



GENUS BREEDING INDIA PRIVATE LIMITED

DISTRIBUTOR AGREEMENT

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Registered Office : 4th floor, Krishna Chambers,
Pashan-Sus Road, Pashan, Pune 411045

DISTRIBUTOR AGREEMENT

MEMORANDUM OF AGREEMENT entered at Pune this _____ day of _____ 20____.

BETWEEN

GENUS BREEDING INDIA PRIVATE LIMITED, a company incorporated under the Companies Act, 1956 having its registered office at 4th floor, Krishna Chambers, Pashan-Sus Road, Pashan, Pune 411045 (hereinafter referred to as "**Genus India**", which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns);

AND

M/s _____

represented by its Sole Proprietor / duly Authorised Managing **Partner**,

Mr./ Ms. _____

S/o / D/o / W/o Mr. _____ **Indian in habitant, aged** _____ **years,**

having a permanent address at _____

and presently residing at _____

having **Trading Business** (hereinafter called "DISTRIBUTOR" which expression shall mean and include heirs, executors, administrators and legal representatives of the sole proprietor) of the Other Part.

WHEREAS

1. Genus India is a wholly owned subsidiary of Genus Investments Ltd. and is engaged in the business of [];
2. Genus India appoints DISTRIBUTORS for sale of the products through Whole Sale outlets.
3. The party of the Other Part is a merchant/trader with familiarization, experience in business with sound financial background.
4. The other party had approached Genus India for the appointment as the DISTRIBUTOR to purchase and distribute the products on a whole sale basis.
5. Genus India has agreed to appoint the party of the Other Part as the DISTRIBUTOR to buy and distribute certain identified products on a whole sale basis on terms and conditions set out herein.

The DISTRIBUTOR is registered with the appropriate Sales Tax Authority at _____ Local Sales Tax Certificate No _____ dated _____.

TESTATUM

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. DISTRIBUTOR

That Genus India hereby appoints the party of the Other Part as the DISTRIBUTOR and the party of the Other Part agrees to act as the DISTRIBUTOR of Genus India and for the products or class of products of Genus India as set out in the schedule hereunder (referred to as the Products/Goods) on the terms and conditions stipulated hereunder. It is being understood between parties that Genus India retains the right to add to or remove specified products from the products listed in the said schedule.

2. Basis of the Agreement

The relationship between the parties shall be that of seller and buyer and not that of principle and agent and the transaction is on principle to principle basis notwithstanding anything to the contrary that may be contained in this agreement or any correspondence or letters between the parties hereto. Accordingly the DISTRIBUTOR shall at no point hold himself out as an agent of Genus India and Genus India shall not be responsible for any act omission or commission on the part of the DISTRIBUTOR.

3. Right to appoint other DISTRIBUTOR

Genus India shall have the right

- (i) To appoint other DISTRIBUTORS in respect of all or any of the Products in the town in which the DISTRIBUTOR is situated and operated as Genus India may deem expedient and necessary.
- (ii) To sell all or any of the Products to any other persons at any time in the said town to whom Genus India wishes to sell.

4. Order placement/acceptance

4.1 The DISTRIBUTOR shall place the order with Genus India for supply of the products with remittance as provided in clause 8 herein.

4.2 The quantity ordered for each individual line shall be in multiples of standard pack size of such product which is considered reasonable.

4.3 Receipt by Genus India of remittance against an order shall neither imply acceptance of such order nor shall it imply Genus India has agreed to sell the Products at a price other than the price ruling on the date of dispatch by Genus India.

4.4 All orders for the Products so placed by the DISTRIBUTOR with Genus India shall be subject to acceptance by Genus India. If an order is accepted, Genus India may deliver the Products by such mode of transport, at such times, in such convenient lots and quantities, as Genus India shall in its discretion decide. Genus India shall be entitled at any time after acceptance of an order to cancel the same in whole or in part even though it shall have been partly executed. For this purpose, each lot dispatched against an order shall be deemed a separate contract and the failure of dispatch of one lot shall not vitiate or affect the contract as to other lots. The order shall be deemed to have been accepted by Genus India on the date of dispatch and only in respect of the goods actually dispatched.

5. Terms/Condition

Sales by Genus India of the Products to the DISTRIBUTOR shall be subject to the conditions of this Agreement and also subject to such other terms as may be specified on Genus India's official order forms from time to time.

6. Sale price

6.1 The sale of products by Genus India to the DISTRIBUTOR shall be at the rates chargeable as per Genus India's price list on the date of dispatch.

6.2 Each lot dispatched against an order shall be invoiced at Genus India's prices to DISTRIBUTOR at the prices ruling on the date of dispatch which when so invoiced shall be binding on the DISTRIBUTOR without any previous notice in that regard. Genus India shall be entitled to vary the prices of the products at any time up to the date of dispatch.

7. Maximum Retail Price

Genus India shall be entitled to suggest Maximum Retail Price (MRP) in respect of the resale or disposal by the DISTRIBUTOR's of the stock of the Products supplied to the DISTRIBUTOR in orders placed by the DISTRIBUTOR. The DISTRIBUTOR shall not charge in excess of the MRP suggested by Genus India but he may at his discretion charge prices lower than the suggested MRP.

8. Payment

8.1 The sale of the goods by Genus India shall be on payment by RTGS/Demand Draft/cheque against supplies made as may be required by Genus India from time to time. The discretion of Genus India on choice of mode of payment shall be final and binding upon the DISTRIBUTOR.

8.2 Such payment against dispatch shall always be of essence to the transaction, which Genus India may accept to execute in whole or in part on receipt of the written or oral order of supply from the DISTRIBUTOR.

8.3 For the sake of administrative convenience, the DISTRIBUTOR may of his own accord and at his option keep with Genus India – duly signed, crossed 'account payee only' cheque drawn in the name of Genus Breeding India Private Limited, with the direction to Genus India to fill up the amount of the bill/invoice of the goods dispatched/received/and confirmed by the DISTRIBUTOR.

8.4 The signed cheques, until and unless contramanded, shall be deemed to constitute a representation and assurance on the part of the DISTRIBUTOR, to Genus India that the DISTRIBUTOR has sufficient funds with his banker to cover the amount of the cheque.

8.5 The DISTRIBUTOR shall keep with Genus India a continuing security deposit of **Rs. _____** (Rupees _____ only) against which the DISTRIBUTOR shall be paid interest @ 6.50% P.A. Such interest shall be paid to the DISTRIBUTOR once in a year. The security amount is refundable at the time of termination of agreement by either party.

9. Hold the goods in trust

If the DISTRIBUTOR pays the price of the goods by cheque, then the DISTRIBUTOR shall hold the goods or the value thereof in Trust for the benefit of Genus India until the full amount of the cheque is realized.

10. Lien on goods

Genus India shall have lien over the goods or the value thereof and /or any other goods/stocks and other materials which are in possession with the DISTRIBUTOR till the receipt of payment by Genus India.

11. Unpaid Cheque

Each sale to the DISTRIBUTOR shall be treated as a cash sale and in case the said cheque is not realized within their reasonable period or returned unpaid then the DISTRIBUTOR would replace the said cheque by RTGS /Demand Draft payment only within seven days of intimation from Genus India to the DISTRIBUTOR; failing which Genus India shall initiate legal action and also terminate this agreement if deem necessary by Genus India. In case the cheque issued by the DISTRIBUTOR is dishonoured except due to fault of Genus India, the charges for such dishonour shall be payable by the DISTRIBUTOR.

12. Dispatch

12.1 Goods will be dispatched by rail, road, and water, according to the availability and suitability of the mode of transport at Genus India's discretion. Dispatches by rails will be at railway risk. Dispatches by water where goods are sold at C.I.F. will be insured by Genus India's W.P.A. including risk of theft, pilferage and non-delivery. In every mode

of transport and notwithstanding the rail dispatches being at railway risk and dispatches at C.I.F., shall be insured by Genus India.

The risks of any loss or damage to or deterioration of the goods from whatever cause arising, occurring after the time of the dispatch thereof from Genus India's factory/depot/or C&FA Agents premises, shall be borne by the DISTRIBUTOR. This would include any loss, damage or quality deterioration suffered by the goods due to delay, default or neglect of the DISTRIBUTOR in accepting the goods upon delivery.

12.2 The date of dispatch will always deem to be the dates appearing on the carrier receipt issued to Genus India.

13. Delivery

13.1 Delivery under such contracts of sale by Genus India shall be deemed to be sufficient if Genus India sends to the DISTRIBUTOR railway receipt/ lorry receipt/ bill of lading / delivery order or other document entitling the DISTRIBUTOR to obtain delivery of the products. The date of delivery shall mean the date of dispatch as appearing on such railway/lorry receipt/ bill of lading / delivery order or such other document if that be the mode of delivery adopted in a particular case, or otherwise the actual date of delivery

13.2 Without prejudice to what is stated under the terms hereunder, where goods are dispatched by road through any transport undertaking other than that of the State Government or Local Authority, if the DISTRIBUTOR so desires, he may request Genus India to pursue any claim of the DISTRIBUTOR with the carrier arising out of losses or damage to the goods. If the Redistribution Stockist wishes to avail of the facility he shall make an endorsement after examining the goods to that effect in delivery challan within seven (7) days after the goods arrive at the destination.

14. Failure to take delivery

On the failure of the DISTRIBUTOR to take delivery within a reasonable period and pay for the goods dispatched or delivered by Genus India upon the terms and conditions of the contract of sale Genus India shall be entitled to sell or dispose of the goods on the account and risk of the DISTRIBUTOR in all respects either by public auction or by private bargain without notice to the DISTRIBUTOR.

15. Claim on quality

The DISTRIBUTOR shall not be entitled to make any claim for an allowance or otherwise in regard to the quality of the goods on the date of dispatch unless notice in writing of the DISTRIBUTOR to make such claim is given to Genus India within seven (7) days after the date the goods arrived at the destination. In default of such notice the goods sold hereunder shall be deemed in all respects to be in accordance with the contract.

16. DISTRIBUTOR service & support

The DISTRIBUTOR shall be primarily responsible for markets/territories covered by his operation in order to provide prompt, equitable and effective distribution services to the customers. Such services may also include his undertaking sales promotion window display, attending to trade complaints and other related activities and services as may be advised by Genus India from time to time on mutually agreed terms and conditions.

17. Business Promotion

In the terms of the present agreement the DISTRIBUTOR reiterates his commitment to work in promoting Genus India's business, brands, products and goodwill. In furtherance of the same the DISTRIBUTOR agrees to support and assist Genus India in the brand/product promotion exercises undertaken from time to time, through sales promotion exercises/schemes/ contests/ trade discounts/ and also upon Genus India instructions to build and/or maintain a prominent display of all brands of Genus India's products in his premises and in the markets covered by the DISTRIBUTOR.

18. Optimum level stocks

To ensure the availability of quality products at optimum levels in the market the parties agree that Genus India may from time to time suggest norms for damaged stock disposal, stock controls, and stock rotation which norms may be verified through a system of reporting as may be decided between the parties from time to time.

19. Information and records

The DISTRIBUTOR will faithfully and correctly, in specified formats, maintain and furnish all such information and data as may be required by Genus India from time to time in order to track sales, consumer demands/preferences, ascertain overall market positions, sales performance of Genus India's products and their potential etc. and would further help Genus India in formulating its overall sales and marketing policies. For the purpose of reconciliation of the purchases and payments made to Genus India, the DISTRIBUTOR shall render full co-operation to Genus India and shall make available for inspection records, and books of accounts relating to the purchases and payments made to Genus India by the DISTRIBUTOR from time to time.

20. Statutory obligations

The DISTRIBUTOR shall discharge all statutory obligations cast upon him including those under indirect taxation statutes and shall forthwith, upon request, furnish the returns/proof/declarations forms in respect thereof to Genus India, failing which, any consequential liability accruing to Genus India, Genus India shall be at liberty to adjust appropriate and/or recover the amounts from the DISTRIBUTOR.

21. Secrecy / Confidentiality

21.1 The DISTRIBUTOR undertakes that all information, arising out-of and in the course of this agreement, pertaining to the sale of the products, including formal records, summaries and reports as mentioned above, shall be treated as confidential information. The DISTRIBUTOR shall use its best endeavour to ensure that the employees who have authorised access to such information shall keep it confidential and in secrecy.

21.2 The DISTRIBUTOR further undertakes that the DISTRIBUTOR shall take all reasonable precautions to protect the confidential information and neither the DISTRIBUTOR nor his employees who have access to the confidential information shall use, produce, copy, translate, sell, distribute in whole or any part or summation of the confidential information except to the extent necessary for performance of their duties pursuant to this agreement.

21.3 The DISTRIBUTOR or his employees and/or associate claiming under, or through the DISTRIBUTOR shall not copy, reproduce, publish, sell and/or distribute in whole or in any part or summation of such Proprietary/Confidential information without prior written permission of Genus India.

21.4 The DISTRIBUTOR acknowledges that any breach of such condition would injure Genus India irreparably and that money damages alone would not sufficiently remedy for such breach. In addition Genus India shall be entitled to its rights of specific performance and injunctive relief under the terms of this Agreement, which relief would be without prejudice to any other rights and remedies available under the law.

22. Duration of the Agreement and Renewal

This Agreement shall be in force unless and until terminated as mentioned in para 23 below

23. Termination

23.1 This agreement may be terminated by either Party without assigning any reason by giving 30 days written notice to the other party or In the event of a breach /violation of the any of the terms, conditions and obligations OR by Mutual consent.

23.2 Genus India can terminate this agreement on the happening of any one or more of the following events

i. In case of individual or sole proprietary concern, on the death of the individual or sole Proprietor or any change in the status or ownership or conversion to partnership firm or any other form of trading.

ii. In case of Partnership firm, a change in the constitution of the firm by death dissolution, taking in a new partner or dispute among partners inter-se or otherwise changing the structure/management of the DISTRIBUTOR business without notice to Genus India.

iii. The DISTRIBUTOR business closes down or wound up.

iv. In the event of the DISTRIBUTOR being, in the opinion of Genus India (whose opinion shall be final), incapable of complying with this Agreement or in the event of the DISTRIBUTOR becoming or being adjudged insolvent or making a composition with his creditors or being a company going into liquidation either voluntary or compulsory or in the event of the financial position of the DISTRIBUTOR at any time during the currency of this Agreement being considered by Genus India (whose opinion shall be final) to be unsound.

v. In the event of the commission by the DISTRIBUTOR of a fraud on Genus India in connection with this agreement or upon the DISTRIBUTOR failing to carry out any stipulation contained in this agreement for 7 days after being required in writing to do so by Genus India.

vi. In the event of any lawful authority ordering Genus India to terminate this agreement.

vii. In the event the DISTRIBUTOR committing any violation of application of statutory rules or regulations.

viii. In the event of an abandonment of the present agreement which would be reflected by failure for placing order for stocks for ensuring compliance of service requirements under the terms of this agreement for a period of excess of 6 months.

ix. In the event of any representation, declaration made by the DISTRIBUTOR to Genus India being found to be incorrect or in the event of the DISTRIBUTOR failing to make full disclosure of current financial position or status of the business or other pertinent details at the time of appointment or failing to intimate to Genus India particulars of any change in the status, constitution, management of the DISTRIBUTOR business.

23.3 Expiry or termination howsoever occasioned shall be without prejudice to the rights and obligations already incurred prior to the date of such expiry or termination and the accounts between the parties shall be settled.

23.4 The DISTRIBUTOR shall not be entitled to any compensation or damages from Genus India for termination howsoever occasioned.

24. Trademark

a. The DISTRIBUTOR should not use the trade name, logo, trade mark, design, copyright belonging to Genus India or of which Genus India is the proprietor/owner thereof in any way which might challenge or damage the validity or use of trade name, trade mark, design, copyright wrongfully causing injury to Genus India's business, reputation & goodwill.

b. The DISTRIBUTOR shall not use adopt/utilize any of Genus India's logo, trade mark, design, copyright as a part of any trade name or its or any other corporate name on any other product or literature, pamphlet or except as otherwise expressly the authorized in writing by Genus India. The DISTRIBUTOR shall not combine as a unitary or composite mark any other trade mark with any trade mark or use any other trade mark on product labels, wrappers, advertising or promotional materials approved, (except as may be required by and/or) in writing by Genus India.

c. The DISTRIBUTOR shall indemnify, keep indemnified and keep Genus India harmless from and against any and all claims losses damages expenses or liabilities of any nature of whatsoever caused by the use adoption of logo, trade name, trade mark, design, copyright

25. DISTRIBUTOR Employees

(a) It is expressly agreed and understood between the parties that all the staff and personnel employed by the DISTRIBUTOR are and all time be and remain as DISTRIBUTOR's employees. Such persons engaged by the DISTRIBUTOR in connection with the performance of the obligations under this Agreement, shall at no time become or be deemed to have become Genus India's employees, agents, representatives or servants.

(b) As their clear and rightful employer the DISTRIBUTOR shall have the exclusive liability and responsibility for compliance of requirements under various enactments, laws and other obligations with regard to these employees.

(c) The DISTRIBUTOR undertakes to keep Genus India fully and completely harmless and indemnified against any claim demand made on Genus India by the DISTRIBUTOR employees or any statutory authority and/or government.

26. DISTRIBUTOR to Return books

On the termination of this agreement the DISTRIBUTOR shall forthwith shall return to Genus India all books, documents, papers, software packages, industrial property and other property of the property in possession of the DISTRIBUTOR.

27. No Waiver

Any indulgence shown by Genus India or failure on the part of Genus India to enforce at any time the provisions of this Agreement shall in no way be construed to be waiver of such provisions or affect Genus India's right to enforce such provision any time thereafter. If the DISTRIBUTOR is a partnership firm all the partners shall be jointly and severally liable in respect of all dues, liabilities and transactions arising from this agreement or in connection therewith.

28. Jurisdiction

The DISTRIBUTOR agrees that the place for all goods sold or supplied to him by Genus India under this agreement is the Pune (Maharashtra) and that any suit to enforce the rights of either party under or in respect of this agreement shall be instituted in and tried by a competent court only in the City of Pune (Maharashtra) and in no other court. The DISTRIBUTOR further expressly agrees to submit to the jurisdiction of such court.

29. All disputes between the parties, relating to or arising from this agreement shall in the first instance resolve through mutual discussions by the parties. Any unresolved disputes shall be referred to a mutually appointed Sole Arbitrator. However, in case of no agreement is reached on the appointment of Sole Arbitrator, the dispute shall be resolved by Arbitral Tribunal consisting of three Arbitrators, each party nominating one Arbitrator and the two Arbitrator appointing the third Arbitrator, who shall act as Umpire. The arbitration shall be conducted at Pune and the award passed by the Arbitral Tribunal shall be final and binding upon the parties.

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30. Commissions

In consideration of the services rendered by the Firm, Genus India will pay to the Firm Commission & other charges as agreed from time to time. The Cash Discount is payable by Genus India only if the payments are received as per the agreed Credit Period, if any, from date of Invoice between Genus India & Distributor.

31. Supersedes previous Agreements

This agreement supersedes all previous communications, representations, assurances or agreement either written or oral between the parties hereto or between "The DISTRIBUTOR" and any other Entity to which Genus India is a successor.

32. Agreement in duplicate

The agreement is executed in duplicate the original whereof will remain with Genus India and the duplicate will remain with the DISTRIBUTOR.

33. Headings / Captions

The Headings / Captions to the various sections/clauses are given to facilitate easy location and shall not be referred for construction or interpretation thereof.

IN WITNESS whereof the parties hereto have hereunto duly executed these presents the day, month and year first above return.

<p>Signed sealed and delivered by Genus Breeding India Private Limited in presence of :-</p> <p>Signature:.....</p> <p>Name : _____</p> <p style="text-align: center;">GENERAL MANAGER</p> <p>Witness 1.</p>	<p>Signed sealed and delivered by the Distributor, M/s</p> <p>_____</p> <p>_____</p> <p>through its Sole Proprietor/ Managing Partner SOLE PROPRIETOR/MANAGING PARTNER</p> <p>Signature:.....</p> <p>Name : _____</p> <p>Witness 2.</p>
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