**APPOINTMENT OF SOLE SELLING AGENT**

This Agreement is made on this 12th day of …………………………..….

Between

……………………………………………………………………………………………….…………. Ltd.,

a company registered under the Companies Act 1956 and doing business at……………………………................. Chennai (hereinafter referred to as the company) of the One Part

And

…………………………………………………………………………………………………………. Ltd,,

a company registered under the Companies Act 1956 and doing business at................... Salem

(hereinafter called agent) of the Other Part.

Whereas,

the company is engaged in manufacturing Telephone equipments.

And whereas

the agent being wholesale trader in Telephone equipments in South India with headquarters at Salem and has approached the company for being selected as sole selling agent of the company in South India.   
  
And whereas

the company per its general meeting held on …………………..……… has adjudged to select Shyam& Co. Ltd. being sole selling agent for South India for whole-sale trade of the company's manufactured Telephone equipment.   
  
Now this agreement witnesses and the parties hereby consent as below:   
  
1. The company select Shyam& Co. Ltd., Salem being the sole selling agent for South India for Telephone equipments manufactured by the Company and the said Agent will bear exclusive authority and right to vend may be in cash or on credit and get the orders for vending the said products of the company in any way in the said territory.

2. The selection shall be effective from 1st day of November 2003 and shall be enforceable for five years from the said date without prejudicing right of re-selection but basing on approval by the company in general meeting along with approval by Central Government as laid per section 294 of the Companies Act 1956 with rule 2 of the Companies (Appointment of Sole Agents) Rules 1975.   
  
3. The agent shall bear right in operating the whole territories of South India either directly or through their branch offices, sub-agents or associates for effecting to this Agreement.   
  
4. The agent in consideration of its vending and procuring orders for vending the company's products shall be paid a commission of 12.5% on total sales done by it but on amount actually collected/paid to the company by it.

5. (A) The agent hereby agrees that it will exclusively engage in vending the company's products as best as he can and shall not employed in vending alike or similar products of other manufacturers which will protect, preserve and maintain patents/trade mark of the company's products vended by it in all possible way per its own cost and will never permit others in using same without any power.   
  
(B) The agent will maintain and keep full and complete accounts of sale of the company's products, area-wise with region-wise and present quarterly reports of sale, stock-in-hand, realising of credit bills and any other information as may be needed by the company from time to time.   
  
(C) It will not create any duties involving payment either in kind or cash on behalf of the company and shall not transfer any interest, right and obligation emerging out of these presents to any third party. The agent shall keep the company well intimated of the demands of the company's products emerging in territories of its operation from time to time.

6. The company hereby agrees that it shall give to the agent complete catalogues, direction books, circulars for augmenting sales of its products and publish advertisements in local and regional newspapers for augmenting sales of the company's products. It shall execute orders placed by the agent with all reasoned despatch and shall not entertain/execute direct orders from the territories allotted to the agent and If any orders are received by it the same shall be transferred to agent and it will be paid commission at 12.5% on such orders when executed.

7. The parties hereto hereby consent that nothing contained herein shall prejudice the rights of the company to select another selling agent in the same territory or to open its own retail gown it is found compulsory in promoting public distribution system or to execute any special programme of the Government of India

8. The retail price of the product shall always be determined by the company in its own discretion.   
  
9. This Agreement shall be renewable subject to mutual agreement of the parties hereto on ending of five years,

10. Either party may terminated this Agreement on serving six months' notice to other parties in advance and in writing.

11. Any controversies emerging between the parties hereto shall be referred to the sole arbitrator Mr. A & A whose decision/award shall be binding/final upon the parties hereto.

12. The Chennai Courts will have the jurisdiction in adjudging the issues in controversies between the parties hereto.

In witness whereof the parties herein execute these presents on the day, month and year first above-written.   
  
Signed, sealed and delivered by Mr....................pursuant to Board Resolution dated 30th September 20………… of Ram & Co. Ltd.

Signed, sealed and delivered by Mr. ………………................pursuant to Board Resolution dated 1st October 20……………………………… of Shyam& Co. Ltd.