

SOPA MODEL CONTRACT NO. 104
For Indian Soybean Meal 48%
Domestic Sale Ex-Godown
(Effective from 1st April, 2024)



The Soybean Processors Association of India
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SOPA Model Contract No. SOPA 104
Indian Soybean Meal 48% (Ex-Godown)

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 104.

Contract No.

Date :

Seller Name

Full address

.....

Contact PersonMobile:

Telephone: Email:

GST Number

Buyer's Name

Full address

.....

Contact PersonMobile:

Telephone: Email:

GST Number

Broker's Name

Full address

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Contact PersonMobile:

Telephone: Email:

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

Quantity: Metric tons \pm 0.5% at Buyers/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 & Taxes Rs..... per MT, by Truck plus applicable taxes/inclusive of taxes

Payment Terms: As per clause 9

Brokerage: Rs..... per MT plus applicable taxes, to be paid by 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 conclusion of the business, either through Broker or directly between Sellers and Buyers, 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 product.

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 In case goods are rejected in godown (for ex-godown contract other than ex-plant) for which seller has issued delivery order, seller shall have to replace the same within next 7 working days.
- 4.2 In case goods are rejected in godown (for ex-plant sales), seller shall have to re-tender cargo within next 48 hrs.
- 4.3 In case seller fails to replace such quantity within the stipulated time, then 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.
- 4.4 If the buyer accepts the rejected material with due consent of the seller, due to any deficiency in quality, then the scale of allowances shall be as mutually agreed.

5. Quantity:

- 5.1 In case of Fixed Quantity Contract, the seller shall have option to deliver +/-0.50% (zero-point five percent) of the contracted quantity.
- 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.

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

- 6.1 All Contracts should mention the specific dispatch/delivery period.
- 6.2 The buyer will ensure lifting within the stipulated period of delivery.
- 6.3 In case of road delivery by trucks, if the seller fails to load within 24 hours, then cost of detention and demurrage, if any, will be on seller's account.

- 6.4 Date of delivery order will be considered as date of delivery. Seller to arrange delivery order in favour of buyer as per the contract terms. In case the material is not available for loading in the godown for which delivery order has been issued, the buyer can declare the seller in default and contract will be settled as per default clause.
- 6.5 If the buyer does not place the trucks for ex-godown or ex-factory contract, within the last date of delivery as per the contract, then the seller can declare the buyer in default and contract will be settled as per default clause.
7. Weighment Samplings and Analysis:
- 7.1 Weighment:
- 7.1.1 The weight will be final at loading point. 100% weighment will be done at the time of despatch of goods at loading point at the nearest weighbridge (mutually agreed by buyer and seller both). The weighment will be done by surveyors appointed by buyer at his cost. Seller can also depute his representative or appoint surveyors, at his cost to supervise the weighment.
- 7.1.2 In case at the time of despatch of goods, buyer's representative or his surveyor is not present, weighment arranged by the seller will be binding on the buyer. In case the seller fails to appoint a surveyor or depute his representative to supervise the weighment, weighment arranged by the buyer will be binding on the seller.
- 7.1.3 At the request of the buyer, the seller 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 the godown or factory in minimum lots of 250 M.T, if contracted quantity is more than 250 tons. It shall be the responsibility of buyer to ensure the presence of their surveyor at the time of joint sampling and sealing, otherwise seller's 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 seal's monogram. The representatives of buyer/seller can also be present and put their seal.
- 7.3 Analysis:
- 7.3.1 The Analysis of 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 on printed pre-numbered format, signed by the representatives of both the surveyors.

7.3.3 The Joint Analysis of the jointly drawn sample shall be carried out at buyer's surveyor lab jointly by both the 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 loading.

8.1 First complaint of lumpy/damaged goods should be made to seller or his authorised representative at the time of loading of the goods.

8.2 Seller shall segregate the lumpy/damaged cargo at his cost or offer fresh cargo within 5 days. If the cargo is not offered for loading within 5 days, the buyer can declare the seller in default.

9. Payment:

9.1 For Advance Payment Ex-Godown Contracts:

9.1.1 100% payment shall be made to the seller by the buyer on receipt of seller's proforma invoice, in lots of minimum 100 MT in case of contract of 500 MT or more or as may be decided between buyer/seller for contracts of less than 500 MT.

9.1.2 If the buyer fails to make the payment, after receipt of the proforma invoice by 5:00 pm 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.

9.1.3 After making the 100% advance payment, buyer shall arrange the vehicles latest by 5:00 p.m. on the last date of dispatch as per the contract. Seller shall load the material within 24 hours of the placement of trucks. If the buyer fails to arrange lifting the material within stipulated time, the seller shall have the right to declare the buyer in default and cancel the contract, with consequences as per the default clause.

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

10. Insurance:

It is the responsibility of the buyer to take transit insurance for goods transported either by Rail or Road. In case the buyer fails to insure the goods, all consequential losses will be to buyer'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, 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 the buyer failing to lift the cargo within the contractual period, 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 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 the parties agree to settle the contract on mutually agreed terms either directly or through broker, the settlement amount so agreed will 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 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-fulfillment.

15. Broker's 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 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.