

SOPA MODEL CONTRACT NO. 101
For Indian Soybean Meal 48%
Domestic Sale F.O.R. Destination
(Effective from 1st April, 2024)



The Soybean Processors Association of India
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**SOPA Model Contract No. SOPA 101
Indian Soybean Meal 48% (Domestic F.O.R. sale)**

This Model Contract shall form an integral part of all commercial contracts, whether in the format given below or in any other format, whether issued by a broker, the seller, or the buyer, if the commercial contract carries a clause to the effect that all other terms and conditions which are not in contradiction with the commercial contract, shall be as per the latest version of SOPA Model Contract No. SOPA 101.

Contract No. _____ Date: _____

Seller Name

Full address

.....

Contact Person Mobile:

Telephone: Email:

GST Number

Buyer's Name

Full address

.....

Contact Person Mobile:

Telephone: Email:

GST Number

Broker's Name

Full address

.....

Contact Person Mobile:

Telephone: Email:

Commodity: Solvent Extracted Non-GMO Indian Soybean Meal/De-oiled Cake

Quantity: MT \pm 2% to \pm 5% at the seller's option, as per clause 5.1

Specifications: As per clause 3.1

Packing

Dispatch/Delivery period

Place of Delivery

Mode of Dispatch:

Price Rs..... PMT, Gross FOR / Net FOR plus applicable taxes/inclusive of taxes

Payment Terms: As per clause 9

Brokerage: Rs..... per MT plus applicable taxes, to be paid by the seller and also the buyer

All other terms and conditions shall be as given below, except for any deviations mutually agreed by the parties in writing.

TERMS AND CONDITIONS

1. After the conclusion of the business, either through the broker or directly between the seller and buyer, the following procedure shall be followed:

In case of business concluded through the broker, the broker shall intimate buyer and seller and send a copy of the confirmation note to them by E-mail/SMS/WhatsApp/hand delivery on the same day by 8:00 p.m. for business concluded before 6:00 p.m. and 12:00 noon on next working day for business concluded after 6:00 p.m. or on a National Gazetted Holiday. The broker may send his confirmation note to the parties by 8:00 p.m. same day even if business is concluded after 6:00 p.m.

On receipt of the confirmation note, the buyer and seller shall send their acceptance of the confirmation note by e-mail/SMS/WhatsApp/hand delivery to the broker by 12.00 noon for confirmation note received on the previous day and 6:00 p.m. for confirmation note received by 12:00 noon of that day.

If acceptance or denial is not received from both the parties by e-mail/SMS/WhatsApp/hand delivery within 24 Hrs. of sending by the broker, the confirmation note from the broker shall be deemed to have been accepted by the parties and shall be treated as a contract.

In case of a direct contract between the buyer and the seller, an email or a written consent of both the parties shall be required by 2:00 p.m. of the next working day.

2. Description of Commodity:

Solvent Extracted Non-GMO Indian Soybean Meal/De-oiled Cake

3. Specifications & Scale of Allowances:

- 3.1 Specifications:

Warranted to contain:

- Protein Basis 48% (Forty-eight Percent)
- Oil Max 1.50% (One and Half Percent)
- Fiber Basis 5.5% (Five and Half Percent)
- Moisture Basis 11% (Eleven Percent)

- Sand/Silica Basis 1% (One Percent)
- Urease Activity 0.05 Unit Min. to 0.30 units max. (Mg/N./Min) at 30 Degree Centigrade by EEC Method
- Free from live weevils, lumps, Rain/water damage & foreign material other than soybean products.

3.2 Allowances:

- 3.2.1 For any deficiency in Protein from 48% to 47.50%, rebate 1:1, 47.50% to 47%, rebate 1:2, below 47% rejectable at buyer's option.
- 3.2.2 For any excess in Fiber upto 6% rebate 1:1, above 6% rejectable at buyer's option.
- 3.2.3 For any excess in Moisture upto 12% rebate 1:1, above 12% rejectable at buyer's option.
- 3.2.4 For any excess in Sand/Silica upto 1.5% rebate 1:1, above 1.5% rejectable at buyer's option.
- 3.2.5 For any excess in Urease Activity above 0.30 units allowances to be:
From 0.30 Units to 0.35 Units 0.1% for each 0.01 Unit
Over 0.35 units and below 0.05 Units rejectable at Buyer's option.

4. Rejection:

- 4.1 For domestic sales delivered at destination contracts, in case of rejection due to any variations in quality as mentioned above, buyer shall inform of such rejection to the seller within one working day after the receipt of the goods and ask for the replacement of goods. Seller shall have to replace the goods at the place of rejection within 10 working days from the date of intimation of rejection by Buyer.
- 4.2 In case the seller fails to replace such quantity within stipulated time, then the buyer shall have right to either (1) cancel the contract at par or (2) further extend the date of delivery or (3) declare the seller in default and contract will be settled as per the default clause of this Model Contract.
- 4.3 In case of rejection of goods by the buyer, the buyer shall not use the rejected goods without due consent of the seller.
- 4.4 If the buyer accepts the rejected material with due consent of the seller, due to any deficiency in quality, then the scale of allowances will be as mutually agreed.

5. Quantity:

- 5.1 Seller shall have an option to deliver +/- 5% in case of dispatches by Rail and deliver +/-2%, in case of dispatches by Road.
- 5.2 The +/- option is available only for effecting deliveries and in case of non-deliveries, default, and settlement of contract, the contracted quantity shall prevail. (i.e. if the contracted quantity is say e.g. 1500 MT, then settlement quantity will be 1500 MT).
- 5.3 In case the contracted quantity is a range, (for e.g. 500 MT to 600 MT) then the mean of the quantity (for e.g. 550 MT) shall prevail for consideration of non-deliveries, default and settlement of contract.
- 5.4 As per contract, the original R/R's should be tendered or sent electronically by the seller within 48 hours of the date of R/R or prior to the arrival of the rake at destination, whichever is earlier.
- 5.5 In case the original R/R's have been handed over/transmitted electronically to the buyer or his representative or his C&F Agents as per the buyer's instructions, then

the demurrage and wharfage by the railway authorities if any, would have to be borne by buyer from the date and time of receipt of R/R.

5.6 In case seller has failed to deliver the Freight Paid R/R's in time, the demurrage liability if any, shall be borne by seller.

5.7 In case the original R/R's have not been handed over by the seller to the buyer due to delay in payment by the buyer, then the buyer shall be responsible for such delay in handing over the original R/R's and any resultant demurrage/wharfage charged by railway authorities will be borne by the buyer.

6. Delivery Period, Extension of Delivery Period and Non-Delivery:

6.1 In case of delivery by railway, the date of R/R will be considered as the date of delivery.

6.2 In case of delivery by road, the date of arrival of goods shall be considered as the date of delivery.

6.3 In case of road delivery by trucks, if trucks arrive at the buyer's premises but are not unloaded within 24 hours of arrival at buyer's premises, then cost of detention and demurrage if any, will be on buyer's account.

6.4 In case of delay in unloading as mentioned in point 6.3 above, the date of delivery shall be automatically extended for the number of days of delay in unloading beyond 24 hours for any part quantity out of the contract, yet to be delivered.

6.5 If the seller fails to comply with the delivery terms of the contract, then in such case, buyer has the right to declare seller in default and the contract will be settled as per the default clause.

7. Weighment Samplings and Analysis:

7.1 Weighment:

7.1.1 For F.O.R. Road/Rail dispatch contracts, the weight will be final as per the terms of the contract. 100% weighment will be done at the time of arrival of goods at destination at the nearest weighbridge (mutually agreed by both the buyer and the seller). The weighment will be done by the buyer or surveyors appointed by buyer at his cost. Seller can also depute his representative or appoint surveyors to supervise the weighment at his cost. In case at the time of arrival of goods, seller's representative or his surveyor is not present, weighment arranged by the buyer will be binding on the seller.

7.1.2 In case seller wishes to send his representative or appoint surveyors, the same shall be notified to the buyer immediately upon dispatch of goods so that his representatives can be informed on arrival of goods.

7.1.3 At the request of the seller, the buyer shall give truck-wise detailed statement of weight.

7.2 Sampling:

7.2.1 Method of sampling should be as per GAFTA 124.

7.2.2 Buyer shall appoint surveyor from the list of surveyors approved by SOPA at his cost for sampling, sealing, and analysis.

7.2.3 Seller has option to appoint same or another surveyor from SOPA approved list of surveyors at his cost for joint sampling, sealing and analysis.

7.2.4 Sampling of goods shall be done by surveyor(s) (jointly in case of both parties) at railway station/godown for F.O.R. sales in lots of 250 M.T. It shall be the responsibility of the seller to ensure presence of their surveyor at the time of joint sampling and sealing, otherwise buyers surveyor report shall be final.

7.2.5 Surveyors shall thoroughly mix the random samples drawn and shall make (jointly) 8 sample packets and (jointly) seal the same with respective seals and monograms. The representatives of buyer/seller can also be present and put their seal.

7.3 Analysis:

7.3.1 The Analysis of the above samples shall be done as per ISO jointly by the surveyors appointed by buyer and seller.

7.3.2 Surveyors shall give their weight/analysis reports in printed pre-numbered format, signed by the representatives of both surveyors.

7.3.3 The Joint Analysis of the jointly drawn sample shall be carried out at buyer's surveyor lab jointly by both surveyors. The results of such joint analysis shall be binding on the seller and the buyer.

8. Lumpy / Damaged Goods:

In case of receipt of goods with hard lumps or damaged goods which are not merchandisable at the time of arrival.

8.1 First complaint of lumpy/damaged goods should be made to seller or his authorised representative within 2 working days from the receipt of goods.

8.2 Buyer shall keep such goods in separate stacks.

8.3 Seller shall segregate the lumpy/damaged cargo at his cost or the same can be segregated by the buyer with consent of seller at seller's cost for joint inspection by both surveyors (within 7 days).

8.4 From the date of the receipt of the surveyors' rejection report, seller shall replace the lumpy/damaged goods within 7 working days, failing which, such quantity shall be settled as per default clause of this contract.

8.5 Surveyors shall give such intimation of rejection in writing to the buyer.

9. Payment:

9.1 For Advance Payment F.O.R. Contracts by Road Dispatch:

9.1.1 100% payment, as per the terms of the contract, shall be made to the seller by the buyer on receipt of seller's proforma invoice.

9.1.2 If the buyer fails to make the payment, after receipt of the proforma invoice by 5:00 p.m. in case the PI is given before 12:00 hours or by 2:00 p.m. on the next day in case the PI is given after 5:00 p.m., then the seller can declare the buyer in default and the contract shall be settled as per the default clause.

9.2 For F.O.R. Deferred Payment Contract by Road Dispatch:

9.2.1 The buyer shall make the payment on or before the due date, as per the contract terms. If the buyer fails to make the payment within the agreed date of payment, the seller can declare the buyer in default and the contract shall be settled as per the default clause.

9.3 For F.O.R. Rail Dispatches Contract:

9.3.1 Buyer shall make payment of the agreed amount as per terms of the contract, against receipt of original Railway Receipts sent to him by whatever means, along with invoice and factory weighment slips/statement, by next working day. The payment shall be made by bank transfer as per the seller's request. Balance payment will be made within 7 days after finalization of the quality and quantity by surveyor(s).

9.3.2 If the buyer refuses to accept the goods and does not make payment as per the agreed terms after loading of the rake, the seller can declare the buyer in default and the contract will be settled as per the default clause.

9.3.3 In case the balance payment is delayed beyond 7 days, as per clause 9.3.1, the buyer shall be liable to pay interest on the balance amount, calculated at twice the SBI MCLR p.a. compounded quarterly, starting from 7 days after finalization of the quality and quantity by surveyor(s).

9.3.4 In case the buyer delays taking delivery of the goods and there are any consequential demurrages or other charges because of such delay, then all such charges shall be borne by the buyer.

9.3.5 In case of dispatch by railway rake, sometimes sick wagons are detached on the way by railway authorities and reach their destination very late. If such wagons get delayed beyond 30 days from the date of RR, then the following shall apply:

9.3.5.1 Buyer to intimate the seller wagon No.(s), railway receipts and Invoice number and request them to trace wagon.

9.3.5.2 If the wagon(s) do not reach destination after 10 days from date of intimation to seller by buyer, the buyer has a right to return the proportionate R/R and/or non-delivery certificate from Railway authority of destination and in such case, the seller shall return the payment received by him against RR to the extent of non-delivery of the goods by the railways.

9.3.5.3 In case buyer does not opt for above and waits for receipt of pending wagons, the seller can ask the buyer to settle the account, except for the wagons not received, and the buyer shall settle the account as requested by the seller.

9.4 Bank commission, if any, to be on seller's account.

10. Insurance:

It is the responsibility of the seller to take transit insurance for goods transported either by Rail or Road. In case the seller fails to insure the goods, all consequential losses will be to seller's account.

11. Default:

In case of default in fulfillment of contract by either party, following provisions shall apply:

- 11.1 In the event of buyer declaring the seller in default due to rejection/non-delivery of contracted quantity in full/part in the stipulated delivery schedule, the buyer can exercise the following options at his discretion.
- 11.1.1 To purchase such quantity at the prevailing market price (on the expiry of original delivery period/extended delivery period, at the risk and cost of the seller). Or
- 11.1.2 To settle the contract at the difference between the contracted price and the market price on the date of default, to be paid by the seller.
- 11.1.3 To cancel the contract at par i.e. without any claim or allowances.
- 11.1.4 In case of settlement or cancellation as mentioned above, the seller has to refund the advance amount received by him within 7 (seven) days from the date of settlement/cancellation of contract together with interest calculated at twice the State Bank of India Marginal Cost of Lending Rate (SBI MCLR) p.a. compounded quarterly, calculated from the date of settlement/ cancellation.
- 11.1.5 In case of purchase of goods or settlement in seller's account, buyer must inform about the purchase/settlement by email to the seller with a copy to the broker, if any, within 24 hours.
- 11.1.6 The buyer should submit his final claim to seller within 30 days from the date of declaring default.
- 11.2 In the event of the seller declaring buyer in default due to non-receipt of payment, or buyer refusing to accept the R/R's, the seller can exercise the following options at his discretion:
- 11.2.1 To sell the goods at the prevailing market price at the risk and cost of buyer. Or
- 11.2.2 To settle the contract at the difference between the contracted price and the market price on the date of default, to be paid by the buyer or
- 11.2.3 To cancel the contract at par.
- 11.2.4 In the event of the seller declaring the buyer in default due to non-payment, buyer shall return the original R/R's duly endorsed and/or return the goods if delivery has been taken by him.
- 11.2.5 In no case the buyer shall use the goods for his purpose, if payment is not made to the seller.
- 11.2.6 The seller should submit his final claim to buyers within 30 days from the date of declaring default.
12. Settlement:
- 12.1 In case both parties agree to settle the contract on mutually agreed terms either directly or through broker, the settlement amount so agreed shall be payable within 7 days of the date of settlement.
- 12.2 In case the amount of settlement is not paid as per clause 12.1, interest on the settlement amount shall be payable, calculated at twice the State Bank of India Marginal Cost of Lending Rate (SBI MCLR) p.a., compounded quarterly, calculated from the date of settlement.
13. Duties, Taxes, Levies on Goods:
- GST and all other applicable taxes shall be payable by the buyer.
14. Force Majeure:

Event of Force Majeure means any event which is beyond the control of a contracting party to perform, and would include Acts of God such as flood, lightning, earthquake etc., strike, lockout, civil commotion, fire, riots, war, pandemic, etc.

Should Sellers' performance of this contract be prevented, whether partially or otherwise, by an Event of Force Majeure, the performance of this contract shall be suspended for the duration of the Event of Force Majeure, provided that Sellers shall have served a notice on Buyers within 7 consecutive days of the occurrence or not later than 21 consecutive days before commencement of the period of delivery, whichever is later, with the reasons therefor. If the Event of Force Majeure continues for 21 consecutive days after the end of the period of delivery, then Buyers have the option to cancel the unfulfilled part of the contract by serving a notice on Sellers not later than the first business day after the expiry of the 21 day period.

If this option to cancel is not exercised then the contract shall remain in force for an additional period of 14 consecutive days, after which, if the Event of Force Majeure has not ceased, any unfulfilled part of the contract shall be automatically cancelled. If the Event of Force Majeure ceases before the contract or any unfulfilled part thereof can be cancelled, Sellers shall notify Buyers without delay that the Event of Force Majeure has ceased. The period of delivery shall be extended, from the cessation, to as much time as was left for delivery under the contract prior to the occurrence of the Event of Force Majeure. If the time that was left for delivery under the contract is 14 days or less, a period of 14 consecutive days shall be allowed.

The burden of proof lies upon Sellers and the parties shall have no liability to each other for delay and/or non-fulfilment under this clause, provided that Sellers shall have provided to Buyers, if required, satisfactory evidence justifying the delay or non-fulfilment.

15. Brokers Role:

For all purposes, this contract is between the two parties namely buyer and the seller. The broker's role is only that of a facilitator and witness to the contract. The broker shall not be responsible for the performance of the contract from either side and any consequences thereof.

16. Brokerage:

16.1 Buyer and Seller shall pay agreed brokerage on the completion of contractual obligations. In case of any dispute in a contract, Buyer/Seller may withhold the payment of brokerage of that particular contract only, till such time that the dispute is resolved or the case is referred to arbitration.

16.2 If any party fails to pay the brokerage as per the agreed terms, the broker can refer the matter to arbitration as per SOPA Arbitration Rules.

17. Arbitration:

17.1 Any and all disputes arising out of or under this contract or any claim regarding the interpretation or execution of this contract shall be determined by arbitration in accordance with the SOPA Arbitration Rules, as existing on the date of this contract; such Rules are incorporated into and form part of this Contract and both parties

hereto shall be deemed to be fully cognizant of and to have expressly agreed to the application of such Rules.

- 17.2 Neither party hereto, nor any persons claiming under either of them shall bring any action or other legal proceedings against the other in respect of any such dispute, or claim until such dispute or claim shall first have been heard and determined by an Arbitral Tribunal, in accordance with the SOPA Arbitration Rules and it is expressly agreed and declared that the obtaining of an award from the Arbitral Tribunal shall be a condition precedent to the right of either party hereto or of any persons claiming under either of them to bring any action or other legal proceedings against the other of them in respect of any such dispute or claim.