL BE PRICED PREVAILING ON THE DATE OF CHALLAN FOR STOCKYARD DELIVERY. SUCH QUANTITY AGAINST BACKLOGS WOULD BE DEEMED TO HAVE BEEN SUPPLIED AGAINST MEMORANDUM OF UNDERSTANDING FOR THE YEAR 2011-12 AND ASSOCIATED BENEFITS WOULD BE PASSED ON ACCORDINGLY.
19. IN CASE OF LIFTING LESS THAN AGREED/ COMMITTED QUANTITY, THE UNIT WILL NOT BE ENTITLED TO TOD, CONSISTENCY DISCOUNT, SSIC SLAB REBATE ETC. AS MENTIONED ABOVE, UNITS ARE ENTITLED TO GET THESE BENEFITS ONLY AFTER SUCCESSFUL COMPLETION OF THE MEMORANDUM OF UNDERSTANDING AT THE END OF THE FINANCIAL YEAR.
20. THE UNIT WILL MAINTAIN CONSISTENCY IN LIFTING MATERIAL BY PURCHASING AT LEAST MINIMUM 20% OF AGREED QUANTITY IN EVERY QUARTER AND THEREAFTER AT LEAST 5% OF AGREED QUANTITY IN EACH MONTH.
21. IF ACTUAL LIFTING DURING THE SIX MONTH FALLS BELOW 40% OF THE AGREED QUANTITY, THE CORPORATION MAY TREAT THE MEMORANDUM OF UNDERSTANDING TERMINATE.
22. IN CASE OF ANY BREACH OF CONTRACT CONDITIONS / ANY SUCH ACT OF THE UNIT BY WHICH THE CORPORATION LOSSES ITS GOODWILL / REVENUE, IT WILL BE RECOVERABLE

/ COMPENSATIABLE FROM THE UNIT BY THE CORPORATION FROM THE BENEFITS PAYABLE UNDER THIS MoU.

- 23. DISTRIBUTION POLICY FOR THE YEAR 2011-12 WILL ALSO BE PART OF THIS MoU.
  
- 24. IN CASE OF ANY DISPUTE IN RELATION TO THIS CONTRACT, INTERPRETATION ON ANY MATTER INCIDENTAL TO THIS CONTRACT, THE SAME SHALL AFTER A WRITTEN NOTICE BY EITHER PARTY OF CONTRACT TO THE OTHER PARTY OF CONTRACT SHALL BE REFERRED TO ARBITRATION BY THE SOLE ARBITRATOR. THE CMDS/MD OF THE CORPORATION OR HIS NOMINEE WILL ACT AS THE SOLE ARBITRATOR AND HIS / HER DECISION WILL BE BINDING ON THE PARTIES. THE PARTIES HAVE AGREED TO THIS KNOWING FULLY THAT THE CMD/ MD IS INTERESTED IN THE AFFAIRS OF THE CORPORATION.

FOR .....  
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FOR

WITNESS

WITNESS

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