

Commercial Contract

AGREEMENT FOR SALE/PURCHASE OF GRAINS



Small and Medium Enterprises Development Authority

Ministry of Industries & Production

Government of Pakistan

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January 2013

10. AGREEMENT FOR SALE/PURCHASE OF GRAINS

THIS AGREEMENT FOR SALE /PURCHASE OF GRAINS (hereinafter referred to as the "Agreement") is made at [insert place] on this ____ (insert date) day of _____ (insert month), 20__ (insert year)

BY AND BETWEEN:

M/s [insert Name], a public/private company incorporated under the Companies Ordinance, 1984, having its registered office at [insert Address] through its [insert Designation], Mr/Mrs/Ms [insert Name];

OR

M/s [insert Name], a partnership concern of Mr/Mrs/Ms [insert Name] and Mr/Mrs/Ms [insert Name], having its place of business at [insert Address] through its Partner, Mr/Mrs/Ms [insert Name];

OR

M/s [insert Name], a sole proprietorship concern of Mr/Mrs/Ms [insert Name], having its place of business at [insert Address] through Mr/Mrs/Ms [insert Name];

OR

Mr/Mrs/Ms [insert Name], son/wife/daughter of [insert Name], r/o [insert Address] CNIC # [insert Number]

(hereinafter referred to as the "Seller", which expression shall, wherever the context so provides, include its successors, assigns, nominees and agents)

AND

M/s [insert Name], a public/private company incorporated under the Companies Ordinance, 1984, having its registered office at [insert Address] through its [insert Designation], Mr/Mrs/Ms [insert Name];

OR

M/s [insert Name], a partnership concern of Mr/Mrs/Ms [insert Name] and Mr/Mrs/Ms [insert Name], having its place of business at [insert Address] through its Partner, Mr/Mrs/Ms [insert Name];

OR

M/s [insert Name], a sole proprietorship concern of Mr/Mrs/Ms [insert Name], having its place of business at [insert Address] through Mr/Mrs/Ms [insert Name];

OR

Mr/Mrs/Ms [insert Name], son/wife/daughter of [insert Name], r/o [insert Address] CNIC # [insert Number]

(hereinafter referred to as the "Buyer", which expression shall, wherever the context so provides, include its successors, assigns, nominees and agents).

(The Buyer and the Seller are hereinafter collectively referred to as the "Parties", and individually as the "Party".)

WHEREAS the Seller is a wholesale trader of grains (hereinafter referred to as the "Grains", and more particularly described in Schedule I of this Agreement).

AND WHEREAS the Buyer is the owner of a grocery store under the name and style of "[insert name of the retail store]" wherein amongst other commodities, grains are also sold.

AND WHEREAS the Buyer intends to enter into an agreement with the Seller for the ongoing purchase of Grains for sale at the Buyer's grocery store (hereinafter referred to as the "Grains", and more particularly described in the Schedule I hereto).

NOW THEREFORE the Parties have entered into this Agreement for the Sale/Purchase of the Grains on the following terms and conditions:

1. TERM AND SCOPE OF CONTRACT

- (1) This Agreement shall come into effect on the date of execution of the Agreement, and shall continue for a period of [insert number] months unless terminated by either Party under the terms and conditions of this Agreement.
- (2) The Seller shall supply the Buyer with the Grains mentioned in Schedule I after every [insert number] days during the continuation of this Agreement in the quantities mentioned in Schedule I.

2. PRICE

- (1) The Prices of the Grains shall be as mentioned in Schedule II, which shall be revised every [insert number] months with the mutual consultation between the Parties.
- (2) The Price shall be inclusive of the charges pertaining to the packaging of the grains in the sizes as provided in Schedule I of the Agreement.

3. PAYMENT

The Price shall be payable by the Buyer to the Seller at the time of delivery of the Grains to the Buyer by the Seller in accordance with Schedule II of this Agreement.

4. DELIVERY OF GRAINS

- (1) The Buyer shall be responsible for the delivery of the Grains from the place of business of the Seller i.e. [insert address] to the Buyer's place of business, and the cost of such delivery shall be borne by the Buyer, exclusively.
- (2) The Buyer shall arrange for the delivery of the Grains from the Seller's place of business by [insert time] on each day when the delivery is due. In case the Buyer fails to arrange for the delivery of the Grains by [insert time], the Seller shall not be responsible for the sale of the Grains to any third party.
- (3) In case of the failure of the Seller to provide the Buyer with the specified quantity and quality of the Grains on a day when delivery is due, the Seller shall be obligated to purchase the Grains from the market and provide the same to the Buyer and any difference between the Prices paid by the Buyer and those paid by the Seller for the purchase of the Grains from the market shall be payable by the Seller itself, and the Business shall not be liable to pay such difference. However, the Buyer shall reimburse the Seller for any difference in Price for the Grains that the Seller purchases from the market on any given day of delivery for quantities over and above those mentioned in Schedule I of the Agreement.

5. RECEIPT CONSTRUED AS DELIVERY

The Grains shall be deemed to have been delivered to the Buyer upon the handing over of the Grains to the Buyer for transportation from the Seller's place of business to the Buyer's place of Business.

6. RISK OF LOSS

The risk of loss or damage to the Grains, arising out of any casualty, regardless of the cause, shall be on the Seller until the time that the Grains have been delivered to the Buyer, after which the risk shall transfer to the Buyer.

7. RIGHT OF INSPECTION

- (1) The Buyer shall have the right to inspect the Grains at the time of taking possession of the Grains before transportation from the Seller's place of Business to the Buyer's place of business. In case of any defect in the Grains, the Seller shall be liable to replace such item. However, the Seller shall not be liable for any defect in the Grains once the Grains have been delivered to the Buyer.
- (2) Notwithstanding Clause 7 (1) of the Agreement, the Buyer shall have the right to get any of the Grains replaced within [insert number] days of the delivery in case the Grains do not conform to any of the specifications especially provided by

the Buyer to the Seller.

8. TERMINATION

The Agreement may be terminated by either Party, with or without cause, after serving the other Party with a [insert number] days' prior written notice to this effect.

9. GOVERNING LAW AND RULES OF CONSTRUCTION

- (1) The validity, interpretation, and the performance of this Agreement shall be governed by the laws of [insert place].
- (2) If any term or provision of this Agreement is determined to be invalid, it shall not affect the validity and enforcement of the remaining terms and provisions of the Agreement.
- (3) This Agreement shall be binding upon, and inure to the benefit of, the respective successors, assigns, representatives, and heirs of the Parties herein.

10. SETTLEMENT OF DISPUTE

Any dispute, controversy or claim arising out of or relating to this Agreement or the breach, termination or invalidity thereof, shall be settled by arbitration in accordance with the Pakistan Arbitration Act, 1940, subject to the exclusive jurisdiction of the Courts of [insert place].

11. FORCE MAJEURE

- (1) Force Majeure shall mean any event that is beyond the reasonable control of a Party, or the effects of which adversely affect the performance by such Party of its obligations under this Agreement, including, but not limited to, acts of God, sabotage, insurrection, terrorism, riots, hostilities or war (whether declared or not), acts of the public enemy, civil disturbances, any kind of fire, explosion, flood or accidental damage, epidemics, landslides, washouts, lightening, storms, earthquakes, lockouts, blockades, shortage of labor or material, major equipment failure, or other causes beyond the control of the Party affected.
- (2) Notwithstanding anything contained hereinabove, neither Party shall be liable to the other if it is unable to perform any of its obligations under this Agreement due to the occurrence of Force Majeure.
- (3) The Party affected by the Force Majeure event shall be entitled to suspend performance of its obligations under the Agreement to the extent that such performance is impeded or made impossible by the events of Force Majeure.
- (4) Each Party shall give a notice within [insert number] days of the occurrence of the event of Force Majeure and shall promptly thereafter consult the other Party for the purpose of finding a mutually acceptable solution to the Force Majeure event.

12. AMENDMENTS

This Agreement may be modified, extended, enlarged or amended from time to time by mutual agreement and consent of the Parties.

13. NONWAIVER

The failure of either Party to exercise any right provided in this Agreement shall not be construed as a waiver its right to subsequently enforce such provision or any other provision of this Agreement.

IN WITNESS WHEREOF, the Parties hereto have set their hands and seals the day, month and year mentioned hereinabove.

**For and on behalf of
The Buyer**

**For and on behalf of
The Seller**

WITNESS NO. 1

WITNESS NO. 2

Signature: _____

Signature: _____

Name: _____

Name: _____

Designation: _____

Designation: _____

Date: _____

Date: _____

**SCHEDULE I
LIST OF GRAINS**

Item
1. [insert name and weight]
2. [insert name and weight]
3. [insert name and weight]

Quantity
[insert quantity]
[insert quantity]
[insert quantity]

**SCHEDULE II
PRICES**

Item
1. [insert name and weight]
2. [insert name and weight]
3. [insert name and weight]

Price
[insert price]
[insert price]
[insert price]