**Agreement of Dealership between Manufacturer and Firm**

This Agreement is made on this.......day of ........................ at ..............between :

1.     Messers XYZ Ltd., incorporated under the Companies Act, 1956 having its registered office at ...................................................... hereinafter called the company of the one part ;

and

2.     Messers ABC & Co, a partnership concern consisting of its partners Mr. ................... , Mr............................ and Mr.......................through its partners Mr......................having its office at..........................hereinafter called the firm of the other part.

WHEREAS the manufacturer is engaged in manufacturing electronics and electrical products of different varieties.

AND WHEREAS the firm has its own establishment and is making sales of the products of other companies and has shown its desire of selling the product of the company from its new showroom recently taken on rent.

AND WHEREAS the company, after considering the proposals put forward by the firm has decided to appoint the firm.

NOW THIS AGREEMENT WITNESSES AS UNDER :

1.     That the company hereby appoints the firm as its dealer to sell the products of the company.

2.     That the appointment of the firm as dealer shall remain in force for three years from the date of this agreement, but this agreement may be renewed for the same period on the terms and conditioned that may be settled between the parties at that time.

3.     That the firm shall keep the stock of the company for Rs................at any time. The firm shall submit a quarterly return of the product received, product sold and product in hand.

4.     That the company shall allow credit of one month to the firm on all invoices. But an interest of 18% per annum shall be charged on all payments received after one month.

5.     That advertisement material shall be supplied by the company to the firm in sufficient quantity in order to display the same at sales depot and for distribution in the areas of its operation.

6.     That the company shall bear 60% cost of rent, and staff subject to maximum of 6% of the invoice value of all products of the company sold to the firm. This amount shall be credited in running account of the firm with the company on quarterly basis.

7.     That accounts between the parties shall be settled half yearly and debit or credit notes shall be issued half yearly in order to square up the accounts.

8.     That the firm shall make every efforts to promote the sales of the company. In case it is felt by the company that the firm is not taking proper interest, it may terminate the dealership by giving one months prior notice.

9.     That on termination of the agreement the accounts shall be settled within a fortnight. The company shall take back all unsold stock and settle the account.

10.  That firm shall not sell any goods of the company on a price higher or lower than what may be fixed by the company from time to time.

11.  That the firm is entitled to appoint sub-dealer, agents, salesmen clerk etc. in salary or commission basis, but with the condition that they shall work strictly within the terms an conditions of this agreement.

IN WITNESS WHEREOF the parties have executed these presents on the day, month and year first above written.

Sealed, signed and delivered

by Mr. A pursuant to Board

Resolution dated ......... of

XYZ Ltd. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

(Secretary)

Sealed, signed and delivered

by Mr. C. Firm

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Mr. C. (Partner of ABC & Co.)

In the presence of

1. ...............

2. ...............