

## Annexure C

### DRAFT RESELLER AGREEMENT

An AGREEMENT made this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_ Between BHARAT PETROLEUM CORPORATION LIMITED a Company incorporated under the Indian Companies Act 1913 and having its registered office at “Bharat Bhavan”, 4 & 6 Currimbhoy Road, Ballard Estate, Mumbai - 400 001 and \_\_\_\_\_ Territory Office at \_\_\_\_\_,

hereinafter referred to as the “Company” (which expression shall, unless excluded by a repugnant to the context, mean and include its successors and assigns) of the ONE PART

AND

(i) \_\_\_\_\_ inhabitant carrying on business at \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

OR

(ii) \_\_\_\_\_, \_\_\_\_\_,  
\_\_\_\_\_ and \_\_\_\_\_ - carrying on  
business at \_\_\_\_\_ in partnership under the firm, name and style  
of M/s \_\_\_\_\_.

OR

(iii) \_\_\_\_\_ Limited, a Company incorporated under  
the Companies Act, 1956 having CIN: \_\_\_\_\_

OR

(iv) Any Other entity

(hereinafter called “the Reseller” which expression shall be deemed to include (i) in the case of an individual his/her executors and administrators, (ii) in the case of firm the present members of the said firm and any other members or member for the time being of the said firm, their and each of their respective heirs, executors or administrators and any other members or member for the time being of the said firm or of any firm or incorporated body taking in succession to the firm under the same name or another name, (iii) in the case of Companies, its successors and permitted assigns) of the OTHER PART WHEREBY IT IS AGREED AS FOLLOWS:

1. This agreement shall be for an initial period of \_\_\_\_years deemed to have commenced from \_\_\_\_\_. It shall be renewable after every \_\_\_\_years after the initial period at the sole discretion of Company
  
2. That during the continuance of this Agreement and in accordance herewith the Company agrees to sell to the Reseller for resale by the Reseller such quantities of \_\_\_\_\_, \_\_\_\_\_ and \_\_\_\_\_ Product of every description (supplied by the Company, hereinafter called “the said Product”) as shall be required by the Reseller for resale within the geographical area of \_\_\_\_\_
  
3. The Company reserves the right at all times during the continuance of this Agreement to make direct sales of its products to Central or State Governments, Government Departments, Government Companies, Railways, Military, Municipal authorities and other public bodies and Authorities and its other private customers without any reference to the Reseller and on such direct sales the Reseller shall not be entitled to any remuneration, commission or allowance of whatsoever nature.
  
4. The Company reserves the right, without any reference to or consent of the Reseller, to appoint one or more additional Resellers and shall be entitled to make sales of its products in the same geographical area without any objection from the Reseller and the Reseller shall not be entitled to claim any over-riding remuneration, commission or allowance for the purpose.
  
5. The Reseller shall during the continuance of this Agreement confine himself to effect the sales in the geographical area specified hereinabove but the Company shall be entitled without the consent of the Reseller to enlarge, reduce, increase or modify such geographical area to such other place as may from time to time be authorized by the Company in writing.

**6. PURCHASE ORDERS:**

6.1. The Reseller shall from time to time place written orders with the Company for purchase of the said Product and regard to the availability of the said Product accept in writing such order or part thereof or act upon the same as may be possible.

**7. PRODUCT & QUANTITY:**

7.1. The RESELLER agrees to purchase from the Company the said Products in quantity as given below:

PRODUCT NAME	ESTIMATED QUANTITY PER ANNUM In Selling Unit ( Kilo Litre/ Metric Tonne)
_____	_____
_____	_____
_____	_____

- 7.2. The quantity mentioned above is as per the present requirement of the RESELLER. The Reseller undertakes to further enhance the re-sale of the said Product to the best of his ability and to use his utmost endeavor to extend the business in the said Products.
- 7.3. The product-wise quantities to be purchased in a financial year shall be finalized with the Reseller at the start of the financial year.

## **8. QUALITY**

- 8.1. The specifications of the said Products to be sold is mentioned in Annexure-1 and the same is being treated as a part of this AGREEMENT.
- 8.2. Reseller shall arrange its own transport to lift the product sold to it by BPCL and shall check the quality and quantity of product before lifting the product. Reseller shall not make any claim of any nature regarding quality or quantity of products once he /his representative takes the delivery of the product from BPCL's supply points.
- 8.3. Reseller shall not adulterate the petroleum products purchased by him from BPCL under this agreement and at all times shall take all the precautions to ensure that quality of such petroleum products is not contaminated in any manner whatsoever. If for any reason whatsoever the said product is contaminated and if that contaminated product is sold by Reseller in the market causing prejudice good will of BPCL, Reseller shall be responsible to keep BPCL indemnified against any third party claim arising out of sale and/or use of such contaminated product besides to pay such compensation as may be determined by BPCL at its sole discretion for the damage caused to its goodwill and products.

## **9. SALES PROCESS:**

- 9.1. Reseller shall sell the said Products in specified geographical area as mentioned in this AGREEMENT for appointment of Reseller
- 9.2. Reseller shall supply Products to actual end users of the product and also obtain end use certificate from its buyers and submit the same to the territory office and keep BPCL and its officer indemnified.
- 9.3. Any sale to resellers/traders shall be subject to approval of the Company.
- 9.4. Reseller will provide his monthly demand projection at least 30 days in advance.
- 9.5. Reseller is required to place indent along with payment for billing based on the market demand.
- 9.6. Purchase orders/indents to clearly indicate requirement of Product, quantity and other necessary documentation involved in purchasing the product.
- 9.7. Reseller should ensure that the Product physically moves to intended destination – viz. Tax Documents, Entry/Exit Check Post Documents and any other applicable document are collected and kept for future verification and keep BPCL and its officer indemnified.

- 9.8. Reconciliation of all transactions shall be undertaken by Company from time to time and signed off with the Reseller.
- 9.9. The Reseller shall submit to the company at such intervals as the Company may decide Statement of Accounts or of stocks held or sales or details of any other transactions made by reseller as the company may require from time to time.
- 9.10. Copy of all returns as per provisions of control orders/statutory requirements to be retained by the Reseller.
- 9.11. Monthly/Quarterly visits may be undertaken by company to check all relevant records and adherence to norms.
- 9.12. Reseller should ensure that the existing customer of BPCL is not approached. If done, this will be considered as indiscipline and action as deemed fit by Company will be taken against the Reseller which may include termination as well. A customer having any transaction with BPCL during past one year as well as all Government /tendered customers will be treated as BPCL customers. Any customers out of the existing BPCL customers may be included for sales by Reseller only with prior written confirmation by the territory office.

## **10. CONDITONS FOR SALE:-**

The permanent condition of this AGREEMENT is that :

- 10.1. The RESELLER shall follow the extant Govt. regulation / policies with regard to handling, storage and sale of petroleum products.
- 10.2. The RESELLER shall ensure that his customers should have valid registration certificate with Director of Industries / SSI / MSME (as the case may be). The RESELLER shall also ensure that his customers have valid storage license / approvals and Tax/ other registration certificates issued by the competent authority in accordance with the provisions of Petroleum / Tax Rules.
- 10.3. The RESELLER will be exclusively responsible and liable for non-use / misuse of all the products that will be purchased by his customers.
- 10.4. The RESELLER hereby also indemnifies Company for any consequence that may arise from nonuse of the products for the intended purpose as per license, and the Company can stop deliveries to the RESELLER without recourse.
- 10.5. By virtue of being supplier of products as per this AGREEMENT, BPCL will not be under any legal compulsion to ensure supplies of petroleum product on termination of this AGREEMENT.
- 10.6. This AGREEMENT does not give any right what so ever to the RESELLER for claiming any other kind of Agency or Distributorship of the BPCL.
- 10.7. Nothing in this agreement shall prohibit the Company from effecting sales anywhere to or through any customer(s) or Reseller(s) or distributor(s) or dealer(s) or agent(s).

## **11. POINT OF SALE/DELIVERY**

- 11.1. The sale of the product will take effect at BPCL's Refinery/Depot/ Installation and title of the product shall pass on to the Re-seller as soon as the said product is transferred to Resellers vehicles/receptacle.
- 11.2. The Reseller undertakes to make all necessary arrangements to take delivery of the said Product.
- 11.3. The RESELLER will provide tank lorries at the Company Refinery/Depot/ Installation at ----- or at such other location as may be advised by BPCL to the RESELLER from time to time for collecting the said product to be sold by BPCL to the RESELLER. The tank lorry provided by the RESELLER to BPCL for the said purchase/ resale of the product should be duly calibrated by the Weights and Measures Authorities and to comply with all other statutory authorities like PESO, etc as applicable

## **12. INFRASTRUCTURE/ PREMISES BY THE RESELLER**

- 12.1. The Reseller undertakes to provide and maintain good and sufficient licensed infrastructure/ premises for storage and resale of the said Product as specified in the advertisement and/ or to the satisfaction of the BPCL.
- 12.2. The Reseller shall display or cause to be displayed prominently upon any premises, in or upon which the business in the said Product is carried on, an inscription notifying to the public as conspicuously as possible the fact that he is selling the said Product supplied by the BPCL.
- 12.3. It is expressly agreed by the Reseller that the Company shall not be responsible for any misfeasance, malfeasance or nonfeasance of the Reseller or any of its employees or agents for any injury or damage caused to any person or property arising out of the use of the outfit or equipment or the supply of its products or otherwise however. The Reseller undertakes to indemnify the Company against any claim arising hereunder

## **13. SALES BEYOND GEOGRAPHICAL AREA**

- 13.1. It is expressly agreed by the Reseller that he will not resell or market products of other domestic manufacturers as mentioned under this AGREEMENT in the geographical area of operation as well as in any other area.

## **14. INSPECTION**

- 14.1. The Company by its officers or any other authorized representatives shall at all times and in any circumstances have free and unrestricted access to all premises used in connection with the business of the Reseller and to inspect and take account of all Product in his possession and any other property entrusted to the Reseller by the Company .

- 14.2. Proper and separate accounts shall be maintained by the Reseller in such form and manner as may be specified by the Company for the business done by the Reseller under this Agreement and such accounts and all other papers and documents in the possession or custody of the Reseller relating to the business shall at all times be open to the inspection of the BPCL, its officers or any other authorized representatives who shall have in all circumstances free and unrestricted liberty and power to check and to copy out the same or any part thereof.
- 14.3. Company, its officers or any other authorized representatives shall at all times have the right to collect and test samples of the said Product stored at the premises of the Reseller as part of routine quality procedures or to resolve any customer complaint or feedback served by the Reseller as and when reported to BPCL

## **15. MEASUREMENT**

- 15.1. Supplies in the tank lorries will be made in accordance with the Metric System in so far as they become applicable to the Petroleum Industry.
- 15.2. Measurement of the quantity delivered by BPCL to the RESELLER will be determined by a dip of the tank lorries or any other method as approved by Legal Metrology Act (as the case may be) at the BPCL's Refinery/Depot/Installation. BPCL's measurement will remain binding for the transaction.

## **16. PRICES**

- 16.1. The Sale Price of the said Product to the Reseller will be the price as may be fixed by BPCL from time to time and prevailing on the date of supply.
- 16.2. It is hereby expressly declared that the Reseller will be at the liberty to charge prices which may be lower than the prices fixed by the Company, but any reduction made by the Reseller will be to his own account and will not be recoverable from the BPCL.
- 16.3. It is expressly understood by the Reseller that the sale price by the Company to any other authorised Reseller in the same Geography could be different based on the sales volume /performance etc. The reseller will not have any claim or objection, if any other authorised resellers in the same geographical area offers different prices to an end user.

## **17. TAXES**

- 17.1. The basic prices of products shall be exclusive of all taxes and levies. The applicable taxes and other levies shall be charged extra in the invoice and Buyer shall pay the same in addition to the basic price of product.
- 17.2. In case of substitution or replacement or any amendment of existing law pertaining to taxes, duties, cess etc, respective provisions of the Agreement shall be amended accordingly and buyer agrees to reimburse the Supplier all such said statutory taxes, duties, levies based on documentary evidence to be submitted by the supplier.

- 17.3. Any statutory variation in the taxes, duties, levies, cess etc. specified herein above and / or imposition of revision in taxes, duties, levies, cess, octroi, entry tax etc. during the execution period of the Agreement shall be to Buyer's account and payable at actual against documentary evidence
- 17.4. In case of credit notes to be given to the Buyer by Suppliers for product price or any other related modifications etc, the Supplier shall raise credit notes and the buyer confirms that they shall comply with the GST provisions.
- 17.5. The Buyer agrees to indemnify the supplier unconditionally for any subsequent levies in the form of taxes, penalties, interest etc on the supplier due to non Compliance of GST law by the Buyer.

## **18. PAYMENTS/ REMITTANCES**

- 18.1. The payment for the said Product to be purchased by the RESELLER from Company will be made in full as per payment terms as agreed.
- 18.2. The Reseller shall pay to the Company the price of all the said Product sold to him by the Company at the rate prevailing on the date of supply together with GST and such other levy payable in respect of the supply.

## **19. SECURITY DEPOSIT**

- 19.1. The Reseller as per the requirement of the process has to submit the company a refundable security deposit of Rs.5,00,000/- ( five lakhs) for due fulfilment of his undertakings and obligations hereunder.
- 19.2. Such deposits shall be in form of a demand draft and shall not bear or carry any interest. The Reseller agrees that the Company shall be under no obligation with regard to the manner of use or disposal of the funds received as deposits from the Reseller
- 19.3. The Company reserves their right to adjust any dues to it from the Security Deposit and Reseller shall immediately deposit such adjusted amount to make up the required secured deposit. However in case of termination on account of proven adulteration/malpractices the said security deposit will be forfeited.
- 19.4. Upon any revision in the amount of deposit the Reseller shall submit security deposit along with the further amount if any make up the revised amount
- 19.5. Any such deposit shall be regarded by the Reseller as a security deposit only and the Reseller shall have no right to claim the same be utilized in payment of sums due by him to the company from time to time

## **20. FORCE MAJEURE**

- 20.1. The term Force Majeure in this Agreement means act of God, war, riot, tempest, flood, earthquake, lightning, direct or indirect consequences of war (declared / undeclared), sabotage, fire, hostilities, natural calamities, national emergencies, civil

disturbances, commotion, embargo, epidemic or any law or promulgation, regulation or ordinance or executive order whether central or state or local or municipal authorities, strike / explosion in the BUYER's or SELLER's plant / installation. Upon occurrence or termination of such an event the Party rendered unable to fulfill the contractual obligation as aforesaid shall notify the other Party in writing within 24 (Twenty four) hours of the beginning and ending, giving full particulars and satisfactory evidence thereof.

- 20.2. The parties to this AGREEMENT shall not be responsible for failure of performance or delay in performance of their obligations hereunder if such failure or delay shall be as a result of any Government directive relevant to this AGREEMENT or due to war, hostility, act of public enemy, riots or civil commotions, strikes, lock-out, fire, floods, epidemic, or acts of God, arrests and restraints of rulers and peoples, political or administrative acts or recognized or de compliance with orders of any Governmental/ Local authority or any other cause or causes beyond their control.
- 20.3. If Force Majeure applies, dates by which performance obligations are scheduled to be met will be extended for period of time equal to the time loss due to any delay so caused, upto a maximum period of two weeks.
- 20.4. In the event of Force Majeure conditions continuing beyond two weeks thereafter, the Parties shall discuss various aspects of Agreement and decide future action in consultation with each other.
- 20.5. Both Parties will diligently work together fullest to resume operations overcoming the Force majeure conditions at the earliest.

## **21. TERMINATION**

- 21.1. This AGREEMENT may be terminated by either party by giving three months advance written notice to the other party.
- 21.2. Notwithstanding anything contained hereinabove this AGREEMENT can be terminated by BPCL at their sole discretion upon the happening of any of the following events :-
- 21.3. If default is committed by the RESELLER in the performance of the covenants and / or terms of the AGREEMENT.
- 21.4. If any voluntary winding up resolution is passed or winding up petition is presented and approved in respect of the RESELLER,
- 21.5. If the Reseller shall commit or suffer to committed any act which in the sole discretion of Company shall be prejudicial to the good name of the Company or its products.

## **22. ARBITRATION**

Any dispute or difference whatsoever arising out of or in connection with this Agreement including any question regarding its existence, validity, construction, interpretation, application, meaning, scope, operation or effect of this contract or termination thereof shall



be referred to and finally resolved through arbitration as per the procedure mentioned here in below :

- 22.1. The dispute or difference shall, in any event, be referred only to a Sole Arbitrator
- 22.2. The appointment and arbitration proceedings shall be conducted in accordance with SCOPE forum of Arbitration Rules for the time being in force or as amended from time to time
- 22.3. The Seat of arbitration shall be at \_\_\_\_\_.
- 22.4. The proceedings shall be conducted in English language
- 22.5. The cost of the proceedings shall be equally borne by the parties, unless otherwise directed by the Sole Arbitrator
- 22.6. The parties hereby agree that the courts in the city of \_\_\_\_\_ alone shall have jurisdiction to entertain any application or other proceedings in respect of anything arising under this AGREEMENT and any award or awards made by the Sole Arbitrator hereunder shall be filed (if so required) in the concerned courts in the city of \_\_\_\_\_ only.

### **23. ASSIGNMENT**

This AGREEMENT shall not be assigned or transferred by either party without the written consent of the other party.

### **24. NOTICES**

Unless otherwise specifically provided, all notices to be given hereunder by either party to the other shall be in writing and be given by Company to RESELLER at the RESELLER's Registered Office mentioned above and by RESELLER to BPCL at Company's Territory Office as mentioned above.

### **25. INDEMNITY FOR THIRD PARTY'S CLAIM**

- 25.1. Following provisions relating to indemnity by the Reseller in respect of all claims including third party claims shall apply to this Agreement during the duration of this Agreement and even after the termination thereof in respect of any transaction arising in respect of the dealings between the parties hereto under this Agreement. For the purpose, of this clause the expression " Reseller " shall include a sub-Reseller , agent, servant, licensee, employee or other person nominated or appointed by the Reseller or otherwise having any direct or indirect interest in this Agreement or storing, licensing, handling. Loading, unloading, delivering, selling marketing.,

distributing or transporting Product, whether filled or empty vehicles and equipment relating thereto.

- 25.2. The Reseller shall at all times fully and effectively indemnify and keep indemnified the Company, its estates and effects from and against all losses, damages, claims, suits, legal proceedings and other wise howsoever arising from or in connection with any loss or injury to person or property in connection with any of the matters covered by the Agreement or arising in the course of any of the contingencies referred to above or otherwise howsoever.

IN WITNESS WHEREOF the parties hereto have set their hand the day and year first above written.

SIGNED FOR & ON BEHALF OF  
BHARAT PETROLEUM CORPN.LTD.

WITNESSES:

- 1)
- 2)

SIGNED FOR & ON BEHALF OF  
RESELLER ( NAME )

WITNESSES :

- 1)
- 2)