

DRAFTING OF COMMERCIAL CONTRACTS AND **AGREEMENTS**



PREFACE

From the moment we wake up to the moment we go to sleep our life is governed by the set of expectations we have as a result of the explicit and implicit agreements between us and others.

In fact, agreement can be defined as a meeting of minds with the understanding and acceptance of reciprocal legal rights and duties as to particular actions or obligations, which the parties intend to exchange or a mutual assent to do or refrain from doing something.

It is important to understand that if we enter into agreements with commercial organizations we will have important obligations to fulfil in return for any rewards that we might receive. So before any commercial agreement is finally signed all parties should invest considerable time and effort in the process which can take many months.

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1. INTRODUCTION

Negotiations are the starting point of any commercial relationship. There after commercial agreements are drafted to record the negotiations between parties in writing. Commercial agreements are those agreements that involve with the commercial aspects of a product or service. It defines the obligations of each party to the Agreement and the benefits they will get in return from the Agreement. The terms of a commercial agreement are usually quite formal and vary for each organisation and transaction.

Generally a commercial agreement will contain the following features –

- Identity of the parties;
- Term of the agreement;
- Commercial benefits;
- Obligations of the parties to the agreement;
- Purpose of the agreement;
- Termination details etc.
- Signature of the parties to prove consent to the agreement.

1.1. What is a document?

Ordinarily the word "document" denotes a textual record. Increasingly sophisticated attempts to provide access to the rapidly growing quantity of available documents raised questions about which should be considered a "document".

Three Acts refer to the word "Document" in very similar terms:

1. Section 3 of the Indian Evidence Act, 1872 states that a "Document" means any matter expressed or described upon any substance by means of letters, figures or marks or by more than

one of those means, intended to be used or which may be used, for the purpose of recording that matter.

A writing is a document;

Words printed, lithographed or photographed are document;

A map or plan is a document;

An inscription on a metal plate or stone is a document;

A caricature is a document.

2. Section 3(18) of the General Clauses Act, 1897, states that a "Document" shall include any matter written, expressed or described upon any substance by means of letters, figures, or marks or by more than one of those means, which is intended to be used or which may be used for the purpose of recording that matter.

3. Section 29 of the Indian Penal Code, 1860, "The word 'Document' denotes any matter expressed or described upon any substance by means of letters, figures, or marks or by more than one of those means, intended to be used or which may be used as evidence of that matter".

Thus the word "Document" has been used in a wide sense and it includes instruments, deeds, agreements etc. Documents will also include Electronic records.

1.2. What is an agreement?

According to Sec.2(e) of Indian Contract Act, 1872, every promise and every set of promises, forming the consideration for each other, is an agreement. It is clear from the definition that promise is an agreement. According to Section 2(b) of Indian Contract Act, 1872, when a person to whom the proposal is made, signifies his assent thereto, the proposal is said to be accepted. A proposal, when accepted, becomes a promise. From this it is clear that an agreement is an accepted proposal. The process of definition shows that a contract is an agreement, an agreement is a promise and a promise is an accepted proposal. An agreement therefore comes into existence only when one party makes a proposal or offer to the other and that other signifies his assent

thereto. In short every agreement is the result of a proposal from one side and its acceptability by the other.

1.3. Validity of agreement

According to Section 20 of the Indian Contract Act, 1872, an agreement caused by mistake of facts are void i.e. if the mistake of fact is with regard to the subject matter.

According to Section 23 of the Indian Contract Act, 1872, an agreement is void if the object or consideration is against the public policy.

According to Section 24 of the Indian Contract Act, 1872, an agreement is void if any part of a single consideration for one or more objects, or any one or any part of any one of several consideration of a single object, is unlawful.

According to Section 27 of the Indian Contract Act, 1872, an agreement in restraint of trade or business or lawful profession is void. But a buyer can put a condition on the seller of goodwill not to carry on the same business provided the conditions are reasonable.

According to Section 28 of the Indian Contract Act, 1872, an agreement in restraint of legal proceedings is void.

According to Section 29 of the Indian Contract Act, 1872, an agreement, the meaning of which is not certain or capable of being made certain are void.

1.4. What is drafting?

Drafting may be defined as the synthesis of law and fact in a language form. Perfection cannot be achieved in drafting unless the nexus between law, facts and language is fully understood. In fact drafting can be described as the practice, technique or skill involved in preparing legal documents that set forth the rights of the parties.

A legal document is basically an enumeration of the transaction and all terms and conditions agreed to between the parties involved.

The following ten easy and important steps can be followed for drafting a document:

- i. Ascertain a proper title of the document, which aptly describes the nature of transaction in brief.
- ii. Ascertain the parties to the transaction/agreement or the persons executing the document representing the parties. The particulars of identity like father's/husband's name, residential/official address, age, date of incorporation in case of company etc. should also be mentioned.
- iii. Note down the transaction/agreement and the consideration involved.
- iv. State the mode and manner of payment of consideration.
- v. Note down the various terms and conditions of the agreement. These terms actually state the rights and liabilities of each party under the agreement. These terms should be drafted in very clear and precise language. The words used should be unambiguous so that only one meaning/interpretation is possible. It should be ensured that no condition is left out.
- vi. At the end, the document should bear signatures and stamp/seal where necessary of the executing parties. The date and place of execution should also be mentioned.
- vii. Some documents also require to be witnessed by some independent person who is not party to the document.
- viii. Where a document is required to be executed on stamp paper, then the stamp paper should be of prescribed value as applicable in the concerned state.
- ix. If a document is required to be registered, it should be presented for registration before the appropriate authority, within a reasonable time after execution.
- x. Necessary number of copies of the document should also be prepared on stamp paper of appropriate value, if so required.

1.5. Points to be kept in mind while drafting agreements

- Prepare an outline.
- Establish a single principle of division and use that principle to divide the subject matter into major topics.
- Arrange the items in a logic sequence.
- Give appropriate headings.
- Remember the audience in mind when drafting a document.
- The text should be in clear writing.
- Use concrete words and be concise.
- Avoid gender-specific words as far as possible.
- Write in short sentences.
- Use proper punctuations.
- Avoid drafting in the passive voice and use active voice as it is more direct and vigorous than the passive voice.
- As far as possible put statements in a positive form and make definite assertions.
- Avoid unnecessary, hesitating and non-committal language.
- Express co-ordinate ideas in similar form.
- Keep related words together as the position of words in a sentence is the principal means of showing their relationship.
- In summaries, keep to one tense, especially the present tense.
- The emphatic words of a sentence should be placed at the end

2. ABOUT CONTRACTS

2.1. What is a contract?

A contract is an agreement between two or more persons, creating an obligation upon them to fulfill or not to fulfill some duties laid down specifically in the agreement. This agreement creates a legal relationship of rights and duties on the parties and if these obligations in the agreement are not fulfilled then stringent action could be taken by the courts on the party. The Indian Contract Act, 1872 codifies the way we enter into a contract, execute a contract, implement provisions of a contract and effects of breach of a contract. Basically, a person is free to contract on any term he chooses. The Contract Act consists of limiting factors subject to which contract may be entered into, executed and breach enforced. It only provides a framework of rules and regulations which govern formation and performance of contract. The rights and duties of parties and terms of agreement are decided by the contracting parties themselves. The court of law acts to enforce agreement, in case of non-performance.

Contracts can be written, oral, or implied also. However, it is always preferable to enter into written contracts as it is always difficult to prove the terms of an oral or implied contract than those of a written one. Some of the benefits of having a written contract are:

- The process of writing down the contract's terms and signing the contract forces both parties to think about and be precise about the obligations they are undertaking. With an oral contract, it is too easy for both parties to say "yes" and then have second thoughts.
- With an oral contract, the parties may have different recollections of what they agreed on (just as two witnesses to a car accident will disagree over what happened). A written agreement eliminates disputes over who promised what.
- Some types of contracts must be in writing to be enforced. The Indian Copyright Act, 1957 requires a copyright assignment or exclusive license to be in writing.

- If you have to go to court to enforce a contract or get damages, a written contract will mean less dispute about the contract's terms as the burden of proof lies with you.

2.2. Difference between agreement and contract

A contract is an agreement enforceable by law whereas every promise and every set of promise forming the consideration for each other is an agreement. All agreements are contracts if they are made by the free consent of parties competent to contract for a lawful consideration and with a lawful object and are not hereby expressly declared to be void.

- The elements of an agreement are offer and acceptance whereas the elements of a contract are agreement and its enforceability.
- An agreement may or may not create legal obligations but creation of a legal obligation is a must in contracts.
- An agreement may not be binding and hence, may not be enforceable whereas a contract is binding on both the parties and hence, enforceable.
- An agreement may not result in a contract but a contract should constitute an agreement.

Although the above mentioned differences exist between agreement and contract, the term is generally interchangeably used.

2.3. Overview of Indian Contract Act, 1872

The Indian Contract Act, 1872 deals with the law relating to the general principles of contract.

Contract is defined under Section 2(h) of the Contract Act as “an agreement enforceable by law”.

Hence there are two important elements for a contract –

- An agreement
- The agreement must be enforceable by law

According to Section 2(e) an agreement is defined as “every promise and every set of promises forming the consideration for each other”.

A promise is defined as an accepted proposal as Section 2(b) says “a proposal when accepted becomes a promise.” Therefore it can be said that an agreement is an accepted proposal.

Essentials of a valid contract

1. The agreement should be between two parties. An agreement is the result of a proposal or offer by one party followed by its acceptance by the other.
2. The agreement should be between the parties who are competent to contract.
3. There should be a lawful consideration and lawful object in respect of that agreement.
4. There should be free consent of the parties, when they enter into the agreement.
5. The agreement must not be one, which has been declared to be void.

Proposal of offer

When one person signifies to another his willingness to do or abstain from doing anything with a view to obtaining the assent of that other to such act or abstinence, he is said to make a proposal. The willingness to do or abstain from doing something, i.e. the proposal or offer must be made with a view to obtain the assent of the other party thereto. In order that an offer, after acceptance, can result in a valid contract it is necessary that the offer should be made with an intention to create legal relationship. Promise in the case of social engagements is generally without an intention to create legal relationship; such an agreement cannot be considered to be a contract.

Communication of offer

An offer when accepted results in a contract. An offer can be accepted only after the same has come to the knowledge of the offeree. It means that the offer has to be communicated to the offeree in order that the offeree can accept it. According to section 4, “the communication of a proposal is complete when it comes to the knowledge of the person to whom it is made.”

If an offer has not yet been communicated, even if somebody acts according to the terms of the offer, he cannot be deemed to be the acceptor of the offer. Acting in ignorance of an offer does not amount to the acceptance of the same.

When the offer is made to a specific or an ascertained person it is known as a specific offer, but when the same is not made to any particular person but to the public at large it is known as general offer.

Revocation of offer

It is only after the acceptance of an offer that there arises a contract and then both the parties become bound by their respective promises. Before the offer has been accepted it can be revoked. After the offer has been accepted it ripens into a contract and then it cannot be revoked. According to Section 5, "A proposal may be revoked at any time before the communication of its acceptance is complete as against the proposer, but not afterwards."

Acceptance

A proposal when accepted, results in an agreement. It is only after the acceptance of the proposal that a contract between the two parties can arise. According to Section 2(b), "when the person to whom the proposal is made signifies his assent thereto, the proposal is said to be accepted. A proposal, when accepted, becomes a promise." The person making the proposal does not become bound thereby until acceptance. As soon as his proposal is accepted that is known as promise whereby both the parties become bound.

Consideration

According to section 2(d) of the Indian Contract Act, "When at the desire of the promisor, the promisee or any other person has done or abstained from doing, or does or abstains from doing, or promises to do or abstain from doing something, such act or abstinence is called a consideration for the promisee." Consideration is something a person gets in return. It is one of the important elements of a valid contract. An agreement is legally capable to be enforced only when each of the parties to it gives something and gets something. The consideration should not be unlawful, illegal, immoral or opposed to public policy.

Capacity to contract

Every person who enters into a contract must be competent. In other words, the person should be of the age of majority, should have a sound mind, and must not be disqualified from any law to which they subject. Minors, lunatics, unsound and intoxicated persons are incompetent to enter into a contract.

Discharge of Contract

A Contract may be discharged in any of the following ways

1. Discharge by Performance
2. Discharge by Mutual Consent or Agreement
 1. Novation - When a new contract is substituted for an existing contract
 2. Alteration
 3. Rescission
 4. Remission - Accepting the lesser sum of amount than what was contracted for
3. Discharge by subsequent illegality or impossibility
 1. Destruction of Subject-matter
 2. Failure of ultimate purpose
 3. Death or personal incapacity of Promisor
 4. Change of Law
4. Discharge by lapse of time
5. Discharge by operation of law
6. Discharge by breach of contract
 1. Anticipatory breach
 2. Actual breach

Remedies for breach of contract

When a contract is breached, the injured party is entitled to one or more of the following remedies.

1. Rescission of the contract - When one party to the contract breaches the contract, the other party need not perform his part of the obligations. The aggrieved party may rescind the contract. In such cases, the injured / aggrieved party can either rescind the contract or file a suit for damages. In general, rescission of the contract is accompanied by a suit for damages. Section 73 of Indian Contract Act, 1872 deals with Compensation for loss or damage caused by breach of contract.
2. Suit for damages - The aggrieved party of the contract is entitled for monetary compensation when the contract is breached. The objective of Suit for damages is to put the aggrieved / injured party in a position in which he would have been had there been performance and not breach. The aggrieved / injured party must be able to prove the actual loss or no damages will be awarded. Damages can be of four kinds namely - Ordinary or General Damages, Special Damages, Exemplary or Punitive Damages and Nominal Damages.
3. Suit upon quantum merit - The term "Quantum Merit" is derived from Latin which means "what one has earned". The injured party can file a suit upon quantum merit and may claim payment in proportion to work done or goods supplied.
4. Suit for specific performance of the contract - The suit for Specific Performance is regulated by the Specific Relief Act, 1963. Specific Performance means the actual carrying out of the contract as agreed. The Court may grant for specific performance where it is just and equitable to do. Specific Performance may be granted under the following grounds.
 - a. Lack of standard for ascertaining the damages;
 - b. Where compensation is not adequate relief;
 - c. Substantial work done by the plaintiff.

The Court cannot grant the remedy of specific performance in the following situations.

- a. Where monetary compensation is an adequate relief;
- b. Where the Court cannot supervise the actual execution of the work;
- c. Where the Contract is for personal services;
- d. Where the Contract is not enforceable by either party against the other.

5. Suit for injunction - Injunction is an order of the Court restraining a person from doing a particular act. Where the defendant does something which he is promised not to do, then the injured party will get a right to file a suit for injunction.

2.4. Core Processes of a Contract

The most important thing to be remembered is that each contract is unique. A contract is of no benefit if it does not mutually satisfy and meet the goals and objectives of both parties entering into an agreement. Each contract should follow the following processes in order to be successful.

The first step towards completion of a valid contract is negotiations between the parties, followed by drafting of the document. Stamping and registration of the document will conclude the process of drafting a contract.

A. Negotiations

Negotiations are the starting point of any commercial relationship. There after commercial agreements are drafted to record the negotiations between parties in writing.

Negotiation is the principal way that people redefine an old relationship that is not working to their satisfaction or establish a new relationship where none existed before. It is a dialogue between two or more people or parties, intended to reach an understanding, resolve point of difference, or gain advantage in outcome of dialogue, to produce an agreement upon courses of action, to bargain for individual or collective advantage, to craft outcomes to satisfy various interests of two people/parties involved in negotiation process.

The aim of contract negotiation is firstly to achieve certainty, to record what is being supplied, when, in what quantities and to what standard, and what are the consequences of delay or failure to meet the agreed requirements. Many a dispute is caused by the failure of the parties to define at the beginning of their relationship, exactly what is going to happen. This is especially important in the case of complex projects, where project plans and methodologies will normally be prepared as part of the contractual documentation.

The importance of the pre-contract stage is often underestimated but it is vital to invest time and effort at this point not only for the clarification of the respective roles and responsibilities but also to facilitate the drafting process and minimise the risk of future misunderstandings.

How to negotiate a successful contract?

1) Research all pertinent information – Understand everything about the company and the people with whom negotiations will be done. Similarly, in case of business negotiations, one should ensure that other departments involved in the upcoming negotiations are also in alignment with the expectations and obligations.

2) Contract Negotiation Preparation – This is the most crucial phase. Before entering the negotiation, one must clearly define the goals and objectives and their relative importance to each other.

3) Define your Position–Your position will form the backbone of the proposal or offer you are prepared to make to your negotiating counterpart. A backup position should be formulated prior to you making your proposal, in the event that your counterpart does not deem the initial offer acceptable. Leave yourself room to manoeuvre, to allow yourself and your counterpart flexibility in the contractual negotiation process. Also, ask yourself what your backup position would be, should the negotiation fall apart. What options are available and what is the best possible alternative for you, in case you are unable to reach an agreement?

4) Evaluate the Other Side – Sit back and think about what your prospective contractual partner's position will be in relation to their expectations, as well as your own. You must also consider what would be of relative importance to them and try to estimate their goals and objectives. Consider what objections or issues they might raise and how you might counter them in a mutually productive manner.

5) Introductory Meeting – Before you make an offer or proposal, be sure that you are both in agreement about the objectives and goals of the contractual agreement you are about to negotiate.

6) Listen – A successfully negotiated contract is not a one-way street, and it is important that you take the time to listen to what your prospective contractual partner has to say. This is not the

time to talk, but to listen, and by doing so you will learn what is important to your counterpart. Reaching an agreement will become easier if you pitch your position in a manner that gives your counterpart more opportunity to say “Yes”.

7) Concessions – Don’t rush to accept or make concessions. Take your time, and if necessary, put the request for a concession on the back burner. Most importantly, avoid making a concession without ensuring you will receive something of equal or greater value in return. Preparation is important for maneuverability in a negotiation, as it enables you to cover various scenarios that may occur.

8) Don’t Be Afraid to Say No – A bad agreement can be worse than no agreement at all. If what your prospective partner proposes does not satisfy your own goals and objectives, you must be prepared to say “No”.

9) Confirm Your Prospective Agreement – Once you have made a tentative agreement on the contractual obligations of both parties, you should verify the terms of the pending negotiated contract both verbally and in writing.

10) Expect the Unexpected – Unfortunately, a common negotiation ploy that many negotiators face in contract negotiations is a final demand or additional concession request by the other party – usually, just when you thought the deal was sealed. Again, don’t be afraid to say no, as this is not what you had initially agreed upon. Conversely, this could also be an opportunity to convince them to offer you an additional valuable concession – but only if it is warranted.

B. Drafting

It is practically inevitable that documents of the same nature, issued from the same office, or even from distinct offices, will bear a close resemblance to one another. Those charged with the execution and expedition of such documents come naturally to employ the same formula in similar cases; moreover, the use of such formula permits the drafting of important documents to be entrusted to minor officials, since all they have to do is to insert in the allotted space the particular information previously supplied them. Finally, in this way every document is clothed with all possible efficiency, since each of its clauses, and almost every word, has a meaning

clearly and definitely intended. Uncertainties and difficulties of interpretation are thus avoided, and not infrequently lawsuits. This legal formalism is usually known as the "style" or habitual diction of chanceries and the documents that issue there from. It represents long efforts to bring into the document all necessary and useful elements in their most appropriate order, and to use technical expressions suited to the case, some of them more or less essential, others merely as a matter of tradition.

How to draft a document?

A legal document is basically an enumeration of the transaction and all terms and conditions agreed to between the parties involved.

The following ten easy and important steps can be followed for drafting a document:

- xi. Ascertain a proper title of the document, which aptly describes the nature of transaction in brief.
- xii. Ascertain the parties to the transaction/agreement or the persons executing the document representing the parties. The particulars of identity like father's/husband's name, residential/official address, age, date of incorporation in case of company etc. should also be mentioned.
- xiii. Note down the transaction/agreement and the consideration involved.
- xiv. State the mode and manner of payment of consideration.
- xv. Note down the various terms and conditions of the agreement. These terms actually state the rights and liabilities of each party under the agreement. These terms should be drafted in very clear and precise language. The words used should be unambiguous so that only one meaning/interpretation is possible. It should be ensured that no condition is left out.
- xvi. At the end, the document should bear signatures and stamp/seal where necessary of the executing parties. The date and place of execution should also be mentioned.
- xvii. Some documents also require to be witnessed by some independent person who is not party to the document.

- xviii. Where a document is required to be executed on stamp paper, then the stamp paper should be of prescribed value as applicable in the concerned state.
- xix. If a document is required to be registered, it should be presented for registration before the appropriate authority, within a reasonable time after execution.
- xx. Necessary number of copies of the document should also be prepared on stamp paper of appropriate value, if so required.

C. Stamping

After negotiations and drafting a document, comes the process of stamping. Stamping is the process of taxing a document. The tax that is paid on the document is known as Stamp Duty. It is a revenue earner for the government. Stamp Duty varies from instrument to instrument. Stamp Duty is payable on instruments and not on transactions. Stamp Duty will be charged on the basis of the contents of the instrument only. Stamp Duty is computed on market value or consideration amount of the property, whichever is higher. Consideration amount is the total value of funds involved in any purchase/ sale transaction entered between two or more parties. An essential requisite for the levy of stamp duty by the State is the existence of an instrument evidencing a transaction by the citizens.

Stamp Duty is payable on any instrument falling within the definition of clause (14) of section 2 of the Indian Stamp Act, 1899. It is levied on documents or instruments of transactions. However, the subject matter of the transaction must be situated in India.

The stamp duty rates prescribed by the parliament in respect of bill of exchange, cheques, promissory notes, bills of lading, letters of credit, policies of insurance, transfer of shares, debentures, proxies and receipts will prevail all over India. The State Governments have powers to fix stamp duties on all other documents. Rates prescribed by a State Government will prevail in that State only and not in other States.

States such as Maharashtra, Karnataka and Kerala have their State Stamp Act, while many States follow the 1899 legislation.

Instruments chargeable to stamp duty

Any instrument mentioned in Schedule I to Indian Stamp Act is chargeable to duty as prescribed in the schedule. The list includes all usual instruments like affidavit, lease, memorandum and articles of company, bill of exchange, bond, mortgage, conveyance, receipt, debenture, share, insurance policy, partnership deed, proxy, shares etc. Thus, if an instrument is not listed in the schedule, no stamp duty is payable. 'Instrument' does not include ordinary letters. Similarly, an unsigned draft of an agreement is not an 'instrument'.

Instruments where stamp duty is not payable

- Documents, executed on behalf of the Government;
- Testamentary documents;
- Documents, required to be made for judicial or non-judicial proceedings;
- Any instrument for the sale, transfer or other disposition, either absolutely or by way of mortgage or otherwise, of any ship or vessel, or any part, interest, share or property of or in any ship or vessel registered under the Merchant Shipping Act, 1894, or under Act 19 of 1838, or the Indian Registration of Ships Act, 1841 (10 of 1841), as amended by subsequent Acts;
- Any instrument executed, by, or, on behalf of, or, in favour of, the Developer, or Unit or in connection with the carrying out of purposes of the Special Economic Zone.
- Securities dealt in depository are not liable to stamp duty and corporatization and demutualization schemes and related instruments are not liable to duty.

Time of stamping the instrument executed in India

Instruments executed in India must be stamped before or at the time of execution. Execution means signature and an instrument liable to stamp duty becomes chargeable as soon as it is signed by the executant.

Time of stamping instruments other than bills and notes executed out of India

Instrument executed out of India can be stamped within three months after it is first received in India. However, in case of bill of exchange or promissory note made out of India, it should be stamped by first holder in India before he presents for payment or endorses or negotiates in India. The obligation to stamp arises only when the first holder presents it for acceptance or payment or endorses, transfers or otherwise negotiates the note.

Valuation for stamp duty

If an instrument is chargeable with *ad valorem* duty¹ in respect of any money expressed in any foreign currency, then the duty should be calculated on the value of such money in rupees according to the current rate of exchange on the day of the date of the instrument.

If an instrument is chargeable with *ad valorem* duty in respect of any stock or of any marketable or other security, such duty should be calculated on the value of such stock or security according to the average price or the value thereof on the day of the date of the instrument.

If or average price, as the case may require, and is stamped in accordance with such statement, it should, so far as regards the subject-matter of such statement, be presumed, until the contrary is proved, to be duly stamped.

Where interest is expressly made payable by the terms of an instrument, such instrument should not be charged with duty higher than that with which it would have been chargeable had no mention of interest been made therein.

Instruments connected with mortgages of marketable securities should be charged as agreements chargeable with duty under Article No.5(c) of Schedule I. A release or discharge of any such instrument should also be charged only with the same duty.

In cases where property is transferred in consideration of any debt or future payment, then the consideration of such debt, money or stock will be treated as if the transfer is chargeable with *ad*

¹ An *Ad Valorem* duty is one in the form of a percentage on the value of the property, unlike a specific duty that is a fixed sum imposed on each article of a class.

valorem duty. In case of sale of property subject to a mortgage or other encumbrance, any unpaid mortgage money or money charged, together with the interest (if any) due on the same, will be deemed to be part of the consideration for the sale. Where property, subject to a mortgage is transferred to the mortgagee, he will be entitled to deduct from the duty payable on the transfer the amount of any duty already paid in respect of the mortgage.

When a purchaser purchases a property for a certain amount subject to the payment of another debt, actual or contingent, he is virtually purchasing the property for the said amount plus the amount of the debt and the aggregate of the two amounts ought to be treated as the true amount for which the property is being sold. Otherwise there is bound to be a difference between the true consideration and the consideration which is made liable to stamp duty. A contingent liability to the payment of any debt means such outstanding debt or possible adverse verdict which has to be complied with but which is not ascertained on the relevant date.

Where an instrument is executed to secure the payment of an annuity or other sum payable periodically, or where the consideration for a conveyance is an annuity or other sum payable periodically, the amount secured by such instrument or the consideration for such conveyance, as the case may be will be deemed to be (a) where the sum is payable for a definite period so that the total amount to be paid can be previously ascertained—such total amount; (b) where the sum is payable in perpetuity or for an indefinite time not terminable with any life in being at the date of such instrument or conveyance—the total amount which, according to the terms of such instrument or conveyance, will or may be payable during the period of twenty years calculated from the date on which the first payment becomes due; and (c) where the sum is payable for an indefinite time terminable with any life in being at the date of such instrument or conveyance—the maximum amount which will or may be payable as aforesaid during the period of twelve years calculated from the date on which the first payment becomes due.

Where the value of the subject matter cannot or could not be determined, then nothing more than the highest amount of value for which if stated in an instrument of the same description, the stamp actually used would, at the date of such execution will be claimable. In case of lease of a mine in which royalty or a share of the produce is received as the rent or part of the rent, then the estimation for the purpose of stamp duty will be at the rate, when the lease has been granted by or on behalf of the Government, at such amount or value as the Collector would have estimated;

or when the lease has been granted by any other person, at twenty-thousand rupees a year, and the whole amount of such royalty or share, whatever it may be, shall be claimable under such lease.

The consideration, if any and all the facts and circumstances affecting the chargeability of the instrument with duty should be clearly and fully mentioned in the instrument.

When any property has been contracted to be sold for one consideration for the whole, and is conveyed to the purchaser in separate parts by different instruments, the consideration should be apportioned in such manner as the parties think fit, provided that a distinct consideration for each separate part is set forth in the conveyance relating thereto, and such conveyance will be chargeable with *ad valorem* duty in respect of such distinct consideration.

Where property contracted to be purchased for one consideration for the whole, by two or more persons jointly, or by any person for himself and others, or wholly for others, is conveyed in parts by separate instruments to the persons by or for whom the same was purchased, for distinct parts of the consideration, the conveyance of each separate part will be chargeable with *ad valorem* duty in respect of the distinct part of the consideration therein specified.

If a person contracts for the purchase of the property but before it is duly conveyed to him, contracts to sell it to another person and in consequence the property is immediately conveyed further to sub-purchaser, the duty is payable on the consideration paid by the sub-purchaser. This is meant to obviate payment of double duty.

Where a person, having contracted for the purchase of any property but not having obtained a conveyance thereof, contracts to sell the whole, or any part thereof, to any other person or persons, and the property is in consequence conveyed by the original seller to different persons in parts, the conveyance of each part sold to a sub-purchaser will be chargeable with *ad valorem* duty in respect only of the consideration paid by such sub-purchaser, without regard to the amount or value of the original consideration; and the conveyance of the balance property to the original purchaser will be chargeable with *ad valorem* duty in respect only of the excess of the original consideration over the aggregate of the considerations paid by the sub-purchasers, but the duty on such last-mentioned conveyance should in no case be less than one rupee.

Where a sub-purchaser takes an actual conveyance of the interest of the person immediately selling to him, which is chargeable with *ad valorem* duty in respect of the consideration paid by him and is duly stamped accordingly, any conveyance to be afterwards made to him of the same property by the original seller will be chargeable with a duty equal to that which would be chargeable on a conveyance for the consideration obtained by such original seller, or, where such duty would exceed five rupees, with a duty of five rupees.

Liability to pay stamp duty

In the absence of any agreement between the parties as to the payment of duty, the expense of providing the proper stamp should be borne by the executant of the document.

For the following instruments mentioned in Schedule I-A, the person drawing, making or executing such instrument should bear the expense of providing proper stamps –

- No.2 (Administration Bond),
- No.6 (Agreement relating to Deposit of Title Deeds, Pawn or Pledge),
- No. 13 (Bill of exchange),
- No. 15 (Bond),
- No. 16 (Bottomry Bond),
- No, 26 (Customs Bond),
- No. 27 (Debenture),
- No. 32 (Further charge),
- No. 34 (Indemnity. bond),
- No. 40 (Mortgage-deed),
- No. 49 (Promissory-note),
- No. 55 (Release),
- No. 56 (Respondentia Bond),

- No. 57 (Security-bond or Mortgage-deed),
- No. 58 (Settlement),
- No" 62 (a) (Transfer of shares in an incorporated company or other body corporate).
- No. 62 (b) (Transfer of debentures, being marketable securities, whether the debenture is liable to duty or not, except debentures provided for by section 8) .
- No. 62 (c) (Transfer of any interest secured by a bond, mortgage-deed or policy of insurance)

The exceptions to the above mentioned provision are –

- in the case of policy of insurance other than fire-insurance - by the person effecting the insurance;
- in the case of a policy of fire-insurance - by the person issuing the policy
- in the case of a conveyance (including a re-conveyance of mortgage property) by the grantee; in the case of a lease or agreement to lease – by the lessee or intended lessee;
- in the case of a counterpart of a lease - by the lessor;
- in the case of an instrument of exchange - by the parties in equal share;
- in the case of a certificate of sale - by the purchaser of the property to which such certificate relates; and,
- in the case of an instrument of partition - by the parties thereto in proportion to their respective shares in the whole property, partitioned, or when the partition is made in execution of an order passed by a Revenue authority or civil Court or arbitrator, in such proportion as such authority, Court or arbitrator directs.

Impounding of instruments not duly stamped

Courts and public officers have the obligation to examine every document produced or coming before them to ascertain, in case such document attracts stamp duty, whether it has been duly stamped. They have the power to impound the same if it appears that such instrument is not duly

stamped. The power of the impounding officer can be exercised only in relation to the original instrument. An instrument in order to be impoundable under this section must be one which is chargeable with duty under the Stamp Act and not under any other Act.

The State Government has been given powers to declare what offices shall be deemed to be public offices and which officers shall be deemed to be persons-in-charge of public offices.

A Magistrate or Judge of a criminal court is not bound to, but may, in his discretion, impound a document produced before him, if it appears to be insufficiently stamped.

Instrument cannot be accepted as evidence if not duly stamped

An instrument not 'duly stamped' cannot be accepted as evidence by civil court, an arbitrator or any other authority authorized to receive evidence. However, the document can be accepted as evidence in criminal court.

The instrument can be admitted in evidence on payment of the duty with which the same is chargeable or, in the case of an instrument insufficiently stamped, of the amount required to make up such duty, together with a penalty of five rupees, or, when ten times the amount of the proper duty or deficient portion thereof exceeds five rupees, of a sum equal to ten times such duty or portion; (b) where any person from whom a stamped receipt could have been demanded, has given an unstamped receipt and such receipt, if stamped, would be admissible in evidence against him, then such receipt shall be admitted in evidence against him on payment of a penalty of one rupee by the person tendering it.

Where a contract or agreement of any kind is effected by correspondence consisting of two or more letters and any one of the letters bears the proper stamp, the contract or agreement shall be deemed to be duly stamped.

Section 35 prohibits the admission in evidence of any unstamped document but the provisos set forth the conditions on which a defective document may be admitted and further enjoins that no document can be admitted till after payment of duty and penalty.

An unstamped or deficiently stamped document is not void and it is effective from the date of its execution though it is incapable of being made use of as evidence until it is properly stamped. An instrument which is stamped with an adhesive stamp is not properly cancelled, cannot be

admitted in evidence.

An instrument which is chargeable with stamp duty but bears not stamp is like an invalid instrument and secondary evidence of its contents is not receivable, but the instrument may be received in evidence for a collateral purpose or in criminal cases.

Penalty prescribed under the Indian Stamp Act, 1899

- Any person who draws, makes, issues, endorses or transfers or signs as a witness or presents for acceptance or payment or any manner of negotiation, any bill of exchange or promissory note without being duly stamped; or executes or signs any instrument chargeable with duty without the same being duly stamped; or votes or attempts to vote under any proxy not duly stamped, will be punishable for every such offence, with fine that may extend to five hundred rupees.
- If a share warrant is issued without being duly stamped, the company issuing the same, and also every person who, at the time when it is issued, is the managing director or secretary or other principal officer of the company, will be punishable with fine which may extend to five hundred rupees.
- Any person who, with intent to defraud the Government,—
 - (a) executes any instrument in which all the facts and circumstances required by section 27 to be set forth in such instrument are not fully and truly set forth; or
 - (b) being employed or concerned in or about the preparation of any instruments, neglects or omits fully and truly to set forth therein all such facts and circumstances; or
 - (c) does any other act calculated to deprive the Government of any duty or penalty under this Act;shall be punishable with fine which may extend to five thousand rupees.
- Any person who receives or takes credit for, any premium or consideration for any contract of insurance and does not, within one month after receiving, or taking credit for, such premium or consideration, make out and execute a duly stamped policy of such

insurance or makes, executes or delivers out any policy which is not duly stamped or pays or allows in account, or agrees to pay or allow in account any money upon, or in respect of, any such policy, will be punishable with fine which may extend to two hundred rupees.

- Any person drawing or executing a bill of exchange payable otherwise than on demand or a policy of marine insurance purporting to be drawn or executed in a set of two or more, and not at the same time drawing or executing on paper duly stamped the whole number of bills or policies of which such bill or policy purports the set to consist, will be punishable with fine which may extend to one thousand rupees.
- Any person who with intent to defraud the government of duty draws, makes or issues any bill of exchange or promissory note bearing a date subsequent to that on which such bill or note is actually drawn or made or knowing that such bill or note has been so post-dated, endorses, transfers, presents for acceptance or payment or accepts, pays or receives, payment of, such bill or note; or in any manner negotiates the same or with similar intent not specifically provided under the Act will be punishable with fine which may extend to one thousand rupees.

Cognizance of offence

No prosecution in respect of any offence punishable under the Stamp Act should be instituted without the sanction of the Collector or such other officer as the State Government generally, or the Collector specially, authorizes in that behalf. The Chief Controlling Revenue-authority or any officer generally or specially authorized by it in this behalf may stay any such prosecution or compound any such offence.

No Magistrate other than a Presidency Magistrate or a Magistrate, whose powers are not less than those of a Magistrate of the second class, shall try any offence under the Indian Stamp Act.

Every such offence committed in respect of any instrument may be tried in any district or presidency town on which such instrument is found, as well as in any district or presidency-town in which such offence might be tried under the Code of Criminal Procedure for the time being in force.

D. Registration

The next process after stamping an instrument is registration. Registration refers to the recording of the contents of a document with a Registering officer appointed by the Government. The main purpose of registration is to ensure information about all deals are recorded and maintained apart from giving the document its authenticity. It gives information to the people regarding legal rights and obligations arising or affecting a particular property. The registered documents may afterwards be of legal importance, and also aid in preventing fraud.

The process of registering a document is done under the provisions of the Registration Act, 1908.

The main objects of the law of registration are -

- to provide a conclusive proof of genuineness of documents;
- to afford publicity of transaction in respect of properties;
- to prevent fraud;
- to afford facility for ascertaining whether a property has already been dealt with; and
- to afford security of the title deeds and facility of proving titles in case the original deeds are lost or destroyed.

Registration of documents

All documents relating to sale, conveyance, exchange, gift, settlement partition, mortgage, lease, decrees and release of immovable property of the value of one hundred rupees or more are compulsorily registerable documents under Section 17 of the Registration Act, 1908. The remaining categories of documents mentioned in Section 18 of the Act are optionally registerable documents.

No non-testamentary document relating to immovable property should be accepted for registration unless it contains a description of such property sufficient to identify the same. It is always necessary, with a view to identify the property involved in a document, that the description of the property is mentioned in a separate schedule, preferable with maps or plans, so as to enable the Registering Authority to make notes in the books to be preserved. The

description should mention the area of the property, the number of the property, the boundaries of the property, the streets on which it is situated, along with the name of the village, Taluka, district. It is the discretion of the registering officer to refuse to accept a document if the description of the immovable property is not sufficient to identify the property correctly.

Compulsory / optional registration

Situations / documents wherein registration is compulsory / optional under Sec.17 and Sec.18 of the Registration Act, 1908:

Sl.No.	Situation / documents	Registration requirement
1.	Gift of immovable property	Compulsory
2.	Transfer of right, title or interest, whether vested or contingent, of an immovable property, wherein the value exceeds Rs.100/-.	Compulsory
3.	Receipt or payment of any consideration on account of creation, declaration assignments, limitation or extinction of any such right, title or interest.	Compulsory
4.	Lease of immovable property for any term exceeding one year or reserving a yearly rent.	Compulsory
5.	Transfer or assignment of decree / order of a Court or any award if it creates, assigns, limit or extinguishes in present or future, any right, title or interest in an immovable property, wherein the value exceed Rs.100/- .	Compulsory

6.	Composition Deed	Not applicable
7.	Any instrument relating to shares in a Joint Stock Company, notwithstanding that the assets of such company consist in whole or in part of immovable property.	Not applicable
8.	Any debenture issued by any such company and not creating, declaring, assigning, limiting or extinguishing any right, title or interest, to or in immovable property except in so far as it entitles the holder to the security afforded by a registered instrument whereby the company has mortgaged, conveyed or otherwise transferred the whole or part of its immovable property or any interest therein to trustees upon trust for the benefit of the holders or such debentures.	Not applicable
9.	Any endorsement upon or transfer of any debenture issued by any such company.	Not applicable
10.	Any document that does not create, declare, assign, limit or extinguish any right, title or interest of the value of one hundred rupees and upwards, to or in immovable property, but merely creates right to obtain another document which will, when executed, create, declare, assign, limit or extinguish any such right, title or interest.	Not applicable

11.	Any decree or order of a Court except a decree or order expressed to be made on a compromise and comprising immovable property other than that which is the subject matter of the suit or proceeding.	Not applicable
12.	Any grant of immovable property by the Government	Not applicable
13.	Any Instrument of partition made by a Revenue office	Not applicable
14.	Any order made under the Charitable Endowments Act 1890 vesting any property in a Treasurer of Charitable Endowments or divesting any such Treasurer of any property.	Not applicable
15.	Any endowment on a mortgage deed acknowledging the payment of the whole or any part of the mortgage money and any other receipt for payment of money due under a mortgage when the receipt does not purport to extinguish the mortgage.	Not applicable
16.	Any certificate of sale granted to the purchaser of any property sold by public auction by a Civil or Revenue Officer.	Not applicable
17.	Authority to adopt a son and not conferred by a Will.	Compulsory
18.	Instruments which create, assign, declare or limit any title or interest, wherein the value	Optional

	of the immovable property is less than Rs.100/-.	
19.	Lease of immovable property not exceeding one year.	Optional
20.	Transfer or assignment of decree / order of a Court or any award if it creates, assigns, limit or extinguishes in present or future, any right, title or interest in an immovable property, wherein the value does not exceed Rs.100/-.	Optional
21.	Wills	Optional

Registration of non- testamentary instruments

A testamentary document is a Last Will and Testament or some other document that meets the statutory requirements of a will. Therefore, non-testamentary documents would be documents that are not related to a Last Will and Testament. Section 17(1)(b) requires non-testamentary instruments which purport or operate, to create, declare, assign, limit or extinguish, whether in present or in future, any right, title or interest, whether vested or contingent, of the value of one hundred rupees and upwards, to or in immovable property to be compulsorily registrable.

Language of Document

Under section 19 of the Act, the Registering Officer is empowered to refuse to register a document if it is presented for registration in a language which is not commonly used in the district unless the document is accompanied by a true translation into a language commonly used in the district and also by a true copy. Therefore, the language of a document presented for registration should be in a language commonly used in the district existing in the State. However, for state of Maharashtra, where registration is done by photogravure process, this section would have no application.

Time for presenting documents for registration

- Every document other than a Will should be presented for registration within 4 months from the date of execution.
- In case a document requiring registration has been accepted for registration by a Registrar or sub Registrar from a person not duly empowered to present the same, and has been registered, any person claiming under such document may, within four months from his first becoming aware that the registration of such document is invalid, present such document again for registration.
- Where there are several persons executing a document at different times, such document may be presented for registration and re registration within four months from the date of each execution.
- In cases where delay of presentation of document is unavoidable, the Registrar may accept the document for registration on payment of fine not exceeding ten times the amount of registration fee.
- Wills can be presented or deposited at any time.
- A document relating to an immovable property can be executed out of India and later it can be presented for registration in India.

Place of Registration

Every document relating to immovable property should be presented for registration in the office of a Sub-Registrar within whose sub-district, the whole or some portion of the property is situated. Other documents can be registered in the office of Sub-Registrar where all persons executing the document desire it to be registered.

A copy of a decree or order may be presented for registration in the office of the Sub-Registrar in whose sub-district the original decree or order was made, or, where the decree or order does not affect immovable property, in the office of any other Sub-Registrar under the State Government at which all the persons claiming under the decree or order desire the copy to be registered.

A Registrar can accept a document which is registerable with sub-registrar who is subordinate to him in certain cases. The document should be presented for registration at the office of Registrar/Sub-Registrar. However, in a special case, the officer may attend the residence of any person to accept a document or will, for example, in case the person is physically handicapped or bed-ridden and is not in a position to travel.

Presenting documents for registration

All documents for registration should be presented at the appropriate registration office by the person executing the document or by the representative or assign of such person or by the agent of the person, representative or assign who is duly authorised by a Power of Attorney.

The person presenting any document at the proper registration office under section 32 should affix his passport size photograph and finger-prints to the document and where such document relates to the transfer of ownership of immovable property, the passport size photograph and the finger-prints of each buyer and seller of such property should also be affixed to the document.

According to Sec.33 of the Registration Act, 1908, only the following powers-of-attorney will be recognised –

- a. if the principal at the time of executing the power-of-attorney resides in any part of India in which the Act is in force, a power-of-attorney executed before and authenticated by the Registrar or Sub-Registrar within whose district or sub-district the principal resides;
- b. if the principal at the time aforesaid (resides in any part of India in which this Act is not in force), a power –of-attorney executed before and authenticated by any magistrate;
- c. if the principal at the time aforesaid does not reside in India, a power-of-attorney executed before and authenticated by a Notary Public, or any Court, Judge, Magistrate, (Indian) consul or Vice-Consul, or representative of the Central government.

Provided that the following persons will not be required to attend at any registration-office or Court for the purpose of executing any such power-of-attorney namely:-

- i. persons who by reason of bodily infirmity are unable without risk or serious inconvenience so to attend;

- ii. persons who are in jail under civil or criminal process; and
- iii. persons exempt by law from personal appearance in court.

However, to obtain evidence as to the voluntary nature of the execution, the Registrar or Sub-Registrar or Magistrate may either himself go to the house of the person purporting to be the principal, or to the jail in which he is confined, and examine him, or issue a commission for his examination.

Procedure for Admission and Denial of execution of document

If all the persons executing the document appear personally before the officer and/or are personally known to him or if he is otherwise satisfied that they are the persons they represent themselves to be and if they all admit the execution of the document, the Registering Officer should register the document as required under Section 58 of the said Act. He should endorse the following particulars, namely:

- a) The signature and admission of every person admitting the execution of the document in person or by his representative, assign or agent;
- b) The signature and admission of every person examined in reference to such a document;
- c) Any payment of money or delivery of goods made in the presence of the Registering Officer in reference to the execution of the document and any admission or receipt of consideration made in his presence in reference to such execution.

If any person admitting the execution of a document refuses to endorse the same, the Registering Officer nevertheless is empowered to register such a document but he should endorse a note of such a refusal and as required under Section 59 of the Act, as he should affix the date and his signature to all endorsements made under Sections 52 and 58 of the Act which is relating to the same document.

After completion of all formalities related to registration, the Registering Officer shall endorse on the document a certificate containing the word “Registered” together with the number and page of the book in which the document has been copied. Later, the endorsements and certificate

will thereupon be copied into the margin of the Register book. The copy of maps or plans if any will be filed in Book No.1. The registration of the document is then deemed to be completed and the document is returned to the person who presented the same for registration or to such other person if any, who has been nominated in writing in that behalf on the receipt mentioned in Section 52 of the Act. However, such original documents are returned by post or by hand delivery only after the proper procedure for the preservation of the original document has been completed by the Registration Authorities.

Effect of registration

Part X of the Registration Act, 1908 deals with the effects of registration. A registered document will operate from the time from which it would have commenced to operate if no registration thereof had been required or made, and not from the time of its registration. All non-testamentary documents duly registered under the Act, and relating to any property, whether movable or immovable, will take effect against any oral agreement or declaration relating to such property, unless where the agreement or declaration has been accompanied or followed by delivery of possession and the same constitutes a valid transfer under any law for the time being in force but a mortgage by deposit of title-deeds as defined in section 58 of the Transfer of Property Act, 1882, will take effect against any mortgage-deed subsequently executed and registered which relates to the same property. According to Section 49(c) of the Act, if a document, of which registration is compulsory under Section 17 of Registration Act, has not been registered, it cannot be produced as evidence in a court of law. However, an unregistered document affecting immovable property and required by this Act, or the Transfer of Property Act, 1882, to be registered may be received as evidence of a contract in a suit for specific performance under Chapter II of the Specific Relief Act, 1963 or as evidence of any collateral transaction not required to be effected by registered instrument.

Documents generally required for registration

1. Duly stamped, signed and executed document.
2. Copy of the document in the registration copy form. This is not required if the registration office is computerised.
3. Two passport size photos of both parties.

4. Two witnesses with valid identification proof & photographs.
5. Original Stamp Duty receipt.
6. Copy of Power Of Attorney in required cases.
7. Proof of identification of each party and witnesses i.e. election Identity Card, Passport, identity Card issued by Govt. of India, Semi govt. and Autonomous bodies or identification by a Gazetted officer.
8. In case the property is/was under a lease from any government authority, then permission of lessor for registration of the document.
9. NOC from local authorities if the document for registration conveys land converted as house site without the approval layout.
10. Patta transfer application duly filled and signed.
11. No objection Certificate to the effect that the property is not under acquisition.
12. Copy of PAN Card
13. Form 60 Statement in case PAN Number not provided in the document, if the value of the property exceeds Rs.5/- lakhs.

Documents exempted from Registration

Certain documents executed by or in favour of the Government are exempted from registration by virtue of section 90 of the Registration Act 1908.

- (a) documents issued, received or attested by any officer engaged in making a settlement or revision or settlement of land-revenue, and which form part of the records of such settlement; or
- (b) documents and maps issued, received or authenticated by any officer engaged on behalf of government in making or revising the survey of any land, and which form part of the record of such survey; or
- (c) documents which, under any law for the time being in force, are filed periodically in any revenue-office by patwaris or other officers charged with the preparation of village records; or
- (d) sanads, inam, title-deeds and other documents purporting to be or to evidence grants or assignments by government of land or of any interest in land; or

(e) notice given under section 74 or section 76 of the Bombay Land-Revenue Code, 1879, or relinquishment of occupancy by occupants, or of alienated land by holders of such land.

General procedure for registration

The procedure for registration varies slightly from state to state.

The general procedure undertaken by the Sub-Registrar is as follows:-

1. He verifies the document to ascertain whether it is legal to register it.
2. He examines the documents to see that they have been presented within the prescribed time period.
3. He further verifies that the full stamp duty is paid.
4. In his presence all parties executing the document admit that they have executed the document presented for registration. Parties who are present and admitting to execute the document are then personally identified by two independent witnesses. All parties and witnesses present, again sign in the presence of sub-registrar on an additional page attached to the document.
5. Parties to the document are photographed and their thumb impression is taken and such photograph and thumb impression is affixed on additional pages attached to the document.
6. He puts his official seal on each page and puts a unique numbering block on each page of the document including the additional pages. On the last page he signs the document as being registered.
7. After completing this procedure, he records the contents of the document, including the additional pages, either by photocopying the content or by scanning the content of the document. The photocopy or scanned image is permanently retained by him in his records so that in future whenever a copy of the document is required it can be obtained. Also that copy becomes a public document, which anybody can inspect by paying the requisite inspection fees.
8. After taking a copy of the document, as mentioned above, on the record and after completing the above formalities the original document is returned to the party presenting the document for registration. This completes the process.

2.5. Important clauses in a Commercial Contract

Commercial contracts form the backbone of many commercial transactions from vendor agreements to client engagement agreements. While no two businesses or industries are the same, all commercial contracts share certain fundamental structures and clauses that have become part of the body of “best practices”. There is both an art and science to drafting them and the following provisions are some of the most critical in forming a complete commercial contract.

- ✓ Names – The full legal names of the entities or signatories.
- ✓ Obligations – The obligations or actions required by each party must be crystal clear regarding the commencement of the agreement, delivery and payment terms, and must succinctly define what constitutes completion of the obligations.
- ✓ Force Majeure – A French phrase, which means *greater force*. It is a clause that alleviates a party from their contractual obligations as a result of forces or events beyond their control, and limits their liability. Some examples are riots, strikes, wars and floods. It is equally important to include clauses that concern inherently necessary actions performed by third parties before performance of contractual obligations. These are sometimes seen as *subject to* clauses, for example, Party A would only be able to satisfy its obligation *subject to* Party B delivering the parts, material, data, etc. by a certain date.
- ✓ Compensation for Non-Stipulated Failure to Satisfy – Should one party fail to satisfy their contractual obligations due to an unforeseen event, or for any reason which is not stipulated within the terms of the contract, damages will need to be paid to the party that has been wronged. The terms of these damages should be as sharply defined as possible in the contract negotiation.
- ✓ Legal Jurisdiction – Whether one is negotiating a contract within the same country or across international borders, the civil laws of the respective jurisdictions may be fundamentally different. A solid contract must specify which jurisdiction and location will litigate a contractual disagreement.

- ✓ Incorporate Arbitration Features – Legal costs can be horrendous, but by implementing an agreed upon arbitration process to handle disputes should they arise, both parties may achieve a less expensive and quicker means of settling potential disputes.

3. TYPES OF AGREEMENTS / CONTRACTS

A list of various agreements / contracts are enumerated hereunder –

I. Business Agreements

- 1) Acquisition Agreement
- 2) Agency Agreement
- 3) Advertising Agreements
- 4) Consultancy Agreement
- 5) Construction Agreement
- 6) Distribution Agreement
- 7) Franchisee Agreement
- 8) Foreign Collaboration Agreement
- 9) Hire Purchase Agreement
- 10) Investment Agreement
- 11) Joint Venture Agreement
- 12) Service Agreement
- 13) Shareholder Agreement
- 14) Stock Purchase Agreement
- 15) Sale Agreement
- 16) Technology Sharing Agreement
- 17) Agreement to act as technical or management adviser
- 18) Agreement to supply technical know-how
- 19) Technical collaboration agreement
- 20) Agreement between manufacturer and sole selling agents
- 21) Appointment of sole selling agents by a foreign company
- 22) Agreement for underwriting shares of a company
- 23) Agreement To Underwrite Debenture Stock
- 24) Agreement between a company and its manager

- 25) Agreement between a company and security service company for providing security services to the company's property
- 26) Brokerage agreement
- 27) Agreement Between A Firm And A Broker For Agency
- 28) Agreement Between Manufacturer And Commission Agent
- 29) Dealership Agreements
- 30) Deed of indemnity by the partner retaining assets and liabilities to a partner on the dissolution of the partnership firm
- 31) Indemnity For Loss Of Allotment Letter
- 32) Indemnity By Debtor To His Guarantor

II. Documents for Formation of an Entity

- 33) Memorandum of Association & Articles of Association
- 34) Partnership Deed
- 35) LLP Incorporation document and LLP Agreement
- 36) Trust Deed
- 37) Conversion of Partnership into Limited company
- 38) Association of Persons agreement
- 39) Section 25 company - Memorandum and Articles of Association
- 40) Memorandum of Association and Rules and Regulations of Society

III. Alternative Dispute Resolution

- 41) Agreement of reference to sole arbitrator
- 42) Agreement of reference to common arbitrator
- 43) Model Arbitration Clauses in an Agreement
- 44) Model Conciliation clauses
- 45) Model Mediation clauses
- 46) Mediation Agreement

- 47) Appointment Of Sole Arbitrator On Default Of Other Party
- 48) Agreement For Reference To Arbitration Between Partners

IV. Property related documents

- 49) Purchase of Flat/house/apartment (commercial/residential)
- 50) Purchase of Land
- 51) Leave and Licence Agreement
- 52) Licence authorizing the licensee to use the part of land of the licensor as way to the house of the licensee
- 53) Development Agreement
- 54) Transfer Deed
- 55) Power of Attorney
- 56) Lease of building or office
- 57) Lease of agricultural land
- 58) Lease of a furnished house for residential purposes
- 59) Deed of surrender of lease
- 60) Deed of renewal of lease
- 61) Tripartite lease agreement between lessor, lessee and the guarantor
- 62) Deed Of Sub-Lease
- 63) Deed For Modification Of The Terms Of The Lease
- 64) Gift Deed of Property
- 65) Partition Deed
- 66) Settlement Deed
- 67) Construction Agreement
- 68) Rent Agreement
- 69) Sale/ Purchase Agreement
- 70) Agreement to Sell
- 71) Deed of Mortgage of Property
- 72) Relinquishment Deed
- 73) Surrender Deed in Cooperative Housing Society

- 74) Simple Mortgage Deed
- 75) Reconveyance Deed
- 76) Deed Of Mortgage By Conditional Sale
- 77) Mortgage by deposit of Title deeds
- 78) Deed Creating Charge On The Property

V. Intellectual Property Documents

- 79) Patent and High Technology Agreements
- 80) Licensing Agreements
- 81) Consulting and Know-How Agreements
- 82) Joint Development Agreements
- 83) Software Development Agreements
- 84) Agreement for Sale of Technical Know-How
- 85) License of use of copy right
- 86) Agreements relating to protection of designs/ trademarks/ patents/ and know how
- 87) Agreement for use of Trade Mark

VI. Documents relating to Cyber law

- 88) Software Services Agreement
- 89) Internet services agreement
- 90) Privacy Policy and User Agreement
- 91) Software Escrow Agreement
- 92) Website Development Agreement
- 93) Internet Gateway Merchant Legal Agreement
- 94) Technology related contracts

VII. Banking / Financial Documents

- 95) Loan Agreements
- 96) Bank Guarantee
- 97) Promissory Note
- 98) Letter Of Credit & Reimbursement Agreement
- 99) Indemnity Given To Bank For Issue Of A Duplicate Bank Draft
- 100) Indemnity given to the bank by the natural guardian of minor children
- 101) Indemnity For Loss Of Deposit Receipt

VIII. Import/Export related documents

IX. Documents related to labour and employment

- 102) Employment agreements
- 103) Non-disclosure Agreement
- 104) Compensation Agreement
- 105) Collective Bargaining Agreement
- 106) Wage Agreement
- 107) Agreement between employer and employee going abroad
- 108) Agreement to refer disputes to arbitration
- 109) Contract Labour Agreement
- 110) Agreement for appointment of Managing Director
- 111) On the Job Training Agreement

X. Insurance related documents

XI. Documents for Private Equity Funding

- 112) Business Plan
- 113) Term Sheet
- 114) Warranties and Indemnities

- 115) Disclosure Letter
- 116) Shareholders' / Investors' Rights/ Subscription Agreement

XII. Wills

XIII. Other legal documents

- 117) Affidavit
- 118) Complaint
- 119) Written Statement
- 120) Notices

4. FORMATION OF AN ENTITY

There are various forms of entity that can be formed to carry on business. Different types of agreement deal with the types of entity to be formed like company, partnership, limited liability partnership, association of persons, trust etc. The various types of agreements related to form an entity is discussed in detail hereunder.

4.1. MEMORANDUM OF ASSOCIATION AND ARTICLES OF ASSOCIATION

The memorandum is the company's charter. It states the company's name; the situation of its registered office; its share capital; the fact that liability is limited and, most importantly, the object for which the company has been formed. In theory, the company can only operate in the areas mentioned in the objects clause but in practice the clause is drawn to cover as wide an area as possible. The directors of the company will incur personal liability if the company engages in a type of business which is not authorised by the objects clause. The memorandum must be signed by at least three shareholders.

Sec.13 of the Companies Act, 1956 prescribes the requirement with respect to Memorandum of Association.

- Name of the company with "Limited" as the last word of the name in case of a public limited company, and with "Private Limited" as the last words of the name in the case of a private limited company;
- The State in which the registered office of the company is to be situated;
- The main objects of the company to be pursued by the company on its incorporation and objects incidental or ancillary to the attainment of the main objects;
- Other objects of the company not included above;

- The memorandum of a company limited by shares or by guarantee should also state that the liability of its members is limited.
- In case of a company having share capital the memorandum should state the amount of share capital with which the company is to be registered and the division thereof into shares of a fixed amount.
- Each subscriber of the memorandum should write opposite to his name the number of shares he takes.

Articles of Association is an official document governing the running of a company, which is placed with the Registrar of Companies. The articles of association constitute a contract between the company and its members, set out the voting rights of stockholders and the conduct of stockholders' and directors' meetings, and detail the powers of management of the company.

The Articles of Association contain provisions on the company name, address and domicile, the purpose of the company, the amount of share capital and the contributions made thereto, the number, the par value and the type of shares, the calling of a general meeting of shareholders and their voting rights, the bodies for the administration and the audit and the form in which the company shall publish notices. The Articles of Association contain the rules and regulations of the internal management of the company. It is nothing but a contract between the company and its members and also between the members themselves that they shall abide by the rules and regulations of internal management of the company specified in the Articles of Association. It specifies the rights and duties of the members and directors.

It is the basic internal rules of operation for a business that govern what tasks need to be done, what positions are required to perform the necessary functions, and how the processes in place are to be performed. The provisions of the Articles of Association must not be in conflict with the provisions of the Memorandum of Association.

Every company should have its own Articles of Association. However, if a company does not have its own Articles, the model specified in Schedule I - Table A of Companies Act, 1956 will

apply. A company may adopt any of the model forms of Articles with or without modifications. The articles of association should be in any of the one form specified in the tables B, C, D and E of Schedule 1 to the Companies Act, 1956. Form in Table B is applicable in case of companies limited by the shares, form in Table C is applicable to the companies limited by guarantee and not having share capital, and form in Table D is applicable to company limited by guarantee and having a share capital whereas form in Table E is applicable to unlimited companies. However, a private company must have its own Articles of Association.

The important items covered by the Articles of Association should include:-

- Powers, duties, rights and liabilities of Directors
- Powers, duties, rights and liabilities of members
- Rules for Meetings of the Company
- Dividends
- Borrowing powers of the company
- Calls on shares
- Transfer & transmission of shares
- Forfeiture of shares
- Voting powers of members, etc.

Specimen Model of Memorandum of Association

MEMORANDUM OF ASSOCIATION OF ABC LTD.

1. The name of the Company is ABC Ltd.
2. The Registered Office of the Company will be situated in the State of -----.
3. The objects for which the Company is established are the following:

MAIN OBJECTS TO BE PURSUED ON INCORPORATION OF THE COMPANY

- 1) To carry on the business of manufacturers, dealers, agents, factors, importers, exporters, merchants and financiers of all kinds of -----.
- 2) To carry on the business of manufacturing, buying, selling, exchanging, converting, altering, importing, exporting, processing, twisting or otherwise handling or dealing in or using or advising users in the proper use of -----.
- 3) To manufacture or help in the manufacturing of any spare parts, accessories, or anything or things required and necessary for the above mentioned business.

THE OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF MAIN OBJECTS

To do or perform all or any of the following operations, acts or things which are necessary or incidental to carry on the above objects:

- 1) To enter into agreements and contracts with Indian or foreign individuals, companies or other organisations for technical, financial or any other assistance for carrying out all or any of the objects of the Company.
- 2) To establish and maintain any agencies in India or any part of the world for the conduct of the business of the Company or for the sale of any materials for the time being at the disposal of the Company for sale.
- 3) To advertise and adopt means of making known the business activities of the Company or any articles or goods traded in or dealt with by the Company in any way as may be expedient including the posting of bills in relation thereto and the issue of circulars, books, pamphlets and price-lists and the conducting of competitions, exhibitions and giving of prizes, rewards and donations.
- 4) To apply for, purchase or otherwise acquire and protect, prolong and renew trademarks, trade names, designs, secret processes, patent rights, licenses, protections and concessions which may appear likely to be advantageous or useful for the Company and to spend money in experimenting and testing and improving or seeking to improve any patents, inventions or rights, which the Company may acquire or propose to acquire or develop.

- 5) To expend money on research, experimentation, development, testing, improving or seeking to improve existing products, patents, rights, etc., in connection with any of its activities in pursuance of the aforesaid objects and to expend money to invent, develop, or seek, any new products allied to and in the course of pursuing the objects as detailed in this clause.
- 6) To work, develop, license, sell or otherwise deal with any inventions in which the Company is interested whether as Owner, Licensee or otherwise, and to make, levy, or hire any machinery required for making or desirable to be used as machines included in such inventions.
- 7) To enter into partnership or into any arrangement for sharing profits, union of interest, co-operation, joint venture, reciprocal concession or otherwise with any person, firm, or company carrying on or engaged in or about to carry on or engage in any business or transaction which this Company is authorised to carry on or engage in or any business or undertaking or transaction which may seem capable of being carried on or conducted so as directly or indirectly to benefit the Company; and to lend money, to guarantee the contracts of or otherwise assist any person, firm or Company and to take or otherwise acquire and hold shares or securities of any such person, firm or company and to sell, hold, re-issue with or without guarantees or otherwise deal with such shares and securities.
- 8) To enter into any arrangement with any Government or State Authority, Municipal, Local or otherwise that may seem conducive to the Company's objects or any of them and to obtain from any such Government or State Authority, any rights, privileges and concessions which may seem conducive to the Company's objects or any of them.
- 9) To purchase or otherwise acquire and undertake the whole or any part of the business property, rights and liabilities of any person, firm or company carrying on any business which this Company is authorised to carry on and to purchase, acquire, apply for, hold, sell and deal in shares, stock, debentures or debenture stock of any such person, firm or company and to conduct, make or carry into effect any arrangement in regard to the winding up of the business of any such person, firm or company.
- 10) To construct, acquire, establish, provide, maintain and administer factories, estates, railways, buildings, water reservoirs, sheds, channels, pumping installations, generating

installations, pipelines, garages, storages and accommodation of all descriptions in connection with the business of the Company.

- 11) To apply for tender, purchase or otherwise acquire any contracts and concessions for or in relation to the construction, erection, equipment, improvement, managements, administration or control of works and conveniences and to undertake, execute, carry out, dispose of or otherwise turn to account the same.
- 12) To buy, lease or otherwise acquire lands, buildings and other immovable properties and to sell, mortgage or hypothecate or otherwise dispose of all or any of the properties and assets of the Company on such terms and conditions as the Company may think fit.
- 13) To amalgamate with any Company or Companies having objects altogether or in part similar to those of this Company.
- 14) To pay all costs, charges and expenses of and incidental to the formation, promotion, registration and establishment of the Company and issue of its capital including any underwriting or other commission, broker's fee and charges in connection therewith including costs, charges of negotiations and contracts and arrangements made prior to and in anticipation of the formation and incorporation of the Company.
- 15) To remunerate or make donations (by cash or other assets or by the allotment of fully or partly paid shares or by call on shares, debenture stock or securities of this or any other company or in any other manner) whether out of the Company's capital, profits or otherwise to any person or firm or company for services rendered or to be rendered in introducing any property or business to the Company or placing or assisting to place or guaranteeing the subscription of any shares, debentures, debenture-stock or other securities of the Company or for any other reason which the Company may think proper.
- 16) To undertake and execute any trust, the undertaking whereof may seem desirable either gratuitously or otherwise.
- 17) To draw, make, issue, accept and to endorse, discount and negotiate promissory notes, hundies, bills of exchange, bills of lading, delivery orders, warrants, warehouse keeper's certificates and other negotiable or commercial or mercantile instruments connected with the business of the Company.
- 18) To open accounts with any individual, firm or company or with any bank or banks and to pay into and to withdraw moneys from such account or accounts.

- 19) Subject to the provisions of the Companies Act, 1956, to invest, apply for and acquire or otherwise employ moneys belonging to, entrusted to or at the disposal of the Company upon securities and shares or without security upon such terms as may be thought proper and from time to time vary such transactions in such a manner as the Company may think fit.
- 20) To lend or deposit moneys belonging to or entrusted to or at the disposal of the Company to such person or company and in particular to customers and others having dealings with the Company with or without security, upon terms as may be thought proper and guarantee the performance of contracts by such person or company but not to do the business of banking as defined in the Banking Regulation Act.
- 21) To make advances upon or for the purchase of materials, goods, machinery, stores and other articles required for the purpose of the Company.
- 22) To borrow or raise money with or without security or to receive money on deposit at interest or otherwise, in such a manner as the Company may think fit and in particular by the issue of debentures or debenture stock-perpetual or otherwise including debenture or debenture stock convertible into shares of this or any other company and in security of any such moneys to be borrowed, raised or received, to mortgage, pledge or charge the whole or any part of the property, assets or revenue of the Company present or future, including its uncalled capital and to purchase, redeem or pay off any such securities.
- 23) To sell, mortgage, assign or lease and in any other manner deal with or dispose of the undertakings or properties of the Company or any part thereof, whether movable or immovable for such consideration as the Company may think fit and in particular for shares, debentures or other securities of any other company having objects altogether or in part similar to those of this Company.
- 24) To improve, manage, work, develop, alter, exchange, lease, mortgage, turn to account, abandon or otherwise deal with all or any part of the properties, rights and concessions of the Company.
- 25) To provide for the welfare of the employees or ex-employees of the Company and the wives, widows, families or dependants or connections of such persons by building or contributing to the building of houses, dwellings or by grant of money, pensions, gratuity, bonus payment towards insurance or other payment or by creating from time to time,

subscribing or contributing to, adding or supporting provident funds or trusts or conveniences and by providing provident funds or trusts or conveniences and by providing or subscribing or contributing towards places of instruction or recreation hospitals and dispensaries, medical and other attendance and other assistance as the company shall think fit.

- 26) Subject to the provisions of the Companies Act, 1956 to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or objects or any public, general or useful objects.
- 27) To distribute any of the properties of the company amongst the members in specie or kind upon the winding up of the Company.
- 28) To deal in or engage in the manufacture of materials required for the packing and preservation and dispatch of finished and unfinished goods, raw materials and articles required for the Company, or produced by the Company.

4. Liability of members is limited.

5. The Authorised share capital of the Company is Rs. ----- (Rupees ----- only) consisting of ----- (-----) equity shares of Rs.10/- (Rupees Ten Only) each and ----- (-----) preference shares of Rs. 10/- (Rupees Ten Only) each, with power to increase or reduce the capital of the Company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions in such manner as may be for the time being be provided by the Articles of Association of the Company.

We, the several persons, whose names and addresses are subscribed below, are desirous of being formed into a Company in pursuance of this Memorandum of Association, and we respectively agree to take the number of shares in the capital of the Company set opposite to our respective names:

S.No.	Name of subscribers	Address, description and occupation of the subscribers	Number of equity shares taken by each subscriber	Witness with address, description and occupation

Specimen Model of Articles of Association

ARTICLES OF ASSOCIATION OF ABC LTD.

1. The regulation contained in the Table A of the First schedule to the Companies Act, 1956 shall apply to the company so far as applicable to a Private Company except as otherwise provided/modified impliedly or expressly by the following Articles.

INTERPRETATION

2. In the interpretation of these Articles, the following expressions shall have the following meanings, unless repugnant to the subjects or context.

“THE ACT” means the Companies Act, 1956, with all modifications or amendments thereof.

“THE COMPANY” or this company means “Name of the Company”

“MEMORANDUM & ARTICLES” means the Memorandum of Association and Articles of Association respectively of the Company.

“DIRECTOR” means and include all Directors of the Company and except where the context otherwise requires for those Articles shall mean the Board of Directors of the Company, or a properly constituted committee thereof.

“THE OFFICE” means the Registered Office for the time being of the company.

“THE REGISTRAR” means the Registrar of Companies,

“SEAL” means the common seal of the Company.

“MONTH” means Calendar Month.

“ PROXY” includes Attorney duly constituted under a power of attorney.

“IN WRITING OR WRITTEN” includes printing, lithography, and other modes of reproducing works in a visible form, which also include thumb impression properly attested.

Words importing persons includes corporation, Firms and Association.

Words importing singular number include the plural and vice-versa.

Words importing masculine gender include the feminine gender and vice-versa.

PRIVATE COMPANY

3. The Company is a “Private Company” within the meaning of Section 3 (1) (iii) of the said Act and accordingly the following provisions shall have effect namely.

a) No invitation shall be issued to the public to subscribe for any shares in or debentures of the Company.

b) The number of members of the Company (exclusive of persons who are in the employment of the company and persons who, having been formerly in the employment of the Company, were

members of the Company while in that employment and have continued to be the members after the employment ceased) shall be limited to fifty.

Provided that for the purpose of these provisions where two or more persons hold one or more shares jointly in the Company, they shall be treated as single member.

c) The right to transfer the share of the Company shall be and is restricted in the manner and to the extent as may be decided by the Board of Directors from time to time.

4. The Company may at any time by a special resolution convert itself into a public company within the meaning and subject to the provisions of the Companies Act, 1956.

SHARE CAPITAL

5. The Authorised Share Capital of the Company is Rs. 1,00,000/- (Rupees One Lakh Only) divided in 10,000 (Ten Thousand Only) Equity Shares of Rs. 10/- (Ten Only) each with the power to increase or reduce, subdivide or consolidate it as the Company may think fit, as per the provisions of the Companies Act, 1956.

VOTE OF MEMBERS

6. Subject to any right of restriction attached to any class by term of its issue or otherwise:

a) On show of hands, every member (holder of equity shares) present in person shall have one vote and

b) On poll the voting right of every member holder of Equity Shares present in person or by proxy shall be in proportion to his holding of Equity Shares in the paid up Equity Capital of Company.

GENERAL MEETING

7. All General Meeting other than Annual General Meeting shall be called Extra Ordinary General Meeting.

8. General Meeting may be convened on not less than Fourteen days notice to the members.

9. The board may, wherever it thinks fit, call an Extra Ordinary General Meeting.

10. The Chairman of the Board shall be the Chairman of the General Meeting.

11. If the Board is unable to call an Extra-Ordinary General Meeting for want of quorum or otherwise, any two members of the Company may call such a meeting in the same manner as nearly as possible, as that by which such a meeting may be called by the Board.

PROCEEDING AT GENERAL MEETING

12. a) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

b) One-third of the total number of members shall form the quorum subject to a minimum of two members.

13. a) If within half an hour from the time appointed for holding the meeting, a quorum is not present, the meeting, if called upon the requisition of member shall be dissolved.

b) In any other case, the meeting shall stand adjourned to the same day in the next week at the same time and place or to such other day and at other time and place as the Board may determine.

c) If at such adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the members present shall be a quorum.

14. The Chairman, if any, of the Board shall preside as Chairman at every general meeting.

15. If there is no such Chairman, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairman of the meeting, the directors present shall elect one of their members to be chairman of the meeting.

16. If at any meeting no director is willing to act as chairman or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their member to be chairman of the meeting.

17. a) The Chairman may, with the consent of any meeting, at which a quorum is present and shall if so directed by the meeting, adjourn the meeting, from time to time and from place to place.

b) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

c) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

d) Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

18. In the case of equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place, or at which the poll is demanded, shall be entitled to a second or casting vote.

19. Any business other than that upon which a poll has been demanded may be proceeded upon, pending poll.

DIRECTORS

20. Subject to the provisions of the Companies Act, unless and until otherwise determined by the Company in General Meeting the number of Directors shall not be less than two and not more than twelve.

21. The following persons shall be the first Directors of the Company.

a) xxxxx

b) xxxxx

c) xxxxx

22. No remuneration shall be paid to any director for attending the Board, Committee or General Meeting of the Company.

23. The directors may however be paid all travelling, hotel and other expenses properly incurred by them.

a) In attending and returning from meetings of the Board or any committee thereof or General Meeting of the Company ; or

b) In connection with the business of the Company.

24. Subject to the provisions of the Act, any vacancy caused by the Board of Directors by resignation, or death of any Director, or by any other reason may be filled in by the Board of Directors by appointing someone they so choose. The Board of Directors have powers to appoint, additional and alternate Directors, but in no case the number of Directors should exceed the maximum fixed by clause 21 thereof.

25. At each Annual General Meeting of the Company one third of the Directors for the time being shall retire by rotation and the vacancy so caused may be filled up by appointing the retiring director or some other person thereto.

26. The directors shall not be required to hold any qualification shares.

PROCEEDING OF DIRECTORS

27. The Board of Directors shall meet at least once in every Six Calendar months to conduct its business.

28. A resolution in writing circulated amongst all the Directors and passed in accordance with Section 289 of the Companies Act, 1956 shall be valid and effected as if it has been passed at a meeting of the Directors duly called and constituted.

29. The quorum for transacting any business of the meeting of the Board of Directors shall be one-fourth of the total strength provided the quorum shall not be less than two members in any case.

30. Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes and in case of equality of votes the chairman shall have a second or casting vote.

31. The Board may elect a chairman of its meeting and determine the period for which he is to hold office. If no such chairman is elected or if at any meeting the chairman is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their members to be chairman of the meeting.

32. A Manager or Secretary being not a member of the Company may be appointed by the Board on such terms, at such remuneration and upon such conditions as it may think fit and manager or secretary so appointed may be removed by the Board.

33. a) The Board may, subject to the provisions of the Act, delegate any of its powers to a committee consisting of such member or members of its body as it thinks fit.

b) Any committee so formed shall in the exercise of the powers so delegated, conform to any regulation that may be imposed on it by the Board.

34. a) A committee may elect a chairman of its meetings.

b) If no such chairman is elected or in any meeting the chairman is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their member to be chairman of the meeting.

35. a) A committee may meet and adjourn as it think proper.

b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of any equality of votes, the chairman shall have a second or casting vote.

36. Save as otherwise expressly provided in the Act, a resolution in writing signed by all the members of the Board or Committee thereof for the time being entitled to receive notice of a meeting of the Board or Committee, shall be as valid and effectual as if it has been passed at a meeting of the Board or Committee, duly convened and held.

SEAL

37. The Board shall provide for the safe custody of the seal of the company. The seal shall not be affixed to any instrument except by the authority previously given by Resolution of the Board in presence of one of the Directors who shall sign every instrument to which the seal of the Company shall be so affixed in his presence.

ACCOUNTS

38. a) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the account and books of the Company or any of them shall be open to the inspection of members (not being Directors).

b) No member (not being a Director) shall have any rights of inspection any accounts or books of accounts of the Company except as conferred by the law or authorised by the Board or by the Company in General Meeting.

39. The Directors shall in all respects comply with the provisions of the Companies Act, so far as they are applicable to a Private Company and the Profit & Loss Accounts, Balance Sheet and Auditors Report and every other documents required by law to be annexed or attached, as the case may be, to the Balance Sheet shall be sent to every member of the Company at least 14 days before the date of the General Meeting of the Company at which they are to be laid.

AUDIT

40. a) The first Auditors of the Company shall be appointed by the Board of Directors within one month from the date of Registration of the Company and the Auditors appointed shall hold office until conclusion of first Annual General Meeting.

b) At each Annual General Meeting the Company shall appoint an auditor to hold office from the conclusion of the meeting until the next Annual General Meeting.

INDEMNITY

41. Subject to the provisions of the Act, every Director, Managing Director, Manager, Secretary or other officer or servant of the Company shall be indemnified by the Company against any liability arising out of the Act done by him or them in the bonafide discharge of their duties and shall be the duty of the Board of Directors to pay out of the funds of the Company all costs, losses and expenses which such director, officer or servant may incur or become liable to, by reason of any contract entered into, act, or deed done by him as such officer, servant or in any way in the discharge of his duty. The Board of Directors may execute in the name and on behalf of the Company, in favour of any director or other person who may incur or be about to incur, any personal liability for the benefit of the Company such mortgages of the Company's property (present and future) as they think fit, and any such other powers as shall be agreed upon.

4.2. PARTNERSHIP DEED

A partnership is defined as a relation between two or more persons who have agreed to share the profits of a business carried on by all of them or any one of them acting for all. The owners of a partnership business are individually known as the "partners" and collectively as the "firm".

Partnerships are governed by the Indian Partnership Act, 1932. Apart from this, the general law of contracts, as contained in the Indian Contract Act 1872 also applies to Partnership Firms in India. According to the Constitution of India, the Union and State Legislatures have concurrent power with respect to partnership contracts; therefore, every State may have its own partnership laws as well.

The main features of partnerships are:

- Two or more persons can start a partnership.
- The maximum number of partners permissible in a firm is 20, except in the business of banking, where it is 10.
- A Partnership agreement must be entered into, and clearly specify the name of the partnership firm, the names of the partners, the capital to be contributed by each partner, the profit or loss sharing ratio between partners, the business of the partnership, the duties, rights, powers and obligations of each partner and other relevant details.
- The agreement must be signed by all partners and witnessed by independent persons.
- The partnership agreement must also specify the duties and authority of all the partners.
- Details of salary and other payments to partners must also be specified in the partnership deed.
- Registration of partnership deeds is not compulsory; however, registration ensures legal rights to the firm and its partners.
- The liability of partners in Indian partnerships is joint and several.
- There is no minimum capital to be subscribed for in a partnership.
- A partnership may be dissolved with the consent of all the partners or in accordance with the provisions in the partnership agreement.

Partnership Deed

Under the Partnership Act, a Deed of Partnership is not necessary. Even though an agreement between two or more persons is necessary to form a partnership, it is not compulsory for a partnership deed to be in writing. In other words, Partnerships can also be made orally.

However, the Income Tax Act, 1961 provides that a partnership shall be assessed as a firm only if it is duly evidenced by an instrument. Therefore, it is desirable to draft and execute a proper deed of partnership.

Under the English Law of Partnership, the registration of partnership firms is compulsory. However, Chapter VII of the Indian Partnership Act, 1932 pertaining to registration of partnership firms in India provides that registration of partnership firms is not compulsory.

Under Section 57 of the Indian Partnership Act, 1932 the concerned State Government may appoint Registrars of Firms for the purposes of registration of partnership firms for different areas.

While Drafting a Partnership Deed, the following points should be taken care of:

1. The form and contents of a Partnership Deed consists of the following components:
 - i. Date
 - ii. Names of Partners
 - iii. Preamble
 - iv. Recitals
 - v. Attestation
 - vi. Custody
 - vii. Special Rules
2. The clauses in the Partnership Deed contain the intentions of the partners of the firm.
3. The “Partnership Deed”, amongst other things, covers/includes the following aspects:

- Names of the partners of the firm and their addresses
- Names of working partners with their rights and duties
- Nature and scope of the duties, powers and rights of each partner
- Restrictions on the rights and powers of the partners
- Nature of firm's business
- Place of business
- Commencement, Duration and Determination of Partnership Business
- The amount of capital contributed by each partner and aspects relevant to it like the introduction of additional capital, drawings that can be made, etc.
- Interest to be paid to partners on the capital contributed, loans advanced, or deposits made by the partners
- Salary or commission payable to any partner, if any
- Loans given by partners to the firm
- Profit or loss sharing ratio of the partners
- Mode, manner and ratio of distribution of profits
- Consent of the Guardian if a minor is admitted to the benefits of the firm
- Keeping Accounts and the manner of maintaining the books of accounts
- Outgoings and expenses of Partnerships
- Valuation of Goodwill
- Retirement, Death, Bankruptcy, Expulsion of Partners
- Dissolution of the Partnership Firm
- Mode of settling disputes among the partners
- Any other terms and conditions to run the business
- Provision that in all other matters, not provided for by the deed, the provisions of the Indian Partnership Act, 1932 shall apply.

Specimen model of Partnership Deed

PARTNERSHIP DEED

This **DEED OF PARTNERSHIP** made this _____ day of _____ between _____ hereinafter called the partners of the first part and Second Part respectively.

AND

A company registered under the provisions of the Companies Act 1956 and having its registered office at _____ hereinafter called the party of Third part.

WHEREAS the Parties of First and Second Part by virtue of their partnership deed dated _____ have been carrying on the business of manufacturing and marketing _____ etc. under the name and style of _____ with factories at _____ under the same name and style.

AND WHEREAS the Party of Third Part Viz. the company is formed with the objects of manufacturing, dealing and marketing in _____ etc.

AND WHEREAS the Party of the Second Part has expressed its desire and willingness through the director _____ to enter into Partnership and parties First, Second part have mutually decided that the Party of the third Part shall be taken as Partner.

AND WHEREAS it is deemed necessary and desirable that a regular Deed of Partnership be reduced in writing and executed on the terms and conditions mentioned hereunder.

NOW THIS DEED WINTESSETH AS UNDER: -

1. The Partnership shall come into effect from _____ and shall be for an indefinite period unless it is determined.
2. That the name and style of the Partnership firm hereby formed shall be _____ with factories at _____ under the same names and style or with branch or branches at such place(s) as the parties may mutually decide.

3. That the business of the Partnership Firm hereby formed shall be that of manufacturing and marketing of _____ as hereto before. The parties may, however, with their mutual consent embark upon a new line or lines of business and may open branch or branches or new factory.

4. That the amount standing to the credit of the personal accounts of the Parties of First and Second Part in the books of above firm as on _____ shall be treated as contribution by them to the capital of the Partnership and the Party of the Third Part shall bring Rs_____ as his share towards the capital of the firm.

5. That further finance required for the purpose of business of the firm shall be contributed by the parties in such rate as may be mutually agreed upon. Interest at the rate of _____% or at a rate as may be mutually agreed upon between the parties from time to time shall be allowed on the capital standing to his/her credit for the time being in the books of the partnership.

6. That the regular accounts books shall be kept in due course of business in which shall be faithfully recorded all the transactions enter into by the firm and such books shall be closed on _____or/on any other convenient or auspicious day as may be mutually agreed upon between the parties hereto from time to time.

7. That on closing the account books in the aforesaid manner, a regular profit & Loss Account shall be prepared and a balance sheet shall be drawn up.

8. That the Profits & Losses shall be divided between and borne by parties hereto in the following proportions:

<u>Partner</u>	<u>% of share in Profits and Losses</u>
----------------	---

9. That the partners will be paid a Salary of Rs._____/ - per month for the services rendered and they will also be entitled to a bonus @ _____% on their salary.

10. That all the assets and liabilities of the firm as on _____ tangible or otherwise, would be taken over by the Partnership at its book value and shall be deemed to be assets and liabilities of this Partnership and all the Parties hereto will have equal rights/liabilities thereon.

11. That all rights of the firm as on _____namely licences, Trademarks, VAT registration, Telephone connections, Tenancy rights, Lease rights, Ownership right etc. shall be deemed to be the rights of the partnership and all the parties hereto will have equal rights/liabilities thereon.

12. That each partner shall: -

- (a) Diligently attend to the business of the Partnership and devote his/her necessary time and attention thereto.
- (b) Punctually pay her/his separate debts and indemnify the other partner and the Assets of the firm against the same and all expenses therefore.
- (c) Upon every reasonable request inform the other Partner of all letters, accounts, writings and such other things which shall come to her/his hands or knowledge concerning the business of the Partnership.

13. That neither Partner shall without the consent of the others: -

- (a) Lend any of the money or deliver upon credit any of the goods of the firm to any person or persons whom the other Partners shall have previously in writing forbidden her/him to trust.
- (b) Raise or advance any loan in the name of or on behalf of the firm.
- (c) Assign, charge or transfer her/his shares in assets or profits of the firm.

14. That the account in the name of the firm _____ shall be opened with the Banks or bankers as the Parties may mutually decide and the same shall be operated upon by the Parties hereto singly.

15. That any partner may retire from the Partnership firm, hereby formed by giving ____ months notice in writing to the others but none shall leave the firm until or unless all the pending commitments are carried out, liabilities paid off, assets realized and accounts are rendered fully and settled finally to the entire satisfaction of each of the parties hereto.

16. That the parties hereto may, however, with their mutual consent pay remuneration to any of the parties hereto at a rate that may be mutually agreed upon between them from time to time. They shall be at liberty to increase or decrease such rate of remuneration with their consent from time to time.

17. That in the event of death or retirement of any of the parties hereto the partnership firm hereby formed shall not dissolve, but shall continue. The legal heir or the representative of the deceased shall step into her/his shoes.

18. That upon the dissolution of the partnership in any event not hereinafter provided for the said business, the assets, goodwill and liabilities thereof should absolutely vest on any one partner mutually decided by the parties to the partnership.

19. That it will always remain open to the parties hereto to amend, annul or change any term or terms of this Deed of Partnership in the course of its business and in that event of amending, annulling or changing any term or terms of this deed of Partnership no fresh deed shall be required to be executed.

20. That without prejudice to the above terms and conditions the parties hereto in all other matters shall be governed by the provisions of Indian Partnership Act, 1932.

21. That all the disputes or differences arising out of it and connected with the Partnership shall be referred to the arbitrator in accordance with the Indian Arbitration Act.

IN WITNESS WHEREOF, the parties of the first and Second parts here have put their respective hands on this DEED OF PARTNERSHIP on the day, month and year first mentioned above.

IN WITNESSES WHEREOF, the common seal of the Third Partner ----- in pursuance to the resolution passed in that behalf on ----- here into affixed in the presence of ----- and signed these presents in token thereof in the presence of the Witnesses.

WITNESSESS:

Partners

1.

2

3.

4.3. LLP INCORPORATION DOCUMENT AND LLP AGREEMENT

A Limited Liability Partnership (“LLP”) is viewed as an alternative corporate business vehicle that provides the benefits of limited liability but allows its members the flexibility of organizing their internal structure as a partnership based on a mutually arrived agreement. The LLP form enables entrepreneurs, professionals and enterprises providing services of any kind or engaged in scientific and technical disciplines, to form commercially efficient vehicles suited to their requirements. Owing to flexibility in its structure and operation, the LLP is also a suitable vehicle for small enterprises and for investment by venture capital.

An LLP can be described as a hybrid between a company and a partnership that provides the benefits of limited liability but allows its members the flexibility of organizing their internal structure as a partnership based on a mutually arrived agreement.

Keeping in mind the need of the day, the Parliament enacted the Limited Liability Partnership Act, 2008 which received the assent of the President on 7th January, 2009.

The salient features of the LLP Act, 2008 inter alia are as follows: -

1. An LLP is a body corporate and a legal entity separate from its partners. Any two or more persons, associated for carrying on a lawful business with a view to profit, may by

subscribing their names to an incorporation document and filing the same with the Registrar, form an LLP, which would have perpetual succession;

2. The mutual rights and duties of partners of an LLP *inter se* and those of the LLP and its partners are governed by an agreement between partners or between the LLP and the partners subject to the provisions of the LLP Act 2008. The act provides flexibility to devise the agreement as per their choice. In the absence of any such agreement, the mutual rights and duties shall be governed by the provisions of proposed the LLP Act;
3. As the LLP is a separate legal entity, it would be liable to the full extent of its assets, with the liability of the partners being limited to their agreed contribution in the LLP, which may be of tangible or intangible nature or both tangible and intangible in nature. No partner would be liable on account of the independent or un-authorized actions of other partners or their misconduct. The liabilities of the LLP and partners who are found to have acted with intent to defraud creditors or for any fraudulent purpose shall be unlimited for all or any of the debts or other liabilities of the LLP;
4. Every LLP is required to have at least two partners along with at least two individuals as Designated Partners, of whom at least one must be resident in India. The duties and obligations of Designated Partners are as provided under the act;
5. The LLP is under an obligation to maintain annual accounts reflecting true and fair view of its state of affairs. A statement of accounts and solvency are required to be filed by every LLP with the Registrar every year. The accounts of LLPs are also to be audited, subject to any class of LLPs being exempted by the Central Government;
6. If required, a competent Inspector appointed by the Central Government would investigate the affairs of an LLP;
7. The compromise or arrangement including merger and amalgamation of LLPs are required to be in accordance with the provisions of the LLP Act 2008;
8. A firm, private company or an unlisted public company is also allowed to be converted into LLP in accordance with the provisions of the Act. Upon such conversion, commencing from the date of certificate of registration issued by the Registrar in this regard, the effects of the conversion would be such as are specified under the Act;

9. The winding up of an LLP may be either voluntary or by the Tribunal to be established under the Companies Act, 1956. Till the Tribunal is established, the power in this regard has been given to the High Court;
10. The 2008 Act confers powers on the Central Government to apply provisions of the Companies Act, 1956 as appropriate, by notification with such changes or modifications as deemed necessary. However, such notifications shall be laid in draft before each House of Parliament for a total period of 30 days and shall be subject to any modification as may be approved by both Houses;
11. The Indian Partnership Act, 1932 is not applicable to LLPs.

As per the above, the two important documents that emerge in respect of the LLP form of business structure are:

- a. Incorporation Document
- b. LLP Agreement

Contents of Incorporation Document

The Incorporation Document is similar to the Memorandum of Association of a Limited Liability Company and includes the following:

- The name of the limited liability partnership;
- The proposed business of the limited liability partnership;
- The address of the registered office of the limited liability partnership;
- The name and address of each of the persons who are to be partners of the limited liability partnership on incorporation;
- The name and address of the persons who are to be designated partners of the limited liability partnership on incorporation;
- Such other information concerning the proposed limited liability partnership as may be prescribed.

Every limited liability partnership is required to have either the words "limited liability partnership" or the acronym LLP as the last words of its name. Further, an LLP cannot be registered with a name which, in the opinion of the Central Government, is undesirable; or is identical to or too nearly resembles that of any other partnership firm or limited liability partnership or body corporate or a registered trade mark, or a trade mark which is the subject of an application for registration, of any other person under the Trade Marks Act, 1999.

Specimen copy of Incorporation Document of LLP

INCORPORATION DOCUMENT AND STATEMENT

PART A

Incorporation Document

1. *Service Request Number (SRN) of Form 1:
2. * Name of the limited liability partnership:
3. * State in which the registered office of the limited liability partnership is to be situated:
4. * Address of registered office of the limited liability partnership

*Line 1

*Line 2

*City District

*State

*PIN Code

*ISO Country Code

Country *e-mail ID

Phone Fax

5. * Business to be carried on by the limited liability partnership:

6. *Summary of Partners/designated partners:

SN	Category	Number of partners	Number of Designated partners	Number of designated partners resident in India
(i)	Individuals			
(ii)	LLPs			
(iii)	Companies			
(iv)	LLPs incorporated outside India			
(v)	Companies incorporated outside India			
	Total			

7. *Number of individual(s) as partner (Dynamic)

Note: In case individual(s) are more than five, attach details in respect of remaining partners in a separate sheet as an attachment.

Details in respect of individual(s). (First, enter details in respect of designated partners)

*Whether Designated partner Yes No

If yes, DPIN

*Whether resident in India Yes NO

*Name :

*Father's / Husband's Name :

*Nationality :

*Date of birth :

*Occupation :

*Income-tax permanent account number (PAN):

Passport Number:

*Permanent residential address

*Address *Line I

 *Line II

 *City *State

 *Pin *ISO Country Code

 Phone Fax

 Email ID

*Whether present residential address is same as the permanent residential address:

(Please Tick ☐) Yes No

If no, present residential address

Address Line I

Line II

City State

Pin ISO Country Code

Country Phone

Fax

Email ID

*Form of contribution

*Monetary value of contribution (in Rs.) (in figure)

(in words)

If already a partner of limited liability partnership (LLP) or director of a company, specify the following. (In case partner or director in more than five LLP(s) and companies each, attach separate sheet as an attachment).

*No. of limited liability partnership(s) in which he is a partner -

LLPIN

Name

No. of Company(s) in which he is a director

CIN

Name of the company

8. Number of bodies corporate as partners (Dynamic)

Note: In case bodies corporate are more than five, attach details in respect of remaining bodies corporates in a separate sheet as an attachment.

*Details in respect of bodies corporate and their nominees. (First, enter details in respect of designated partners)

*Category (drop down) LLP, Company, LLP incorporated outside India (LIOI), Company incorporated outside India (CIOI)

*LLPIN or Corporate Identity Number (CIN), LIOI registration number or CIOI registration number

*Name of the body corporate

*Country where registered

*Full address of registered office

*Line I

*Line II

*City *State

*Pin *ISO Country Code

*Country10

*Phone Fax

*Email ID

*Form of contribution

*Monetary value of contribution (in Rs.) (in figures)

(in words)

*Name and particulars of the person signing on behalf of the body corporate as nominee

*Designation & authority

*Father's / Husband's Name

*Nationality :

*Date of birth :

*Occupation :

*Income-tax permanent account number (PAN)

Passport Number :

*Whether designated partner Yes No

If yes, DPIN

*Whether resident in India (Please Tick ☐) Yes No

*Permanent residential address

*Address *Line I

*Line II

*City *State

*Pin *ISO Country Code

*Country

Phone Fax

Email ID

*Whether present residential address is same as the permanent residential address:

(Please Tick ☐) Yes No

If no, present residential address

Address Line I

Line II

City State

Pin ISO Country Code

Country

Phone Fax

Email ID

9. *Total monetary value of contribution by partners in the LLP (in Rs.) (in figures)

(in words)

10. * We, the several partners whose names are subscribed below, are desirous of being formed into a limited liability partnership for carrying on a lawful business with a view to profit and have entered or agreed to enter into a limited liability partnership agreement in writing. We respectively agree to contribute money or other property or other benefit or to perform services for the limited liability partnership in accordance with the limited liability partnership agreement, the particulars of which are stated at serial number 7 or 8 against our respective names.

Name of each partner	Signature of Partner	Name, address and profession (along with professional membership number) of witness	Signature of witness
1	2	3	4

(Attach details in respect of names of partners/witnesses and their signatures in the above format as an attachment)

Attachments:

1. Copy of authorization where the partner is a limited liability partnership, or company, or a limited liability partnership incorporated outside India or a company incorporated outside India.
2. Proof of address of registered office of limited liability partnership.
3. Details in respect of names of partners/witnesses and their signatures.
4. Attachments in respect of details of individuals/bodies corporate where the number exceeds five.
5. Optional attachment.

Part B

Statement

*Statement by a person who subscribed his name to the incorporation document:

I son/ daughter/ wife of

do state as under:

- (i) that I am a person named in the incorporation document as a designated partner/partner of the limited liability partnership;
- (ii) that the designated partners have given their prior consent to act as designated partners;
- (iii) that all the requirements of the Limited Liability Partnership Act, 2008 and the rules made thereunder have been complied with, in respect of incorporation and matters precedent and incidental thereto;
- (iv) that I make this statement conscientiously believing the same to be true.

To be digitally signed by

A designated partner

DPIN

Date:

Place:

*Statement by an Advocate/Company Secretary/Chartered Accountant/Cost Accountant in practice:

I son/ daughter/ wife of

do state as under:

- (i) that I am
- an Advocate
 - a Company Secretary

- a Chartered Accountant
- a Cost Accountant

engaged in the formation of the limited liability partnership and my membership number with (name of regulatory body) is (Membership Number);

(ii) that all the requirements of the Limited Liability Partnership Act, 2008 and the rules made thereunder have been complied with, in respect of incorporation and matters precedent and incidental thereto;

(iii) that I make this statement conscientiously believing the same to be true.

To be digitally signed by

Advocate / Company Secretary / Chartered Accountant / Cost Accountant in practice.

Date:

Place:

LLP Agreement

Limited Liability Partnership Agreement means any written agreement between the partners of the LLP inter-se, or between the LLP and its Partners, which determines the mutual rights and duties of the partners and their rights and duties in relation to the LLP.

The LLP Agreement is an important document and any changes therein should be filed with the Registrar.

The LLP Agreement is important for the following reasons:

1. The effect of the LLP Agreement is similar to the Articles of Association of a Limited Liability Company which defines the rights, duties and liabilities of a member with the Company.
2. Among other things, the LLP Agreement defines the form of contribution and liability for contribution of the partners.
3. It defines the role of partners, designated partners, their duties and powers.

Important Points in relation to the LLP Agreement:

- On the incorporation of a limited liability partnership, the persons who subscribed their names to the incorporation document become its partners and any other person may also become a partner of the limited liability partnership in accordance with the limited liability partnership agreement.
- Any changes made to the partnership agreement are required to be filed with the Registrar in the form and manner along with such fees as may be prescribed.
- An agreement in writing made before the incorporation of a limited liability partnership between the persons who subscribe their names to the incorporation document may impose obligations on the limited liability partnership, provided such agreement is ratified by all the partners after the incorporation of the limited liability partnership.
- In the absence of agreement as to any matter, the mutual rights and duties of the partners and the mutual rights and duties of the limited liability partnership and the partners shall be determined by the provisions relating to that matter as are set out in the First Schedule of the LLP Act 2008, under Section 23(4).

Matters covered under the LLP agreements include:

- Business of the partnership
- Firm name and location
- Duration
- Partnership property
- Financial Provisions

- Capital
- Profits and losses
- Drawings
- Advances to the partnership
- Bankers
- Records and account
- Managerial Provisions
- Managing Partner
- Meetings and Voting
- Holidays
- Motor cars
- Insurance
- The Partners' Obligations and Restrictions
- Good Faith
- Restrictions on partners
- Termination Provisions
- Retirement
- Expulsion
- Outgoing partners share
- Determination of the Partnership
- Cessation provisions
- Arbitration in disputes

Specimen Model of LLP Agreement

LLP AGREEMENT

THIS AGREEMENT OF LIMITED LIABILITY PARTNERSHIP made at _____ on this _____ day of _____ 20____ by and between RN _____ of the First Part and JG _____ of the Second Part.

WITNESSES the mutual agreement of the Parties hereto as follows:

THAT THEY BOTH shall become Partners who shall be Designated Partners on incorporation of the LLP to carry on partnership business as a Limited Liability Partnership (LLP) registered under the Limited Liability Partnership Act, 2008 (LLP Act) with a view to sharing profit upon the following terms.

INTERPRETATION

In this Agreement unless the context otherwise requires:-

“Accounting Year” means the financial year as defined in the LLP Act, 2008.

“Act” or “LLP Act” means the Limited Liability Partnership Act, 2008.

“Business” includes every trade, profession service and occupation.

“Change” means a change in the constitution of the body of Partners or Designated Partners other than their admission afresh.

“Designate Partner” means any partner designated as such.

“LLP” means the limited liability partnership formed pursuant to this LLP Agreement.

“LLP Agreement” means this Agreement or any supplement thereof determining the mutual rights and duties of the partners and their rights and duties in relation to the LLP.

“Partner” means any person who becomes a partner in the LLP in accordance with this LLP Agreement.

“She” includes “he” or vice versa.

1. Business- The Partnership business shall be _____ until and unless changes as mutually agreed upon by all the partners for the time being of the LLP.

2. Name- The name under which the Partnership business shall be carried on will be the one permitted by the Registrar out of the three names proposed by mutual agreement of the Parties hereto.

3. Place- The Partnership business shall be carried on at the address given below:

City_____ District_____

State_____ Pin Code_____

Phone_____

Fax_____

E-mail ID_____

At the principal place of business and at such other place or places as the Partners shall from time to time unanimously agree upon.

4. Term of LLP - The Partnership shall commence on the date of registration of the LLP, and shall continue to operate thereafter subject to the provisions of the LLP Act, 2008, until termination of this agreement by consent of all Partners for the time being of the LLP.

5. Capital, Partners' Contribution, Liability and Admission of Partners-

(1) The capital of Partnership shall be the sum of Rs_____ (Rupees_____) brought in cash/money's worth of any property or services agreed by all partners for the time being of the LLP and belonging to the Partners initially by the Partners being the Parties hereto in equal shares subject to the amount equivalent to _____% thereof being accepted from such of the other Partners hereafter admitted as mutually agreed upon by the Partners being the Parties hereto, into the LLP after its registration at not less than _____% as capital contribution per such Partner as his share at 100% premium payable half up-front and the other half within 90 days of admission, so that when such capital contribution shall have been completed the shares of the Partners being Parties hereto shall stand at _____% each of the total capital contributed. The capital contribution thus received shall go

to reduce progressively the capital originally contributed by the Partners being the original Parties hereto equally but the same together with the premium received in its entirety shall be retained in the LLP business as their loan contribution made from time to time as and when received on the corresponding dates of receipt of capital contribution and payment of premium from the new Partners admitted as aforesaid. There shall be no limit on the number of Partners to be admitted at any time and from time to time by changing the provisions of this LLP Agreement, if necessary, and as required, subject to its acceptance by all the then existing Partners at a meeting of theirs or otherwise confirmed in writing.

(2) A separate capital account shall be maintained for each Partner. No Partner shall withdraw any part of his capital account while he is a Partner.

(3) The loan component accrued as stated in (1) above to the Partners being the Parties hereto shall not be withdrawn by them before 24 months from the date of admission of the last Partner to make up for the ----% off-loading of the capital at a premium as aforesaid; and thereafter the Parties hereto shall be free to withdraw their loan-retention component at not more than ----% at a time once in each 10 weeks commencing at the expiry of the said 24 months of the total amount standing as loan *plus* interest thereon as balance respectively to their credit as at the end of the previous financial year as per the last audited balance sheet.

(4) The Parties hereto shall be bound to be Partners of the LLP till the loan component of theirs is completely paid back to them by the LLP as aforesaid whereupon their capital contribution standing at _____% shall become re-payable in one lump-sum; and should they cease to be Partners earlier for any reason beyond their control that shall not alter the scheme of return of loan and capital to them or their other claimants on their behalf, as aforesaid.

(5) If at any time after the commencement of the Partnership as LLP any further capital shall be required for the purposes of the LLP, the same shall be additionally contributed by the then Partners in their respective proportion of capital contributions made, unless otherwise agreed upon by all the then Partners. Existing loans advanced or deemed as advanced by the Partners to the LLP shall not be convertible into such capital contribution.

(6) The obligation of a Partner to contribute (i) money or (ii) other property or benefit or to perform services in the case of its money's worth as determined in the agreement with the

Partner therefore as equivalent to his share of contribution of capital to the LLP under this Agreement, shall be a debt due from him to the LLP. The liability of a partner or designated partner in relation to the LLP shall be as set out in the Act and in particular every partner shall indemnify the LLP insofar as every partner may take part in its management. It is a condition of this Agreement that the LLP shall indemnify each Partner in respect of payments made and personal liabilities incurred by him (a) in the ordinary and proper conduct of business of the LLP, and (b) in or about anything necessarily done for the preservation of the business or property of the LLP.

(7) This LLP Agreement along with the LLP's Certificate of Incorporation should be laid before a special general meeting of the Partners to be held within 30 days of the LLP's registration, and it shall be the responsibility of the first two Designated Partners of the LLP to comply with the same.

(8) After the LLP's registration, it may reimburse the Promoter-Partners the costs of promotion and registration, legal fees, cost of printing and stamp duties and all other direct costs at accruals according to the account rendered to the LLP by the Promoter-Partners, with the approval of the general meeting of Partners mentioned in (7) above.

(9) The LLP shall have a Common Seal and it shall be laid before and adopted at the general meeting mentioned in (7) above. The Common Seal shall be affixed to any document or contract with approval of and in the presence of at least two of the Designated Partners of the LLP, on each occasion and the same fact recorded chronologically in the Seal Book maintained for the purpose under their signatures.

(10) All the assets owned by or belonging to the LLP including but not limited to the Intellectual Property Rights (IPRs) of whatever kind shall be the property of the LLP and no partner shall be entitled to use for himself any such property otherwise than as a client or customer.

(11) No resolution or decision carried by a majority of Partners of the LLP shall be valid to be given effect to unless it includes the Partners being the original Parties hereto.

(12) The contents of this para shall not be alterable till the conditions stated in sub paras (3) and (4) above are fully complied with.

6. Bar against admission of Partner and A person who has any business interest in conflict with the business of the LLP compliance of persons admitted as partner – A person who has any business interest in conflict with the business of the LLP shall not be admitted as its Partner, and any Partner who acquires such conflicting interest shall cease to be and be expelled as a Partner by a unanimous decision of the partners. Persons admitted as partners shall duly comply with the provisions of section 25(1) of LLP Act and Rule 22(1) and Form 6 of the LLP Rules & Forms, 2008 within a period of 15 days of any change in the name and address, to intimate the LLP.

7. Interest on Capital or Loan – Interest at the rate of _____percent per annum on the capital contributed or loan given or credited as given by each of the partners and standing to his credit as on the first day of each calendar month for the previous month out of the gross profits of the partnership business shall be credited in the respective accounts, and such interest shall be cumulative such that any deficiency in one financial year shall be made up out of the gross profits of any succeeding financial year or years. For this purpose, the financial year shall be the twelve months from the first of April to the thirty-first of March next.

8. Withdrawal of Loans – Every Partner may withdraw the loans advanced or deemed as advanced by him to the Partnership business in accordance with the terms of such sums advanced or deemed as advanced from time to time, and if any such terms are fixed for any such loan amount, the partner may withdraw the same after serving a notice of ten weeks on the LLP demanding repayment at not more than _____% of the loan plus interest standing to his credit as at the end of the previous financial year as per the last audited balance sheet of the LLP, in each period of ten weeks.

9. Business transactions of Partner with LLP – A Partner may lend money to and transact other business with the LLP, and in that behalf the Partner shall have the same rights and obligations with respect to the loans or other business transactions as a person who is not a Partner.

10. Profits & Losses and Partner's Income Account – (1) Profits and losses of the Partnership business in each financial year shall be divided between and borne by the Partners in the

proportion of their respective capital contribution standing to their credit in the books of the Partnership as on the last date of the relevant financial year.

(2) Partnership profits and losses computed as due shall be charged or credited to the separate income account of each Partner. If a Partner has no credit balance in the income account, losses shall be charged to his capital account.

11. Partner's Drawings – Each Partner may draw out of the Partnership funds as drawings from the credit balance of his income account any sum of money not exceeding Rs_____ (Rupees_____) per each one percentage point of capital contributed per month for his own use, subject to such drawals to be duly accounted for in each yearly settlement of account and division of profits of the Partnership at the end of each financial year, and the same shall be duly adjusted to the actuals due to or from the partnership by refunds or further drawls, as the case may be as required.

12. Book of Accounts - (1) All funds of the Partnership business shall be deposited in its name in such banking account or accounts as shall be determined by the Designated Partners. All withdrawals are to be made by Cheques signed by the Designated Partners as determined by them.

(2) All necessary books of account and other papers relating the affairs of the LLP as prescribed under Rule 24 of LLP Rules & Forms, 2008 pursuant to section 34(1) of the LLP Act 2008 shall be ensured by the designated partners for the time being to be kept at the principal place of business of the LLP or at other place or places as mutually agreed upon by all the Partners, and regularly maintained on cash basis or accrual basis and according to double entry system of accounting with all books duly posted with entries arising from day to day up-to-date on any day so as to give a true and fair view of the state of affairs of the LLP. Such books of account shall not be removed from the designated place of business without the consent of all the Partners. Each Partner shall have access and be entitled for taking a copy or an extract of any books of account or related papers of the LLP or folio thereof during the working hours on each working day of the week.

13. Annual Statements of Accounts and Solvency – The Designated Partners of the LLP shall, within a period of six months from the end of each financial year, prepare the Annual Statements

of Accounts and Solvency for the financial year as at its last day of all the capital contributions, assets and liabilities and of the profits and losses of the LLP, and the same shall be signed by each Partner in addition in addition to the signing thereof by the Designated partners of the LLP as required under section 34(2) of the Act in token of his being bound thereby. If, in the event, any Partner refuses to sign the Annual Statements of Accounts and Solvency giving no valid reason, a copy of the same shall be posted to him by Registered Post Acknowledgement Due to his last known address as supplied by him to the LLP, and same shall be deemed to have been signed by him on the date of such posting.

14. Audit - The Statements of Accounts and Solvency of the LLP made each year shall be audited by a qualified Chartered Accountant in practice in accordance with the rules prescribed under section 34(3) of the LLP Act, 2008, namely, Rule 24 of the LLP Rules & Forms, 2008. It shall be the responsibility of the Designated Partners of the LLP to comply with Rule 24 of the said Rules in every respect.

15. Reserve Fund – A sum equivalent to _____ per cent per annum of the net profits arrived at in the audited Annual Statements of Accounts of the LLP shall be transferred and kept in the general reserve fund account and the same invested in gilts every year in the name of the LLP till it accumulates to the amount of ____ per cent of the capital specified in para 5 above. Such reserve fund accumulated shall be utilized for meeting extraordinary losses or expenses or for such other purposes including the renewal of any art of the building or other long term assets of the LLP in any way as mutually agreed upon by all the partners of the LLP including the Partners being the Parties hereto.

16. Division of Annual Profit of the LLP – As soon as the Annual Statements of Accounts and Solvency shall have been signed by the Partners and the same duly audited and the auditor rendering his report thereon, the net profits, if any, of the LLP business, shall be divided between the Partners in the proportion specified in and in accordance with the provisions of this Agreement.

17. No remuneration to Partners – No Partner shall be entitled to any remuneration for taking part in the conduct of the LLP's business.

18. Management of the LLP – (1) Partners of the LLP other than Designated partners shall be sleeping Partners. Their right to participate in the management of the LLP shall be as provided in this Agreement and otherwise it is restricted to:

- Ratification of this LLP Partnership Agreement post-incorporation of the LLP;
- Any alteration to this LLP Agreement;
- The admission of new Partners;
- Appointment of Designated Partner;
- Raising further capital under para 5(3) above,
- Acceptance of Annual Accounts and Solvency and the Auditor's Report thereon;
- Assignment and transfer of partnership rights, by the Partners in any way;
- Expulsion of any Partner;
- Any proposal of the LLP to make an application to the Central Government that the affairs of the LLP ought to be investigated;
- Change of business;
- Any sale or merger or amalgamation of the LLP with another entity or the incidence of any extraordinary loss or jeopardy or 'waste' to the property of the LLP as defined in section 66 of the Transfer of Property Act, 1882, warranting the appointment of a Receiver; and
- Winding up and dissolution of the LLP.

In deciding all the matters specified above by a 75% majority vote of the Partners present at a meeting of Partners duly called and held, except expulsion of any partner and change of business which shall require a unanimous decision of all the Partners excluding the Partner shall have one vote each irrespective of their capital contribution to the LLP's capital. The decisions so taken shall be recorded in the minutes within ten days of the general meetings and the same kept at the registered office of the LLP.

(2) The Designated partners appointed by the LLP shall be responsible both for business management in its entirety and compliance management under the LLP Act and this Agreement. The management of the LLP shall be carried on jointly by the Designated Partners being the

original Parties hereto as agreed upon mutually between them by themselves or otherwise so however that they both shall be the first two Designated partners to be named in the Incorporation Document submitted for the LLP's registration and to be answerable for the doing of all acts, matters and things as are required to be done by the LLP in respect of compliance of the provisions of the LLP Act, 2008 in terms of sections 7,8 and 9 of the said Act. The Partners may appoint more Designated Partners by a 75% majority vote of the Partners present at a meeting of Partners duly called and held at any time and from time to time out of the Partners whose contribution to the capital of the LLP at the material time of appointment is not less than ---% of the total capital contribution as of that date, provided both the Partners being Parties to this Agreement as originally made approve the names proposed. The Designated Partners may by their unanimous decision delegate their powers to any one or more Designated Partners or any top-ranking officers of the LLP as they may consider fit or necessary in the management of the affairs of the LLP at any time or from time to time and similarly withdraw the same.

(3) Every Partner appointed as a Designated Partner by a majority of the Partners as stated in (2) above shall be entitled to take part in the management of the LLP.

(4) Any matter or issue relating to the LLP shall be decided by a majority in number of the Designated Partners which shall in every case include the Partners being the original Parties hereto so long as they continue as the designated Partners of the LLP.

(5) Banking arrangements for the LLP shall be as unanimously decided by the Designated Partners at any time and from time to time, ensuring that all moneys received subject to requirements of current expenses, by way of Cheques, drafts or other pay orders shall be promptly paid into the LLP's banking account.

(6) Each Partner shall render true accounts and full information of all things affecting the LLP to the Designated Partner(s) and on request to any Partner or his legal representative.

(7) All decisions of the Partners shall be taken at meetings called by a notice in writing or by circular resolutions in cases of urgency. Meetings in which all Partners are entitled to participate to deliberate and decide on the matters specified in Para 18(1) above shall be called general meetings, and the meetings of the Designated Partners shall be called Executive Meetings. The provisions as are applicable to calling, holding and conducting/adjourning etc., of general

meetings and Board meetings and keeping of minutes of such meetings of pure private companies limited by shares under the companies Act, 1956, shall apply respectively to the said two kinds of meetings, excluding the special resolutions, requisitioned resolutions special notices, special business and explanatory statements, requisitioned meetings and default meetings and the related jurisdiction as well as powers of the Court/Tribunal/Central government conferred under the said Act. Every such meeting shall be called by any Designated Partner on the basis of a decision of the Executive Meeting or by circular resolution passed by majority of Designated Partners in any exigency.

(8) A resolution circulated in writing and signed by a majority of the Partners and/or Designated Partners, as the case may be, depending upon whether it is a business to be transacted at a General Meeting or Executive Meeting, including the Partners who are the original Parties to this Agreement in every case, shall be deemed to be duly passed, the date of passing such circular resolution being the date of the signature of the person signing last.

19. Performance of work by Partner - If at any time any work for the LLP is to be done under this Agreement or any Supplement thereto by any partner, it may be done by any of his relative or other agent or servant engaged by such Partner competent to do the work on condition that any payment in that behalf shall be to the account of the Partner concerned entailing nothing to be borne by the LLP. Where such a Partner fails to perform such work contracted by him with the LLP, any other Partner may do the same instead or have it done by persons competent to do the work and engaged as his agents additionally to such of the work, if any, contracted by him on his own account with the LLP, at the cost of the LLP. There is nothing contained in this para to enable a Designated partner to assign his responsibility to anyone being an outsider to interfere in the business management of the LLP entrusted to or undertaken by him.

20. Designated Partners' attention to business – The Partners being the original Parties hereto and other Partners appointed as designated partners of the LLP shall at all times

- Protect the property and assets of the LLP;
- Devote the whole of their attention to the said partnership business diligently and faithfully by employing themselves in it, and carry on the business for the greatest advantage of the partnership;

- Punctually pay their separate debts to the LLP, if any, duly and indemnify the LLP or other Partners towards charges, expenses or costs incurred to protect the assets of the LLP against any failure to do so; and
- Upon every reasonable request, inform the other Partners of all other Partners of all letters, writings and other things which shall come to their hands or knowledge concerning the business of the LLP.

21. Number of Designated partners – The maximum number of Designated Partners appointed for the LLP shall be such as mutually agreed upon by the Partners being the original Parties hereto or as decided by the Designated Partners of the LLP unanimously at any time and from time to time not exceeding ten.

22. Sleeping Partner – All the Partners other than those appointed as the Designated Partners of the LLP shall be Sleeping Partners and they shall not interfere with the carrying on the management or conduct of the business of the LLP otherwise than as has been provided in this Agreement and those shall not sign the name of the LLP.

23. Transfer or assignment of Share of Capital contribution by Partner - (1) No Partner shall without the consent in writing of all the Partners transfer, assign or mortgage his share of interest in the LLP by way of a share of the profits and losses of the LLP and to received distributions under this Agreement in any way in whole or in part.

(2) On the transfer of a Partner's interest in the LLP as set out in (1) above, section 42(2) and (3) shall become applicable to the transferor Partner and the transferee, respectively.

24. Death or voluntary retirement of Partner – If any Partner shall die or have voluntarily retired, a statement of account shall be taken and made out of his share of the capital and effects of the LLP and of all unpaid interest and profits due to him up to the time of his demise or retirement and be paid at the earliest as may be decided by the Designated Partners of the LLP, subject to required adjustments between his capital account and income account transactions and transfers made till the date of death or retirement, as the case may be, and balances struck as certified by the Auditor for the time being of the LLP. The said statement of account shall include the Partner's share of profit and loss for the period from the beginning of the financial

year in which his death or retirement occurs until the end of the calendar month in which the event takes place.

25. Representative of deceased or retired Partner – At the discretion of the remaining Partners, the nominee or representative of the deceased or retired Partner may be admitted as a sleeping Partner against retention of the dues to the former Partner by the LLP. In no case such persons shall have the power to interfere in the management or conduct of the LLP's business by virtue of anything done by the Partner who had existed.

26. Purchase of share of retiring, expelled deceased or insolvent Partner – If a Partner shall die, retire or be expelled or become insolvent, then, the remaining Partners shall have the option of first refusal to buy the share of such a partner in the LLP, and the option may be exercised by notice in writing, fixing a month's time by either side given to the other side. The purchase price shall be the amount at which such share shall stand by the last audited balance sheet prior to the date of the event of exit of the Partner net of his drawals, *plus* interest thereon at.....per cent per annum to the date of the event, *plus* his share of current profits, if any, in the broken part of the year next following determined in terms of this Agreement, either in one lump-sum or as otherwise agreed with the retiring Partner or his personal or legal representatives, against an indemnity provided against the debts, engagements or other liabilities of the partnership devolving to the account of the Partner that existed.

27. Expulsion of Partner – This provision of this Agreement shall operate as an express agreement of the Partner: a Partner may not be expelled by an unanimous decision of the partners save in good faith and in the interest of the partnership business only after a show-cause notice in writing is served on that Partner or designated Partner giving 7 days time for his response; and in that event the Partner expelled shall be entitled to the benefits of a retiring Partner in accordance with the provisions of this Agreement in that behalf.

28. Goodwill – A valuation of the assets, effects and of the goodwill including the Partnership name shall be made at three times the average net yearly profits of the preceding five years or the commencement of the LLP, whichever is less, for the purpose to determine the amount due to such a Partner who has existed, and the payment shall be met by the Partners remaining with the LLP in proportion to their respective capital contribution on the date of his exist within six

calendar months from the date of exit, any delay beyond attracting interest at -----per cent per annum from the date of expiry of the said six months till the actual date of payment. On such a payment being made the share of the Partner exited in the goodwill shall stand vested in the remaining Partners of the LLP.

29. Retiring Partner not to carry on competing business – An outgoing or retiring Partner, whose dues have been settled and paid off in accordance with the covenants in this Agreement, shall not during the period of two years from the date of his exit as Partner carry on or engage or be interested directly or indirectly in any business competing with the LLP anywhere in the State where the LLP's registered office is situated.

30. Contracting on behalf of the LLP – All contracting by way of placement of orders for supplies to the LLP shall be carried out only by the Designated Partners in the manner as mutually agreed upon between them at any time and from time to time.

31. Giving Credit – No Designated Partner shall lend money or give credit to or have any dealings on behalf of the LLP with any person or company or LLP or other entity whose credit-worthy is doubtful and who is forbidden due to former crisis of confidence confronted by the LLP in dealing with him or it.

32. Acts forbidden – Without the consent given in writing of the other Partners, no Partner while he is a Partner for the time being of the LLP shall -

- Transfer, assign otherwise encumber his share in the assets or profits of the LLP;
- Engage or be concerned or interested in any other business, directly or indirectly as and competing with the LLP all profits made by him in that business;
- Do any act that may conflict his interest with the interest of the LLP or any of its other Partners;
- Take any apprentice or hire or dismiss (except in cases of gross misconduct) any servant or agent of the LLP;
- Lend any money or deliver upon credit any of the goods of the LLP to any person or persons whom the other Partners shall have previously in writing forbidden to trust;

- Give any unauthorized security or promise for the payment of money on account on behalf of the LLP except in the ordinary course of its business;
- Secure unauthorized surety or guarantee for anyone encumbering or otherwise charging or pledging the properties of the LLP;
- Draw or accept or endorse unauthorizedly any bill of exchange or promissory note on LLP's account;
- Draw and sing any Cheque on behalf of the LLP unauthorisedly in excess of Rs.....on its banking account;
- Remit the whole or part of any debt due to the LLP;
- Lease, sell, pledge or do other disposition of any of the LLP's property otherwise than in the ordinary course of business;
- Commit to buy or buy any immovable property for the LLP;
- Go and remain out of station on LLP's business for more than.....days in a row;
- Do any act or omission rendering the LLP liable to be wound up by the Tribunal;
- Share business secrets of the LLP with outsiders;
- Derive profits from any transaction of the LLP or from the use of its name, resources or assets or business connection by carrying on a business of the nature as competes with that of the LLP, and remain without accounting for the same to the LLP;
- Submit a dispute relating to the LLP's business to arbitration;
- Open a banking account on behalf of the LLP in his own name;
- Commit to compromise or relinquish any claim in whole or in part of the LLP;
- Withdraw a suit filed on behalf of the LLP;
- Admit any liability in a suit or proceeding against the LLP;
- Enter into any partnership joint venture; float any subsidiary LLP or company with the LLP being the promoter or acquirer of interest or control.

33. Notice – (1) To the LLP – Any notice by the Partners to the LLP may be given by addressing to the LLP and leaving it at the registered office of the LLP.

(2) To a Partner – Any notice to a Partner shall have been sufficiently given by the LLP by leaving it addressed to the Partner at the registered office of the LLP or by sending the same by registered post to his usual or last known address.

34. Term of validity of Agreement – Duration of this Agreement shall be ____ years, beginning from the date first above mentioned, subject to the condition that this deed may be extended further by mutual consent in writing of the Parties hereto upon such terms and conditions or with such modifications as may be mutually agreed upon between them. In the event that the LLP remains not formed as envisaged in this agreement within 6 months from the date hereof, this agreement shall stand null and void with no claims *inter se* the parties hereto claimed or paid by any.

35. Covenant against breaking away – During the first five years of the subsistence of this agreement, none of the Parties hereto shall be entitled to part with the LLP unless mutually agreed upon in writing.

36. Partners and LLP to ratify this agreement to be bound – This agreement shall become valid to bind the LLP on its incorporation on its being ratified by all of its partners both for themselves and on behalf of the LLP in terms of section 23(3) of the LLP Act, 2008.

37. Termination & Dissolution – If any time owing to losses or any other cause whatsoever one-fourth of the entire capital of the LLP shall have been lost or not represented by available assets or there exists reasonable cause of apprehension that a call on the Partners to contribute further capital of ----% or more of the entire capital of the LLP is imminent in order to carry on its business as a solvent entity, a majority in value of the Partners may require the LLP to be dissolved and wound up as if the same has occurred by efflux of time.

38. Arbitration – (1) All the matters not expressly provided in this agreement shall be decided by the consent of all the Partners in writing. Failing that all disputes and questions about and in connection with the LLP under this Agreement arising between the Partners or between any one of them and the legal representative of the Partners or with the LLP at any time and from time to time, shall be settled by conciliation or by arbitration as provided under the Arbitration and Conciliation Act, 1996 as if the parties to the dispute have consented in writing for determination of the same as aforesaid and the provisions of the said Act apply accordingly.

(2). If any question arises whether the dispute relates to formation, management or business of the LLP, the question shall be referred to the arbitrator, whose decision thereon shall be final.

39. Alteration or amendment – No alteration to or amendment or change in this LLP Agreement including any change of business of the LLP in terms of para 8 of the First Schedule to the LLP Act shall be valid unless it is reduced to writing as a Supplement to this Agreement duly accepted by every Partner of the LLP by himself or his legal representative(s), as on the relevant date of alteration, amendment or change.

40. Entire agreement, Severability & Waiver – (1) The forgoing constitutes the entire agreement between the Parties hereto on the subject-matter.

(2) If any part of this Agreement is held by any Court or authority of competent jurisdiction as void or without effect it shall be limited to that extent and be binding on all parties hereto at the relevant time as a severable part thereof with nothing to affect the rest of this Agreement.

(3) A failure or a waiver of exercise of any right or power or benefits under this agreement by a Partner or Designated Partner or on their behalf shall not operate as a waiver of the same for ever during the term of this agreement nor any delayed exercise of any right or power or benefit by a Partner or Designated Partner or on their behalf under this Agreement deemed as a waiver.

Party of the First Part

Party of the Second Part

.....

.....

Ratification of the LLP Agreement

POST-INCORPORATION OF THELLP.

By Partner –

“The LLP Agreement hereinabove is hereby ratified”

(a). Designated Partner ofLLP. – Name and Signature

(b). Designated Partner ofLLP. – Name and Signature

(c) Partner ofLLP – Name and Signature

(d). Partner of.....LLP – Name and Signature

(e). etc.

Place:

Date:

Ratification of LLP Agreement

POST-INCORPORATION OF.....LLP on its behalf

By its authorized **Designated Partner**

“The LLP Agreement herein above is hereby ratified”

For and on behalf ofLLP

As decided at its general meeting of Partners held on.....20....

(1)

(2)

Signature of Designated Partners

Place:

Date:

4.4. TRUST DEED

The instrument by which the trust is declared is called instrument of Trust, and is generally known as Trust Deed.

It is well settled that no formal document is necessary to create a Trust as held in *Radha Soami Satsung vs. CIT-* (1992) 193 ITR 321 (SC). But for many practical purposes a written instrument becomes necessary under following cases –

- i) When the trust is created by a will irrespective of whether the trust is public or private or it relates to movable or immovable property. This is because as per Indian Succession Act, 1925, a will has to be in writing
- ii) When the trust is created in relation to an immovable property of the value of Rs.100 and upwards, in case of a private trust. In case of public trusts, a written trust deed is not mandatory, even in respect of immovable property, but is optional.
- iii) Where the trust/association is being formed as a society or company, the instrument of trust; i.e., the memorandum of association, and Rules and Regulations has to be in writing.

A written trust-deed is always desirable, even if not required statutorily, due to following reasons:

- a. written trust deed is a prima facie evidence of existence of a trust ;
- b. it facilitates devolution of trust property to the trust;
- c. it clearly specifies the trust-objectives which enables one to ascertain whether the trust is charitable or otherwise;
- d. it is essential for registration of conveyance of immovable property in name of the Trust;
- e. it is essential for obtaining registration under the Income-tax Act and claiming exemption from tax;
- f. it helps to control, regulate and manage the working and operations of the trust;

- g. it lays down the procedure for appointment and removal of the trustee(s), his/their powers, rights and duties; and
- h. it prescribes the course of action to be followed under any eventuality including dissolution of the trust.

Types of Instrument of Trust

- Trust deed, where a trust is declared inter vivos; i.e., by settling property under Trust.
- A will, where a trust is declared under a will;
- A memorandum of association along with rules and regulations, when the association/institution is being formed as a society under the Societies Registration Act, 1860;
- A memorandum and articles of association where the association /institution is desired to be formed as a Company.

Clauses of a Trust Deed

A person drafting the deed of a public charitable trust has to bear in mind several enactments, particularly the Indian Trusts Act, 1882, any local enactment relating to trusts, like the Bombay Public Trusts Act, 1950 for the State of Maharashtra and the Income Tax Act, 1961. Such a person has also to keep in mind the relevant judicial pronouncements dealing with the scope of "charitable purpose" and accordingly decide whether a particular purpose is charitable or not.

General Clauses of a Trust Deed

- i) Preamble
- ii) Trust name by which Trust shall be known
- iii) Place where its office shall be situated
- iv) Author or settlor of the trust
- v) Names of the Trustees
- vi) Beneficiaries
- vii) The property settled, for Trust – In case of immovable property, it should contain full description of the property sufficient to identify it

- viii) An express intention to direct the trust property from the trustees
- ix) Objects of the Trust
- x) Minimum and maximum number of Trustees
- xi) The procedure for appointment, removal, replacement of trustees
- xii) Trustees rights, duties and powers
- xiii) Administration of trust
- xiv) Provision for maintenance of accounts, auditing etc.
- xv) Clause enabling, spending and utilization of the Trust funds or corpus.
- xvi) Bank Account operations
- xvii) Borrowing money on security for the purpose of the Trust
- xviii) Investment of the Trust funds and dealing with Trust properties
- xix) Alienation of immovable property of the Trust
- xx) Amalgamation clause
- xxi) Dissolution of Trust
- xxii) Irrevocable nature of the trust.

Model Trust Deed of a Public Charitable Trust

DEED OF TRUST

THIS DEED OF TRUST executed at _____ on this _____ day of _____ 20 ____, BETWEEN _____ (Party of the first part) hereinafter called "SETTLOR" OF THE ONE PART

AND

1. _____ S/O. _____, residing at _____ &
2. _____ S/O. _____, residing at _____ &
3. SMT. _____ W/O SHRI. _____, of _____

(Hereinafter called " The Trustees" which expression shall unless repugnant to the context or meaning thereof be deemed to include the survivors or survivor of them and the trustees or trustee for the time being of these presents and their heirs, executors and administrators of the last surviving trustee, their or his assignees) of the other part;

WHEREAS the SETTLOR is possessed of the sum of Rs. _____/- (Rs. _____ Only) and assets and properties mentioned in the Schedule hereunder as his absolute property and he is desirous of creating a Religious/ Charitable/Educational Trust for the benefit of the humanity at large.

AND WHEREAS each of the parties hereto of the "Other Part" has individually and jointly has agreed to act as Trustees of the Trust, proposed by the party of the first part.

AND WHEREAS nothing contained in this deed shall be deemed to authorize the trustees to do any act which may in any way be construed statutory modifications thereof and all activities of the trust shall be carried out with a view to benefit the public at large, without any profit motive and in accordance with the provisions of the Income Tax Act, 1961.

AND WHEREAS the trust is hereby expressly declared to be a public charitable trust and all the provisions of this deed are to be constituted accordingly.

NOW THIS DEED OF TRUST WITNESSTH AS FOLLOWS:

1. Settlement

The party of the first part, the SETTLOR, does hereby settle the sum of Rs. _____ /- (Rs. _____ only) in Trust, with the name and for the objects hereinafter stated, by delivering the said amount in cash which the party of the other part, the Trustees, have accepted the receipt of which they do hereby acknowledge, to hold the same in and to the Trustees with the powers and obligations as provided hereinafter.

2. Name

The name of the Trust shall be "_____".

3. Place

The principal office of the Trust shall be situated at _____. The Trust may also carry on its work at any other place or places, as decided by the Trustees.

4. Objects

The objects of the Trust are -

- a. Educational – to run, maintain or assist any educational or other institution for coaching, guidance, counselling or vocational training or to grant individual scholarships for poor, deserving and needy students for elementary and higher education.
- b. Medical – to run, maintain or assist any medical institution, nursing home or clinics or to grant assistance to needy and indigent persons for meeting the cost of medical treatment.
- c. Relief of the poor – to give financial or other assistance in kind by way of distribution of books, notebooks, cloths, uniforms, or meals for the poor and indigent and to the persons suffer due to natural calamities.
- d. Old age and Physically challenged - Establishment, conduct, maintenance of old age homes, homes for physically challenged men, women and children and persons with similar disabilities and also for granting financial assistance to institutions performing similar activities.
- e. Other objects of general public utility –
 - i. to acquire property for the sole use of the public by making it available for public purposes, for example - a library, clinic, crèche or a community hall to be available for public use as training classes, seminars, discourses and other public functions for benefit of the community in general.
 - j. to undertake any other activity incidental to the above activities but which are not inconsistent with the above objects.

The TRUSTEES do hereby agree that they shall hold and stand possessed of the said trust assets, properties and funds (which expression shall include all investments in cash or kind or in any nature whatsoever into and for which, the said property or a part or parts thereof may from time

to time be converted, varied or exchanged) and/ or such investments as may be held by the TRUSTEES from time to time in relation to these presents together with all income, profits, additions and accretions thereof, upon trust for the object set out above with and subject to the provisions and conditions hereinafter contained in these presents.

5. Beneficiaries

The Trust is established for the benefit of citizens of India and the class of people mentioned above without discrimination of caste, religion, creed or sex.

6. Properties

The Trust properties shall consist of

- a. The amount Transferred by the SETTLOR as mentioned above, towards the Corpus fund of the Trust.
- b. The immovable properties and other assets transferred by SETTLOR as mentioned above.
- c. Any cash, kind, properties, movable and immovable that may be acquired by purchase or otherwise or all manner of rights, title or interest in or over any property movable or immovable
- d. All additions and accretions to the Trust properties and the income there from
- e. All donations, gifts, legacies or grants, in cash or kind accepted by the **Trustees** upon Trust.

The properties of the Trust shall be utilized for the objects set forth herein above and subject to the provisions and conditions herein mentioned.

7. Funds

The Trustees may accept donations, grants, subscriptions, aids or contributions from any person, Government, Local authorities or any other charitable institutions, in cash or in kind including immovable property without any encumbrance, but the Trustees shall not accept any receipt with any condition or terms inconsistent with the objects of the Trust. While applying such receipts to the objects, the Trustees shall respect the directions, if any, by the granter. Any receipt with

specific direction to treat the same as part of the corpus of the Trust or separate fund shall be funded accordingly.

8. Investments

- a. All monies, which will not be immediately required for current needs shall be invested by the Trustees in eligible securities and investments, or in banks. Such investments shall be in the name of the Trust.
- b. That the trustees shall invest the trust fund, carry on any business with the trust fund and/or enter into partnership on behalf of the trust, as they may deem fit.
- c. That the trustees shall manage the trust fund and investments thereof as a prudent man would do the same. They shall recover all outstanding and meet all recurring and other expenses incurred in the upkeep or management thereof.
- d. That the trustees shall receive and hold the income of the trust on behalf of and for the benefit of the beneficiaries under the trust.

9. Number of Trustees and their Term

The Trust will be managed by a Board of Trustees consisting of not less than 2 trustees and not more than 9 trustees. The parties of the Other Part will be First Trustees and they shall automatically form the Board of Trustees.

The first Managing Trustee shall be the SETTLOR and he will hold office for his life time. After the demise or relinquishment of office of the Managing Trustee or in the event of the first Managing Trustee failing to nominate his successor in office, the remaining trustees shall elect one of the other Trustees as Managing Trustee.

The term of office of First Trustees shall be for their respective lives. The Board of Trustees shall have the power to increase the total number of Trustees upto the maximum number stated above and fix their term as per provisions contained herein.

Any Trustee, including the Managing Trustee may retire from the Trusteeship hereof by giving two months notice in writing of his or her intention to do so, to the Board of Trustees and after the expiry of the period of notice, the Trustee shall cease to be a Trustee of these presents.

Any vacancy caused by death of any one of the First Trustees, or any vacancy caused by the resignation of any of the Trustees, may be filled up by co-option by the Board of Trustees.

The Trustees who are not First Managing Trustee or First Trustees shall hold office for a period of one year from their date of appointment by the Trustees. At the end of this one year period, the Board of Trustees may reappoint them for subsequent term or appoint other persons as Trustees in such a manner that the total number of Trustees does not exceed the approved maximum number of Trustees.

The Managing Trustee shall have the power to remove a Trustee suffering from physical or mental disability or if he is accused of misfeasance of trust funds or property or misconduct, after satisfying himself on enquiry and such action of the Managing Trustee shall be final.

The proceedings of the Board of Trustees shall not in any way be invalidated due to any post or posts remaining vacant. During the time when a vacancy is yet to be filled up, the remaining Trustees shall act as “Full Board”, subject to the presence of Quorum in the meetings. Any vacancy in the Board of Trustees or illegality in the appointment of Trustees or their proceedings shall not invalidate any prior act or decision of the Board.

10. Administration of Trust and Power of Board

The Board of Trustees shall have power to:

- a. To administer the Trust, its properties and affairs and do all the things which will fulfill the performance of the objects for which the Trust is established and for this purpose the Board can apply the whole or any part of the Trust property towards the payment of the expenses of the Trust.
- b. The income and the properties of the Trust will be solely utilized towards the objects of the Trust and no portion of it will be utilized for payment to the Settlor or Trustees or their relatives by way of salary, allowances, profit, interest, dividend etc.
- c. To open one or more bank accounts and operate the same or provide for operation of the said accounts by any two among them authorized on their behalf.

- d. To invest the Trust funds in the manner not prohibited by any provisions of the Income Tax Act, 1961.
- e. To buy, sell, mortgage, grant, lease, hire or otherwise alienate all or any of the properties of the Trust in its discretion for adequate consideration. However any sale or alienation of immovable properties of the trust can be done only after obtaining the prior approval of the appropriate authorities.
- f. To execute Power of Attorney or Powers of Attorney to any person for the purpose of executing, administering or managing the whole or any part of the Trust for the purpose of all or some objects of the Trust.
- g. To borrow money with or without security and to repay the same.
- h. To receive, collect and enforce recovery of all monies due or payable to the Trust and grant receipts and discharges therefore.
- i. To settle, compromise or compound any disputes or refer the same to arbitration or litigation.
- j. To receive voluntary contributions from any person or persons from India or outside, after complying with the statutory formalities, by way of donation, gifts or in any other manner and to hold the same upon Trust for the objects set forth herein.
- k. To appoint, suspend, dismiss or otherwise deal with the staff required for the administration of the Trust, to frame rules relating to their salaries and other benefits and generally to exercise all powers ancillary and incidental to effectively carry out the objects of the Trust.
- l. The Board shall have power to make and rescind rules and regulations for the management and administration of the Trust.
- m. No Trustee shall commit any act or breach of Trust of the Trust fund or property or cause any loss to the Trust property or commit fraud in the administration of the Trust fund / property.
- n. The Trustees shall hold honorary office and shall not be entitled to any Salary, allowances or perquisites, except for the reimbursement of actual expenses incurred in connection with attending to the Trust matters.

- o. The Board of Trustees will follow the instructions given by any donor who makes substantial contribution towards furtherance of the objects of the Trust, so long as such instructions are not detrimental to the attainment of the objects of the Trust and are in conformity with the provisions of the Income-tax Act, 1961.
- p. For the management and administration of the Trust, the Trustees shall elect one amongst themselves for each of the offices of Vice President, Secretary and Treasurer. The term of office for Vice President, Secretary and Treasurer shall be for a period of one year from their date of appointment and they may be re-elected for further terms. No Trustee including the Managing Trustee shall hold more than one of the above offices at the same time. The persons holding these offices of Vice President, Secretary and Treasurer shall be under the administrative guidance and supervision of the Managing Trustee and will report to him directly.

11. Roles and Responsibilities

The Roles, Responsibilities and powers of all the officers are detailed below. In addition to these, the Managing Trustee may grant additional roles, responsibilities and powers to any of the Trustees.

a. Managing Trustee –

The Managing Trustee shall preside over the meeting of the Board of Trustees. The Managing Trustee is authorized to sign all documents, including bank documents, acknowledgements for the contributions received, and agreements with individuals, Government Institutions and other organizations, on behalf of the Board of Trustees. The Managing Trustee shall have all the residuary powers, not explicitly assigned to any of the other officers in these presents.

The Managing Trustee is authorized to sign along with the Treasurer, bank cheques, deposit release vouchers etc. The Managing Trustee is empowered to remove any Trustee from the Trust and its offices, if he finds that his/her activities are not congenial to the activities of the Trust.

The Managing Trustee is responsible for ensuring that the Trust pursues its Objects and for maintaining the dignity of the Trust organization and shall use his influence to promote the activities of the Trust.

b. Vice President –

The Vice President shall discharge the duties of the Managing Trustee, in the absence of the Managing Trustee of the Trust and shall have the power and authority delegated and assigned to him/her by the Managing Trustee.

c. Secretary

The Secretary shall maintain the records of the trust, prepare and circulate agenda for Board of Trustees' meeting for the approval of the Managing Trustee and also prepare the minutes of the Board meeting.

The Secretary shall be also responsible for the day to day administrative activities of the Trust. The Secretary shall deal with correspondence received by the Trust, send replies in consultation with the Managing Trustee, Vice President and/or the Treasurer wherever necessary. He/she will be responsible for the safe custody of all the properties and records of the Trust. The Secretary shall represent the Trust in all legal matters, sign the papers related to legal cases, attend to courts or represent the Trust in Government offices.

d. Treasurer

The Treasurer will prepare Annual Budget, monthly and yearly expenditure statements get the expenditure audited by auditor duly appointed by the Board of Trustees and place them before the Board of Trustees for approval. The Treasurer is responsible to maintain cash book and prepare vouchers for the payments made, receive contributions, sign acknowledgements for the amounts or articles received by the Trust and prepare monthly and yearly

statements of revenue and expenditure, as well as, the register of assets of the Trust and place them before the Board of Trustees for their approval.

The Treasurer is authorized to sign bank cheques, application for drafts and payment instructions jointly with the Managing Trustee and draw money from the bank, upto the limits defined by the Board of Trustees in their meetings. The Treasurer is responsible for safe custody of cash, bonds, securities etc. of the Trust.

12. Meeting of the Board of Trustees

The Board of Trustees should meet atleast once in every calendar quarter and may meet more often when required.

- a. The meeting of Board of Trustees shall be convened by the Managing Trustee and he shall preside over the meetings. In his absence, the Managing Trustee may authorize the Vice President to be the Chairman of such meetings. In the event the Managing Trustee or Vice President are not able to attend the meeting already convened, any of the Trustees present in the meeting may elect one amongst themselves to be the Chairman of the meeting.
- b. One half of the Board of Trustees or a minimum of two trustees, whichever is higher, shall constitute the Quorum for the Board of Trustee meetings.
- c. All decisions shall be carried out by the majority decision of the Board but in the event of equality of votes, the Chairman presiding over the meeting shall have a casting vote.
- d. Any resolution in writing signed by all the Trustees by circulation shall have equal force as though it has been passed at a meeting of the Board of Trustees.

- e. The meeting of the Board shall be conveyed after giving at least a week's notice unless all the Trustees agree to accept a shorter notice.
- f. The Board of Trustees may invite other persons interested in the objects and functioning of the Trust to attend the meetings of the Board, but they shall not be entitled to vote in the meetings of the Board.

13. Bank Account

All income, subscription and pecuniary donations for the general purposes of the Trust and the income, investments and all other money from time to time forming part of the general revenue of the Trust shall on the same being received be paid into a bank account with any scheduled bank for the purpose of the Trust. The bank accounts shall be operated by the Managing Trustee along with any one of the remaining Trustees. One or more Bank Accounts may be opened in any Bank and/or Banks in the name of the Trust.

14. Accounts And Audit

The financial year of the Trust shall be from 1st April to 31st March of the following year, unless otherwise decided by the Board of Trustees.

The Trustee shall maintain proper books of account of all the assets, liabilities and income and expenditure of the Trust and shall prepare an Income and Expenditure Account and Balance Sheet for every year as on the last day of March. The accounts of the Trust shall be annually audited by a Chartered Accountant or a firm of Chartered Accountants who shall be appointed for that purpose by the Trustees and the audited accounts shall be placed at a meeting of the Trustees, which shall be held before the end of the succeeding year.

15. Irrevocable

This Trust is declared irrevocable.

16. Amendments

While this Trust shall be irrevocable, the Board of Trustees may amend any of the clauses except those relating to objects of the Trust. The First Managing Trustee and First Trustees may do so, at a duly convened meeting of the Board with at least two weeks' notice, and by a resolution passed by atleast three-fourth majority of the Board of Trustees present and voting. The amendments to the Trust deed can only be passed by a resolution of the Board of Trustees in an actual meeting and not by circulation.

If any alteration or amendment is necessary, the same shall be affected through supplementary deed/deeds with the previous approval of the Commissioner of Income Tax and these shall be read together with the main Trust deed.

17. Amalgamation

The trustees may amalgamate the Trust with another Charitable Trust or Institution having similar objects with prior permission of the Charity Commissioner/Court/any other law as may be applicable for the time being.

18. Settlor and their Relatives

Notwithstanding the powers vested with the Trustees, no part of the income of the Trust shall benefit directly or indirectly the trustees and no part of the income of the property of the Trust shall be used or applied directly or indirectly for the benefit of:

- (a) SETTLOR, Managing Trustee, Trustees or any person who makes a substantial contribution to the Trust or of any relative of the SETTLOR, Managing Trustee, Trustees or the person who makes a substantial contribution.
- (b) Any "related concern" in which any of the above persons has substantial interest.
- (c) For the purpose of this clause, the word "relative" and the phrases "related concern", "substantial interest" and "substantial contribution" shall have the meanings assigned to them in the Income Tax Act, 1961.

19. Applicability Of Trust Act

The provisions of the Indian Trust Act, 1882 (or any other applicable state specific trust Act) shall apply to all matters not specifically mentioned in these presents.

20. Dissolution

In the event of dissolution or winding up of the Trust the assets remaining as on the date of dissolution shall under no circumstances be distributed amongst the Trustees but the same shall be transferred to some other similar Trust/Organisation whose objects are similar to those of this Trust with the permission of the Charity Commissioner / Court / any other law as may be applicable for the time being.

The Trustees shall be indemnified against all losses and liabilities incurred by them in the execution of the Trust and shall have a lien over the funds and properties of the Trust for such indemnity.

SCHEDULE

At present, the Trust has no property or assets, either movable or immovable, other than the Trust Fund and the immovable properties, donated by the SETTLOR, as described in the Schedule below:

1. Cash contribution to the Corpus Fund of the Trust of Rupees ----- (Rupees ---
----- only)
2. Properties of -----
3. Assets of -----

IN WITNESS WHEREOF, The Parties hereunto have signed and delivered the presents on the day and year first hereinabove written.

SETTLOR

WITNESS:

1. TRUSTEE _____

1.

2. TRUSTEE _____

2.

3. TRUSTEE _____

Model Trust Deed of a Private Trust

DEED OF TRUST OF _____ TRUST

THIS DEED OF TRUST made at _____ this day of _____ 20— BETWEEN
_____ residing at _____ hereinafter called "**the Settlor**"
(which expression shall unless it is repugnant to the context or meaning thereof be deemed to
include his heirs, executors and/or administrators) of the One Part AND (1) -----
residing at _____ AND (2) ----- residing at _____, hereinafter
called "**the Trustees**" (which expression shall unless it be repugnant to the context or meaning
thereof be deemed to include the survivors of survivor of them and the heirs, executors and
administrators of the last survivor and the trustees or trustee for the time being of these presents,
their, his or her assigns) of the Other Part;

(i) WHEREAS the Settlor is seized and absolutely possessed, inter alia, of an amount of Rs. _____/- (Rupees _____ only) in cash;

(ii) WHEREAS out of natural love and affection which the Settlor bears towards the beneficiaries (i) _____ and (ii) _____ who are the _____ (relationship) of the Settlor, the Settlor is desirous of settling a sum of Rs. _____/- (Rupees _____ only) upon and subject to the trusts, powers, provisions, agreements and declarations hereinafter declared and contained of and concerning the same and the Settlor has requested the Trustees to act as the Trustees thereof, which the Trustees have consented to do (as is testified by their being parties to and executing this Deed);

AND WHEREAS in pursuance of the said desire the Settlor has, prior to the execution hereof, handed over cash of Rs. -----/- (Rupees ----- only) and a cheque for Rs. _____/- (Rupees _____ only) to the Trustees and the Trustees have accepted and taken possession of the same and they shall hold the said amount upon the Trusts and with and subject to the powers and provisions hereinafter declared and contained;

NOW THIS DEED OF TRUST WITNESSETH as follows:-

1. The Settlor has conveyed, transferred and assigned to the Trustees the said amount of Rs. -----/- (Rupees ----- only) in cash and Rs. _____/- (Rupees _____ only) by cheque.

2. The Trust shall be known as "....." and may hold assets or carry on business in the same name.

3. The Trustees hereby declare that they the Trustees shall hold and stand possessed of the said property which is referred to as "the Trust property" which expression shall also include cash and any other property and investments of any kind whatsoever into which the same or any part thereof might be converted, invested or varied from time to time or such as may be acquired by the Trustees or come to their hands by virtue of these presents or by operation of law or otherwise howsoever in relation to these presents, upon the Trusts and with and subject to the

powers, provisions, agreements and declarations hereinafter declared and contained concerning the same.

4. The Trustees shall hold and stand possessed of the Trust property upon the following trusts that is to say:-

(a) to manage the trust premises or Trust Fund and collect and receive the interest, dividend and other income thereof;

(b) to pay and discharge out of the income of the Trust Fund all costs, charges and expenses for collecting and receiving the income of the Trust Fund and all other assets, charges, expenses and outgoings of and incidental to the Trusts created by these presents and administration thereof;

(c) to close the accounts of the Trust on the 31st day of March of every year and pay to or accumulate or spend the net income of the Trust among the beneficiaries in the following properties:-

i) %

ii) %

5. If either of the beneficiaries dies before the determination of this Trust his or her share and interest in the Trust shall devolve upon the survivor and in the event of the death of the survivor before the determination of the Trust, it shall devolve upon his legal heirs.

(a) The income of the Trust shall be credited to the respective accounts of the beneficiaries.

(b) Any amount withdrawn by the beneficiaries or on their behalf shall be debited to the respective accounts of the beneficiaries.

(c) The Trustees shall also be entitled to spend any part of the corpus or the amounts credited to the accounts of the beneficiaries for their maintenance, education and medical

relief or for any other benefit of the beneficiary concerned and such amounts shall be debited to the respective accounts of the beneficiaries.

(d) The Trust shall be determined when the younger of the beneficiaries attains the age of years or on such earlier date as the Trustees may in their absolute power decide. On the determination of the Trust the corpus of the Trust property shall be divided among the beneficiaries existing at the time according to their shares and if there is no existing beneficiary then to the legal heirs of the beneficiary who dies last.

6. It is hereby agreed and declared that the Trustees herein appointed or to be appointed in future as hereinafter provided shall manage the trust property and for this purpose they shall have full power at all times to sell, convert, transfer or alienate any one or more of the Trust properties and to convert the proceeds thereof in other properties, securities or investments as they may deem fit.

7. The Trustees may receive and accept any donations, gifts or bequests from the Settlor or any other person or persons for the purpose of the Trust. The Trustees may also accept deposits or take loans from any person including the Settlor on such terms and conditions as they may deem fit.

8. Without affecting the generality of the powers, provisions and authorities vested in the Trustees under these presents the Trustees shall have in addition thereto and not in substitution thereof, the following powers and authorities and they shall be entitled to execute all acts, documents and things necessary, ancillary or incidental thereto, that is to say :-

(a) To open bank accounts of the Trust in any bank or banks of repute in the name of the Trust or in the name of any Trustee or Trustees and such bank account may be operated by any one of the Trustees individually.

(b) To borrow money or raise loans and funds required for any purpose, power or provision either directly or indirectly concerned with the objects of this Trust or incidental to these presents from any bank or other person or concern.

(c) To draw, make, accept, endorse, discount, execute or issue promissory notes, bills of exchange and other negotiable instruments.

(d) To purchase, take on lease or sub-lease, leave and licence basis, co-operative schemes or any other arrangements or in exchange or hire movable or immovable property including residential flats or commercial units and any rights, benefits or privileges which the trustees may think necessary or convenient.

(e) To construct, develop, maintain, erect, fabricate and alter any building, structures, industrial estates, factories and storage tanks or works of any nature whatsoever necessary or convenient or as the Trustees may think fit.

(f) To sell, improve, manage, develop, exchange, lease, mortgage, pledge, hypothecate, dispose of or turn to account and deal with all or any part of the Trust Fund and premises hereby settled or any part or parts thereof.

(g) To organise agencies or offices or to make any other arrangements necessary for conducting and managing the Trust and to appoint such agents and representatives on their behalf as the Trustees may think fit.

(h) To purchase on ownership or take on rent or compensation residential flats, business premises, industrial sheds or factory premises, godowns or open plots of land and let out the same on leave and licence or compensation or warehousing charges or storage charges.

(i) To carry on any business or businesses including that of import or export of any commodities, import and export and banking or enter into partnership or joint ventures or other arrangements with any other person, firm, body corporate, society, federation, association of individuals or otherwise howsoever for carrying on any business or businesses, industries or commercial activities for and on behalf of the Trust and to appoint any one or more Trustees to be partners, representatives or nominees or nominee for and on behalf of the Trust to carry out or implement any such arrangements.

(j) The Trustees shall be entitled to determine whether any money or property shall for the purpose of this Trust be considered as capital or income and whether expenses, outgoings or loans ought to be paid or borne out of the corpus or income and any such determination of the Trustees shall be conclusive.

(k) The Trustees may deposit any documents of title or any other papers or documents or certificates held by them relating to any movable or immovable property or relating to the Trust under these presents with any bank or bankers or any other person, firm, or company whatsoever for safe custody and may pay any such charges payable in respect of such deposits.

(l) The Trustees instead of acting personally, may employ and pay any agents, person or representative including any bank or insurance company to transact any business or to do any act whatsoever in relation to the Trusts of these presents including the receipt and payment of moneys without being liable for loss and shall be entitled to be allowed and be paid all charges and expenses incurred hereby.

(m) The Trustees may from time to time appoint on such terms with or without remuneration as they may determine any person or persons subject to the provisions of this Trust and the Trustees shall have powers to pay them salary, wages, emoluments, fees and remuneration.

(n) In the event of the Trustees doing any business or starting an industry or undertaking either themselves or in partnership with others or as joint venture and their incurring any losses thereby, they will be entitled to be reimbursed out of the Trust all losses incurred as well as all costs, charges and expenses incurred by them in starting or defending any proceedings.

(o) The Trustees shall have the power to make investments in movable or immovable property, to give loans on interest or otherwise to purchase shares, debentures and other securities, Government bonds etc and to make any other investments as the Trustees in their sole discretion may deem suitable.

8. In the event of the Trustees purchasing an immovable property or properties out of moneys belonging to the Trust it shall be lawful for the Trustees to repair, pull down, or rebuild them or construct any other buildings or structures out of the corpus of the Trust Fund and to give such properties on lease or tenancy or leave and licence or in any other manner on such terms at such rent or rents and upon such conditions as the Trustees may think fit and to make allowance with tenants and others and the Trustees shall also have the power to condone breaches of covenants and to accept surrender of lease or tenancy etc. and generally shall have all powers of management of such immovable property or properties as absolute owners without being responsible for loss or damage that may happen thereby and it shall be lawful for the Trustees at any time to sell such immovable properties or property or part or parts thereof or easements rights or privileges exercised or enjoyed in, over, for upon or under such immovable property or properties and upon any such exchange to give or receive money for equality or exchange.

9. The Trustees may make any such sale as aforesaid either by public auction or private contract and may make or agree to any stipulations or provisions as to evidence to title or commencement of title or otherwise to any conditions of sale or contract for sale or exchange and may buy in at any sale by auction and rescind or carry any contract and enter into any new contract for any of the purposes aforesaid without being responsible for any loss. The Trustees may execute assurances and give effectual discharge for any such sale or exchange which they may think proper.

10. In the event of any difference between the Trustees concerning the affairs of the Trust, the decision of the majority of the Trustees shall prevail.

11. The Trust being established hereby shall be irrevocable and no part of the Trust Fund shall in any circumstances whatsoever be paid or lent to or be applied for the benefit of the Settlor. If the Trust fails or is held to be invalid for any reasons, there shall be no resulting trust in favour of the Settlor but the assets of the Trust shall be divided amongst the beneficiaries in the proportion mentioned above.

12. Any Trustee for the time being hereof may at any time retire from the Trust on giving not less than one month's notice in writing of his intention to do so to the other Trustees for the time being hereof and upon expiry of such notice the Trustee giving such notice shall cease to be a Trustee of these presents.

13. Every one of the Trustees for himself doth hereby agree that in the event of his vacation of the office of the Trustee, he shall do all necessary acts, deeds and things for effectively transferring over unto the name/names of the additional Trustees or Trustee the Trust Fund and all costs attending such transfer shall be borne out of the income of the Trust Funds.

14. It shall be always lawful for the Trustees to appoint any additional Trustees or Trustee of these presents and if the Trustees hereby appointed or any of them or any future Trustee or Trustees hereof shall die or remain abroad for more than 2 years continuously or become bankrupt or insolvent or desire to be discharged or refuse or become unfit or incapable to act or if the Trustees shall be desirous of appointing any additional Trustees or Trustee along with them then in and every such case it shall be lawful for the Trustees to appoint a new Trustee or Trustees. Upon any such appointment the number of Trustees of these presents shall at no time be less than two nor more than seven and upon every such appointment, the Trust property and the Trust Fund thereof shall (if and so far as the nature thereof or the other circumstances so require or admit) be transferred so that the same may be vested in the Trustees or Trustee for the time being and every Trustee so appointed may as well before or after such transfer of the Trust property or funds act and/or assist in the execution of the Trusts and powers of these presents as fully and effectively as if he had been hereby originally constituted as a Trustee hereof. Acceptance in writing by the substituted or additional Trustee or Trustees shall be sufficient to vest the Trust Funds in such Trustees or Trustee.

15. The Trustee will from time to time decide questions arising with respect to the administration of the Trust and may keep a record by way of minutes of work done and resolutions arrived at by them at their meetings convened or by circular.

16. In case any Trustee whether present or future, happens to be a professional person he will be entitled to payment of professional fees for work done by him or by a firm in which he is a

partner and he shall not be liable to account for any share of profits received by him from the firm.

17. And it is hereby further agreed and declared that the Trustees for the time being of these presents shall be respectively chargeable only for such Trust Funds and the income including money, stocks, funds, shares and securities as they shall respectively actually receive notwithstanding their responsibility and shall be answerable and accountable only for their own acts, receipts, neglects and/or defaults and not for those of the other or others of them nor any banker, broker, auctioneer or agents or any other person or persons into whose hands any Trust Funds or Trust income may be deposited or come nor for lending or any security with less than marketable title nor for the insufficiency or deficiency of any stocks, funds, shares, securities nor any other loss unless the same shall happen through their own wilful defaults or dishonesty respectively and also that the Trustees or Trustee for the time being of these presents may reimburse themselves or himself and pay and discharge out of the Trust Funds and property all expenses incurred in or about the execution of the Trust or powers of these presents.

18. The Trustees shall have power from time to time to make rules and bye-laws relating to their meetings and conduct of the business and otherwise as to the management of the Trust Fund and from time to time carry out, alter or add to such rules or bye-laws provided however that such rules or bye-laws are not inconsistent with the terms of these presents.

IN WITNESS WHEREOF the parties hereto have hereunto set and subscribed their respective hands the day and year first hereinabove written.

SIGNED AND DELIVERED by the)

within named SETTLOR)

Mr. _____)

in the presence of)

SIGNED AND DELIVERED by the _____)

within named TRUSTEES _____)

(1) _____ and _____)

(2) _____)

in the presence of _____)

Model Trust Deed for establishing a temple

TRUST DEED FOR ESTABLISHMENT OF A TEMPLE

THIS TRUST DEED is made between _____ s/o _____ r/o
_____ hereinafter referred to as "the Donor" of the one part

AND

_____, _____, and _____ (hereinafter referred to as
"the trustees," which expression shall include the trustee or trustees for the time being) of the
other part.

WHEREAS the Donor is desirous of establishing a Hindu temple for worship and for promoting
and encouraging Hindu culture and philosophy and for the said purpose proposes to provide a
plot of land located at _____ more specifically stated in the schedule enclosed hereto and
also to settle a sum of Rs. _____ on trust to the trustees for building of temple at the said plot
of land.

NOW THIS DEED WITNESSETH AS FOLLOWS:

1. As per his desire, the Donor hereby transfers, assigns and convey, ALL that land stated in Schedule I enclosed hereto and sum of Rs._____ for establishing a Hindu temple for worship and for promoting and encouraging Hindu culture and philosophy.
2. The trustees shall use the money as laid by the donor for building a temple on the said plot of land as per the plan given in schedule II enclosed hereto and on completion of the said temple the deities of _____ shall be installed thereon according to Hindu rites/ceremonies.
3. The trustees shall be empowered in appointing/removing such number of priests for doing Puja and for celebrating festivals and other employees for the maintenance and upkeep of the temple as deemed fit.
4. The expenditure of the temple and expenditure of celebrating festivals shall be met out of the income of the temple i.e. donation/money offered to the deities. If it is deficient, the expenditure can be satisfied out of the corpus of the trust fund. If found surplus, the Trustees shall be empowered in investing such surplus funds in securities/bonds as deemed fit.
5. The trustees are empowered in borrowing money for the expenditure of temple against security of the trust property excepting temple.
6. The trustees shall keep proper accounts/books for donation/money offered to deities and for expenditure spent on different accounts, daily. The trustees shall get the accounts audited by a Chartered Accountant as per the provisions of the Income Tax Act, 1961.
7. Only majority decision of the trustees will adjudge matters of trust.
8. If vacancy falls among the trustees owing to death or resignation or incapability of any trustee or otherwise the donor shall select another trustee to fill up the vacancy and if the donor is dead, the remaining trustees shall make the selection.
9. The trust shall be a public charitable trust and the trust fund shall in no case revert to the donor of the trust or any of his descendents or to any other person.
10. The trust fund shall not be used for any other object excepting those for which the trust has been made.

IN WITNESS WHEREOF, the parties hereunto have signed this

Date

Place

1. The Donor

2. The Trustee

Witness

4.5. CONVERSION OF PARTNERSHIP INTO LIMITED COMPANY

A firm can be converted into a company by following the provisions of Part IX of the Companies Act, 1956. Sections 565 to 581 deal with conversion of firms into a company under the Companies Act, 1956.

The following steps should be followed for incorporation of a company –

- 1) Assent of the partners should be obtained.
- 2) Authorize one or more partners to take all steps necessary to execute all papers, deeds, documents etc. pursuant to registration of the firm as a Company.

- 3) Submit application for Director's Identification Number (DIN) and Digital Signatures Certificate.
- 4) The business can be run under the same name as that of the firm, except the fact that in addition to the name of the firm, the words, "Limited" or "Private Limited" has to be added. But if any company with that name already exists, then a new name shall be taken by submitting an application in this regard to the Registrar of Companies (ROC).
- 5) A private limited company should have a minimum paid up capital of Rupees One Lakh.
- 6) There should be atleast two promoters in a private limited company.
- 7) The following documents should be filed with the Registrar of Companies for registration of the company –
 - a. Two sets of Memorandum and Articles of Association of the Company. One set shall be duly stamped. A memorandum of association and articles of association should be made for the company which will be similar in all respects to a normal Memorandum and Articles of Association except that it shall incorporate terms of settlement deed.
 - b. The Memorandum and Articles of Association should be stamped as per the Indian Stamp Act, 1899.
 - c. These documents should be executed by the promoters in their own hand, after the date of Stamping of Memorandum & Article of Association in duplicate, stating their full name, father's name, residential address, occupation, number of shares subscribed for & Signature etc.
 - d. Form No. 1 - This is a declaration to be executed on a non-judicial stamp paper by one of the directors of the proposed company or other specified persons such as Chartered Accountants, Company Secretaries, Advocates, etc. stating that all the requirements of the incorporation have been complied with.
 - e. Form No. 18 - This is a form to be filed by one of the directors of the company informing the ROC the registered office of the proposed company.

- f. Form No.: 32 - This is a form stating the fact of appointment of the proposed directors on the board of directors from the date of incorporation of the proposed company and is signed by one of the proposed directors.
- g. Power of Attorney signed by all the subscribers of Memorandum of Association authorizing one of the subscribers or any other person to act on their behalf for the purpose of incorporation and accepting the certificate of incorporation.
- h. Form No. 37 along with Form No. 39
- i. Declaration by two partners verifying the particulars set forth in the above mentioned documents.
- j. Consent letters from Directors
- k. Filing fees as may be applicable
- l. Other miscellaneous information to be submitted as under :
 - i. A list showing the names, addresses and occupations of all persons who on a day named in the list, not being more than 6 clear days before the date of registration were members of the company, with the addition of the shares or stock held by them respectively, distinguishing, in cases where the shares are numbered, each share by its number.
 - ii. If the company is intended to be registered as a limited company, a statement specifying the following particulars:-
 - 1. the nominal share capital of the company and the number of shares into which it is divided or the amount of stock of which it consists,
 - 2. the number of shares taken and the amount paid of each share,
 - 3. the name of the company, with the addition of the word "Limited" or "Private Limited" as the case may be, as the last word/words, in case the company is being registered with limited liability.

On completion of the above mentioned formalities, the Registrar of Companies will issue a Certificate of Incorporation.

In case of incorporation of a public limited company there should be atleast seven subscribers, three directors and minimum paid up capital of Rs.5 lakhs. A Public limited company should obtain certificate for commencement of business from Registrar of Companies on submitting the following documents with the Registrar of Companies –

- a. Form 20 to be executed on a non-judicial stamp paper
- b. Statement in lieu of Prospectus
- c. Affidavit from each directors stating that the Company has not commenced its Business
- d. Details of Preliminary expenses
- e. Board Resolution for approval of preliminary expenses.
- f. Board resolution for appointment of first Auditors
- g. Consent letter from the Auditors for acting as there Statutory Auditors.

The Registrar of Companies thereafter will process the documents and if all the documents are in order, will then issue a Certificate for commencement of Business.

Specimen model of Deed to convert Partnership into a Limited Company

CONVERSION OF PARTNERSHIP INTO A LIMITED COMPANY

THIS DEED IS MADE BETWEEN:

1. _____ S/o _____ R/o _____ (hereinafter referred to as "the Party of the First Part ")

2. _____ S/o _____ R/o _____ (hereinafter referred to as "the Party of the Second Part")

3. _____ S/o _____ R/o _____ (hereinafter referred to as "the Party of the Third Part")

4. _____, a company incorporated under the Companies Act, 1956 having its registered office at _____ through its Director _____ (hereinafter referred to as "the Company")

The Parties hereto are collectively called as "the Parties".

WHEREAS

1. The parties have been carrying on the business of _____ vide partnership deed dated _____ under the name and style as " _____ " (hereinafter referred to as "the firm") with its Factory at _____.

2. The firm is working well, to take it to new heights the party of the First, Second and Third part has decided to dissolve the firm and thereafter the business be carried on by the Company it will make easy to infuse fresh funds from public and near relations in business.

3. The party of First, Second and Third part has already incorporated a company of same name to the existing firm in which all of them are Directors.

4. The company in its Board of Directors meeting dated _____ has passed a resolution to take over the existing firm (Resolution appended as Schedule 1 of this Deed). The parties have recorded the terms and conditions as decided among themselves and the party of the fourth part by means of an agreement dated _____ between the firm and the party of the Fourth part.

NOW THIS DEED WITNESSED AS FOLLOWS:

1. In pursuance of the said agreement, the partnership between the party of First, Second and Third part vide partnership deed dated _____ shall stand dissolved with effect from the date of this deed (hereinafter called "the effective date"). The party of the Fourth part shall continue the business upon dissolution of this Partnership Firm.

2. The books of accounts of the firm shall be finalised upto the effective date and a Profit & Loss Account and Balance Sheet is to be drawn up and audited by the auditor of the firm.
3. The profits or losses accruing to the firm shall be shared in the ratio according to the partnership deed dated _____ between them.
4. The Balance of Capital Account of partners according to the audited Balance Sheet shall be converted into equity shares @ Rs. ____/- per equity share of the Company, which are to be rounded off in hundreds.
5. No transaction in the Bank Account of firm will take place after the effective date except cheques already issued but not cleared by the bank and cheque received but not deposited/cleared by Bank up to the effective date. The bank account of the firm maintained with _____ Bank shall be closed after getting the firm accounts audited. The outstanding balance after clearing of all cheques shall be transferred to the account of the company upon finalization of firm's audited Balance Sheet.
6. All the assets and liabilities of the firm as on the date of the dissolution (as described in the schedule - 2 annexed hereto) shall stand converted in the name of company. Thereafter, company shall be responsible for realising all debtors, moneys and advances of the firm and to give effectual receipts and discharges for the same and for such substitution. The company shall also be liable to pay all debts and liabilities of the firm.
7. The parties hereto mutually release each other from the articles of the partnership deed dated _____ and from all claims and demands thereupon or in relation thereto.
8. The party of First, Second and Third part covenants with the company that they will, for the period of five years after the date of this deed will not directly - indirectly, alone-jointly or as agent or employee of any person, firm or Company carry on or engage in any activity or business which shall be in competition with the business now carried on by the company. .
9. Any disputes or differences in respect of any clause in this deed may be resolved under the arbitration of _____ s/o _____ r/o _____ and the provision of Indian

Arbitration and Conciliation Act, 1996 shall apply to the arbitration proceedings under this clause. The decision of the arbitrator shall be final and binding on the parties

IN WITNESS WHEREOF, the parties hereto have hereunto signed and executed this deed of dissolution on this _____ day of _____ 20—

SCHEDULE-1

SCHEDULE-2

Signed and delivered by _____

Signed and delivered by _____

Signed and delivered by _____

Signed and delivered for and on behalf of the Company

Director

Witness:

1.

2.

4.6. **ASSOCIATION OF PERSONS AGREEMENT**

An association of persons (AOP) under the Income Tax Act, 1961 is an entity or unit of assessment. It means two or more persons who join for a common purpose with a view to earn an income. The term Person includes any company or association or body of individuals, whether incorporated or not. The association need not be on the basis of a contract. Therefore, if two or more persons join hands to carry on a business but do not constitute a partnership they may be assessed as an AOP. But, an AOP does not mean any and every combination of persons. It is only when they associate themselves in an income-producing activity that they become an association of persons.

An association of persons does not mean any and every combination of persons. It is only when they associate themselves in an income-producing activity that they become an association of persons. They must combine to engage in such an activity; the engagement must be pursuant to the combined will of the persons constituting the association; there must be a meeting of the minds, so to speak.

An Association of Persons should consist of the following –

(i) Two or more persons;

(ii) Voluntary combinations;

(iii) A common purpose or common action with object to produce profit or gains. However, the object to produce profit or gains is no longer a sine qua non due to the explanation inserted in clause (31) to section 2 of the Income Tax Act, 1961 with effect from April 1, 2002 which

provides that an association of persons will be deemed to be a person whether or not it is formed with the object of deriving income.;

(iv) Combination in joint enterprise; and

(v) Some kind of scheme for common management.

Specimen format of Agreement of Association of Persons

AGREEMENT OF ASSOCIATION OF PERSONS

This Agreement of Association of Persons executed on this _____ day of _____ 20____
by and between. 1. _____ 2. _____ 3. _____

WITNESSESS

Whereas the above named parties have decided to form an ASSOCIATION OF PERSONS (AOP) w.e.f. _____ for sale and purchase of _____ AND Whereas it is necessary to reduce into writing the terms and conditions for the above AOP known as _____ AND ASSOCIATES;

We the parties aforesaid do hereby of our freewill and consent agree to and conform as under:

1. That the above named Parties has decided to form an AOP known as _____ AND ASSOCIATES for carrying on the business of _____ in the name of AOP with its Principal place of business at _____.

2. That the AOP shall run the business of sale & purchase of ----- in the name of AOP i.e. _____ AND ASSOCIATES. The business activities may be extended to other transactions with the mutual consent of all the parties.

3. That the financial year of the firm shall be from 1st April to 31st March every year.

4. That the duration of the AOP shall be at will.

5. That a bank account shall be opened in any Scheduled or Co-operative Bank or Banks as the parties may decide in joint name of the parties and/or in the name of AOP and the same shall be operated jointly and/or severally by all the parties as decided among them.

6. That all the parties have a right to look after day-to-day work and activities of business.

7. That all of the parties have an authority to look after and manage the business of AOP fruitfully in the interest of AOP, borrow money, take loans form Bank or parties, to sign document, to enter into any business contracts and such other activities which are required for smooth running of the AOP with the greatest interest of the business activities carried over by the said AOP i.e. _____ AND ASSOCIATES.

8. That all or any one of the parties shall sign any agreement, document etc. as and when required on behalf of the AOP.

9. That at the end of the year the profit or loss of the A.O.P. shall be distributed among the members in the ratio of capital standing to the credit in the individual member's capital account of AOP as on the last day of the year.

IN WITNESS WHEREOF we the parties have signed this Agreement of Association of Persons on this ____ day of _____ 20__ at _____ in the presence of the following witness.

Members of AOP

1.

2.

3.

Witnesses:

4.7. SECTION 25 COMPANY – MEMORANDUM AND ARTICLES OF ASSOCIATION

According to Section 25(1)(a) and (b) of the Companies Act, 1956, a Section-25 company can be established 'for promoting commerce, art, science, religion, charity or any other useful object', provided the profits, if any, or other income is applied for promoting only the objects of the company and no dividend is paid to its members. At least three individuals are required to form a Section 25 company. The internal governance of a Section 25 company is similar to that of a society. It generally has members and is governed by directors or a managing committee or a governing council elected by its members.

A Section 25 company enjoys all advantages that any other limited company registered under companies act enjoys. But apart from these advantages there are some specific privileges conferred upon them that distinguish them from other companies. These privileges are in nature of exemptions from some provisions of the companies act or apply with some modifications to a Section 25 company.

- Section 25 Companies have been exempted from requirement regarding minimum share capital. As such they can be registered even if they have share capital less than the statutory minimum.
- A section 25 company has been exempted from the provisions of Section 147 of Companies Act, 1956 and as such is not required to mention its name and address as required in case of all other companies.
- Section 25 Company has been exempted from this provision regarding time, place and date of Annual General Meeting (AGM) provided the time, place and date of the AGM has been decided before hand by the Board of Directors having regard to the direction given by the company in a General Meeting. As such they are free to determine the date, place and time of its AGM according to their convenience and feasibility.

- Section 25 Company can hold an AGM after giving a notice of 14 days instead of 21 days as required by Section 171(1) of Companies Act, 1956. Therefore they can call an AGM at a short notice of 14 days instead of 21 days.
- Every company is required by section 209(4-A) of Companies Act, 1956 to maintain books of accounts relating to a period of eight years immediately preceding current year along with its vouchers. However a Section 25 Company is required to maintain books of account relating to a period of only four years instead of eight years immediately preceding the current year.
- A Section 25 Company is allowed to send the required documents at least fourteen days before the date of meeting instead of 21 days.
- Section 25 Companies are exempted from Section 259 of Companies Act, 1956 and are thus free to increase the number of its directors without seeking approval of central Government.
- Section 25 companies are exempted from the applicability of Companies Auditor's Report Order, 2003 (CARO).

Obligations

- A Section 25 Company has to ensure that its profits and all other incomes are utilized only for the purpose of promoting its objects and not for any other purpose.
- It should also ensure that its profits are not distributed as dividend among its members.
- Section 25 Company cannot alter its objects clause in its Memorandum without seeking the written approval of central government.
- If the Central Government has imposed some conditions and regulations upon the company for granting a licence under section 25 then such a company is bound by such conditions and has to ensure adequate compliance with them.

- Section 25 Company is regarded as a 'company' within the meaning of the Income Tax Act, 1961 and as such its income is taxable according to the applicable rates similar to those applying to other companies.
- If an existing company obtains a licence under section 25 it has to ensure that its objects are confined to those mentioned in section 25 itself and if not, make proper alteration to its memorandum and articles.

According to Section 25 of the Companies Act, 1956 "where it is proved to the satisfaction of the Central Government that an association is to be formed as a limited company for promoting, Commerce, Art, Science, Religion, Charity or any other useful purpose, and it intends to apply its profits, if any, or other income in promoting its objects and prohibits the payment of any dividend to its members, then the government may, by a licence, direct that the association be registered as a Company with limited liability without the addition to its name, of the word, "Limited" or call it "Private Limited".

Specimen format of Memorandum of Association and Articles of Association of Section 25 company

MEMORANDUM OF ASSOCIATION

1. The name of the company is "_____".
2. The registered office of the company will be situated in the State of _____.
3. The objects for which the company is established are:

the doing of all such other lawful things as are incidental or conducive to the attainment of the above objects:

Provided that the company shall not support with its funds, or endeavour, to impose on, or procure to be observed by, its members or others, any regulation or restriction which, if an object of the company, would make it a trade union.

4. The objects of the company extend to the _____

[Here enter the name of the State or States, and country or countries]

5. (1) The income and property of the company, whatsoever derived shall be applied solely for the promotion of its objects as set forth in this memorandum.

(2) No portion of the income or property aforesaid shall be paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise by way of profit to persons, who at any time are, or have been members, of the company or to any one or more of them or to any persons claiming through any one or more of them.

(3) Except with the previous approval of the Central Government, no remuneration, or other benefit in money or money's worth shall be given by the company to any of its members, whether officers or servants of the company or not, except payment or out of pocket expenses, reasonable and proper interest on money lent, or reasonable and proper rent on premises let to the company.

(4) Except with the previous approval of the Central Government no member shall be appointed to any office under the company which is remunerated by salary, fees or in any other manner not exempted by sub-clause (3).

(5) Nothing in this clause shall prevent the payment by the company in good faith of reasonable remuneration to any of its officers or servants (not being members) or to any other person (not being a member), in return for any services actually rendered to the company.

6. No alteration shall be made to this memorandum of association or to the articles of association of the company which are for the time being in force, unless the alteration has been previously submitted to and approved by the Regional Director.

7. The liability of the members is limited.

8. (For companies limited by guarantee).

Each member undertakes to contribute to the assets of the company in the event of its being wound-up while he is a member or within one year afterwards, for payment of the debts or liabilities of the company contracted before he ceases to be a member and of the costs, charges and expenses of winding-up, and for adjustment of the rights of the contributories among themselves such amount as may be required not exceeding a sum of Rs.

(For companies limited by shares)

The share capital of the company will consist of Rs. _____ divided into _____ shares of _____ rupees each.

9. True accounts shall be kept of all sums of money received and expended by the company and the matters in respect of which such receipts and expenditure take place, and of the property, credits and liabilities of the company; and subject to any reasonable restrictions as to the time and manner of inspecting the same that may be imposed in accordance with the regulations of the company for the time being in force the accounts shall be open to the inspection of the members. Once at least in every year, the accounts of the company shall be examined and the correctness of the balance sheet and the income and expenditure account ascertained by one or more properly qualified auditor or auditors.

10. If upon a winding-up or dissolution of the company, there remains, after the satisfaction of all the debts and liabilities, any property whatsoever, the same shall not be distributed amongst the members of the company but shall be given or transferred to such other company having objects similar to the objects of this company, to be determined by the members of the company at or before the time of dissolution or in default thereof by the High Court of Judicature that has or may acquire jurisdiction in the matter.

11. We, the several persons whose names, addresses, descriptions and occupations are hereunto subscribed are desirous of being formed into a company not for profit, in pursuance of this Memorandum of Association.

Names, addresses, descriptions and occupations of subscribers:

1. _____ of _____ *
2. _____ of _____ *
3. _____ of _____ *
4. _____ of _____ *
5. _____ of _____ *
6. _____ of _____ *
7. _____ of _____ *

Dated this _____ day of _____ 19____

Witnesses to the above signatures of

*If the association is a company limited by shares, here enter "number of shares" taken by each subscriber.

ARTICLES OF ASSOCIATION OF

1. The regulation contained in the Table A of the First schedule to the Companies Act, 1956 shall apply to the company so far as applicable to a Private Company except as otherwise provided/modified impliedly or expressly by the following Articles.

INTERPRETATION

2. In the interpretation of these Articles, the following expressions shall have the following meanings, unless repugnant to the subjects or context.

“THE ACT” means the Companies Act, 1956, with all modifications or amendments thereof.

“THE COMPANY” or this company means “Name of the Company”.

“MEMORANDUM & ARTICLES” means the Memorandum of Association and Articles of Association respectively of the Company.

“DIRECTOR” means and include all Directors of the Company and except where the context otherwise requires for those Articles shall mean the Board of Directors of the Company, or a properly constituted committee thereof.

“THE OFFICE” means the Registered Office for the time being of the company.

“THE REGISTRAR” means the Registrar of Companies,

“SEAL” means the common seal of the Company.

“MONTH” means Calendar Month.

“ PROXY” includes Attorney duly constituted under a power of attorney.

“IN WRITING OR WRITTEN” includes printing, lithography, and other modes of reproducing works in a visible form, which also include thumb impression properly attested.

Words importing persons includes corporation, Firms and Association.

Words importing singular number include the plural and vice-versa.

Words importing masculine gender include the feminine gender and vice-versa.

3) The exemptions granted by the Central Government vide So. No. 1578 and So. No.2767 dated 8th July, 1961 and 5th August, 1964 respectively and exemptions that may be granted in future shall be applicable to the Company.

II. PRIVATE COMPANY

4) The Company is a “Private Company” within the meaning of Section 3 (1) (iii) of the said Act and accordingly the following provisions shall have effect namely.

a) No invitation shall be issued to the public to subscribe for any shares in or debentures of the Company.

b) The number of members of the Company (exclusive of persons who are in the employment of the company and persons who, having been formerly in the employment of the Company, were members of the Company while in that employment and have continued to be the members after the employment ceased) shall be limited to fifty.

Provided that for the purpose of these provisions where two or more persons hold one or more shares jointly in the Company, they shall be treated as single member.

c) The right to transfer the share of the Company shall be and is restricted in the manner and to the extent as may be decided by the Board of Directors from time to time.

5) The Company may at any time by a special resolution convert itself into a public company within the meaning and subject to the provisions of the Companies Act, 1956.

III. SHARE CAPITAL

6) The Authorised Share Capital of the Company is Rs. 1,00,000/- (Rupees One Lakh Only) divided in 10,000 (Ten Thousand Only) Equity Shares of Rs. 10/- (Ten Only) each with the power to increase or reduce, subdivide or consolidate it as the Company may think fit, as per the provisions of the Companies Act, 1956.

IV. VOTE OF MEMBERS

7) Subject to any right of restriction attached to any class by term of its issue or otherwise :

a) On show of hands, every member (holder of equity shares) present in person shall have one vote and;

b) On poll the voting right of every member holder of Equity Shares present in person or by proxy shall be in proportion to his holding of Equity Shares in the paid up Equity Capital of Company.

V. GENERAL MEETING

8) All General Meeting other than Annual General Meeting shall be called Extra Ordinary General Meeting

9) General Meeting may be convened on not less than Fourteen days notice to the members.

10) The board may, wherever it thinks fit, call an Extra Ordinary General Meeting.

11) The Chairman of the Board shall be the Chairman of the General Meeting.

12) If the Board is unable to call an Extra-Ordinary General Meeting for want of quorum or otherwise, any two members of the Company may call such a meeting in the same manner as nearly as possible, as that by which such a meeting may be called by the Board.

VI. PROCEEDING AT GENERAL MEETING

13) a) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

b) One-third of the total number of members shall form the quorum subject to a minimum of two members.

14) a) If within half an hour from the time appointed for holding the meeting, a quorum is not present, the meeting, if called upon the requisition of member shall be dissolved.

b) In any other case, the meeting shall stand adjourned to the same day in the next week at the same time and place or to such other day and at other time and place as the Board may determine.

c) If at such adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the members present shall be a quorum.

15) The Chairman, if any, of the Board shall preside as Chairman at every general meeting.

16) If there is no such Chairman, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairman of the meeting, the directors present shall elect one of their members to be chairman of the meeting.

17) If at any meeting no director is willing to act as chairman or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their member to be chairman of the meeting.

18) a) The Chairman may, with the consent of any meeting, at which a quorum is present and shall if so directed by the meeting, adjourn the meeting, from time to time and from place to place.

b) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

c) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

d) Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

19. In the case of equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place, or at which the poll is demanded, shall be entitled to a second or casting vote.

20. Any business other than that upon which a poll has been demanded may be proceeded upon, pending poll.

VII. DIRECTORS

21. Subject to the provisions of Section 259 of the Act, unless and until otherwise determined by the Company in General Meeting the number of Directors shall not be less than two and not more than twelve.

22. The following persons shall be the first Directors of the Company.

a) xxxxx

b) xxxxx

c) xxxxx

23. No remuneration shall be paid to any director for attending the Board, Committee or General Meeting of the Company.

24. The directors may however be paid all travelling, hotel and other expenses properly incurred by them.

a) In attending and returning from meetings of the Board or any committee thereof or General Meeting of the Company; or

b) In connection with the business of the Company.

25. Subject to the provisions of the Act, any vacancy caused by the Board of Directors by resignation, or death of any Director, or by any other reason may be filled in by the Board of Directors by appointing someone they so choose. The Board of Directors have powers to appoint, additional and alternate Directors, but in no case the number of Directors should exceed the maximum fixed by clause 21 thereof.

26. At each Annual General Meeting of the Company one third of the Directors for the time being shall retire by rotation and the vacancy so caused may be filled up by appointing the retiring director or some other person thereto.

27. The directors shall not be required to hold any qualification shares.

VIII. PROCEEDING OF DIRECTORS

28. The Board of Directors shall meet at least once in every Six Calendar months to conduct its business.

29. A resolution in writing circulated amongst all the Directors and passed in accordance with Section 289 of the Companies Act, 1956 shall be valid and effected as if it has been passed at a meeting of the Directors duly called and constituted.

30. The quorum for transacting any business of the meeting of the Board of Directors shall be one-fourth of the total strength provided the quorum shall not be less than two members in any case.

31. Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes and in case of equality of votes the chairman shall have a second or casting vote.

32. The Board may elect a chairman of its meeting and determine the period for which he is to hold office. If no such chairman is elected or if at any meeting the chairman is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their member to be chairman of the meeting.

33. A Manager or Secretary being not a member of the Company may be appointed by the Board on such terms, at such remuneration and upon such conditions as it may think fit, and manager or secretary so appointed may be removed by the Board.

34. a) The Board may, subject to the provisions of the Act, delegate any of its powers to a committee consisting of such member or members of its body as it thinks fit.

b) Any committee so formed shall in the exercise of the powers so delegated, conform to any regulation that may be imposed on it by the Board.

35. a) A committee may elect a chairman of its meetings.

b) If no such chairman is elected or in any meeting the chairman is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their member to be chairman of the meeting.

36. a) A committee may meet and adjourn as it think proper.

b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of any equality of votes, the chairman shall have a second or casting vote.

37. Save as otherwise expressly provided in the Act, a resolution in writing signed by all the members of the Board or Committee thereof for the time being entitled to receive notice of a meeting of the Board or Committee, shall be as valid and effectual as if it has been passed at a meeting of the Board or Committee, duly convened and held.

IX. SEAL

38. The Board shall provide for the safe custody of the seal of the company. The seal shall not be affixed to any instrument except by the authority previously given by Resolution of the Board in presence of one of the Directors who shall sign every instrument to which the seal of the Company shall be so affixed in his presence.

X. ACCOUNTS

39. a) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the account and books of the Company or any of them shall be open to the inspection of members (not being Directors).

b) No member (not being a Director) shall have any rights of inspection any accounts or books of accounts of the Company except as conferred by the law or authorised by the Board or by the Company in General Meeting.

40. The Directors shall in all respects comply with the provisions of Sections 209, 210, 211, 215, 216, 217, 220 and 221 of the Act, so far as they are applicable to a Private Company and the Profit & Loss Accounts, Balance Sheet and Auditors Report and every other documents required by law to be annexed or attached, as the case may be, to the Balance Sheet shall be sent to every member of the Company at least 14 days before the date of the General Meeting of the Company at which they are to be laid.

XI. AUDIT

41) a) The first Auditors of the Company shall be appointed by the Board of Directors within one month from the date of Registration of the Company and the Auditors appointed shall hold office until conclusion of first Annual General Meeting.

b) At each Annual General Meeting the Company shall appoint an auditor to hold office from the conclusion of the meeting until the next Annual General Meeting.

XII. INDEMNITY

42. Subject to the provisions of the Act, every Director, Managing Director, Manager, Secretary or other officer or servant of the Company shall be indemnified by the Company against any liability arising out of the Act done by him or them in the bonafide discharge of their duties and shall be the duty of the Board of Directors to pay out of the funds of the Company all costs, losses and expenses which such director, officer or servant may incur or become liable to, by reason of any contract entered into, act, or deed done by him as such officer, servant or in any way in the discharge of his duty. The Board of Directors may execute in the name and on behalf of the Company, in favour of any director or other person who may incur or be about to incur, any personal liability for the benefit of the Company such mortgages of the Company's property (present and future) as they think fit, and any such other powers as shall be agreed upon.

4.8. SOCIETY

A society may be defined as a company or an association of persons united together by mutual consent to deliberate, determine and act jointly for same common purpose.

Minimum seven persons, eligible to enter into a contract, can form society. When a charitable organisation intends to have an open participation of large number of people in its functioning and decision making, it must be registered as a Society. Societies have been envisaged as welfare and charitable associations of people having a broad based membership and comparatively more democratic and transparent set up as compared to such set ups as public charitable trusts.

According to Section 20 of the Societies Registration Act, 1860, the following societies can be registered under the Act: 'charitable societies, military orphan funds or societies established at the several presidencies of India, societies established for the promotion of science, literature, or the fine arts, for instruction, the diffusion of useful knowledge, the diffusion of political education, the foundation or maintenance of libraries or reading rooms for general use among the members or open to the public, or public museums and galleries of paintings and other works of art, collection of natural history, mechanical and philosophical inventions, instruments or designs.'

The main instrument of any society is the memorandum of association and rules and regulations (no stamp paper required). All promoters should sign each page of the memorandum and the signature should be witnessed by an Oath Commissioner, Notary Public, Gazetted Officer, Advocate, Chartered Accountant or Magistrate First Class with their rubber/official stamp and complete address.

The Memorandum should contain name, registered office, area of operation, objects, name of members of governing body and names of promoters. The Rules and Regulations should include all the provisions that would regulate functioning of the proposed Society; it should comprise membership, powers and responsibilities of office-bearers, meetings, quorum of meetings, termination of membership, operation of bank account and financial year, procedure of dissolution or merger of Society if so required, and other general rules required to manage the society.

According to the provisions of Societies Registration Act, 1860, minimum seven or more adult persons can form a Society. For a national level Society eight persons from seven different states would be required as promoters. An authorised person from among the promoters must apply to the concerned Registrar with preferably three alternative names of the proposed Society so as to avoid any inconvenience if the envisaged name has already been allotted to some other Society. Individuals (excluding minors but including foreigners), partnership firms, companies and registered societies are eligible to form a Society.

Registration can be done either at the state level (i.e., in the office of the Registrar of Societies) or at the district level (in the office of the District Magistrate or the local office of the Registrar of Societies).

A society registered under the Act enjoys the status of a legal entity apart from the members constituting it. A society so registered is a legal person just as an individual but with no physical existence. As such it can acquire and hold property and can sue and be sued. The society should be registered under the Act to acquire the status of juridical person.

When the society is registered, it and its members become bound to the same extent, as if each member had signed the memorandum. A society, registered under this Act, must confine its activities to the sphere embraced by its objects. An unregistered society cannot claim benefits under the Income-tax act.

All societies in India have to be registered under the Societies Registration Act 1860. By and large, the registration and filing procedures are similar in all the states. The only difference is that in some states there is a little more paperwork than the others.

Specimen format of Memorandum of Association and Rules and Regulations of Charitable Society

MEMORANDUM OF ASSOCIATION OF ----- CHARITABLE SOCIETY

1. Name of the Society:

The name of the society shall be.....

2. Registered Office:

Registered office of the society shall remain in the (Mention the state) and at present it is at the following address:

3. Aims and Objects:

The aims and objects for which the society is established are as under:

- (a)
- (b)
- (c)
- (d) and so on.....

4. Governing Body:

The names, addresses, occupation and designation of the present members of the governing body to whom the management of the society is entrusted as required under the Societies Registration Act, 1860, are as follows:

S.No.	Name (full in capital)	Addresses	Occupation	Designation in the society
1				
2				
3				
4				
5				
6				
7 and so on				

5. Desirous person

We the undersigned are desirous of forming a society namely “.....” under the Societies Registration Act, 1860 in pursuance of this Memorandum of Association of the Society.

S.No.	Name (full in capital)	Addresses	Occupation	Designation in the society
-------	------------------------	-----------	------------	----------------------------

1				
2				
3				
4				
5				
6				
7 and so on				

All the incomes, earnings, movable, immovable properties of the Society shall be society utilized and applied towards the promotion of its aims and objects only as set forth in the Memorandum of Association and no profit on there of shall be paid or transferred directly or indirectly by way of dividends, bonus, profits or in any manner whatsoever to the present or past members of the Society or to any person claiming through anyone or more of the present or the past members. No member of the Society shall have any personal claim on any movable or immovable properties of the Society or make any profits, whatsoever, by virtue of his membership.

Attested the signatures from No. 1 to 7 (or more) Signatures of Two witnesses other than the
members of the society with Addresses

Signature of the Attesting Officer (1)
with Official Seal

Certified that this is the true (2)
and correct copy of the Memorandum

Signatures of any three members of the Governing Body

President

Secretary

Treasurer

RULES AND REGULATIONS OF ----- CHARITABLE SOCIETY

1. NAME OF THE ASSOCIATION:

2. ADDRESS OF THE ASSOCIATION:

3. MEMBERSHIP:

a. The association membership fee shall be follows:-

i. Life Membership fees Rs.-----

ii. Annual Membership Rs.-----

iii. Monthly subscription Rs.-----

b. The admission fee for each member shall be Rs.----- only.

c. Any person who has attained above the age of 18 years will be allowed to become a member of the association. All the members of the association is eligible to vote and contest to the managing committee in the General Body Meeting.

d. If the subscription of the member is in arrears for more than three months without satisfactory explanation to the General Secretary, his/her name will be removed and the Executive Committee may reconsider his/her application for re-admission subject to all the arrears including the admission fee being paid. The termination of membership maybe on death, the

member acting against the objects of the association, unsound mind and other reasons stated by Executive Committee.

4. INFORMATION REQUIRED BY THE MEMBERS:-

Any member of the association may apply to the General Secretary for any information as may be required or any matter of the subjects or rules and regulations of the association.

5. GENERAL BODY AND OTHER MEETINGS:-

- a. The report of the Management of the previous years and the audited accounts for the present period and proceedings year shall be discussed and submitted for confirmation.
- b. A general body meeting of the association will be held annually during the month of -----.
- c. An Executive committee consisting of members shall be elected in the general body meeting once in a year.
- d. An authorised officer bearer may call for a general body meeting for which 21 days notice shall be given to the members.
- e. The executive committee shall generally meet once a month for which notice of 7 days shall be given to the members by the General Secretary,
- f. Voting shall be conducted by show of hands or secret Ballot.
- g. 21 days clear notice for the Annual General Body meeting and 21 days notice for a special General body meeting shall be given.
- h. A special General Body Meeting shall be conveyed as per the provisions of the Societies Registration Act, 1860.

6. QUORUM:-

The quorum of the General body meeting shall be 1/3 rd of the total membership of the Association.

7. ACCOUNTS:-

- a. Official year: - The official year of the Association shall be from 1st April to 31st March every year.
- b. The assets and liabilities and the balance sheet of the Association shall be laid before the Annual General body Meeting for confirmation.
- c. Such a balance sheet and the List of Committee Members shall be filed with the Registrar of Societies as per the provisions of the Societies Registration Act, 1860.

8. AUDITOR:-

An auditor shall be appointed annually and the remuneration shall be fixed by the members in the Annual General Body meeting.

9. EXECUTIVE COMMITTEE:-

- a. To ensure and promote the primary aim and objectives of the academy.
- b. To publish Annual report/accounts.
- c. To operate funds and manage the property of the association and to present the duly audited accounts at annual general body meeting.
- d. To form regional centres wherever deemed fit/feasible.
- e. In the event of any office bearer laying down office for whatever reasons, the managing committee can co-opt any member consider suitable for the office for the remaining period of the tenure or till elections are held.
- f. To ensure that all monetary transactions are through objectives of the association.
- g. To ensure that all monetary transactions are through objectives of the Association.
- h. May decide to expel a member of managing committee or a member of the association in case anyone is convicted or any criminal offence, or prove insanity or any member's action in contravention to the Bye-laws.
- i. Managing Committee shall have power to appeal and raise funds and fulfill all formalities incumbent upon it.
- j. To accept from Government, Non-Government, Local bodies, organisation and individuals Grants, donations, Subscriptions or any property movable/immovable for furtherance of the objectives of the Association.

k. At any meeting of the Executive committee each member present will have one vote except the president who shall have in addition a casting vote. Voting may be by raising of hands or secret ballot.

l. Executive committee may appoint committee, Sub-Committee with such powers as deemed fit by this body for the purpose that is commensurate with the objectives of the society. The committee, Sub-Committee may co-opt persons who are members of the Association.

m. Executive committee may invite to their meetings not more than two specialists/experts who may be non members of the Association whose presence with the deliberations is considered useful.

n. Executive Committee shall arrange for the publication in any manner, documents as may be considered fit in the furtherance of its objectives.

o. To retain, appoint, promote, dismiss any employees for managing and functioning of the Association and to regulate their terms and conditions of employment including remuneration.

p. To make the rules and bye-laws and get approval.

10. Any vacancy that may arise in the Executive Committee may be filled in by the remaining committee members.

11. Any member of the executive committee being absent for three successive meetings without proper cause shall cease to be a member of the executive committee. However he/she is eligible to be re-elected.

12. The executive committee is to meet every month or earlier if there is any business to consider and General Secretary shall convene such meetings with 1/3rd quorum.

13. PROVISION:-

Provided that no amendments to the memorandum of association, rules and regulations of the association shall be made which may prove to be repugnant to the provisions of the Income Tax Act 1961 as amended from time to time. Further any amendment carried out shall be forthwith reported to the Commissioner of Income Tax.

14. The Executive committee in its meeting shall consider all the questions affecting business that may be of interest to the members of the association and they shall inform and circulate any information which may be of use to the members.

15. There shall be maintenance of accounts of the Association. The accounts shall be duly audited by a Chartered Accountant. Every year the Accounts shall be closed by 31st March every year.

16. The funds of the association shall be invested in the modes specified under the provisions of the Income Tax Act, 1961 as amended from time to time.

17. DISSOLUTION:-

In the event of dissolution or winding up of the Society the assets remaining as on the date of dissolution shall under no circumstances be distributed among the members of the managing committee/Governing body but the same shall be transferred to another Charitable Society/Association whose objects are similar to those of this Society and which enjoys recognition u/s 80G of the Income tax Act 1961 as amended from time to time.

18. The association formed shall be irrevocable.

19. The benefits of the association shall be open to all irrespective of the caste creed or religion.

20. The funds and the income of the association shall be solely utilised for the achievement of its objectives and no portion of its shall be utilised for payments to the members by way of profit, interest and dividends.

21. Alteration of amendment of the memorandum of association shall be made as per the provisions of the Societies Registration Act, 1860.

22. Change of Name, Rules and regulations shall be made as per the provisions of the Societies Registration Act, 1860.

23. The working hours of the association shall be from:-

Morning: 10.00 A.M. to Evening: 7.00 P.M.

24. For matters which have not been specified provided for therein above, the provisions of the Societies Registration Act, 1860 and the rules made there under shall apply.

25. EXECUTIVE POWERS OF THE COMMITTEE:

The administration and management of the association shall vest in the executive committee consisting of 7 members including President, General Secretary of the association.

PRESIDENT:-

a. He / She shall be in over all charge of the association and the General body meetings. All the policies and programmes shall be formulated and implemented only through him/her.

b. He / She shall operate bank account jointly with the General Secretary.

GENERAL SECRETARY:-

a. He / She shall call for all meetings of the General body meeting as and when deemed necessary and the General body meetings and the Special body meeting as per the rules with the previous approval of the president and maintain the minutes book and record of all the proceedings of the meetings.

b. He / She shall be the correspondent of the association and shall be in-charge of the office with all the record of the association.

c. He / She shall be the custodian of all articles and belonging both movable and immovable of the Association.

d. He / She shall operate bank account jointly with the president.

S.No.	Name (full in capital)	Addresses	Occupation	Designation in the society
1				
2				

3				
4				
5				
6				
7 and so on				

Signatures of any three members of the Governing Body

President

Secretary

Treasurer

5. BUSINESS AGREEMENTS

5.1. AGENCY AGREEMENT

An agency agreement is a legal contract creating a fiduciary relationship whereby the first party ("the principal") agrees that the actions of a second party ("the agent") binds the principal to later agreements made by the agent as if the principal had himself personally made the later agreements. The power of the agent to bind the principal is usually legally referred to as authority.

Manufacturers and suppliers of goods frequently appoint agents to act on their behalf in promoting sales, both in the home country of the manufacturer as well as overseas. A formal agreement is usually signed setting out the commission the agent will receive, the territory, duration and other terms on which the principal and agent will do business together.

SOLE SELLING AGENCY AGREEMENT

THIS Agreement is made at.....this.....day of.....20... between:

....., a company incorporated under the Companies Act, 1956 and having its registered office at hereinafter called "the Company" (which expression shall unless it be repugnant to the context or meaning thereof, mean and include its successors and assigns) of the First Part

And

M/s., a partnership firm registered under the Indian Partnership Act, 1932 comprised of its partners viz. (1).....(2).....and (3)..... and having their office athereinafter called "the Agents"(which expression shall unless it be repugnant to the context or meaning thereof, mean and include the partners for the time being and from time to

time constituting the said partnership firm, the survivors or survivor of them, the heirs, executors and administrators of such last survivor) of the Second Part.

WHEREAS the company is manufacturing various electronic and home appliance products and the agents, having a proper infrastructure to exhibit the company's products, have approached the company to appoint them as its Agent in the State of Rajasthan for the promotion and sale of the products of the company in the said area.

AND WHEREAS the company has accepted the offer of the agents to be its sole selling agents for the State of

NOW THIS DEED WITNESSETH AND THE PARTIES HERETO HEREBY AGREE AS UNDER

1. The company appoints the agents and the agents agree to act as the company's sole selling agents for the State of with effect fromor a period of five years for the promotion and sale of the company's products in the said area.
2. The agents shall sell the company's products and shall work conscientiously for the promotion and sale of company's products.
3. The agents shall sell the goods in retail at the retail rates fixed by the company. The agents shall not sell the goods in retail below the retail price fixed by the company.
4. The agents shall be entitled to a commission of% (..... per cent) on the net proceeds of the sale of such goods. However, the commission shall be payable upon money actually received and not on outstanding debts.
5. The company will not effect direct sale of its products within the area of the State of and all inquiries, orders and correspondence received by the company in relation to that area shall be forwarded to the agents to be dealt with.
6. The company shall supply the goods to the agents at its own cost and charge as early as possible after receipt of the order in writing.
7. The company shall reimburse to the agents all reasonable expenses for carriage or delivery of said goods, and other reasonable expenses attending the sale thereof.

8. The agents shall maintain proper accounts of (i) all goods received by them; (ii) the particulars of the sale thereof; (iii) all credits given on account of any goods. The company's executive and authorized officials shall be entitled to inspect such accounts at reasonable times, who may also take copies or extracts from the same or any of them.
9. The agents will submit true and proper accounts of (i) all goods received by them; (ii) all orders received by them; (iii) the particulars of all sales; (iv) other transactions made and (v) of all money received and spent by them for and on account of the goods of every quarter to the company in the first week of every quarter. The company will have the right to check the accounts with the account books.
10. The parties shall settle accounts respecting the sale of goods and other matters on the day in every year.
11. The company will be entitled to issue reasonable directions and instructions to the agents relating to the sale of the company's products or otherwise relating to the agency business during the continuance of the agency and the agents will be bound to obey and observe the said directions and instructions, unless prevented by unavoidable cause.
12. The agents shall not during the continuance of the agency buy, sell or deal in the products manufactured by the company, for or on account of any other person other than the company without the consent of the company in writing.
13. The agents shall not pledge the company's goods supplied to them without the consent in writing of the company.
14. The agents shall deposit with the company a security of Rs..... (Rupees Only) in cash for the due performance of this Agreement. The agents shall be entitled to simple interest at the rate of% per annum on the amount of the security deposited by them with the company, which shall be paid at the time of settlement of accounts every year. Without prejudice to its other rights, the company may at its discretion, adjust dues or losses suffered by it on account of breach or non compliance of the terms of this agreement from the security.
15. The company may terminate this agreement, if the agents fail to comply with the terms of this agreement or do not make satisfactory sale of the company's products. The

company's opinion shall be final in this regard. However, the company shall give one month's notice to the agents to submit its explanation on the grounds on which the company intends to terminate the agreement.

16. Either party may terminate the agreement by giving three months notice in writing to the other party. The accounts between the parties shall be settled and finally adjusted within the three months from the date of termination of agency.
17. On the termination of this agreement, the agents will deliver the goods that shall remain unsold and all books of account and documents relating to the said agency to the company.
18. The agents shall not assign or transfer the agency to any other person in any manner without the consent of the company in writing.
19. All disputes and differences of any kind whatever arising out of or in connection with this agreement shall be referred to the arbitration and final decision of an arbitrator to be agreed upon and appointed by both the parties or in case of disagreement as to the appointment of a single arbitrator to the appointment of two arbitrators, one to be appointed by each party and if there are two arbitrators, they shall before taking upon themselves the burden of reference appoint a third arbitrator who shall act as Presiding Arbitrator. This submission to the arbitrators shall be deemed to be a submission to arbitration within the meaning of the Arbitration and Conciliation Act, 1996 or any statutory modification thereof. The award of the arbitrator or arbitrators as the case may be, shall be final and binding on the parties.
20. This agreement shall be executed in duplicate. The original shall be retained by the company and duplicate by the agents. The agents shall bear the stamp duty and other expenses on the original and the duplicate of this agreement.

IN WITNESS WHEREOF, the parties have caused their common seal to be affixed to these presents and a duplicate thereof, the day and year hereinabove written

WITNESSES

1 The Company

For ABC Ltd.,

(.....)

Director

2. The Sole Selling Agent

For XYZ Associates

(.....)

Partner

AGREEMENT BETWEEN MANUFACTURER AND SOLE SELLING AGENTS **WITH CANVASSING RIGHTS**

THIS AGREEMENT made on this day of 20..., between Ltd., a company incorporated under the Companies Act, 1956 and having its registered office at hereinafter called "the company" (which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and assigns) of the ONE PART; and Ltd., a company incorporated under the Companies Act, 1956 and having its registered office at hereinafter called "the distributor" (which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and assigns) of the OTHER PART:

Whereas the company is engaged in the manufacture of and has decided to appoint a sole selling agent for the whole of India with canvassing rights and the distributor has agreed to work as such and

Whereas the distributor is being appointed as sole selling agents having exclusive right to sell the products manufactured by the company in whole of India; and

Whereas the Board of Directors of the company is making this appointment, subject to its approval by the company in its first annual general meeting held after the date of this appointment and approval by Central government.

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. The company appoints the distributor as sole selling agents for the sale of all the products manufactured by it in the whole of India and the distributor agrees to act as such sole selling agents for the whole of India on the terms and conditions contained herein.;
2. The appointment will be for a period of years commencing from the date of this agreement. However, it may be extended for further periods not exceeding years on each occasion.
3. The distributor shall canvass for, secure orders and push the sale of the products manufactured by the company to the best of its ability and experience in the whole of India and guarantees to secure orders for the sale of medicines to the extent of the value of Rs. in a year commencing from the date of this agreement.
4. The distributor will advertise the company's products at its own cost and expenses by advertisements in newspapers, journals, magazines, cinema slides or by any other means. However, the company may advertise at its own costs at its discretion whether in newspapers, journals, cinema slides or by any other means and shall indicate the name of the distributor as its sole selling agents.
5. The distributor shall employ representatives at its own cost and expenses for canvassing the company's products. The distributor shall also employ staff at its own cost and expenses for doing the business of sole-selling agency.
6. The distributor will be entitled to appoint sub-agents for any State/District or any particular area in the country and on such terms and conditions as the distributor may think fit. However the company shall not be liable for any dealing between the distributor and its sub-agents.
7. The distributor shall submit to the company weekly return of the business secured, the market and people approached and canvassed during the previous week.

8. The distributor shall forward to the company the orders booked and enquiries received by it not later than two days from its booking. The distributor shall remit the money received by it in advance from the customers to the company and an account thereof shall be submitted to the company every Friday.
9. The distributor shall not make any representation on behalf of the company except in conformity with the instructions issued by the company.
10. The distributor shall book orders of the company's products on the terms and conditions mentioned in the Schedule attached hereto. The terms and conditions shall be subject to change by circulars or instructions by the company from time to time and the distributor will be bound to follow the instructions issued by the company from time to time.
11. The company shall pay a commission of % on all orders received directly or indirectly from the customers through the distributor, which have been executed by the company. The company shall make payment of the commission to the distributor at the end of every month.
12. During the term of this contract, the distributor shall not sell or attempt to sell the products for any other Indian or foreign company.
13. The agency may be terminated by the company, at any time during the agency period of years, after giving one month's notice thereof, in case the distributor fails to comply with the instructions issued by it or if it omits to comply with its obligation imposed upon it under this agreement or if the distributor fails to obtain or procure orders for the minimum guaranteed amount or if the company feels that the distributor is guilty of any conduct, which is prejudicial to the interest of the company and in this matter the decision of the Board of Directors of the company will be final. The distributor may also terminate this agreement at any time during the agency period, after giving one month's notice thereof, if the company fails to execute the orders booked by the distributor or if the products supplied by it are sub standard or if the company without just cause withholds the payment of the commission due to the distributor under the agreement for a period of three months.
14. The distributor shall be responsible to make the payment of the products supplied by the company on the orders received by the distributor, if the constituent to whom products

were supplied by the company refuses to pay for the same within two months of the receipt of the products. The distributor shall be liable as the surety for the payment of orders booked by it.

15. The distributor shall deposit a sum of Rs..... with the company to ensure the obligations imposed upon it under this agreement. The said sum shall not carry any interest. The said sum will be repayable to the distributor after one month of the termination of the agreement after adjustment of accounts between the parties.
16. Any and all disputes, controversies, differences arising between the parties hereto out of or in relation to this agreement or any breach thereof shall be finally settled by arbitration by two arbitrators, one to be appointed by each party to the dispute and the arbitrators shall, before taking upon themselves the burden of reference appoint an umpire. The award given by the arbitrators or umpire as the case may be, shall be, final and binding on the parties.
17. At the termination of this agreement whether by efflux of time or otherwise, the company shall not be liable to pay any commission to the distributor for the orders received after the expiry of agency period.
18. This agreement shall be executed in duplicate. The company shall retain the original and the distributor the duplicate. Each party shall bear the stamp duty payable in respect of its copy.
19. Unless otherwise agreed upon, the respective addresses for communication in respect of any matter relating to this agreement shall be as under:

For the Company:.....

For the Distributor:.....

In Witness Whereof the parties have caused their common seal to be affixed to these presents and a duplicate thereof, the day, month and year first; hereinabove mentioned.

Schedule

The common seal of Ltd. was hereunto affixed pursuant to the Resolution of its Board of Directors passed on..... day of 20..., in the presence of..... and directors of the Company, who have signed in token thereof

The common seal of Ltd., was hereunto affixed pursuant to the Resolution of its Board of Directors passed on day of.....20..., in the presence of and..... directors of the company who have signed in token thereof.

WITNESSES;

1.

2.

**AGREEMENT BY MANUFACTURING COMPANY TO APPOINT AGENT FOR
PARTICULAR AREA**

This Agreement is made on thisday of..... 20..... between:

1. Ltd. Of, hereinafter called the manufacturer;

and

2. s/o r/o, hereinafter called the agent.

1. Whereas the manufacturers are manufacturing and are desirous to appoint an agent for the sale of its products.

2. And whereas the agent has approached and is willing to work as agent of the manufacturer.

NOW THIS AGREEMENT WITNESSES AS UNDER:

1. The manufacturer appoints as the agent of the products of the manufacturer for the area specified hereunder

2. The appointment of the agent is made by the Board of Directors with the condition that the appointment is subject to approval by the General Body at its first general meeting after the appointment of the agent and if it does not approve the agreement shall cease to be valid.
3. This appointment shall be effective for a period of years from the date of appointment. However, the period can further be extended for the period not exceeding more than years' on each period of extension.
4. The manufacturer undertakes that no retailing shall be made below the rates as under (here specify the rates).
5. The agent undertakes not to sell goods in retail below the rates given in the agreement.
6. The agent shall be entitled to an agency commission of% on the sale price of the goods.
7. That the agent shall get the consignment on days' credit. The agent shall make the payment of the consignment within days' from the date of receipt of the goods.
8. That the manufacturer shall not sell the goods in the areas for which the agent has been appointed. All correspondence in this regard, if received by the manufacturer shall be forwarded to the agent for doing the needful.
9. The agent can appoint sub-agents in the areas of agency.
10. The manufacturer shall execute all orders of the agent according to availability of the stock with them.
11. That the agent shall not place any order for a quantity below the minimum supply of the goods. In the same way the manufacturer shall not supply below the minimum quantity of goods to the agent.

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

Sealed, signed and delivered

by Mr. A pursuant to

Board Resolution dated

..... of X & Co. Ltd _____

(Secretary)

Sealed, signed and delivered

by Mr. C. _____

Mr. C (Agent)

In the presence of

1.

2.

5.2. ADVERTISING AGREEMENT

AGREEMENT BETWEEN A COMPANY AND AN ADVERTISING AGENCY

THIS AGREEMENT executed on this.....day of 20... atbetween:

..... Ltd., a company incorporated under Companies Act, 1956 and having its registered office at..... herein after referred to as "the Company" through its Director (Which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and assigns) of the FIRST PART

And

M/s. Advertising Agency, a partnership firm registered under the Partnership Act, 1932 and having its registered office at hereinafter referred to as "the Agency" through its Partner (which expression shall, unless it be repugnant to the context or meaning

thereof, be deemed to mean and include every partner for the time being of the said firm, the survivor or survivors or the legal representatives, executors or administrators of the last survivor) of the OTHER PART.

WHEREAS the company is the manufacturer of products hereinafter referred to as "the said products" and is desirous to engage the services of an advertising agency for the purpose of advertisement of their products in India and abroad.

AND WHEREAS the Agency has agreed to act as advertising agents for the company on the terms and conditions hereinafter mentioned

NOW IT IS HEREBY AGREED BETWEEN THE PARTIES:

1. The company appoints the Agency to advertise the said products in the newspapers, magazines, journals, cinema slides, video magazines, radio, television or public hoardings as may be determined by the parties.
2. The Agency shall submit the estimate of cost and method and period of the advertisement to the company and after the said estimate and methods of advertisements is approved by the company in writing, the advertisements will be released to the concerned newspapers, magazines, television centre, etc.
3. The Agency shall be responsible for preparing all the material for advertising, publicity including art work, photography, cinematography, documentary films, drawing, engraving, advertising writing, preparation of video films for T.V. advertisements and video magazines and if the said works are got done by the Agency at its own office with the help of its employees, the company shall pay for the same at the market rates and settle between the parties. If the said works are got done through outside agencies, the company shall pay all expenses incurred by the Agency for getting the work done through outside agencies.
4. The company shall pay to the Agency percent above the cost and other expenses incurred by the Agency in this behalf as its commission.

5. The Agency will be responsible for advertising the said products in India and other countries of the world, wherever the said products are exported or the company proposes to export its products.
6. Whenever the company manufactures any new product and launches the same in the market for sale, the Agency shall undertake special advertisement campaign for the said new product in consultation with the company.
7. The Agency will not act as Advertising Agent of any company/person, who is manufacturing similar products and who are competitors of the company.
8. The Agency shall observe the laws applicable and the rules or code of conduct of advertisers' associations, association of newspapers or rules prescribed by television and radio.
9. The Agency shall submit a weekly report to the company showing in detail the advertisements given regarding each of the said products separately and showing the dates, the timing or appearance of the advertisements, the names of newspapers/channel of TV given during the previous week. The report shall also accompany the cutting of newspapers/journals/magazines/clippings of T.V. Programme published/broadcast of the products.
10. The Agency will not infringe any copyright of any person/company while displaying or publishing any advertisement of the company.
11. The Agency shall indemnify and keep indemnified the company against any loss, claims, demands, actions, proceedings, damages, costs, charges and expenses which may be made or brought or commenced against the company for any act contrary to the provisions of this Agreement or due to or resulting from the breach of any agreement between the Agency and any newspaper/T.V. or any other person relating to the advertisement of the products of the company.
12. The company shall indemnify and keep indemnified the Agency against any loss, claims, demands, actions, proceedings, losses, damages, costs, charges and expenses which may be made or brought or commenced against the Agency for the publication of any

advertisement of the company, which has been prepared on the basis of the material furnished by the company.

13. The company's budget for advertisement is Rs. per year, and the company agrees and undertakes that it shall get the advertisement of its products done through the Agency.
14. This agreement shall be for a period of one year from the date of these presents. However, any party may terminate this agreement before the period of one year by giving two months notice in advance to the other party. In case the Agency commits a breach of any covenants herein contained, the company is entitled to terminate the agreement by giving one week's notice.
15. On the termination of the agreement, all the advertisement materials in the possession of the Agency will be returned to the company forthwith and will not be used by the Agency for any other purpose or persons.
16. The Agency shall submit the bill to the company every month for the expenses incurred by it in advertising and the company shall pay the bill within a period of 10 days of the submission of the bill therefor. The commission payable to the Agency shall be payable on the gross value of the work done or undertaken on behalf of the company and shall be paid along with the payment of bill of cost and expenses submitted by the Agency.
17. The Agency shall also charge service tax on their bills at the rates applicable from time to time.
18. The Agency shall advise the company of the most up to date, decent and profitable mode of advertisements at moderate rates.
19. The company shall endeavor to keep the agency with sufficient funds to pay the expected charges for advertisement.
20. All disputes between the parties hereto arising out of this Agreement or in relation thereto or regarding the interpretation of this Agreement, shall be referred to an arbitrator appointed by the and the provisions of the Indian Arbitration and Conciliation Act, 1996 or any statutory modification thereof shall be applicable to such reference.

IN WITNESS WHEREOF the parties hereto have signed this Agreement on the day and year first above written.

WITNESSES

1 The Company

For Ltd.

(.....)

Director

2. The Agency

For Agency

(.....)

Partner

**AGREEMENT BETWEEN A NEWSPAPER PUBLISHER AND AN ADVERTISING
AGENCY FOR SECURING ADVERTISEMENTS**

THIS AGREEMENT made at.....on this.....day of.....20.....

Between:

....., a company incorporated under the Companies Act, 1956 and having its registered office at hereinafter called "the company", (which expression, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and assigns) of the FIRST PART

And

....., a company incorporated under the Companies Act, 1956 and having its registered office at..... herein after called "the advertising agency" (which

expression, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and assigns) of the OTHER PART.

WHEREAS the company publishes a newspaper hereinafter referred to as "the said newspaper" a daily in circulation all over India.

AND WHEREAS the company is desirous to appoint advertising agents for securing advertisements for the said newspaper.

AND WHEREAS the advertising agency has agreed to act as the advertising agents for securing advertisements for the said newspaper on the terms and conditions hereinafter mentioned:

NOW, THEREFORE, IN CONSIDERATION OF THE FOREGOING AND THE MUTUAL COVENANTS HEREIN CONTAINED THE PARTIES HEREBY AGREE AS FOLLOWS:

1. The company appoints the said advertising agency as the agents for securing the advertisements for the publication in the newspaper at the rates mentioned in the First Schedule hereunder written. If the advertising rates are changed by the company, the company shall inform the company and deliver the copy of the letter thereof to the advertising agency under registered post.
2. The advertising agency shall secure such number of advertisements for the company as shall occupy the space covered by pages of the said newspaper.
3. The Advertising Agency shall send to the company the matter of each advertisement including block of the photograph to be included in the advertisement two weeks before the intended date of publication. The Agency shall also give a statement about the size of the advertisement, on which dates and on which page of the newspaper the advertisement will be published.
4. If the advertising agency books any advertisement in the language other than English, the company shall make arrangements for translating the same into English without any extra charge.
5. The advertising agency will collect the advertisement charges in respect of the advertisements secured by it and shall remit the same to the company every week. If any advertisement charges are not recovered for a period of six months from the date of its publication, the advertising

agency shall be liable to pay the same to the company. However, if the said charges are recovered by the company later on, the company shall pay the same to the advertising agency.

6. The company shall pay a commission of% on the amount, for which the advertisements are secured by the advertising agency and are published in the said newspaper. The company shall pay the amount of commission to the advertising agency by tenth of the next succeeding month in respect of the advertisements secured during a month. The advertising agency shall be entitled to inspect the accounts of the company in respect of advertisements published in the said newspaper.

7. The advertising agency shall not secure advertisements for any other newspaper during the currency of this Agreement. However, it can act as advertising agency to secure advertisements for the magazines and journals.

8. The editor of the said newspaper will have the power to refuse publication of any advertisement secured by the advertising agency, if in his opinion the said advertisement is obscene or of such a character that it should not be published in public interest or if published would violate the provisions of any law in force. If the advertising agency is not satisfied with the decision of the editor, the matter shall be referred to the Managing Director of the Company, whose decision thereon shall be final and binding on both parties.

9. This Agreement shall continue in force for a period ofyears from the date of these presents. However, the Agreement may be terminated before the expiry of the period of years by one month's notice in writing delivered by any party to the other. If the company ceases to publish the said newspaper, this agreement shall be deemed to be cancelled.

10. If the advertising agency commits breach of any term of this agreement, the company may terminate this Agreement and on such termination, the company shall not be liable for any damages or loss thereunder arising to the advertising agency.

11. The Advertising Agency shall indemnify and keep indemnified the company against any claim, loss, costs, charges and expenses made by or incurred by or suffered by the company on account of breach of copyright in any advertisement or on account of any advertisement being found defamatory or otherwise objectionable or on any other ground whatsoever.

12. Any dispute, difference or claim arising out of or in connection with or incidental to this Agreement shall be first attempted to be settled by mutual discussion, failing which the parties shall refer the same to arbitration by an independent Arbitrator appointed by the mutual consent of both the parties. The Arbitrator shall conduct arbitration proceedings in accordance with the Arbitration and Conciliation Act, 1996. The venue of arbitration shall be at

IN WITNESS WHEREOF, the parties have caused their common seal to be affixed to these presents and a duplicate thereof, the day and year hereinabove written.

WITNESSES

1 The Company

For

(.....)

Director

2. The Advertising Agency

For

(.....)

Director

5.3. ANNUAL MAINTENANCE CONTRACT

A maintenance contract is a contract between two parties which creates the agreement that one party will maintain an asset owned by another party and is common across many industries. Maintenance contracts can exist for equipment, a building, landscape, computers and other information technologies, housekeeping and more.

ANNUAL MAINTENANCE CONTRACT FOR HOUSEKEEPING

This Agreement made on this day of, 20..... at is entered into by and between, a Company incorporated and existing in accordance with the Companies Act, 1956 and having its Registered Office at, through of the Company (hereinafter referred to as “FIRST PARTY”) which expression shall unless be repugnant to the context include its successors and assigns of ONE PART.

AND

....., a proprietorship firm having its Office at (hereinafter referred to as “SECOND PARTY / CONTRACTOR”) which expression shall unless be repugnant to the context include its successors and assigns of OTHER PART.

NOW THIS AGREEMENT WITNESSETH AS UNDER:

1. OFFER & ACCEPTANCE

i. That CONTRACTOR hereby offers to provide housekeeping services on contractual basis to FIRST PARTY at its Premises and FIRST PARTY hereby accepts the same.

2. SCOPE OF SERVICES

i.

3. DEALING PERSONS

i.

4. RIGHTS & OBLIGATIONS OF BOTH PARTIES

i. That CONTRACTOR agrees to execute, fulfill & discharge the work as may be assigned by FIRST PARTY from time to time in the manner agreed to the entire satisfaction of FIRST PARTY on all days as per the requirements of FIRST PARTY during the period of this agreement.

- ii. That CONTRACTOR shall inform FIRST PARTY in writing in advance about any change in its name, address, business, ownership, status or constitution.
- iii. That CONTRACTOR shall give leave/ holidays to its workforce/labour on CONTRACTOR's roll as per the provisions of Labour Laws as applicable in the state.
- iv. That employees of CONTRACTOR will make their own arrangements for food and snacks while at work at their own cost and FIRST PARTY will not provide any canteen facility.
- v. That FIRST PARTY reserves the right to appoint one or more other contractors and distribute the work among them during the currency of this agreement at its unfettered discretion in any manner.
- vi. The relationship between the Parties hereto shall be on Principal to Principal basis. Nothing herein contained shall be deemed to constitute an Employer and employee relationship between the parties. Nothing herein contained shall allow a party to act as an agent of any other Party.
- vii. That CONTRACTOR shall be responsible and liable for the loss that FIRST PARTY may incur on account of any act, omission, commission and/or negligence of personnel of CONTRACTOR. The decision of FIRST PARTY shall be final and binding in all such cases.
- viii. That parties to this contract further represent and undertake that they are fully competent and authorized to enter into this agreement and their respective signatories are duly authorized to execute this agreement on behalf of them
- ix. That CONTRACTOR undertakes to keep fully secret and confidential the information received by him/his staff from FIRST PARTY during the continuance of this agreement and also thereafter, and not to divulge it in any way without obtaining express written permission of FIRST PARTY, except in the case where any such information is required to be disclosed by him under any provisions of law to a court or any such other judicial / legislative / regulatory authority provided he gives prior information to FIRST PARTY so that FIRST PARTY may initiate any preventive steps available under law in this regard.

5.SUPERVISION

i. That SECOND PARTY shall arrange for supervision of its personnel to ensure proper control for executing the job smoothly and efficiently.

6. UNIFORM AND TRAINING

i.

7. REPLACEMENT

i. That SECOND PARTY ensures proper performance, conduct/ discipline, character and behaviour of the personnel engaged by or through him and shall replace any personnel at any point of time, at the sole discretion of FIRST PARTY within a period of 24 hours whenever such a wish is expressed to him in explicit terms.

8. EMPLOYER- EMPLOYEE

i. That SECOND PARTY being the employer of the personnel engaged by it and/or on SECOND PARTY's rolls shall alone be entitled to hire or fire them. FIRST PARTY shall, under no circumstances be deemed or treated as the employer in respect of any person(s) employed by or through SECOND PARTY for any purpose whatsoever nor would FIRST PARTY be liable for any claim(s) whatsoever of any such person(s).

ii. That SECOND PARTY alone shall have the right to take disciplinary action against any person(s) engaged by it, while no right whatsoever shall vest in any such person(s) to raise any dispute and / or claim whatsoever against FIRST PARTY.

9. SUB-CONTRACTOR

i. That SECOND PARTY shall not appoint any sub-contractor/ third party to carry out any obligation under the agreement.

10. ACCIDENT OR UNTOWARD INCIDENT

i. That in the event of unfortunate accident resulting into temporary, partial or total disablement or death or other natural calamities of any of SECOND PARTY's personnel, SECOND

PARTY shall ensure that immediate and adequate medical aid viz. First aid and subsequent treatment facilities are provided to the concerned personnel free of cost and without fail. In addition, SECOND PARTY shall solely be liable for meeting with statutory liabilities under the ESI/PF or Employees' compensation Act. In case any such expenses including hospitalization expenses are incurred by FIRST PARTY of its own, then it reserves all right to recover the same from SECOND PARTY including interest thereon, if any.

ii. That in case of any untoward incident which can prejudice the interest of FIRST PARTY, FIRST PARTY shall have full right to make suitable inquiry / inquiries from the Staff of SECOND PARTY either in writing or verbally for official purposes including for any witness in Court or before concerned authorities.

iii. That if it is found that any person/Staff of SECOND PARTY is involved or abetted, directly or indirectly, in any such theft, sabotage, pilferage, fire, physical violence and/or any untoward incident which can prejudice the interest of FIRST PARTY at inside/outside the Premises of FIRST PARTY, then FIRST PARTY shall be at full liberty to take suitable legal or otherwise action against the erring staff as well as against SECOND PARTY for damages, costs of consequences whether during the tenure of this agreement or thereafter.

11. PERFORMANCE

i. That SECOND PARTY shall perform the work assignments to the best satisfaction of FIRST PARTY in case of unsatisfactory performance FIRST PARTY reserves the right to terminate the contract forthwith and SECOND PARTY shall not raise any claim/demur/protest for such termination of contract. In that case the legal payments, if any, made to the workforce of the SECOND PARTY shall be fully recoverable from SECOND PARTY.

12. LICENCES AND STATUTORY COMPLIANCE

i. That SECOND PARTY shall alone be responsible for Compliance of all labour legislations (as may be amended from time to time) in respect of persons employed by or through him and deputed for the above services being provided to FIRST PARTY including Contract Labour (Regulation & Abolition) Act, Minimum Wages Act, Employees Provident Fund and

Miscellaneous Provisions Act, Employees State Insurance Act, Payment of Bonus Act, Payment of Gratuity Act, Industrial Dispute Act, Inter-State Migrant Workers Act etc. and rules made thereunder (as may be amended from time to time). However, it may be noted that Minimum rates of wages shall be as per the notifications of concerned State Government only.

ii. That SECOND PARTY shall prepare, maintain and submit all records, documents, returns, registers, notice, etc. as required under various Labour Legislations in the prescribed manner as applicable from time to time and within prescribed time to the concerned statutory authorities and produce the same on demand of FIRST PARTY or any statutory authority inspecting the records of FIRST PARTY. SECOND PARTY shall keep update knowledge of the various labour laws as are and which become applicable from time to time and shall take effective and speedy steps to comply with the same. In the event of breach of any law applicable to the Personnel engaged by SECOND PARTY, SECOND PARTY alone shall be responsible and liable for penal action that may arise as a result of such breach or violation and consequences thereof, if any.

iii. That SECOND PARTY ensures to pay the entire wages payable by it under Minimum Wages Act, 1948 as applicable from time to time, as gross wages to the workforce deployed / to be deployed and SECOND PARTY further ensures to deposit the PF and ESI contribution on such gross wages with the appropriate authorities within due dates and shall submit the copy of challan for the PF & ESI contribution deposited by it along with its details to FIRST PARTY. In case, SECOND PARTY fails to provide the requisite returns/certificates as aforesaid, the payments of its bill shall be stopped by FIRST PARTY and FIRST PARTY shall terminate this agreement forthwith without any notice with SECOND PARTY. .

iv. That SECOND PARTY shall obtain and maintain at all times during continuance of this agreement all necessary permissions, approvals and required licenses and pay necessary taxes in relation to or in connection with the job assigned under this agreement.

13. SUBMISSION OF DOCUMENTS

i. SECOND PARTY shall submit

a.

14. INDEMNIFICATION

i. SECOND PARTY alone shall be responsible and FIRST PARTY shall not be held responsible/liable under any circumstances for any accident or injury and/or any third party claim arising out of such accident and any temporary/permanent/partial/total bodily disablement/injury/infirmity and/or death arising out of any such accident of SECOND PARTY's personnel engaged for the assigned services for FIRST PARTY in terms of costs, claim, compensation, damages or any other consequences legal or otherwise.

ii SECOND PARTY shall observe and comply with all Rules and Regulations of the Central/State Government or the provision of any law including rules and regulations of any local authority in force from time to time which may be applicable.

iii SECOND PARTY hereby indemnifies and keep FIRST PARTY indemnified and its directors, officers and employees and save them harmless against any action, proceedings claims or demands of any person, Government or local authority made against FIRST PARTY, its directors, officers and employees in respect of or as a result of the business operations carried on by SECOND PARTY or SECOND PARTY committing any breach of the provisions of any statutory regulations and/or this agreement or in consequence of any act or commission or omission or default of SECOND PARTY, their servants, agents or workmen and against all costs, losses, damages, hardship, injuries, charges and expenses which FIRST PARTY may have to pay, incur or sustain by other wise, in relation thereto.

iv During the continuance of this agreement or its renewal thereof, it shall be responsibility of SECOND PARTY to ensure that all Rules and Regulations relating to the employment of Labour under any statute, whether existing or becoming applicable on a future date, including payment of Provident Fund, Employees State insurance, Gratuity and other provisions are complied with by SECOND PARTY and in the event of SECOND PARTY committing breach of any of the provisions or if due to any reason, FIRST PARTY is sought to be made liable for the same, SECOND PARTY shall indemnify and keep FIRST PARTY indemnified against all costs, charges and expenses, damages or amounts which FIRST PARTY may be required to incur and

sustain by reason of any action, claims or demand. Such persons shall not in any way or claims to be the employees of FIRST PARTY.

V If any, damage is caused to any property or any injury is caused to or the death occurs of any person inside/outside of the Premises of FIRST PARTY due to the act or default of any person employed by SECOND PARTY, SECOND PARTY alone will be liable in damage or for compensation in respect thereof and SECOND PARTY agrees to indemnify FIRST PARTY and to keep FIRST PARTY indemnified against all losses, damages, costs, charges, expenses, suits, proceedings and all liability of whatsoever nature and kind which FIRST PARTY may incur, sustain, suffer or put to in consequence or by reason of such damage, injury or loss of life.

vi. SECOND PARTY shall indemnify and keep FIRST PARTY indemnified against any loss or damage or cost, charges, suits, proceedings and expenses and all liability of whatsoever nature or kind that may be caused by non-performance of the term(s) of this Agreement or any wrongful act and /or default on the part of SECOND PARTY or their agents or servants and/or any of SECOND PARTY's undertaking being false, incomplete or incorrect.

15. LIABILITIES

i. That SECOND PARTY shall be responsible and liable for the loss that FIRST PARTY may incur on account of any act, omission, commission and / or negligence of workforce of SECOND PARTY. The decision of FIRST PARTY shall be final and binding in all such cases and SECOND PARTY shall make good the loss sustained by FIRST PARTY either by replacement of the material / equipment or by payment of compensation.

16. VALIDITY

i. That this agreement is initially valid from, to which may further be renewed for such period on such terms and conditions as may be mutually agreed upon by both the parties.

17. AMENDMENT

i. That it is the complete and exhaustive statement of Agreement between FIRST PARTY and SECOND PARTY and this agreement supersedes all proposals, oral or written and all other communications and prior agreement between the parties. The terms of this agreement shall not be amended, modified or rescinded except by a written instrument signed by both the parties.

18. TERMINATION

i. That should either party to this agreement requires terminating it before its natural expiry, it shall give month prior written notice to the other party, at the expiry of which this agreement shall stand determined.

19. SEVERABILITY

Should any provision(s) of this agreement be held invalid or unenforceable under the laws of India, such invalidity shall not affect any other provision(s) of this Agreement, and neither shall it be held to affect the Agreement in its entirety. This agreement shall then be construed as if it did not contain the provision(s) held to be invalid, and the parties shall endeavor in good faith to replace such invalid provision(s) with new provision(s) which shall be, as nearly as possible, similar in its/their legal and commercial effect to the original and replaced provision(s).

20. PAYMENT TERMS

i. That the SECOND PARTY shall be paid as per Annexure A.

21. GOVERNING LAW

This Agreement shall be governed and construed in accordance with the laws of India.

22. ARBITRATION

i. That in case any dispute or difference or question arises between the parties as to the interpretation or effect of any clause or clauses of this Agreement or as to the performance or non-performance of the terms thereof or in connection with any rights or duties or obligations of

any party thereunder or as to any other dispute touching the contents of the agreement or these presents shall as far as possible, be resolved mutually by both the parties.

ii. That if the parties fails to resolve then only the same shall be referred to the arbitration of the, as sole arbitrator appointed under the provisions of the Arbitration and Conciliation Act, 1996 including any statutory modification(s) or re-enactments thereof for the time being in force.

iii. That the award so made shall be final and binding on both the parties. The cost of reference and award shall be shared equally by both the parties except otherwise decided by the sole arbitrator. The territory of is understood and mutually agreed upon by both the parties as the place of arbitration. However, the provisions contained in this clause shall be without prejudice to any other right available to FIRST PARTY under any other law for the time being in force in India.

iv. The Parties agree that the existence of this arbitration provision shall not in any way limit the right or ability of the Parties to obtain interim relief, including without limitation a temporary restraint order, preliminary injunction or decree, as may be necessary, to protect either Party against, or on account of, any breach or violation of this Agreement, in any court of law having jurisdiction thereof.

23. JURISDICTION

i That this Agreement is and shall be deemed to have been executed at and only courts at shall have jurisdiction in all matters arising out of or connected with this Agreement.

IN WITNESSTH the parties hereto execute and sign this agreement after fully understanding its meaning, purpose and intent on the date and place mentioned above

For First Party

1. Signature _____

Name:

Address:

For Second Party

2. Signature: _____

Name:

Address:

WITNESSES:

1.

2.

ANNUAL MAINTENANCE CONTRACT FOR SECURITY SERVICES

This Agreement made this day of, 20... at is entered into by and between, a Company incorporated and existing in accordance with the Companies Act, 1956 and having its Registered Office at through of the Company (hereinafter referred to as the “FIRST PARTY”) which expression shall unless be repugnant to the context include its successors and assigns of ONE PART.

AND

....., a Company incorporated and existing in accordance with the Companies Act, 1956 and having its registered office at, through of the Company (hereinafter referred to as the “SECOND PARTY”) which expression shall unless be repugnant to the context include its successors and assigns of OTHER PART.

NOW THIS AGREEMENT WITNESSETH AS UNDER:

1. OFFER & ACCEPTANCE

i. The SECOND PARTY hereby offers Security Services to FIRST PARTY on contractual basis and FIRST PARTY hereby accepts the same.

2. SCOPE OF SERVICES

.....

3. DEALING PERSONS

i.

4. RIGHTS & OBLIGATIONS OF BOTH PARTIES

I. That the SECOND PARTY agrees to execute, fulfill & discharge the work as may be assigned by the FIRST PARTY from time to time in the manner agreed to the entire satisfaction of FIRST PARTY on all days, as per the requirements of the FIRST PARTY during the period of this agreement.

II. That the SECOND PARTY shall inform the FIRST PARTY in writing in advance about any change in its name, address, business, ownership, status or constitution.

III. That SECOND PARTY shall give leave/ holidays to its workforce/labour on SECOND PARTY's roll as per the provisions of Labour Laws as applicable in the state.

IV. That FIRST PARTY reserves the right to appoint one or more other Second PARTYS and distribute the work among them during the currency of this agreement at its unfettered discretion in any manner.

V. The relationship between the Parties hereto shall be on Principal to Principal basis. Nothing herein contained shall be deemed to constitute an Employer and employee relationship between the parties. Nothing herein contained shall allow a party to act as an agent of any other Party.

VI. That parties to this contract further represent and undertake that they are fully competent and authorized to enter into this agreement and their respective signatories are duly authorized to execute this agreement on behalf of them

VII. That SECOND PARTY undertakes to keep fully secret and confidential the information received by him/his staff from FIRST PARTY during the continuance of this agreement and also thereafter, and not to divulge it in any way without obtaining express written permission of FIRST PARTY, except in the case where any such information is required to be disclosed by him under any provisions of law to a court or any such other judicial / legislative / regulatory authority provided he gives prior information to FIRST PARTY so that FIRST PARTY may initiate any preventive steps available under law in this regard.

5. SUPERVISION

i. That the SECOND PARTY shall arrange for supervision of its personnel to ensure proper control for executing the job smoothly and efficiently.

6. UNIFORM & OTHER PARAPHERNALIA

i. That the SECOND PARTY shall alone be responsible (including all expenses on its own) for providing Uniform, Training etc. to his Staff deputed at the Premises of the FIRST PARTY.

ii. That all personnel deployed / to be deployed by SECOND PARTY shall maintain smart turnout, bear name plates and always be in uniform on duty.

7. REPLACEMENT

i. That SECOND PARTY ensures proper performance, conduct/ discipline, character and behaviour of the personnel engaged by or through him and shall replace any personnel at any point of time, at the sole discretion of FIRST PARTY within a period of 24 hours whenever such a wish is expressed to him in explicit terms.

8. EMPLOYER- EMPLOYEE

i. That SECOND PARTY being the employer of the personnel engaged by it and/or on SECOND PARTY's rolls, shall alone be entitled to hire or fire them. FIRST PARTY shall, under no circumstances be deemed or treated as the employer in respect of any person(s) employed by or through SECOND PARTY for any purpose whatsoever nor would FIRST PARTY be liable for any claim(s) whatsoever of any such person(s).

ii. That SECOND PARTY alone shall have the right to take disciplinary action against any person(s) engaged by it, while no right whatsoever shall vest in any such person(s) to raise any dispute and / or claim whatsoever against FIRST PARTY.

9. SUB-SECOND PARTY

i. That SECOND PARTY shall not appoint any sub-Second Party/ third party to carry out any obligation under the agreement.

10. ACCIDENT OR UNTOWARD INCIDENT

i. That in the event of any unfortunate accident resulting in temporary, partial or total disablement or death or other natural calamities of any of SECOND PARTY's personnel, SECOND PARTY shall ensure that immediate and adequate medical aid viz. First aid and subsequent treatment facilities are provided to the concerned personnel free of cost and without fail. In addition, SECOND PARTY shall solely be liable for meeting with statutory liabilities under the ESI/PF or Employees' compensation Act. In case any such expenses including hospitalization expenses are incurred by FIRST PARTY of its own, then it reserves all right to recover the same from SECOND PARTY including interest thereon, if any.

ii. That in case of any untoward incident which can prejudice the interest of FIRST PARTY, FIRST PARTY shall have full right to make suitable inquiry / inquiries from the Staff of SECOND PARTY either in writing or verbally for official purposes including for any witness in Court or before concerned authorities.

iii. That if it is found that any person/Staff of SECOND PARTY is involved or abetted, directly or indirectly, in any such theft, sabotage, pilferage, fire, physical violence and/or any untoward incident which can prejudice the interest of FIRST PARTY at inside/outside the Premises of FIRST PARTY, then FIRST PARTY shall be at full liberty to take suitable legal or otherwise action against the erring staff as well as against SECOND PARTY for damages, costs of consequences whether during the tenure of this agreement or thereafter.

11. FIRE PROTECTION

i. That SECOND PARTY shall ensure that all security personnel deployed / to be deployed are trained for fire-fighting and fire protection duties and in the event of a fire, the security personnel shall perform such duties as may be assigned to them by FIRST PARTY's representative besides taking emergency fire control measures on their own.

12. PERFORMANCE

i. That the SECOND PARTY shall perform the work assignments to the best satisfaction of the FIRST PARTY, in case of unsatisfactory performance FIRST PARTY reserves the right to terminate the contract forthwith and SECOND PARTY shall not raise any claim/demur/protest for such termination of contract. In that case the legal payments, if any, made to the workforce of the SECOND PARTY shall be fully recoverable from SECOND PARTY.

13. LICENCES AND STATUTORY COMPLIANCE

i. That SECOND PARTY shall alone be responsible for Compliance of all labour legislations (as may be amended from time to time) in respect of persons employed by or through him and deputed for the above services being provided to FIRST PARTY including Contract Labour (Regulation & Abolition) Act, Minimum Wages Act, Employees Provident Fund and

Miscellaneous Provisions Act, Employees State Insurance Act, Payment of Bonus Act, Payment of Gratuity Act, Industrial Dispute Act, Inter-State Migrant Workers Act etc. and rules made thereunder (as may be amended from time to time). However, it may be noted that Minimum rates of wages shall be as per the notifications of concerned State Government only.

ii. That SECOND PARTY shall prepare, maintain and submit all records, documents, returns, registers, notice, etc. as required under various Labour Legislations in the prescribed manner as applicable from time to time and within prescribed time to the concerned statutory authorities and produce the same on demand of FIRST PARTY or any statutory authority inspecting the records of FIRST PARTY. SECOND PARTY shall keep update knowledge of the various labour laws as are and which become applicable from time to time and shall take effective and speedy steps to comply with the same. In the event of breach of any law applicable to the Personnel engaged by SECOND PARTY, SECOND PARTY alone shall be responsible and liable for penal action that may arise as a result of such breach or violation and consequences thereof, if any.

iii. That SECOND PARTY ensures to pay the entire wages payable by it under Minimum Wages Act, 1948 as applicable from time to time, as gross wages to the workforce deployed / to be deployed and SECOND PARTY further ensures to deposit the PF and ESI contribution on such gross wages with the appropriate authorities within due dates and shall submit the copy of challan for the PF & ESI contribution deposited by it along with its details to FIRST PARTY. In case, SECOND PARTY fails to provide the requisite returns/certificates as aforesaid, the payments of its bill shall be stopped by FIRST PARTY and FIRST PARTY shall terminate this agreement forthwith without any notice with SECOND PARTY.

iv. That SECOND PARTY shall obtain and maintain at all times during continuance of this agreement all necessary permissions, approvals and required licenses and pay necessary taxes in relation to or in connection with the job assigned under this agreement.

14. SUBMISSION OF DOCUMENTS

i. SECOND PARTY shall submit.....

15. INDEMNIFICATION

- i. The SECOND PARTY alone shall be responsible and FIRST PARTY shall not be held responsible/liable under any circumstances for any accident or injury and/or any third party claim arising out of such accident and any temporary/permanent/partial/total bodily disablement/injury/infirmity and/or death arising out of any such accident of SECOND PARTY's personnel engaged for the assigned services for FIRST PARTY in terms of costs, claim, compensation, damages or any other consequences legal or otherwise.
- ii. SECOND PARTY shall observe and comply with all Rules and Regulations of the Central/State Government or the provision of any law including rules and regulations of any local authority in force from time to time which may be applicable.
- iii. SECOND PARTY hereby indemnifies and keep FIRST PARTY indemnified and its directors, officers and employees and save them harmless against any action, proceedings claims or demands of any person, Government or local authority made against FIRST PARTY, its directors, officers and employees in respect of or as a result of the business operations carried on by SECOND PARTY or SECOND PARTY committing any breach of the provisions of any statutory regulations and/or this agreement or in consequence of any act or commission or omission or default of SECOND PARTY, their servants, agents or workmen and against all costs, losses, damages, hardship, injuries, charges and expenses which FIRST PARTY may have to pay, incur or sustain by other wise, in relation thereto.
- iv. During the continuance of this agreement or its renewal thereof, it shall be the responsibility of the SECOND PARTY to ensure that all Rules and Regulations relating to the employment of Labour under any statute, including payment of Provident Fund, Employees State insurance, Gratuity and other provisions are complied with by SECOND PARTY and in the event of SECOND PARTY committing breach of any of the provisions or if due to any reason, FIRST PARTY is sought to be made liable for the same, SECOND PARTY shall indemnify and keep FIRST PARTY indemnified against all costs, charges and expenses, damages or amounts which FIRST PARTY may be required to incur and sustain by reason of any action, claims or demand. Such persons shall not in any way or claims to be the employees of FIRST PARTY.

v. If any, damage is caused to any property or any injury is caused to or the death occurs of any person inside/outside of the Premises of FIRST PARTY due to the act or default of any person employed by SECOND PARTY, SECOND PARTY alone will be liable in damage or for compensation in respect thereof and SECOND PARTY agrees to indemnify FIRST PARTY and to keep FIRST PARTY indemnified against all losses, damages, costs, charges, expenses, suits, proceedings and all liability of whatsoever nature and kind which FIRST PARTY may incur, sustain, suffer or put to in consequence or by reason of such damage, injury or loss of life.

vi. SECOND PARTY shall indemnify and keep FIRST PARTY indemnified against any loss or damage or cost, charges, suits, proceedings and expenses and all liability of whatsoever nature or kind that may be caused by non-performance of the term(s) of this Agreement or any wrongful act and /or default on the part of SECOND PARTY or their agents or servants and/or any of SECOND PARTY's undertaking being false, incomplete or incorrect.

16. LIABILITIES

i. That SECOND PARTY shall be responsible and liable for the loss that FIRST PARTY may incur on account of any act, omission, commission and / or negligence of workforce of SECOND PARTY. The decision of FIRST PARTY shall be final and binding in all such cases and SECOND PARTY shall make good the loss sustained by FIRST PARTY either by replacement of the material / equipment or by payment of compensation.

17. VALIDITY

i. That this agreement is initially valid for years i.e. from to which may further be renewed for such period on such terms and conditions as may be mutually agreed upon by both the parties.

18. AMENDMENT

i. That it is the complete and exhaustive statement of Agreement between FIRST PARTY and SECOND PARTY and this agreement supersedes all proposals, oral or written and all other

communications and prior agreement between the parties. The terms of this agreement shall not be amended, modified or rescinded except by a written instrument signed by both the parties.

19. TERMINATION

i. That should either party to this agreement require to terminate it before its natural expiry, it shall give months prior written notice to the other party, at the expiry of which this agreement shall stand determined.

ii. That in case SECOND PARTY commits any breach of the terms & conditions hereof and/or fail/ neglect to carry out any instructions issued to him by FIRST PARTY from time to time, it should be open and lawful for FIRST PARTY to terminate this agreement forthwith without assigning any reason and can get the services by or through any other agency or Second Party at the risk and cost of SECOND PARTY and SECOND PARTY shall have no right to claim any compensation whatsoever on this account.

20. SEVERABILITY

Should any provision(s) of this agreement be held invalid or unenforceable under the laws of India, such invalidity shall not affect any other provision(s) of this Agreement, and neither shall it be held to affect the Agreement in its entirety. This agreement shall then be construed as if it did not contain the provision(s) held to be invalid, and the parties shall endeavor in good faith to replace such invalid provision(s) with new provision(s) which shall be, as nearly as possible, similar in its/their legal and commercial effect to the original and replaced provision(s).

21. PAYMENT TERMS

i. That all payments shall be subject to the deduction of tax at the prevalent time.

22. GOVERNING LAW

This Agreement shall be governed and construed in accordance with the laws of India.

23. ARBITRATION

i. That in case any dispute or difference or question arises between the parties as to the interpretation or effect of any clause or clauses of this Agreement or as to the performance or non-performance of the terms thereof or in connection with any rights or duties or obligations of any party there under or as to any other dispute touching the contents of the agreement or these presents shall as far as possible, be resolved mutually by both the parties.

ii. That if the parties fails to resolve then only the same shall be referred to the arbitration of the, as sole arbitrator appointed under the provisions of the Arbitration & Conciliation Act, 1996 including any statutory modification(s) or re-enactments thereof for the time being in force.

iii. That the award so made shall be final and binding on both the parties. The cost of reference and award shall be shared equally by both the parties except otherwise decided by the sole arbitrator. The territory of is understood and mutually agreed upon by both the parties as the place of arbitration. However, the provisions contained in this clause shall be without prejudice to any other right available to FIRST PARTY under any other law for the time being in force in India

iv. The Parties also agree that when any dispute occurs and when any dispute is under arbitration, except for the matters in dispute, the parties shall continue to fulfill their respective obligations and shall be entitled to exercise their rights under this Agreement.

24. JURISDICTION

i. That this Agreement is and shall be deemed to have been executed at and only courts at shall have jurisdiction in all matters arising out of or connected with this Agreement.

IN WITNESSTH the parties hereto execute and sign this agreement after fully understanding its meaning, purpose and intent on the date and place mentioned above

For

1. Signature _____

Name:

Address:

For

2. Signature : _____

For

Name:

Address :

WITNESSES:

1.

2.

ANNUAL MAINTENANCE CONTRACT FOR COURIER SERVICES

This Agreement made this day of, 20.... at is entered into by and between, a Company incorporated and existing in accordance with the Companies Act, 1956 and having its Registered Office at acting through, Authorized Signatory of the Company (hereinafter referred to as the “FIRST PARTY”) which expression shall unless be repugnant to the context include its successors and assigns of ONE PART.

AND

M/s., a proprietorship firm having its office at acting through of the Firm (hereinafter referred to as the “SECOND

PARTY”) which expression shall unless be repugnant to the context include its successors and assigns of OTHER PART.

AND WHEREAS the SECOND PARTY has offered courier services on contract basis to FIRST PARTY and FIRST PARTY accepts the same on the agreed terms and conditions herein below mentioned.

NOW THIS AGREEMENT WITNESSETH AS UNDER:

1. OFFER & ACCEPTANCE

That the SECOND PARTY hereby offers Courier Services to the FIRST PARTY on contractual basis at its above premises for delivering of its samples and documents only and FIRST PARTY hereby accepts the same.

2. SCOPE OF SERVICES

.....

3. DEALING PERSONS

.....

4. RIGHTS & OBLIGATIONS OF BOTH PARTIES

i. That the SECOND PARTY agrees to execute, fulfill & discharge the work and obligations hereinafter provided in the manner agreed to the entire satisfaction of the FIRST PARTY.

ii. That the SECOND PARTY has the necessary financial and manpower resources of funds and experienced personnel to undertake any job / task required to be carried out in the interest of FIRST PARTY.

iii. That the SECOND PARTY shall inform the FIRST PARTY in writing in advance about any change in its name, address, business, status or constitution.

iv. That the SECOND PARTY hereby indemnifies FIRST PARTY and shall keep FIRST PARTY fully indemnified against all actions, suits and proceedings/ third party claims and all costs, charges, expenses, losses or damages/ damage to reputation or goodwill incurred or suffered by or caused to FIRST PARTY by reason of any breach of his obligations or any of his covenants, warranties, representation, or undertaking being false, incomplete or incorrect.

v. That the SECOND PARTY understands that this agreement is on non-exclusive basis and FIRST PARTY is free to take the services of similar nature from any other party.

vi. This agreement is on the basis of principal to principal and SECOND PARTY, their agents and servants shall not represent himself/themselves as agent or representative of FIRST PARTY.

vii. That SECOND PARTY shall not appoint any sub-contractor to carry out any obligation under this agreement without written approval of FIRST PARTY.

viii. No waiver by either party to any provisions of this Agreement shall be binding unless made expressly and confirmed in writing.

ix. In case of any complaint, SECOND PARTY shall provide free of cost extra services as per the requirement of FIRST PARTY.

x. That parties to this contract further represent and undertake that they are fully competent and authorized to enter into this agreement.

5. PAYMENT TERMS

.....

6. SUBMISSION OF DOCUMENT(S)

That SECOND PARTY shall submit attested copy of the following to the FIRST PARTY:

a.

b.

7. AMENDMENT

i. That it is the complete and exhaustive statement of Agreement between FIRST PARTY and SECOND PARTY and this agreement supersedes all proposals, oral or written and all other communications and prior agreement between the parties. The terms of this agreement shall not be amended, modified or rescinded except by a written instrument signed by both the parties.

8. LIABILITY OR LOSSES & DAMAGES

8.1 That in case Materials got damaged or lost(shortages) or lost their efficacy while in SECOND PARTY custody or during transit, and/or deviation occurred from the Prescribed Transit Schedule and/or in case of failure to deliver the Materials to various Destination Points on time resulting in the business losses to FIRST PARTY then SECOND PARTY will be responsible for the same. FIRST PARTY reserves its other rights/remedy/ legal recourse to claim damages from the SECOND PARTY.

8.2 In case of damaged Materials while in SECOND PARTY custody or during transit due to accident, fire or theft, FIRST PARTY, without prejudice to its other rights/remedy/ legal recourse to claim damages from SECOND PARTY, will deduct the loss from SECOND PARTY bills.

8.3 FIRST PARTY, without prejudice to its other rights/remedy/ legal recourse to claim damages from SECOND PARTY, shall also hold SECOND PARTY fully responsible for any shortage arising from causes other than accident or fire to FIRST PARTY's Materials and the same will be deducted from SECOND PARTY bills.

9. LIABILITIES

i. That SECOND PARTY shall be responsible and liable for the loss that FIRST PARTY may incur on account of any act, omission, commission and / or negligence of personnel of SECOND PARTY. The decision of FIRST PARTY shall be final and binding in all such cases and SECOND PARTY shall make good the loss sustained by FIRST PARTY by payment of compensation.

10. ACCIDENT OR UNTOWARD INCIDENT

i. That in the event of any unfortunate accident resulting into temporary, partial or total disablement or death or other natural calamities of any of SECOND PARTY's personnel, SECOND PARTY shall only be responsible for the same. SECOND PARTY shall also ensure that immediate and adequate medical aid viz. First aid and subsequent treatment facilities are provided to the concerned personnel free of cost and without fail. In addition, SECOND PARTY shall solely be liable for meeting with statutory liabilities under the ESI/PF, Employees' Compensation Act or any other labour legislation. In case any such expenses including hospitalization expenses are incurred by FIRST PARTY of its own, then it reserves all right to recover the same from SECOND PARTY including interest thereon, if any.

11. INDEMNIFICATION

i. SECOND PARTY alone shall be responsible and FIRST PARTY shall not be held responsible/liable under any circumstances for any accident or injury and/or any third party claim arising out of such accident and any temporary /permanent /partial /total bodily disablement/ injury/ infirmity and/or death arising out of any such accident of SECOND PARTY/ his personnel engaged for the assigned services for FIRST PARTY in terms of costs, claim, compensation, damages or any other consequences legal or otherwise.

ii SECOND PARTY shall observe and comply with all Rules and Regulations of the Central/State Government or the provision of any law including rules and regulations of any local authority in force from time to time which may be applicable.

iii SECOND PARTY hereby indemnifies and keeps FIRST PARTY indemnified and its directors, officers and employees and save them harmless against any action, proceedings claims or demands of any person, Government or local authority made against FIRST PARTY, its directors, officers and employees in respect of or as a result of the business operations carried on by SECOND PARTY or SECOND PARTY committing any breach of the provisions of any statutory regulations and/or this agreement or in consequence of any act or commission or omission or default of SECOND PARTY, their servants, agents or workmen and against all

costs, losses, damages, hardship, injuries, charges and expenses which FIRST PARTY may have to pay, incur or sustain by other wise, in relation thereto.

iv If any, damage is caused to any property or any injury is caused to or the death occurs of any person inside/outside of the premises of FIRST PARTY due to the act or default or any person employed by SECOND PARTY, SECOND PARTY alone will be liable in damage or for compensation in respect thereof and SECOND PARTY agrees to indemnify FIRST PARTY and to keep FIRST PARTY indemnified against all losses, damages, costs, charges, expenses, suits, proceedings and all liability of whatsoever nature and kind which FIRST PARTY may incur, sustain, suffer or put to in consequence or by reason of such damage, injury or loss of life.

v. SECOND PARTY shall indemnify and keep FIRST PARTY indemnified against any loss or damage or cost, charges, suits, proceedings and expenses and all liability of whatsoever nature or kind that may be caused by non-performance of the term(s) of this Agreement or any wrongful act and /or default on the part of SECOND PARTY or their agents or servants and/or any of SECOND PARTY's undertaking being false, incomplete or incorrect.

12. TENURE

i. That this agreement is valid from to which may further be renewed for such period and on such terms and conditions as may be mutually agreed upon by both the parties.

13. TERMINATION

i. That should either party to this agreement require to terminate it before its natural expiry, it shall givedays/months prior written notice to the other party, at the expiry of which this agreement shall stand determined.

14. SEVERABILITY

i. Should any provision(s) of this agreement be held invalid or unenforceable under the laws of India, such invalidity shall not affect any other provision(s) of this Agreement, and neither shall it be held to affect the Agreement in its entirety. This agreement shall then be construed as if it

did not contain the provision(s) held to be invalid, and the parties shall endeavor in good faith to replace such invalid provision(s) with new provision(s) which shall be, as nearly as possible, similar in its/their legal and commercial effect to the original and replaced provision(s).

15. ARBITRATION

i. That in case any dispute or difference or question arises between the parties as to the interpretation or effect of any clause or clauses of this Agreement or as to the performance or non-performance of the terms thereof or in connection with any rights or duties or obligations of any party thereunder or as to any other dispute touching the contents of the agreement or these presents shall as far as possible, be resolved mutually by both the parties.

ii. That if the parties fails to resolve then only the same shall be referred to the arbitration of the, as sole arbitrator appointed under the provisions of the Arbitration and Conciliation Act, 1996 including any statutory modification(s) or re-enactments thereof for the time being in force.

iii. That the award so made shall be final and binding on both the parties. The cost of reference and award shall be shared equally by both the parties except otherwise decided by the sole arbitrator. The territory of is understood and mutually agreed upon by both the parties as the place of arbitration. However, the provisions contained in this clause shall be without prejudice to any other right available to FIRST PARTY under any other law for the time being in force in India.

iv. The Parties also agree that when any dispute occurs and when any dispute is under arbitration, except for the matters in dispute, the parties shall continue to fulfill their respective obligations and shall be entitled to exercise their rights under this Agreement.

16. JURISDICTION

This Agreement includes the General Terms & Conditions, if any, which forms part of this Agreement and are binding upon the Parties.

However, this Agreement shall always prevail over the General Terms & Conditions to the extent the said general terms & conditions are inconsistent with this agreement. Only courts at shall have jurisdiction in all matters arising out of this agreement.

IN WITNESSTH the parties hereto execute and sign this agreement after fully understanding its meaning, purpose and intent on the date and place mentioned above.

For FIRST PARTY

1. Signature: _____

Name

Address:

For SECOND PARTY

2. Signature_____

Name:

Address:

WITNESSES:

1.

2.

ANNUAL MAINTENANCE CONTRACT FOR CANTEEN SERVICES

This Agreement made on this day of, 20.... at is entered into by and between, a Company incorporated and existing in accordance with the

Companies Act, 1956 and having its Registered Office at,
through of the Company (hereinafter referred to as “FIRST PARTY”)
which expression shall unless be repugnant to the context include its successors and assigns of
ONE PART.

AND

....., a proprietorship firm having its Office at
..... (hereinafter referred to as “SECOND PARTY”) which
expression shall unless be repugnant to the context include its successors and assigns of OTHER
PART.

AND WHEREAS FIRST PARTY has agreed to accept the services of SECOND PARTY on the
terms and conditions as agreed herein below.

NOW THIS DEED IS WITNESSETH AS UNDER:

1. OFFER & ACCEPTANCE

i. That SECOND PARTY hereby offers its catering/canteen services/facilities to FIRST PARTY
on contractual basis and FIRST PARTY hereby accepts the same.

2. SCOPE OF SERVICES

.....

3. DEALING PERSONS:

.....

4. RIGHTS & OBLIGATIONS OF BOTH PARTIES

i. That SECOND PARTY agrees to execute, fulfill & discharge the work and obligations
hereinafter provided in the manner agreed to the entire satisfaction of FIRST
PARTY.

ii. That SECOND PARTY has necessary financial and manpower resources of funds and experienced personnel to undertake any job / task required to be carried out in the interest of FIRST PARTY.

iii. SECOND PARTY shall provide uniform & shoes to all its personnel deployed at the canteen of the FIRST PARTY.

iv. All Personnel deployed by SECOND PARTY shall be in neat & clean uniform appropriate for their duties.

5. GENERAL TERMS

i. That in case, it is found by FIRST PARTY that the SECOND PARTY has willfully suppressed any material or information about any personnel (which may be detrimental to the interest of FIRST PARTY), either by SECOND PARTY or the manpower employed by or through him or is otherwise, false or misleading then SECOND PARTY alone shall be responsible for any losses, damages, or consequences arising out of it and FIRST PARTY shall have full right to take suitable legal or otherwise action against SECOND PARTY which may include a claim for payment of compensation by way of damages etc.

ii. That SECOND PARTY shall inform FIRST PARTY in writing in advance about any change in its name, address, business, ownership, status or constitution.

iii. That all staff employed by SECOND PARTY shall be subjected to security check by the security staff and/or authorized person of FIRST PARTY as per requirements.

iv. That SECOND PARTY hereby indemnifies FIRST PARTY and shall keep FIRST PARTY fully indemnified against all actions, suits and proceedings/ third party claims and all costs, charges, expenses, losses or damages/ damage to reputation or goodwill incurred or suffered by or caused to FIRST PARTY by reason of any breach of his obligations or any of his covenants, warranties, representation, or undertaking being false, incomplete or incorrect.

v. That SECOND PARTY understands that this agreement is on non-exclusive basis and FIRST PARTY is free to take the services of similar nature from any other party

vi. This agreement is on the basis of principal to principal and SECOND PARTY, their agents and servants shall not represent himself/themselves as agent or representative of FIRST PARTY.

vii. That SECOND PARTY shall not appoint any sub-contractor to carry out any obligation under this agreement without written approval of FIRST PARTY.

viii. No waiver by either party to any provisions of this Agreement shall be binding unless made expressly and confirmed in writing.

ix. That parties to this contract further represent and undertake that they are fully competent and authorized to enter into this agreement.

5. MATERIAL

.....

6. EQUIPMENT

.....

7. FURNITURE & FIXTURES

.....

8. MENU SPECIFICATIONS

.....

9. PENALTY

i.

10. SUPERVISION

i. That SECOND PARTY shall arrange for supervision of his personnel to ensure proper control for executing the job smoothly and efficiently.

11. REPLACEMENT

i. That SECOND PARTY shall ensure proper performance, conduct/discipline, character and behaviour of the workforce engaged by or through him and deputed at the premises of FIRST PARTY and shall replace any personnel of its workforce at any point of time, at the sole discretion of FIRST PARTY within a period of 24 hours when such a wish is expressed to him in explicit terms.

12. EMPLOYER- EMPLOYEE

i. That SECOND PARTY being the employer of the personnel engaged by him shall alone be entitled to hire or fire them. FIRST PARTY shall, under no circumstances be deemed or treated as the employer in respect of any person(s) engaged / employed by SECOND PARTY for any purpose whatsoever nor would FIRST PARTY be liable for any claim(s) whatsoever of any such person(s).

ii. That SECOND PARTY alone shall have the right to take disciplinary action against any person(s) engaged / employed by him, while no right whatsoever shall vest in any such person(s) to raise any dispute and / or claim whatsoever against FIRST PARTY.

13. ACCIDENT OR UNTOWARD INCIDENT

i. That in the event of any unfortunate accident resulting into temporary, partial or total disablement or death or other natural calamities of any of his personnel, SECOND PARTY shall ensure that immediate and adequate medical aid viz. First aid and subsequent treatment facilities are provided to the concerned personnel free of cost and without fail. In addition, SECOND PARTY shall solely be liable for meeting with statutory liabilities under the ESI/PF or employees' compensation Act. In case any such expenses including hospitalization expenses are

incurred by FIRST PARTY of its own, then it reserves all right to recover the same from SECOND PARTY including interest thereon, if any.

ii. That in case of any theft, sabotage, pilferage, fire, violence etc. in the premises of FIRST PARTY, FIRST PARTY shall have full right to make suitable inquiry / inquiries from the Staff of SECOND PARTY either in writing or verbally for official purposes including for any witness in Court or before concerned authorities.

iii. That if it is found that any person of the Staff of SECOND PARTY is involved or abetted, directly or indirectly, in any such theft, sabotage, pilferage, fire, physical violence at the premises of FIRST PARTY, then FIRST PARTY shall be at full liberty to take suitable legal or otherwise action against the erring staff and SECOND PARTY for damages, costs of consequences whether during the tenure of this agreement or thereafter.

14. PERFORMANCE

i. That SECOND PARTY shall perform the work assignments to the best satisfaction of FIRST PARTY in case of unsatisfactory performance FIRST PARTY reserves the right to terminate the contract forthwith and SECOND PARTY shall not raise any claim/demur/protest for such termination of contract. In that case the legal payments, if any, made to the workforce of the SECOND PARTY shall be fully recoverable from SECOND PARTY.

15. LICENCES AND STATUTORY COMPLIANCE

i. That SECOND PARTY shall alone be responsible for Compliance of all labour legislations (as may be amended from time to time) in respect of persons employed by or through him and deputed for the above services being provided to FIRST PARTY including Contract Labour (Regulation & Abolition) Act, Minimum Wages Act, Employees Provident Fund and Miscellaneous Provisions Act, Employees State Insurance Act, Payment of Bonus Act, Payment of Gratuity Act, Industrial Dispute Act, Inter-State Migrant Workers Act etc. and rules made thereunder (as may be amended from time to time). However, it may be noted that Minimum rates of wages shall be as per the notifications of concerned State Government only.

ii. That SECOND PARTY shall prepare, maintain and submit all records, documents, returns, registers, notice, etc. as required under various Labour Legislations in the prescribed manner as applicable from time to time and within prescribed time to the concerned statutory authorities and produce the same on demand of FIRST PARTY or any statutory authority inspecting the records of FIRST PARTY. SECOND PARTY shall keep update knowledge of the various labour laws as are and which become applicable from time to time and shall take effective and speedy steps to comply with the same. In the event of breach of any law applicable to the Personnel engaged by SECOND PARTY, SECOND PARTY alone shall be responsible and liable for penal action that may arise as a result of such breach or violation and consequences thereof, if any.

iii. That SECOND PARTY ensures to pay the entire wages payable by it under Minimum Wages Act, 1948 as applicable from time to time, as gross wages to the workforce deployed / to be deployed and SECOND PARTY further ensures to deposit the PF and ESI contribution on such gross wages with the appropriate authorities within due dates and shall submit the copy of challan for the PF & ESI contribution deposited by it along with its details to FIRST PARTY. In case, SECOND PARTY fails to provide the requisite returns/certificates as aforesaid, the payments of its bill shall be stopped by FIRST PARTY and FIRST PARTY shall terminate this agreement forthwith without any notice with SECOND PARTY.

iv. That SECOND PARTY shall obtain and maintain at all times during continuance of this agreement all necessary permissions, approvals and required licenses and pay necessary taxes in relation to or in connection with the job assigned under this agreement.

16. SUBMISSION OF DOCUMENT(S)

i. That SECOND PARTY shall submit the following documents -

a.

b.

17. INDEMNIFICATION

i. SECOND PARTY alone shall be responsible and FIRST PARTY shall not be held responsible/liable under any circumstances for any accident or injury and/or any third party claim arising out of such accident and any temporary/permanent/partial/total bodily disablement/injury/infirmity and/or death arising out of any such accident of SECOND Party's personnel engaged for the assigned services for FIRST PARTY in terms of costs, claim, compensation, damages or any other consequences legal or otherwise.

ii SECOND PARTY shall observe and comply with all Rules and Regulations of the Central/State Government or the provision of any law including rules and regulations of any local authority in force from time to time which may be applicable.

iii SECOND PARTY hereby indemnifies and keep FIRST PARTY indemnified and its directors, officers and employees and save them harmless against any action, proceedings claims or demands of any person, Government or local authority made against FIRST PARTY, its directors, officers and employees in respect of or as a result of the business operations carried on by SECOND PARTY or SECOND PARTY committing any breach of the provisions of any statutory regulations and/or this agreement or in consequence of any act or commission or omission or default of SECOND PARTY, their servants, agents or workmen and against all costs, losses, damages, hardship, injuries, charges and expenses which FIRST PARTY may have to pay, incur or sustain by other wise, in relation thereto.

iv During the continuance of this agreement or its renewal thereof, it shall be responsibility of SECOND PARTY to ensure that all Rules and Regulations relating to the employment of Labour under any statute, whether existing or becoming applicable on a future date, including payment of Provident Fund, Employees State insurance, Gratuity and other provisions are complied with by SECOND PARTY and in the event of SECOND PARTY committing breach of any of the provisions or if due to any reason, FIRST PARTY is sought to be made liable for the same, SECOND PARTY shall indemnify and keep FIRST PARTY indemnified against all costs, charges and expenses, damages or amounts which FIRST PARTY may be required to incur and sustain by reason of any action, claims or demand. Such persons shall not in any way or claims to be the employees of FIRST PARTY.

v. If any, damage is caused to any property or any injury is caused to or the death occurs of any person inside/outside of the Premises of FIRST PARTY due to the act or default of any person employed by SECOND PARTY, SECOND PARTY alone will be liable in damage or for compensation in respect thereof and SECOND PARTY agrees to indemnify FIRST PARTY and to keep FIRST PARTY indemnified against all losses, damages, costs, charges, expenses, suits, proceedings and all liability of whatsoever nature and kind which FIRST PARTY may incur, sustain, suffer or put to in consequence or by reason of such damage, injury or loss of life.

vi. SECOND PARTY shall indemnify and keep FIRST PARTY indemnified against any loss or damage or cost, charges, suits, proceedings and expenses and all liability of whatsoever nature or kind that may be caused by non-performance of the term(s) of this Agreement or any wrongful act and /or default on the part of SECOND PARTY or their agents or servants and/or any of SECOND PARTY's undertaking being false, incomplete or incorrect.

18. LIABILITIES

i. That SECOND PARTY shall be responsible and liable for the loss that FIRST PARTY may incur on account of any act, omission, commission and / or negligence of workforce of SECOND PARTY. The decision of FIRST PARTY shall be final and binding in all such cases and SECOND PARTY shall make good the loss sustained by FIRST PARTY either by replacement of the material / equipment or by payment of compensation.

19. VALIDITY

i. That this agreement is initially valid for a period of months i.e. from to..... which may further be renewed for such periods and on such terms as may be mutually agreed upon by both the parties.

20. AMENDMENT

i. That it is the complete and exhaustive statement of Agreement between FIRST PARTY and SECOND PARTY and this agreement supersedes all proposals, oral or written and all other

communications and prior agreement between the parties. The terms of this agreement shall not be amended, modified or rescinded except by a written instrument signed by both the parties.

21. TERMINATION

i. That should either party to this agreement requires terminating it before its natural expiry, it shall give month prior written notice to the other party, at the expiry of which this agreement shall stand determined.

22. SEVERABILITY

i. Should any provision(s) of this agreement be held invalid or unenforceable under the laws of India, such invalidity shall not affect any other provision(s) of this Agreement, and neither shall it be held to affect the Agreement in its entirety. This agreement shall then be construed as if it did not contain the provision(s) held to be invalid, and the parties shall endeavor to replace such invalid provision(s) with new provision(s) which shall be, as nearly as possible, similar in its/their legal and commercial effect to the original and replaced provision(s).

23. PAYMENT TERMS

.....

24. GOVERNING LAW

i. This Agreement shall be governed and construed in accordance with the laws of India.

25. ARBITRATION

i. That in case any dispute or difference or question arises between the parties as to the interpretation or effect of any clause or clauses of this Agreement or as to the performance or non-performance of the terms thereof or in connection with any rights or duties or obligations of any party there under or as to any other dispute touching the contents of the agreement or these presents shall as far as possible, be resolved mutually by both the parties.

ii. That if the parties fails to resolve then only the same shall be referred to the ARBITRATION of the, as sole arbitrator appointed under the provisions of the Arbitration & Conciliation Act, 1996 including any statutory modification(s) or re-enactments thereof for the time being in force.

iii. That the award so made shall be final and binding on both the parties. The cost of reference and award shall be shared equally by both the parties except otherwise decided by the sole arbitrator. The territory of is understood and mutually agreed upon by both the parties as the place of arbitration. However, the provisions contained in this clause shall be without prejudice to any other right available to FIRST PARTY under any other law for the time being in force in India.

iv. The Parties also agree that when any dispute occurs and when any dispute is under arbitration, except for the matters in dispute, the parties shall continue to fulfill their respective obligations and shall be entitled to exercise their rights under this Agreement.

26. JURISDICTION

i. That this Agreement is and shall be deemed to have been executed at and only courts at shall have jurisdiction in all matters arising out of or connected with this Agreement.

IN WITNESSTH the parties hereto execute and sign this agreement after fully understanding its meaning, purpose and intent on day, month and year first above mentioned.

For

1. Signature : _____

Name :

Address :

For

2. Signature : _____

Name :

Address :

WITNESSES:

1.

2.

5.4. ASSET PURCHASE AGREEMENT

The Asset Purchase Agreement is a contract between a seller of business assets and a buyer. The Asset Purchase Agreement sets the terms of such a sale and includes provisions such as payment of purchase price, and monthly instalments, liens and encumbrances on the assets, condition precedent for the closing, representations of the parties, etc.

ASSET PURCHASE AGREEMENT

THIS AGREEMENT FOR THE PURCHASE AND SALE OF ASSETS ("Agreement") is made as of this ____ day of _____, 20__

BY AND BETWEEN

_____, a company incorporated under the Companies Act, 1956 and having its registered office at _____ (hereinafter referred to as the "Seller", which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors).

AND

_____, a company incorporated under the Companies Act, 1956 and having its registered office at _____(hereinafter referred to as the “Purchaser”, which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors, transferees and assigns);

(Both the “Seller” and the “Purchaser” are also jointly referred to herein as “Parties” and individually a “Party”)

WITNESSETH:

A. The Seller is engaged in the business of _____and desires to sell, transfer, convey and assign on a piecemeal basis to the Purchaser all rights, interest and title in certain specified assets for the Purchase Price (as defined below) and upon the terms and subject to the conditions contained in this Agreement.

B. The Purchaser also desires to purchase certain specified assets from the Seller for the Purchase Price and upon the terms and subject to the conditions contained in this Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

1. DEFINITIONS & INTERPRETATION

1.1 Defined Terms

For the purposes of this Agreement, the following words and phrases shall have the following meanings:

“Affiliate” of a party means any other Person controlling, controlled by, or under common control with, such party. For purposes of this definition, “control” means the power to direct the management and policies of a party, whether through the ownership of voting securities or by agreement or otherwise;

“Branded Goods” means the inventory of the branded products such as held by the Seller as of close of business on _____, 20____, as more particularly described in the Schedule and being transferred to the Purchaser.;

“Branded Goods Purchase Price” means such component of the Purchase Price which is payable by the Purchaser to the Seller as a consideration for the transfer and delivery of the Branded Goods from the Seller to the Purchaser the value of which is set out in the Schedule.

“Business Day” means a day that is not a Saturday, a Sunday or a statutory or civic holiday in _____ or any other day on which the registered/principal offices of either the Seller or the Purchaser are closed, whether in accordance with established company policy or as a result of unanticipated events;

“Closing” means and shall be deemed to occur on completion of all transactions contemplated under Section 2.2 to the satisfaction of the Purchaser;

“Consents and Approvals” means all consents and approvals required to be obtained by either the Seller or the Purchaser in connection with the execution, delivery and performance of this Agreement and all other documents as are necessary to give effect to the completion of the transactions contemplated by this Agreement or to permit the Purchaser to use the Purchased Assets, including, without limitation, consents and approvals of each party’s board of directors or shareholders (or its equivalent) if such party is a corporation or company, as necessary or appropriate;

“Effective Date” means _____, 20____;

“Encumbrance” means any encumbrance of any kind whatever and includes any security interest, mortgage, deed of trust, lien, judgment, hypothecation, pledge, tax lien, assessment, restriction, or burden or any other right or claim of others, affecting the Purchased Assets and any restrictive covenant or other agreement, restriction or limitation on the use of the Purchased Assets;

“Furniture and Fixture” shall mean furniture and fixture, as affixed in the show rooms, the details of which are given in the Schedule of this Agreement,

“Governmental Body” means any court, government, department, commission, board, agency, bureau, official or other regulatory, administrative or governmental authority;

“Notices” means the notices required to be given in writing to any Person under applicable law or pursuant to any contract including this Agreement;

“Person” means any individual, corporation, partnership, firm, association, joint venture, joint stock company, trust or other entity, or any government or regulatory, administrative or political subdivision or agency, department or instrumentality thereof;

“Purchased Assets” means collectively, the Branded Goods and Furniture and Fixture (including all relevant records thereto) and includes all rights, title and interest in with respect to said assets, together with the right to represent to third parties that the Purchaser is the owner of the Purchased Assets, whether or not such assets, properties or rights have any value for accounting purposes or are carried or reflected on or specifically referred to in the Seller’s books or financial statements, as are necessary to reflect all of the Purchased Assets as of the Effective Date;

“Purchase Price” means, the consideration of a sum of Rs._____ (Rupees _____) payable by the Purchaser to the Seller for the Purchased Assets, details of which are set out in Schedule, which can be subject to reconciliation in terms of Section 2.4 of this Agreement;

1.2 Other Definitional and Interpretive Matters

Unless otherwise expressly provided, for purposes of this Agreement, the following rules of interpretation shall apply:

Calculation of Time Period - When calculating the period of time before which, within which or following which any act is to be done or step taken pursuant to this Agreement, the date that is the reference date in calculating such period shall be excluded. If the last day of such period is a non-Business Day, the period in question shall end on the next succeeding Business Day.

Headings - The division of this Agreement into Articles, Sections and other subdivisions and the insertion of headings are for convenience of reference only and shall not affect or be utilized in

construing or interpreting this Agreement. All references in this Agreement to any “Section” are to the corresponding Section of this Agreement unless otherwise specified.

Herein - The words such as “herein,” “hereinafter,” “hereof,” and “hereunder” refer to this Agreement as a whole and not merely to a subdivision in which such words appear unless the context otherwise requires.

Including - The word “including” or any variation thereof means “including, without limitation” and shall not be construed to limit any general statement that it follows to the specific or similar items or matters immediately following it.

Schedules and Exhibits - The Schedules and Exhibits attached to this Agreement shall be construed with and as an integral part of this Agreement to the same extent as if the same had been set forth verbatim herein.

2. PURCHASE AND SALE OF ASSETS

2.1 Purchased Assets.

Upon the terms and subject to the conditions of this Agreement, the Seller, as owner of the Purchased Assets hereby agrees to sell, transfer, assign, convey and deliver on a piecemeal basis to the Purchaser, free and clear of all Encumbrances and the Purchaser, in reliance on the representations and warranties of the Seller contained herein, hereby agrees to purchase, acquire and accept from the Seller all of the Seller’s right, title and interest (whether beneficial or of record) in, to and under the Purchased Assets, as the same shall exist on the Effective Date at the values as set out in the Schedule and appearing against the respective Purchased Assets. The value of the Purchased Assets as of the date hereof is provided under Schedule, which may be subject to modifications and changes based on the reconciliation of the records and the accounts of the Seller as of the date hereof.

On and from the Effective Date till the Closing, the Seller undertakes not to sell, lease or otherwise dispose of any Purchased Assets, or enter into any commitment to do so with any third party and shall hold the Purchased Assets, or relevant interest in the Purchased Assets, on trust for the Purchaser or its nominee (to the extent permitted by any relevant law) until such time as

the transfer is validly effected to vest the Purchased Asset or relevant interest in the Purchase Asset in the Purchaser or its nominee.

2.2 Closing of transactions

On and from the date hereof the Seller shall as soon as practicable complete the transactions contemplated herein below based on the reconciliation of the records and the accounts of the Seller pertaining to the Purchased Assets in terms of Section 2.4. From time to time following the Effective Date, the Seller shall execute and deliver, or cause to be executed and delivered to the Purchaser such additional instruments of conveyance and transfer as the Purchaser may reasonably request or as may be otherwise necessary to effectively convey or transfer to, and vest in, the Purchaser and put the Purchaser in possession of and/or control of any part of the Purchased Assets.

Closing shall be deemed to occur only upon completion of transactions contemplated herein below, to the satisfaction of the Purchaser. After the Closing, the Purchaser shall own all of the Purchased Assets and that the Seller shall have no right to possess, control or act with respect to any Purchased Assets in any manner whatsoever.

(i) Delivery of Branded Goods Upon the terms and subject to the conditions of this Agreement the Seller shall deliver or cause to be delivered to the Purchaser in a phased manner the Branded Goods together with all records, deeds and documents pertaining thereto, against one or more invoices raised by the Seller in favour of Purchaser, detailing the value of such Branded Goods on the date hereof, for an aggregate consideration equal to the Branded Goods Purchase Price, subject to reconciliation, if any in terms of Section 2.4 of this Agreement. Any taxes payable on the sale of the Branded Goods shall be borne by _____. The delivery of the Branded Goods may be effected in a manner mutually agreed to by the parties.

2.3 Purchase Price.

In consideration of the transactions contemplated hereby, the Purchaser hereby agrees to pay to the Seller, the Purchase Price. The Purchase Price shall form the full and final consideration to be paid or parted from the Purchaser to the Seller under this Agreement for the transactions contemplated hereunder and for all subsequent deeds, instruments, contracts or actions that have

or may have to be executed, performed or taken by and between the parties and/or with any other Person in order to give complete effect and force to this Agreement or any of the obligations contained herein. No further consideration shall be paid and/or be payable by the Purchaser in any manner whatsoever. The Purchase Price is exclusive of all applicable taxes, duties, surcharge, which may be levied in respect of transfer of each asset forming a part of the Purchased Assets. 2.4 The Purchase Price is determined in accordance with the values of the Purchased Assets set out in Schedule 2.1. Such values are subject to modification, if any, based on the final reconciliation of the accounts of the Seller in respect of the Purchased Assets. As soon as reasonably practicable and no later than 10 days following the Effective Date, the Seller shall have completed the reconciliation of all records and accounts pertaining to the Purchased Assets and shall prepare and deliver to the Purchaser the details of the Purchased Assets as would form Schedule 2.1 of this Agreement. Pursuant to completion of such reconciliation, the Seller shall forthwith provide to the Purchaser a detailed list of the assets comprising the Purchased Assets.

3. REPRESENTATIONS AND WARRANTIES OF SELLER

The Seller hereby represents and warrants to the Purchaser that as of the date hereof each of the statements set forth in this Section 3 is true and correct in all respects and shall continue to be true and correct through the Closing and thereafter.

3.1 Organization and Authority.

The Seller is a company duly organized and validly existing under the laws of its jurisdiction of incorporation or formation, and has full corporate power to execute and deliver this Agreement and all other documents to which it is a party and to effect the transaction contemplated hereby and has duly authorized the execution, delivery and performance of this Agreement by all necessary corporate action. The Seller has the requisite corporate power to use the Purchased Assets as currently constituted. The Seller is not insolvent, bankrupt and has not applied for or consented to any appointment of, or that taking of possession by a receiver or liquidator or itself, or of all or a substantial part of its assets and has not commenced any voluntary case for winding up under applicable laws and also has not commenced any reorganization, stay, moratorium or

similar debtor relief proceedings, or unable to pay its debts as they become due, or admitting in writing its inability to pay its debts or making assignment for the benefit of its creditors.

3.2 Authorization; Binding Obligation

This Agreement has been duly executed and delivered, or will be duly executed and delivered, by the Seller and, assuming due authorization, this Agreement to which the Seller is a party constitute or will constitute the valid and legally binding obligations of the Seller enforceable against it in accordance with its terms.

3.3 No Violations

(a) The execution and delivery and performance of this Agreement, whenever executed and delivered, by the Seller and the consummation by the Seller of the transactions contemplated hereby do not and will not result in a breach or violation of any provision of the Seller's memorandum and articles of association or other organizational documents, as applicable, or in violation of any statute, rule, regulation or ordinance applicable to the Seller or result in a material breach of or constitute a occurrence of default (or an event that might, upon the passage of time or the giving of notice, or both, constitute a occurrence of default) under any provision of, result in the acceleration or cancellation of any obligation under, or give rise to a right by any party to terminate or amend its obligations under, any mortgage, deed of trust, conveyance to secure debt, note, loan, indenture, lien, lease, agreement, instrument, order, judgment, decree or other contract, license or other arrangement or commitment which is primarily related to the Purchased Assets to which the Seller is a party, or violate any order, judgment, decree, rule or regulation of any Governmental Body having jurisdiction over the Seller or the Purchased Assets.

(b) All Consents and Approvals required to be obtained (if any) by the Seller in connection with the execution and delivery of this Agreement or the completion of the transactions contemplated hereby have been obtained;

3.4 Title to Assets

The Seller has good and marketable title to all the Purchased Assets, free and clear of Encumbrances and free from any restriction or onerous covenants. The Seller has legal rights to

all of the intangible Purchased Assets free and clear of Encumbrances and free from any restriction or onerous covenants.

3.5 Compliance with Laws; Litigation

The Purchased Assets have been used by the Seller in compliance with all applicable laws, rules, regulations, ordinances, decrees, orders, injunctions, judgments, permits and licenses of any Governmental Bodies. There have not been within the three (3) years prior to the execution of this Agreement and there are presently no litigation, arbitration or administrative proceedings current or pending or threatened against or by the Seller, which might have an adverse effect on the Purchased Assets (whether financial or otherwise), or that purports to affect the legality, validity, binding effect or enforceability of this Agreement and that there are no governmental investigations or notices of violation or non-compliance under any permits or licenses or otherwise under applicable law pending or, threatened against the Seller with regard to the Purchased Assets.

3.6 Notices

No notice is required to be delivered to any Person in connection with the execution and delivery of this Agreement and the completion of the transactions contemplated by this Agreement.

3.7 No Non-Assignable Assets

None of the Purchased Assets to be assigned or transferred under this Agreement is by its terms or by law non-assignable, or is non-assignable without the consent of Third Parties.

3.8 Disclosure

The Seller has fully disclosed to the Purchaser all matters, which could have an adverse effect on the Purchased Assets. This Agreement does not contain any untrue statement by the Seller of a material fact or omit to state a material fact necessary to make the statements made therein by the Seller, in light of the circumstances under which they were made, not misleading.

3.9 Insurance

The Seller has insured the Purchased Assets with financially sound and reputable insurers against such risks and in such amounts as are normally maintained by Persons carrying on the same or a similar class of business and the insurance cover is valid as on the Effective Date.

4. REPRESENTATIONS AND WARRANTIES OF THE PURCHASER

The Purchaser represents and warrants to the Seller that each of the statements set forth in this Section 4 shall be true and correct in all respects.

4.1 Organization and Authority

The Purchaser is a company duly organized and validly existing under the laws of its jurisdiction of incorporation or formation, and has full corporate power to execute and deliver this Agreement to which it is a party and to effect the transactions contemplated hereby and thereby and has duly authorized the execution, delivery and performance of this Agreement by all necessary corporate action. The Purchaser has the requisite corporate power to conduct its business as presently conducted.

4.2 Authorization; Binding Obligations

This Agreement has been duly executed and delivered, or will be duly executed and delivered, by the Purchaser and, assuming due authorization, this Agreement to which the Purchaser is a party constitute or will constitute the valid and legally binding obligations of the Purchaser enforceable against it in accordance with its terms, except to the extent that enforcement of the rights and remedies created hereby may be limited by bankruptcy and other similar laws of general application affecting the rights and remedies of creditors and by general equity principles.

4.3 The execution, delivery and performance of this Agreement, whenever executed and delivered, by the Purchaser and the consummation by the Purchaser, of the transactions contemplated hereby do not and will not result in a breach or violation of any provision of the Purchaser's memorandum and articles of association or other organizational documents, as applicable, or in violation of any statute, rule, regulation or ordinance applicable to the Purchaser.

4.4 All Consents and Approvals required to be obtained (if any) by the Purchaser in connection with the execution and delivery of this Agreement or the completion of the transactions contemplated hereby have been obtained.

5. MISCELLANEOUS PROVISIONS

5.1 Notices

All notices and other communications hereunder shall be in writing and shall be deemed to have been duly given upon receipt if (i) mailed by certified or registered mail, return receipt requested, (ii) sent by express carrier, fee prepaid, (iii) sent via facsimile with receipt confirmed, or (iv) delivered personally, addressed as follows or to such other address or addresses of which the respective party shall have notified the other.

5.2 Expenses

Except as otherwise provided in this Agreement, each party to this Agreement will bear all the fees, costs and expenses that are incurred by it in connection with the transactions contemplated hereby whether or not such transactions are consummated.

5.3 Modification

Any modification to this Agreement shall be effected through a written instrument duly executed by both the parties.

5.4 Assignment; Binding Effect; Severability

This Agreement and the obligations thereunder shall not be assigned by any party without the other party's written consent. This Agreement shall be binding upon and inure to the benefit of and be enforceable by the permitted successors, legal representatives and permitted assigns of each party hereto. The provisions of this Agreement are severable, and in the event that any one or more provisions are deemed illegal or unenforceable the remaining provisions shall remain in full force and effect unless the deletion of such provision shall cause this Agreement to become materially adverse to either party, in which event the parties shall use commercially reasonable efforts to arrive at an accommodation that best preserves for the parties the benefits and obligations of the offending provision.

5.5 Governing Law

This Agreement shall be governed by and construed and enforced in accordance with the applicable laws of India without regard to any principles governing conflicts of laws.

5.6 Execution in Counterparts

This Agreement may be executed in any number of counterparts and by facsimile with the same effect as if the signatures thereto were in original and on one instrument.

5.7 No Third Party Beneficiaries

Except as expressly provided by this Agreement, nothing in this Agreement, express or implied, is intended to or shall (a) confer on any Person other than the Parties hereto and/or their Affiliates and their respective permitted successors or assigns any rights (including third party beneficiary rights), remedies, obligations or liabilities under or by reason of this Agreement or (b) constitute the parties hereto as partners or as participants in a joint venture. Except as expressly provided by this Agreement, this Agreement shall not provide third parties with any remedy, claim, liability, reimbursement, cause of action or other right in excess of those existing without reference to the terms of this Agreement.

5.8 Specific Enforcement

The Parties hereto agree that irreparable damage would occur in the event any provision of this Agreement was not performed in accordance with the terms hereof and that the parties shall be entitled to specific performance of the terms hereof, in addition to any other remedy at law or equity.

5.9 Further Assurances

The Parties shall execute such further documents, and perform such further acts, as may be reasonably necessary to transfer and convey the Purchased Assets to the Purchaser, or effect or confirm the assumption of the Assumed Liabilities by the Purchaser, on the terms herein contained, and to otherwise comply with the terms of this Agreement and consummate the transactions contemplated hereby.

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be duly executed on its behalf by its duly authorized officer as of the date first written above.

SCHEDULE

Witness

- 1.
- 2.

5.5. BONDS

A bond is a formal contract to repay borrowed money with interest at fixed intervals (ex semi annual, annual, sometimes monthly).

According to Sec.2(5) of the Indian Stamp Act, 1899, “Bond” includes –

- (a) Any instrument whereby a person obliges himself to pay money to another, on condition that the obligation shall be void if a specified act is performed, or is not performed, as the case may be;
- (b) Any instrument attested by a witness and not payable to order or bearer, whereby a person obliges himself to pay money to another; and
- (c) Any instrument so attested, whereby a person obliges himself to deliver grain or other agricultural produce to another.

The essential requirements of a bond are –

- It must create an obligation to pay;
- It must be attested by a witness who is not the scribe;
- It must not be payable to bearer or order; and
- The article to be delivered may be grain or other agricultural produce or money, but must not be liquidated damages.

Registration of bond is not compulsory but if a bond by itself creates an interest in immovable property of the value of Rupees One Hundred and more, then its registration will be compulsory. Attestation of the bond should appear on the face of the instrument.

SIMPLE MONEY BOND

I (debtor) son of residing at hereby hold and firmly bind myself including my heirs, administrators, executors and assigns to, son of residing at for a sum of Rs..... (Rupees) only to be paid to the said, his heirs, executors, administrators or assigns, by these presents.

The condition of this bond is that, if the above mentioned, his heirs, executors or administrators do pay or cause to be paid to the said, his heirs, executors or administrators, the sum of Rs..... only with interest thereon at the rate of percent per annum on the day of, then the above written bond or obligation shall be void and of no effect otherwise the same shall remain in full force and value.

Signed and delivered by me at this day of

Witness

Debtor

1.

2.

MONEY BOND WITH SURETY

This Bond is made on the day of between AB son of, residing at hereinafter called the DEBTOR and CD son of residing at hereinafter called the SURETY.

WHEREAS XY, son of, residing at has this day lent and advanced to AB a sum of Rs..... (Rupees) only at the request and on the assurance and guarantee of the said CD, the surety, as to its repayment personally with interest at % per annum in case of default on the part of AB.

NOW BY THIS BOND the said AB and CD, hereby and hereunder jointly and severally hold and bind themselves (including their respective heirs, executors, administrators, representatives) unto the said XY his heirs, executors, administrators, representatives and assigns for payment to him or them, the sum of Rs..... only on demand on or before the day of or by instalments, with interest at the rate of percent per annum from the date hereof until such payment.

IN WRITTEN whereof, the said AB and CD have set and subscribed their respective hands on the day, month and year first above written.

In the presence of

Signed, sealed and delivered

AB

CD

INDEMNITY BOND

This Deed of Indemnity made at on this day of 20... by (1) Occupation (2) Occupation, (wherever the context so admits or requires shall include their respective heirs, executors, administrators, representatives and assignees) of the one part; in favour of the (hereinafter referred to as the Board) of the other part.

Whereas , allottee of , is willing to get the allotment of the said house at his/her own in the name of and this transfer is a friendly transfer.

Whereas has agreed to transfer the allotment of in favour of

And whereas has asked the transferor to furnish deed of Indemnity from two independent persons of means for the transfer of the same.

NOW THIS DEED OF INDEMNITY WITNESSETH AS UNDER:-

1. That the said transfer which is being effected in the name of is a friendly transfer and in case would suffer any loss whatsoever on account of this transfer in the name of the transferee, we shall be liable to make good loss jointly as well as severally which may be sustained by the or its employees on account of this transfer out of our property both moveable and immoveable.

IN WITNESS WHEREOF the Indemnifiers have hereunto put their respective signatures the day and year first above written.

INDEMNIFIERS

Witness

- 1.
- 2.

5.6. CONSULTANCY AGREEMENT

Consultancy Agreements are entered into when a business wishes to engage a person to provide a specific service to them. The agreement will set out clearly that the consultant is not an employee of the company. The Consultant will provide only specific service to the business for the term of the business. Once the contract term has expired the relationship will end.

CONSULTANCY AGREEMENT

This Consultancy Agreement is made on the _____ day of _____ month of 20__ at _____

Between

_____, a registered company, owned and managed by _____ (Hereinafter referred to as the “COMPANY” which expression shall include its successors, executors and assigns) of the First Part

And

_____ residing at _____ (Hereinafter referred to as the “CONSULTANT” of the Other Part,

WHEREAS,

- A. The Consultant was contacted by the COMPANY for his expertise and consultancy services in the field of _____.
- B. The COMPANY, after a thorough consideration of the profile and expertise of the Consultant and taking into consideration its requirement of expertise in _____, is desirous of engaging the Consultant for the purpose of providing _____. This contract engages the consultant to work from _____, and subsequently be available for periodic consultation till _____.

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. The COMPANY hereby engages _____ as CONSULTANT on the _____ Project for _____. The Consultant agrees to serve the COMPANY as a consultant for a period of _____ from the Effective Date and as advisory consultant for _____ after the period ends.

2. The Duties & Functions of the Consultant are as follows:

- a) Consultancy: This Agreement is for _____ period and during the pendency of the Agreement the Consultant shall commit to the project till the term of the project.
- b) Duties: During the period of this Agreement, the Consultant shall provide his/her expertise in illustration to the COMPANY in producing visual material for the said project. During the continuance of this Agreement, the Consultant shall devote such of his/her time, attention and abilities to the assigned work as may be necessary for the proper exercise of his/her duties as Consultant.
- c) Work Reports: The Consultant shall submit to the COMPANY the completed reports along with digital files of the _____ as each one is completed.
- d) Design: The COMPANY in discussion with the consultant and the Client shall submit the appropriate designs.
- e) Remuneration: The consultant shall be paid partially in advance with the remaining being paid on the total and satisfactory completion of the Project.
- f) The Consultant shall provide his/her best services to the COMPANY in terms of the given work assignments and time schedules and keep all costs within the budget limits as discussed.
- g) Non-Competition: The Consultant shall be bound at all times not to divulge in any matter the affairs of the COMPANY whether it is with financial motive or otherwise. The Consultant agrees not to disclose any information relating to the COMPANY or its business or its trade secrets to any of the competitors either directly or indirectly during the pendency of the Agreement.
- h) Breach: If the Consultant shall be guilty of any serious misconduct or any serious breach or non-observance of any of the conditions of this Agreement or fails or refuses to carry out the reasonable directions of the COMPANY, the COMPANY shall be entitled to terminate this Agreement without any notice. The COMPANY reserves the right to claim compensation from the Consultant to the extent of the loss sustained by the COMPANY in the event the Consultant acts in violation of this Agreement.

- i) Return of property: The Consultant or his/her personal representatives shall upon the termination of her consultancy, immediately return to the COMPANY all correspondence, documents, specifications, papers and property belonging to the COMPANY, which may be in his/her possession or under his/her control, if not otherwise agreed upon.
- j) Intellectual Property Rights: All intellectual property rights of copyright, trademarks, design rights, patents created in all material that are developed by the COMPANY using the Consultant's illustrations including but not limited to designs, logos, prints, fabrics, models, furniture drawings, designs, research reports, models, databases etc during the execution of the Project including shall vest solely with the client, _____.
- k) Licence: As concluded from clause (j) above, the COMPANY allows the Consultant to use, copy, modify, adapt and create derivative works with due acknowledgements to the Client and the COMPANY for any non-commercial, documentation or research purposes.

3. The Obligations of the COMPANY are as follows:

In consideration of the above consultancy services to be rendered by the Consultant, the COMPANY shall pay the following consultancy fee and provide the under-noted services to the Consultant:

- a) Consultancy Fee: In return for her services, the COMPANY shall pay the Consultant a consultancy fee of _____. (_____ TDS will be deducted as per income tax rules) which is broken up as a first payment of _____ and a final payment of _____. If there is any increase in the number of illustrations, the work will be compensated at the rate of _____ per _____.
- b) The COMPANY shall provide to the Consultant all the necessary research materials required for the project and also facilities such as emailing and internet, printing and all other reasonable facilities as required. During the period of this

consultancy, the Consultant can use the COMPANY office premises with prior arrangement during the working hours.

4. Non Disclosure: Neither party may disclose the terms of this Agreement to any third party without the other's prior written consent unless compelled to do so in any action or other legal proceeding or unless otherwise required by law.
5. Termination and Expiry: This Agreement can be terminated by the COMPANY upon giving the Consultant prior advance notice in writing and equivalent compensation. In the event that the Consultant terminates this Agreement at any time, the COMPANY reserves the right to claim compensation from the Consultant to the extent of the loss sustained by the COMPANY for such termination. Upon expiry of the term of this Agreement, it may be renewed by mutual consent of both parties.
6. Governing Law: This Agreement shall be construed in accordance with Indian Law and the courts at _____ city shall have exclusive and sole jurisdiction over any disputes, differences or questions arising out of or in connection with or in relation to the terms of this agreement.
7. This agreement supersedes all prior or contemporaneous agreements between the parties concerning the subject matter herein.

IN WITNESS WHEREOF, the Parties hereto have signed this Agreement on the day, month and year first above written.

_____ (Manager/ Director)

_____ (Name)

5.7. DEALERSHIP / DISTRIBUTION AGREEMENT

Distributor is a person who distributes the product of a company to a large market area which includes dealers. They will get the product directly from the manufacturer itself or from a wholesaler if present depending upon the supply chain of the product. Distributors may be either exclusive (where there will be no other distributors in the territory or the geographic area) or nonexclusive (where new distributor might be one of several distributors franchised in the territory).

Dealers are the persons who are in touch with the end users of the product. They will get the products from the distributors and sell it to the end users.

DISTRIBUTOR AGREEMENT

THIS DISTRIBUTOR AGREEMENT (this “Agreement”) is made on this day _____ between _____ Limited, a company incorporated in India having its registered office at _____ (“Company”);

And

_____ having his business address/showroom at _____ (“Distributor”).

WHEREAS the Company is currently engaged in, among other things, the business of _____ and may extend its business activities to such other applications and

products as the Company may from time to time determine (“Products”). The Company sells Products to distributors and retailers for resale.

WHEREAS the Distributor desires to undertake the business of the sale and marketing of Products and providing service to the customers of the Company and has therefore submitted to the Company the requisite Application Form.

The Company and Distributor desire that the Distributor purchase Products from the Company for resale, upon the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the premises, covenants and undertakings contained herein and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Company and Distributor agree as follows:

1. **Appointment.** The Company appoints the Distributor and Distributor accepts such appointment, as a non-exclusive dealer/distributor of the Products in the Territory as defined in Clause 2 below subject to the terms and conditions described herein. This appointment is non-transferable. The Distributor understands and acknowledges that he/she does not have any exclusive right to promote, market, sell or solicit sales of Products in the Territory.

2. **Territory.** Distributor is authorized by Company to stock, sell, advertise and promote the sale and use of the Products in _____ (“Territory”). Additions of any geographical areas to the Territory are subject to the prior written consent of the Company.

3. **Scope.** This Agreement consists of ____ pages including Schedule I which is incorporated into and made part of this Agreement. Company’s Terms and Conditions of Sales also form part of this Agreement.

4. **Company's Responsibilities.** During this Agreement, the Company shall:

4.1. Sell Products to Distributor for resale.

4.2. Use reasonable efforts to supply Products ordered by Distributor in the quantities and at the times requested by the Distributor.

4.3 Provide advertising, promotional, education and training support to the extent (if any) to be provided to the Distributor.

5. **Initial Investment.** The Distributor has committed himself/herself to an initial investment of _____. The Distributor shall invest this sum within 30 days of the signing of this Agreement to purchase Products from the Company in the quantities and at the prices to be determined by Company at the time of purchase.

6. **Distributor's Responsibilities.** During this Agreement, the Distributor shall:

6.1. Use his/her best efforts to sell and promote the sale and use of Products in the Territory and to fulfill the annual sales target of Rs. _____ (Rupees _____) during the term of this Agreement.

6.2. Order and maintain an inventory of Products sufficient to anticipate and meet the normal needs of customers.

6.3. Stock Reporting – Provide an inventory list of Products held by Distributor, showing quantity per line item. List is to be submitted on a monthly basis by monthly submission dates to be determined by Company. Receive representatives of Company for inventory consultation and cooperation in connection with the promotion and sale of Products and for periodic audits to assess compliance with this Agreement.

6.4. At Company's request, provide point-of-sale (P. O. S.), inventory and sales information in the scope and format required by Company; cooperate with the Company in meeting the needs of users of the Products; and cooperate with the Company by notifying the Company of any product liability or product defect claims and by providing such documentation as Company may request.

6.5. Provide, at Distributor's own cost and expense, all necessary resources including without limitation, an adequate number of sales personnel and the necessary infrastructure to promote, market, sell and solicit sales of Products and exhibit Products throughout the Territory. To determine whether Distributor has fulfilled these requirements, the Company will give primary consideration to: (i) the infrastructure and facilities deployed by Distributor in marketing and selling Products in the Territory; (ii) Distributor's sales achievements in the Territory as

compared to sales achieved by Company's other distributors, and (iii) Distributor's action regarding improvements in his operations necessary to promote the sale of Products.

For the avoidance of doubt, Distributor shall not be deemed to have fulfilled the resources requirements in the event Distributor fails to provide, as a minimum, the same level of manpower and infrastructure as set out in the Application Form.

6.6. Employ such employees at such compensation and on such other conditions as the Distributor sees fit. Any contract of employment between Distributor and his/her employees shall make it clear that such employees are exclusively the employees of the Distributor, are to be paid solely by the Distributor and that in employing the employees, the Distributor is acting individually and not on behalf of the Company.

6.7. Remain liable to deduct and deposit the tax at source under the Income Tax Act, 1961 and to comply with all other related statutory compliances in relation to his operations for performance of his obligations under this Agreement.

6.8. Maintain suitable places of business.

6.9. Comply with the rules and regulations furnished to the Distributor by the Company regarding the use of any Trade Names and properly identify its relationship with the Company.

6.10. Notify the Company immediately after becoming aware of any pirating, infringement or misrepresentation of Products.

6.11. Become informed on how the Products are used in the Territory and promptly report to Company all accidents involving Products which result in personal injury or property damage.

6.12. Perform those additional requirements and obligations imposed on him/her in accordance with the Distributor's Classification Program.

7. Certain Terms and Conditions of Sale to Distributor; Credit Terms.

7.1. Sales of Products to Distributor shall be made at prices as the Company may establish for Distributor from time to time in accordance with the Distributor Price List or any Contract Price Program.

7.2. Sales of Products under this Agreement will be subject to the Company's Terms and Conditions of Sale which form part of this Agreement. The Company will not be responsible for any claim asserted against Company because Distributor gave different terms and conditions of sale from Company's (including limitations on Company's liability contained in this Agreement). Distributor shall indemnify and defend the Company against such claims.

7.3. Distributor shall not resell any Product to customers at a price above the maximum retail price of the Product which is to be determined by Company from time to time. Nevertheless, Distributor may resell Products at prices below the respective maximum retail prices up to such limits as Company may from time to time determine.

7.4 In its discretion, the Company may establish a credit line for Distributor which Distributor may only draw on by purchasing Products from Company from time to time on credit. The aggregate outstanding principal balance of such purchases will at no time exceed the amount of such credit line, which amount is subject to change or withdrawal in Company's discretion. Notwithstanding any credit line, it is understood and agreed that all Product purchases by Distributor are subject to and payable according to the payment terms as the Company may establish for Distributor from time to time in its discretion. Distributor's Classification will determine his/her eligibility, if any, for any prompt payment discounts in accordance with the Classification Program. Late payments shall bear interest at the rate of ____% per month (_____ per annum), both before and after judgment until payment in full; provided, however, that in no event shall Company charge interest higher than the maximum rate allowed by law. Distributor shall pay Company all expenses (including lawyer's fees) incurred by the Company in collecting any amounts that are past due by Distributor to Company. Company may withhold delivery of Products to Distributor until Distributor pays all past due amounts.

7.5. Distributor will indemnify and defend the Company against any claim asserted against the Company arising out of Distributor's operations.

7.6. The Company, without liability to Distributor and without any obligation to notify Distributor, may discontinue or limit its production of any Product, terminate or limit deliveries of any Product, alter the design, materials or construction of any Product or add new products to its line.

7.7 Schedule 1 sets forth the circumstances in which Product returns are allowed and the requirements for such returns. Distributor's Classification will determine its eligibility, if any, for any additional inventory management privileges in accordance with the Classification Program.

8. Warranty.

8.1. As per Company's Terms and Conditions of Sale which forms part of this Agreement..

9. Terms and Termination. This Agreement will begin on the date Company signs this Agreement and will continue for a maximum of _____ months unless either party terminates (or automatic termination) as provided below:

9.1. By the mutual written consent of the parties;

9.2. By Company, upon one (1) day's notice in writing, by facsimile, certified mail, or personal delivery, if (i) Distributor attempts to assign this Agreement without Company's prior written consent, or (ii) there is a change in the control or management of the Distributor's operation which is unacceptable to Company; or (iii) in the opinion of Company, Distributor becomes incapable of performing his duties or obligations under this Agreement, or (iv) Distributor stops conducting business in the normal course, or (v) Distributor breaches this Agreement or acts in any manner deemed by Company to be detrimental to the best interest of Company, or (vi) any information provided by Distributor in the Application Form is found to be wrong or incorrect;

9.3 Automatically and without notice, if Distributor consents to the appointment of a receiver, trustee or liquidator of himself/herself, or over a substantial part of his/her property, or shall make a general assignment for the benefit of creditors or otherwise show evidence of insolvency, or a bankruptcy filing is made by or against Distributor; or

9.4. Notwithstanding the foregoing provisions and except as provided by applicable law, either party may terminate this Agreement with or without cause and solely for the convenience of the terminating party by giving thirty (30) days' notice of termination in writing to the other party.

10. Obligations upon Termination.

10.1 Within thirty (30) days after termination by Company, Company may at its discretion repurchase from Distributor at 80% of the net price paid by Distributor or at Company's then

current net price to distributors generally, whichever is lower, those Products (and only those Products) in Distributor's inventory which Company deems saleable. Saleable Products are standard Products that are in their original package or original put-up, with acceptable ratings, and when properly reprocessed can be resold, and are not obsolete, damaged, soiled, cut-to-length, special or custom built. Credit for the repurchased Products shall be subject to a 10% restocking charge. Repurchased Products shall be returned at Distributor's sole cost to such location(s) as Company may designate. Company shall have no obligation to repurchase Products from Distributor if the termination is initiated by Distributor.

10.2 Upon termination, Distributor shall stop using the Trade Names, shall remove any Trade Names from buildings or other property under Distributor's control, and shall insure the cessation of use and removal by all persons claiming to have received the right to such use from Distributor.

10.3 The acceptance of any order or the sale of any Products to Distributor after the termination of this Agreement shall not be construed as a renewal or extension of this Agreement or as a waiver of termination.

Such transactions will be on an order-to-order basis and will be governed by the terms of this Agreement.

10.4 Upon termination for any (or no) reason, Company shall not be liable to Distributor for the loss of prospective profits on anticipated sales or on account of expenditures, investments, leases or commitments in connection with the business or goodwill of Distributor or otherwise. Distributor waives any claim for such compensation under applicable laws because of or in connection with the termination of this Agreement.

10.5 Termination shall not release either party from the payment of any sum owing to the other or terminate any other Distributor obligation or Distributor liability or any security interest or lien held by Company. Company may apply any amounts which are due or to become due by Company to Distributor against any amounts which are due or to become due by Distributor to Company.

11. Company Trade Names and Trademarks. "Trade Names" shall mean the names or trademarks _____ or any variation or abbreviation thereof, and all applications and registrations of such names or trademarks and any trademark, trade name, or service mark of which Company provides notice to Distributor. Distributor shall not use the Trade Names as part of its trade name, trademark, company or firm name, nor shall he/she permit such use by any party. Distributor shall not cause to be published any advertising or initiate any practice which might mislead or deceive the public or might be detrimental to the Trade Names or goodwill of Company. Distributor agrees, upon request, to discontinue any advertising or practice deemed by Company to have such effect or any use of the Trade Names inconsistent with this Agreement. Distributor shall make no use of the Trade Names in any other business of Distributor and shall not use the Trade Names except as set out in this Agreement. Failure to comply with Company's policy on Trade Names can result in immediate termination of this Agreement.

12. Other Terms and Conditions of Sale to Distributor

13. Sales Commissions and Sales Rebates.

13.1 On a case-by-case basis to the extent agreed by Company and Distributor in advance, as full compensation to Distributor for any associated services rendered by Distributor, Company shall pay or credit to Distributor either commissions or sales rebates on Products which are directly sold and shipped by Company, on orders procured by Distributor, to customers (other than Distributor) in the Territory during the term of this Agreement. A commission would be at a mutually agreed percentage rate of net sales of such Products, or a sales rebate would be of a specific monetary amount, in any event as agreed in advance by Company and Distributor. Any commissions would be computed on the net sales price and excluding any and all discounts, allowances, rebates, packaging, forwarding, bonds, insurance, and freight or transportation allowances, sales, value added or other taxes, charges, interest, adjustments, returns, corrections, and the value of technical, construction, installation or like services, and other charges which may be included in Company's invoice to the customer.

13.2 Any commissions or sales rebates would be paid by Company on the last day of the month following the date Company receives full payment of the relevant invoice from the customer. Company shall have the right to charge back to Distributor's account and/or collect from

Distributor, and Distributor shall have the obligation to pay to Company, the following: any commissions or sales rebates already credited or paid in connection with any and all accounts which, in the opinion of Company, are uncollectible; errors in commission or sales rebate statements or calculations; adjustments for returned goods and the like; any and all losses or damages, including but not limited to loss of bonds or guarantees, which Company may suffer as a result of the involvement of Distributor in any particular sale or transaction; and, any amounts already credited or paid if it is determined, in the sole judgment of Company, that Distributor was not entitled to such payment under the terms of this Agreement.

13.3 Company reserves the right to determine in its sole discretion the acceptability of any order, any provisions thereof, or any condition proposed by any customer and shall in no way be obligated to sell, bid, quote to, or negotiate with any customer. No order shall be binding on Company unless accepted by it in writing. Distributor is not authorized to bind Company on any order. Company reserves the right for itself and its subsidiaries, divisions, affiliates and other distributors or sales representatives to deal directly with any customer or prospective customer in the Territory without liability to Distributor for the payment of commissions or sales rebates or damages for breach of this Agreement.

13.4 Any commissions or sales rebates paid by Company to Distributor constitute a reasonable reimbursement for the services performed by Distributor for Company in connection with the associated sales.

14. General Provisions.

14.1. **Assignment.** This Agreement shall be binding upon and inure to the benefit of the parties and their successors and assigns. Distributor's rights or obligations cannot be assigned or delegated without Company's prior written consent.

14.2. **Relationship of Parties.** The relationship of Distributor and Company established under this Agreement is that of independent contractors and that of vendor and vendee. Nothing contained in this Agreement shall be construed to create a partnership, joint venture, or agency between Distributor and Company or to give Distributor the authority to act as the agent, legal representative, franchisee or employee of Company for any purpose whatsoever or to assume, create or incur any expense, liability or obligation for Company. Distributor shall be solely

responsible for all costs and expenses incurred by Distributor in connection with performance of his/her obligations under this Agreement.

14.3 Limitations. In no event shall the company be liable for special, indirect, incidental, Consequential or punitive damages by whomever incurred (regardless of the Form of action, whether in contract or in tort, including negligence), including Damages for lost profits, data, time, revenues or the like, nor, except for Company's patent indemnity obligations shall company's Total liability for any claims or damages (regardless of the form of action, Whether in contract or in tort, including negligence) arising out of or Connected with this agreement with respect to any particular company Products, or the manufacture, sale, delivery or use of any particular company Products, exceed the purchase price of such products. This clause shall survive both failure of an exclusive remedy and termination or expiration of this Agreement.

14.4. Controlling Laws. This Agreement shall be governed by and construed in accordance with the laws of India.

14.5 Dispute Resolution. If a dispute arising from or relating to this Agreement or the breach thereof (a "Dispute") is not settled by the parties within thirty (30) days after notice of the Dispute is first given by either party to the other, the parties agree to refer the Dispute to arbitration to a sole arbitrator appointed by Company in accordance with the provisions of the Arbitration and Conciliation Act, 1996 or other statutory modification or re-enactment thereof for the time being in force. The arbitration shall be conducted in _____. The arbitrator shall actively manage the arbitration to make it fair, expeditious, economical and less burdensome and adversarial than litigation, and the award rendered shall not include punitive damages. Any party may request a court to provide interim relief without waiving the agreement to arbitrate.

14.6. Failure to Enforce. The failure of either party to enforce any term, right or condition of this Agreement shall not be construed as a waiver of such term, right or condition.

14.7. Classification Program; Execution and Modification.

14.7.1. Company may from time to time make available a distributor program ("Classification Program") under which Company assigns Distributor a classification or category

("Classification"). Company will establish the terms and conditions of such Classification Program, including its specific requirements and benefits, and Company may modify or terminate such Classification Program (including its terms and conditions) to become effective thirty (30) days after it provides notice to Distributor. Distributor's participation in such Classification Program may be evidenced by its signing one or more separate agreements, such as a Memorandum of Understanding or MOU (such separate agreement(s), whether one or more, being the "MOU").

14.7.2. This Agreement and (if any) the MOU constitute the entire agreement between the parties with respect to the subject matter, and supersede any previous or contemporaneous agreement with respect to the subject matter (including any previous distributor agreement). In the event of any conflict between this Agreement, on the one hand, and the MOU or the associated terms and conditions of the Classification Program, on the other hand, this Agreement shall control. All terms in any order or writing furnished by Distributor shall be null and void, other than identification of the ordered Product, quantity and delivery location which shall constitute an order for such quantity of Products identified subject to acceptance and subject to the other terms of this Agreement. Any amendment or modification of this Agreement must be in writing clearly identifying itself as an amendment to this Agreement and signed by Company's authorized representative. All sales of Products to Distributor by Company shall be subject to this Agreement. This Agreement shall not become effective until signed by Company's authorized representative.

14.8. **Notices.** Any notices may be given by personal delivery, by recognized overnight delivery service, by certified mail or by facsimile to the addresses for Company and Distributor shown below their signature lines of this Agreement. These addresses for notice may be changed in the same manner. Notices sent by certified mail will be effective upon the earlier of actual receipt or five (5) days after mailing. Notices provided by personal delivery or recognized overnight delivery service will be effective upon delivery. Notices provided by facsimile will be effective upon sender's receipt of written confirmation of transmittal.

14.9. **Direct Sales.** Company reserves the right for itself and its affiliates to deal directly with any party in the Territory, and to appoint other distributors who may sell within the Territory.

14.10. **Severability.** The provisions of this Agreement are severable. Should any court hold any provision of this Agreement to be unlawful, such holding shall not invalidate the entire Agreement. Rather, the unlawful clause shall be severed from this Agreement and the remaining provisions of this Agreement shall be enforced.

Schedule I

(Return Policy)

For _____ Limited

For Distributor

DEALERSHIP AGREEMENT

THIS DEALERSHIP AGREEMENT is made at _____ on this _____ day
of _____ 20____

Between

_____ Ltd. A company duly established and incorporated under the
Companies Act, 1956 and having its Corporate Office at _____ hereinafter
referred to as the “company”, which expression shall always mean and include, its Managing
Directors Board of Directors, Legal Representatives, Office Bearers, Successor in title and the
assigns (THE PARTY OF THE FIRST PART).

AND

_____ Hereinafter referred to as the Dealer (Which expression shall always mean and include, unless repugnant to the context or meaning thereof his Legal Representatives, Heirs Successors, Administrators, Executors, and Assigns), (THE PARTY OF THE OTHER PART).

WHEREAS the company is manufacturing and marketing various _____ products at _____.

AND WHEREAS in order to expand its selling activities the company is looking for a good and reliable dealer.

AND WHEREAS the dealer has offered to sell and deal in the _____ products of the company and WHEREAS the company has accepted the said offer of the dealer on the following mutually agreed terms and conditions.

NOW THEREFORE THE PARTIES HERETO AND HEREUNDER MUTUALLY AGREE AND DECLARE AS BELOW:-

1. The company has appointed the Dealer for _____ for sale, promotion, marketing and servicing in _____ products.
2. This Dealer shall sell, market all the _____ Products manufactured by the company and do all such acts, deeds, things which will generate sales, keep proper follow up of retail sale & render after sale service to the product sold by him or by the previous retailer during the warranty period & also later on.
3. Secrecy: The Dealer shall keep all the communication made with the company, any information, technical data, know-how supplied / disclosed by the company as a trade

secret and shall not divulge the same to any third party, without prior written permission obtained from the company, in any manner, whatsoever and either directly or indirectly.

4. Responsibility Of The Dealer:

- i) To achieve minimum sales target fixed by the company from time to time.
- ii) Maintain showroom to display the products of the company.
- iii) Appoint maximum retail outlets in the area to cover all electrical shops & general stores etc.
- iv) Keep adequate stock for regular supply to Retail Outlets and Customers.
- v) Do all such acts, deeds & things, which will generate customer sales, supply, install and commission at the site, provide after sales service during the warranty period and afterwards also.
- vi) Invest necessary finance in this business.
- vii) Employ required manpower in this business.
- viii) The company will be selling all _____ products to the dealer at Dealer rate.
- ix) All manufacturing defects in the product (supplied by the company) if any will be rectified by the dealer, in warranty period and the cost of rectification will be reimbursed to the dealer by the company.
- x) The Company shall have right to appoint any other dealer in addition to dealer appointed under this agreement.
- xi) The agreement is terminable prematurely by issuing one month prior written notice by either party, without assigning any reason.
- xii) Consideration for dealer will be as per the company's current price list only.
- xiii) The mode of transporting company / agency will be the choice of the company in order to get the security of the goods in transport.

5. Printing On Stationery:

The Dealer shall ensure that all the letter heads, bills, invoices, advertisement material, leaflets, brochures and any other correspondence relating to the product shall contain "Authorised Dealer of _____ Ltd.," _____ and _____ brand logo of the Company.

6. Relieve From This Agreement:

Unless the Dealer settles all his accounts with the company and obtains written no dues/no objection certificate from the company on that behalf, the Dealer will not be treated as relieved from this agreement and the terms of this agreement will be binding on the Dealer till then.

7. Jurisdiction:

Any dispute pertaining to interpretation, application, fulfillment / breach of any condition of this agreement shall be subject to exclusive jurisdiction of courts at _____ only and the company shall have the right to withhold all money till the final decision of the dispute by the Competent Court.

IN WITNESS WHEREOF SIGNED, SEALED AND DELIVERED ON THE DAY AND PLACE MENTIONED HEREINABOVE.

For _____ LTD.
(Company)

For _____
(dealer)

DIRECTOR

PROPRIETOR

5.8. FRANCHISE AGREEMENT

Franchise is a contract whereby the owner of a business grants to another person, the permission to carry on a particular business using the grantor's trademark, know-how etc. as the grantee's own business for a consideration mutually agreed upon by the parties.

The grantor of such permission is called the Franchisor and the grantee is called the Franchisee. The agreement so entered into by the parties is called the Franchise Agreement wherein the terms of the agreement are listed and the franchisee can deal only with the articles franchised.

Franchising may be done within the same country or in another country; it may be for an existing business or new business. The object of franchising is to expand the sale territory and to increase sales and income. It can be for business of education services, fast foods, consumer goods, automobiles etc.

A specimen format of franchise agreement is given hereunder.

FRANCHISE AGREEMENT

(For running a computer institute)

This agreement is made on this ____ day of _____ 20__ between _____ aged about ____ years S/o _____, Director, _____ (Pvt.) Ltd having its Corporate Office at _____ (hereinafter called as the FIRST PARTY)

AND

_____ aged about _____ years S/o _____ who is running a Computer Institute in the name and style of M/S _____ having its office at _____ (hereinafter called as the SECOND PARTY).

Whereas the FIRST PARTY has opened a Computer Education Company in the name and style of _____ (Pvt.) Ltd and is interested in granting franchise to the interested parties for using its brand name, study materials, marketing assistance, system maintenance throughout the nation.

That the SECOND PARTY approached the FIRST PARTY for granting franchise of rights to conduct training classes in his existing institute in the name of the company of the First Party, _____ (Pvt.) Ltd.

The FIRST PARTY has agreed for the proposal of the SECOND PARTY for a period of one (1) year (___/___/20__ to ___/___/20__) on the terms and conditions below showed:-

1. That the SECOND PARTY shall pay a Non-refundable sum of Rs. _____ (Rupees _____) only towards the franchise agreement cost

and student registration fees for different courses as mentioned by the FIRST PARTY in the form of demand draft drawn in favour of _____ (Pvt.) Ltd. payable at _____ before 10th of every succeeding month.

2. It is agreed between the parties that the SECOND PARTY shall collect the registration fees as per the fees structure laid down by the First Party which shall be final and binding upon the SECOND PARTY.

3. That the parties further agree that the SECOND PARTY shall maintain the institute as per the rules and regulations laid down by the FIRST PARTY and shall carry out changes in courses and infrastructure as per requirements of the FIRST PARTY.

4. That the SECOND PARTY shall solely bear all the expenditure for running the Institute of the SECOND PARTY having his institute at _____.

5. The FIRST PARTY shall bear the entire expenditure of the study materials, stationary, advertisement materials, as per the requirements to run the institute of the SECOND PARTY.

6. The SECOND PARTY shall not reproduce the materials supplied by the FIRST PARTY, such as course materials, slides, overhead, videos, manuals, workbook, and CDs etc. and all the materials supplied by the FIRST PARTY are copyrighted and may not be reproduced.

7. That the SECOND PARTY shall be solely responsible for any loss due to postponement and incompleteness for courses and the FIRST PARTY shall not be responsible for any losses including pecuniary loss.

8. That the SECOND PARTY shall allow the personnel and duly authorised by the FIRST PARTY to inspect the premises, financial records, software and hardware at any time.

9. That the SECOND PARTY shall collect the fees from the student only after issuing the receipts supplied by the FIRST PARTY bearing their name and not otherwise. The SECOND PARTY shall not print any receipt book for collection of fees from students and for any other purpose.

10. That the FIRST PARTY shall provide necessary training for marketing and technical personnel at the cost of the SECOND PARTY from time to time.

11. That the FIRST PARTY shall provide transfer facility to the students from one centre to another centre after complying with the required conditions.

12. That the FIRST PARTY alone in its name shall issue certificate to the students on successful completion of their course at the Institution covered by the agreement or at the centre after complying with required conditions.

13. That the SECOND PARTY shall pay the registration fees amount collected every month as mentioned in condition (1) before 10th of the succeeding month, failing which the SECOND PARTY shall pay interest on the amount due at the rate of ____% per annum. In addition, the FIRST PARTY shall be at liberty to stop all future obligations under the agreement without any further notice.

14. That the SECOND PARTY has to start the institute and coaching within one month from the date of agreement.

15. This agreement is valid for one year from the date of agreement and this agreement is subject to renewal in each year with renewal fees of Rs _____.

16. That if the SECOND PARTY is found misusing the name of the FIRST PARTY, the FIRST PARTY shall be at liberty to cancel the licence with one month prior notice and shall be at liberty to take recourse to law as may be warranted in such circumstances.

17. That without the permission of the FIRST PARTY the Second Party shall not take any franchise from any company within the validity of the agreement.

19. That if any dispute arises between the parties then the Courts at _____ shall have jurisdiction to decide the same.

IN WITNESS WHEREOF the parties after understanding its conditions have put their signatures in presence of below signed witnesses on this the day, month and year afore mentioned.

SECOND PARTY

FIRST PARTY

WITNESSES

- 1.
- 2.

FRANCHISE AGREEMENT

(General)

This AGREEMENT entered into on the _____ day of _____ 20__

BETWEEN:

_____ Limited a Company incorporated under the Companies Act, 1956, having its Registered Office at....., represented herein by its _____ Shri..... (hereinafter referred to as "XYZ Limited", which expression shall, whenever the context so requires or admits mean and include its successors and assigns) of the ONE PART;

AND

M/s. _____ a Partnership Firm, having its place of Business at _____ represented herein by its Partner _____ (hereinafter referred to as the "AGENT", which expression shall, unless the context so requires or admits mean and include its Partners for the time being, their heirs, legal representatives, executors and permitted assigns) of the OTHER PART;

WHEREAS XYZ Limited is engaged interalia in the business of marketing _____ products, such as, _____ and such other goods and are the owners of the trade name and trade mark "XYZ";

WHEREAS XYZ Limited is desirous of promoting _____ products under its trade name and trade mark by setting up chain or retail outlets all over the country on its own and also by appointing stockiest, retailers and franchises for the purpose of setting up of retail outlets;

WHEREAS the Agent has offered to set up one such Retail Outlet in the City of _____ and has represented to XYZ Limited that it is in a position to invest necessary capital and is also possessed of a suitable premises to set up and carry on the Retail Outlet and XYZ Limited has accepted the said offer;

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

That in consideration of the foregoing,, the Company hereby appoints M/s _____ as its Agent in the City of _____ upon the following terms and conditions:

1. The retail outlet for marketing _____ products such as _____ and such other goods under the name and style of "XYZ" shall be set up and run in the Premises made available by the Agent, which premises is more fully described in the "Schedule Premises". The premises will be made available free of cost or charges to XYZ Limited by the Agent during the subsistence of this Agreement.
2. The Agent will meet and bear the entire cost of furnishing and decorating the interior and exterior of the Schedule Premises in accordance with the specifications and requirements of XYZ Limited, particularly touching upon the following aspects - elevation, décor and interior design, selection of furniture, fitting, counters and stands, lighting system, illumination, mannequins, window display, air conditioning, fire fighting equipment, furnishings, flooring, etc. the cost of which is estimated to be of the order of Rs _____ (Rupees _____) He shall also provide necessary warehousing facilities and office space for the Company's' representations.
3. The name of the Shop shall be promptly and clearly displayed as _____.
4. XYZ Limited will make available from time to time to the Agent _____ products like _____ and other goods shall be manufactured, sold or dealt in by XYZ Limited (hereinafter collectively referred to as "Stockiest") and the Agent will take the Stocks on consignment and sell the same in retail at prices fixed from time to time by the XYZ Limited. The stocks shall at all times be the property of the XYZ Limited and the Agent shall only be entrusted the Stocks for the purpose of enabling their retails sale.

5. The Agent at his cost will employ necessary personnel to man and manage the Retail Outlet to the entire satisfaction of XYZ Limited.

THE AGENT COVENANTS WITH THE COMPANY AS FOLLOWS:

1. It shall duly and promptly pay the owner of the Schedule Premises rents and other charges and keep the lease subsisting and valid and ensure that the Schedule Premises is always available for running of the Retail Outlet.

2. That it shall not directly or indirectly or in Partnership or Association, with friends or relatives, or Companies engaged itself in business, which is same or similar to the one being, carried on by XYZ Limited.

3. That is shall not sell, display or otherwise deal in any goods which are in any way similar to the goods sold or dealt in by XYZ Limited.

4. That it shall not use the Company's trade name and/or trademark in any manner other than that which is permitted by XYZ Limited.

5. That all sales effected by the Agent shall be strictly for cash only.

6. That it shall furnish to XYZ Limited at such intervals as they may required certified stocks statement of the stock of all goods held by the Agent giving full and correct particulars thereof.

7. That it shall remit each day the entire sale proceeds of the preceding day to the credit of the designated account of XYZ Limited, which may be indicated from time to time and shall forthwith, sent intimation of such remittances to XYZ Limited.

8. That it shall not draw, accept or endorse any Bill on behalf of the XYZ Limited or in any way pledge the credit of XYZ Limited except with the previous written authorization of XYZ Limited.

9. That it shall be at all times responsible to XYZ Limited for any damage occasioned to the Stock either on account of the improper or negligent conduct on the part of the Agent, its servants or agents or for any reason whatsoever and shall make goods such loss to the XYZ Limited as and when demanded without demur.

10. That it shall furnish an irrevocable Bank Guarantee for a sum of Rs. _____ (Rupees _____) in favour of XYZ Limited covering the value of the Stocks held by it on consignment and that the said Bank Guarantee shall be enhanced from time to time as may be required by XYZ Limited to bring it in conformity with the value of the Stocks held by the Agent.

11. That it shall keep proper accounts of all Stocks received, sold, damaged and furnish to XYZ Limited each week full particulars of the Stocks and shall permit XYZ Limited, its agents and servants to inspect all Books of Account, Records and vouchers maintained in the Retail Outlet by it all reasonable times.

12. That it shall be responsible for any loss or damage sustained to the Stock while in the custody of the Agent.

DURATION: The duration of this Agreement shall be for a period of _____ years commencing from _____. On the expiry of this period, the Agreement may be extended for such further period and on such terms as the parties may be mutually agreed in writing.

This Agreement is however terminable as follows:

- (a) by either party giving the other _____ days notice in writing;
- (b) by XYZ Limited unilaterally without assigning any reasons
 - (i) if the agent is found guilty of misconduct, or
 - (ii) commits a breach of any of the provisions of the Agreement, or
 - (iii) is dissolved, or
 - (iv) any suit or other proceedings are instituted for its dissolution or winding up, or
 - (v) commits any act of bankruptcy,
 - (vi) suffers any execution or distress.

CONSIDERATION: In consideration of the foregoing, the Agent shall be entitled to a commission at the rate of ____ % of the net sale price realized by it in the Retail Outlet by sale

of the Stocks. The expression net sale price shall mean the selling price of the Stocks excluding Sales Tax, local taxes and other levies imposed upon the sale or purchase of the Stocks and/or on the total turnover, packing and forwarding charges and gift wrapping charges.

The commission shall be payable by XYZ Limited on or before the _____ Day of the succeeding month for which it is due upon receipt of the monthly statement of sales and realization of the sale proceeds.

ASSIGNMENT: This Agreement or the benefit there from shall not be assignable or transferable by the Agent in favour of anyone without prior written consent of the company.

SECURITY DEPOSIT: In order to ensure XYZ Limited the due performance of its obligations under this Agreement, the Agent has this day deposited a sum of Rs_____ (Rupees _____) by Pay Order bearing No _____ dated _____ drawn on _____ Bank _____ Branch _____ in favour of XYZ Limited as Security Deposit. The said amount will be refundable upon the termination of this Agreement, free of interest, in the event of there being no outstanding claim against the Agent by XYZ Limited. XYZ Limited will however be entitled to appropriate and adjust and amounts which may be due to it from the Agent from out of the Security Deposit.

JURISDICTION: This Agreement is executed at _____ and it is hereby agreed that the Courts at _____ alone will have exclusive jurisdiction over any matter arising under this Agreement.

SCHEDULE

Premises bearing No..... situated at
admeasuring and bounded as follows:

IN WITNESS WHEREOF the parties above named have executed these presents in the presence of the Witnesses attesting hereunder on the dates and place mentioned herein below:

Place:

Dated:

For XYZ Limited

Agent

WITNESSES

- 1.
- 2.

5.9. HIRE PURCHASE AGREEMENT

Hire purchase agreement is a contract, more fully called contract of hire with an option of purchase, in which a person hires goods for a specified period and at a fixed rent, with the added condition that if he retains the goods for the full period and pay all the instalments of rent as they become due the contract shall determine and the title vest absolutely in him.

The basic principle underlying the transaction is that the instalment determined is taken as hire (rental) till the time the agreement envisages such payments. On determination of the said period the Hirer (Purchaser) has the option of paying a nominal amount to become the owner of the goods.

A hire-purchase agreement is a form of bailment wherein the hirer is given the right to purchase the goods on certain conditions. That is an option and not an obligation to purchase. The hirer may elect to purchase the goods and when he does so, after he fulfills all the conditions prescribed in the agreement, the title to the goods will pass to him. But he may elect not to do so, and in that event he is entitled to return the goods and terminate the agreement in the manner provided therein.

The hire-purchase agreement will stipulate the circumstances in which the agreement can be terminated. The agreement is generally terminated by return of the goods by the hirer, notice of termination by the owner on account of hirer's breach of conditions or notice of termination by the hirer.

Hirer means the person who obtains possession of the goods from the owner under a Hire Purchase agreement. Owner is the person who lets or delivers possession of goods to a hirer under a hire purchase agreement.

A Hire purchase agreement should contain the following particulars –

- The description of the goods;
- Date of commencement of the agreement;
- Number of instalments in which the hire purchase price is to be paid, the amount, due date, the person to whom and the place where each instalment is to be paid;
- The hire purchase price of the goods;

AGREEMENT FOR HIRE PURCHASE

An AGREEMENT made this day of, 20..., BETWEEN son of resident of (hereinafter called the "Owner") of the ONE PART and son of resident of (hereinafter called the "Hirer") of the OTHER PART.

WHEREAS the owner is the owner of the machinery and is not being used by him, as he has closed his factory due to personal reasons;

AND WHEREAS on the request of the hirer, the owner has agreed to hire the said machinery to the hirer on the terms and conditions hereinafter appearing.

NOW THESE PRESENTS WITNESS AS FOLLOWS:

1. The owner shall let and the hirer shall take on hire the machinery, specified in the Schedule hereunder written (hereinafter referred to as the said machinery) from for a term of years.
2. The hirer shall, during the continuance of this agreement, pay to the owner without previous demand by way of rent for the hire of the said machinery the monthly sum of Rs..... for the use and possession of the said machinery, the first payment to be made on the day of 20 and each subsequent payment on the day of each succeeding month during the said term.
3. The hirer will not sell, assign, mortgage, pledge, underlet or otherwise deal with the said machinery but will keep the said machinery in his own possession and will not remove the said machinery from the premises where such machinery is for the time being installed without the previous consent in writing of the owner.
4. The hirer shall use the said machinery in a skilful and proper manner and shall at his own expenses keep the said machinery in good and substantial repair and condition (reasonable wear and tear excepted) and will allow the owner, his servants or agents at all reasonable times to have access to the said machinery and to inspect the state and condition thereof.
5. The hirer shall keep the said machinery insured for the sum of Rs against fire and loss, damage or risk from whatever cause arising with any insurance company in the name of the owner and deliver the policy of such insurance to the owner and duly and punctually pay all premium necessary for effecting and keeping such insurance in force and produce the receipt for all such payments to the owner on demand and will keep the owner indemnified against all loss or damage to the said machinery from whatever cause the same may arise.
6. If the said machinery is destroyed by fire or lost by theft, all money received in respect of such insurance shall be received by the owner, who may apply for such money either in making good the damage done or in replacing the said machinery by other articles of similar description and quality and such substituted articles shall become subject to hire in the same manner as the articles for which they shall have been substituted.

7. The hirer may at any time determine the hiring by giving months notice and the hiring shall from the expiration of the said notice determine and the hirer shall not be entitled to any credit or allowance in respect of any payment previously made by him to the owner.
8. If the hirer shall make default in payment of the monthly sums to be paid by him for the hire of the said machinery or if he shall fail to observe and perform the terms and conditions of this agreement on his part to be observed and performed, the owner may determine the hiring without any notice and it shall be lawful for him to retake possession of the said machinery and for that purpose the owner, his servants or agents may enter into or upon any premises where the said machinery is installed and the hirer will remain liable for the payment of money due to the owner under this agreement or damages for breach thereof.
9. The hirer hereby covenants with the owner that he will not do or omit to do any act which may result in seizure and/or the confiscation of the said machinery by the Central or State Government or local authority or any public officer or authority under any law for the time being in force.
10. The hirer shall pay all licence fees, taxes, etc. payable to the Government, local authority in respect of the said machinery and if the owner is compelled to pay such licence fees, taxes, etc., the hirer shall forthwith repay the said amounts paid by the owner.
11. Any time or indulgence granted by the owner shall not affect the strict rights of the owner under this agreement.
12. In case of any dispute or difference arising between the parties regarding the meaning, construction, interpretation, breach or fulfillment or non-fulfillment of the terms and obligations of these presents or any clause or condition thereof, the same shall be referred to the decision and arbitration of two arbitrators, one to be nominated by each party which arbitrators shall before taking upon themselves the burden of reference, appoint an umpire. The submission shall be deemed to be a submission to arbitration within the meaning of the Arbitration and Conciliation Act, 1996 or any statutory modification thereof. The award of the Arbitrator or Arbitrators, as the case may be shall be final and binding on the parties.

13. The stamp duty and other incidental expenses relating to the execution of this Agreement will be borne by the hirer.

IN WITNESS WHEREOF, the parties hereto have executed these presents, the date, month and year first hereinabove mentioned.

The Schedule above referred to

Signed and delivered by, the within named owner

Signed and delivered by, the within named hirer

WITNESSES:

- 1.
- 2.

5.10. MEMORANDUM OF UNDERSTANDING

A Memorandum of Understanding (MOU) is a document describing a bilateral or multilateral agreement between parties. It expresses a convergence of will between the parties, indicating an intended common line of action. It is often used in cases where parties either do not imply a legal commitment or in situations where the parties cannot create a legally enforceable agreement.

The MOU is simply an embodiment of the solemn desire of the parties which have developed and reached to some understanding but only in principle without creating any obligation. Such understanding is reduced in writing for the purpose of reference and further processing. However in ultimate analysis, a document is classified by its contents and not by title therefore, whether a document is an MOU or a contract shall depend on its contents and not on title. For example, a document might have been termed and titled as MOU, but contains binding terms & conditions, it is a contract and not MOU.

MEMORANDUM OF UNDERSTANDING

(for negotiations)

"This MEMORANDUM OF UNDERSTANDING (hereinafter referred to as the "MOU") made and entered into thisday of 20..... . (Hereinafter referred to as "Effective Date") at by and among:

..... established and existing under the laws of..... and having its registered office at (hereinafter referred to as "A" which expression, unless repugnant to the context or meaning hereof, shall include its successor(s), administrator(s) or permitted assignee) of the FIRST PART.

And

..... established and existing under the laws of ----- and having its registered Office at (hereinafter referred to as "B" which expression, unless repugnant to the context or meaning hereof, shall include its successor(s), administrator(s) or permitted assignee(s) of the SECOND PART.

(A and B shall hereinafter be individually referred to as "Party" and collectively as "Parties" or "Consortium").

"WHEREAS the Parties have experience and capabilities in the field of co-operation and therefore the Parties desire to join their skill, experience and resources to work together for mutual interest and benefit.

WHEREAS the Parties have enjoyed long lasting and mutually beneficial relationship.

The future holds much promise for expanded relations and cooperation. As such, the Parties intend to explore the possibilities and opportunities that exist to further develop their relationship.

WHEREAS the Parties desire to initiate negotiations. It is anticipated that these negotiations will result in a long lasting business relationship and will serve as a platform to broaden and further develop mutual cooperation. Accordingly, the Parties desire to create a frame work on which to proceed with and to diligently pursue the activities they mutually agree and to implement it in a manner consistent with the terms set forth in this MOU.

Now, therefore, in recognition of agreement in principle, the Parties record their understanding as follows:-

1. This MOU shall be the framework for future negotiations and agreements between the Parties which shall govern the rights and obligations of the Parties.
2. The division of duties between the Parties shall be as set below:-
3. Party A will help in obtaining approvals and permits related to or required for the work.
4. Party B will help and advise on fiscal and technical aspects.
5. The Parties shall also undertake the work entrusted to them by co-ordination committee.
6. The Parties shall, as soon as practicable after the Effective Date, establish a Coordination Committee (Committee) to supervise and coordinate all of the activities of the Parties including the coordination and overseeing of any subcommittees or task forces which it may decide to set up. Each Party shall nominate in writing one (1) representative and one alternate to be members of the Committee. The representatives of the Committee or their designates shall attend the meetings and shall have the authority to represent and bind appointing Party in all matters that come before it. The Committee shall establish the rules and procedure and frequency of meeting. The nominee of 'A' shall be the chairman and shall preside over all meetings of the Committee. The decisions of the Committee

shall be taken by unanimity of all the members of the Committee. The functions of the Committee shall include, amongst others:-

- a. approval of Study(s) if any carried out;
 - b. approval of Work Schedule and any revisions there to;
 - c. appointment of consultants and advisors and constitution of negotiation teams;
 - d. approval of the detailed activities and tasks to be assigned to each Party
7. All costs and expenses incurred by a Party in relation to the MOU, which include, but are not limited to, all internal balances, overheads, travel expenses, other out-of-pocket expenses and any other internal expenses shall be borne and paid by the Party incurring the same without charge to or reimbursement from the other Party.
8. Except in accordance with the provisions of this MOU, each of the parties agrees that it and its Affiliates or associated company shall not, directly or indirectly in any manner whatsoever, associate individually or in combination with others, with respect to subject matter of this MOU. The provisions of this Article shall survive the expiry or earlier termination of MOU.
9. This MOU shall remain in effect until the first to occur of the following events:
 - a. Twenty four (24) months following the Effective Date; or
 - b. The execution by the parties of a subsequent agreement or
 - c. Agreement of all the Parties to terminate or otherwise withdraw from this MOU.
10. Any and all correspondence made or notices to be sent or required to be made under this
11. MOU shall be in writing, signed by the Party giving such notice (claim or demand) and shall be delivered personally, or by facsimile transmission or by registered mail, to the other Parties at its addresses set forth herein below or at such other addresses as such other Parties may subsequently notify. All notices shall be deemed given when delivered, which includes facsimile transmissions.

PARTY A

Telephone No.

Facsimile No:

Address:

Attention:

PARTY B

Telephone No:

Facsimile No:

Address:

Attention:

12. This MOU shall be governed by and construed in accordance with the laws of -----
-- and courts atonly shall have exclusive jurisdiction. In the event of any
difference (s) or dispute (s) arising out of the interpretation or application of the
provisions of this MOU, the Parties shall immediately consult each other with the view to
expeditiously resolve such differences or disputes in a spirit of mutual understanding and
cooperation.
13. No Party shall disclose any information to any third party concerning the matters under
this MOU. Any proprietary information (properly identified as such by the disclosing
Party) to be contained in reports or disclosed by one Party to the other Party, shall be kept
strictly confidential by the receiving Party, and shall not be disclosed to any third party
without the prior written consent of the original disclosing Party. This clause shall not
apply where –
- a. disclosure is made to the employees , or

- b. disclosure to any court, the Government or other statutory authorities or other bodies to the extent required by law, guidelines, rules or regulations applicable to any Party,
- c. required to consultants, advisers engaged by a Party,
- d. information is already in public domain but not as a result of breach of this MOU,
- e. already available with the Party from other lawful source.

This clause shall survive the termination or expiry of the MOU.

14. The release and contents of all public announcements (other than when such disclosure is required under any applicable law) related to the MOU shall be subject to the prior written approval of each Party.

15. The obligations of the Parties are of binding nature and shall survive the termination or expiration of the MOU.

16. No Party shall have the right or power to bind any other party to any MOU/ agreement without the prior written consent of the other Party.

17. The Parties do not intend merely by this MOU to create a partnership, corporation or an entity taxable as a corporation or otherwise.

IN WITNESS WHEREOF, the parties have caused this MOU to be executed as of the day and year first above written.

For and on behalf of

In the presence of

Party A

Name :

Name:

Address:

Address:

For and on behalf of

Party B

In the presence of

MEMORANDUM OF UNDERSTANDING

(for investment)

THIS MEMORANDUM OF UNDERSTANDING made this _____ day of _____ between _____ having his office at _____, India hereinafter referred to as "ABC" (which expression and the expression "ABC Group" shall unless it be repugnant to the context or meaning thereof mean and include himself and the present other shareholders of _____ Pvt. Ltd. and their respective heirs, executors, administrators and assigns) of the One Part and _____ having his office at _____ (hereinafter referred to as "XYZ" which expression and the expression "XYZ Group" shall unless it be repugnant to the context or meaning thereof be deemed to mean and include himself and his nominees to the extent specified herein and their respective heirs, executors, administrators and assigns) of the Second Part;

WHEREAS ABC is one of the founding shareholders and is Chairman and Director of a company incorporated in India known as _____ Pvt. Ltd. hereinafter referred to as "the Company" which is in the process of setting up _____, relating to _____, known as "_____";

AND WHEREAS ABC and certain other persons have advanced sums of money to the Company in respect of which shares have been/are to be issued to them and this group is for the sake of brevity referred to as the "ABC Group";

AND WHEREAS XYZ has agreed that he and his nominees (for the sake of brevity referred to as the "XYZ Group") will invest an amount of Rs. _____ /- (Rupees _____ Only) to acquire 20 % (twenty per cent) of the Capital of the Company on certain terms and conditions and equity shares of the Company will be issued to the members of XYZ Group accordingly;

AND WHEREAS the parties hereto are desirous of recording the terms and conditions of their agreement in writing

NOW THIS MEMORANDUM OF UNDERSTANDING WITNESSETH AS UNDER:-

1. ABC Group has caused to be incorporated a Company known as _____ Pvt. Ltd. hereinafter referred to as "the Company" and has, since several months been working on establishing an internet portal relating to_____.
2. The paid up capital of the Company shall be Rs._____ /- (Rupees _____only) comprising _____(_____) equity shares of Rs._____ /- (Rupees_____) each.
3. It has been agreed that ABC group shall hold 60% (sixty per cent) of the paid-up capital of the Company and that XYZ Group shall hold 20% (twenty per cent) of the paid-up capital of the Company.
4. It is further agreed that 20% (twenty per cent) shall be allotted by ABC Group as and by way of stock options at their discretion to employees, associates, content writers and Technology partners and other supporters on such terms as decided by the Group. It has however been agreed that. 1% (one per cent) out of this 20% (twenty per cent) shall be allotted to Mr. XYZ and 1% (one per cent) to Mr. PQR leaving thereby 18% to be allotted by ABC Group as described above.
5. XYZ has agreed that for the 20% (twenty per cent) to be allotted to the XYZ Group, the XYZ Group shall pay to the Company a total amount of Rs. _____/- (Rupees _____Only) to comprise share capital and premium of the total amount of Rs._____-/- (Rupees _____Only) an amount of approximately Rs._____-/- (Rupees _____Only) being the equivalent of _____/- has already been received by the Company by way of Foreign Inward Remittance received from XYZ. These amounts already received have been treated by the Company as advances against share capital and premium. The balance amount of Rs_____/- (Rupees _____ Only) approximately is to be paid in the following manner.

- a. Rs. _____ /- (Rs _____ Only) by (date)
 - b. Rs. _____ /- (Rupees _____ Only) by --/--/---
 - c. Rs. _____ /- (Rupees _____ Only) by --/--/---
 - d. Rs. _____ /- (Rupees _____ Only) by --/--/---
 - e. The balance to make up Rs _____ /- (Rupees _____ only) by (date)
6. It has been mutually agreed that the Company shall not further dilute its equity or avail of finance from any other person nor shall it agree to allot any shares to any other person without the consent of XYZ. It has been further agreed that ABC Group shall not sell all or any of the shares allotted to them without the consent of XYZ Group until such time as there is an IPO or a second round of financing by mutual agreement. In the event of a second round of financing becoming necessary, it shall be done by mutual Agreement between the parties hereto and it is expected that an Initial Public Offering (IPO) will also be made and that shares will be issued to the public. The parties have agreed that for any future rounds of financing as mutually decided there will be a proportionate dilution of shares.
 7. XYZ shall have the right to be a Director of the Company and ABC shall cause XYZ to be appointed to the Board of Directors whenever XYZ desires.
 8. ABC shall cause this Memorandum of Understanding to be taken on the records of the Company and the Company will also agree to abide by all the terms and conditions hereof.
 9. The parties hereto record that this Memorandum of Understanding reflects the broad terms of their Agreement and they agree to execute and sign a detailed Shareholders Agreement and such further Agreements in writing as may be required from time to time to give effect to the development promotion and financing of business in the best possible way.

IN WITNESS WHEREOF the parties hereto have hereunto set and subscribed their respective hands the day and year first hereinabove written.

SIGNED AND DELIVERED by the within-named

MR. ABC

In the presence of _____

SIGNED AND DELIVERED by the within-named

MR. XYZ

In the presence of _____

5.11. STOCK PURCHASE AGREEMENT

A stock purchase agreement is an agreement entered into by a seller and a purchaser on a fixed date in order to transfer stocks held by the former to the latter. It should be dated and signed in the presence of witnesses. The name of the corporation of which the stock is being sold and which has a market value should be specified in the agreement. In addition, there is to be agreement as to the intention of the purchaser to buy the stock for a mutually arrived at price governed by covenants and agreements as arrived at within contract. There must be agreement as to the terms and conditions which are contained within the stock purchase agreement, which at the close of the transaction means that the seller will transfer and deliver to the purchaser all certificates representative of the stock sold and that the purchaser shall pay the mutually agreed price as consideration for the stock being bought. This means that the certificates of the stock being sold shall be duly endorsed for transferring the stock or that stock transfer powers will be duly executed in blank, and in either case the signatures of all the parties will be duly given along with any transfer tax stamps, the cost of which will be borne by the seller. And, in addition, the place, time and date of the closing of the transaction will be specified by the parties to the agreement. The full consideration as well as the mode of payment will be specified in the agreement. Besides this, the seller should be the legal owner of the stocks being sold and that the

seller is not party to any third party being owner of the said stock. The seller warrants that no act, either of commission or omission, shall render the agreement open to a valid claim against it for payments such as brokerage commissions, finder's fee or other related payments connected to the completion of the contract. The agreement should be complete in all respects and that it supersedes all previous agreements and understandings whether they are written or oral, between the parties to the contract. The agreement shall also be governed by the laws of the state in which the agreement is being entered into. Finally, the agreement shall be signed and witnessed on a given date in order to be legal and fully executed. To complete the agreement, the consideration or purchase price for the stock being sold shall be the sum of money that is specified as being the final amount that is to be paid to transfer the stock into the hands of the purchaser. The stock purchase agreement shall also specify the mode of payment which may include a sum of money to be paid at the time of execution of the agreement as well as an amount of money to be paid at the closure of the agreement.

STOCK PURCHASE AGREEMENT

THIS AGREEMENT is made and entered into this ___ day of _____, 20____, by and between _____, (hereinafter referred to as "Seller") and _____, (hereinafter referred to as "Purchaser");

NOW THIS AGREEMENT WITNESSETH:

WHEREAS, the Seller is the record owner and holder of the issued and outstanding shares of the capital stock of _____, (hereinafter referred to as the "Company"), a company, which has issued capital stock of _____ shares of _____ par value common stock, and

WHEREAS, the Purchaser desires to purchase the said stock and the Seller desires to sell the said stock, upon the terms and subject to the conditions hereinafter set forth;

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained in this Agreement, and in order to consummate the purchase and the sale of the company's Stock aforementioned, it is hereby agreed as follows:

1. PURCHASE AND SALE:

Subject to the terms and conditions hereinafter set forth, at the closing of the transaction contemplated hereby, the Seller shall sell, convey, transfer, and deliver to the Purchaser certificates representing such stock, and the Purchaser shall purchase from the Seller the Company's Stock in consideration of the purchase price set forth in this Agreement. The certificates representing the Company's Stock shall be duly endorsed for transfer or accompanied by appropriate stock transfer powers duly executed in blank, in either case with signatures guaranteed in the customary fashion, and shall have all the necessary documentary transfer tax stamps affixed thereto at the expense of the Seller.

The closing of the transactions contemplated by this Agreement (the "Closing"), shall be held at _____, on _____, at _____, or such other place, date and time as the parties hereto may otherwise agree.

2. AMOUNT AND PAYMENT OF PURCHASE PRICE.

The total consideration and method of payment thereof are fully set out in Schedule "A" attached hereto and made a part hereof.

3. REPRESENTATIONS AND WARRANTIES OF SELLER

Seller hereby warrants and represents:

(a) Organization and Standing.

The Company is a company duly incorporated under the Companies Act, 1956, validly existing and in good standing and has the corporate power and authority to carry on its business as it is now being conducted.

(b) Restrictions on Stock

i. The Seller is not a party to any agreement, written or oral, creating rights in respect to the Company's Stock in any third person or relating to the voting of the Company's Stock.

ii. Seller is the lawful owner of the Stock, free and clear of all security interests, liens, encumbrances, equities and other charges.

iii. There are no existing warrants, options, stock purchase agreements, redemption agreements, restrictions of any nature, calls or rights to subscribe of any character relating to the stock, nor are there any securities convertible into such stock.

4. REPRESENTATIONS AND WARRANTIES OF SELLER AND PURCHASER.

Seller and Purchaser hereby represent and warrant that there has been no act or omission by Seller, Purchaser or the Company which would give rise to any valid claim against any of the parties hereto for a brokerage commission, finder's fee, or other like payment in connection with the transactions contemplated hereby.

5. GENERAL PROVISIONS

(a) Entire Agreement

This Agreement (including the schedule hereto and any written amendments hereof executed by the parties) constitutes the entire Agreement and supersedes all prior agreements and understandings, oral and written, between the parties hereto with respect to the subject matter hereof.

(b) Sections and Other Headings

The section and other headings contained in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.

(c) Governing Law

This agreement and all transactions contemplated hereby, shall be governed by, construed and enforced in accordance with the laws of the India. The parties agree to submit to the personal jurisdiction and venue of a court of subject matter jurisdiction located in the State of _____. In the event that litigation results from or arises out of this Agreement or the

performance thereof, the parties agree to reimburse the prevailing party's reasonable attorney's fees, court costs, and all other expenses, whether or not taxable by the court as costs, in addition to any other relief to which the prevailing party may be entitled.

IN WITNESS WHEREOF, this Agreement has been executed by each of the individual parties hereto on the date first above written.

Signed, sealed and delivered in the presence of:

_____ (Seller)

_____ (Purchaser)

SCHEDULE "A"

AMOUNT AND PAYMENT OF PURCHASE PRICE

(a) Consideration.

As total consideration for the purchase and sale of the Company's Stock, pursuant to this Agreement, the Purchaser shall pay to the Seller the sum of Rupees _____, such total consideration to be referred to in this Agreement as the "Purchase Price".

(b) Payment.

The Purchase Price shall be paid as follows:

- i. The sum of Rupees _____ to be delivered to Seller upon the execution of this Agreement.
- ii. The sum of Rupees _____ to be delivered to Seller at Closing.

5.12. ASSIGNMENTS

Assignment is the transfer of rights held by one party - the assignor to another party - the assignee.

A Deed of Assignment is a document or agreement which an assignor (the transferor) states his promise that from the date of the assignment or any date stipulated therein, the assignor assigns his ownership in that property to the assignee (transferee). A simple illustration would be when the developer signs a Deed of Assignment to transfer their ownership of that piece of property to the purchaser. When that purchaser decides to sell that property to a subsequent purchaser and the Document of Title has yet to be issued, the purchaser will sign a Deed of Assignment assigning his rights under the original Deed of Assignment to the subsequent purchaser.

DEED OF ASSIGNMENT OF DEVELOPMENT RIGHTS

(Assign development rights in immovable property)

This deed of assignment is executed at _____ on this ____ Day of _____, 20__

By and among

_____ Limited, a Company incorporated under the Companies Act, 1956 and having its registered office at _____ (hereinafter referred to as "Assignor", which expression shall, unless repugnant to the context and meaning thereof, be deemed to include its representatives, successors and permitted assigns) acting through its _____, Mr. _____;

And

_____ Limited having its registered office at _____ (hereinafter referred to as "Assignee", which expression shall, unless repugnant to the context and meaning thereof, be deemed to include its representatives, successors and permitted assigns)

acting through its Authorised Representative, Mr. _____, duly authorized vide Board Resolution dated _____

And

_____, a partnership firm constituted and registered under the Indian Partnership Act, 1932 and having its principal place of business at _____, (hereinafter referred to as "Confirming Party", which expression shall, unless repugnant to the context and meaning thereof, be deemed to include all the partners and their respective legal heirs, representatives, administrators, successors and permitted assigns) acting through its Managing Partner, Mr. _____ vide resolution for authorisation dated _____

WHEREAS:

A. Vide a business development agreement dated _____ executed by and between the Assignor and the Confirming Party ("Said Agreement"), the Assignor agreed to purchase and the Confirming Party agreed to transfer/assign development rights to be acquired by the Confirming Party in certain immovable properties including the Schedule Property (more fully described in Annexure 1 hereto) in favour of the Assignor in accordance with the terms thereof.

B. The Assignee is desirous of acquiring the rights of the Assignor under the Said Agreement in relation to the Scheduled Property only.

C. The Assignor has represented to the Assignee that the Assignor has the power under the Said Agreement to assign/further transfer any and all its rights, interest and obligations under the Said Agreement including the right to obtain development rights in the Scheduled Property, in favour of any third party.

D. Accordingly, relying on the said representation of the Assignor, the Assignee has agreed to accept assignment of the Assignor's right to obtain development rights in the Scheduled Property.

E. The Confirming Party confirms that it has no objection to assignment of the rights of the Assignor under the Said Agreement to obtain development rights in the Scheduled Property, in favour of the Assignee by the Assignor.

NOW THEREFORE THIS AGREEMENT WITNESSETH AND THE PARTIES HERETO AGREE AS FOLLOWS:

1. The Assignor hereby assigns and transfers all of the Assignor's rights, interests as well as the liabilities and obligations under the Said Agreement in relation to the Scheduled Property including the right to obtain development rights in the Scheduled Property, in favour of the Assignee and the Assignee hereby accepts such assignment.

2. The Assignee shall pay a sum of Rs. _____ per Acre to the Assignor in full consideration of the transfer of the Assignor's right in relation to the Scheduled Property including the right to obtain development rights in the Scheduled Property.

3. The Confirming Party hereby consents to such assignment and undertakes that it does not have nor shall ever have any objection whatsoever against such assignment by the Assignor in favour of the Assignee.

4. The Assignor covenants with the Assignee that the Assignor has good right, full power and authority to transfer and assign its right to obtain development rights in the Scheduled Property under the Said Agreement in favour of the Assignee.

5. Both the Assignor and the Confirming Party agree to make themselves available, at the request of the Assignee, through their authorized personnel for execution of any documents, power of attorney etc. as and when required by the Assignee for the effective exercise of the Assignee's rights, post assignment.

6. The Confirming Party agrees and acknowledges that post assignment of rights of the Assignor under the Said Agreement in respect of the Scheduled Property in favour of the Assignee; the Assignor shall be absolved of its liabilities and obligations under the Said Agreement only to the extent the same relates to the Scheduled Property.

7. For the avoidance of doubt, it is clarified that the proportionate share of advance given by the Assignor to the Confirming Party attributable to the development rights to be acquired in the Scheduled Property shall be treated and applied in the manner indicated in the Said Agreement as if the same had been advanced by the Assignee to the Confirming Party .

8. It is hereby clarified that in respect of all land other than Scheduled Property, the relationship between the Assignor and the Confirming Party shall continue to be governed by the Said Agreement and the Assignor shall have all the rights and shall continue to be liable and responsible in the manner indicated in the Said Agreement.

IN WITNESS WHEREOF the Parties hereto have executed this Agreement the day and year first hereinabove written.

Signed and delivered for and on

behalf of _____ Limited

Name: _____

Title: Authorised Signatory

Signed and delivered for and on

behalf of _____ Limited

Name: _____

Title: Authorised Signatory

Signed and delivered for and on behalf of

Name: _____

Title: Authorised Signatory

Witness ;

1.

2.

DEED OF ASSIGNMENT OF GOODWILL

(Assignment of goodwill/business)

This Deed of Assignment being executed on this _____ day of _____.

Between

_____, S/o _____, R/o _____ ("the assignor") which expression shall include his successors, executors and administrators on the one part
And

_____, S/o _____, R/o _____ ("the assignee") which expression shall include his successors, executors and administrators of the other part.

WHEREAS

1. The assignor is in the trade of manufacturing _____ for the past _____ years.
2. The assignor has by way of the said trade earned goodwill and established a good reputation. The assignor has trade connections with several other firms/persons.
3. The assets / liabilities of the said trade are stated in Annexure I enclosed herein.
4. The assignee has for a sum of Rs. _____, consented in taking the trade of the assignor as a running business with its goodwill, liabilities and remaining.

Now This Deed Witnesses as Follows:

1. That according to the said covenant and in lieu of the sum of Rs. _____ (Rupees _____ only) paid to the assignor (whose receipt is hereby acknowledged) the assignor hereby assigns as follows to the assignee —

(i) the goodwill trade;

(ii) all debts and outstanding stated in the schedule hereunder and also other sums as are or may be found due to the assignor concerning the trade;

(iii) all rights, privileges, benefits, emerging out of all pending contractual engagements;

(iv) Business-mark concerning said trade;

(v) stock-in-business furniture, fixtures of the trade;

The assignee shall take over the said trade completely. The assignor bears no right /interest of any form as left in the same.

2. The assignor also agrees and guarantees the assignee all help and assistance in claiming and realizing / getting the debts remaining of the trade. Assignor shall also at all period clarify, any item in account books, for claiming any legal claim, concerning the said debts /outstanding.

3. The assignee also consents that for paying and discharging all debts, liabilities and outstanding of the said trade till this day shall, at all times, keep indemnified the assignor /his estate and effects from and against all hearing, costs, claims, expenses/liabilities, whatsoever, relating thereof.

IN WITNESS WHEREOF, the parties to this deed have signed at _____ on the day, month and year first above mentioned in the presence of:

Assignor

Assignee:

Witnesses:

1.

2.

ASSIGNMENT OF INSURANCE POLICY FOR LOAN

KNOW ALL MEN BY THESE PRESENTS that I, _____, aged about _____ years, son of _____, resident of _____, in consideration of value received do hereby assign and transfer and set over unto _____, aged about _____ years, son of _____, resident of _____, all my rights, title and interest including the right to exercise any and all options, rights and privileges in and to the Policy bearing No. _____, issued to me by _____ and all moneys payable thereunder. The said policy is hereby delivered to the said _____ and I do hereby further undertake to have this transfer and assignment registered with the said _____ immediately hereinafter.

This assignment is made for securing the due repayment of my loan on the basis of the pronote executed by me on _____, in favour of the said _____ and on which said loan the sum of Rs _____ inclusive of all interest at the stipulated rate of _____ per cent per annum is due to the said _____ and for the repayment of all further interest as may accrue and remain unpaid.

If I default in the payment of the said loan or any portion thereof and any sum remains due after the period of _____ years from date then this assignment shall stand and be enforceable, otherwise it shall be void and the said _____ shall on the repayment of the loan return the said policy to me according to my directions in this behalf.

IN WITNESS whereof, I, the said _____ have hereunto signed at _____ this the _____ day of _____ in the year 20____

ASSIGNOR

I, _____ the above-named assignee accept the above assignment on the terms and conditions embodied herein.

ASSIGNEE

Witness:

1.

2.

5.13. AGREEMENT BETWEEN PRODUCER AND
DISTRIBUTOR

This Memorandum of agreement made on this day of 20....

Between

..... a Registered Partnership Firm having partners hereinafter called “the producers” (which expression shall unless excluded by or contrary to the context be considered to include his/their successors, executors, administrators, representatives and assigns) of the One Part

And

..... Ltd. a company registered under the Companies Act, 1956 with its office at hereinafter called “the Distributors” (which expression shall unless excluded by or contrary to the context, be considered to include their representatives and assigns) of the Other Part;

Whereas the producers have decided to produce a film tentatively called written by; and

Whereas the producers need financial help and co-operation and hence approached the party hereto of the other part for such assistance and whereas the party has agreed to render such financial adjustment to the producers to the limit and on the terms and conditions mentioned hereunder.

NOW THEREFORE THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. That the producers undertake to complete shooting for the above stated film for an approximate cost of Rupeesonly, with print and publicity at least with three top-rank artists.
2. That the producers hereof shall arrange/bear the necessary cost required in paying the artists, workers and other costs compulsory for production excepting those herein below stated.
3. That the producers undertake to deposit with the party as security the sum of Rupees payable by instalments of Rs..... on the date of signing of the contract and Rs..... only on the date of first shooting. If the Producers do not complete one-fourth of the said film within months from the first shooting date, then the producers shall also have to deposit a further sum of Rs..... as security with the party. The amount so deposited shall be to the credit of the producers and would be returned to them by months from the date of the last deposit to be made as stated above.
4. That the party consents to advance to the producers for the production/completion of the above stated film a sum of Rs.payable in the following manner:

(a) That the party shall arrange the studio, laboratory and raw film for production by the producers of above stated film and shall pay the necessary costs thereto by debiting the amount to the producers from the first shooting date, provided that the party shall arrange with the studio for allotting to the producers at least eight days in a month and every month till completion of the film and shall, whenever necessary, enter into and sign a deed or documents in this behalf in which the Producers shall be a confirming party.

(b) That the producers shall arrange..... and editing/processing of the said film in any laboratory they may choose and the party shall pay the cost thereto and debit the amount to be paid to the producers. The selection of the editor would be entirely with the producers.

(c) That the party after providing the expenses as mentioned above, an approximate amount of Rs. shall be paid first and the balance of Rs..... so consented to be advanced, up to the rush prints, with progress of shooting of aforesaid film per instalments as and when needed by the producers provided however, that the producers shall not be entitled to demand from the party any such advance of money unless and until the producers has completed approximately feet edited shots of the film aforesaid.

5. That in consideration of the financial assistance consented to be rendered after it by the party to the producers; the party shall receive a commission of 20% on the net collection of the producers' share of the above mentioned film.

6. That the party shall be the sole distributor of the aforesaid film and shall have rights, privileges and advantages to the said film and shall have a first charge on it till realization of the advance made by the party as aforesaid to be sanctioned by producers or by their authorized agent.

7. That the party undertakes in arranging public exhibition of said film within three months from completion of rush print in minimum best possible theatres in, and also outside the city limits of the city of area and the proceeds thereto shall be distributed as under—

(i) Deduct..... commission from the net collection on producer's share, the party shall also deduct from balance there from to liquidate the principal of the amount of the advances made and the balance shall be payable directly to producers or to its authorized agent, persons or company monthly showing per statement collection received from date of release.

8. That if sale proceeds of the aforesaid film after exhibition in public does not cover the dues of the party by two years, signatory of this covenant on behalf of producers shall be severally and jointly liable in paying back to party the remaining amount unrealized as and when asked to do so provided satisfactory exploitation of the said film is made by the party.

9. That the producers shall keep required accounts/papers customary in this trade and the party will have the right to inspect and take copies or extracts thereof at any time during office hours. Monthly statement of accounts should be presented by the producers to the party.

10. That the producers undertake the completion/production of the said film within six months of the first shooting date.

(a) That the producers will bear right in raising loan for balance amount of Rs. or such amount considered necessary for completing the said film over and above the sum of Rs..... to be advanced by the party as aforesaid and the party shall bear no objection to that and will be added as a confirming party to the said transaction.

(b) That the party undertakes not to charge, mortgage, or hypothecate the film without express agreement of the producers.

11. That if the producers do not comply with any terms/conditions entered into by this agreement, the distributor will have the right in completing the film and the money paid by the producers will be repaid by the party after release of the film.

12. That if the party do not comply with the terms/conditions of this agreement, the producers shall bear right in completing the film from such source as they think fit and revoke the party as distributor and bear also the right in appointing another distributor and to accept advances from other sources and the money so advanced by the party will be repaid to them after release of the film from the releasing houses.

13. If either party does not act according to the agreement, the aggrieved party shall first try to decide the controversial points mutually and amicably, failing this the controversial points shall be referred to arbitration according to the provisions of Arbitration and Conciliation Act 1996. If, the arbitrator does not decide or make award on the referred point, then the concerned parties may adjudge the controversy by resorting to appropriate legal proceedings.

IN WITNESS WHEREOF, the parties have set their hands this _____ day of _____ 20____.

1. PARTY OF FIRST PART

2. PARTY OF SECOND PART

WITNESSES:

1.

2.

5.14. RETAINERSHIP AGREEMENT

RETAINERSHIP AGREEMENT

THIS AGREEMENT is made at _____ this _____ day of _____ 20____ between _____, having its registered office at _____ hereinafter referred to as "the party of the first part" and _____, a legal portal having its registered office at _____, hereinafter referred to as "the party of the second part".

WHEREAS the party of the first part is a _____ and requires the assistance of solicitors and legal advisors for drafting notices to be issued to its members, correspondence with the Government Authorities, giving advice and solutions to internal problems of its members in accordance with the laws of India.

AND WHEREAS the party of the first part has offered to appoint and retain the party of the second part to act for them as legal advisors and solicitors and the party of the second part have agreed to the said appointment and retainership;

AND WHEREAS the parties hereto have agreed to record the terms and conditions on which the party of the first part has agreed to appoint and retain the party of the second part to act for them as legal advisors and solicitors and the party of the second part has agreed to accept the said appointment and retainership;

NOW IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:

1. The party of the first part hereby appoints and retains the party of the second part for drafting notices to be issued to members, correspondence with Government authorities, giving advice and solutions to internal problems of the members in accordance with the relevant laws and all ancillary and incidental matters.
2. The party of the first part shall pay to the party of the second part fees of Rs..... (Rupees -----only) per month. The said fees will be in lieu of and in satisfaction of all professional charges and expenses including the office expenses of the party of the second part but excluding any out of pocket expenses and costs incurred in relation to the assignment.
3. The party of the first part shall also pay to the party of the second part all out of pocket expenses incurred by them in payment of traveling expenses, registration charges, etc. in respect of documents in relation to each transaction etc.
4. The above fee quote is based on the assumption that there will be no material change in the scope. In the event of any material deviation in the foregoing assumption the parties hereto agree to re-assess and mutually revise the fee quote.

5. Invoices will be raised by the party of the second part on a monthly basis and will be payable within days. A detailed narrative stating the nature of the work done will accompany the invoice. The invoice shall also include details of any out of pocket expenses and costs incurred in relation to the assignment.
6. The scope of the above services would not include any regulatory compliance (such as filings, etc. with statutory authorities, etc.), or providing substantive opinions or memoranda on any specific legal issue and the same will be charged separately.
7. This agreement will not extend to any litigation civil or criminal or arbitration whether arising out of any transaction entrusted to the party of the second part or otherwise. If any such matter of litigation or any legal proceedings in a court of law or tribunal or arbitrator is entrusted to them, the party of the second part will be entitled to charge fees according to their usual practice.
8. The party of the second part shall maintain full secrecy and shall not disclose any confidential matter or communication between the party of the first part and themselves to anybody else.
9. The party of the second part shall not act in any matter entrusted to them for any other party concerned or connected with such matter.
10. This agreement may be terminated by any party hereto by giving one month's prior notice to the other without assigning reason and on the expiry of the said period from receipt of the notice, this agreement shall stand terminated except in respect of matters which are already entrusted to the party of the second part and are not completed.

IN WITNESS WHEREOF the parties hereto have put their hands the day and year first hereinabove written.

Signed by the within named)

----- by its representative)

Mr. _____)

In the presence of)

_____)

Signed by the within named)

_____ (retainers)

by its (representative)

Ms. _____)

In the presence of)

_____)

5.15. INDEMNITY

Indemnity is protection from loss and damage claims filed by another person. The principle behind indemnity is a financial restoration to a level just before the accident or injury or illegal act. This means that a person agrees not to hold someone else responsible for any accidents or injuries that the person may suffer while on his or her property.

According to Section 124 of the Indian Contract Act, 1872, the contract of indemnity is defined as, “a contract by which one party promises to save other from loss caused to him by the conduct of the promisor himself, or by the conduct of any other person”.

DEED OF INDEMNITY

(Indemnity deed with sureties to the company for transfer of shares without insisting for
succession certificate)

THIS DEED OF INDEMNITY is made at on this day of 20.....
between _____, son of resident of (hereinafter called

"the applicant") and, son of resident of
(hereinafter called "the Surety").

Whereas son of resident of had
purchased..... shares bearing No..... of Co. Ltd., a company incorporated
under the Companies Act, 1956 and having its registered office at (hereinafter
referred to as the "said company"); and

Whereas the said died on the day of and leaving him surviving
..... as his only legal heirs according to law by which he was governed;
and

Whereas the said applicant is entitled to the said shares in consequence of the death of the said
..... applied to the said company to transfer the said shares into the name of the
said applicant and to pay to him the unpaid dividends due on the said shares without insisting
upon production of grant of legal representation to the estate of the deceased from a competent
court which the company has agreed to do upon the execution by the applicant and by the said
sureties unto the said company of such indemnity as hereinafter contained.

NOW THIS DEED WITNESSETH

That we the said applicant and surety for ourselves, our heirs, executors, administrators and
assigns Do Hereby jointly and severally covenant with the company, its successors and assigns
that we the said covenanting parties and each of us and each of our heirs, executors,
administrators and assigns will on the Company transferring the said shares into the name of the
said applicant and paying to him the dividends already due and to become due thereon, at all
times save, defend and keep harmless, indemnity and keep indemnified the company, its
successors and assigns of and its and their estates, from and against all claims, demands, actions,
proceedings, loss, damages, costs, charges and expenses which may be made or brought or
commenced against them or which they may or may have to incur or suffer as a result or on
account of transfer of said shares in the name of the applicant or the dividends accrued or to
accrue in respect thereof or any part thereby, or otherwise in connection with the said shares.

IN WITNESS WHEREOF, we the said applicant and surety have hereunto set our hands on the day and year first hereinabove written.

Signed and delivered by _____ (applicant)

Signed and delivered by _____ (surety)

WITNESSES

- 1.
- 2.

DEED OF INDEMNITY

(Indemnity deed by a land owner whose title is in dispute)

THIS DEED OF INDEMNITY made at this day of 20.... between residing at hereinafter referred to as 'the Land Owner' of the One Part and residing at hereinafter referred to as 'the Tenant' of the Other Part.

Whereas the Landowner claims to be the absolute owner of an immovable property consisting of land and building situated at bearing S. No. and House No ; and

Whereas the Tenant is occupying one tenement in the said building being Flat No.... on floor thereof.

Whereas the title of the Landowner is disputed by another person namely Mr..... who claims to be the real owner of the said property and has objected to the tenants in the property paying rent to the Landowner.

Whereas the Landowner has requested the Tenant to pay the rent to him as he is in any event an ostensible owner of the said property and has agreed to indemnify the Tenant against any loss that he may suffer due to his paying the rent to the Landowner.

Whereas the Tenant has agreed to do so on the Landowner executing this Deed.

NOW THIS DEED WITNESSETH that pursuant to the said agreement the Land owner doth hereby agree to indemnify and keep indemnified the Tenant and covenants with the Tenant that in the event of the Tenant paying the rent to the Landowner of the said premises occupied by him in the said building and thereby suffering or incurring any liability or loss on the ground that the payment of rent is wrongly made to the Landowner he shall make good the loss, costs, charges and expenses that the Tenant may incur or suffer on account of paying the rent of the said premises to the Landowner.'

IN WITNESS WHEREOF the Landowner has put his hand the day and year first hereinabove written.

Signed and delivered by the within named

Landowner

in the presence of

DEED OF INDEMNITY

(Indemnity deed for loss of title deeds)

THIS DEED OF INDEMNITY made at this day of 20.... between residing at hereinafter referred to as the 'Vendor' of the One Part and Ltd., a company registered under the Companies Act, 1956 and having its registered office at hereinafter referred to as the 'Purchaser' of the Other Part

Whereas by a Deed of Conveyance bearing even date with these presents but executed prior hereto and made between the Vendor of the One Part and the Purchaser of the Other Part the Vendor has granted and conveyed to the Purchaser the land and premises situated at and more particularly described in the Schedule hereunder written.

And Whereas at the execution of the said Deed of Conveyance the Vendor was required to produce and hand over to the Purchaser all the title deeds relating to the said land and premises and in the possession of the Vendor.

And Whereas the Vendor however represented to the Purchaser that all the title deeds in his possession at one time have been lost or misplaced and in spite of diligent search they have not been found.

And Whereas the Vendor also represented to the Purchaser that he has not deposited the said title deeds with any person as equitable security or otherwise.

And Whereas relying on the said representations of the Vendor the Purchaser agreed to complete the sale by obtaining the Deed of Conveyance from the Vendor provided the Vendor agreed to execute a separate deed of indemnity indemnifying the Purchaser against any loss he may suffer on account of the loss of title deeds or on account for any claim arising out of such loss or otherwise howsoever and which the Vendor has agreed to execute.

NOW THIS DEED WITNESSETH that pursuant to the said agreement and the premises, the Vendor doth hereby agree to indemnify and keep indemnified the Purchaser against all loss, charges, costs, and expenses, he may incur or suffer on account of the title deeds relating to the said property being not handed over to the Purchaser or on account of any claim being made against the said property or the Purchaser, on the basis of the said title deeds or any of them being deposited as security or otherwise howsoever.

IN WITNESS WHEREOF the Vendor has put his hand the day and year first hereinabove written.

Signed and delivered by the

within named Vendor

in the presence of

6. CORPORATE AGREEMENTS

6.1. SHAREHOLDERS' AGREEMENT

Shareholders' agreements are contracts among shareholders of a company (to which the company is also usually a party) that confer rights and impose obligations over and above those provided by company law i.e. Companies Act, 1956. The agreements provide for matters such as restrictions on transfer of shares (right of first refusal, right of first offer), forced transfers of shares, nomination of directors for representation on boards, quorum requirements, and veto or supermajority rights available to certain shareholders at the board level or the shareholder level.

SHAREHOLDERS AGREEMENT

BETWEEN

AND

RE: Shares of -----Pvt. Ltd.

THIS AGREEMENT made this ____ day of _____, 20__ BETWEEN _____ residing at _____ (hereinafter referred to as "A") (which expression shall, unless repugnant to the context or meaning hereof, mean and include his heirs, executors, administrators and assigns) of the First Part.

And

_____ residing at _____ (hereinafter referred to as "B") (which expression shall, unless repugnant to the context or meaning hereof, mean and include his heirs executors, administrators and assigns) of the Second Part.

And

_____ (P) LTD., a Company incorporated under the Companies Act, 1956 and having its registered office at _____ herein represented by its _____ (hereinafter referred to as "XYZ") which expression shall, unless repugnant to the context or meaning hereof, include its successors and assigns) of the Third Part;

WHEREAS:

- A) A and B hereto have agreed to jointly manage a company in India named "XYZ Pvt. Ltd ";
- B) A and B have agreed to become Equity Partners by investing in the shares of the Company subject to the condition that they shall enter into a Shareholders Agreement in terms of these presents;
- C) The Company "XYZ Pvt. LTD." has been requested to, and has agreed to, join in the execution of these presents and to take this Agreement on record so that it is aware of the rights and obligations of A and B, the parties hereto and ensure that they comply with the same;
- D. The parties hereto are desirous of recording the terms and conditions of their Agreement in writing;

NOW IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:-

- 1.
 - a. A and B shall jointly invest in the Company which is an existing company limited by shares under the Companies Act, 1956 and known as "XYZ Pvt. LTD".
 - b. The registered office of the Company shall be situated at _____, or at such other place as may be mutually agreed upon between the parties in writing.

- c. The Company shall carry on the business of _____ at _____ either by itself or through other agencies and may carry on any other business as may be decided by B hereto and shall ensure that no other business activity is undertaken by the Company at any time without the consent of A hereto.
2. The authorised share capital of the Company is Rs._____/ - (Rupees _____ only) consisting of _____ (_____) equity shares of Rs.10/- (Rupees ten) each.
3. The subscription by A hereto to the aforesaid authorised share capital of the Company shall be _____ (_____) equity shares of Rs.10/- (Rupees ten only) and the subscription by B to the aforesaid authorised share capital of the Company shall be _____ (_____) equity shares of Rs.10/-(Rupees ten only).
4. There shall be no further issue of capital without the consent of both the parties hereto, and unless otherwise agreed upon in writing, further investment shall be as mutually decided by both parties.
- 5.
- a. The Board of Directors of the Company shall consist of A and B
- b. A shall have the right to nominate two (2) Additional Directors onto the Board and B shall have the right to nominate three or more Additional Directors on the Board. Both parties shall be entitled at any time to remove any of the representatives on the Board by written notice to the other party and to appoint another or other/s in their place.
- c. The day to day management of the Company shall be looked after by a Managing Director to be appointed with the consent of B hereto. Any major acquisition of property, substantial expansion of business activities or diversification or matters of policy shall be with the prior consent of B.

- d. It is agreed as between the parties hereto that the position of Chairperson of the Company shall be held by B or a nominee of B. The Chairman of the Board shall also be the Chairman of all general meetings of the Company.
6. A and B hereto jointly and severally shall vote and act as members of the Company and with respect to the shares of the Company held by them, so as to ensure that Directors of the Company are at all times appointed and maintained in office in conformity with the provisions of this Agreement. If at any time the provisions of this Agreement are not fully complied with, A and B jointly and severally agrees to promptly take all necessary steps to ensure that the provisions of this Agreement hereof are fully implemented in letter and spirit.
- 7.
- a. The Auditors of the Company shall be M/s._____.
- b. The Auditors of the Company shall not be changed without the prior written consent of both A and B.
8. Any sale or transfer of shares in the Company by either party shall be as provided in Clause 9. If at any time during the continuance of this Agreement either A or B, desire to sell or transfer all or any of their respective shares held by them in the Company, they shall do so strictly in accordance with the provisions hereinafter written.
9. If either A or B desires at any time to sell the whole or part of their shares in the Company, he shall first offer such shares in writing to the other. If the other does not accept in writing the offer within 15 days of receipt of the offer, the first party shall then be at liberty within 30 days thereafter to sell the shares so offered to any other person of his choice at the same price and on the same terms and conditions as contained in its written offer to the other party hereto in the first instance, failing which the procedure contained in this sub-clause will have to be repeated by a party desiring to sell his shares.

10. B will bring in further working capital to run a _____ unit at _____. _____ Bank had advanced loans of about Rs. _____/- (Rupees _____ Only) to XYZ which loans have to be repaid by them. B shall bring further money of upto Rs. _____ (Rupees _____ Only) to repay the loan. The Balance Rs. _____/- has been secured with the collateral security provided by B. XYZ has entered into a Management and Royalty Agreement with ----- (P) Ltd., for the operation and management of the _____ unit(s) of XYZ and are entitled to receive their share of profit. A and B are equally entitled to this share of profit being equal share holders of XYZ. It is hereby agreed that A shall not be entitled to a percentage of the profit which shall not exceed Rs. -----/- (Rupees _____ Only) per month from XYZ out of his share of profit subject to the terms contained herein and/or in any other document executed by him on behalf of XYZ. The balance money attributable to A shall be utilized to repay the loans and interest outstanding to _____ Bank, and the amount of Rs. _____ /- brought in by B and interest thereon, and towards the working capital brought in by B and interest thereon and any other loans of the XYZ. This arrangement will continue till the entire sums (liabilities) together with the interest thereon have been repaid. However B will be entitled to withdraw the profit attributable to his share.
11. B will be entitled to interest at the rate of 12% per annum on the sums brought in by him or his Associates / concerns / businesses.
12. A and B agree and undertake not to disclose or divulge directly or indirectly to any third party any trade or business secret or other secret or confidential information pertaining to the business, affairs or transactions of each other or of the Company or of their clients or customers, that may have been disclosed, imparted to or acquired by either of them from the other or from the Company.
13. A and B jointly and severally undertake:-
- a. that they shall ensure that they, their representatives, proxies and agents representing them at general meetings of the shareholders of the Company

shall at all times exercise their votes in such manner so as to comply with, and to fully and effectually implement, the provisions of this Agreement.

- b. That if any resolution is proposed contrary to the terms of this Agreement, the parties, their representatives, proxies and agents representing them shall vote against it. If for any reason such a resolution is passed, the parties will, if necessary, join together and convene an extraordinary general meeting of the Company in pursuance of section 169 of the Companies Act, 1956 for implementing the terms of this Agreement.
- 14. A and B shall jointly and severally procure and/or ensure that the Director or Directors of its choice on the Board of the Company shall at all times fully and effectually implement and comply with (including by exercise of voting rights at meetings of the Board or resolutions by circulation and on resolutions passed at a meeting of any Companies of the Directors) the provisions of this Agreement.
 - 15. If either A or B shall commit a breach of any of the terms or provisions of this Agreement and shall fail to rectify such breach within Sixty (60) days from the receipt of written notice from the party complaining of the breach, then the latter shall be entitled, without prejudice to its other rights and remedies under this Agreement or at law, to terminate the Agreement recorded herein by written notice.
 - 16. No modification or alteration of this Agreement or any of its terms or provisions shall be valid or binding on A and/or B unless made in writing duly signed by both.
 - 17. This Agreement is personal to A and B and shall not be transferred or assigned in whole or in part by either party without the prior written consent of the other.
 - 18. If any dispute or difference shall at any time arise between A and B as to any terms, provisions or matters contained herein or as to their respective rights, claims, duties or liabilities hereunder or otherwise, howsoever in relation to or arising out of or concerning this Agreement, such dispute or difference shall be

referred to arbitration. The venue of such arbitration shall be in _____
unless otherwise agreed in writing. Such arbitration shall be held under and in
accordance with the provisions of the Arbitration and Conciliation Act, 1996.

19. This Agreement represents the entire agreement between the parties hereto on the
subject matter hereof and cancels and supersedes all prior agreements,
arrangements or understandings, if any, whether oral or in writing, between the
parties hereto on the subject matter hereof.

IN WITNESS WHEREOF the parties hereto have executed these presents the day and
year first hereinabove written.

SIGNED AND DELIVERD by)

MR. A)

in the presence of)

SIGNED AND DELIVERD by)

MR.B)

in the presence of)

SIGNED AND DELIVERD)

for and on behalf of

XYZ)

by its SHAREHOLDERS AND)

AUTHORISED DIRECTORS)

MR. A)

MR. B)

in the presence of)

6.2. AGREEMENT FOR UNDERWRITING SHARES OF A
COMPANY

This is an agreement between the Company and the underwriter, whereby the Company agrees to allot the number of shares to the underwriter, as agreed to be underwritten by him and the underwriter undertakes to subscribe to the securities of the Company when the existing shareholders of the Company or the public do not subscribe to the Securities offered to them.

Underwriting is an agreement, entered into by a company with a financial agency, in order to ensure that the public will subscribe for the entire issue of shares or debentures made by the company. The financial agency is known as the underwriter and it agrees to buy that part of the company issues which are not subscribed to by the public in consideration of a specified underwriting commission. The underwriting agreement, among others, must provide for the period during which the agreement is in force, the amount of underwriting obligations, the period within which the underwriter has to subscribe to the issue after being intimated by the issuer, the amount of commission and details of arrangements, if any, made by the underwriter for fulfilling the underwriting obligations.

AGREEMENT FOR UNDERWRITING SHARES OF A COMPANY

THIS AGREEMENT made at _____ on this _____ of _____ 20____, between _____ Ltd., a company incorporated under the Companies Act, 1956 and having its registered office at _____ hereinafter called "the company" (which expression shall, unless it be repugnant to the context or meaning thereof be deemed to mean and include its successors and assigns) of the ONE PART and _____ a company incorporated under the Companies Act, 1956 and having its registered office at _____ hereinafter called "the underwriters", (which expression shall, unless it be repugnant to the context or meaning thereof be deemed to mean and include its successors and assigns) of the OTHER PART.

WHEREAS the company proposes to issue _____ equity shares of Rs _____ each and offer the same for public subscription at Rs _____ per share in accordance with the terms of the draft prospectus, a copy of which is annexed hereto, or with such modifications therein as may be mutually agreed upon between the company and the underwriters.

AND WHEREAS the underwriters have agreed to underwrite the subscription of the said shares on the terms and conditions hereinafter appearing.

NOW IT IS HEREBY AGREED AS FOLLOWS:

1. The company shall issue _____ equity shares of Rs. ____ each for public subscription in terms of the draft prospectus, a copy of which is annexed hereto or with such modification therein, as may be mutually agreed upon between the parties, on or before the _____ day of _____ 20__ or such later date as shall be mutually agreed upon by the parties hereto not after the _____ day of _____ 20 ____.
2. The underwriters shall on or before the closing of the subscription list apply for the _____ shares or cause the same to be applied for by the responsible persons, who shall pay on application, the application money payable on the shares applied for by them respectively and who shall not withdraw their applications before notification of allotment of shares to them.
3. If on the closing of the list under the said prospectus the said _____ shares shall be allotted on the applications received from the public, the responsibility of the underwriters will cease and no allotment is to be made to the underwriters under this agreement, but if the said _____ shares shall not be allotted to the public, but any smaller number of such shares is so allotted, the underwriters undertake to stand for the difference between the said _____ shares and the number of shares allotted to the public and company may allot to the underwriters all the shares which shall not have been applied for by such members of the public or such responsible persons as aforesaid and the underwriters shall accept the shares so allotted and pay all application and

allotment money in respect of those shares in accordance with the said prospectus.

4. The underwriters irrevocably authorise the company to apply for the said _____ shares or any part thereof in the name and on behalf of the underwriters in accordance with the terms of the said prospectus and authorise the directors of the company to allot the said _____ shares of the company or part thereof to the underwriters and in the event of the company making an application for such shares in the names of the underwriters, the underwriters shall hold the company harmless and indemnified in respect of such application.

5. The company shall pay to the underwriters in cash a commission of _____ per cent on the nominal value of the shares within _____ days from the allotment of the said _____ shares. But should any allotment of the shares be made to the underwriters in accordance with the terms of this agreement, the commission shall not be payable until the underwriters pay the application and allotment moneys payable in respect of all the shares so allotted to the underwriters.

6. It is hereby agreed that time is the essence of this agreement.

7. This agreement shall be executed in duplicate. The original shall be retained by the company and the duplicate by the underwriters.

IN WITNESS WHEREOF the parties have signed these presents and a duplicate hereof the day and year first hereinabove written.

Signed and delivered by _____ Ltd., the within named company by its Managing Director _____

Signed and delivered by _____ the within named underwriter by its Managing Director _____

WITNESSES;

1.

2.

6.3. AGREEMENT TO UNDERWRITE DEBENTURE STOCK

This Agreement made on this _____ day of _____ BETWEEN _____ Ltd. (hereinafter called the company) of the one part and _____ (hereinafter called the underwriter) of the other part.

Whereas the company is about to offer for public subscription _____ percentage mortgage debenture stock which is to be constituted and secured by a trust deed and whereas the company is desirous of insuring the said debenture stock.

Now therefore it is hereby agreed as follows:

1. The company is to offer for public subscription the said _____ debenture stock.
2. Such offer is to be made by a prospectus framed in accordance with the terms of the draft prospectus annexed hereto, but with full power for the company, prior to the publication of such prospectus, to modify the same in such manner as the company shall think fit, provided that such modification is approved.
3. The underwriter shall take up and pay for at par the whole of the debenture stock aforesaid which shall not have been taken up and allotted to other persons within _____ days after the first publication of the said prospectus and in consideration of the obligation so imposed on him he shall be entitled to ____ or to ____ percentage of the premises on the said _____ stock which shall be received by the company upon the issue of that portion which shall be subscribed for and allotted to persons other than the said underwriter.

4. The underwriter shall pay up the full nominal value of the debenture stock taken up by him as aforesaid by the installments and at the times specified in the prospectus aforesaid, less, however, the amount of the premium according to the terms of prospectus as issued payable in respect thereof.
5. It shall rest with the underwriter to fix the premium on which the said debenture stock shall be offered for subscription by the said prospectus, and if he shall not within _____ (time) after notice in writing from the company requiring him to specify the same comply with such request, then it shall rest with the company to fix the premium.
6. Any notice the underwriter may be given by sending the same through the post addressed to him at his above mentioned address, and a notice so sent shall be deemed to be served at the expiration of twelve hours after it is posted.

IN WITNESS WHEREOF the parties have signed these presents and a duplicate hereof the day and year first hereinabove written.

Signed and delivered by _____ Ltd., the within named company by its Managing Director _____

Signed and delivered by _____ the within named underwriter by its Managing Director _____

WITNESSES;

1.

2.

6.4. LISTING AGREEMENT

Listing means admission of securities to dealings on a recognised stock exchange. The securities may be of any public limited company, Central or State Government, quasi governmental and other financial institutions/corporations, municipalities, etc.

The objectives of listing are mainly to:

- provide liquidity to securities;
- mobilize savings for economic development;
- protect interest of investors by ensuring full disclosures.

LISTING AGREEMENT

Agreement made this day of _____

By _____ a Company duly formed and registered under the Indian Companies Act, 1956 and having its Registered Office at _____ (hereinafter called "the Company")

WITH

THE STOCK EXCHANGE OF _____ (hereinafter called "the Exchange")

Witnesseth -

WHEREAS the Company has filed with the Exchange an application for listing its securities more particularly described in Schedule I annexed hereto and made a part hereof

AND WHEREAS it is a requirement of the Exchange that there must be filed with the application, an agreement in terms hereinafter appearing to qualify for the admission and continuance of the said securities upon the list of the Exchange.

NOW THEREFORE in consideration of the Exchange listing the said securities the Company hereby covenants and agrees with the Exchange as follows:

1. The Company agrees:
 - a. that Letters of Allotment will be issued simultaneously and that in the event of its being impossible to issue Letters of Regret at the same time a notice to that effect will be inserted in the press so that it will appear on the morning after the Letters of Allotment have been posted;
 - b. that Letters of Right will be issued simultaneously;
 - c. that Letters of Allotment, Acceptance or Right will be serially numbered, printed on good quality paper and examined and signed by a responsible officer of the Company and that wherever possible they will contain the distinctive numbers of the securities to which they relate;
 - d. that Letters of Allotment and renounceable Letters of Right will contain a provision for splitting and that when so required by the Exchange the form of renunciation will be printed on the back of or attached to the Letters of Allotment and Letters of Right;
 - e. that Letters of Allotment and Letters of Rights will state how the next payment of interest or dividend on the securities will be calculated.
2. The Company will issue, when so required, receipts for all the securities deposited with it whether for registration, sub-division, consolidation, renewal, exchange or for other purposes.
3. The Company agrees:
 - a. to have on hand at all times a sufficient supply of certificates to meet the demands for transfer, sub-division, consolidation and renewal;
 - b. to issue certificates or Receipts within one month of the date of the expiration of any Right to Renunciation;

- c. to issue certificates within one month of the date of lodgment for transfer, sub-division, consolidation, renewal, exchange or endorsement of calls/allotment monies or to issue within fifteen days of such lodgment for transfer, Transfer Receipts in denominations corresponding to the market units of trading autographically signed by a responsible official of the Company and bearing an endorsement that the transfer has been duly approved by the Directors or that no such approval is necessary;
- d. to issue without charge, Balance Certificates, within one month, if so required;
- e. to issue new certificates in replacement of those which are lost within six weeks of notification of loss and receipt of proper indemnity.

4. The Company agrees:

- a. to issue, unless the Exchange otherwise agrees and the parties concerned desire, Allotment Letters, Share Certificates, Call Notices and other relevant documents in market units of trading and in the case of share certificates issued pursuant to conversion of debentures or shares allotted in respect of tradeable warrants or exercise of rights or bonus issues or amalgamations which are not in market units of trading, in denominations of 1, 5, 10, 50 shares;
- b. to split certificates, Letters of Allotment, Letters of Right, and Split, Consolidation, Renewal and Transfer Receipts of large denominations into smaller units;
- c. to consolidate certificates of small denominations into denominations corresponding to the market units of trading;
- d. to issue within one week Split, Consolidation and Renewal Receipts duly signed by an official of the Company and in denominations corresponding

to the market units of trading, particularly when so required by the Exchange;

- e. to exchange 'Rights' or 'Entitled' shares into Coupons or Fractional Certificates when so required by the Exchange;
- f. to issue call notices and splits and duplicates thereof in a standard form acceptable to the Exchange, to forward a supply of the same promptly to the Exchange for meeting requests for blank split and duplicate call notices, to make arrangements for accepting call moneys at all centers where there are recognised stock exchanges in India and not to require any discharge on call receipts;
- g. to accept the discharge of the members of the Exchange on Split, Consolidation and Renewal Receipts as good and sufficient without insisting on the discharge of the registered holders.

5. When documents are lodged for sub-division, consolidation or renewal through the Clearing House of the Exchange, the Company agrees -

- a. that it will accept the discharge of an official of the Stock Exchange Clearing House on the Company's Split, Consolidation and Renewal Receipts as good and sufficient without insisting on the discharge of the registered holders;
- b. that when the Company is unable to issue certificates or Split, Consolidation or Renewal Receipts immediately on lodgment, it will verify whether the discharge of the registered holders on the documents lodged for sub-division, consolidation or renewal and their signature on the relative transfers are in order.

6. The Company will, if so required by the Exchange, certify transfers against Letters of Allotment, Certificates and Balance Receipts and in that event the

Company will promptly make on transfers an endorsement to the following effect:

"Name of Company _____

Certificate / Allotment Letter No. _____ for the within mentioned _____ shares is deposited in the Company's Office against this transfer No. _____

Signature(s) of Official(s) _____

Date _____ "

7. On production of the necessary documents by shareholders or by members of the Exchange, the Company will make on transfers an endorsement to the effect that the Power of Attorney or Probate or Letters of Administration or Death Certificate or Certificate of the Controller of Estate Duty or similar other document has been duly exhibited to and registered by the Company.
8. The Company agrees that it will not make any charge:
 - a. for registration of transfers of its shares and debentures;
 - b. for sub-division and consolidation of share and debenture certificates and for sub-division of Letters of Allotment and Split, Consolidation, Renewal and Transfer Receipts into denominations corresponding to the market unit of trading;
 - c. for sub-division of renounceable Letters of Right;
 - d. for issue of new certificates in replacement of those which are old, decrepit or worn out, or where the cages on the reverse of recording transfers have been fully utilised;

- e. for registration of any Power of Attorney, Probate, Letters of Administration or similar other documents.
- 9. The Company agrees that it will not charge any fees exceeding those which may be agreed upon with the Exchange:
 - a. for issue of new certificates in replacement of those that are torn, defaced, lost or destroyed;
 - b. for sub-division and consolidation of share and debenture certificates and for sub-division of Letters of Allotment and Split, Consolidation, Renewal and Transfer Receipts into denominations other than those fixed for the market units of trading.
- 10. The Company will promptly verify the signatures of shareholders on Allotment Letters, Split, Consolidation, Renewal, Transfer and any other Temporary Receipts and transfer deeds when so required by the shareholders or a member of the Exchange or by the Stock Exchange Clearing House.
- 11. The Company agrees that it will entertain applications for registering transfers of its securities when:
 - a. the instrument of transfer is in any usual or common form approved by the Exchange; and
 - b. the transfer deeds are properly executed and accompanied either by certificates or by Letters of Allotment, Transfer Receipts or Split, Consolidation or Renewal Receipts duly discharged either by the registered holders or, in the case of Split, Consolidation and Renewal Receipts, by the members of the Exchange or an official of the Stock Exchange Clearing House as provided herein.
- 12. On lodgment of the proper documents, the Company agrees that it will register transfers of its securities in the name of the transferee except:

- a. when the transferee is, in exceptional circumstances, not approved by the Directors in accordance with the provisions contained in the Articles of Association of the Company, in which event the President of the Exchange will be taken into confidence, when so required, as to the reasons for such rejection;
- b. when any statutory prohibition or any attachment or prohibitory order of a competent authority restrains the Company from transferring the securities out of the name of the transferor;
- c. when the transferor objects to the transfer provided he serves on the Company within a reasonable time a prohibitory order of a Court of competent jurisdiction.

12.A.

- 1. The company agrees that when proper documents are lodged for transfer and there are no material defects in the documents except minor difference in signature of the transferor(s),
 - i. then the company will promptly sent to the first transferor an intimation of the aforesaid defect in the documents and inform the transferor that objection, if any, of the transferor supported by valid proof, is not lodged with the company within fifteen days of receipt of the company's letter, then the securities will be transferred;
 - ii. the objection from the transferor with supporting documents is not received within the stipulated period, the company shall transfer the securities provided the company does not suspect fraud or forge in the matter.

- 1.A."The company agrees that in respect of transfer of shares where the company has not effected transfer of shares within one month or where the

company has failed to communicate to the transferee any valid objection to the transfer within the stipulated time period of one month, the company shall compensate the aggrieved party for the opportunity losses caused during the period of the delay.

In addition, the company keeping in view the provisions of Section 206A of the Companies Act and Section 27 of the Securities Contracts (Regulation) Act, 1956, provide all benefits (i.e. bonus shares, right shares, and dividend) which accrued to the investor during the intervening period on account of such delay."

- a. The company agrees that when the signature of transferor(s) is attested by a person authorised by the Department of Company Affairs, u/s 108(1A) of the Companies Act, 1956, then it shall not refuse to transfer the securities on the ground of signature difference unless it has reason to believe that a forgery or fraud is involved.

13. The Company will promptly notify the Exchange of any attachment or prohibitory orders restraining the Company from transferring securities out of the names of the registered holders and furnish to the Exchange particulars of the number of securities so affected, the distinctive numbers of such securities and the names of the registered holders thereof.

14. If, in view of the volume of the business in the listed securities of the company, the Exchange so requires, the Company will arrange to maintain:

- a. a transfer register in the City of _____ on which all securities of the Company that are listed on the Exchange would be directly transferable;
or
- b. a registry office or some other suitable office satisfactory to the Exchange within the _____ area of _____, which will receive and redeliver all securities there tendered for the purpose of transfer, sub division, consolidation or renewal.

15. The Company agrees that it will not close its Transfer Books on such days (or, when the Transfer Books are not to be closed, fix such date for the taking of a record of its shareholders or debenture holders) as may be inconvenient to the Exchange for the purpose of settlement of transactions, of which due notice in advance shall have been given by the Exchange to the Company.
16. The Company agrees to close its Transfer Books for purposes of declaration of dividend or issue of right or bonus shares or issue of shares for conversion of debentures or of shares arising out of rights attached to debentures or for such other purposes as the Exchange may agree to or require and further agrees to close its Transfer Books at least once a year at the time of the Annual General Meeting if they have not been otherwise closed at any time during the year and to give to the Exchange the notice in advance of at least forty-two days, (thirty days in case of such securities which are announced by SEBI from time to time for compulsory delivery in dematerialized form by all investors) or of as many days as the Exchange may from time to time reasonably prescribe, stating the dates of closure of its Transfer Books (or, when the Transfer Books are not to be closed, the date fixed for taking a record of its shareholders or debenture holders) and specifying the purpose or purposes for which the Transfer Books are to be closed (or the record is to be taken) and to send copies of such notices to the other recognised stock exchanges in India. The company further agrees that the minimum time gap between the two book closures and/or record dates would be at least 30 days.
17. The Company will accept for registration transfers that are lodged with the company upto the date of closure of the Transfer Books (or when the Transfer Books are not closed, up to the record date) and save as provided in Clause 12 will register such transfers forthwith; and unless the Exchange agrees otherwise, the Company will defer, until the Transfer Books have reopened, registration of any transfers which may be received after the closure of the Transfer Books.

18. The Company will publish in a form approved by the Exchange such periodical interim statements of its working and earning as it shall from time to time agree upon with the Exchange.
19. The Company agrees:
 - a. to give prior intimation to the Exchange about the Board Meeting at which proposal for Buy back of Securities, declaration/recommendation of Dividend or Rights or issue of convertible debentures or of debentures carrying a right to subscribe to equity shares or the passing over of dividend is due to be considered at least 7 days in advance;
 - b. to give notice simultaneously to the Stock Exchanges in case the proposal for declaration of bonus is communicated to the Board of Directors of the company as part of the agenda papers. (No prior intimation to the Exchange is required about the Board Meeting in case the declaration of Bonus by the Company is not on the agenda of the Board Meeting);
 - c. that it will recommend or declare all dividend and/or cash bonuses at least five days before commencement of the closure of its transfer books or the record date fixed for the purpose.
20. The company will, immediately on the date of the meeting of its Board of Directors held to consider or decide the same, intimate to the Exchange within 15 minutes of the closure of the Board Meetings by Letter/fax, (or, if the meeting be held outside the City of Mumbai, by fax/ telegram):
 - a. all dividends and/or cash bonuses recommended or declared or the decision to pass any dividend or interest payment;
 - b. the total turnover, gross profit/loss, provision for depreciation, tax provisions and net profits for the year (with comparison with the previous year) and the amounts appropriated from reserves, capital profits,

accumulated profits of past years or other special source to provide wholly or partly for the dividend, even if this calls for qualification that such information is provisional or subject to audit.

c. The decision on Buy back of Securities.

21. The Company will fix and notify the Exchange at least twenty-one days in advance of the date on and from which the dividend on shares, interest on debentures and bonds, and redemption amount of redeemable shares or of debentures and bonds will be payable and will issue simultaneously the dividend warrants, interest warrants and cheques for redemption money of redeemable shares or of debentures and bonds, which shall be payable at par at such centers as may be agreed to between the Exchange and the Company and which shall be collected at par, with collection charges, if any, being borne by the Company, in any bank in the country at centers other than the centers agreed to between the Exchange and the Company, so as to reach the holders of shares, debentures or bonds on or before the date fixed for payment of dividend, interest on debentures or bonds or redemption money, as the case may be.
22. The Company will, immediately on the date of the meeting of its Board of Directors held to consider or decide the same, intimate to the Exchange within 15 minutes of the closure of the Board Meetings by Letter/fax (or, if the meeting be held outside the City of Mumbai, by fax/ telegram):
 - a. short particulars of any increase of capital whether by issue of bonus shares through capitalization, or by way of right shares to be offered to the shareholders or debenture holders, or in any other way;
 - b. short particulars of the reissue of forfeited shares or securities, or the issue of shares or securities held in reserve for future issue or the creation in any form or manner of new shares or securities or any other rights, privileges or benefits to subscribe to;

- c. short particulars of any other alterations of capital, including calls;
- d. any other information necessary to enable the holders of the listed securities of the Company to appraise its position and to avoid the establishment of a false market in such listed securities.

23. The Company agrees:

- a. to issue or offer in the first instance all shares (including forfeited shares, unless the Exchange otherwise agrees), securities, rights, privileges and benefits to subscribe to pro rata to the equity shareholders of the Company unless the shareholders in the general meeting decide otherwise;
- b. to close the Transfer Books as from such date or to fix such record date for the purpose in consultation with the Exchange as may be suitable for the settlement of transactions and to so close the Transfer Books or fix the record date only after the sanctions subject to which the issue or offer is proposed to be made have been duly obtained unless the Exchange agrees otherwise;
- c. to make such issues or offers in a form to be approved by the Exchange and unless the Exchange otherwise agrees to grant in all cases the right of renunciation to the shareholders and to forward a supply of the renunciation forms promptly to the Exchange;
- d. to issue, where necessary, coupons or fractional certificates unless the Company in general meeting or the Exchange agrees otherwise, and when coupons or fractional certificates are not issued, to provide for the payment of the equivalent of the value, if any, of the fractional rights in cash;
- e. to give to the shareholders reasonable time, not being less than four weeks, within which to record their interest and exercise their rights;

- f. to issue Letters of Allotment or Letters of Right within six weeks of the record date or date of reopening of the Transfer Books after their closure for the purpose of making a bonus or rights issue and to issue Allotment Letters or certificates within six weeks of the last date fixed by the Company for submission of letters of Renunciation or applications of new securities.

24.

- a. The Company agrees to make an application to the Exchange for the listing of any new issue of shares or securities and of the provisional documents relating thereto.
- b. The company agrees to make true, fair and adequate disclosure in the offer document / draft prospectus / letter of offer in respect of any new or further issue of shares / securities.
- c. The company agrees that it shall not issue any prospectus/offer document/letter of offer for public subscription of any securities unless the said prospectus/offer document/letter of offer has been vetted by SEBI and an Acknowledgment Card obtained from SEBI through the lead manager. Unless the regulation / guidelines of the Securities and Exchange Board of India provide otherwise.
- d. The company further agrees that the company shall submit to the Exchange the following documents to enable it to admit/list the said securities for dealings on the Exchange, such as -
 - i. a copy of the Acknowledgment Card or letter indicating the observations on draft prospectus/letter of offer/offer documents by SEBI; unless the regulation/guidelines of the Securities and Exchange Board of India provide otherwise, and

ii. a certificate from a Merchant Banker acting as a lead manager to the issue reporting positive compliance by the company of the Guidelines on Disclosure and Investor Protection issued by SEBI.

e. In the event of non-submission of the documents as mentioned in sub-clause (d) above by the company to the Exchange or withdrawal of the Acknowledgment Card by SEBI at any time before grant of permission of listing/admission to dealings of the securities, the securities shall not be eligible for listing/dealing, as the case may be, and the company shall be liable to refund the subscription monies to the respective investors immediately.

25. In the event of the Company granting any options to purchase any shares of the Company, the Company will promptly notify the Exchange:

- of the number of shares covered by such options, of the terms thereof and of the time within which they may be exercised;
- of any subsequent changes or cancellation or exercise of such options.

26. Unless the terms of issue otherwise provide, the Company will not select any of its listed securities for redemption otherwise than pro-rata or by lot and will promptly furnish to the Exchange any information requested in reference to such redemption.

27. The Company will promptly notify the Exchange:

- a. of any action which will result in the redemption, cancellation or retirement in whole or in part of any securities listed on the Exchange;
- b. of the intention to make a drawing of such securities, intimating at the same time the date of the drawing and the period of the closing of the Transfer Books (or the date of striking of the balance) for the drawing;

- c. of the amount of security outstanding after any drawing has been made.
- 28. The Company will not make any change in the form or nature of any of its securities that are listed on the Exchange or in the rights or privileges of the holders thereof without giving twenty-one days' prior notice to the Exchange of the proposed change and making an application for listing of the securities as changed if the Exchange shall so require.
- 29. The Company will promptly notify the Exchange of any proposed change in the general character or nature of its business.
- 30. The Company will promptly notify the Exchange:
 - a. of any change in the Company's directorate by death, resignation, removal or otherwise;
 - b. of any change of Managing Director, Managing Agents or Secretaries and Treasures;
 - c. of any change of Auditors appointed to audit the books and accounts of the Company.
- 31. The Company will forward to the Exchange promptly and without application:
 - a. six copies of the Statutory and Directors' Annual Reports, Balance Sheets and Profit and Loss Accounts and of all periodical and special reports as soon as they are issued and one copy each to all the recognised stock exchanges in India;
 - b. six copies of all notices, resolutions and circulars relating to new issue of capital prior to their despatch to the shareholders;

- c. three copies of all the notices, call letters or any other circulars at the same time as they are sent to the shareholders or debenture holders or advertised in the Press;
 - d. copy of the proceedings at all Annual and Extraordinary General Meetings of the Company;
 - e. three copies of all notices, circulars, etc., issued or advertised in the press either by the Company, or by any company which the Company proposes to absorb or with which the Company proposes to merge or amalgamate, or under orders of the court or any other statutory authority in connection with any merger, amalgamation, re-construction, reduction of capital, scheme or arrangement, including notices, circulars, etc. issued or advertised in the press in regard to meetings of shareholders or debenture holders or creditors or any class of them and copies of the proceedings at all such meetings.
32. The Company will supply a copy of the complete and full Balance Sheet, Profit and Loss Account and the Directors' Report, to each Shareholder and upon application to any member of the Exchange.

However, the company may supply single copy of complete and full Balance Sheet and Profit & Loss Account and Directors report to shareholders residing in one household (i.e., having same address in the Books of Company/ Registrars/Share transfer agents). Provided that, the company on receipt of request shall supply the complete and full Balance Sheet and Profit & Loss Account and Directors report also to any shareholder residing in such household. Further, the company will supply abridged Balance sheet to all the shareholders in the same household.

In case the company has changed its name suggesting any new line of business (including software business), after 1st January, 1998 or it changes the name hereafter, then the company will disclose the turnover and income, etc., from such new activities separately in the annual results for a period of 3 years from the date of change in the name of the company.

The Company will also give a Cash Flow Statement along with Balance Sheet and Profit and Loss Account. The Cash Flow Statement will be prepared in accordance with the Accounting Standard on Cash Flow Statement (AS-3) issued by the Institute of Chartered Accountants of India, and the Cash Flow Statement shall be presented only under the Indirect Method as given in AS-3.

The company will mandatorily publish Consolidated Financial Statements in its Annual Report in addition to the individual financial statements. The company will have to get its Consolidated Financial Statements audited by the statutory auditors of the company and file the same with the Stock Exchange.

The company will make disclosures in compliance with the Accounting Standard on "Related Party Disclosures" in its Annual Report.

33. The Company will forward to the Exchange copies of all notices sent to its shareholders with respect to amendments to its Memorandum and Articles of Association and will file with the Exchange six copies (one of which will be certified) of such amendments as soon as they shall have been adopted by the Company in general meeting.
34. The Company agrees:
 - f. that it will not exercise a lien on its fully paid shares and that in respect of partly paid shares it will not exercise any lien except in respect of moneys called or payable at a fixed time in respect of such shares;
 - g. that it will not decline to register or acknowledge any transfer of shares on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever;
 - h. that it will not forfeit unclaimed dividends before the claim becomes barred by law and that such forfeiture, when effected, will be annulled in appropriate cases;

- i. that if any amount be paid up in advance of calls on any shares it will stipulate that such amount may carry interest but shall not in respect thereof confer a right to dividend or to participate in profits;
- j. that it will not give to any person the call of any shares without the sanction of the shareholders in general meeting;
- k. that it will send out proxy forms to shareholders and debenture holders in all cases, such proxy forms being so worded that a shareholder or debenture holder may vote either for or against each resolution;
- l. that when notice is given to its shareholders by advertisement it will advertise such notice in atleast one leading Mumbai daily newspaper.

35. The company agrees to file with the Exchange the shareholding pattern on a quarterly basis within 15 days of end of the quarter in the following form:

Category

No. of shares held

Percentage of shareholding

A.

Promoter's holding

1.

Promoters*

- Indian Promoters

- Foreign Promoters

2.

Persons acting in concert #

Sub-Total

B.

Non-Promoters Holding

3.

Institutional Investors

a.

Mutual Funds and UTI

b.

Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions/Non-government Institutions)

c.

FIIIs

Sub-Total

4.

Others

a.

Private Corporate Bodies

b.

Indian Public

c.

NRIs/OCBs

d.

Any other (please specify)

Sub-Total

GRAND TOTAL...

- as defined in Regulation 2(h) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997. The promoters' holding shall include all entities in the promoters' group - individual or body corporates.
- as defined in Regulation 2(e) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997.

Note 1: Name, Number of shares held and percentage shareholding of entities / persons holding more than 1 percent of the shares of the company be given under each head.

Note 2: Total foreign shareholding in number of shares and percentage shareholding be given as footnote including GDR and ADR holdings.

Note 3: The Company shall also post this information on its web site."

36. Apart from complying with all specific requirements as above, the Company will keep the Exchange informed of events such as strikes, lock-outs, closure on account of power cuts, etc. both at the time of occurrence of the event and subsequently after the cessation of the event in order to enable the shareholders and the public to appraise the position of the Company and to avoid the establishment of a false market in its securities. In addition, the Company will furnish to the Exchange on request such information concerning the Company as the Exchange may reasonably require. The Company will also immediately inform the Exchange of all the events which will have bearing on the performance/operations of the company as well as price sensitive information. The material events may be events such as:

1. Change in the general character or nature of business

Without prejudice to the generality of Clause 29 of the Listing Agreement, the Company will promptly notify the Exchange of any material change in the general character or nature of its business where such change is brought about by the Company entering into or proposing to enter into any arrangement for technical, manufacturing, marketing or financial tie-up or by reason of the Company, selling or disposing of or agreeing to sell or dispose of any unit or division or by the Company, enlarging, restricting or closing the operations of any unit or division or proposing to enlarge, restrict or close the operations of any unit or division or otherwise.

2. Disruption of operations due to natural calamity

The Company will soon after the occurrence of any natural calamity like earthquake, flood or fire disruptive of the operation of any one or more units of the Company keep the Exchange informed of the details of the damage caused to the unit thereby and whether the loss/damage has been covered by insurance, and without delay furnish to the Exchange an estimate of the loss in revenue or production arising there from, and the steps taken to restore normalcy, in order to enable the security holders and the public to appraise the position of the issue and to avoid the establishment of a false market in its securities.

3. Commencement of Commercial Production/Commercial Operations

The Company will promptly notify the Exchange the commencement of commercial/production or the commencement of commercial operations of any unit/division where revenue from the unit/division for a full year of production or operations is estimated to be not less than ten per cent of the revenues of the Company for the year.

4. Developments with respect to pricing/realisation arising out of change in the regulatory framework.

The Company will promptly inform the Exchange of the developments with respect to pricing of or in realisation on its goods or services (which are subject to price or

distribution control/restriction by the Government or other statutory authorities, whether by way of quota, fixed rate of return, or otherwise) arising out of modification or change in Government's or other authority's policies provided the change can reasonably be expected to have a material impact on its present or future operations or its profitability.

5. Litigation/dispute with a material impact

The Company will promptly after the event inform the Exchange of the developments with respect to any dispute in conciliation proceedings, litigation, assessment, adjudication or arbitration to which it is a party or the outcome of which can reasonably be expected to have a material impact on its present or future operations or its profitability or financials.

6. Revision in Ratings

The Company will promptly notify the Exchange, the details of any rating or revision in rating assigned to any debt or equity instrument of the Company or to any fixed deposit programme or to any scheme or proposal of the Company involving mobilization of funds whether in India or abroad provided the rating so assigned has been quoted, referred to, reported, relied upon or otherwise used by or on behalf of the Company.

7. Any other information having bearing on the operation/performance of the company as well as price sensitive information which includes but not restricted to

- i. Issue of any class of securities.
- ii. Acquisition, merger, de-merger, amalgamation, restructuring, scheme of arrangement, spin off or setting divisions of the company, etc.
- iii. Change in market lot of the company's shares, sub-division of equity shares of company.
- iv. Voluntary delisting by the company from the stock exchange(s).

- v. Forfeiture of shares.
- vi. Any action which will result alteration in the terms regarding redemption/cancellation/retirement in whole or in part of any securities issued by the company.
- vii. Information regarding opening, closing of status of ADR, GDR, or any other class of securities to be issued abroad.
- viii. Cancellation of dividend/rights/bonus, etc.

The above information should be made public immediately.

- 36. The Company agrees to permit the Exchange to make available immediately to its members and to the Press any information supplied by the Company in compliance with any of the listing requirements provided that in cases where it is contended that such disclosure might be detrimental to the Company's interest a special submission to that effect may be made for the consideration of the Exchange when furnishing the information.
- 37. The Company agrees that as soon as its securities are listed on the Exchange, it will pay to the Stock Exchange an Initial Listing Fee as prescribed in Schedule II hereto annexed and made a part thereof, and that thereafter, so long as the securities continue to be listed on the Stock Exchange, it will pay to the Exchange on or before the 30th April, in each year an Annual Listing Fee computed on the basis of the capital of the Company as on 31st March and worked out as provided in Schedule II hereto annexed. The company also agrees that it shall pay the additional Annual Listing Fee, at the time of making application for listing of securities arising out of further issue, as is computed in terms of Schedule II annexed hereto for any addition in the capital after 31st March.

38. The Company agrees that in the event of the application for listing being granted such listing shall be subject to the Rules, By-laws and Regulations of the Exchange which now are or hereafter may be in force and the Company further agrees to comply within a reasonable time with such further regulations as may be promulgated by the Exchange as a general requirement for new listings.

39. A - Conditions for continued listing:

The company agrees that the following shall also be the conditions for continued listing.

- i. The company agrees that in the event of the application for listing being granted by the Exchange, the company shall maintain on a continuous basis, the minimum level of non-promoter holding at the level of public shareholding as required at the time of listing.
- ii. Where the non-promoter holding of an existing listed company as on _____ is less than the limit of public shareholding as required at the time of initial listing, the company shall within one year, raise the level of non-promoter holding to at least 10%. In case the company fails to do so, it shall buy-back the public share holding in the manner provided under the SEBI regulations.
- iii. The company agrees that it shall not make preferential allotment or an offer to buy back its securities, if such allotment or offer result in reducing the non-promoter holding below the limit of public shareholding specified under the SEBI (Disclosure and Investor Protection) Guidelines, as applicable at the time of initial listing or the limit specified in sub-clause (ii) for the existing listed company, as the case may be.
- iv. The conditions stipulated in sub-clauses (i), (ii) and (iii) shall not apply to the companies referred to BIFR.

v. The company agrees that the following shall also be the condition for continued listing.

- When any person acquires or agrees to acquire 5% or more of the voting rights of any securities, the acquirer and the company shall comply with the relevant provisions of the SEBI Regulations.
- When any person acquires or agrees to acquire any securities exceeding 15% of the voting rights in any company or if any person who holds securities which in aggregate carries less than 15% of the voting rights of the company and seeks to acquire the securities exceeding 15% of the voting rights, such person shall not acquire any securities exceeding 15% of the voting rights of the company without complying with the relevant provisions of the SEBI Regulations."

40. B - Takeover offer:

A company agrees that it is a condition for continued listing that whenever the take-over offer is made or there is any change in the control of the management of the company, the person who secures the control of the management of the company and the company whose shares have been acquired shall comply with the relevant provisions of the SEBI Regulations.

41. The Company agrees that it will furnish unaudited financial results on a quarterly basis, in the following pro-forma within one month from the end of quarter (Quarter means 3 months only) to the Stock Exchanges and will make an announcement to the Stock Exchanges where the company is listed, immediately within 15 minutes of the closure of the Board Meeting or Meeting of a Sub Committee of Board of Directors (consisting of not less than one third of the Directors), in which the unaudited financial results are placed and also within 48 hours of the conclusion of the Board or its Sub Committee Meeting in at least one English daily news paper circulating in the whole or substantially the whole of India and in one news paper published in the language of the region, where

the registered office of the company is situated. The Board of Directors or its Sub Committee should take on record the unaudited quarterly results, which shall be signed by the Managing Director/Director. The company shall inform the Stock Exchange where its securities are listed about the date of the Board Meeting at least 7 days in advance and shall also issue immediately a press release in at least one national news paper and one regional language news paper about the date of the aforesaid Board or its Sub Committee Meeting.

The company will furnish segment wise revenue, results and capital employed along with the quarterly unaudited financial results as per the format given below:

Format for Quarterly Reporting of Segment wise Revenue, Results and Capital Employed, under Clause 41 of the Listing Agreement:

3 months ended (1)

Corresponding 3 months in the previous Year (2)

Year to date Figures for Current Period (3)

Year to date Figures for the Previous Year (4)

Previous Accounting Year (5)

1. Segment Revenue (net sale/income from each segment should be disclosed under this head). a. Segment - A b. Segment - B c. Segment - C d. Others Total

Less: Inter segment revenue

Net sales/income from operations

2. Segment Results (Profit)(+)/loss(-) before tax and interest from each segment)*

a. Segment - A

b. Segment - B

c. Segment - C

d. Others

Total

Less:

i. Interest**

ii. Other un-allocable expenditure net off un-allocable income. Total Profit Before Tax

* Profit/Loss before tax and after interest in case of segments having operations which are primarily of financial nature. **Other than the interest pertaining to the segments having operations which are primarily of financial nature

3. Capital Employed (Segment assets- Segment Liabilities).

a. Segment - A

b. Segment - B

c. Segment - C

d. Others Total

Note:

1. Segment Revenue, Segment Results, Segment assets and Segment liabilities shall have the same meaning as defined in the Accounting Standards on Segment Reporting (AS-17) issued by ICAI.
2. The above information shall be furnished for each of the reportable primary segments as identified in accordance with AS-17, issued by ICAI.
3. For the quarters ending upto September 30, 2002, reporting of figures for the previous year under column 2, 4 and 5 is not mandatory.

The company will comply with the Accounting Standard on "Accounting for taxes on income" in respect of quarterly unaudited financial results.

The company will have the option to publish consolidated quarterly financial results in addition to the unaudited quarterly financial results of the parent company as required under this clause.

The company will publish its Annual Results in the same format as prescribed for quarterly results in this clause.

In case the company has changed its name suggesting any new line of business, or it changes the name hereafter, then the company will disclose the turnover and income, etc., from such new activities separately in the quarterly/annual results which are submitted/published for a period of 3 years from the date of change in the name of the company.

The unaudited results should not substantially differ from the audited results of the company. If the sum total of the First, Second, Third and Fourth quarterly unaudited results in respect of any item given in the same proforma varies by 20 percent when compared with the audited results for the full year the company shall explain the reasons to the Stock Exchanges.

In addition, the Company shall prepare the half yearly results in the same proforma and the same shall be approved by the Board of Directors and subjected to a "Limited Review" by the Auditors of the Company (or by any Chartered Accountant in case of Public Sector Undertakings) and a copy of the Review Report shall be submitted to the Stock Exchange within 2 months after the close of the half year. For the purpose of this Review half year shall be construed as consisting of the first two quarters of the Company's Financial Year. If the sum total of First and Second quarterly unaudited results in respect of any item given in the same proforma format varies by 20% or more from the respective half yearly results as determined after the "Limited Review" by the Auditors, the Company shall send a statement (approved by the Board of Directors) explaining the reasons to the Stock Exchanges along with Review Report.

The Review Report of the company (except banks) shall be in the following format:

"We have reviewed the accompanying statement of unaudited financial results of..... (Name of the company) for the period ended..... This statement is the responsibility of the Company's management and has been approved by the Board of Directors.

A review of interim financial information consists principally of applying analytical procedures for financial data and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review conducted as above, nothing has come to our notice that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with Accounting Standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement".

The Review report for banks shall be in the following format:

"We have reviewed the accompanying statement of unaudited financial results of..... (Name of the company) for the period ended..... This statement is the responsibility of the Company's management.

A review of interim financial information consists principally of applying analytical procedures for financial data and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

In the conduct of our Review we have relied on the review reports in respect of non-performing assets received from concurrent auditors of..... branches, inspection teams of the bank of..... branches and other firms of auditors of..... branches specifically

appointed for this purpose. These review reports cover..... percent of the advances portfolio of the bank. Apart from these review reports, in the conduct of our review, we have also relied upon various returns received from the branches of the bank.

Based on our review conducted as above, nothing has come to our notice that causes us to believe that the accompanying statement of unaudited financial results has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters."

In respect of the half yearly results, if the company intimates in advance to the Stock Exchange/s that it will publish audited half yearly financial results within two months of the close of the half year, then in such a case unaudited results and Limited Review need not be published/given to the Stock Exchange/s.

In respect of results for the last quarter of the financial year, if the company intimates in advance to the Stock Exchange/s that it will publish audited results within a period of 3 months from the end of the last quarter of the financial year, in such a case unaudited results for the last quarter need not be published/ given to the Stock Exchange/s.

The company shall be required to disclose the audit qualifications along with the audited financial results published under this clause in addition to the explanatory statement as to how audit qualification in respect of audited accounts of the previous accounting year have been addressed in the financial results.

The quarterly results shall be prepared on the basis of accrual accounting policy and in accordance with uniform accounting practices adopted for all the periods on quarterly basis.

The format for declaration of Unaudited Quarterly Results for Company (except bank) is as follows:

UNAUDITED QUARTERLY FINANCIAL RESULTS FOR THE THREE MONTHS
ENDED.....:

1.

2.

3.

4.

5.

3 months ended

Corresponding 3 months in the previous year.

Year to date figures for current period

Year to date figures for the previous year

Previous Accounting year

1. Net Sales/Income from operations

2. Other Income

3. Total Expenditure

a. Increase/decrease in stock in trade

b. Consumption of raw materials.

c. Staff Cost

d. Other expenditure (Any item exceeding 10% of the total expenditure to be shown separately).

4. Interest

5. Depreciation

6. Profit(+)/Loss(-) before Tax (1+2-3-4-5)

7. Provision for taxation

8. Net Profit (+)/Loss(-) (6-7)

9. Paid-up equity share Capital (Face Value of the share Shall be indicated)

10. Reserves excluding revaluation reserves (as per balance sheet) of previous accounting year to be given in column (5)

11. Basic and diluted EPS for the period, for the year to date and for the previous year (not to be annualised)

12. Aggregate of Non-Promoter Shareholding

42. The Company agrees that it shall be a condition precedent for issuance of new securities that it shall deposit before the opening of subscription list and keep deposited with the Exchange (in cases where the securities are offered for subscription whether through a prospectus, letter of offer or otherwise) an amount calculated at the rate of 1% (one per cent) of the amount of securities offered for subscription to the public and/or to the holders of existing securities of the company, as the case may be for ensuring compliance by the company, within the prescribed or stipulated period, of all prevailing requirements of law and all prevailing listing requirements and conditions as mentioned in, and refundable or forfeitable in the manner stated in the Rules, Bye-laws and Regulations of the Exchange for the time being in force.

43. The Company agrees that it will furnish on a quarterly basis a statement to the Exchange indicating the variations between projected utilisation of funds and/or projected profitability statement made by it in its prospectus or letter of offer or object/s stated in the explanatory statement to the notice for the general meeting for considering preferential issue of securities, and the actual utilisation of funds and/or actual profitability.

The statement referred to in clause (1) shall be given for each of the years for which projections are provided in the prospectus/letter of offer/object/s stated in the explanatory statement to the notice for considering preferential issue of securities and shall be published in newspapers simultaneously with the unaudited/audited financial results as required under clause 41.

If there are material variations between the projections and the actual utilisation/profitability, the company shall furnish an explanation therefore in the advertisement and shall also provide the same in the Directors' Report."

44. The company agrees that:

(a) as far as possible allotment of securities offered to the public shall be made within 30 days of the closure of the public issue;

(b) it shall pay interest @ ____% per annum if the allotment has not been made and/or the refund orders have not been dispatched to the investors within 30 days from the date of the closure of the issue.

45. The Company shall comply with the provisions of SEBI Guidelines on Disclosure and Investor Protection issued by SEBI from time to time.

46. The Company agrees:

a) to appoint the Company Secretary to act as Compliance Officer who will be responsible for monitoring the share transfer process and report to the Company's Board in each meeting. The compliance officer will directly liaise with the authorities such as SEBI, Stock Exchanges, Registrar of Companies, etc., and investors with respect to implementation of various clauses, rules, regulations and other directives of such authorities and investor service and complaints of related matter;

b) to undertake a due diligence survey to ascertain whether the Registrars and Share Transfer Agent/s (RTA) and/or In-house Share Transfer facility, as the case may be, are sufficiently equipped with infrastructure facilities such as adequate manpower, computer

hardware and software, office space, documents handling facility, etc., to serve the shareholders.

c) that it will ensure that the RTA and/or the In-house Share Transfer facility, as the case may be, produces a certificate from a practicing Company Secretary within one month of the end of each half of the financial year, certifying that all certificates have been issued within one month of the date of lodgment for transfer, sub-division, consolidation, renewal, exchange or endorsement of calls/allotment monies and a copy of the same shall be made available to the Exchange within 24 hours of the receipt of the certificate by the Company;

d) to furnish to the Exchange both by way of floppy disks and printed details, within 48 hours of its getting information regarding loss of share certificates and issue of the duplicate certificates;

e) to maintain copies of Memorandum of Understanding entered into with the RTA setting out their mutual responsibilities, at the Registered Office of the Company for Public inspection and the company further agrees to submit within 48 hours a copy of the same to the Exchange for its records."

47. The company agrees to co-operate with the Credit Rating Agencies in giving correct and adequate information for periodical review of the securities during lifetime of the rated securities."

48. CORPORATE GOVERNANCE

I. Board of Directors

A. The company agrees that the board of directors of the company shall have an optimum combination of executive and non-executive directors with not less than fifty percent of the board of directors comprising of non-executive directors. The number of independent directors would depend whether the Chairman is executive or non-executive. In case of a non-executive chairman, at least one-third of board should comprise of independent directors and in case of an executive chairman, at least half of board should comprise of independent directors.

Explanation: For the purpose of this clause the expression 'independent directors' means directors who apart from receiving director's remuneration, do not have any other material pecuniary relationship or transactions with the company, its promoters, its management or its subsidiaries, which in judgement of the board may affect independence of judgement of the director. Institutional directors on the boards of companies should be considered as independent directors whether the institution is an investing institution or a lending institution.

B. The company agrees that all pecuniary relationship or transactions of the non-executive directors viz-a-viz. the company should be disclosed in the Annual Report.

II. Audit Committee.

A. The company agrees that a qualified and independent audit committee shall be set up and that:

a. The audit committee shall have minimum three members, all being non-executive directors, with the majority of them being independent, and with at least one director having financial and accounting knowledge;

b. The chairman of the committee shall be an independent director;

c. The chairman shall be present at Annual General Meeting to answer shareholder queries;

d. The audit committee should invite such of the executives, as it considers appropriate (and particularly the head of the finance function) to be present at the meetings of the committee, but on occasions it may also meet without the presence of any executives of the company. The finance director, head of internal audit and when required, a representative of the external auditor shall be present as invitees for the meetings of the audit committee;

e. The Company Secretary shall act as the secretary to the committee.

B. The audit committee shall meet at least thrice a year. One meeting shall be held before finalisation of annual accounts and one every six months. The quorum shall be either two

members or one third of the members of the audit committee, whichever is higher and minimum of two independent directors.

C. The audit committee shall have powers which should include the following:

- a. to investigate any activity within its terms of reference.
- b. to seek information from any employee.
- c. to obtain outside legal or other professional advice.
- d. to secure attendance of outsiders with relevant expertise, if it considers necessary.

D. The company agrees that the role of the audit committee shall include the following:

- a. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- b. Recommending the appointment and removal of external auditor, fixation of audit fee and also approval for payment for any other services.
- c. Reviewing with management the annual financial statements before submission to the board, focusing primarily on;

Any changes in accounting policies and practices.

Major accounting entries based on exercise of judgment by management.

Qualifications in draft audit report.

Significant adjustments arising out of audit.

The going concern assumption.

Compliance with accounting standards.

Compliance with stock exchange and legal requirements concerning financial statements

Any related party transactions i.e. transactions of the company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of company at large.

d. Reviewing with the management, external and internal auditors, the adequacy of internal control systems.

e. Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

f. Discussion with internal auditors any significant findings and follow up there on.

g. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.

h. Discussion with external auditors before the audit commences nature and scope of audit as well as have post-audit discussion to ascertain any area of concern.

i. Reviewing the company's financial and risk management policies.

j. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.

E. If the company has set up an audit committee pursuant to provision of the Companies Act, the company agrees that the said audit committee shall have such additional functions / features as is contained in the Listing Agreement.

III. Remuneration of Directors

A. The company agrees that the remuneration of non-executive directors shall be decided by the board of directors.

B. The company further agrees that the following disclosures on the remuneration of directors shall be made in the section on the corporate governance of the annual report.

All elements of remuneration package of all the directors i.e. salary, benefits, bonuses, stock options, pension etc.

Details of fixed component and performance linked incentives, along with the performance criteria.

Service contracts, notice period, severance fees.

Stock option details, if any - and whether issued at a discount as well as the period over which accrued and over which exercisable.

IV. Board Procedure

A. The company agrees that the board meeting shall be held at least four times a year, with a maximum time gap of four months between any two meetings. The minimum information to be made available to the board is given in Annexure-I.

B. The company further agrees that a director shall not be a member in more than 10 committees or act as Chairman of more than five committees across all companies in which he is a director. Furthermore it should be a mandatory annual requirement for every director to inform the company about the committee positions he occupies in other companies and notify changes as and when they take place.

Explanation: For the purpose of considering the limit of the committees on which a director can serve, all public limited companies, whether listed or not, shall be included and all other companies (i.e. private limited companies, foreign companies and companies of Section 25 of the Companies Act, etc.) shall be excluded. Further only the three committees viz. the Audit Committee, the Shareholders' Grievance Committee and the Remuneration Committee shall be considered for this purpose.

V. Management

A. The company agrees that as part of the directors' report or as an addition there to, a Management Discussion and Analysis report should form part of the annual report to the shareholders. This Management Discussion & Analysis should include discussion on the following matters within the limits set by the company's competitive position:

- a. Industry structure and developments.
 - b. Opportunities and Threats.
 - c. Segment-wise or product-wise performance.
 - d. Outlook
 - e. Risks and concerns.
 - f. Internal control systems and their adequacy.
 - g. Discussion on financial performance with respect to operational performance.
 - h. Material developments in Human Resources / Industrial Relations front, including number of people employed.
- B. Disclosures should be made by the management to the board relating to all material financial and commercial transactions, where they have personal interest, that may have a potential conflict with the interest of the company at large (for e.g. dealing in company shares, commercial dealings with bodies, which have shareholding of management and their relatives etc.)

VI Shareholders

- A. The company agrees that in case of the appointment of a new director or re-appointment of a director the shareholders must be provided with the following information:
- a. A brief resume of the director;
 - b. Nature of his expertise in specific functional areas; and
 - c. Names of companies in which the person also holds the directorship and the membership of Committees of the board.
- B. The company further agrees that information like quarterly results, presentation made by companies to analysts shall be put on company's web-site, or shall be sent in such a

form so as to enable the stock exchange on which the company is listed to put it on its own web-site.

C. The company further agrees that a board committee under the chairmanship of a non-executive director shall be formed to specifically look into the redressing of shareholder and investors complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends etc. This Committee shall be designated as 'Shareholders/Investors Grievance Committee'.

D. The company further agrees that to expedite the process of share transfers the board of the company shall delegate the power of share transfer to an officer or a committee or to the registrar and share transfer agents. The delegated authority shall attend to share transfer formalities at least once in a fortnight.

VII Report on Corporate Governance

The company agrees that there shall be a separate section on Corporate Governance in the annual reports of company, with a detailed compliance report on Corporate Governance. Non compliance of any mandatory requirement i.e. which is part of the listing agreement with reasons there of and the extent to which the non-mandatory requirements have been adopted shall be specifically highlighted. The suggested list of items to be included in this report is given in Annexure-2 and list of non-mandatory requirements is given in Annexure - 3.

VIII Compliance

The company agrees that it shall obtain a certificate from the auditors of the company regarding compliance of conditions of corporate governance as stipulated in this clause and annexe the certificate with the directors' report, which is sent annually to all the shareholders of the company. The same certificate should also be sent to the Stock Exchanges along with the annual returns filed by the company.

Notes:

1. With regard to listed entities such as banks financial institutions etc. which are incorporated under other statutes, the requirements will apply to the extent they do not violate the existing statutes or guidelines or directions issued by the relevant regulatory authority.

2. As regards the non-mandatory requirements given in Annexure - 3, they shall be implemented as per the discretion of the company. However, the disclosures of the adoption/non-adoption of the non-mandatory requirements shall be made in the section on corporate governance of the Annual Report.

3. The clause 49 is to be implemented as under:

Schedule of Implementation:

By all entities seeking listing for the first time, at the time of listing.

Within financial year 2000-2001, but not later than March 31, 2001 by all entities, which are included either in Group 'A' of the BSE or in S&P CNX Nifty index as on January 1, 2000. However to comply with the requirements, these companies may have to begin the process of implementation as early as possible.

Within financial year 2001-2002, but not later than March 31, 2002 by all the entities which are presently listed, with paid up share capital of Rs. 10 crores and above, or networth of Rs 25 crores or more any time in the history of the company.

Within financial year 2002-2003, but not later than March 31, 2003 by all the entities which are presently listed, with paid up share capital of Rs.3 crores and above.

Annexure 1 - Information to be placed before board of directors

Annual operating plans and budgets and any updates.

Capital budgets and any updates.

Quarterly results for the company and its operating divisions or business segments.

Minutes of meetings of audit committee and other committees of the board.

The information on recruitment and remuneration of senior officers just below the board level, including appointment or removal of Chief Financial Officer and the Company Secretary.

Show cause, demand, prosecution notices and penalty notices which are materially important.

Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.

Any material default in financial obligations to and by the company, or substantial non-payment for goods sold by the company.

Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order which, may have passed strictures on the conduct of the company or taken an adverse view regarding another enterprise that can have negative implications on the company.

Details of any joint venture or collaboration agreement.

Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property.

Significant labour problems and their proposed solutions. Any significant development in Human Resources/ Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.

Sale of material nature, of investments, subsidiaries, assets, which is not in normal course of business.

Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.

Non-compliance of any regulatory, statutory nature or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.

Annexure 2 - Suggested List Of Items To Be Included In The Report On Corporate Governance In The Annual Report Of Companies

A brief statement on company's philosophy on code of governance.

Board of Directors:

Composition and category of directors for example promoter, executive, non-executive, independent non-executive, nominee director, which institution represented as Lender or as equity investor.

Attendance of each director at the BoD meetings and the last AGM.

Number of other BODs or Board Committees he/she is a member or Chairperson of.

Number of BoD meetings held, dates on which held.

3. Audit Committee.

Brief description of terms of reference

Composition, name of members and Chairperson

Meetings and attendance during the year

4. Remuneration Committee.

Brief description of terms of reference

Composition, name of members and Chairperson

Attendance during the year

Remuneration policy

Details of remuneration to all the directors, as per format in main report.

5. Shareholders Committee.

Name of non-executive director heading the committee

Name and designation of compliance officer

Number of shareholders complaints received so far

Number not solved to the satisfaction of shareholders

Number of pending share transfers

6. General Body meetings.

Location and time, where last three AGMs held.

Whether special resolutions

Were put through postal ballot last year, details of voting pattern.

Person who conducted the postal ballot exercise

Are proposed to be conducted through postal ballot

Procedure for postal ballot

7. Disclosures.

Disclosures on materially significant related party transactions i.e. transactions of the company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of company at large.

Details of non-compliance by the company, penalties, strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

8. Means of communication.

Half-yearly report sent to each household of shareholders.

Quarterly results

Which newspapers normally published in.

Any website, where displayed

Whether it also displays official news releases; and

The presentations made to institutional investors or to the analysts.

Whether MD&A is a part of annual report or not.

9. General Shareholder information

AGM: Date, time and venue

Financial Calendar

Date of Book closure

Dividend Payment Date

Listing on Stock Exchanges

Stock Code

Market Price Data: High/Low during each month in last financial year

Performance in comparison to broad-based indices such as BSE Sensex, CRISIL index etc.

Registrar and Transfer Agents

Share Transfer System

Distribution of shareholding

Dematerialization of shares and liquidity

Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity

Plant Locations

Address for correspondence

Annexure 3 - Non-Mandatory Requirements

a. Chairman of the Board

A non-executive Chairman should be entitled to maintain a Chairman's office at the company's expense and also allowed reimbursement of expenses incurred in performance of his duties.

b. Remuneration Committee

The board should set up a remuneration committee to determine on their behalf and on behalf of the shareholders with agreed terms of reference, the company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment.

To avoid conflicts of interest, the remuneration committee, which would determine the remuneration packages of the executive directors should comprise of at least three directors, all of whom should be non-executive directors, the chairman of committee being an independent director.

All the members of the remuneration committee should be present at the meeting.

The Chairman of the remuneration committee should be present at the Annual General Meeting, to answer the shareholder queries. However, it would be up to the Chairman to decide who should answer the queries.

c. Shareholder Rights

The half-yearly declaration of financial performance including summary of the significant events in last six-months, should be sent to each household of shareholders.

d. Postal Ballot

Currently, although the formality of holding the general meeting is gone through, in actual practice only a small fraction of the shareholders of that company do or can really participate therein. This virtually makes the concept of corporate democracy illusory. It is imperative that this situation which has lasted too long needs an early correction. In this

context, for shareholders who are unable to attend the meetings, there should be a requirement which will enable them to vote by postal ballot for key decisions. Some of the critical matters which should be decided by postal ballot are given below:

Matters relating to alteration in the memorandum of association of the company like changes in name, objects, address of registered office etc;

Sale of whole or substantially the whole of the undertaking;

Sale of investments in the companies, where the shareholding or the voting rights of the company exceeds 25%;

Making a further issue of shares through preferential allotment or private placement basis;

Corporate restructuring;

Entering a new business area not germane to the existing business of the company;

Variation in rights attached to class of securities;

Matters relating to change in management

50. The company will mandatorily comply with all the Accounting Standards issued by Institute of Chartered Accountants of India (ICAI) from time to time.

"51. EDIFAR FILING

(1) The company agrees that it shall file the following information, statements and reports on the Electronic Data Information Filing and Retrieval (EDIFAR) 1[web site maintained by National Informatics Center (NIC)]1, on-line, in such manner and format and within such time as may be specified by SEBI:

Full version of annual report including the balance sheet, profit and loss account, director's report and auditor's report; cash flow statements; half yearly financial statements quarterly financial statements.

Corporate governance report.

Shareholding pattern statement.

Statement of action taken against the company by any regulatory agency. Such other statement, information or report as may be specified by SEBI from time to time in this regard.

Provided that the requirement of this clause shall be in addition to and not in derogation from the requirements of other clauses of this listing agreement, which may require filing of any statements, reports and information in the physical or other form with the exchange.

(2) The company agrees that it shall appoint a compliance officer who shall be responsible for filing the above information in the EDIFAR system. The compliance officer and the company shall ensure the correctness and authenticity of the information filed in the system and that it is in conformity with applicable laws and terms of the listing agreement.

(3) The company undertakes that while filing the information in the EDIFAR system, it shall make the following disclaimer clause:

"The information furnished above is certified by _____] to be true, fair and accurate (except in respect of errors in or omissions from documents filed electronically that result solely from electronic transmission errors beyond our control and in respect of which we take corrective action as soon as it is reasonably practicable after becoming aware of the error or the omission). SEBI, the Stock Exchanges or the NIC do not take any responsibility for the accuracy, validity, consistency and integrity of the data entered and updated by it. The name of the compliance officer with his designation and the company's name shall be displayed immediately below the disclaimer clause."

Schedule I above referred to:

Schedule of Company's listed Securities

Kind of security (Shares) Number Issued Nominal Value per Share Rs. Paid-up Value per Share Rs. Total Nominal Value Rs. Total Paid-up Value Rs. Distinctive Numbers

Kind of security (Shares) Amount Rs. Unit Rs. Rate of Interest Percent Interest - due
Date Date of Redemption Distinctive Numbers

Schedule II referred above – Listing Fee

PROVIDED ALWAYS AND THE COMPANY HEREBY IRREVOCABLY AGREES AND DECLARES THAT unless the Exchange agrees otherwise the Company will not without the previous permission in writing of the Central Government withdraws its adherence to this agreement for listing its securities.

AND THE COMPANY HEREBY FURTHER AGREES AND DECLARES THAT all or any of its securities listed on the EXCHANGE shall remain on the list entirely at the discretion of the EXCHANGE AND THAT, the Exchange may, in its absolute discretion, suspend or remove the securities from the list at any time and for any reason whatsoever. For the said suspended security to be re-admitted to dealings on the Exchange, the company shall pay to the Exchange such amount as re-instatement fees as may be prescribed by the Exchange from time to time.

IN WITNESS WHEREOF the Company has caused these presents to be executed and its Common Seal to be hereunto affixed as of the day and year first above written.

The Common Seal of the above named _____ was hereunto affixed pursuant to a resolution passed at a meeting of the Board of Directors held on the _____ day of _____ 20____ in the presence of _____ Director(s) of the Company.

(Signature of the Director)

(Signature of the Director)

6.5. SHARE PURCHASE AGREEMENT

THIS SHARE PURCHASE AGREEMENT is made and entered into on this _____ day of _____ 20____

BY AND AMONG:

(1) _____, a company duly incorporated and existing under the provisions of the (Indian) Companies Act, 1956, with its registered office at _____ (hereinafter referred to as ABC which expression shall include its affiliates, successors and permitted assigns);

AND

(2) _____ s/o _____, residing at _____ (hereinafter referred to as the Equity Investor, which expression shall include its affiliates, successors and permitted assigns);

WHEREAS

The Parties hereby agree to enter into a Agreement whereby ABC has, subject to the terms and conditions stated herein, agreed to issue and allot to The Equity Investor, and the Equity Investor has agreed to subscribe to _____ equity shares (the “Transaction Shares”) of ABC for a total subscription amount of Rs. _____ (Rupees _____ only).

NOW THEREFORE, in consideration of the above premises, covenants and mutual agreements contained herein (the receipt and adequacy of which are hereby mutually acknowledged), the Parties hereby agree as follows:

SALE AND PURCHASE OF THE SHARES

1. Subject to the terms and conditions of this Agreement, ABC agrees to issue and allot, and The Equity Investor agrees to subscribe to the _____ Transaction Shares (number of shares) for the Purchase Price in the following manner:

Purchase Date	Share Price	No. of Shares	Amount (in Rs.)
_____	Rs. _____	_____	Rs. _____

2. ABC shall allot and the Equity Investor shall subscribe to the Transaction Shares, free and clear of all liens, charges, liabilities and from all other rights exercisable by or Claims by third parties and together with all rights and benefits now and hereafter attaching thereto;

3. All the shares in the agreed schedule would be normal equity shares with one vote per share.

4. The Equity Investor understands the risks involved in equity investments such as this case. Equity investments are subject to market risks and there can be no assurance or guarantee of any investment returns. The Equity Investor acknowledges access to the prevailing Articles of Association and Memorandum of the Company.

5. The Equity Investor is aware that _____ Ltd, a company duly incorporated and existing under the provisions of the (Indian) Companies Act, 1956, holds _____ shares with 10000 (ten thousand) votes per share, and shall continue to purchase more such shares of ABC at its discretion.

6. ABC holds the right to issue and allot the equity shares of ABC to third parties and investors other than the Equity Investor, without prior notice or approval of the Equity Investor.

7. ABC's directors and management will decide share price on a monthly basis and communicate the same on the company's website and by email to the Equity Investor.

8. As a non-listed limited company, ABC is not obliged to ensure sale of shares owned by the Equity Investor. However, in case that the Equity Investor may want to sell its

shares of ABC, the company shall make all reasonable efforts to arrange a sale transfer of the same to other interested Equity Investors, at the prevailing share price.

9. The Equity Investor can request ABC to facilitate sale of the Equity Investor's shares, either full or partial shareholding, from any time after six (6) months from the date of investment.

10. Announcements: All press releases and public communications of any kind relating to this Agreement or ABC or any communication to any third parties, including customers and other shareholders of ABC, will require prior written approval of ABC.

11. Governing Law: This Agreement shall be governed by and construed in accordance with the laws of India and courts of _____ shall have Jurisdiction over any matter arising from the implementation of this Agreement.

12. In case of any disagreement arising out of or concerning the terms of this agreement, and in mutual interest of early and just settlement, the same shall be referred to the sole arbitration of _____ and whose decision shall be final and binding on the respective parties.

The provisions of Arbitration and Reconciliation Act, 1996 and rules thereunder shall be made applicable in this respect.

IN WITNESS WHEREOF the parties hereto have set and subscribed their names and set their respective hands in the presence of the witnesses mentioned below, on the day, month and year first above written.

ABC

Equity Investor

WITNESSES

- 1.
- 2.

7. PARTNERSHIP AGREEMENTS

When in a partnership, it is highly advisable to have a written partnership agreement. Apart from the basic partnership deed that defines the partners' obligations, there are several other partnership agreements that need to be drafted in the course of functioning of the partnership. Some of the specimen formats of other types of partnership agreements are given hereunder -

7.1. AGREEMENT MODIFYING THE PARTNERSHIP DEED

THIS DEED made at on this day of, 20..., between, son of resident of of the ONE PART and, son of resident of of the SECOND PART and, son of resident of of the THIRD PART.

WHEREAS the parties hereto are carrying on the business of under the name and style of M/s. at upon the terms and conditions contained in Deed of partnership dated

AND WHEREAS clause of the said partnership deed provides that all the partners will devote their whole time and attention to the business of the partnership;

AND WHEREAS clause of the said partnership deed further provides that no partner shall without the consent of the other partners engage directly or indirectly in any business other than that of the partnership;

AND WHEREAS, one of the partners, has been offered an assignment by which shall be completed within a period of years and the said partner will have to stay in during the said period while undertaking the said assignment;

AND WHEREAS the said partner has requested for the consent of the other partners for acceptance of the assignment offered to him by and they have agreed to give consent

to to accept the said assignment and it has been agreed that so long as he remains outside for the said assignment, the partnership deed shall be varied in the manner and to the extent hereinafter appearing:

NOW THIS DEED WITNESSETH AS FOLLOWS:

1. This Deed is supplemental to the Deed of Partnership dated and made between the said parties.
2. During such period as the said partner shall remain out of for the assignment and does not attend to the business of the partnership, he shall be entitled to only half his share of the net profits of the partnership instead of % profits to which he is entitled under clause of the Deed of Partnership and the balance of share of profits to which but for this deed the said would have been entitled shall be divided between the other partners in equal proportion.
3. The said shall not be liable to give account to the partnership for any remuneration or other advances received by him from the for the said assignment.
4. shall not be entitled to any remuneration from the partnership account during his absence pursuant to clause of any the Deed of Partnership.
5. The terms and condition of the Deed of Partnership dated shall except in so far as the same are modified by this agreement, continue in full force and effect.

IN WITNESS WHEREOF the parties hereto have hereunto put and subscribed their respective hands the day and year first hereinabove written.

Signed and delivered by the within named

Signed and delivered by the within named

Signed and delivered by the within named

WITNESSES;

1.

2.

7.2. AGREEMENT INTRODUCING NEW PARTNER

THIS DEED is executed on this ____ day of _____ between:

____ s/o, _____, r/o of _____ and _____ s/o, _____, r/o of _____, (hereinafter referred to as "the existing Partners") of the one part

AND

. _____ s/o, . _____, r/o of _____, hereinafter referred to as "the new partner") of the other part.

The existing partners and the new partner hereinafter collectively referred to as the "Parties".

WHEREAS

1. The existing Partners have been carrying on the business of _____ in partnership together at _____ under the firm name M/s _____ vide terms of Deed of Partnership dated _____ (hereinafter called "the existing partnership business").

2.. _____ has expressed his desire to join the existing partnership business as the new partner and is ready to contribute a capital of Rs._____

3. The existing Partners have agreed to introduce. _____ as the new partner in the existing partnership business on the terms and conditions hereinafter appearing.

NOW THIS DEED WITNESSETH AS UNDER:

1. Term of Partnership

The partnership hereby constituted (hereinafter called "the new partnership") shall be deemed to have commenced on the day of _____ and from such date the deed of partnership dated _____ shall be superseded by this deed and shall continue unless otherwise determined by the Parties.

2. Name

That the business of the Partnership shall be carried on under the same name and style as that of the existing partnership business i.e. M/s _____.

3. Place of Carrying Business

That the business of Partnership shall be carried from _____ or any other place as may be agreed upon by the Parties.

4. Capital Contribution & Interest on Capital

The capital of the new partnership shall be Rs. _____ whereof Rs. _____ represents the capital of the existing partnership contributed by the partners and the balance of Rs _____ shall be contributed by the new partner _____ as his share. However, further funds required for the new Partnership shall be contributed or arranged by the Parties equally and in such manner as may be mutually agreed upon by and between the Parties from time to time. Interest at the rate of ____ percent per annum or as may be prescribed under the Income Tax Act, 1961 or any other applicable provisions as may be in force under the Income tax assessment of Partnership firm for the relevant accounting period shall be payable to the Parties on account standing to the credit of the account of the Parties. Such interest shall be calculated and credited

to the account of each partner at the close of each accounting year. However, in case of loss or lower income, rate of interest can be nil or lower than ____ percent as may be agreed upon by and between the Parties from time to time.

5. Remuneration

That the new partner shall also be a working partner in the firm and he shall be entitled to a remuneration of Rs. _____ per month which shall be paid by the ____th of each month. The Parties shall be entitled to increase or reduce the above remuneration as may be agreed upon from time to time by and between the parties.

6. Drawings by Partner

The new Partner shall be entitled to draw (in addition to the remuneration as per clause 4) out of the partnership business any sum or sums of money not exceeding Rs. _____ per month for his own use, such sums to be duly accounted for on each succeeding settlement of accounts and division of profits of the partnership and if any excess drawings is found on any such settlement, the same shall be refunded by the new partner concerned (with interest at ____% per annum).

7. Debts of Old Partnership

All the debts and liabilities of the existing partnership shall be discharged by the existing partners and they shall indemnify and keep indemnified the new partner and also the assets and the properties of the new partnership against such debts, liabilities and against all proceedings, costs, claims and expenses in respect thereof;

8. Profits of Old Partnership

All the profits of the existing partnership upto the commencement of the new partnership shall belong to the existing partners only in the proportions in which they would be entitled thereto vide the terms of deed of partnership dated _____

9. Profit Sharing Ratio of new partnership

That profits or losses of the new Partnership (including losses of capital nature, if any) shall be divided amongst and borne by the Parties in proportion to their respective shares in the new

partnership.

10. Deed of Partnership dated _____ to remain in force

All the terms of the deed of partnership dated _____, except those as has been modified by this deed, shall remain in force and shall have effect as if the same have been executed by the parties hereto.

IN WITNESS WHEREOF, the parties have set their hands this _____ day of _____.

The Existing Partners

The New Partner

Witnesses:

1.

2.

7.3. DEED OF DISSOLUTION

THIS DEED OF DISSOLUTION made and executed on the _____ Day of _____ 20-____ at _____ amongst the following parties:-

1. _____ S/o. _____ aged about _____ years R/o _____ of the PARTY OF THE FIRST PART (which expression shall mean and include, unless repugnant to the context or meaning thereof his heirs, legal representatives, executors, administrations and assigns.) hereinafter referred to as the CONTINUING PARTY.

AND

_____ S/o. _____ aged about _____ years R/o _____ of the PARTY OF THE SECOND PART (which expression shall mean and include, unless repugnant to the context or meaning thereof his heirs, legal representatives, executors, administrations and assigns.) hereinafter referred to as the CONTINUING PARTY.

_____ S/o Sh_____ aged about _____ years R/o _____ of the PARTY OF THE THIRD PART (which expression shall mean and include, unless repugnant to the context or meaning thereof his heirs, legal representatives, executors, administrations and assigns.) hereinafter referred to as the CONTINUING PARTY.

_____ S/o _____ aged about _____ years R/o _____ of the PARTY OF THE FOURTH PART (which expression shall mean and include, unless repugnant to the context or meaning thereof his heirs, legal representatives, executors, administrations and assigns.) hereinafter referred to as the RETIRING PARTY.

WHEREAS the hereto parties had been carrying on the business of _____ under the name & style of M/s _____ with its office at _____ in terms of a Deed of Partnership dated _____.

AND WHEREAS the hereto party of the _____ Part. _____ had expressed his desire to retire from the Partnership Firm due to his preoccupation in other works w.e.f. _____ day of _____ 20____, which has been accepted by the hereto continuing parties.

AND WHEREAS the partnership firm continued its business activities as stipulated above till the close of business hours on _____ day of _____ 20____ when the aforesaid parties mutually decided to dissolve the firm because of lack of time being

devoted for business by the hereto parties of the _____ Part who has opted to retire from the firm from the close of business hours as on _____ day of _____ 20__.

AND WHEREAS the hereto parties of the _____ Part are minors and this Dissolution Deed is being signed and executed by their respective guardian on their behalf.

AND WHEREAS the term _____PARTY shall be referred to as the retiring party and the party of the other Parts shall be referred collectively to as the continuing parties.

AND WHEREAS the hereto retiring party shall have to be paid his capital contribution in the firm within a period of _____ months hereof which the hereto continuing parties have agreed to provide within the stipulated period.

AND WHEREAS it is considered expedient amongst the hereto parties to record all the terms and conditions of this dissolution interse the parties so that there are no possible misunderstandings in the future and also to bind the hereto parties.

AND WHEREAS the term hereto parties shall always be deemed to mean and include their respective legal heirs, assigns, executors administrators, representative, nominees and attorneys.

NOW THEREFORE THIS DISSOLUTION WITNESSED AS UNDER:-

1. THAT the partnership firm stands dissolved as on _____ day of _____ 20__ and the firm shall be deemed to have been dissolved as from the said date for all the intents and purposes.

2. THAT the assets and liabilities remaining as on _____ day of _____ 20__ have been time over by the hereto continuing parties who shall continue to run the Partnership Firm, along with themselves as Partners. They may invite any other person to join them as may be beneficial for the firm.

3. THAT the firm stands dissolved as on _____ w.e.f. _____ day of _____ 20__.

The balance sheet of the firm has been drawn upto _____ day of _____ 20__ and all the parties have shared their liquid assets in their respective profit & loss sharing ratios.

4. THAT with a view to give full and complete effect to this dissolution the accounts of the late partnership have been properly looked into and checked by the hereto retiring parties and are now not open to any objections whatsoever by any of the hereto parties and the same are hereby specifically admitted to have been truly and correctly made.

5. THAT the continuing Party shall clear and pay as referred to in clause 3 above to the retiring parties within _____ months hereto failing which the continuing parties shall pay interest 12% p.a. on the amount due to the retiring party i.e.. _____.

6. THAT the hereto retiring parties shall not hereinafter collect any assets claims and/or dues of the said late partnership and in case they do so, the amount so collected shall immediately be handed over them to the hereto party of the continuing part, who shall further have the right to get indemnified for any act or action on the part of the hereto retiring parties.

7. THAT all the books of accounts, bills, vouchers and other documents belonging to the said late partnership have been taken possession off by the hereto parties of the continuing Parts and shall remain in this custody hereinafter. They shall be responsible for producing them before the Income-Tax and other Government Authorities for getting the assessments or matter finalized.

8. THAT the hereto retiring party undertakes to do and sign all such deeds, documents and other papers as may be called upon to do by the hereto continuing party in order to given completion to this dissolution.

IN WITNESS whereof the hereto parties have set their respective hands to these present on this day month and year mentioned above in the presence of the following witnesses:-

WITNESSES :

EXCUTANTS:

1.. _____

[Party of the Continuing Part]

2.._____

[Party of the Continuing Part]

3. ._____

[Party of the Continuing Part]

4. ._____

[Retiring Party]

7.4.DEED OF RETIREMENT

THIS AGREEMENT is made at... this ... day of ... between residing at ... hereinafter referred to as 'the Retiring Partner' of the One Part and residing at ... and residing at ... both collectively hereinafter referred to as the 'Continuing Partners' of the Other Part.

WHEREAS the parties hereto have been carrying on business in partnership under the Deed of Partnership dated entered into by the Parties hereto in the name of M/s. ...

AND WHEREAS the Retiring Partner has given notice to the Continuing Partners of his desire to retire from the said partnership as from the.... day of ...

AND WHEREAS accordingly, accounts have been made up of the assets subject to the debts and liabilities and of the profits earned till the said date and a sum of Rs. ... is found to be due and payable to the Retiring Partner In lieu of his share.

AND WHEREAS it is now proposed to execute this Deed of Retirement recording the terms and conditions of such retirement.

NOW THEREFORE IT IS AGREED BETWEEN THE PARTIES HERETO AS FOLLOWS-

1. The Retiring Partner doth hereby retire and shall be deemed to have retired from the said Partnership between the parties hereto and carried on as the name of M/s ... as from the ... day of, 20...
2. As from the said date the Continuing Partners have been and will be entitled to continue to carry on the said business In partnership on such terms as may be agreed upon between them.
3. It is declared that except as hereinafter provided the Retiring Partner shall not have and he hereby releases all his share, right. title and interest in the business, of the said partnership, its assets including goodwill, all licenses and permits held by the said Firm, its outstanding dues and receivables and outstanding contracts, that the same shall belong to the Continuing Partners alone.
4. The Continuing Partners agree to pay all the debts and liabilities of the said Firm and to indemnify and keep indemnified the Retiring Partner against all such debts and liabilities and all loss, costs, charges and expenses that the Retiring Partner may incur or suffer on account thereof.
5. The Retiring Partner confirms that as a result of accounts being taken a sum of Rs. ... is due and payable to him in lieu of his share, right, title and interest in the said partnership business including its assets and good will and he has no other claim against the Continuing Partners in respect of the said Firm.
6. The Continuing Partners covenant to pay the said sum of Rs... to the Retiring Partner by monthly instalment of Rs... the first of such instalment to be paid on the ... day of... and each subsequent instalment on the ... day of each succeeding month until the whole amount is paid in full, if there is any default In payment of any two instalments then the whole of the said amount or any part thereof then remaining due shall become payable forthwith and the Retiring Partner will also be entitled to charge interest at ... percent per annum on delayed instalments and until payment of the said amount in full, it will remain a charge on the assets of the said partnership.
7. The Retiring Partner agrees and undertakes that he will not use the name of the Firm and will not carry on the same or similar business as at present carried on by the Firm for a period of two

years from now and within a radius of four kilometres from the place where the business of the Firm is carried on.

8. For the sake of convenience the Retiring Partner appoints the Continuing Partners jointly and severally as his attorneys with authority or power to take legal action and to do all other acts and things necessary to recover the debts and liabilities due to the Firm in respect of the transactions or business done upto now.

9. The Retiring Partner agrees and undertakes to execute any document or papers as may be required to give complete effect to his retirement from the said partnership.

10. The retirement of the Retiring Partner shall be advertised in the Official Gazette and in the local newspapers as required by law and the registration entry of the Firm In the records of the Registrar of Firms will be got amended accordingly. The Retiring Partner agrees to sign application or papers required for the purpose.

11. The income tax payable by the Firm will be paid by the Continuing Partners and the Retiring Partner will pay the income tax on his income and other moneys received from the Firm.

IN WITNESS WHEREOF the Partners have put their respective hands the day and year first hereinabove written.

Signed and delivered by the withinnamed Retiring Partner in the presence of

Signed and delivered by the withinnamed Continuing Partners in the presence of

8. ALTERNATIVE DISPUTE RESOLUTION

Alternative Dispute Resolution ("ADR") refers to any means of settling disputes outside of the courtroom. ADR typically includes arbitration, mediation, negotiation, and conciliation.

Arbitration is the settlement of a dispute by the decision not of a court of law but of one or more persons called arbitrators which is executable as a decree of the court. Arbitration is the process by which parties voluntarily agree to refer a future or a present dispute to an individual or individuals who after hearing submissions from the parties will issue a legally binding decision determining the issues between the parties of liability and quantum of damages or giving other specific remedies.

Conciliation is a process in which the parties to a dispute, with the assistance of a neutral third party (the conciliator), identify the disputed issues, develop options, consider alternatives and endeavor to reach an agreement. The conciliator may have an advisory role on the content of the dispute or the outcome of its resolution, but not a determinative role. The conciliator may advise on or determine the process of conciliation whereby resolution is attempted, and may make suggestions for terms of settlement, give expert advice on likely settlement terms, and may actively encourage the participants to reach an agreement.

Mediation comprises of an act of bringing two states, sides or parties in a dispute closer together towards an agreement through alternative dispute resolution (ADR). It is a dialogue in which a (generally) neutral third party, the mediator, using appropriate techniques, assists two or more parties to help them negotiate an agreement, with concrete effects, on a matter of common interest.

In India prior to 1996 Arbitrations were governed by Arbitration and Conciliation Act of 1940. The New Act was passed in 1996 which brought changes in the said law in India. The Arbitration and Conciliation Act, 1996 governs the arbitration procedures in India. The Arbitration and Conciliation Act, 1996 is based on the model law drafted by the United Nations

Commission on International Trade Laws (UNCITRAL), both on domestic arbitration as well as International Commercial Arbitration. Sec.2(1)(a) of the Act provides that an arbitration covers any arbitration whether it is administered by any permanent arbitral institution or not.

The foundation of arbitration is the arbitration agreement between the parties to submit to arbitration all or certain disputes which arise or which may arise between them during the commercial transaction. Chapter II of the Indian Arbitration Act deals with the provisions regarding arbitration agreement. The provision of arbitration can be made at the time of entering the contract itself or the dispute can be referred to arbitration after the dispute has arisen. Arbitration agreement may be in the form of an arbitration clause in a contract or in the form of a separate agreement. The agreement must be in writing and must be signed by both parties.

8.1. AGREEMENT OF REFERENCE TO SOLE ARBITRATOR

This deed of agreement made on this ____ day of _____, 20---, between:

1. _____, aged about ____ years s/o _____, r/o _____, hereinafter called the 1st party.

2. _____, aged about ____ years s/o _____, r/o _____, hereinafter called the 2nd party.

WHEREAS the first and second parties have some dispute regarding management of the partnership business, being run by the parties.

AND WHEREAS both the parties have agreed upon to refer the dispute to one arbitrator duly appointed by the both parties.

NOW THIS DEED OF AGREEMENT WITNESSES AS UNDER: -

1. That both the parties have agreed upon to appoint _____ s/o _____ r/o _____ as arbitrator.
2. That both the parties appoint _____ as arbitrator.
3. That the arbitrator will go through the partnership deed and decide the dispute between the parties under the provision of the partnership deed.
4. That this deed shall be confined only up to the dispute of the management of the firm.

Witnesses:

1. Name..... Sd/-.....1st party

Address.....

.....

2. Name..... Sd/-.....2nd party

Address.....

.....

8.2. AGREEMENT OF REFERENCE TO COMMON ARBITRATOR

THIS AGREEMENT is made at ... this ... day of between Mr. A of residing at hereinafter referred to as the Party of the First Part and Mr. B of residing at hereinafter referred to as the Party of the Second Part.

WHEREAS by an Agreement (Building contract) dated the ... day of ... entered into between the parties hereto the Party of the First Part entrusted the work of constructing a building on his plot

of land situated at... to the Party of the Second Part on the terms and conditions therein mentioned.

AND WHEREAS the Party of the Second Part has commenced the construction of the building according to the plans sanctioned by the... Municipal Corporation and has completed the construction to the extent of the 1st floor level.

AND WHEREAS the Party of First Part has made certain payments to the Party of the Second Part on account but the Party of the Second Part is pressing for more payments which according to the Party of the First Part he is not bound to pay and, therefore the work has come to a standstill.

AND WHEREAS disputes have therefore arisen between the parties hereto regarding the interpretation of certain provisions of the said agreement and also regarding the quality of construction and delay in the work.

AND WHEREAS the said agreement provides that in the event of any dispute or difference arising between the parties the same shall be referred to arbitration of a common arbitrator if agreed upon or otherwise to two Arbitrators and the Arbitration shall be governed by the provisions of the Arbitration & Conciliation Act, 1996.

AND WHEREAS the parties have agreed to refer all the disputes regarding the said contract to Mr..... Architect, as common Arbitrator and have proposed to enter into this Agreement for reference of the disputes to the sole arbitration of the said Mr.....

NOW IT IS AGREED BETWEEN THE PARTIES HERETO AS FOLLOWS:-

1. That the following points of dispute arising out of the said agreement dated... are hereby referred to the sole arbitration of the said Mr.... for his decision and award.
2. The points of dispute are:-
 - a. Whether the Party of the Second Part has carried out the work according to the sanctioned plans and specifications.
 - b. Whether the Party of the Second Part has delayed the construction.
 - c. Whether the Party of the Second Part is overpaid for the work done up to now.

- d. Whether Party of the First Part is bound to make any further payment over and above the payments made up to now for the work actually done.
 - e. All other claims of one party against the other party arising out of the said contract up to now.
3. The said Arbitrator shall allow the parties to file their respective claims and contentions and to file documents relied upon by them within such reasonable time as the Arbitrator may direct.
 4. The said Arbitrator shall give hearing to the parties either personally or through their respective Advocates but the Arbitrator will not be bound to take any oral evidence including cross examination of any party or person.
 5. The said Arbitrator shall make his Award within a period of four months from the date of service of a copy of this agreement on him by any of the parties hereto provided that, the Arbitrator will have power to extend the said period from time to time with the consent of both the parties.
 6. The Arbitrator will not make any interim award.
 7. The Arbitrator will have full power to award or not to award payment of such costs of and incidental to this arbitration by one party to the other as he may think fit.
 8. Subject to the provisions of the Arbitration & Conciliation Act 1996 the award will be binding on the parties hereto.
 9. The Arbitration shall subject to what is herein provided be governed by the provisions of the Arbitration and Conciliation Act, 1996.

IN WITNESS WHEREOF the parties have put their respective hands the day and year first hereinabove written.

SIGNED by the within named

Signed by the within named

Mr. A ... in the presence of:

Mr. B.... in the presence of:

8.3. MODEL ARBITRATION CLAUSES IN AN AGREEMENT

- i. Every dispute, difference, or question which may at any time arise between the parties hereto or any person claiming under them, touching or arising out of or in respect of this agreement (deed) or the subject matter thereof shall be referred to the arbitration of XY, etc. or if he shall be unable or unwilling to act, to another arbitrator to be agreed upon between the parties or failing agreement to be nominated by.....or, failing agreement to two arbitrators one to be appointed by each party to the difference (whether consisting of one or more than one person) and in case of difference of opinion between them to an umpire appointed by the said two arbitrators before entering on the reference and the decision of the arbitrator (or such arbitrators, or umpire as the case may be) shall be final and binding on the parties.
- ii. In the event of any dispute, difference or question arising out of or in respect of this agreement or the commission of any breach of any terms thereof or of compensation payable thereof or in any manner whatsoever in connection with it, the same shall be referred to the Chamber of Commerce..... (or the Association of.....) for arbitration as provided in Rules framed by the said Chamber (or Association) for the purpose. The decision or award so given shall be binding on the parties hereto.
- iii. All disputes arising between the partners as to the interpretation, operation, or effect of any clause in this deed or any other difference arising between the partners, which cannot be mutually resolved, shall be referred to the arbitration of.....failing him to any other arbitrator chosen by the partners in writing. The decision of such an arbitrator shall be binding on the partners.

8.4. MODEL CONCILIATION CLAUSES

1. "Where, in the event of a dispute arising out of or relating to this contract, the parties wish to seek an amicable settlement of that dispute by conciliation, the conciliation shall take place in accordance with the Arbitration and Conciliation Act, 1996 as at present in force."
2. "If any dispute arises between the parties out of or relating to this contract, or in respect of any defined legal relationship associated therewith, the parties agree to refer the same to sole conciliator for amicable settlement. The conciliator shall be appointed by the parties by mutual consent. If the parties shall fail to arrive at an agreement, the conciliator shall be appointed by_____ (the name of any person or institution).

The conciliation shall be conducted in accordance with the Rules of Conciliation under the Arbitration and Conciliation Act, 1996.

8.5. MODEL MEDIATION CLAUSES

1. Where Mediator has already been identified

Agreement to Mediate Disputes - In the event a dispute shall arise between the parties to this [contract, agreement, transaction, etc.], the parties agree to participate in mediation in accordance with the mediation procedures of ----- before pursuing other remedies. The parties agree to share equally in the costs of the mediation. The mediation shall be administered by the offices of -----.

Mediation involves both sides of a dispute meeting with each other and an impartial mediator to attempt to reach a voluntary and mutually satisfactory agreement that resolves the dispute. In mediation, the mediator(s) will facilitate discussions, negotiations and procedures but will not offer independent analyses, opinions or judgments. Mediation involves no formal court procedures or rules of evidence, and the mediator does not have the power to render a binding decision or force an agreement on the parties.

The parties further agree to share equally the costs of the mediation, which costs will not include costs incurred by a party for representation by counsel at the mediation.

2. Where Mediator has not been identified in advance of dispute

Agreement to Mediate Disputes - In the event that any dispute arises between the parties in relation to this Agreement, or out of this Agreement, and the dispute is not resolved by negotiation, the parties agree to submit the dispute to mediation. The parties further agree that their participation in mediation is a condition precedent to any party pursuing any other available remedy in relation to the dispute.

Any party to the dispute may give written notice to the other party of his or her desire to commence mediation, and a mediation session must take place within [30] days after the date that such notice is given.

The parties must jointly appoint a mutually acceptable mediator. If the parties are unable to agree upon the appointment of a mediator within [7] days after a party has given notice of a desire to mediate the dispute, any party may apply to the ----- (an organisation for mediation) or person agreed to by the parties in writing, for appointment of a mediator.

The parties further agree to share equally the costs of the mediation, which costs will not include costs incurred by a party for representation by counsel at the mediation.

8.6. MEDIATION AGREEMENT

This is an Agreement between ----- and -----, hereinafter referred to as “Mediator”, to enter into mediation with the intent of resolving all issues regarding -----
----- . The parties and the mediator understand and agree as follows:

1. Nature of Mediation

The Parties hereby appoint and retain ----- as Mediator for their negotiations. The parties understand that mediation is an agreement-reaching process in which the mediator assists parties to reach an agreement in a collaborative, consensual and informed manner. It is understood that the mediator has no power to decide disputed issues for the parties. The parties understand that mediation is not a substitute for independent legal advice. The

parties understand that the mediator's objective is to facilitate the parties themselves reaching their best agreement. The parties also understand that the mediator has an obligation to work on behalf of all parties and that the mediator cannot render individual legal advice to any party and will not render remedy nor arbitrate within the mediation.

2. Scope of Mediation

The parties understand that it is for the parties, with the mediator's concurrence, to determine the scope of the mediation and this will be accomplished early in the mediation process.

3. Mediation is voluntary

All parties here state their good intention to complete their mediation by an agreement. It is, however, understood that any party withdraw from or suspend the mediation process at any time, for any reason or no reason.

The parties also understand that the mediator may suspend or terminate the mediation, if the mediator feels that the mediation will lead to an unreasonable result, if the mediator feels that an impasse has been reached, or if the mediator determines that he can no longer effectively perform his facilitative role.

4. Confidentiality

It is understood between the parties and the mediator that the mediation will be strictly confidential. Mediation discussions, any draft resolutions and any unsigned mediated Agreements shall not be admissible in any court, administrative or other contested proceeding. Only a mediated Agreement signed by any parties may be so admissible. The parties further agree to not call the mediator to testify concerning the mediation nor to provide any materials from the mediation in any court or other contested proceeding between the parties. The mediation is considered by the parties and the mediator as settlement negotiations. All parties also understand and agree that the mediator may have private meetings and discussions with any individual party, in which case all such meetings and discussions shall be confidential between the mediator and the party, unless the parties agree otherwise.

5. Mediator Impartiality and Neutrality

The parties understand that the mediator must remain impartial throughout and after the mediation process. Thus, the mediator will not champion the interests of any party over another in the mediation nor in any court or other proceeding. The mediator is to be impartial as to party and neutral as to the results of the mediation. The mediator will seek to affirmatively reveal any operative biases and will disclose any and all prior contacts with the parties and their legal counsel.

6. Mediation Fees

The parties and the mediator agree that the fee for the mediator shall be Rupees ----per hour for time spent with the parties and for time required to study documents, research issues, correspond, telephone call, prepare draft and final Agreements and do such other things as may be reasonably necessary to facilitate the parties reaching full Agreement. The mediator shall also be reimbursed for all expenses incurred as a part of the mediation process.

A payment of Rupees ----- towards the mediator's fees and expenses shall be paid to the mediator along with the signing of this agreement. Any unearned amount of this retainer fee will be refunded to the parties. The parties shall be jointly and severally liable for the mediator's fees and expenses.

As between the parties only, responsibility for mediation fees and expenses shall be: Rupees -----.

It is so agreed.

(Signature of each Party)

(Signature of each Party)

(Signature of the Mediator)

DATED this __ day of _____, 20__

9. FOREIGN COLLABORATION AGREEMENT

A collaborative agreement is a linkage between companies to jointly pursue a common goal. It is an agreement between two or more partners to share knowledge or resources which could be beneficial to all parties involved. The purpose is to share risks and rewards among participants; hence the responsibility for managing the project is shared by the participants.

Collaborative arrangement is defined as a willingly entered into bilateral relationship between two or more firms, with or without equity participation, aimed at sharing or co-development of products, technologies or service facilitating improved performance.

Several companies enter into collaborative arrangements with global partners to strengthen their market position. For some the motive of overseas partners is either financial gain in terms of royalty or profit-share of gaining a foothold in India or for survival in an increasingly competitive market.

The survival and growth of the industrial sector depends to a great extent upon technological advancement. This is possible through collaborations with developed countries to import their expertise and aid.

Special care is required for drafting a foreign collaboration agreement and should be as far as possible in sync with the income tax provisions. The facts and circumstances of each agreement may differ; hence a specimen format of a foreign collaboration agreement is given hereunder.

FOREIGN COLLABORATION AGREEMENT

THIS AGREEMENT is made at _____ this ____ day of _____ between: _____, a Company incorporated under the Laws of _____ and having its registered office at _____ hereinafter referred to as 'the FOREIGN COMPANY' of the One Part

AND

_____ a Company registered under the Indian Companies Act, 1956, and having its registered office at _____ hereinafter referred to as 'INDIAN COMPANY' of the Other Part.

WHEREAS the Foreign Company is carrying on the business of manufacturing certain machinery of a technical nature for producing or manufacturing the products, the particulars of such machinery are mentioned in the First Schedule hereto and which are hereinafter referred to as the said Machinery.

AND WHEREAS the Foreign Company desires to have a market for the said machinery in India and the Indian Company has offered to act as the agent of the Foreign Company for the sale of the said machinery in India.

AND WHEREAS after holding negotiations between the parties the Foreign Company has agreed to appoint the Indian Company as its Agent in India and the Indian Company has agreed to act as such agent on the terms and conditions hereinafter recorded.

AND WHEREAS approvals or permissions of the Government of India and other concerned authorities will be obtained by the parties entering into this Agreement.

NOW IT IS AGREED BETWEEN THE PARTIES HERETO AS FOLLOWS:-

1. The Foreign Company hereby appoints the Indian Company as its Sole Agent for the sale or supply of the said machinery mentioned in the First Schedule hereunder written on the terms and conditions herein recorded.

2. The Foreign Company will export to the Indian Company at the Indian Port or Ports indicated by the Indian Company the said machinery in such quantities as will be required by the Indian Company from time to time, but subject to availability thereof with the Foreign Company. The Machinery will be exported by the Foreign Company by opening Letters of Credit on any specified Bank in India, through the former's foreign Bankers in the name of the Indian Company for the price of the machinery agreed upon between the parties as hereinafter mentioned. The Foreign Company shall give credit facility to the Indian Company for payment

of the price of the said machinery as and when exported to India, on such terms and conditions as may be agreed upon from time to time and subject to approval by the Govt. of India and/or Reserve Bank of India, if necessary.

3. The price at which the said Machinery will be sold and exported to the Indian Company will be as per particulars mentioned in the Second Schedule hereunder written. The ratio of the price in terms of the foreign currency with that of Indian currency will change according to the fluctuation In the International values thereof.

4. The Licence for importing the said machinery will be obtained by the Indian Company from time to time and the import duty, custom duty and other charges required to be paid for clearing the goods will be paid by the Indian Company. The machinery will be exported by the Foreign Company on F.O.B. terms to the ports in India as may be agreed upon from time to time.

5. The machinery when received by the Indian Company can be sold, by the Indian Company or given on hire or hire-purchase basis at such price as may be agreed upon between the parties hereto from time to time and on such other terms and conditions as the Indian Company may think fit. In any case the price at which it will be sold or give on hire or hire purchase basis shall be competitive in the Indian market.

6. The machinery will be sold as the machinery manufactured by the Foreign Company and the name, address and trade mark or patent marks will be properly exhibited on the packaging of the machinery sold. The machinery will not be passed off as the machinery manufactured by the Indian Company or any other person.

7. The Foreign Company will furnish to the Indian Company all the know-how, including any literature, drawings as to the installation and working of the said machinery.

8. The Foreign Company will give full training to the technicians (not more than) deputed by the Indian Company to the factory of the Foreign Company as to the Installation mechanism and working of the said machinery. The costs of such persons deputed by the Indian Company by way of their salaries, boarding and lodging and travelling will be borne and paid by the Indian

Company separately or by adding it to the cost of the machinery supplied to the Indian Company.

9. If required by the Indian Company, the Foreign Company will depute their one or more technicians as will be required to India for equipping the technicians of the Indian Company with full knowledge about the installation and working of the machinery as well as to help the technicians of the Indian Company in installing and putting in working order the machinery supplied to any customers of the Indian Company. The expenses incurred on account of such technicians of the Foreign Company will be borne and paid by the Indian Company and the recovered from the buyer thereof. If the machinery supplied to any customer fails to work and requires repairs which the technicians of the Indian Company are unable to carry out, the Foreign Company will depute their technicians as and when required to carry out such repairs and their travelling and other expenses in India will be borne and paid by the Foreign Company.

10. The Indian Company will be entitled to sell such machinery to any customer in India at such additional price (over and above the price paid by the Indian Company to the Foreign Company) as it thinks fit but consistent with the demand and market position.

11. The Indian Company can enter in to contracts for sale of the machinery to be supplied by the Foreign Company on such terms as it thinks fit but not as the agent of the Foreign Company and the Foreign Company will not be responsible for the consequences of any breach of any term thereof by the Indian Company provided that if the breach occurs due to the failure of the Foreign Company to supply the machinery agreed to be sold by the Indian Company to the buyer. The Foreign Company will be liable to reimburse the Indian Company for the loss suffered by the latter due to such failure. The Indian Company will keep the Foreign Company informed of such agreements entered into or orders for the supply of the machinery from time to time.

12. The said machinery will not be sold by the Indian Company anywhere outside India.

13. The Foreign Company warrants the quality and utility of-the machinery for which it is intended and if any item of machinery is found to be defective in the manufacture thereof or in manufacturing the products which it is intended to produce, the Foreign Company will make

good the defect at its own costs by deputing its technicians to India at their own costs. The Foreign Company will not however be responsible for any damage done to the machinery in transit from the Indian Port to any other place in India.

14. All technical information, drawings, and other material to be supplied by the Foreign Company will be in English language.

15. If after the machinery is supplied to the Indian Company any improvements, additions or alterations are made by the Foreign Company, the same will be immediately conveyed to the Indian Company so that necessary improvements alterations or additions can be made by the Indian Company. If necessary the Foreign Company will depute its technicians to carry out such improvements additions or alterations. The machinery to be supplied from time to time by the Foreign Company will be up to date in all respects as to new inventions and improvements made therein.

16. The Foreign Company will also sell and supply to the Indian Company such spare parts, Instruments and tools as may be required by the Indian Company from time to time.

17. The Indian Company will not make any changes or alterations or additions to the machinery supplied without the express consent of the Foreign Company and in the latter case the Indian Company will furnish all information and technical know-how of the proposed changes, alterations or additions if required by the Foreign Company.

18. The said machinery will be sold under the trade mark or merchandise mark or patent mark of the Foreign Company and for that purpose the Foreign Company shall grant users license to the Indian Company as may be required by Law by a separate agreement.

19. The Indian Company will be entitled to appoint distributors and selling agents or sub agents at different places in India on such terms and conditions as the Indian Company may think fit but such appointments will be subject to the terms and conditions of this Agreement.

20. The Indian Company will not attempt to manufacture the said machinery in India and disclose the knowhow and any other technical information regarding the said machinery to any other person in India.

21. The Indian Company will not accept the agency of any other manufacturer manufacturing similar machinery.

22. It is expected that the Indian Company will be able to sell at least ... Items of such machinery every year. In case the Indian Company fails to do so without any reasonable cause acceptable to the Foreign Company, the latter will have the option to cancel this agreement by giving three months' prior notice in that behalf.

23. All payments to be made by the Indian Company to the Foreign Company and vice versa will be subject to the approval of the Reserve Bank of India and will be subject to such terms and conditions as the said Bank will stipulate.

24. This agreement "I remain in force for a period of... years from the date hereof subject to the other terms hereof. The parties may extend the said period by mutual consent.

25. The approval to be granted to this agreement shall be deemed to form part of this agreement. Any term of this agreement which is inconsistent with or contrary to any term or condition mentioned in the letter of approval shall be treated as void and of no effect.

26. This agreement will be treated as terminated on the happening of any of the events below mentioned:

(i) If any party hereto commits breach of any provisions of this agreement and the party who is alleged to have committed breach is served with a notice by the other party, three months prior to the intended date of termination by the other party and the former party has failed to amend the breach within the said period.

(ii) If any event happens which will make the performance of this agreement impossible including any force majeure event.

(iii) If either the Indian Company or the Foreign Company goes in either voluntary or compulsory liquidation according to or under the law by which it is governed.

(iv) If the parties hereto mutually agree to terminate this agreement.

27. All the sanctions, approvals, permissions, licenses and other requirements of the Government of India and of any statutory authorities required for giving effect to all the terms and conditions of this agreement shall be obtained by the Indian Company.

28. In the event of any dispute or difference arising between the parties hereto or as to the rights and obligations under this agreement or as to any claim, monetary or otherwise of one party against the other or as to the interpretation and effect of any terms and conditions of this agreement, such dispute or difference shall be referred to arbitration of a common Arbitrator if agreed upon or otherwise to two Arbitrators, one to be appointed by each of the parties to this agreement and such Arbitration shall be governed by the Indian Arbitration & Conciliation Act, 1996. The venue for such Arbitration shall be _____ in India.

29. The validity of this agreement and effect or meaning of the terms hereof will be decided according to the Indian Law.

30. Any communication by one party to the other shall be made by registered post through airmail, with acknowledgement due or by telex or fax or cable. In case the communication is made by telex or fax or cable the same will be subsequently but immediately thereafter confirmed by written communication sent by registered post as aforesaid. Any evidence showing the communication was posted or telex, fax or cable communication was made will be sufficient to prove the posting or sending the communication.

31. In this agreement the expression 'know-how' shall include technical information such as inventories formulae processes, engineering and manufacturing skill, scientific data, calculations, specifications, drawings, standards, sketches and all other relevant information and knowledge.

32. Each of the parties hereto shall be deemed to include its successors or permitted assigns.

THE FIRST SCHEDULE ABOVE REFERRED TO

THE SECOND SCHEDULE ABOVE REFERRED TO

IN WITNESS WHEREOF the parties have put their respective seals the day and year first hereinabove.

The common seal of is hereunto affixed pursuant to the resolution of the Board of Directors dated in the presence of Mr....., a Director duly authorised in that behalf

The common seal of is hereunto affixed pursuant to the resolution of the Board of Directors dated..... in the presence of Mr. a Director duly authorised in that behalf.

Witnesses:

- 1.
- 2.

9.1. TECHNICAL COLLABORATION AGREEMENT

THIS AGREEMENT made on this.....day of.....BETWEENan Indian company having its registered office at..... (hereinafter referred to as “A”) of the one part AND.....a foreign firm having its principal place of business at.....(hereinafter called “B”) of the other part.

WHEREAS “A” is engaged in the manufacturing and marketing of.....and has considerable engineering know-how and technical information and equipment regarding said.....and their method of manufacture.

AND WHEREAS “A” is desirous of manufacturing in India and marketing in India and other countries of various types of items which are set out in Schedule “A” hereto annexed (hereinafter referred to as PRODUCTS) on the terms and conditions herein contained.

NOW THEREFORE IT IS AGREED between the parties that:

1. “Know how” means and includes all inventions, processes, patents, engineering and manufacturing skill and other technical information whether patent or patentable or not which are presently owned by “B” or which may be so owned, during the term of this agreement including without limitation :

- Technical and engineering data, calculations and information.

- Design data, calculations and information.

- Details of layout of works, including details and specification of machinery

- All other forms of recovered information, technique and design in making of jigs, tools, dies, patterns and moulds.

2. (a) “B” shall fully and promptly furnish “A” with such “know-how” as “A” may require from time to time during the term of this agreement in connection with the manufacture of the products.

(b) “B” will deputetechnicians at the expense of “A” to establish and operate the plant at.....and to train.....Indian technicians in its work in.....at the expense of “A”.

(C) “A” at their expense, shall procure and maintain patents in India on such inventions and improvements made by “A”, as “A” in their sole discretion shall choose. “B” shall also have the right to use the invention and improvements in all countries outside India and shall take full title to such patent procured by “A” outside India. However, “B” shall not, without the consent of “A”, licence any third party under said patents except its subsidiaries, its parent company or other subsidiaries of the parent company.

(d) "A" shall manufacture the Products in strict accordance with the said know-how, the standard of quality embodied therein or as may be set from time to time by "B". To ensure the performance of this provision, "B" shall have the right to inspect at reasonable intervals and during business hours the facilities of "A" to the manufacture of the said PRODUCTS.

3. Subject to other provisions of this agreement, "B" hereby grants to "A".

(a) An exclusive licence to make in India the products by the use of any or all of "Bs" know-how.

(b) A non-exclusive license to use and sell the said Products throughout the world.

4. (a) In consideration of "B" having agreed to disclose to "A" the latest method of manufacture of Products and other processes and having further agreed to supply technical advice and data, "A" agrees to pay "B" a sum of Rupeeswhich is due and payable in installments as follows.

i) upon effective date.

ii) upon delivery by "B" of the complete design and engineering documents.

iii) within.....months after tender or certificate of Discharge of guarantees.
.....

Total

In consideration of "B" for having agreed to disclose to "A" the latest method of manufacture of products and other process, and having further agreed to supply technical advice and data, "A" will arrange to allot "B".....shares at Rs.....each without any payment by "B".

(b) "A" further agrees to pay to "B" a royalty of.....per cent of the net selling price of the products covered by the agreement for a period of.....years from the date of execution of the agreement. The net selling price would means the ex-works price of the products covered (less the landed cost of all imported components) including ocean freight, insurance, customs duties

payable thereon, etc., irrespective of the source of import. Such royalty payments are subject to Indian taxes.

5. (a) "A" shall render to "B" bi-annual/annual reports on or before the last day of.....following each calendar year with respect to which royalties are payable under this agreement, stating the amount of Products manufactured in the plant during the preceding year the amount of royalty due and payable with respect thereto. At the time of rendering such reports A shall pay to B the amount of royalty stated therein to be due and payable.

(b) A agrees to keep complete records of the account concerning the products which are the subject- matter of this agreement, which records shall be open to inspection of B its appointed representative agreeable to both parties, during regular business hours for verifying the payments due to B under this agreement .

6. All payments due by A to B under the agreement are to be made in to B's account in any bank it designates.

7 (a) "A" shall maintain secrecy at all time during this agreement of all the knowhow, drawings and the like disclosed by "B" to "A" and/or pursuant to the terms herein or about which "A" learns during the performance of this agreement.

(b) "A" will, however, be free to sub-licence the technical know-how, product design/engineering design under the agreement to other Indian party/parties, should it become necessary. The terms of such sub-licence will, however, be as mutually agreed to by all parties concerned including "B" and will be subject to the approval of the Government.

8. This agreement shall become effective after it has been duly approved and signed by "A" and "B" and the approval of the Government of India has been obtained thereto.

9. (a) This agreement shall remain effective for a period of..... years from the date of signing the agreement. Upon the expiration of this agreement, the know-how therefore delivered to "A" shall remain its property for its full and free use thereof.

(b) Subject to the approval of the Indian Government, this agreement may be renewed in whole or in part for further period by mutual agreement.

10. This agreement shall be binding upon and ensure to the benefit of the successors and assigns of the respective parties hereto, and the obligations hereunder shall not be assignable by either party without written consent being first obtained from the other.

11. This agreement embodies entire understanding of the parties as to its subject matter, and it shall not be amended except in writing executed by both parties to the agreement.

12. Either party may by notice in writing to the other terminate this agreement in the event of:

(a) Any default by such other party in the performance or observation of any of its obligations under this agreement which is not remedied to the satisfaction of the party giving such notice within ninety (90) days following delivery of such notice, such notice to contain reasonable particulars of such default and to state the intention to terminate the agreement under this clause unless such default is made good or remedied.

(b) Judicial proceedings for bankruptcy, composition with creditors, sequestration of assets for creditors, or receivership instituted by or against such other party, insolvency of such other party or its failure to meet its obligations as they mature for any material period of time.

(c) Liquidation, compulsory or voluntary of such other party except in connection with an amalgamation, reconstruction, merger, consolidation, re-organisation or disposition of assets as a going concern voluntarily undertaken and with a view to the continuance of the business by the transferee thereof, provided, however, that upon such event the business entity continuing the business formerly carried on by such other party shall, in an appropriate instrument delivered to the other party to this agreement, undertake to perform all of the obligations of such other party hereunder.

13. Neither party shall be in default under this agreement by reason of its failure or delay in the performance of its obligations if such failure or delay is caused by acts of God, Government laws

and regulations, strikes, lock-outs, war or any other cause beyond its control and without its fault or negligence.

14. All disputes, questions, or differences, etc., arising in connection with this agreement shall be referred to a single arbitrator in India in case parties agree upon one, otherwise two arbitrators in India are to be appointed by each party in accordance with and subject to the provision of the Arbitration & Conciliation Act, 1996, or any other enactment or statutory modification thereof for the time being in force.

15. Notices and other communications under the agreement shall be in writing, or by established cable, radio or facsimile service, addressed as indicated in the description of parties above or as either party may request in writing, and the effective date of each is the date of its repaid deposit in the mail for dispatch by air or such service properly addressed.

16. The agreement should be construed in accordance with and be governed by the laws of India.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the date first above written.

For "B"

.....

(Chairman of the Board)

For "A"

.....

(Director)

**9.2. COLLABORATION AGREEMENT TO ESTABLISH A
FACTORY**

THIS AGREEMENT is made at _____ this _____ day of _____ between :

_____. Ltd., a Company registered under The (Indian) Companies Act, 1956 and having its registered office at _____ hereinafter referred to as 'The Indian Company' of the First Part.

M/s. XYZ Co. Ltd., a Company incorporated under the laws of _____ and having its registered office at _____ hereinafter referred to as the 'Foreign Company' of the Second Part.

AND

M/s. CDE Co. Ltd., a company registered under the (Indian) Companies Act, 1956, and having its registered office at _____ hereinafter referred to as the 'confirming Party' of the Third Part as follows:

WHEREAS the Confirming Party has obtained an Industrial License and other licenses or permissions to set up an Industrial Unit or factory at _____ to manufacture a products by name _____ (hereinafter referred to as 'the said Product's) and copies of which licenses are hereto annexed and marked 'A' (collectively).

AND WHEREAS at the request of the Confirming Party the Foreign Company has agreed to collaborate in the setting up of a unit or factory for manufacturing the said product on the terms and conditions mentioned in the agreement dated, the _____ day of _____ and entered into between the Confirming Party and the Foreign Company.

AND WHEREAS pursuant to the said agreement, the Confirming Party has promoted and registered a separate Company being the said Indian Company being the Party of the First Part.

AND WHEREAS by the said agreement it was agreed between the Confirming Party and the Foreign Company that they would cause a separate agreement entered into between the Indian

Company after Its Incorporation and the Foreign Company In terms of the draft annexed to the said agreement dated _____

AND WHEREAS the Board of Directors of the Indian Company in their meeting held on the _____ day of _____ adopted the said draft agreement and resolved to execute the same with a view to install the unit or factory for producing the said products referred to therein being the products known as _____ and the particulars of which are set out In the Schedule hereunder written.

AND WHEREAS the confirming Party has obtained the consent of the licensing authority to transfer the benefit of the said licences (Ex. A hereto) during the currency of this agreement.

NOW IT IS AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS

1. This agreement is subject to the approvals of the Government of India and other authorities concerned and shall be effective and binding on the parties only on the grant of such approvals. Subject to this, the agreement shall be deemed to have commenced from the date hereof.
2. This agreement shall be subject to the terms and conditions on which such approvals as aforesaid will be granted and they shall be deemed to form part of this agreement. Any term hereof which will be inconsistent with or contrary to any term or condition stipulated as a part of such approvals as aforesaid will be treated as null and void.
3. The Foreign Company agrees with the Local Company;
 - (a) to render all necessary advice in the matter of production of the products hereinafter mentioned and the purchase of raw materials , plant and machinery
 - (b) to supply all the know-how including plans drawings designs and other technical data required for the production
 - (c) to provide the assistances of technical staff required to install plant and machinery to run the same and in the process of production .
4. The Indian Company agrees and undertakes to manufacture and produce the products namely (hereinafter referred to as the said Products and the particulars of which are set out in the

Schedule hereunder written) mainly for export out of India and the Foreign Company agrees to collaborate and give all assistance in the manufacture of the said products as hereinafter mentioned for the commercial exploitation thereof.

5. The Foreign Company will make all arrangements, negotiations and bargain for the purchase of and supply to the Indian Company of the plant, machinery and all other incidental equipment and spares required in the manufacture of the said products with a view to set up or install the manufacturing unit or factory at _____ by the Indian Company.

6. The said plant and machinery and other related equipment will be negotiated at the best minimum market price available and the price thereof will be paid by the Indian Company to the Sellers thereof directly through Banks by opening one or more confirmed Letters of Credit in favour of such sellers. The Import Licenses and other permissions for purchase and import of such plant, machinery and equipment will be obtained by the Indian Company from the appropriate authorities In India.

7. The Foreign Company will depute and make available the services of such qualified person or persons from their factory or otherwise for helping and guiding and otherwise advising the personnel of the Indian Company In the installation, establishment and putting in working order the said plant and machinery and their services will be made available until the plant and machinery are fully installed and start functioning and the Indian personnel are found to be well trained and acquainted with the manufacture mechanism of the said plant and machinery and the operations thereof. The Foreign Company will also depute one or more members of their technical staff as and when required by the Indian Company to supervise, advice and help in the functioning of the plant and machinery and also in the manufacture of the said products or any of them on the same basis as provided herein.

8. The person or persons so deputed by the foreign Company since their landing in India till their departure from India will not be treated as the employees of the Indian Company but will be paid such remuneration and other allowances and travelling expenses as may be agreed upon between the Foreign Company and the Indian Company from time to time but subject to the approval of the Government of India and or the Reserve Bank of India if any required. The travelling charges

of such technicians to and from India will also be paid by the Indian Company and the Indian Company shall make proper arrangement for the residence of such persons or person In India.

9. The Foreign Company will also fully train the one or more persons proposed to be deputed by the Indian Company in the factory of the Foreign Company at or other selected place in the working of the said plant and machinery, in the mechanism thereof and also in the production or manufacture of the said products. The expenses on account of such person or persons for their residence travelling charges etc. will be paid by the Indian Company.

10. The Foreign Company will make available to the Indian Company the technical know-how for the installation of the said plant and machinery and in respect of the said products and all the literature, drawings, formula, data and all other information necessary or required to be known for the manufacture of the said product.

11. The Foreign Company shall also make available the benefit of improvements research work, additions and alterations that may be made in the said plant and machinery or in the process of manufacture of the said products from time to time during the subsistence of this agreement.

12. The said products when so manufactured shall be exported out of India and the Foreign Company will help the Indian Company for the sale thereof in the market available for the same In any country and the Foreign Company will act as the selling agent of the Indian Company. The license for exports will be obtained by the Indian Company and the benefit of such exports under the export promotion scheme or any other scheme for encouraging exports sanctioned by the Govt. of India will belong to the Indian Company. The Foreign Company will arrange to secure the payment of the price of the quantity of the said products exported from time to time, by getting the buyers to open Letters of Credit with any Bank in India in favour of the Indian Company.

13. The sale price of the said products for exports will be fixed from time to time by the Indian Company and the Foreign Company by mutual consent.

14. The Indian Company may also, with the approval of the Foreign Company, appoint other selling agents for any country or countries or any part or parts thereof on such terms as may be

agreed upon between the Indian Company and Foreign Company on the one hand and such agent or agents on the other.

15. The Indian Company will be entitled to sell any quantity of the said products in India in case the same cannot be exported and sold outside for any reason, at such price as may be agreed upon between the parties hereto.

16. The Foreign Company shall allow the Indian Company to sell the said products on the trademark or trademarks used by the Foreign Company and if the Foreign Company has any patent rights, in respect thereof the benefit of those rights will also be available to the Indian Company and for this purpose the Foreign Company shall formally enter into a separate agreement for granting rights to use the trademarks or give a license to use the same and the patents In India.

17. All the expenses incurred by the Foreign Company and the Confirming Party for the Incorporation of the Indian Company of and incidental to the agreement entered into between the Foreign Company and the Confirming party and this agreement shall be payable and paid by the Indian Company.

18. The Foreign Company will also render such financial assistance in foreign currency as the Foreign Company will think fit and proper or necessary for buying the plant, machinery and other equipment and for the manufacture and export and sale of the said product, subject to approval by the Government of India and the Reserve Bank of India.

19. In consideration of all the services to be rendered by the Foreign Company as provided in this Agreement the Foreign Company shall be paid and reimbursed in the following manner and to the following extent.

A royalty at _____ per cent on the value of yearly production as per the audited balance sheet payable in _____.

20. The said lump sum royalty payable as aforesaid shall be paid to the Foreign Company In three instalments, unless otherwise stipulated in the approval by the Reserve Bank/Government, namely

(i) First one-third of the said amount will be paid on the approval of this agreement by the _____ Bank and on this agreement being filed with the authorised dealer in foreign exchange;

(ii) The second one third amount will be paid on delivery of know how documents;

(iii) The balance one-third will be paid on commencement of production or after four years after the approval of the agreement by the Reserve Bank of India and the agreement is filed with the authorised dealer in foreign exchange whichever is earlier.

21. All remittances of royalty and other moneys payable under this agreement will be made as per the exchange rate prevailing on the date of remittance.

22. The payments to be made to the Foreign Company will be subject to deduction for payment of cess if any payable under the Research and Development Cess Act 1986 and the Indian Company will be entitled to deduct the same from the amount to be paid as aforesaid.

23. The Indian Company will also be entitled to deduct from any such payment to be made to the foreign Company and its technicians the income tax if any payable thereon under the Indian Income Tax Act, 1961.

24. A copy of this agreement signed by both the parties will be filed with the several authorities as required by law.

25. These payments and the manner of payment will be subject to the approval of the Govt. of India and the Reserve Bank of India and in the event of the said authorities making any modifications therein the same will be modified or deemed to be modified accordingly.

26. If the Government of India puts any terms and conditions for approving this agreement which are not acceptable to the Foreign Company, the latter will have a right to treat this agreement and the agreement between the Foreign Company and Confirming party as cancelled.

27. This agreement will remain in force for a period of..... years from the date hereof subject to the other provisions hereof. The parties may extend the said period and to such extent as may be agreed upon. However, this shall be deemed to be a part of or incidental to the agreement between the Confirming Party and the Foreign Company hereinbefore recited and if

this agreement is terminated by expiration of the said period or otherwise the said agreement shall also be deemed to be terminated. Notwithstanding anything contained in the said agreement and in the event of the termination of the said Agreement under this clause, the same consequences follow as would follow as if the said agreement was terminated under any of the provisions of the said agreement.

28. This agreement will be treated as terminated on the happening of any of the events below mentioned:

(i) If any party hereto commits breach of any provisions of this agreement and the party who is alleged to have committed breach is served with a notice by the other party, three months prior to the intended date of termination by the other party and the former party has failed to amend the breach within the said period.

(ii) If any event happens which will make the performance of this agreement impossible including any force majeure event.

(iii) If either the Indian Company or the Foreign Company goes into either voluntary or compulsory liquidation according to or under the law by which it is governed.

(iv) If the parties hereto mutually agree to terminate this agreement.

29. All the sanctions, approvals, permissions, licenses and other requirements of the Government of India and of any statutory authorities required for giving effect to all the terms and conditions, of this agreement shall be obtained by the Indian Company.

30. In the event of any dispute or difference arising between the parties hereto or as to the rights and obligations under this agreement or as to any claim, monetary or otherwise of one party against the other or as to the interpretation and effect of any terms and conditions of this agreement, such dispute or difference shall be referred to Arbitration of a common Arbitrator if agreed upon or to two or more Arbitrators, one to be appointed by each of the parties to this agreement and such Arbitration shall be governed by the Indian Arbitration and Conciliation Act, 1996. The venue for such arbitration shall be in the state of _____, India.

31. The validity of this agreement and the effect or meaning of the terms hereof will be decided according to the Indian Law.

32. Any communication by one party to the other shall be made by registered post through airmail, with acknowledgement due or by telex or fax or cable. In case the communication is made by telex or fax or cable, the same will be subsequently but immediately thereafter confirmed by written communication sent by registered post as aforesaid. Any evidence showing the communication was posted or telex, fax or cable communication was made will be sufficient to prove the posting or sending the- communication.

33. In this agreement the expression 'know how' shall include technical information such as inventories formulae processes, engineering and manufacturing skill, scientific data, calculations, specifications, drawings, standards, sketches and all other relevant information and knowledge.

34. The Indian Company will be entitled to grant a sub-license to any other person in India of the rights and benefits under this agreement on such terms and conditions agreed to between the Indian Company, the Foreign Company and the sub-licensee and subject to the approval of the Government of India.

34. Each of the parties hereto shall be deemed to include its successors or permitted assigns.

SCHEDULE ABOVE REFERRED

IN WITNESS WHEREOF the parties have put their respective seals the day and year first hereinabove written.

Common seal of the withinnamed Indian Company

M/s. ABC Co. Ltd. is hereto

affixed pursuant to the resolution

of the Board of Directors dated

in the presence of Mr

Managing Director duly authorised

in that behalf and who in token

thereof have put their/his

Signature opposite in the presence of Ms. X Y & Co. Ltd.

Common seal of the withinnamed

Foreign Company... Is hereto affixed

pursuant to the resolution of the

Board of Directors dated ... in the

presence of Mr... Director duly

authorised in and who in token thereof

have put his signature in the

presence of ...

Common seal of the withinnamed Confirming Party

M/s. C & D Co. Ltd. is hereto affixed

pursuant to the resolution of the

Board of Directors dated ... in the

presence of ... duly authorised in

that behalf and who in token thereof

has put his signature In the presence of ...

10. MERGER AND ACQUISITION AGREEMENTS

Merger can be defined as the combining of two or more entities into one through a purchase acquisition or a pooling of the interests. It is generally done by offering securities in the acquiring company to the stockholders of one company in exchange for the surrender of their stock. Merger can be said also when two companies become one. According to the Oxford dictionary, merger means a combination of two things, especially companies into one.

Amalgamation is used synonymously with the term merger, and has the same meaning as that of merger.

Merger agreement is a contract that comprehensively lists down all details governing the merger of one or more companies. It is a main document that is legally binding on all the parties to the contract. Some of the important components of a merger agreement are Agreement date, details of the merging parties, type of industry/sector, jurisdiction, other details like members of the management, valuation of shares, liability of the members, valuation of tangible assets etc.

MERGER AGREEMENT

We, (1)..... (2) (3) partners of (1) M/s. A & Co. (2) M/s. B & Co. & (3) execute this Merger Agreement on this ____ day of _____, at _____:

1. M/s A & Co., a Partnership/Proprietorship firm of Chartered Accountants having its registered Head Office at _____, duly registered with the Institute of Chartered Accountants of India vide Firm No. _____ in _____ region (which expression shall include its successors, heirs and assigns).

The date of establishment, name of the partners, their membership numbers are as follows:-

(i) Date of establishment

(ii) Name of the Partners Membership No.

2. M/s B & Co., a Partnership/Proprietorship firm of Chartered Accountants having its registered Head Office at _____, duly registered with the Institute of Chartered Accountants of India vide Firm No. _____ in _____ region (which expression shall include its successors, heirs and assigns).

The date of establishment, name of the partners, their membership nos, are as follows :-

(i) Date of establishment

(ii) Name of the Partners Membership No.

Now, therefore, in consideration of mutual promise herein made and the consideration hereunder expressed, the parties hereto mutually covenant and agree as follows:

1. That the name of the merged firm will be _____ and the date of establishment of the merged firm is the date of establishment of the oldest/older firm i.e. _____.
2. That this merger will come into force w.e.f. _____ 20__, where after, the merging firm i.e. M/s A & Co., and M/s B & Co. cease to exist and a separate partnership deed has been executed on _____ amongst the partners of the merged firm.
3. That the following persons are the partners of the merged firm:
 1. Mr. _____ Membership No. _____
 2. Mr. _____ Membership No. _____
 3. Mr. _____ Membership No. _____
 4. Mr. _____ Membership No. _____
 5. Mr. _____ Membership No. _____
 6. Mr. _____ Membership No. _____
 7. Mr. _____ Membership No. _____
 8. Mr. _____ Membership No. _____

We, all the partners of the merged firm understand that this merger has the following consequences in pursuance to the decision of the Council of the Institute: -

1. That the name of the erstwhile merging firms will be frozen by the Institute.

2. And in case 75% or more of the continuing partners of one or more erstwhile merging firm(s) are willing to demerge, they may demerge after giving due notice and will be entitled to the following benefits :

(i) They shall be entitled to the total seniority acquired i.e. their earlier pre-merger seniority and the years during which they were in merged firm.

(ii) They are entitled to their old firm's name.

Provided in case, 75% is a fraction, then the same shall be rounded off to the next number.

3. That the date of establishment of the new demerged firm shall be the date of demerger.

4. That to effectuate such demerger, no concurrence/acceptance is required from the other continuing partners of the merged firm. The partners of such demerged firm shall execute a partnership deed. The merged firm as well as the demerged firm shall submit fresh Form 18 as prescribed under the Chartered Accountants Regulations, 1988 to the Institute within the prescribed period.

5. In case of 75% or more of the continuing partners of one of the erstwhile merging firm have demerged after giving due notice to the other partners, then in such case, the merger shall come to an end and if the remaining erstwhile merging firms/partners of the erstwhile merged firm decided to continue, then they should enter into a fresh Merger/Partnership Agreement and shall submit fresh Form 18 as prescribed under the Chartered Accountants Regulations, 1988 to the Institute within the prescribed period.

6. That the demerger in the manner hereinbefore mentioned can be demanded only within a period of 5 years from the date of merger.

IN WITNESS WHEREOF, the Partners of the Merged firm M/s.....
hereto set their hands on this agreement in the presence of the witnesses.

WITNESSES :

(i) _____

- (ii) _____
1. (iii) _____
- (iv) _____
- (v) _____
- (vi) _____
2. (vii) _____
- (viii) _____

Partners of M/s.....

Acquisitions

An acquisition may be defined as an act of acquiring effective control by one company over assets or management of another company without any combination of companies. Thus, in an acquisition two or more companies may remain independent, separate legal entities, but there may be a change in control of the companies. When an acquisition is 'forced' or 'unwilling', it is called a takeover. In an unwilling acquisition, the management of 'target' company would oppose a move of being taken over. But, when managements of acquiring and target companies mutually and willingly agree for the takeover, it is called acquisition or friendly takeover.

BUSINESS ACQUISITION AGREEMENT

This agreement (“Agreement”) is made this {date} of {month}, {year}, by and between {name of seller}, hereinafter known as “Seller,” and {name of buyer}, hereinafter known as “Buyer,” for the purchase of {business name}, hereinafter known as the “Business,” and all related assets.

The Buyer and Seller both agree to the following provisions as conditions for the sale of the Business:

1. Purchase Description—Assets and Liabilities

Buyer is purchasing the following assets from Seller:

{ Here is where the assets should be listed. If this is simply a sale of assets, and Seller is retaining name rights only to the business/corporation, please note that here. Otherwise, make a list, including value, of each asset which will be sold to the Buyer from the Seller. If necessary, reference “schedules,” or attachments, and include them with this document, with the understanding that both parties are signing off on the schedules as well as the provisions listed here. The list of assets may be done in any way, but a convenient method might be to include a simple table with the details. Sample table below. }

ASSETS	VALUE
Customer accounts	
Inventory/Goods	
Rental Properties	
Equipment	
Intellectual Property	
Building(s)	

{ Also to be included, if applicable, that Buyer will receive title(s) to any properties the Seller will be purchasing, as well as how the transfer of customer accounts, if any, will proceed }

{ The list of liabilities, if any, that the Buyer will be assuming from the Seller should be listed. }

DEBT	AMOUNT
Mortgage/Lease	
Advertising Contract	

Equipment Rental Contract	
---------------------------	--

2. Purchase Price

Owing to the total value of the assets and liabilities listed in Section 1, as well as {any other considerations that fall within the purchase price}, the total purchase price of the Business is {amount in}, which will be paid in the following manner:

{Outline the details of the payment plan, including whether it will be paid in cash, in instalments, whether interest and/or late fees will be added, etc.}

3. Competition

Seller agrees that for a period of {length of time}, {he/she} will not engage in any activities related, directly or indirectly, to the Business, and will not attempt to solicit business or services from any customers, clients, etc. who originally were such during the Seller's ownership of the Business. This non-compete clause applies to {name the geographic region, such as the state, area, country, etc.}.

4. Indemnity

If either party is found to be in breach of this Agreement, the offending party will indemnify the offended party for any legal fees accrued as a result of the breach. Lost profits incurred as a result of any such breach {will/will not} be repaid by the offending party.

5. Severability

Should any provision in this Agreement be deemed in some way invalid, the remaining provisions shall remain intact and enforceable by law.

6. Jurisdiction

This Agreement shall be governed by the laws and regulations of the state of {State Name}.

Both parties agree to the provisions listed above, as well as any applicable schedules or attachments included with this Agreement.

Signed this {date} of {month}, {year}.

Seller Printed Name

Buyer Printed Name

Seller Signature

Buyer Signature

Witness

- 1.
- 2.

11. JOINT VENTURE AGREEMENTS

A joint venture is generally understood as technical and financial collaboration either in the form of projects, take-overs or alliances with existing companies. Indian joint ventures usually comprise two or more individuals/companies, one of whom may be non-resident, who come together to form an Indian private/public limited company, holding agreed portions of its share capital. A joint venture agreement primarily provides for the manner in which the shareholders of the joint venture company may transfer or dispose of their shares. Joint ventures can exist in the form of companies, partnerships or joint working agreements. All joint venture proposals not falling within the Reserve Bank of India's automatic route require approval of the Reserve Bank of India, the FIPB or the concerned industry ministry, depending upon the quantum and nature of foreign investment. Joint Venture generally has the following characteristics –

- Contribution by partners of money, property, effort, knowledge, skill or other assets to the common undertaking.
- Joint property interest in the subject matter of the venture.
- Right of mutual control or management of the enterprise.
- Right to share in the property.

A Joint Venture Agreement is a legal document where two or more entities combine to do business or undertake an economic activity together. The parties agree to create a new entity by contributing equity and share the revenues, expenses and control of the enterprise in the proportion of their capital contribution. The venture can be for one specific project only or for a continuing business relationship.

JOINT VENTURE AGREEMENT

THIS AGREEMENT executed at _____ on the day of _____

BETWEEN: M/S. ABC PRIVATE LIMITED.

(herein after referred to as the "ABC", which expression shall, wherever the context so requires or admits, mean and include, its successors and assigns).

AND: M/S.XYZ PRIVATE LIMITED,

(here in after referred to as the "XYZ ", which expression shall, wherever the context so requires or admits, mean and include, its successors-in-title and assigns);

WITNESSES AS FOLLOWS:

- I. WHEREAS ABC is engaged in business of _____ and have the necessary experience and expertise in that field;
- II. WHEREAS the XYZ are doing _____ and have the necessary experience and expertise in that field;
- III. WHEREAS the parties hereto have decided to float a project of _____ (hereinafter referred to as the "PROJECT");
- IV. WHEREAS ABC and XYZ both having the necessary infrastructure and the capabilities of providing the services required for the project have agreed to form a Joint Venture Company for the Project and ABC and XYZ are desirous of entering into an Agreement for constituting Joint Venture Company in terms hereof;
- V. WHEREAS the Parties hereto for the said Project have decided to form a Joint Venture Company and whereas subject to all necessary consents, licences, permissions and authorities to be procured for the formation and incorporation of the joint venture Company in India, with the principle object, inter alia, being that of _____;
- VI. WHEREAS ABC and XYZ are desirous of recording the Agreement with regard thereto and the agreement arrived at between them;
- VII. NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:
 1. It is agreed between the parties hereto to constitute a new Company which will be incorporated under the provisions of the Companies Act, 1956 and the Parties further agree that the said Company shall carry on its business in the name and style of "XYZ - ABC PRIVATE LIMITED" or any other name as may be

mutually agreed between the parties hereto, (hereinafter referred to as the "SAID COMPANY" or "JOINT VENTURE COMPANY")

2. It is agreed that the terms and conditions of this Agreement shall govern the relationship of ABC and XYZ and the rendering of services under this Agreement and any subsequent Agreement;
3. It is agreed between the Parties hereto that the share holdings of the said Company shall be held by XYZ and ABC in the ratio of _% belonging to XYZ and _% belonging to ABC;
4. The Company shall be incorporated in the State of _____, after following all the provisions of the Companies Act, 1956 including any amendments from time to time, required for the incorporation thereof. The Registered Office of the Joint Venture Company shall be situated at "_____", ___, _____ Road, _____;
5. It is agreed between the Parties hereto that the said Company shall have as its object of business recorded in the Memorandum of Association & Articles of Association inter alia _____;
6. It is agreed between the Parties hereto that the authorised capital of the said Company shall be Rs. _____ /- (Rupees _____ only) divided into _____ equity share of Rs. _____ /- (Rupees _____ only) each;
7. The Parties hereto shall jointly approve the Memorandum and Articles of Association of the said Company taking into consideration the principle objectives as set out in Paragraph 5 above;
8. ABC shall on incorporation of the Joint Venture Company subscribe to ____% of the authorised share capital and the XYZ shall on the incorporation of the said Company subscribe to ____% of the authorised share capital, and pay for such shares on call made by the said Company towards the said shares, within the period prescribed;

9. The Parties further agree that the authorised capital of the said Company may be increased from time to time as per the Provisions of the Companies Act and as per the financial requirements of the said Company and as approved by the Board of Directors/General Body Meeting and it is further agreed that on the authorised capital being increased ABC and XYZ will be entitled to subscribe thereto in equal ratio and only after the other Party by written notice under acknowledgement rescinds the offer to apply for additional shares will the other be entitled to subscribe for those share not applied for;
10. ABC and XYZ agree that till such time as the project is being handled by the Joint Venture Company, ABC and XYZ shall always have equal representation on the Board. Mr._____ shall be the Nominee Director of ABC and Mr._____ of XYZ Group being the First Directors, who shall hold the Office for entire period of the project, save and except both of them will not be liable for retirement. The number of Directors will be _____in total, ____ from ABC and _____from XYZ;
11. It is further agreed between the Parties that in the event of any of the Director from any of the group retiring/being removed/dying or becomes unable to perform the duties of a Director or for any reason ceases to be employed by the Party that nominated them then such party shall promptly by written notice served to the other party name in Successor thereof so that the strength of the Board of Directors remains same as before;
12. Meetings of the Board of Directors for the transaction of business of the Joint Venture may be called, subject to reasonable notice by the Directors of either party.
13. The Board of Directors shall have full responsibility and authority for the performance of the Company including but not limited to assignment of services between the Parties, preparation of the schedule of services, settlement of disputes and any other items affecting the performance of services under this Agreement;

14. The Board of Directors shall constitute a committee being the Executive committee for the execution of the work of the Project Agreement and the said committee shall consist of one representative of ABC and another from XYZ and at all times there shall be equal representative on the said committee from ABC Group and the XYZ Group;
15. The Executive Committee shall be:
- a. Responsible for the direction and management of the Work in accordance with the policies and procedures established by the Board of Directors;
 - b. Responsible for the Co-ordination of the Work; and
 - c. The Board of Directors may from time to time change the existing Executive Committee by replacing its representatives; however the representation of ABC and XYZ shall always be equal on such committee;
16. Action and decisions of the Board of Directors shall be by unanimous vote and shall be final, and conclusive and binding upon both ABC and XYZ;
17. In the event the Board of Directors is unable to reach any unanimous decision, ABC and XYZ agree that the matter in controversy shall be referred to Mr._____ with regards to matter relating to _____ and _____ Mr._____ with regards to matter relating _____ who shall make an interim decision which may be subject to arbitration if the parties hereto do not accept the decision;
18. The Parties agree that the Board of Directors shall by and large conduct business of the said Company on the basis of the Agreement arrived at between them under this Agreement or mutually agreed between them in writing from time to time between them, giving effect to the understanding arrived at between them under this Agreement;
19. The Parties further agree that until mutually agreed in writing by and between the parties hereto the said Company shall not:
- a. increase or re organise its authorised capital;

- b. amend the Memorandum of Association & Articles of Association;
 - c. dissolve or liquidate the said Company;
 - d. in any manner deal with and dispose off or create any charges with regards to the assets of the said Company or its business;
 - e. Amalgamate with any other Company;
 - f. to stand and guarantee in any manner for any other parties or any other person/s without the prior consent and without the Special Resolution of the General Body Meeting of the said Company;
20. Each of the Parties hereto agree that they shall perform their obligations as set out in Clause 24, 25 and 26 with regards to the said Company so as to complete the project undertaken by the said Company as a successful venture;
21. The Parties further agree that as the nature of business undertaken by the Parties is relating to the Project to date which will get transformed to the said Company, any business which has been set out in the Memorandum of Association of the said Company shall be done by XYZ and ABC through the said Company only;
22. ABC and XYZ shall furnish all necessary know how experience, expertise, man power, managerial assistance to make success of the project undertaken by the said Company;
23. The Joint Venture Company shall share, in the manner provided for in the Agreement, the obligations and responsibilities for the services to be performed for the Project as described in this Agreement. Both ABC and XYZ shall give strategic input to the Joint Venture Company to perform the specific services as given below:
24. Both ABC and XYZ will give their input for:- Marketing, project management, i.e., monitoring of the execution of the project from the stage of commencement to completion and property management thereon;
- Identifying Consultants and Contractors, finalisation and awarding tenders to all Contractors and Consultants;

- Any other services required to fulfill the needs of the project;
25. ABC shall give their inputs on procurement and work of all design and technical consultants;
 26. XYZ shall give their input in liasoning with local authorities, Government for obtaining permissions for Plan sanction including all the approvals required from various Governmental Agencies for the purpose of construction and completion of the Project.
 27. Neither ABC nor XYZ shall enter into any separate agreement/s with _____ for services in connection with this Project as long as the association between ABC and XYZ with regards to the Project is in existence;
 28. The Services required of the parties to Joint Venture Agreement shall be limited to the performance of services required under this Agreement;
 29. ABC and XYZ intend that the responsibilities and obligations set out in this agreement shall be borne and performed by each of the party as stated herein and the financial contribution as and when required for the Company shall be in proportion of their participation as provided in clause 3 of this Agreement;
 30. It is agreed between ABC and XYZ that for the purposes of ----- the same shall be done by ABC and XYZ together and for the said purpose ABC and XYZ will constitute and form another company in which both ABC and XYZ will have equal shares and XYZ and ABC will have equal representation on board at all times;
 31. The Parties agree that as the Parties shall be working in co-ordination with each other and for the furtherance of the interest of the said Company and during the course of work any information, expertise or knowledge material, documents or trade secret exchanged between the parties shall be kept secret and neither parties hereto shall divulge the same to any Third Party in any manner whatsoever and accordingly the parties shall on the incorporation of the said Company include a Clause in the Memorandum and Articles of Association to maintain the trade secret between the parties hereto/shareholder/Directors or anyone employed by the said Company and accordingly the parties shall also execute such document between them after incorporation of the said Company as may be necessary and as advised;

32. It is agreed between the Parties that amounts received by the Joint Venture Company will be allotted to ABC and XYZ equally. The distribution so made will be irrespective of the expenses that may be incurred by either XYZ or ABC towards their staff or expenses or any other head of accounts;
33. It is agreed between the ABC and XYZ that for the compliance of their respective obligation to be fulfilled in terms of this Agreement and after meeting the basic expenses of the joint venture company, the amounts in hand of the Joint Venture Company will be distributed between ABC and XYZ in the respective proportion set forth in Clause 3 of this Agreement. Upon completion of this Agreement, funds remaining after payments of outstanding indebtedness of the Joint Venture Company shall be distributed to the respective Parties in the same proportion as set forth in Clause 3 above;
34. Should the Board of Directors determine that additional funds are required for the performance of the Project Agreement for any reasons or to pay losses arising there from or to eliminate any deficits resulting from prior overpayments to the ABC or XYZ, the Parties shall within 14 working days after the decision of the Board of Directors contribute such funds in proportions set forth in Clause 3 of this Agreement;
35. In the event of any of the Party does not contribute for any reasons such funds as may be determined under Clause 34 above the other party may at its discretion bring in the amounts to be contributed by the other party or any part thereof at its discretion and in this event the Other party will be liable for payment of the amounts to the Party contributing in excess along with interest at the rate of 22% per annum or any part thereof to be calculated from the date of contribution to repayment;
36. It is agreed between the parties that the amounts that may become payable in terms of Clause 34 above by the Party failing to contribute in terms of Clause 34 the Party contributing the amounts will be entitled to the said amounts at the first instance from the amounts to be disbursed and out of the share of the Party defaulting in payment along with the interest as stipulated in para 35 and thereafter if any amounts are balance to the share of the party defaulting will be taken by him;

37. It is agreed between parties hereto that the Joint Venture Company will employ necessary persons for the purpose of services to be rendered for the project and for the purpose of the project and the said personnel will be employed by mutual consent of both XYZ and ABC. The salary and payment with regards to the said employees shall be borne by the said Joint Venture Company;
38. It is agreed between XYZ and ABC that in the event that either XYZ or ABC or its personnel are required to render service to the Joint Venture company either in sales promotion or any other area of work of the project, then in that event, all the actual expenses incurred will be reimbursed to either XYZ and or ABC as the case may be. The nature of expenses permitted for reimbursement is set out in Annexure _____ hereto;
39. The Parties hereto agree that on the incorporation of the said Company, the said Company in its first meeting shall ratify what has been agreed hereunder;
40. The Parties after the execution of this agreement shall finalise between them the master plan charting out the plan for execution of the project, setting goals, time frames, manner and method of implementation of the project, the day to day operations and manner in which the said company would handle the entire project;
41. The said Company shall appoint an independent Chartered Accountant who shall perform such duties as determined by the Board of Directors which shall include regular audit accounts of the said Company file all necessary forms, applications, accounts with the concerned authority as may be necessary and as per the Provisions of the Companies Act, or any other Statutory Authority with regards to the said Company. For the purpose of this agreement the certified figure of the independent Chartered Accountant shall be final conclusive and binding upon the parties;
42. The Parties hereto agree that all the preliminary expenses with regards to the incorporation of the said Company including all the costs, charges, expenses, professional fees, out of pocket expenses that may be incurred during the incorporation and formation of the said Company and incidental to the establishment of the said Company shall be borne by and paid for by the said Company;

43. The Board of Directors shall appoint an Accountant for the Joint Venture Company who shall maintain the day to day books of the Company on the generally accepted accounting principles;
44. The Board of Directors may authorise one or more bank accounts in any bank nationalised or private and the said Bank account/s for all purposes shall be operative under the joint signature of the representative/s of ABC and XYZ;
45. All payments received by the Joint Venture, in connection with this Agreement, shall be promptly deposited in the aforementioned Joint Account and invoices received by the Joint Venture shall be paid by Cheque drawn against the Joint account;
46. Records of the Joint Venture which are required pursuant to law to be retained beyond the duration of this Agreement shall be retained at such place(s) as determined by the Board of Directors and the cost thereof shared by the parties in proportion to their respective interest as described in Clause 3 of this Agreement;
47. Joint Venture property shall consist of the capital contributions described in Clause 8 of this Agreement and any other property obtained with the funds of the Joint Venture. The Joint Venture property shall be identified and recorded in the Joint Venture accounts;
48. This Agreement represents the entire and integrated agreement between the Parties and supersedes all prior negotiations, representations and agreements, either written or oral. The Agreement may be amended only by written instrument signed by each Party to this Agreement;
49. Neither party shall assign this Agreement without the written consent of the other;
50. The right of any person, firm or corporation, claiming by, through or under any Party (including, but not limited to judgement or other creditors, receivers, trustees, assignees, executors and administrators), to assert any claim against the right of interests if any Party shall be limited in any event to the right to claim or receive after completion of the Project Agreement, and after the doing of the accounts of the Joint Venture, the proportional interest of such Party as described in Clause 3 of this Agreement, and then only subject to the equities of the other Party as set forth in this Agreement;

51. The Parties to this Agreement respectively bind themselves, their successors, assigns and legal representatives to the other Party with respect to all covenants of this Agreement;
52. All public statements and releases, including the issuance of photographs, models and renderings, for all media for the duration of this Agreement, are subject to the prior approval of the Board of Directors;
53. In subsequent presentations made by the Joint Venture, in any brochures publicity material in any form of media with regards to the Project and any logo mark devised by the Joint Venture Company or any development/drawing that can be and which constitutes any intellectual property shall be the intellectual property of the Joint Venture Company and will be dealt in the manner set out herein
54. If determined by the Board of Directors or required under the Project Agreement, intellectual property, reports, analysis, contracts, designs, drawings, specifications and other instruments of service prepared pursuant to this Agreement shall be registered, patented, copyrighted and secured as intellectual property rights as per the provision of law and in the name of the Joint Venture. The Joint Venture Company shall have the ownership and rights and privileges of all intellectual property rights acquired in the course of the Project and in so far as it is consistent with this Agreement XYZ and ABC will be entitled to use such intellectual property for any of its purpose including to prepare documents for other projects based on such Project information without any payment thereof so long as they are equal shareholders of the Joint Venture Company in terms of this agreement and not otherwise;
55. Neither of XYZ nor ABC shall assign or transfer the intellectual property rights and interest so acquired or established pursuant to this agreement by the Joint Venture Company in the course of its Project, nor permit reproduction of Project documents otherwise then stated in clause 53 above, in any manner resulting in infringement or violation of any of the intellectual property rights secured by the Joint Venture Company during the course of the Project except upon written consent of the other Party;
56. Documents prepared specifically for this Project by one of the Parties to this Agreement may not be copyrighted solely by that Party. Each Party hereby grants the other and the Joint

Venture a licence to use and reproduce such documents in furtherance of this Agreement and Project;

57. The Parties further agree that as far as the registered Office of the Company is concerned, the same shall be at _____ or at mutually agreed place provided always that the Registered Office shall be at _____ State of _____, India;
58. It is further agreed between the Parties hereto that during the existence of this Agreement and the incorporation of the said Company if there being any change in Law which may affect the incorporation of the said Company as agreed between the Parties hereto then in that event, the Parties hereto may mutually agree to terminate this Agreement without any claim of damages by either party and in the event of there being any pre incorporation expenses incurred by the Parties hereto, the same shall be shared equally between the ABC and the XYZ;
59. In the event of there being any dispute which may result into a dead lock situation between XYZ and ABC, the Parties before invoking the rights set out in Clause 59 of this Agreement, the Party expressing that the other Party is in breach shall give a written notice of any situation likely to result in dead lock, putting forth all the details of the nature of dispute and the Parties will resolve the said dispute between 14 days of such written notice being received after which period, the Parties may refer the dispute to Arbitration as per the provisions of Clause 70;
60. It is agreed between the parties that in the event of there being a dead lock situation with regard to the management of Joint Venture Company then in that event it is agreed between the parties hereto that for the purposes of removing the dead lock any one of the parties hereto who may chose to value the share held by it and on such valuation done by that party the other party will have the first option to either acquire at that price the shares of the party valuing it or sell its shares to the valuing party and the party valuing the shares will have no option but to either sell its share at the valuation set, to the other party or to acquire the shares of the other party at that value as the case may be;

61. No Party will be entitled to sell transfer, pledge, mortgage, charge, encumber or otherwise dispose off or create any lien on or interest in, any of its shares in the Joint Venture Company, save and except as per Clause 63 below;
62. In the event of any one of the Party decides to dispose off its shareholding, which shall always be the entire shareholding, it shall give notice of its intent of disposal to the other Party, and the other Party will have the right to acquire the entire shareholding on the valuation of the shares done by an Independent Chartered Accountant appointed by both the Parties or identify a buyer for the purchase of the entire shareholding within a period of 12 weeks from the receipt of the written notice from the Party intending to sell, after which period, the Party intending to sell its shareholding will be entitled to dispose of the shares to any third party. Any notice with regards to intend to sell the shareholding or refusal to acquire the shareholding, shall be done through Registered Post Acknowledgement Due.
63. Notwithstanding the provisions set out in Clause 61, either of the Parties to this agreement would be entitled to transfer its shareholdings to any of its subsidiary or affiliate Companies, may be one or more such subsidiary or affiliate Companies and the shareholding of such transferee shall be clubbed for the purpose of the total shareholding of XYZ or ABC as the case may be. The Transferee shall be bound by the terms and conditions of this Joint Venture Agreement. For the purpose this agreement parties hereto agree that the meaning subsidiary /affiliate companies shall mean such companies wherein the Party desiring to transfer the share holding in the Joint Venture Company should have at least 51% shares in such affiliate or subsidiary as the case may be
64. In the event of the Project being completed and in the event of there being no other project being undertaken the XYZ shall be entitled to take over the Joint Venture Company at _____ Value, however the name of the Joint Venture Company will stand changed and XYZ shall not use the name of the Joint Venture Company. If XYZ does not desire to acquire the Company, the XYZ and ABC shall jointly sell the Company to any Third Party and the sale proceeds to be shared equally. The Party shall not be permitted to use the name of XYZ ABC;

65. The Parties hereto agree that the address set out in the title of this Agreement are the true addresses and the notice/s may be issued to them at the said address in the event of there being any change of address, the same shall be intimated to all the Parties failing which any notice/s served on the existing address shall be deemed to be good service on the addressee;
66. Any amendments to this Agreement shall be done with the consent of the Parties and in writing. Otherwise nothing shall be binding on the Parties hereto;
67. This Joint Venture will commence as of the date of this Agreement. It is further agreed that the terms and conditions of this Agreement shall be an agreement governing the shareholder of the Joint Venture Company including where ever it relates to the provisions of share holding its transfers, conduct of the business by the parties hereto and conduct of the Board of Directors and the constitution of the Board of the Joint Venture Company and the terms set out herein;
68. This Agreement shall remain in full force and effect until terminated by written agreement of the Parties or until the Project has been completed and all Joint Venture Property and money has been distributed in accordance with this Agreement and even after the incorporation of the Joint Venture Company as a shareholders' agreement;
69. The obligation of each party to contribute in accordance with this Agreement to the satisfaction of all debts and liabilities of the Joint Venture shall survive the termination of this Agreement;
70. It is further agreed between the Parties hereto that in the event of there being any dispute with regards to this Agreement or any of the terms hereof or the interpretation of any of the terms of the Agreement or any dispute arising under the said Agreement, the same shall be referred to the Arbitration of two Arbitrators appointed by each of the Parties hereto i.e., ABC and the XYZ and the Arbitration proceedings shall be as per the provisions of the Arbitration and Conciliation Act, 1996 and the venue of such Arbitration proceedings shall be held and conducted in _____ alone;

71. This Agreement shall be binding upon the Parties hereto and their successors in title and all the shareholders of the Joint Venture Company and their respective heirs, executors, administrators, successors in title and assigns as the case may be;
72. If any provision of this Agreement shall, under any circumstance, be deemed invalid/inoperative to an extent, such invalidity shall not invalidate the whole Agreement, but the said invalid or inoperative provision shall be construed as not to be contained in this Agreement;
73. The provisions of the Companies Act, 1956 would apply with regard to the governing of the Joint Venture Company otherwise than what has been agreed by and between the Parties hereto;
74. It is agreed by and between the Parties hereto that the Courts at _____ alone shall have jurisdiction with regards to this Agreement and the seat of Arbitration shall be _____ and the Arbitration proceedings shall be in English;

IN WITNESS WHEREOF, the PARTIES hereto have executed this AGREEMENT in the presence of the Witnesses attesting hereunder:

SIGNED SEALED AND DELIVERED

By the within named ABC Private limited represented

By its managing director in the presence of the following

WITNESSES:

1)

2)

SIGNED SEALED AND DELIVERED

By the within named XYZ Private limited represented

By its managing director in the presence of the following

WITNESSES:

- 1)
- 2)

11.1. AMALGAMATION

Section 2 (1B) of the Income Tax Act, 1961 defines amalgamation as follows:

"**Amalgamation**", in relation to companies, means the merger of one or more companies with another company or the merger of two or more companies to form one company (the company or companies which so merge being referred to as the amalgamating company or companies and the company with which they merge or which is formed as a result of the merger, as the amalgamated company) in such a manner that-

- (i) all the property of the amalgamating company or companies immediately before the amalgamation becomes the property of the amalgamated company by virtue of the amalgamation;
- (ii) all the liabilities of the amalgamating company or companies immediately before the amalgamation become the liabilities of the amalgamated company by virtue of the amalgamation;
- (iii) shareholders holding not less than three-fourths in value of the shares in the amalgamating company or companies (other than shares already held therein immediately before the amalgamation by, or by a nominee for, the amalgamated company or its subsidiary) become shareholders of the amalgamated company by virtue of the amalgamation, otherwise than as a result of the acquisition of the property of one company by another company pursuant to the purchase of such property by the other company or as a result of the distribution of such property to the other company after the winding up of the first-mentioned company.

SCHEME OF AMALGAMATION

BETWEEN

XYZ LIMITED AND ITS MEMBERS

AND

A & B LIMITED AND ITS MEMBERS

[For Amalgamation of XYZ Limited with A & B Limited under Section 391 read with Section 394 of the Companies Act, 1956]

1. Definitions: In this Scheme, unless inconsistent with the subject or context, the following expressions shall have the following meanings:

1.1 "the Act" means the Companies Act, 1956 or any statutory modification or re-enactment thereof for the time being in force.

1.2 "the Appointed Date" means the..... date of.... or such other date as may be fixed or approved by the High Court at.....

1.3 "the Effective Date" means the last of the dates on which the sanctions, approvals or orders specified in Clause 15 of this Scheme are obtained.

1.4 "the Scheme" means this Scheme of Amalgamation in its present form or with any modification(s) approved or imposed or directed by the High Court at.....

1.5 "the Transferor Company" means XYZ Limited, a Company incorporated under the Companies Act, 1956 and having its Registered Office at

1.6 "the Transferee Company" means A & B Limited, a company incorporated under the Companies Act, VII of 1956 and having its registered Office at

1.7 "Undertaking" means:

(a) All the assets and properties of the Transferor Company as on the Appointed Date (hereinafter referred to as "the said assets");

(b) All the debts, liabilities, duties and obligations of the Transferor Company including contingent liabilities as on the Appointed Date (hereinafter referred to as "the said liabilities");

(c) Without prejudice to the generality of sub-clause (a) above, the Undertaking of the Transferor Company shall include all the Transferor Company's reserves and the authorised share capital, movable and immovable properties including investments, claims, powers, authorities, allotments, approvals, consents, registrations, contracts, engagements, arrangements, rights, credits, titles, interests, benefits, club memberships, advantages, leasehold rights, brands, tenancy rights, other intangibles, industrial and other licences, permits, authorisations, quota rights, trade marks, patents and other industrial and intellectual properties including, know-how, domain names, import quotas, telephones, telex, facsimile and other communication facilities and equipment, rights and benefits of all agreements and all other interests, rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits and approvals of whatsoever nature and where so ever situated, belonging to or in the ownership, power or possession or control of the Transferor Company as on the Appointed Date and thereafter.

2. Share Capital:

2.1 The authorised and the issued, subscribed and paid up share capital of the Transferor Company is as follows:

The authorised share capital is Rs..... (Rupees.....) divided into..... equity shares of Rs.... each. The issued, subscribed and paid-up share capital is Rs..... (Rupees.....) divided into..... equity shares of Rs..... each. The Authorised Share Capital of the Transferee Company is Rs..... (Rupees.....) consisting of..... equity shares of Rs..... each aggregating to Rs..... and..... unclassified shares of Rs.....each aggregating to Rs..... The issued Capital of the Transferor Company is Rs..... and the subscribed and paid up capital is Rs.....

3. Vesting of Undertaking:

3.1 With effect from the Appointed Date, the Undertaking shall, pursuant to the provisions contained in Section 394 and other applicable provisions of the Act, stand transferred to and vest in or be deemed to be transferred to and vested in the Transferee Company as a going concern without any further act, deed, matter or thing (save as provided in Clause 3.2 below) so as to become on the Appointed Date, the assets (subject to encumbrances and charges, if any, existing thereon) or liabilities of the Transferee Company. Provided always that the Scheme shall not operate to enlarge the scope of security for any loan, deposit or facility availed of by the Transferor Company and the Transferee Company shall not be obliged to create or provide any further or additional security therefor after the Effective Date or otherwise.

3.2 It is expressly provided that in respect of such of the said assets as are movable in nature, including cash in hand, or otherwise capable of being transferred by manual delivery or by endorsement and delivery, the same shall be so transferred by the Transferor Company.

In respect of movable assets, other than those specified in clause 3.1 above, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or value to be received, bank balances and deposits, if any, the following modus operandi shall be followed:

The Transferor Company shall give notice in such form as they may deem fit and proper to each party, debtor or depositor as the case may be, that pursuant to the Orders of the High Court at..... sanctioning the Scheme, the said debts, loans, advances, etc. be paid or made good or held on account of Transferee Company as the person entitled thereto to the intent and purposes that the right of the Transferor Company to recover or realise the same stands extinguished. The Transferee Company may, if required, give notice in such form as it may deem fit and proper to each person, debtor or depositor that pursuant to the Orders of the High Court.... of sanctioning the Scheme, the said person, debtor or depositor should pay the debt, loan or advance or make good the same or hold the same to its account and that the right of the Transferee Company to recover or realise the same is in substitution of the right of the Transferor Company.

3.3 With effect from the Appointed Date all the debts, liabilities, contingent liabilities duties and obligations of the Transferor Company shall, pursuant to the Orders of the High Court of..... under Section 394 and other applicable provisions of the Act and without any further act or deed,

be also transferred or deemed to be transferred to and vest in and be assumed by the Transferee Company, so as to become as from the Appointed Date the debts, liabilities, duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company.

4. Accounting Treatment:

4.1 On the Scheme becoming effective, the Transferee Company shall account for the merger in its books as specified hereunder:

(i) all the assets and liabilities recorded in the books of the Transferor Company shall stand transferred to and vested in the Transferee Company pursuant to the Scheme and shall be recorded by the Transferee Company at their book values as appearing in the books of the Transferor Company;

(ii) On and from the Appointed Date and subject to any corrections and adjustments as may, in the opinion of the Board of Directors of the Transferee Company, be required, the reserves and the balance in the Profit and Loss Account of the Transferor Company will be merged with those of the Transferee Company in the same form as they appear in the financial statements of the Transferor Company;

(iii) The difference, if any, between the amount recorded as fresh share capital issued by the Transferee Company on amalgamation and the amount of share capital of the Transferor Company shall be reflected as General Reserves.

(iv) In case of any difference in accounting policy between the Transferor Company and the Transferee Company, the impact of the same till the amalgamation will be quantified and adjusted in the reserves of the Transferee Company to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.

5. Contracts, Deeds, Bonds and Other Instruments:

Subject to the other provisions of the Scheme, all contracts, deeds, bonds, agreements including the contracts for tenancies and licence arrangements and other instruments of whatsoever nature

to which the Transferor Company is a party subsisting or having effect immediately before or after the Effective Date shall remain in full force and effect against or in favour of the Transferee Company and shall be binding on and be enforceable against the Transferee Company or be enforceable by the transferee Company as fully and effectually as if it had at all material times been a party thereto.

6. Date when the scheme comes into operation: The Scheme, though operative from the Appointed Date, shall be effective from the Effective Date.

7. Conduct Of Business By The Transferor Company until The Effective Date: With effect from the Appointed Date and upto and including the Effective Date, the Transferor Company shall:

(i) carry on and be deemed to carry on all its business and activities and stand possessed of its properties and assets for and on account of and in trust for the Transferee Company and all the profits accruing to the Transferor Company or losses arising or incurred by them shall for all purposes be treated as the profits or losses of the Transferee Company, as the case may be;

(ii) carry on its business with reasonable diligence and shall not without the prior written consent of the Transferee Company alienate, charge or otherwise deal with or dispose of the Undertaking or any part thereof except in the ordinary course of its business;

(iii) not vary the terms and conditions of service of its permanent employees except in the ordinary course of its business;

(iv) not, without the prior written consent of the Transferee Company, undertake any new business or a substantial expansion of its existing business.

8. Legal Proceedings: All suits, claims, actions and proceedings, by or against the Transferor Company pending and/ or arising on or before the Effective Date shall be continued and be enforced by or against the Transferee Company, as effectually as if the same had been pending and/ or arising against the Transferee Company.

9. Issue And Allotment Of Shares By The Transferee Company:

9.1 Upon the Scheme becoming finally effective, in consideration of the transfer and vesting of the Undertaking in the Transferee Company in terms of the Scheme, the Transferee Company shall, without any further application, act or deed, issue and allot at par..... equity shares of Rs..... each credited as fully Paid up in the capital of the Transferee Company to every equity shareholder of the Transferor Company whose name appears in the Register Members on a date ("Record Date ") to be fixed by the Board of Directors of the Transferee Company for every..... equity shares of Rs.... each held by the said shareholder in the Transferor Company, in the electronic form and by issue of share certificates for those share holders who hold the shares in physical form. The equity shares when issued and allotted by the Transferee Company in terms of the Scheme shall rank for diligence, voting rights and in all other respects pari passu with the existing equity shares of the Transferee Company.

9.2 No fractional Certificates/Coupons shall be issued by the Transferee Company in respect of the fractional entitlements, if any, to which the shareholders of the Transferor Company may be entitled on issue and allotment of the equity shares of the Transferee Company as aforesaid. The Board of Directors of the Transferee Company shall instead consolidate all such fractional entitlements to which the shareholders of the Transferor Company may be entitled on issue and allotment of the equity shares of the Transferee Company as aforesaid and thereupon issue and allot equity shares in lieu thereof to a Director or any Officer respectively of the Transferee Company with the express understanding that such Director or Officer to whom such equity shares are issued and allotted shall hold the same in trust for those entitled to the fractions and sell the same in the market at the best available price and pay to the Transferee Company, the net sale proceeds thereof whereupon the Transferee Company shall, subject to the approval of the Reserve Bank of India, wherever required, and subject to withholding tax, if any, distribute such net sale proceeds to the shareholders of the Transferor Company in proportion to their fractional entitlements. Holders of less than ... equity shares in the Transferor Company shall be entitled to receive proportionate number of shares in the Transferee Company, and for the remaining fractional entitlements, if any, they shall receive sale proceeds as mentioned above.

9.3. Upon this Scheme becoming finally effective and upon the new shares in the Transferee Company being issued and allotted by it to the shareholders of the Transferor Company whose names appear on the Register of Members of the Transferor Company on the Record Date fixed

as aforesaid, the shares in the Transferor Company, both in electronic form and in the physical form, shall be deemed to have been automatically cancelled and be of no effect on and from the Record Date. Wherever applicable, the Transferee Company shall instead of requiring the surrender of the share certificates of the Transferor Company, directly issue and dispatch the new share certificates of the Transferee Company in lieu thereof.

9.4. For the purpose aforesaid, the Transferee Company shall, if and to the extent required, apply for and obtain the consent of the Reserve Bank of India and other concerned authorities, to the issue and allotment of equity shares to the non-resident shareholders of the Transferor Company in the aforesaid manner.

9.5. The issue and allotment of equity shares in the Transferee Company by the Transferee Company to the shareholders of the Transferor Company as provided in this Scheme as an integral part thereof, shall be deemed to have been carried out as if the procedure laid down under Section 81(1A) and any other applicable provisions of the Act were duly complied with.

9.6 Upon issue and allotment of Equity Shares in the Transferee Company to the members of the Transferor Company as provided in the Scheme, the existing Equity Shares held by members of the Transferor Company shall stand automatically cancelled /extinguished.

10. Dividends, Profits, Bonus/Rights Shares:

10.1 Dividends (interim or final) in respect of the period commencing from the Appointed Date may be declared or paid by the Transferor Company or Transferee Company after mutual consultation with each other.

10.2 Except as envisaged under this Scheme, the Transferor Company and the Transferee Company shall not issue or allot after the Appointed Date any rights shares, bonus shares or other shares out of their respective authorised or unissued share capital for the time being, without the consent of the other.

11. Employees of The Transferor Company:

11.1 All employees of the Transferor Company who are in service on the date immediately preceding the Effective Date shall become the employees of the Transferee Company on the Effective Date.

11.2 On the Scheme finally taking effect as hereinafter provided:

(a) The employees of the Transferor Company shall become the employees of the Transferee Company, without any break or interruption in service and on terms and conditions not less favourable than those on which they are engaged by the Transferor Company as on the Effective Date. Services of all employees with the Transferor Company upto the Effective Date shall be taken into account for purposes of all retirement benefits for which they may be eligible. The Transferee Company further agrees that for the purpose of payment of any retrenchment compensation, such past services with the Transferor Company shall also be taken into account;

(b) The services of such employees shall not be treated as having been broken or interrupted for the purpose of Provident Fund or Gratuity or Superannuation or other statutory purposes and for all purposes will be reckoned from the date of their respective appointments with the Transferor Company;

(c) It is provided that as far as the Provident Fund, Gratuity Fund and Pension and/ or Superannuation Fund or any other special fund created or existing for the benefit of the staff, workmen and other employees of the Transferor Company are concerned, upon the Scheme becoming finally effective, the Transferee Company shall stand substituted for the Transferor Company in respect of the employees transferred with the Undertaking for all purposes whatsoever relating to the administration or operation of such Funds or Trusts or in relation to the obligation to make contribution to the said Funds or Trusts in accordance with the provisions of such Funds or Trusts as provided in the respective Trust Deeds or other documents. The above shall include any trust created from the above mentioned funds for the staff and officers of the Transferor Company which shall be merged with such or similar funds of the Transferee Company. It is the aim and the intent of the Scheme that all the rights, duties, powers and obligations of the Transferor Company in relation to such Funds or Trusts shall become those of the Transferee Company.

12. Applications to the High Court At.....:

12.1 The Transferor Company shall make applications / petitions under Sections 391 and 394 and other applicable provisions of the said Act to the High Court of..... for sanction of this Scheme and for dissolution of the Transferor Company without winding-up under the provisions of law.

12.2 The Transferee Company shall make applications/ petitions under Sections 391 and 394 and other applicable provisions of the said Act to the High Court..... for sanction of this Scheme under the provisions of law.

13. Modifications / Amendments to the Scheme:

13.1 The Transferor Company and the Transferee Company through their respective Boards of Directors in their full and absolute discretion, may assent to any modification or amendment to the Scheme which the High Court... the shareholders of the Transferor Company and/or Transferee Company and/or any other competent authority may deem fit to approve /impose and effect any other modification or amendment which the Boards in the best interests of the Transferor Company or Transferee Company may consider necessary or desirable and give such directions as they may consider necessary or desirable for settling any question, doubt or difficulty arising under the Scheme or in regard to its implementation or in any matter connected therewith (including any question, doubt or difficulty arising in connection with any deceased or insolvent shareholder of the Transferor Company or the Transferee Company) and to do all acts, deeds and things as may be necessary, desirable or expedient for carrying the Scheme into effect. In the event that any modification or amendment to the Scheme is unacceptable to the Transferor Company and/ or the Transferee Company for any reason whatsoever, the Transferor Company and/or Transferee Company shall be at liberty to withdraw from the Scheme at any time.

13.2 For the purpose of giving effect to the Scheme or to carry out any modification or amendment thereto, the Boards of Directors of the Transferor Company and the Transferee Company or any Committee thereof is authorised to give such directions and/ or to take such steps as may be necessary or desirable including any directions for settling any question, doubt or difficulty whatsoever that may arise.

14. Winding Up: On the Scheme becoming effective, the Transferor Company shall be dissolved without being wound up.

15. Scheme Conditional on Approvals/ Sanctions: The Scheme is conditional on and subject to:

(a) the approval of and agreement to the Scheme by the requisite majorities in number and value of such classes of persons of the Transferee Company as may be directed by the High Court of..... and of the Transferor Company as may be directed by the High Court of..... on the applications made for directions under Section 391 of the Act for calling' meetings and necessary resolutions being passed under the Act for the purpose;

(b) the sanction of the High Court of..... under Sections 391 and 394 of the said Act in favour of the Transferee Company and the sanction of the High Court of.....under the said provisions in favour of the Transferor Company and to the necessary Order or Orders under Section 394 of the said Act being obtained;

(c) certified copies of the Orders of the High Court of..... sanctioning the Scheme being filed with the Registrar of Companies, at..... by the Transferee Company and the Transferor Company respectively.

16. Effect Of Non Receipt Of Approvals/ Sanctions: In the event of any of the said sections and approvals referred to in the preceding Clause not being obtained and/ or the Scheme not being sanctioned by the High Court of..... and/ or the Order or Orders not being passed as aforesaid before the... day of..... or within such further period or periods as may be agreed upon between the Transferor Company and the Transferee Company by its Boards of Directors (and which the Boards of Directors of the Companies are hereby empowered and authorised to agree to and extend the Scheme from time to time without any limitation), this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law. Each party shall bear and pay its respective costs, charges and expenses for and or in connection with the Scheme.

17. Costs and Expenses: All costs, charges and expenses of the Transferor Company and of the Transferee Company in relation connection with the Scheme shall be respectively borne by the Transferor Company and the Transferee Company.

12. PROPERTY RELATED AGREEMENTS

Several transactions affect immovable property in the form of lease, sale, mortgage, partition, construction etc. The various types of agreements/deeds related to immovable property are discussed hereunder.

12.1. SALE

A sale deed acts as the main legal document for evidencing sale and transfer of ownership of property in favour of the buyer, from the seller. Further, it also acts as the main document for further sale by the buyer as it establishes his proof of ownership of the property.

The sale deed is executed subsequent to the execution of the sale agreement, and after compliance of various terms and conditions detailed in the sale agreement as agreed upon between the buyer and the seller.

The sale deed is the main document by which a seller transfers his right on the property to the purchaser, who then acquires absolute ownership of the property. It is also referred to as the conveyance deed.

The buyer should ensure the title of the seller before the execution of the sale deed. It should be checked whether there is any charge or encumbrance on the property and whether the purchaser is purchasing the property subject to such encumbrance. If not, then the seller needs to repay the loan and get the property papers cleared of the encumbrances. The purchaser should verify the encumbrance status from the registrar's office. Further, subject to the agreement between the parties, all statutory payments like cess, property tax, water charges, electricity charges, society charges, maintenance charges etc should be paid by the seller before the execution of the sale deed. The seller should obtain the requisite clearances, approvals and permissions to transfer or sell the property prior to execution of the sale deed.

On completion of all formalities, a sale deed is prepared. This is the main document for transfer of ownership of property. The deed is executed by all the parties concerned. All pages of the

deed are to be signed. The deed should be witnessed by at least two witnesses giving their full names, signatures and addresses. The sale deed of immovable property needs compulsory registration at the jurisdictional sub registrar office.

Specimen formats of Agreement for Sale and Sale Deed

12.1.1.

AGREEMENT FOR SALE OF HOUSE

This agreement made at----- on this ----- day of ----- 20-- between -----, son of -----, and resident of ----- (hereinafter called the **seller**) of the one part and -----, son of -----, resident of ----- (hereinafter called the **purchaser**) of the other part:

Witnesseth as follows:

1. That the seller agrees to sell and the purchaser agrees to purchase for the sum of Rs..... (Rupees) House No.....owned and possessed by the seller as an absolute owner and situated on and bounded as follows:—

North :

South :

East :

West :

containing by admeasurement ----- square metres of land together with all buildings, structures and outhouses and rights, easements and privileges enjoyed therewith.

2. That Rs..... (Rupees.....) have been paid as earnest money by the purchaser to the seller by means of Cheque/Demand Draft No..... dated ----- and the balance of Rs.....(Rupees.....) shall be paid at the time of the execution of the sale-deed (or before the Registering Officer).

3. That the sale-deed shall be executed on or before the..... day of 20..... whereupon the purchaser shall be entitled to immediate possession of the property sold to him.
4. That the seller shall guarantee his sole and absolute title in the property to be sold and shall enter into all the usual covenants.
5. That the property sold is free from encumbrances [or that the property is subject to the following encumbrances (details of encumbrances) and shall be sold subject to them, or which shall be discharged by the seller before the completion of the sale in favour of the purchaser].
6. That within two days from to-day the seller shall produce all the title-deeds of the house for inspection of the purchaser or of his nominee at ----- [place] and that in case the seller is unable to prove the marketable title that he has agreed to sell to the purchaser in the property agreed to be sold, it shall be open to the purchaser to cancel this agreement and to demand the return of the earnest money paid by him, and which shall be immediately returned by the seller.
7. That all taxes and expenses relating to the property up to the date of the completion of the sale shall be paid by the seller, and thereafter by the purchaser, and that all rents, profits and income up to that date shall be taken by the seller and thereafter by the purchaser.
8. That if the seller makes default in the performance of any of the conditions of this agreement, he shall pay Rs..... by way of compensation to the purchaser for such default; and if the purchaser makes default in the performance of any of the conditions to be performed by him under this agreement, then the seller shall be entitled to forfeit the whole of the earnest money of Rs..... paid to him; and that the party not in default shall be further entitled at his discretion either to annul this agreement or to specifically enforce it, in addition to any remedy that may be open to him.
9. That the expenses of the sale shall be paid by the seller/ purchaser/by both parties in equal shares.
10. That the title deeds of the property shall be handed over to the purchaser by the seller at the time of the completion of the sale (or that the seller shall retain but will undertake to produce for inspection by the purchaser, whenever reasonably required to do so, the

following title deeds which relate to the property sold along with the other property of the seller). (List of the title deeds.....)

11. That this agreement shall bind the above parties and their respective heirs, representatives and assigns.

12. That if there be any difference or dispute between the parties on any matter arising hereunder or claimed so to rise, the same shall be referred to the arbitration of whose award thereon shall be final and binding on the parties.

In witness whereof the seller and the purchaser have here unto set and subscribed their respective hands /signatures in the presence of:

WITNESSES

1..... Signature of the seller.....

2..... Signature of the purchaser.....

12.1.2.

AGREEMENT FOR SALE OF APARTMENT IN CO-OPERATIVE SOCIETY

THIS AGREEMENT is made at __(City)__ on the __ day of _____ [Year] Between _____ [Name/s]_____, aged about _____ years, son of _____, residing at _____, hereinafter called "The Vendor" (which expression shall unless it be repugnant to the context or meaning thereof shall mean and include his heirs, legal representatives, executors and administrators) and _____[Name/s]_____, aged about _____ years, son of _____, residing at _____ hereinafter called "The Purchaser" (which expression shall unless it be repugnant to the context or meaning thereof shall mean and include his heirs, legal representatives, executors, administrators and assigns);

WHEREAS the Vendor is the sole and absolute owner of flat No.____, and measuring about _____ square feet of super built-up area on ____floor of building known as "____[Name]____" (hereinafter referred to as "the said Building") belonging to ____[Name]_____ Co-operative Housing Society Limited situated at _____ (hereinafter referred to as "the said Flat") and which is more particularly described in the schedule to this agreement and the vendor is the member of ____[Name]_____ Co-operative Housing Society Limited, registered under Serial No._____ of _____ (hereinafter referred to as "the said Society") and as a member and the owner of the said flat in the Society he was allotted five fully-paid-up shares of the said Society of the face value of Rs.____/- (Rupees _____ only) each bearing distinctive Nos._____ to _____ (both inclusive) under share certificate No.____ (hereinafter referred to as "the said Shares");

AND WHEREAS the Vendor is absolutely seized and possessed of and is otherwise well and sufficiently entitled as the owner of the said Flat in the said Building of the said Society;

AND WHEREAS the Vendor has agreed to sell and transfer and the Purchaser has agreed to purchase all right, title and interest of the Vendor in the said Flat and the said Shares and the right of occupation of the said Flat in the said building of the said Society including his right, title and interest in the said Flat for a total sale consideration of Rs. _____/- (Rupees _____ only);

AND WHEREAS the Parties hereto have agreed to record the Terms and Conditions on which the Vendor has agreed to sell and the Purchaser has agreed to purchase and acquire the right, title and interest of the Vendor in the said Flat including the said shares of the Vendor in the said Society;

NOW IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:

1. The Vendor hereby agree to transfer unto the Purchaser and the Purchaser hereby agree to purchase and acquire all the right, title and interest of the Vendor in the said Society including the said Flat measuring about _____ Square Feet of super built up area on the ____ floor of the building known as ____[Name]_____ belonging to the ____[Name]_____ Co-operative Housing Society Limited situated at ____[Address]_____, together with the

said Shares bearing distinctive Nos. _____ to _____ (both inclusive) allotted under share certificate No. _____ and all the right of the Vendor as to the use, occupation and enjoyment and ownership of the said Flat together with all rights, title and interest of the Vendor in the said Society for a total consideration of Rs. _____/- (Rupees _____ only) to be paid by the Purchaser to the Vendor in the manner hereinafter mentioned.

2. The said consideration to be paid by the Purchaser to the Vendor is as under:

a. Rs. _____/- (Rupees _____ only) paid on the execution of this agreement as Earnest Money or Deposit (the receipt whereof the Vendor hereby admit and acknowledge in the presence of witnesses);

b. the Balance consideration of Rs. _____/- (Rupees _____ only) will be paid on or before _____ and against the delivery of vacant and peaceful possession of the said Flat by the Vendor to the Purchaser and completion of all the formalities of transfer and registration of the said flat and the said shares;

3. The Vendor has represented to the Purchaser:-

a. that the Vendor has paid all the dues and outgoings in respect of the said Flat up-to-date.

b. that the said Flat is free from any kind of encumbrances.

c. that the said Flat and shares belong to the Vendor absolutely and that no other person/s have any right, title or interest whatsoever therein by way of gift exchange, mortgages, charges, lien, sale, inheritance, lease or otherwise in the said shares / said flat.

d. that notwithstanding anything herein contained, any act, deed, matter or thing of whatsoever nature done by the Vendor or any person/s lawfully or equitably claiming by, through or in trust the Vendor has full right, power and absolute authority to sell or transfer to the Purchaser the said Flat and the Vendor has full right, title and interest in the said shares and that the Vendor has not done any act of omission or commission whereby the ownership, possession and/or occupation of the said shares of the Vendor may be rendered illegal and/or unauthorised for any reason or on any account.

e. the Vendor shall obtain the necessary No Objection Certificate from the said Society for transfer, and sale of the interest of the Vendor in the said Society, as well as the right, title and interest of the Vendor in the said Flat to the Purchaser and also to the admission of the Purchaser to the membership of the said Society in place of the Vendor when the sale herein is completed by delivering the vacant and peaceful possession of the said flat to the Purchaser.

f. on payment of the full purchase price herein reserved, the Purchaser shall be entitled to full free vacant and peaceful possession of the said Flat.

g. The Vendor has represented to the Purchaser that the total transfer fee/ transfer premium/ donation payable to the said Society for transfer of the said flat/ said shares of the said society in the name of the Purchaser shall be borne and paid by both the parties hereto in equal proportion/ [by the Purchaser].

4. The Vendor declares and covenants with the Purchaser that the said Flat and his share are free from encumbrances of any nature whatsoever and that the Vendor has full right, title and interest in the said Flat and has full right and authority to assign and transfer his entire interest in the said Society including the said Flat and the said Shares to the Purchaser.

5. The Vendor covenants and assures the Purchaser that his Membership of the said Society is subsisting and is in full force and has not been terminated.

6. The Purchaser covenants, with the Vendor that he shall always abide by the Rules, Regulations and By-laws of the said Society and shall pay the municipal taxes and maintenance charges in respect of the said Flat from the day the Vendor delivers possession of the said Flat to the Purchaser. It is specifically agreed by and between the parties that till the said Flat is transferred in the name of the Purchaser, the Purchaser shall not be liable to pay any maintenance charges in respect of the said Flat to the said Society and the same shall be borne by the Vendor.

7. It is agreed between the Vendor and the Purchaser that the expenses for stamp duty on these presents or on final sale deed/ transfer deed and registration charges in respect of this transfer shall be borne and paid by the Purchaser alone and the Vendor shall not be liable to pay the same

or any part thereof. However, the stamp duty or duties and charges in respect of all previous transfers in respect of the said flat shall be the responsibility of the Vendor.

8. The Vendor shall sign and execute any deed or writing as well as all other papers and documents as may be required by the Purchaser for transferring the said Flat and the said shares to the name of the Purchaser in pursuance of this Agreement and payment of the balance sale consideration.

9. The Vendor undertakes to hand over all the documents including share certificate, transfer forms, receipts, papers concerning the said Flat to the Purchaser against the receipt of the balance consideration of Rs. _____/- (Rupees _____ only).

10. The Vendor undertakes to do and to execute all acts, deeds, matters and things as are or may be necessary, proper or expedient for the purpose of fully and effectually transferring the said Flat and the said Shares of the said Society to and in favour of the Purchaser in the record of the said Society to enable the Purchaser to have and to hold the said Flat and the said Shares absolutely.

11. It is agreed that in the event of any delay or default by the Purchaser in making payment of the balance consideration on the due date, and the Vendor is ready to complete the transaction, the Vendor shall give seven days notice in writing to the Purchaser and if the Purchaser fails to make payment within such notice period, then and in that event this Agreement shall stand terminated and the Vendor shall be entitled to forfeit the earnest money of Rs. _____/- Rupees _____ only) paid by the Purchaser;

12. In the event there is any delay or default on the part of the Vendor in performing his part of the contract then the Purchaser shall be entitled to specific performance of this Agreement together with right to claim all costs, charges, expenses and losses suffered by the Purchaser from the Vendor.

13. In the event of there being any dispute the said dispute shall be referred to Arbitration of sole Arbitrator (two arbitrator one appointed by each party) and the said arbitration shall be as per the provisions of the Arbitration and Conciliation Act, 1996. The seat of Arbitration shall be at [Place].

14. The courts in ----- shall have sole jurisdiction with regards to this agreement.

15. This is the whole agreement between the parties, and that parties are governed by the terms of this Agreement and no other documents/ writing or any oral arrangement.

IN WITNESS WHEREOF the parties hereto have hereunto set and subscribed their respective hands and on the day and the year first herein above stated.

SIGNED AND DELIVERED by the }

Within named "Vendor" }

Shri ____[Name]_____ } _____

in the presence of the witnesses: }

1. }

2. }

SIGNED AND DELIVERED by the }

Within named "Purchaser" }

Shri ____[Name]_____ } _____

in the presence of the witnesses: }

1. }

2. }

Received of and from the within named _____ }
Purchaser a sum of Rs. _____/- }
(Rupees _____ only) as }
earnest money for the transfer of the _____ } Rs. _____/=

said Flat/said Shares to be paid by him _____ }
to me as within mentioned. _____ }

WITNESSES:

I say Received

1.

2.

Vendor

12.1.3.

AGREEMENT FOR BUSINESS CENTRE

THIS AGREEMENT made and entered into at ----- on this __ day of _____ 20--.

BETWEEN

M/s _____, having its registered office at _____, carrying on the business of establishing "Business Centre" at _____, represented by its _____, Mr.____, S/o Mr. _____, aged about _____years hereinafter referred to as "The Licensor"" (Which _expression shall, unless it is repugnant to the context, mean and include the successors-in-interest, administrators and permitted assigns) of the ONE PART

AND

M/s._____ having its registered office at _____, represented by its General Manager Mr. _____, S/o Mr._____, aged about _____ years herein after referred to as "The Licensee", (Which _expression shall, unless it is repugnant to the context, mean and include the successors-in-interest, administrators and permitted assigns.) of the OTHER PART.

WHEREAS the Licensor has represented that it has_____ sq feet of vacant premises, in the business Centre with infrastructure to render _____ office facilities to cater the needs of persons who are in need of office space.

The Licensee has approached the Licensor to occupy the said premises and facilities and the Licensor has agreed to grant the same on mutually agreed terms and conditions mentioned hereunder:

NOW, THEREFORE IN CONSIDERATION OF THE MUTUAL RIGHTS AND OBLIGATIONS OF THE PARTIES HERETO THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. This agreement shall be in force for a period of _____ months from the date of execution of this Agreement.
2. In case the Licensee commits any breach of the terms of this Agreement, or causes any harm or damage to the premises and the amenities provided, the license hereby granted shall stand terminated without notice.
3. The Licensee shall pay a license fee of Rs._____-/- (Rupees _____only) every month on or before _____ day.

4. The Licensee shall give a Security Deposit of Rs._____ before the premises is handed over to him. The aforesaid Security Deposits shall be returned without interest on the expiry of this agreement or on termination thereof or on the Licensee vacating from the said premises.
5. If any part of this Agreement for any reason be declared invalid or impossible of compliance or performance by the parties hereto, such part of the agreement shall not affect the validity of any remaining provisions, which shall remain in full force and effect as if this Agreement had been executed with the invalid portion thereof eliminated.
6. The licensee shall not sub-let the aforesaid premises to any person except with the express permission in writing from the licensor allowing him to do so.
7. The licensee shall use the aforesaid premises only for his business/ industrial /commercial purposes and not for any other use or any illegal, immoral or indecent activity.
8. The licensee shall not do any act or omission which leads to or is likely to lead to any damage or deterioration or destruction of the aforesaid premises.
9. The licensee shall not carry out any major repairs or structural changes without the express permission in writing from the licensor allowing him to do so.
10. Notwithstanding anything contained in the aforesaid clauses, this agreement shall terminate automatically, if any of the aforesaid terms and conditions are contravened or violated by the licensee.
11. If the licensee commits any breach of the terms of the agreement, the licensor shall be entitled to be compensated by him at his own cost and moreover he will be at liberty to terminate the agreement without any notice.
12. This agreement constitutes the entire agreement between the parties and supersedes any oral or written agreement made earlier to the date of this agreement. Any variations/ modifications to this agreement shall not have any effect unless the same is in writing and executed by both the parties.
13. If any dispute or differences arise between the parties hereto regarding the claim by one party against the other or regarding the implementation of this agreement or interpretation or meaning

of any of the clauses herein, it shall be referred to the arbitral tribunal as per the following terms and condition:

- a) Each party shall appoint one arbitrator.
- b) The arbitrator appointed by each party shall be -----.
- c) English shall be used as the language for all the arbitration proceedings and the award of Arbitration.
- d) The Arbitration proceedings shall take place at _____.
- e) The Arbitral Tribunal shall enter upon the reference and decide the aforesaid matters.
The Arbitral Tribunal shall make their award within three months after entering upon the reference or after having been called on to act by notice in writing from any party to the submission, or on or before any later day to which the Arbitral Tribunal by any writing signed by them may from time to time enlarge the time in making the award.
- f) The Arbitral Tribunal shall record the proceedings of the hearing by way of minutes and get it signed by both the parties.
- g) The Arbitral Tribunal may proceed ex parte in case either party fails to appear after reasonable notice.
- h) This agreement shall remain effective and enforceable against the legal representatives of either party in case of death.
- i) The Arbitral Tribunal may appoint an accountant for examining the account of the party if they think necessary and the remuneration of the accountant as determined by the arbitrators shall be the costs in the reference to be paid by the parties as the arbitrators may direct in their award.
- j) In case the Arbitral Tribunal awards that any sum is due from one party to the other, then the party to whom the said sum is awarded may apply to the court for having a decree passed in terms of the award and may realize the amount in execution of the decree from the other party.
- k) The provisions of the Indian Arbitration & Conciliation Act, 1996, shall apply to this reference.
- l) The parties would cooperate and lead evidence, etc. with the arbitral tribunal and if one of the parties does not cooperate or remains absent at the reference, the tribunal would be at liberty to proceed with the reference *ex-parte*.

- m) The fees of the reference to Arbitral Tribunal shall be Rs. _____ which shall be inclusive of costs of all the proceedings before the tribunal and shall be borne by both the parties equally.
- n) The Arbitral Tribunal shall make their award, with reasons for the decision, within three months from the date of entering upon the reference.
- o) The award of the Arbitral Tribunal shall be final, conclusive and binding on the parties and shall not be challenged on any ground except collusion, fraud or an error apparent on the face of the award.
- p) This reference to arbitration shall be deemed to be a reference within the meaning of the Arbitration and Conciliation Act, 1996 or any statutory modification thereof.
- q) No action can be taken under this agreement for the enforcement of any right without resorting to arbitration under this clause.

IN WITNESS WHEREOF the parties hereto have affixed their signatures and seal, on the _____ day, _____ 20--.

Signed sealed and delivered by Mr. ____ the
_____ of _____ the Licensor Herein

Signed sealed and delivered by Mr. ____ the
_____ of _____ the Licensee Herein.

In the presence of:

(Name, address and signature of Witnesses)

1.

2.

Received on the ----- day and the year hereinabove written and from the Licensee a sum of Rs.____ only) being security deposit to be paid by the Licensee to the Licensor by cheque number ----- dated ----- drawn on the Bank -----)

In the presence of:

(Name, address and signature of Witnesses)

1.

2.

12.1.4.

CO-OWNERSHIP AGREEMENT

THIS AGREEMENT made and entered into this_____ day of_____
BETWEEN MR._____ residing at _____
_____ hereinafter referred to as "the party of the First Part" (which expression shall unless it be repugnant to the context or meaning thereof be deemed to mean and include his heirs, executors, administrators, successors and assigns) of the First Part, AND MR. _____residing at_____
_____ hereinafter referred to as "the party of the Second Part" (which expression shall unless it be repugnant to the context or meaning thereof be deemed to mean and include his heirs, executors, administrators, successors and assigns) of the Second Part;

WHEREAS under Deed of Conveyance dated _____ entered into at _____ the parties hereto purchased from one Mr. _____ the Flat no. _____ located at _____ more particularly specified in the Schedule hereunder written and hereinafter referred to as "the said property";

AND WHEREAS the parties hereto have agreed to hold the aforesaid property in co-ownership in unequal shares specified in this Agreement below as from the _____ day of _____, and terms and conditions herein mentioned;

NOW THIS AGREEMENT WITNESSETH as follows: -

1. The parties hereto shall hold the said property being flat no. _____ in building _____ the following shares:-

i) Mr. _____ percent

ii) Mr. _____ percent

even though their contributions have not been in this proportion, in consideration of the time and effort spent by the party of the First Part in relation to the property and completion of the transaction.

2. The expenses and outgoings in respect of the aforesaid property and the rent, profits, income, capital gain or other benefits from the said property shall be borne or received and enjoyed by the parties hereto in the shares mentioned above.

3. It is hereby agreed that if the said property or part thereof is sold or otherwise disposed of, the gains or loss arising on such sale or the income or loss arising from the disposition shall be received or borne as the case may be by the parties hereto in the proportion of their shares mentioned above.

4. If either of the parties hereto wishes to dispose of his interest in the said property he shall in the first instance offer his share to the other party and if the other party declines in writing within

30 days the offer to acquire that portion such party shall be free to sell / his share or interest to any other person.

5. All the documents of title in respect of the said property shall be kept in the custody of the party of the First Part and the other party hereto shall always have access to the same.

THE SCHEDULE ABOVE REFERRED TO

(The description of the said flat)

IN WITNESS WHEREOF the parties hereto have hereunto set and subscribed their respective hands the day and year first hereinabove mentioned.

SIGNED AND DELIVERED by the within-)

named Mr./Ms. _____

In the presence of

SIGNED AND DELIVERED by the within-)

named (i) Mr./Ms. _____ &.)

(ii) Mr. /Ms. _____

In the presence of)

12.1.5.

DEED OF TRANSFER IN A CO- OPERATIVE SOCIETY

THIS DEED OF TRANSFER is made at ----- on this the ____ day of _____, 20____,

BETWEEN

Mrs. _____ W/o _____ aged about _____ years, residing at H.No. _____ hereinafter referred to as "THE TRANSFEROR" (which expression shall, unless it be repugnant to the context or meaning thereof be deemed to include her heirs, executors and administrators) of the ONE PART

AND

Mr. _____ S/o _____ aged about _____ years, residing at H.No. _____ hereinafter referred to as "THE TRANSFeree" (which expression shall, unless it be repugnant to the context or meaning thereof be deemed to include his heirs, executors and administrators) of the OTHER PART.

WHEREAS the Transferor is a registered member of _____ Co-operative Housing Society Ltd., a Co-operative Society formed and registered under the provisions of the Co-operative Societies Act, 2003, under Registration No. _____ dated _____ situated at _____, (hereinafter called "the said society") and as member of the said society, the Transferor is holding __ (__) fully paid up shares of Rs. _____/- (Rupees _____ only) each bearing distinctive Nos. ____ to ____ (*both inclusive*) as per the share certificate No. ____ issued by the said society (hereinafter called the "the said shares").

AND WHEREAS by virtue of being member of the said society, the Transferor is absolutely seized and possessed of and otherwise well and sufficiently entitled to flat No. __, admeasuring __ sq.ft. built up area on the _____ floor of building No. __ of _____ (hereinafter called "the said Premises") situated at _____ (city) belonging to the said society.

AND WHEREAS the Transferor has agreed to sell and transfer to the Transferee, and the Transferee has agreed to purchase and acquire all right, title and interest of the Transferor in the said share certificate No. __ and in flat No. __, on the ground floor of building No. __ of

_____ situated at _____ (city), at or for the sum of Rs._____-/-
(Rupees _____ Only) on the terms and conditions hereinafter contained.

AND WHEREAS the Transferee has paid to the Transferor the full consideration of Rs._____-/- (Rupees _____ only) before the execution of these presents.

AND WHEREAS the Transferor has obtained the consent of the said society for the transfer of the said shares and the said premises to the Transferee.

AND WHEREAS the Transferor has executed and handed over to the Transferee the Transfer forms and all other letters, documents and writings as required under the _____ Co-operative Societies Act and Rules and bye-laws of the said society for the effectual transfer of the said Premises and the said Shares.

AND WHEREAS the stamp duty and registration charges payable in respect of this Deed of Transfer shall be borne and paid by the Transferee alone. The transfer fee / premium / Donation payable to the said society in respect of the transfer of the said shares / premises shall be borne and paid by the Transferee and the Transferor in equal proportion.

AND WHEREAS the Transferor has handed over to the Transferee the vacant and peaceful possession of the said premises along with the original of the said share certificate and all other documents pertaining to the said premises and the Transferee has requested the Transferor to execute these presents which the Transferor has agreed to do in the manner hereinafter appearing.

NOW THIS INDENTURE WITNESSETH AS FOLLOWS:

1. In pursuance of the aforesaid agreement and in consideration of a sum of Rs._____-/- (Rupees _____ only) paid by the Transferee to the Transferor on or before the execution of these presents being the full consideration receivable by the Transferor, (the payment and receipt whereof the Transferor hereby admit and acknowledge) the Transferor for herself and her heirs, executors and administrators and assigns hereby grant, convey and transfer unto the Transferee all her beneficial rights, title and interest into and upon the said shares bearing distinctive Nos.____ to ____ (*both inclusive*) vide share certificate No.____ issued by the _____ Co-operative Housing Society Limited and all funds (including

sinking fund) and properties standing in her name in the records of the said society AND including the flat No.____ admeasuring ____ sq.ft. built up area on the ____ floor of the building _____ of _____ of the said society situated at _____ together with all the rights and privileges whatsoever of the Transferor as the member of the said society and all the rights, title and interest of the Transferor in the said shares and in the said Premises SUBJECT HOWEVER to the payment by the Transferee of all taxes and outgoings and other charges now or hereafter payable to the said society or any other body AND the Transferor doth hereby covenant with the Transferee that the Transferor is the absolute owner of the said shares/Premises and she has full right, power and absolute authority to transfer her rights, title and interest in the said Premises and the said shares in favour of the Transferee in the manner aforesaid AND the Transferor hereby covenant that she shall at the request and cost of the Transferee sign and execute such further deeds, documents and papers which the Transferee may reasonably require to effectively transfer and vest the Transferor's right, title and interest in the said shares and the said Premises in favour of the Transferee.

2. The Transferor declares records and confirms that the said Premises with all rights attached thereto are free from all encumbrances / charges of any kind whatsoever and the Transferor has observed the bye-laws of the said society and cleared all dues in respect of the said Premises till the date of execution of this transfer deed. The Transferor further declares that the said shares and the said Premises are neither the subject matter of any litigation, nor the same are attached in the execution of any decree whether of Government or otherwise.
3. The Transferor has not created or purported to create any tenancy rights, license or other rights of use and occupation in respect of the said Premises.
4. The Transferor has not contracted to sell / transfer the said Premises / shares to any other person and the said Premises / shares are free from all encumbrances, liens, and charges of any nature whatsoever.
5. The Transferor covenants with the Transferee that the Transferor shall indemnify and keep indemnified the Transferee from and against all actions, claims, demands, charges etc. falling due prior to execution of these presents in respect of the said shares/ Premises.

6. The Transferor agrees to accompany the Transferee and/or her legal advisor or her representative to the office of the Sub-Registrar of Assurance and lodge this transfer deed for registration and admit the execution thereof.
7. The Transferor agrees to produce his Income-tax Clearance Certificate under the Income-tax Act, 1961 to enable the Transferee to register this Transfer Deed.
8. The Transferee declares that on being admitted as a member of the said society he will observe and abide by the rules regulations and bye-laws of the said society from time to time in force.
9. The stamp duty, registration charges if any payable in respect of this deed of transfer and in any other document to be executed in future in respect of the said Premises / shares shall be borne and paid by the Transferee alone. The Transfer premium/charges payable to the said society in respect of the transfer of the said shares/premises shall be borne and paid by the parties to this Deed in equal proportion.
10. In the event of there being any dispute, the said dispute shall be referred to the arbitral tribunal as per the following terms and condition:
 - a) Each party shall appoint one arbitrator.
 - b) The arbitrator appointed by each party shall be a -----.
 - c) English shall be used as the language for all the arbitration proceedings and the award of Arbitration.
 - d) The Arbitration proceedings shall take place at _____.
 - e) The Arbitral Tribunal shall enter upon the reference and decide the aforesaid matters. The Arbitral Tribunal shall make their award within three months after entering upon the reference or after having been called on to act by notice in writing from any party to the submission, or on or before any later day to which the Arbitral Tribunal by any writing signed by them may from time to time enlarge the time in making the award.
 - f) The Arbitral Tribunal shall record the proceedings of the hearing by way of minutes and get it signed by both the parties .
 - g) The Arbitral Tribunal may proceed ex parte in case either party fails to appear after reasonable notice.

- h) This agreement shall remain effective and enforceable against the legal representatives of either party in case of death.
- i) The Arbitral Tribunal may appoint an accountant for examining the account of the party if they think necessary and the remuneration of the accountant as determined by the arbitrators shall be the costs in the reference to be paid by the parties as the arbitrators may direct in their award.
- j) In case the Arbitral Tribunal awards that any sum is due from one party to the other, then the party to whom the said sum is awarded may apply to the court for having a decree passed in terms of the award and may realise the amount in execution of the decree from the other party.
- k) The provisions of the Arbitration & Conciliation Act, 1996, shall apply to this reference.
- l) The parties would cooperate and lead evidence, etc. with the arbitral tribunal and if one of the parties does not cooperate or remains absent at the reference, the tribunal would be at liberty to proceed with the reference *ex-parte*.
- m) The fees of the reference to Arbitral Tribunal shall be Rs._____ which shall be inclusive of costs of all the proceedings before the tribunal and shall be borne by both the parties equally.
- n) The Arbitral Tribunal shall make their award, with reasons for the decision, within three months from the date of entering upon the reference.
- o) The award of the Arbitral Tribunal shall be final, conclusive and binding on the parties and shall not be challenged on any ground except collusion, fraud or an error apparent on the face of the award.
- p) This reference to arbitration shall be deemed to be a reference within the meaning of the Arbitration and Conciliation Act, 1996 or any statutory modification thereof.
- q) No action can be taken under this agreement for the enforcement of any right without resorting to arbitration under this clause.

IN WITNESS WHEREOF the Transferor and the Transferee have hereunto set and subscribed their respective hands on the day and year first hereinabove written.

WITNESSES

1..... Signature of the Transferor.....

2..... Signature of the Transferee.....

12.1.6.

GENERAL SALE DEED

This deed of sale is executed on this day of 20... by Sri/Smt..... S/o/W/o....., Occupation..... Aged..... years, residing at ,.....(Principal), represented by his agent Sri.....S/o.....Occupation aged..... Years, residing at ,.....by means of a General/Special Power of Attorney datedregistered/authenticated as Document No..... of Book IV of Sub Registrar's Office..... hereinafter called the “**VENDOR**” which expression shall wherever it occurs in this deed includes his/her heirs, executors, assignees and administrators of one part.

In favour of Sri/Smt S/o. D/o.....Occupation.....aged..... years, residing at hereinafter called the “**VENDEE**” of other part. Whereas the Vendor is the absolute owner, having acquired the property, which is more specifically and clearly delineated in the schedule hereto, by inheritance / by partition of joint family properties/ by release/by gift / by gift settlement / by will / by sale executed byand registered as document No.....of..... of

Book.....Volume No.....Pages.....in the office of the Registrar / Sub-Registrar..... and since then he is in the possession and absolute enjoyment thereof.

Whereas the vendor intends to sell away the said property mentioned in the schedule and whereas the Vendee offered to purchase it for a sum of Rs.....for which the Vendor accepted and has agreed to sell the same to the Vendee.

NOW THIS DEED OF SALE WITNESSETH:

That in consideration of payment of Rs.....(Rupees) by cash/by Cheque No. Date: /by Demand Draft No.....Date.....by the Vendee to the Vendor/paid in the presence of the Sub-Registrar, the receipt of which the Vendor hereby acknowledges, the Vendor hereby sells, conveys, transfers and assigns unto the Vendee all his rights, title and interest, claim and demand whatsoever in the schedule mentioned property and delivers vacant possession thereof to the Vendee to hold the same absolutely for ever free from all encumbrances, together with all water sources, privileges, easements, appurtenances or any other things hidden in the earth belonging to or appurtenant thereto.

The Vendor hereby assures the Vendee that the said property is free from all kinds of mortgage charges, agreements to sell, court litigations and any other statutory charges.

The Vendor further covenants with the Vendee that knowingly or otherwise he has not caused or allowed any distress to be levied on the said property.

The Vendor further assures the Vendee that he has got a clear, effectual, subsisting and marketable title to the said property and absolute authority to sell the same in the manner aforesaid.

The Vendor further covenants with the Vendee that if there remains any undisclosed and undischarged liability in respect of the said property, he shall clear the same and the Vendee is free there from.

The Vendor further agrees to indemnify the Vendee and keep him free from disputes if any raised or objections made to this conveyance by any one and further should any claim be made

or dispute raised at any time of any one in regard to this sale, the vendor hereby undertakes that he shall, at his own cost, settle the same and execute or cause to be executed such further acts, deeds and things as to more fully effectively convey title to the property hereby sold and conveyed to the Vendee.

The Vendor also assures the Vendee that if there remains any liability of taxes or rates for the said property to the Municipal Corporation / Municipality / Panchayat or other Government or statutory authorities upto the date of this conveyance, the Vendor shall clear the same and in case the same are collected from the Vendee, the Vendor shall pay the same to the vendee.

The Vendor further assures and covenants with the Vendee that the Vendee and his heirs are entitled to peacefully and absolutely enjoy the said property without any hindrance from any person claiming through him or in trust for him.

The Vendee is hereby entitled to get the said property transferred in his name in all Panchayat / Municipal/ Municipal Corporation records and enjoy the same with absolute rights forever.

Schedule

All that piece and parcel of the land measuring ----- Square yards or acres Square meters/Guntas / cents in Survey No./T.S.No.----- together with the house bearing D.No. ----- with a plinth area of square feet -----, situated at ----- covered by ward No..... Block No..... of Municipal Corporation Area/Municipal Area/ Panchayat Board area and Sub-District and -----.

Bounded by:

East:

West:

North:

South:

THE MEASUREMENTS:

East to West:

North to South

This is neither an assigned nor a Government land. The market value of the property is
Rs.....

IN WITNESS WHEREOF, the VENDOR and the VENDEE have signed this SALE DEED at ---
----- on the date first mentioned above in the presence of the following witnesses:

VENDOR

VENDEE

WITNESSES:

1.

2.

12.1.7.

SALE DEED BY A GUARDIAN OF A MINOR

THIS DEED OF SALE made on the day of BETWEEN
....., (hereinafter called the “**Vendor**”) of the part AND,
(hereinafter called the “**Purchaser**”) of the other part.

WHEREAS ----- is a minor and the said ----- is his guardian appointed as such
under the provision of the Guardian and Wards Act, 1890 by the District Judge of in
Misc. case No.....,of decided on.....;

AND WHEREAS the father of the said minor died leaving debts of the total of the total value of
Rs.....;

AND WHEREAS large amounts have to be paid towards the interest accruing on the said debts;

AND WHEREAS by an application, dated....., duly made to the said District Judge
of....., his opinion and sanction was sought for the repayment of the said debts by
the money realized from the sale of house No.....situated onRoad in the
city of.....belonging to the minor;

AND WHEREAS the said District Judge, by order, dated.....approved the sale of the
said house but decided to call bids for the same himself;

AND WHEREAS on the.....day of.....bids were invited and the bid of the said --
-----, was the highest for Rs..... (Rs.....) only, for the sale of house to him free
of all encumbrances, whatsoever.

AND WHEREAS by order dated....., passed by the said District Judge the said -----
----- was ordered to execute a sale-deed on behalf of the vendor.

NOW THIS DEED WITNESSES as follows:

1.The said ----- as guardian of the said minor, does hereby grant, convey and sell unto the
said -----, his heirs, successors and assigns for the sum of

Rs.....(Rs.....) only paid by the said ----- into the Court of the District Judge in the account of the said minor -----, the said house No.....situated on the.....Road in the city of.....and bounded as below:-

EAST.....

WEST.....

NORTH.....

SOUTH.....

And tenanted by Shri....., for a monthly rent of Rs.....

Together with all rights, easements, privileges and appurtenance, whatsoever, belonging to or enjoyed therewith or appurtenant thereof or reputed so to be.

And all the rights, title and interest of the said minor into or upon the said house and the land attached and on which the said house is built, including the electric and sanitary fitting thereto, but excluding such of the electric and sanitary fitting which the said tenant has himself put.

2. The said ----- as guardian for and on behalf of the said minor, hereby covenants that the said minor has good right and title to grant, convey and sell the said house in the manner herein appearing and the said -----, his heirs, successors and assigns may at all times hereinafter possess and enjoy the demised property and every part thereof without any let or hindrance claim or demand from any person claiming through or under the said ----- or any predecessor in title of the said -----.

3. It is further agreed that the said -----, during the minority of the -----, or any person in his stead and the said -----, after attaining majority and his heirs, successors and representatives, shall and will from time to time, and at all times hereafter do and execute all such acts and deeds for further and more effectively assuring and transferring the said property unto the said -----, his heirs, successors and assigns, in manner aforesaid, but at his or their cost and request as shall or may be reasonably required by him or them.

IN WITNESSES WHEREOF the parties hereto have signed this deed on the day and year first written above.

Witnesses:

(Sd.).....For -----

1.

(Sd.).....

2.

(Sd.).....

12.1.8.

SALE DEED OF AGRICULTURAL LAND

This SALE DEED is executed at ----- on this ____ day of _____, by _____ S/o _____ residing at _____ hereinafter called "**THE VENDOR**" (which expression shall mean and include her legal heirs, successors, legal representatives, administrators, executors, nominees and assigns).

IN FAVOUR OF

_____ S/o _____ R/o _____ hereinafter called "**THE VENDEE**" (which expression shall mean and include its successors, legal representatives, administrators, executors, nominees and assigns).

WHEREAS (the VENDOR herein), is the sole, absolute and exclusive owner/bhumidar and in possession of Agricultural Land measuring __ Bighas, situated in Village _____, Tehsil _____, _____, hereinafter referred to as 'THE SAID LAND'.

AND WHEREAS the said land is the self acquired property of the VENDOR and the same also stands mutated in the name of the VENDOR in Revenue Records as owner /bhumidar and the VENDOR has full rights and absolute authority to sell, dispose off and transfer the aforesaid land.

AND WHEREAS the VENDOR for his bonafide needs and requirements have agreed to sell and the VENDEE has agreed to purchase the said land i.e. for a total consideration of Rs.____/- .

AND WHEREAS the VENDOR has obtained the no Objection Certificate for the sale of the said land in favour of the VENDEE from the Tehsildar _____.

NOW THIS SALE DEED WITNESSETH AS UNDER: -

That in consideration of the sum of Rs._____, which has already been received by the VENDOR from the VENDEE, in the following manner; the receipt of which the VENDOR hereby admits and acknowledges, in full and final settlement, the VENDOR doth hereby sell, convey and transfer the said land to the VENDEE, who shall hereafter be the absolute owner/bhumidar of the same and shall enjoy all rights of ownership, possession, privileges, easements and appurtenances whatsoever of the said land, unto the VENDEE, absolutely and forever.

That the actual physical vacant possession of the said land has been delivered by the VENDOR to the VENDEE, on the spot, at the time of registration of this Sale Deed.

Now the VENDOR has been left with no right, title, interest, claim or concern of any nature with the said land and the VENDEE has become the absolute owner of the said land, with full right to use and enjoy the same as absolute owner without any hindrance or objection by the VENDOR or any other person claiming under him.

That the VENDOR hereby assures the VENDEE that the VENDOR has neither done nor been party to any act whereby the VENDOR's rights and title to the said land in any way be impaired or whereby the VENDOR may be prevented from transferring the said land.

That the VENDOR hereby declares and represents that the said land is not subject matter of any HUF (Hindu Undivided Family) and that no part of the said land is owned by any minor.

That the VENDOR hereby assures, represents and covenants with the VENDEE as follows:

a) That the said land is free from all encumbrances whatsoever or howsoever.

- b) That there is no order of attachment by the Income Tax Authorities or any other authorities under law for the time being in force or by any other authority nor any notice of acquisition or requisition has been received in respect of the said land.
- c) That except the VENDOR nobody else has any right, title, interest, claim or demand whatsoever or howsoever in respect of the said land.
- d) That there is no legal impediment or bar whereby the VENDOR can be prevented from selling, transferring and conveying the absolute title in the said land in favour of the VENDEE.
- e) That there is no subsisting agreement for sale in respect of the said land hereby sold to the VENDEE and the same has not been transferred in any manner whatsoever, in favour of any other person or persons.
- f) That the VENDOR has a marketable title in respect of the said land.
- g) That there is no notice of default or breach on the part of the VENDOR or its predecessors in interest of any provisions of law in respect of the said land.

That the VENDOR further assures the VENDEE that the said land is free from all kinds of encumbrances such as prior sale, gift, mortgage, disputes, litigation, acquisition, attachment in the decree of any court, lien, court injunction, Will, Trust, Exchange, Lease, legal flaws, claims, prior Agreement to Sell etc. and if it is ever proved otherwise, or if the whole or any portion of the said land is ever taken away or goes out from the possession of the VENDEE on account of any legal defect in the ownership and title of the VENDOR then the VENDOR will be liable and responsible to make good the loss suffered by the VENDEE and keep the VENDEE indemnified, saved and harmless against all such losses, costs, damages and expenses accruing thereby to the VENDEE.

That the VENDOR undertakes to have the said land mutated in favour of the VENDEE in Revenue Records and other concerned authorities, otherwise, the VENDEE can also get the said land mutated in its own name in Revenue Records and other concerned authorities on the basis of this Sale Deed for its certified true copy.

That the land Revenue and other dues and demands if any payable in respect of the said land shall be paid by the VENDOR upto the date of handing over the possession to the VENDEE and thereafter the VENDEE will be responsible for the payment of the same.

That the land has not been notified under section 4 or 6 of Land Acquisition Act, 1894, either for the planned development of _____ or for any other purposes and is situated in the green belt outside the urbanised limits. This sale deed does not contravene the provisions of Land Reforms Act.

That there is no poultry farm, ware house, cattle live stock, raising of grass on the said land. The said land is agricultural land and shall be used for agricultural purposes.

That all relevant documents in original in respect of the said land have been handed over by the VENDOR to the VENDEE. That all the expenses of this sale deed viz. stamp duty, registration charges etc., has been borne and paid by the VENDEE.

IN WITNESS WHEREOF the VENDOR and the VENDEE have signed this SALE DEED at _____ on the date first mentioned above in the presence of the following witnesses.

WITNESSES:-

1.

VENDOR

2.

VENDEE

12.1.9.

DEED OF SALE BY MORTGAGEE

THIS DEED is made at this day ofbetween being the partner of the firm of M/s. A B C & Co. carrying on business at hereinafter referred to as '**VENDOR**' of the One Part and residing at hereinafter referred to as 'the **PURCHASER**' of the Other Part.

WHEREAS one (hereinafter referred to as the **MORTGAGOR**) was absolutely seized and possessed of or otherwise well and sufficiently entitled to the land and premises situated at and more particularly described In the Schedule hereunder written.

AND WHEREAS by a Deed of Mortgage dated the day of and made between the said Mortgagor and the partnership firm of M/s. A B C & Co. consisting of the said Mr. A, Mr. B and Mr. C as partners (therein referred to as the '**MORTGAGEES**') and registered at the office of the Sub Registrar at under Serial No of Book No. 1 on the day of the said Mortgagor, in consideration of the sum of Rs lent and advanced by the said Mortgagees, to the Mortgagor, granted and conveyed the said land and premises and other the premises therein mentioned TO HOLD the same unto and to the use of the Mortgagees subject to the covenant for redemption therein contained and on the terms, powers and provisions therein provided.

AND WHEREAS the said Deed of Mortgage, inter-alia provided that in the event of the Mortgagor failing to pay Interest on the said principal sum regularly or making default in paying the principal amount on the due date therein provided or committing breach of any term or condition or provision therein contained, the Mortgagees will be entitled to call back the amount due to them as if the due date had expired and in that event to sell the said land and premises by public auction without the intervention of the Court under the power given to them in terms of the Transfer of Property Act, 1882.

AND WHEREAS the said Deed of Mortgage also inter-alia contained a joint account clause under which it has been provided that any one or more of the Mortgagees who will be available in the Town of will be entitled to exercise any of the powers given to the Mortgagees

including the power of sale and any receipt or deed of reconveyance on repayment of the amount or any deed of conveyance on sale of the said mortgaged property signed by any one of the Mortgagee will be valid as if it was signed by all and as if the other Mortgagees had appointed him as their constituted attorney.

AND WHEREAS the Mortgagor failed to pay interest regularly and to pay the Mortgage amount on the due date and the Mortgagees therefore, through their Advocate's notice dated called the Mortgagor to pay the amount due to them being the amount of Rs. for principal and interest accrued thereon to the Mortgagees.

AND WHEREAS the Mortgagor failed to pay to the Mortgagees the said amount even after the statutory period of the said notice expired and Interest of more than Rs. _____ was also due and payable by the Mortgagees.

AND WHEREAS the Mortgagees therefore, in exercise of the power of sale auction contained in the said Deed of Mortgage as aforesaid, put up the said property for sale by public auction through M/s. auctioneers on the day of and at such auction sale, the Purchaser herein was the highest bidder for the sum of Rs. and his bid was accepted and the Purchaser paid to the Mortgagees through the said auctioneers a sum of Rs as advance or earnest.

AND WHEREAS the Purchaser has examined the title in terms of the particulars and conditions of sale and has requested the Mortgagees to execute this deed of conveyance in his favour.

AND WHEREAS the said Vendor is the only Mortgagee and partner of the firm of M/s. A B C & Co. now present, in the town, the others having gone outside for business or otherwise and are not available at present and the Vendor is entitled to execute this deed for self and on behalf of the other partners of his said Firm under the circumstances aforesaid.

AND WHEREAS for the purposes of stamp duty the consideration /market value is fixed at Rs
.....

NOW THIS DEED witnesseth that pursuant to the premises and in consideration of the said sum of Rs paid by the Purchaser as earnest money as aforesaid and the sum of Rs paid by the Purchaser on the execution hereof (receipt whereof the Vendor doth hereby admit for

self and on behalf of the other Mortgagees), he the Vendor as such Mortgagee and for self and on behalf of the other Mortgagees and as their duly constituted attorney doth hereby grant and convey the said land and premises described in the Schedule hereunder written and all other premises granted and conveyed by the Mortgagor to the Mortgagees by the said Deed of Mortgage and all, the right, title and Interest, claim and demands of the Mortgagees under and by virtue of the said Deed of Mortgage into and upon the said land and premises being the mortgaged premises TO HAVE AND TO HOLD the same unto and to the use of the Purchaser absolutely freed and discharged of all the moneys due and the right, title and interest and claims of the Mortgagees under the said Deed of Mortgage but subject to the payment of all taxes, assessments, dues and duties payable to the Government or Municipal Corporation or any other local authority in respect of the said premises AND the Vendor doth hereby covenant for self and on behalf of the other Mortgagees that the Mortgagees have not done or caused to be done any act, deed or thing whereby they are prevented from selling the said Mortgaged property as aforesaid and executing these presents in manner aforesaid.

IN WITNESS WHEREOF the Vendor has put his hand the day and year first hereinabove written.

THE SCHEDULE ABOVE REFERRED TO:

Signed and delivered by the

within named Vendor Mr. A for self and on behalf

of the within named Mortgagees in the presence of

12.1.10.

SALE DEED OF JOINT FAMILY PROPERTY

THIS DEED OF SALE is made on this _____ day of _____ **between** _____ s/o _____ R/o _____ hereinafter called "the **VENDOR**" (which expression shall unless repugnant to the context or meaning thereof include Manager of Joint Hindu Family, his heirs, executors, administrators, legal representatives and assigns) of the one part.

AND

_____ s/o _____ R/o _____ hereinafter called "the **PURCHASER**" (which expression shall unless repugnant to the context or meaning thereof include his heirs, executors, administrators and assigns) of the other part.

WHEREAS

(1) The Vendor and his two minor sons namely, _____ and _____ form a Joint Hindu family, which is governed by the Mitakshara School of Hindu Law.

(2) The plot of land bearing no. _____ situated at _____ is the joint ancestral property of the said family;

(3) The Vendor has been carrying on the business of _____ and borrowed a sum of Rs. _____ from the Purchaser vide a promissory note dated _____ and the amount of the said loan with interest is due to the Purchaser. The Vendor, in order to pay off the said loan and to raise a further sum of Rs. _____ for the family needs, wishes to sell and the Purchaser has agreed to purchase the said property on the terms and conditions hereinafter appearing.

NOW THIS DEED OF SALE WITNESSETH AS FOLLOWS:

1. That in consideration of the sum of Rs. _____ (Rupees _____ only) paid by the Purchaser to the Vendor (the receipt of which the Vendor hereby acknowledges which shall be adjusted against the loan due to the Purchaser along with interest), the Purchaser hereby releases the Vendor towards his liability to pay the aforesaid loan and of the sum of Rs. _____ paid by the Purchaser to the Vendor within ____ days of this deed, the Vendor hereby conveys, assigns and transfers to the Purchaser by way of absolute sale all that property bearing no. _____ situated at _____ measuring _____ more particularly

described in the schedule annexed hereto and thereon shown with its boundaries coloured red TO HOLD the same to the Purchaser as absolute owner.

2. The Vendor hereby covenants with the Purchaser as follows:

a. That the Vendor has good right, title, interest and full power to convey, assign and transfer the said property and the property hereby sold is free from all encumbrances, claims, demands, attachments and charges.

b. That the Purchaser shall quietly enter into the said property and hold and enjoy, the rents and profits received there from by without any interruption or disturbance by the Vendor or any person claiming through or under him and without any lawful disturbance or interruption by any other person whomsoever.

c. That the Vendor has handed over to the Purchaser all documents of title relating to or belonging to the said property and he does not have any other document of title in his possession and if, at any time hereafter, he comes in possession of any document of title, he shall hand over and cause to be handed over the same to the Purchaser or any person claiming through or under him.

d. That the Vendor shall, at all reasonable times and at the cost of the person requiring the same, sign, execute and do all other acts, deeds and things as may be necessary for further assuring the said property to the Purchaser, his heirs or assigns as may reasonably be required;

3. That all taxes, municipal or otherwise in regard to the said property shall be borne and paid by the Vendor upto the date of registration of this sale deed and thereafter by the Purchaser.

4. That the Vendor has obtained the requisite income tax clearance certificate from the authorities concerned to get the sale deed registered in favour of the Purchaser.

5. That all the expenses of stamp duty, transfer charges of Municipal Corporation and registration fee, etc., of this sale deed be borne and paid by the Purchaser.

SCHEDULE

IN WITNESS WHEREOF, the parties hereunto have signed this deed this _____ day of _____.

The Vendor

The Purchaser

WITNESS:

1.

2.

12.1.11.

SALE BY OFFICIAL LIQUIDATOR OF THE COMPANY

THIS Sale Deed made at on this day of, 20...
by....., official LIQUIDATOR of XYZ CO. Ltd., a company incorporated under
the Companies Act, 1956 and having its registered office at (hereinafter called the
Company in liquidation and also called the Vendor) of the ONE PART; and Shri X, son of Y,
resident of (hereinafter called the Purchaser) of the OTHER PART.

WHEREAS XYZ CO. LTD. was ordered to be compulsorily liquidated and wound up by an order dated..... passed by Hon'ble judge of the High Court and the said Vendor was appointed as its official LIQUIDATOR.

AND WHEREAS the Vendor for the purpose of and in the course of the liquidation of the said company submitted a report dated to the Hon'ble Judge and the Hon'ble Judge vide order dated..... authorized the Vendor to sell the company's properties more particularly described in the Schedule hereto by auction through M/s..... Auctioneers and the Auctioneers in the auction held on accepted the highest bid of the Purchaser subject to the approval and sanction of the Hon'ble Court and received a sum of Rs. as deposit.

AND WHEREAS the sale of the company properties mentioned in the Schedule hereto in favour of the Purchaser was sanctioned by an order dated passed by the Hon'ble Judge and the Vendor has been authorised to execute sale deed of the Company's properties mentioned in the schedule hereto in favour of the Purchaser by the said order dated

NOW THIS DEED OF SALE WITNESSETH that in pursuance of the orders dated and dated passed by the Hon'ble Judge High Court for the sale of the properties mentioned in the Schedule hereto and sanction of the sale of the said properties in favour of the Purchaser respectively and in consideration of the sum of Rs..... by demand draft No. dated issued by the Bank, Branch (the receipt whereof the Vendor hereby acknowledges) the Vendor hereby grants, conveys, transfers and sells all that properties mentioned more particularly mentioned in Schedule hereto, heretofore belonging to and forming part of the said Company UNTO THE SAID PURCHASER, his heirs, legal representatives, executors, administrators and assigns to have and to hold the same unto the Purchaser as full and absolute owner thereof.

The Vendor hereby covenants with the Purchaser as follows.-

(a) That the Vendor and the Company has good title to convey, sell, transfer the said properties to the Purchaser and the Purchaser shall peacefully and quietly possess and enjoy the said properties hereby conveyed, transferred, granted and sold to him without any disturbance,

hindrance, obstruction by the Vendor or the Company or any person or persons claiming under or through them.

(b) That the properties hereby conveyed, transferred and sold have not been encumbered or charged by the Company as is evident from the books of the Company or that the said properties have not in any way encumbered or charged after the date of winding up.

(c) That the Vendor has paid all the taxes, assessments, dues, duties and outgoings in respect of the properties mentioned in the Schedule hereto payable to the State of Municipal Corporation of or any other local body or authority.

(d) That the Vendor will not be personally liable in any way for any defect in the title of the Company in respect of the properties hereby conveyed, transferred or sold.

The Vendor has delivered the possession of the properties mentioned in the Schedule hereto and title deeds in respect thereof to the Purchaser on the date of presentation of this deed for registration before the Sub-Registrar.

IN WITNESS WHEREOF, the parties have executed this deed on the day and year first abovementioned.

Schedule

Vendor

Purchaser

WITNESSES;

1.

2.

12.2. LEASE

According to Sec.105 of the Transfer of Property act, 1882, a lease of immovable property is a transfer of a right to enjoy such property, made for a certain time, express or implied, or in perpetuity, in consideration of a price paid or promised, or of money, a share of crops, service or any other thing of value, to be rendered periodically or on specified occasions to the transferor by the transferee, who accepts the transfer on such terms.

Lessor, Lessee, Premium and Rent

The transferor is called the lessor, the transferee is called the lessee, the price is called the premium and the money, share, service or other thing to be so rendered is called the rent.

Leases how made

A lease of immovable property from year to year, or for any term exceeding one-year or reserving a yearly rent, can be made only by a registered instrument.

All other leases of immovable property may be made either by a registered instrument or by oral agreement accompanied by delivery of possession.

Where a lease of immovable property is made by a registered instrument, such instrument binds both lessor and the lessee.

Essential Elements of lease

- 1) **Parties-** The parties to a lease are the lessor and the lessee. The lessor is also called the landlord and the lessee the tenant.
- 2) **Subject matter of lease-** The subject matter of lease must be immovable property. The word "immovable property" may not be only house, land but also benefits to arise out of land, right to collect fruit of a garden, right to extract coal or minerals, rights of

ferries, fisheries or market dues. The contract for right for grazing is not lease. A mining lease is lease and not a sale of minerals.

- 3) **Duration of lease-** The right to enjoy the property must be transferred for a certain time, express or implied or in perpetuity. The lease should commence either in the present or on some date in future or on the happening of some contingency, which is bound to happen. Though the lease can commence from a past day, but that is for the purpose of computation of lease period, as the interest of the lessee begins from the date of execution. No interest passes to the lessee before execution. In India, the lease may be in perpetuity.
- 4) **Consideration-** The consideration for lease is either premium or rent, which is the price paid or promised in consideration of the demise. The premium is the consideration paid of being let in possession, such as Salami, even if it is to be paid in instalments.
- 5) **Sub-lease-** A lessee can transfer the whole or any part of his interest in the property by sub-lease. However, this right is subject to the contract and he can be restrained by the contract from transferring his lease by sub-letting. The lessee can create sub-leases for different parts of the demised premises. The sub-lessee gets the rights, subject to the covenants, terms and conditions in the lease deed.

How does a lease end?

A lease of immovable property determines-

- (a) By efflux of the time limited thereby,
- (b) Where such time is limited conditionally on the happening of some event, by the happening of such event,
- (c) Where the interest of the lessor in the property terminates on, or his power to dispose of the same extends only to, the happening of any event, by the happening of such event,
- (d) In case the interests of the lessee and the lessor in the whole of the property become vested at the same time in one person in the same right,

(e) By express surrender, that is to say, in case the lessee yields up his interest under the lease to the lessor, by mutual agreement between them,

(f) By implied surrender,

(g) By forfeiture; that is to say,

(1) in case the lessee breaks an express condition which provides that, on breach thereof, the lessor may re-enter; or

(2) in case the lessee renounces his character as such by setting up a title in a third person or by claiming title in himself; or

(3) the lessee is adjudicated an insolvent and the lease provides that the lessor may re-enter on the happening of such event; and in any of these cases the lessor or his transferee gives notice in writing to the lessee of his intention to determine the lease,

(h) On the expiration of a notice to determine the lease, or to quit, or of intention to quit, the property leased, duly given by one party to the other.

If the lessee dies before the expiry of the lease, the lease does not come to an end. It passes on to the heirs of the lessee for the remaining period.

12.2.1.

GENERAL LEASE DEED

This Lease Deed made at ----- on this ----- day of 20-- between Shri.----- son of -
----- resident of ----- (Hereinafter called "**the LESSOR**", which expression shall, unless repugnant to the context and meaning include his heirs, successors, administrators and assigns) of the ONE PART and Shri-----, son of -----resident of (Hereinafter called "**the LESSEE**", which expression shall, unless be repugnant to the context and meaning, include his heirs, successors, administrators and assigns) of the OTHER PART.

WHEREAS

1. The Lessor is in complete possession of the building bearing Municipal No----- Situated at ----- and more particularly described in the schedule I given below.
2. On the request of the Lessee, the Lessor has agreed to grant lease in respect of the demised premises for a term of ----- years in the manner hereinafter stated.

NOW THIS DEED WITNESSETH AS FOLLOWS:

1. In pursuance of the said agreement and in consideration of the rent hereby reserved and of the covenants, conditions and stipulations hereinafter contained and of the Lessee's part to be paid, observed and performed,

THE LESSOR HEREBY DEMISES UNTO THE LESSEE ALL THAT the building bearing Municipal no----- situated at ----- and hereinafter called as the demised premises, TOGETHER WITH ALL the fixtures and fittings therein, a complete list whereof is given in Schedule II, hereto TOGETHER WITH the electrical installations and together with the right for the Lessee, its employees, servants, agents, customers and persons authorised by the Lessee in common with the Lessor and all the persons authorised by the Lessor to use the entrances, doorways, entrance hall, stair cases, landings and passages in the demised premises for the purpose of ingress thereto.

- i. The Lessee shall occupy the demised premises for the period of --- years only commencing from the ----- and determining on ----- .
 - ii. The Lessee shall pay to the Lessor during the said term monthly rent of Rs. ----- payable by seventh of each succeeding calendar month to which it relates.
 - iii. The Lessee has paid to the Lessor a sum of Rs ----- as security deposit and a sum of Rs ----- as advance rent, the receipt of which the Lessor acknowledges.
 - iv. The security deposit shall be returned on determination of the lease after deduction for damages if any to the property except reasonable wear and tear expected and the advance rent paid shall be adjusted by -----.
2. The Lessee hereby covenants with the Lessor as follows:

- a. To pay the rent as aforesaid on the days and in the manner aforesaid.
- b. To pay the electricity bills for the electricity consumed for lighting the demised premises and for operation of Air Conditioners, Fans, Computers and electrical appliances in the demised premises.
- c. Not to make any structural alterations into or upon the demised premises or make any alterations or addition to the external appearance or any part of the demised premises without the previous consent of the Lessor in writing.
- d. To use the demised premises for office purposes of the Lessee.
- e. Not to place or keep or permit to be placed or kept on the demised premises any offensive, dangerous or highly inflammable or explosive material or any other article or things, which may constitute a danger, nuisance or annoyance to the demised or surrounding premises or the owners or occupiers thereof.
- f. Not to sub-let, transfer, assign or part with the possession of the demised premises or any part thereof.
- g. To permit the Lessor, his servants, employees or agents duly authorised by him to enter into and upon the demised premises at all reasonable times for viewing the condition of the demised premises or doing such works or things as may be requisite or necessary for any repairs, alteration, servicing or improvements to the demised premises.
- h. To hand over the peaceful possession of the demised premises at the end or the sooner determination of the said term together with all the Lessor's fixtures and fittings in as good condition as received
- i. Not to obstruct or suffer to be obstructed the entrance hall, entrances, doorways, passages, staircase or lifts.
- j. To carry minor repairs in the demised premises not exceeding the extent of Rs ----
- per year.
- k. To replace all broken fittings and fixtures by equally good or better substitutes.

3. The Lessor hereby agrees with the Lessee as follows:
- a. That the Lessee shall peaceably and quietly hold, possess and enjoy the demised premises during the term without any interruption, disturbance, claim and demand by the Lessor or any person lawfully claiming under or trust for the Lessor.
 - b. To keep the interior, exterior of the demised premises, the drainage thereof and the water pump in good and tenable repair and condition.
 - c. To keep the entrance, doorways, entrance halls, staircases, lobbies and passages in the said building leading to demised premises well and sufficiently cleaned and lighted at his own expense.
 - d. To pay rates, taxes, assessment, duties, cess, impositions, outgoings and burdens whatsoever payable to local or other authority which may at any time or from time to time during the term hereby created be imposed or charged upon the demised premises.
4. It is hereby agreed that if the rent or any part thereof payable in respect of the demised premises shall be in arrears for a period of two months or if the Lessee shall omit to perform or observe any covenants or conditions on the Lessee's part herein contained, the Lessor may re-enter upon the demised premises after serving a notice to the Lessee.
5. If within a period of one month after the issue of such notice, the Lessee does not pay the rent or does not perform or observe the covenant or condition and thereupon all rights of the Lessee hereunder shall determine.
6. **IT IS HEREBY EXPRESSLY AGREED BETWEEN THE PARTIES AS FOLLOWS:**
- a. The Lessee shall be entitled to erect temporary fittings, fixtures, wooden partitions, cabins or make any such addition or alteration, as may be necessary for its use by the Lessee; provided that the Lessee shall remove the said fittings, fixtures, wooden partitions, cabins, additions or alterations and restore the demised premises to the Lessor on the expiry of the term or sooner determination of the lease in the same condition as existed before making such changes.

- b. If the Lessor fails to pay the taxes, charges, assessment payable by him, or fails to carry out the necessary repairs and other work which he has to carry out as provided herein, the Lessee may after one month notice in writing, pay, discharge and carry out the same at its own cost and the Lessee may set off the same from the rent payable to the Lessor under these presents.
7. The stamp duty and all other expenses shall be borne and paid by the Lessee.

The Schedule I above referred to

The Schedule II above referred to

WITNESSES

1

Signed by the above named Lessor.

2.

Signed by the above named Lessee

12.2.2.

COMMERCIAL LEASE AGREEMENT

Agreement made on this _____ day, between _____, _____ (hereinafter referred to as **LANDLORD**) of the one part and _____, resident of _____ (hereinafter referred to as **TENANT**) of the other part.

WHERE IT IS AGREED AND DECLARED AS FOLLOWS:

1. The Landlord agrees to let out and the tenant agrees to take on rent the ground floor portion of the building _____ for his office along with electrical and sanitary fittings and other accessories fittings and structures (hereinafter called the **PREMISES**) from _____ at the monthly rent of _____ being payable on or before 5th of every month to the Landlord. The period of this agreement shall be for twenty four months with effect from _____ .
2. The tenant has paid Rupees _____ as advance amount for the above building and the landlord shall pay this said advance without interest to the tenant at the time of vacating the premises.
3. At the termination of the period of tenancy the tenant agrees to surrender to the Landlord the vacant possession of the premises without raising any objection.
4. This rental agreement can be terminated at any time by three months notice on either side and on such termination the tenant shall surrender the vacant possession of the premises to the Landlord.
5. If for by any reason the tenant occupies the building for a period that includes part of a month, it is agreed that the rent will be charged on a pro-rated basis for that month.
6. The landlord shall pay all existing and future taxes, rates and assessments in respect of the lease hold including the municipal or other tax assessed by a local authority on the value of the building or annual letting value of the building and all other rates, taxes and assessments levied by any authority whatsoever.
7. The tenant shall pay the electricity and water supply charges for the period of time he occupies the premises.
8. The tenant agrees to leave at the end of tenancy the premises in good condition as they are now, subject to reasonable wear and tear.
9. The tenant also agrees not to let out the building or a portion of it to anybody else.
10. The tenant shall not commit any act of waste in the premises.

11. The tenant also agrees to pay any maintenance on the building as mutually agreed upon by the tenant and the landlord and the said expenses shall be adjusted against the rent amount due to the landlord.
12. It is hereby agreed that the tenant paying the rent hereby reserved, and performing and observing each of the covenants herein contained, may peacefully hold and enjoy the said building during the lease period without any interruption by the landlord.
13. The agreement does not cover the property adjoining the premises and the landlord shall be free to take the yield from the property to effect improvements therein and the tenant shall not cause any obstruction for the same.
14. The landlord shall retain the original of this agreement and the tenant shall retain its duplicate.

WITNESS WHEREOF _____, the landlord and _____, the tenant have affixed their signatures on the _____ .

(Landlord)

(Tenant)

Witnesses:

1)

2)

12.2.3.

SUB-LEASE DEED

This Deed of lease made this _____ day of _____, between _____ having its registered office at _____ represented by its Managing Director (hereinafter referred to as “the **LESSOR**” which expression shall include his successors and assigns) of ONE PART and M/s _____ having its registered office at _____ represented by _____ (hereinafter referred to as “the **LESSEE**” which expression shall include all its successors and assigns) of the other part.

WHEREAS, _____ has granted the lease of the land described in the schedule below to _____ for the purpose of Sub-leasing the same to _____ and Government has approved vide GO No. _____ for setting up _____ at _____ for their _____ Project for a period of 30 years commencing from _____ by way of lease deed dated _____ (and expiring on _____) registered as document no. _____ in the office of Sub-registrar, _____.

WHEREAS, _____ (herein after called the Company) is engaged inter-alia in the business of _____.

WHEREAS, the lessee is a Company incorporated under the Companies Act, 1956 and is empowered by its Memorandum of Association and the Lessee was allotted _____ project vide agreement-dated ----- to Construct, run, manage and erect the _____.

Whereas the lessee claims that they are experienced in and capable of establishing and running _____.

WHEREAS _____ (herein after called Managing Director) hereby grants the sub-lease of the land described in the schedule below to _____ for the purpose of establishment of _____ for _____ for a period of Thirty Years commencing from _____ subject to the following conditions to which the aforesaid lessee has agreed.

1. The Lessee has the necessary power to enter into this deed and perform its obligations under this deed and has taken all necessary action to authorize the execution, delivery and performance of this deed in accordance with the terms stipulated by the Company.
2. The lessee shall duly comply with any condition which may from time to time, be imposed by _____ and shall indemnify and keep indemnified the Company against the consequences for any breach or non-compliance of any provision or conditions as aforesaid.
3. The sub-lease is liable to cancellation if it be found that it was grossly inequitable or was made under a mistake of fact or owing to misrepresentation or fraud or that there was irregularity in the procedure.
4. In the event of such cancellation of the Sub-lease the lessee shall not be entitled to any compensation for any loss caused to him by the cancellation.
5. The lessee shall, so long as the lease be in force pay clear of all deductions a sum of Rs. _____ per annum for the first 10 years, at 11th year onwards (the lease rent has to be increased by 10 % i.e. _____/- per annum and similarly at 21st year lease rent has to be increased by another 10% i.e. _____/- per annum), and further sum of Rs. _____ on account of rates, taxes, assessments and outgoings payable by the Government to the Corporation / Municipality as a result of his occupation of the land.
6. If the Lessee fails to pay the Lessor any sums payable under the lease on the respective dates on which they are made payable, it shall pay interest at 12 percent per annum on such amounts from the dates on which they were so payable until the date of payment or recovery shall be levied.
7. The Lessee shall not do any act, which is permanently injurious to the land.
8. The lessee shall not make any excavation upon any part to the said land hereby sub leased nor remove any stone, sand, gravel, clay or earth there from except for the purpose of executing the work pursuant to the terms of this sub-lease.

9. The lessee shall not commence any erection, building, or structure to be erected hereafter unless and until specification, plans, elevation, sections and other details thereof shall have been previously submitted by the lessee for scrutiny and approval by the concerned authorities and obtaining such certification by any other authorities concerned.
10. The lessee may erect _____ in accordance with the Plan (s).
11. The lessee shall not use the premises sub-leased by the Lessor or immoral or illegal purposes. The land and the buildings(s) thereon shall not be used for political meetings. Nor shall any material prohibited under the Explosive Substance Act any other acts shall be stored in the demised premises.
12. The lessee shall not do or permit anything to be done on the leased premises which may be a nuisance, annoyance or disturbance to the owners, occupiers or residents of other premises in the vicinity.
13. The Lessee shall not, except as provided erect buildings, fences or structures of a permanent or temporary character on the land without the previous written sanction from _____, other than construction of project related structures and buildings for the _____ Project.
14. The Lessee shall maintain the said land in a clean and sanitary condition to the satisfaction of the lessor and shall also maintain the structures, if any, erected thereon as aforesaid, in good and substantial repair to the satisfaction of the lessor.
15. The lessee shall not be compensated for any damage to his property on account of fire, earthquake, lightening, storm riots, civil commotion or other irresistible force or any other act of God.
16. The lessee shall fence the said plot of land leased at its own cost and expense and keep it fenced during currency of the lease.
17. The lessee shall not prevent the officers and authorized employees of the lessor with or without workmen at all times to enter upon the lands aforesaid to view the conditions and state thereof.
18. The lessee shall not assign, mortgage, underlet the benefits arising under this lease or give on lease and license the demised premises or any part thereof or any intent therein or any paid thereof without the prior written consent of the lessor.

19. (a) The lessor reserve to themselves the right to all trees and their branches and roots which exist at the time of lease (which are described in the schedule attached) as well as those which may grow subsequently on the lands leased and the Lessor shall be at liberty to cut or dig out any such trees or their roots and branches and remove them from the land in question be entitled to cut or remove them or cause them to be cut or removed without the permission of _____.

(b) The lessee shall take all reasonable measures to the satisfaction of the lessor for the protection of the trees from theft or damage and for the careful protection of immature trees growing on the land.

(c) The lessee shall take steps to see that the marks made by the officers of the Lessor on the trees are preserved and are not tampered with and

(d) In the event of the infringement of, or failure to observe any of the conditions mentioned above, the lessee shall pay the Lessor such compensation as is determined by the lessor for any loss or damage caused by such infringement or failure on his part. The lessor shall also be at liberty to cancel the lease and re-enter on the land and the whole land shall thereupon vest absolutely in the lessor. In that case the lessee shall not be entitled to any compensation whatsoever.

20. The lessee may uproot, cut down or destroy such trees, plants, groves or bushes as in the opinion of the lessor it is necessary to uproot, cut down or destroy to make the land fit for the purpose of making approach roads to _____ and may take them free of charges and dispose of them in any manner he likes. The lessee may level the ground by removing embanked pathways and filling up low-lying places on the lane so as to make the ground fit for the purpose of making approach roads and structures to the _____ Project and may mow and cut the grass thereon and dispose of the same in any manner he likes and do any work on the lane, which in the opinion of the lessor is necessary for such purposes.

22. The lessee shall remove immediately any unauthorized building, fence or structure on receiving notice from the lessor and in default of immediately non-compliance with any such notice, the lessor shall have power to remove the same and the lessee upon demand made by or on behalf of the lessor pay the cost of removal and the cost of the storage materials removed and take delivery of the same. The lessee shall have no claim to any materials

removed under this condition which shall not have been taken delivery of or the cost of removal and storage of which shall have been paid by the lessee on demand made as aforesaid.

23. The lessee shall not without the previous written sanction of the lessor permit any person to use the land or any structure thereon or any portion of the land or structure except as provided.
24. The lessee shall on termination or revocation of this grant, restore the said land to the lessor in as good a condition as is consistent with the foregoing conditions.
25. The lessee shall be answerable to the lessor for all or any injury or damage done to the said land and other Lessor property thereon except as is permitted by the foregoing conditions.
26. The lessor may revoke the sub-lease wholly or in part if the sums specified above or any part thereof shall remain unpaid for 15 days after they have become payable whether formally demanded or not, or if the lessee shall have contravened any of the conditions of the lease herein contained and assume control or otherwise dispose of all or any part of the land and any buildings, fences and structures thereon and the lessee shall not be entitled to any compensation thereafter.
27. The sub-lease hereby given may be revoked by _____ acting on behalf of lessor after giving three months notice in writing with sufficient reasons. The lessee shall not in case of such revocation or termination be entitled to any compensation in respect of any structures on the land or any improvements effected by him to the land or for the loss caused by the interruption of his occupation but he may, before the revocation or termination of the lease takes effect or if the lease is revoked without notice within such time, as may be allowed by _____ in that behalf, remove such structures.
28. If any dispute or difference shall at any time hereafter arise between the lessor and their officers, on the one part and the lessee as to the rights duties or liabilities or either party in respect of any matter or thing relating to arising out of the sub-lease or the construction or the meaning of all or any of the provisions herein contained, the said dispute or difference shall be referred for settlement to the arbitration of the lessor for the time being, and its decision shall be final.

29. The sub-lease includes all rights, easements and appurtenances belonging to the land or purports to belong to it or usually held or enjoyed with it. The existing and customary right of lessor and the public in roads and paths and rivers, streams and channels running through or bounding the land and the right of lessor to the mines and quarries, adjacent to the land are however reserved and are in no way affected by the sub-lease.
30. The execution, delivery and performance of this deed by the lessee does and will not exceed any power granted to the lessee nor violate any provisions of any law regulation or any order or decree of any Government authority, agency or court to which the lessee is subject the Memorandum and Articles of Association.
31. This agreement shall be governed by Indian laws for the time being in force and civil courts at _____ shall have exclusively jurisdiction to entertain and trying proceedings arising out of this Agreement.

SCHEDULE

IN WITNESS WHEREOF _____ acting for and behalf of _____ and the lessee aforesaid have hereunto set their hands this _____ day of _____.

Signed and delivered by the within named

_____ represented by _____

In the presence of

12.2.4.

LEASE DEED FOR OFFICE PREMISES TO BE TAKEN BY A BANK

THIS LEASE DEED is entered into _____ this _____ day of _____ 20__.

BETWEEN

_____ LIMITED, a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at _____, hereinafter referred to as "the **LESSOR**" (which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and assigns) of the One Part

AND

_____ BANK LTD., A Company registered under the Companies Act, 1956, and having licence to carry on banking business under the Banking Regulation Act, 1949 and having its Corporate Office at _____ hereinafter referred to as "the **LESSEE**" (which expression shall unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors) of the Other Part;

WHEREAS:

i) The Lessor is the owner of and is well and sufficiently entitled to the premises admeasuring _____ sq.ft. equivalent to _____ sq.m. (carpet area) and bearing No. _____ on the _____ floor of the

building known as _____ situated at _____ together with one/two/three open car parking spaces bearing no. _____ in the compound of the said building (the said premises and the said car parking space are hereinafter, wherever the context so permits, collectively referred to as "the **SAID PREMISES**");

ii) The Lessee being in need of the said premises to carry on banking business at _____ has requested the Lessor to grant lease of the said premises to the Lessee for a period of 3 years which the Lessor has agreed to do on the terms and conditions hereinafter appearing;

NOW THIS LEASE DEED WITNESSETH AND IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:

1. In pursuance of the said understanding arrived at between the Lessor and the Lessee and in consideration of the monthly rent hereby reserved and in further consideration of the terms and conditions hereinafter contained, the Lessor hereby grants to the Lessee, lease of the said premises No. _____ on the _____ floor of the building known as _____ situated at _____ which are more specifically described in the Schedule hereto and marked in red colour on the plan annexed hereto together with the use of one/two/three car parking spaces bearing no. _____ in the compound of the said building (the said premises no. _____ and car parking space are together, wherever the context so permits, referred to as "the said premises").

2. Subject to the other provisions of this Deed, the lease shall be for a period of ____ years commencing on and from _____ and expiring on _____ provided that the Lessee shall have the option to be exercised in writing within three months prior to the expiry of the lease period to renew the Lease for two further terms of ____ years each on mutually agreeable terms and conditions, so however that on each renewal the monthly lease rent shall not be increased by more than 10% (ten per cent) over the monthly rent for the preceding period of three years.

3. The Lessee shall pay to the Lessor rent of Rs. _____ (Rupees _____ only) per month in respect of the said premises (hereinafter referred to as "the said monthly rent").

4. The Lessor shall make available electric supply to the said premises at the cost of the Lessee and the Lessor at its own cost agrees to make necessary application to the appropriate authority

for the same. The bills for consumption of electricity during the period for which the said premises are in the occupation of the Lessee shall however be borne and paid by the Lessee alone.

5. The Lessee with the end and intent that the obligations hereunder written shall continue throughout the term of this Lease Deed hereby agrees with the Lessor as follows:

i) The Lessee shall pay the said monthly rent to the Lessor on or before the 5th day of each and every succeeding English calendar month, the first payment of the monthly rent made on or before the 5th day of _____ provided that the Lessee may deduct from the payment of the said monthly rent tax at source under the provisions of the Income-tax Act, 1961 and the amount of any other tax which the Lessee is obliged to deduct under the law in force in India from time to time, in which case the Lessee shall forthwith pay the amount deducted to the Government/concerned revenue authority and deliver to the Lessor a certificate in the prescribed form in respect of such deduction and the payment of the amount deducted to the Government/concerned revenue authority.

ii) The Lessee shall promptly pay all charges of electricity consumed in the said premises during the term of this Agreement, as and when the bill is raised by Electricity Company/ Electricity Board.

iii) The Lessee shall use the said premises with due care and caution and shall keep and maintain the same in good order and condition and upon the expiry of the said term of _____ years, if not renewed for further period or sooner determination of this Lease the Lessee shall leave the said premises in as good condition as on the date hereof and shall pay compensation to the Lessor for any damage done to the said premises (save and except by way of reasonable wear and tear).

iv) The Lessee shall use the said premises for its own purpose only and shall permit only its employees, representatives, business associates, clients, potential clients, government officers and all such other persons attending the said premises in the course of their business. The Lessee shall use the said premises as an office to carry on banking business or for such other business/activity as is permitted to the Lessee under the law/regulations.

v) The Lessee shall observe and perform all the Rules, Regulations and Bye-laws for the time being in force of any Society/Association/Company which may be formed in respect of the said building in which the said premises are situated and shall not do or suffer to be done anything whereby the rights of the Lessor to the shares which may be issued by the said Society/Association/Company and/or to the said premises are jeopardized.

vi) The Lessee shall indemnify and keep indemnified the Lessor from and against all actions, claims, proceedings, costs, charges, expenses, losses or damages incurred or suffered by or caused to or taken or made against the Lessor by reasons of any breach, non-observance or non-performance of the provisions of this Lease by the Lessee.

vii) The Lessee shall not do or permit to be done to or in respect of the said premises anything, which may or can be a nuisance or annoyance to the occupants or other premises of the said building.

viii) The Lessee shall not store any hazardous or inflammable goods or chemicals in or near the said premises and shall not do or cause to be done to or in respect of the said premises anything, which may endanger the said premises or invalidate the insurance in respect of the said premises.

ix) The Lessee shall obtain prior written permission of the Lessor for transferring or assigning Lessee's rights by sub-lease or otherwise, which shall not be unreasonably withheld by the Lessor.

6. The Lessor to the end and intent that the obligations hereunder written shall continue throughout the term of this Lease hereby agrees with the Lessee as follows:-

i) That upon the Lessee paying the monthly rent in the manner mentioned hereinabove and on the Lessee observing and performing the terms, conditions, covenants and stipulations on its part hereinbefore contained, the Lessee shall be entitled to use the said premises during the term of this Lease without any hindrance by the Lessor or any person or persons lawfully or equitably claiming by, through, from, under or in trust for the Lessor.

ii) That the Lessor hereby represents, warrants and assures the Lessee that the Lessor has good and valid title to the said premises and power and authority to grant this Lease to the Lessee and to arrive at all suitable arrangements in respect of the said premises or pertaining thereto with the Lessee.

iii) That the Lessor shall pay all charges including ground lease rent, municipal rates and taxes and all other charges and outgoings in respect of the said premises. In the event of the failure of the Lessor to pay such charges if the Lessee is required to bear the same to protect its interest the Lessee shall be entitled to recover such charges with interest thereon @ 24% per annum from the Lessor by deducting the same from the monthly rent without any notice to the Lessor.

iv) That the Lessor shall permit the Lessee to install or fix air-conditioners, sun blinders, electrical switches and installations, lights, fans, carpets, curtains, partitions, cabins, computers, word processors, faxes, telephones, office equipment vault/strong room, security systems and other similar non-permanent fittings and fixtures in the said premises for the better use of the said premises by the Lessee without any extra rent or compensation.

v) That the Lessee shall be entitled to carry out any addition /alteration in the said premises such as strong room, toilets etc. at their own expenses and without any additional rent or compensation.

vi) The Lessee shall have the right to put up V-SAT antenna, Router or related technological aids or any kind of signboards (including glow/neon sign), or any other appropriate signage inside/outside of the said premises. The Lessee shall also be entitled to install 2 V-SAT Dish Antennas on the terrace of the premises, not more than 12 feet x 12 feet on the location allotted by the Lessor, without any extra cost payable to the Lessor, subject to the rules of the Govt. or local law, if any. The Lessee alone shall be responsible for obtaining all such approvals and NOCs as may be required to be obtained from any authority for the installation of Dish Antenna. The Lessor shall at no additional cost or charge permit the Lessee to install the Dish Antenna for use by the Lessee after obtaining necessary permission of the owner of the building or the Society. The Lessor will extend all required co-operation for procuring such licences and permissions.

vii) The Lessee shall have the right to install an Automated Teller Machine (ATM) at any point in the said premises convenient to the Bank so that it may be accessed by the Bank's customers from outside or such other convenient place, subject to the society rules, 24 hours a day on all the days of the year. Any cost levied by any Statutory Authority for this purpose shall be borne by the Lessee.

viii) The Lessor shall allow the Lessee to dig up 2/3 earthing pits for the purpose of installing/laying Lease lines in connection with V-SAT, etc. The space so dug up shall be restored to the original condition or as near thereto as possible upon the completion of the job.

ix) The Leakage/Seepages existing/occurring in the said premises shall be repaired by the Lessor or at its own cost within 7 days, to the satisfaction of the Lessee.

x) That the Lessor shall not transfer or otherwise dispose of the said premises or its interest therein so as to cause any breach of or adversely affect the rights of the Lessee under this Lease and in the event of such transfer or disposal the Lessor hereby agrees and undertakes to obtain confirmation from the proposed transferee recognizing the Lessee as the Lessee of the said premises on the terms and conditions contained in this Lease Deed. This sub-clause shall ensure for the benefit of the Lessee during the period of this lease or any renewal thereof.

xi) That the Lessor shall indemnify and keep indemnified the Lessee of, from and against all actions suits proceedings, costs, charges, expenses and other liabilities brought against, suffered or incurred by the Licensee by reason or any breach, non-performance or non-observance by the Lessor of any of its obligations in respect of the said premises.

7. It is hereby agreed and between the parties hereto that in the event of the non-payment of the monthly rent for a continuous period of three (3) months under this Lease Deed, it shall be lawful for the Lessor anytime thereafter to terminate this agreement and to call upon the Lessee to return vacant and peaceful charge of the said premises to the Lessor, SUBJECT HOWEVER to the Lessor having given to the Lessee sixty (60) days prior written notice to pay such amount and in spite of such notice the Lessee having failed to pay such amount.

8. Notwithstanding anything stated in clause (7) above, the Lessee hereto may terminate this Lease by serving on Lessor not less than six months notice without assigning any reason.

9. It is hereby agreed by and between the parties hereto that:

(a) The Lessor shall, at no additional cost or charge, permit the Lessee to affix its name plate or sign board in the main entrance of the building and outside the said premises in the staircase/lobby of the building.

(b) The Lessor shall, at no additional cost or charge permit the Lessee to install Dish Antenna on the terrace of the building of the said premises for use by the Lessee, after obtaining necessary permission of the owner of the building or the society.

(c) If by fire, tempest or flood or violence of any army or of a mob or other irresistible force or for any other reason whatsoever any material part of the said premises is wholly destroyed or rendered substantially and permanently unfit for use of the Lessee, the Lessor shall carry out necessary repairs to the said premises at the cost of the Lessor so as to make and put in the said premises in the same condition in which it was granted to the Lessee. If the Lessor neglects to make any such repairs within a reasonable time after notice, the lessee may, at its option, make the same themselves and deduct the expenses of such repairs with interest from the monthly rent payable to the Lessor or otherwise recover it from the Lessor.

10. During the subsistence of this Lease, the Lessee shall deposit and keep deposited with the Lessor a security Deposit, free of interest (hereinafter called the "said security Deposit), for due compliance by the Lessee of the terms and conditions hereof and for fulfilment of the Lessee's obligations hereunder. The said Security Deposit shall be equivalent to _____ month's monthly rent. The said Security Deposit shall be refunded by the Lessor to the Lessee simultaneously with the handing back of the vacant and peaceful occupation of the said premises by the Lessee to the Lessor upon expiry of the lease either by efflux of time or on its sooner determination under the provisions hereof. In accordance with the above, the Lessee has paid to the Lessor the sum of Rs. _____ /- (Rupees _____) as Security Deposit, the receipt whereof the Lessor do hereby admit and acknowledge.

11. If upon the failure of the Lessor to refund the said Security Deposit to the Lessee in terms of this Lease Deed, the Lessee, without prejudice to the other rights and remedies available to the Lessee, shall not be bound to vacate the said premises or to hand over occupation thereof to the Lessor and the Lessee shall be entitled to continue to use the said premises without any payment or without liable to pay monthly rent reserved hereunder to the Lessor until such time the Lessor refund to the Lessee the said Security Deposit with payment of interest @ 24% per annum on the said Security Deposit from its due date until refund. Against refund of the said Security Deposit together with interest thereon, the Lessee shall cease to use the said premises and shall vacate the said premises and hand over charge thereof to the Lessor.

12. Any notice to the either parties shall be deemed sufficiently given if posted by Registered Post Acknowledgement Due or delivered by hand to the respective address of the Lessor and the Lessee stated in the title of this Lease Deed.

13. If during the subsistence of this Lease or at any time thereafter any claims, differences, disputes or questions may arise between the parties hereto or any of their representatives concerning this Lease or the transaction hereunder or anything herein contained or the rights, liabilities or obligations of the Lessee to vacate the said premises on the terms hereby granted, such dispute, difference or question shall be referred to the arbitration of one Arbitrator. If the parties cannot agree upon a single arbitrator, there shall be three arbitrators, one appointed by each party and a third selected by the two arbitrators so appointed. The arbitration shall be governed by the law in force in India at the relevant time relating to arbitrations. The arbitration proceedings will be held and conducted in _____ and the decision of the arbitrators shall be final and binding upon the parties.

14. The stamp duty and registration charges, if any, in respect of this Lease Deed and any other documents in connection with this transaction shall be borne and paid by the Lessor.

SCHEDULE

IN WITNESS WHEREOF the parties hereto have executed these presents (in duplicate) on the day and year first hereinabove written.

SIGNED SEALED AND DELIVERED by)

the within named Lessor _____)

by the hand of its _____)

Mr. _____)

in the presence of)

SIGNED SEALED AND DELIVERED)

by the within named Lessee)

_____ Bank Ltd.)

by the hands of its _____)

Mr. _____)

in the presence of)

12.2.5.

LEASE OF FURNISHED HOUSE FOR RESIDENTIAL PURPOSE

THIS LEASE made at the day of, 20..., between, son of resident of (hereinafter called 'the **LANDLORD**') of the ONE PART and, son of resident of (hereinafter called 'the **TENANT**') of the OTHER PART.

WHEREAS the Landlord is absolutely seized and possessed of or otherwise well and sufficiently entitled to the furnished dwelling house described in the Schedule hereunder written.

AND WHEREAS at the request of the tenant, the Landlord has agreed to let the said furnished dwelling house to the tenant for a term of years in the manner hereinafter appearing.

NOW THIS DEED WITNESSETH AS FOLLOWS:

1. In pursuance of the said agreement and in consideration of the rent hereby reserved and of the terms and conditions, covenants and agreements herein contained and on the part of the tenant to be observed and performed, the Landlord doth hereby demise unto the tenant all that the furnished dwelling house bearing Municipal No..... Road, City, described in the First Schedule hereunder written with fixtures, fittings and appurtenances TOGETHER WITH the furniture and effects mentioned in Second Schedule, TO HOLD the same unto the tenant for a term of years commencing from the 1st day of, 20..., but subject to the earlier determination of this demise as hereinafter provided and paying therefor during the said term the monthly rent of Rs. free and clear of all deductions in advance on or before 5th day of each and every calendar month, the first of such monthly rent shall be paid on the 5th day of and the subsequent to be paid on or before the 5th day of every succeeding month regularly.

2. The lessee hereby for himself, his heirs, executors, covenants administrators and assigns, agrees to the following covenants:

(a) To pay the rent on the days and in the manner as aforesaid;

- (b) To pay all rates, taxes, assessments, cess and outgoings whatsoever now or hereafter imposed or charged or payable to the State of Municipal Corporation local or any other authority, upon the said dwelling house or any part thereof;
- (c) To repair and keep the interior of the dwelling house, fixture, fittings, sanitary and water apparatuses therein in tenantable condition throughout the term;
- (d) To keep the furniture clean and in good repair order and preservation and to make good the damages thereto;
- (e) To allow the landlord and his agents at all reasonable times to enter upon and examine the condition of the dwelling house and the furniture;
- (f) If the landlord finds that any repair is necessary to the dwelling house and/or furniture, he shall serve upon the tenant a notice in writing to carry out the repairs in the dwelling house or furniture and the tenant shall carry out the repairs within one month after the service of such a notice;
- (g) To insure the dwelling house and furniture against loss or damage by fire with an insurance company approved in writing by lessor for an amount which shall not be less than Rs. unless otherwise agreed to in writing between the parties;
- (h) Not to underlet, assign or part with the possession of the dwelling house and furniture or any part thereof;
- (i) To use the dwelling house for the purpose of private residence only;
- (j) To replace all broken fittings, fixtures, sanitary and water apparatuses by equally good or better substitutes;
- (k) To keep and maintain the premises clean, tidy, healthy, wind and watertight in all seasons;

(l) To permit the Landlord during the one month immediately preceding the determination of the term to affix a notice for re-letting the same and to permit during the said one month the dwelling house and the furniture to be viewed at any reasonable times by any prospective tenants;

(m) On the expiration or earlier determination of the lease to deliver peaceful and vacant possession of the dwelling house and furniture in its entirety together with all improvements, if any done thereto without any claim for compensation on that account.

3. The Lessor hereby agrees to the following covenants:

(a) The tenant paying the rents and observing and performing the conditions and covenants herein contained, shall quietly and peaceably hold, possess and enjoy the said dwelling house during the said term without any interruption and disturbance by the Landlord or any person claiming under or in trust for him.

(b) To keep all the external parts of the dwelling house in tenantable repair.

4. It is hereby agreed between the parties as follows:

(a) If the monthly rent or any part thereof payable in the manner hereinbefore mentioned shall be in arrears for a period of three months or if any of the covenants and stipulations herein contained and on the part of the tenant to be observed and performed shall not be so observed and performed by the tenant, then in such event the Landlord or any person or persons duly authorised by him in that behalf at any time may terminate the tenancy and may enter into and upon the dwelling house provided that the tenancy shall not be terminated and no re-entry shall be made under the foregoing power, unless and until the Landlord shall have given to the tenant a notice in writing specifying the arrears of rent which is required to be paid or specifying the covenants and conditions or stipulations which require to be complied with or carried out and the tenant has failed to pay the arrears of rent or comply with or carry out the same within one month from the date of the receipt of such notice.

(b) If at any time the dwelling house or the furniture or any part thereof shall be rendered unfit for occupation or use by reason of any damage; not due to default of the tenant, the landlord shall reinstate the same at his own expenses and with all convenient speed.

5. Until the Landlord and the tenant shall otherwise advise each other in writing, their addresses for service of all notices and other communications shall be as under:

(a) For the Landlord:

(b) For the Tenant:

6. This Lease Deed shall be executed in duplicate. The original shall be retained by the Landlord and the duplicate by the tenant.

7. The stamp duty and all other expenses in respect of this Lease Deed and duplicate thereof shall be borne and paid by the tenant.

IN WITNESS WHEREOF, the Landlord and the tenant have put their respective hands on the original and duplicate thereof the day, month and year first hereinabove written.

The First Schedule above referred to

(Description of the dwelling house)

The Second Schedule above referred to

(List of furniture and effects)

Signed and delivered by the within named Landlord

Signed and delivered by the within named Tenant

WITNESSES;

1.

2

12.2.6.

DEED OF SURRENDER OF LEASE

THIS DEED of Surrender is made at the..... day of, 20__,
BETWEEN, son of resident of (hereinafter called "The
LESSEE") of the ONE PART and, son of resident of
(hereinafter called "The **LESSOR**") of the OTHER PART.

WHEREAS by a Deed of Lease made at on day of, between
the Lessor of the ONE PART and the Lessee of the OTHER PART (which lease deed has been
registered with the Sub-Registrar of at on the th day of,
as Document No. in Book No. Volume No. at pages
No..... to and is hereinafter called the Lease Deed), the Lessor demised unto
the Lessee the land and premises described in the Schedule to the said Lease Deed (being the
same as described in the Schedule hereunder written), hereinafter called the "demised premises"
for a period of years commencing from at a monthly rent of Rs.
on the terms and conditions as set out in the said Lease Deed.

AND WHEREAS the lessor proposes to develop the demised premises by constructing buildings thereon consisting of flats and then to sell the said flats to the prospective flat purchasers on ownership basis and has requested the Lessee to surrender the demised premises, which the lessee has agreed to do so in the manner hereinafter appearing.

NOW THIS DEED WITNESSETH THAT in pursuance of the said agreement and in consideration of the sum of Rs. (Rupees), (the receipt whereof the Lessee hereby acknowledges), the Lessee as beneficial owner hereby surrender and assign and quit claim to the demised premises demised by the said Lease Deed unto and to the use of the Lessor TO HOLD the demised premises unto the Lessor for all the unexpired lease term and interest created by the said lease deed TO the intent that the same terms and interests may merge and be extinguished in the reversion which was immediately expectant thereon before the execution of this deed AND THE LESSEE hereby covenants and declares that he has not done any Covenants act, deed or thing whereby or by means whereof he is in any way prevented from surrendering the demised premises from the said lease.

IN WITNESS WHEREOF, the parties have hereunto set and subscribed their respective hands the day and year first hereinabove written.

Schedule

Signed and delivered by the within named lessee

Signed and delivered by the within named lessor

WITNESSES:

1.

2.

Received from the Lessor a sum of Rs..... (Rupees
..... only) being the full consideration payable to me under these
presents.

I say received.

(.....)

Lessee

WITNESSES;

1.

2.

12.3. LEAVE AND LICENCE

There are two ways in which one can rent out property: either execute a lease deed or make out a leave-and-licence agreement.

From the legal point of view, while a lease agreement is the safest for tenants, landlords prefer a leave-and-licence agreement. This is because a licence does not create any interest in the property for the licensee. The licensee merely gets the right to enter, occupy and use the premises. Technically, the right to occupy premises under a lease agreement is governed by the provisions of section 105 of the Transfer of Property Act, whereas the right to occupy licensed premises is governed by section 52 of the Indian Easement Act.

The Transfer of Property Act creates an interest in the property for the lessee for the duration of the lease. This enhances a lessee's chances of holding on to the property even after the expiry of the lease term. On the other hand, the Indian Easement Act creates no titles or interest for the licensee. The licensee merely gets the right to enter and use the premises for a limited period without acquiring any interest in it for even the duration of the licence agreement. The licence can be terminated at will at the discretion of the licensor.

A Licence is defined under Sec.52 of the Indian Easements Act, 1882, which reads as under: "Where one person grants to another, or to a definite number of other persons, right to do, or continue to do, in or upon the immovable property of the grantor, something which would, in the absence of such right be unlawful and such right does not amount to an easement or an interest in property, the right is called Licence".

The essential distinction between a Lease and a Licence is that in a Lease, there is transfer of interest in the property while in the case of licence, there is no such transfer although the licensee acquires only a personal right to occupy the property. This principle has been confirmed by

number of High Courts and Supreme Court judgments (AIR 1968 S.C. 175 (178), AIR 1989 S.C. 1816 (1990), Second Law Report 381, etc.).

Licence is a grant of a right to do something upon an immovable without creating interest in the property. It is therefore, distinguishable from an allied grant such as a lease or an easement. Both lease and easement create an interest in the property. Licence is only a permission to do something on an immovable property like occupation, or enjoying fruit thereof, or using it for some other purpose.

A licence is notionally created where a person is granted the right to use the premises without becoming entitled to the exclusive possession of them or the circumstances and conduct of the parties show that all that was intended was that the grantee should be granted a personal privilege with no legal interest.

If the agreement is merely for the use of the property in a certain way and on certain terms while the property remains in the owner's possession and control. A licence is a personal right given to the licensee and, therefore, Section 56 of the Easements Act, 1882 provides that licence cannot be transferred by the licensee or exercised by his servants and agents.

In the matter of *Chandulal v/s Delhi Municipal Corporation*, the Full Bench of the Delhi High Court in a Judgement reported in AIR 1978 Delhi Page 174 has inter alia held that:

"A lease is not a mere contract but envisages and transfers an interest in the demised property creating a right in favour of the lessee in rem. A licence only makes an action lawful which without it would be unlawful but does not transfer any interest in favour of the licensee in respect of the property.

In the case of a licence there is something less than a right to enjoy the property in the licensee,; it cannot be exercised by servants and agents and is terminable while on the other hand, in the case of a lease, there is a transfer of a right to enjoy the property or in other words the lessee is entitled to enjoy the property. A bare licensee having no interest in the property but is only a personal privilege to the licensee. After the termination of the licence, the licensor is entitled to deal with the property as he likes. The right he gets as an owner in possession of his property. He

need not secure a degree of the Court to obtain this right. He is entitled to resist in defence of his property the attempts of a trespasser to come upon his property by exerting the necessary and reasonable force to expel a trespasser.

If however, the licensor uses excessive force, he may make himself liable to be punished under a prosecution, but he will infringe no right of the licensee. No doubt a person in exclusive possession of the property is prima facie to be considered to be a tenant; nevertheless he would not be held to be so if the circumstances negative any intention to create a tenancy.”

LEAVE AND LICENCE AGREEMENT

THIS AGREEMENT OF LEAVE AND LICENCE made at ----- this _____ day of Two thousand ----- BETWEEN: _____ of -----, hereinafter called "the Licensors" (which expression shall unless it be repugnant to the context or meaning thereof mean and include her respective heirs executors and administrators) of the One Part .

AND

_____, a company incorporated and registered under the laws prevailing in India and having its Registered Office at _____ hereinafter called "the Licensee" (which expression shall unless it be repugnant to the context or meaning thereof mean and include its successors in title and assigns) of the Other Part :

WHEREAS the Licensors are the sole directors of the company _____ which owns the office at _____

AND WHEREAS the Licensors are thus the absolute owners of the said office and accordingly absolutely entitled to use, occupy, possess and enjoy the said premises: AND WHEREAS the Licensee has approached the Licensors and has requested the Licensors to let out to it, the Licensee, the said premises on leave and licence basis, which the Licensors have agreed to do on certain terms and conditions mutually agreed upon by and between them : AND WHEREAS the parties hereto are desirous of recording the said terms and conditions :

NOW THIS AGREEMENT TO LEAVE AND LICENCE WITNESSETH AND IT IS HEREBY AGREED BY AND THE PARTIES HERETO as under: -

1. The Licensors shall grant unto the Licensee and the Licensee hereby accepts from the Licensors a licence to use and occupy the office premises bearing No. ____ on the ____ floor of the building known as _____, save and except one cabin in the said premises (hereinafter called "the licensed premises") situate lying and being at _____ road) Mumbai on leave and license basis.

2. The duration of the licence hereby granted shall be for a period of two years only commencing from the date the Licensors puts the Licensee in possession of the licensed premises.

3. In consideration of the Licensors permitting the Licensee to use and occupy the licensed premises on leave and licence basis, the Licensee shall pay to the Licensors a sum of Rs. _____ /- (Rupees _____ only) per month as and by way of licence fee and/or compensation for the use and enjoyment of the licensed premises for the said period of two years. However, the Licensee shall pay to the Licensors the licence fee and/or compensation for the entire period of the licence amounting to Rs. _____ in advance simultaneously with the execution of this Agreement. The said licence fee shall be deemed to be standard licence fee or compensation payable in respect of the said premises. If the Licensee challenges the said licence fee payable in respect to the said premises as not being standard licence fee or compensation before any Court of or Forum, then and in that event, this Agreement shall come to an end and the Licensee shall forthwith quit, vacate and hand over quiet, vacant and peaceful possession of the said premises.

4. In addition to the aforesaid payment of the said sum of Rs. _____ (Rupees _____ only) per month, the Licensee shall also be bound and liable to pay directly electricity charges for the electricity consumed in the licensed premises as per the separate meter installed for the purpose.

5. The Licensee hereby covenants with the Licensors as under:
a) To pay to the Licensors the licence fee and/or compensation payable under this Agreement at the time and in the manner provided hereinabove without any deduction and without challenging

the same in any court of law or forum as not being standard licence fee and/or compensation payable in respect of the licensed premises;

b) To bear and pay electricity charges for the electricity consumed in the licensed premises;

c) All telephone and fax and other charges are actually used by the Licensee and bills are received from -----.

d) To use the licensed premises for the purpose of office purpose only and for no other purpose;

e) To keep the licensed premises in good and tenantable order and condition (reasonable wear and tear excepted):

f) To hand over to the Licensors the possession of the said premises in the same order and condition as it was when the Licensee is put in possession of the Licensed premises but subject to what is stated hereinafter;

g) Not to hold the Licensors responsible for or liable for any loss or damage suffered by the Licensee on account of any theft, fire or other destruction caused to or in the said premises or to any property brought by the Licensee in the said premises or by any act or omission on the part of the occupants of the other premises or to their servants or agents or visitors;

h) Not to sub-let or give on leave and licence basis or on any other basis the said premises or any part portion thereof nor the Licensee permit any one to use and occupy the said premises or any part or portion thereof;

i) Not to damage in any way the walls, partition, walls, flooring and ceiling of the said premises or any of the Licensors fixtures, fittings and articles installed lying and being in the said premises and to keep the same in good order and condition (reasonable wear and tear and loss or damage by fire, accident, irresistible force or act of God excepted);

j) Not to paint, affix or exhibit any name, sign, symbol or graph or writing or anything upon or outside the said premises save and except that the Licensee an it shall be at liberty to put the

name board or name plate of itself on the outer wall of the said premises to indicate the location and address of the Licensee;

k) The Licensee shall not carry out any work of structural alteration in or about the said premises or any portion thereof.

i) To make good to the Licensors any loss or damage that may be caused to the said premises or any other fittings, fixtures, articles or property of the Licensors therein as a result of negligence on the part of the Licensee, its servants employees agents customers visitors and/or other persons calling at the said premises in connection with the business of the Licensee or otherwise howsoever and such loss or damage shall be ascertained by the Licensors and be binding on the Licensee;

m) Not to do or permit to be done upon the said premises anything which may be or become a nuisance to the Licensors or other occupants of the said building " _____ " or any of the neighboring building;

n) Not to bring in or to store in the said premises any combustible materials or otherwise dangerous things that may imperil the safety of the building or may increase the premium of insurance of the building or vnder void the insurance;

o) To perform and observe strictly the provisions hereof and also the provisions of law of the country for the time being and from time to time in force and also the rules and regulations any bye-laws of the society and/or the terms laid down by the builder and which may for the time being and from time to time be in force;

p) The Licensee shall be in possession of the licensed premises except one cabin and the juridical possession shall remain with the Licensors;

q) To indemnify the Licensors against any loss or damage that may be suffered as a result of breach of any of the provisions herein contained or otherwise due to any act or conduct of the Licensee its staff, employees, servants and agents to the said premises.

r) To remove itself from the said premises and all its staff and employees and all its belongings and to restore the said premises to its original condition (reasonable wear and tear and loss or damage by fire, accident, irresistible force or act of God excepted) Provided However that if the Licensee has carried out any additions and alternations to the said premises which are of a permanent or semi-permanent nature or if the Licensee has brought and installed any furniture fixtures and fittings in the said premises, the Licensee shall and at the time of the determination or earlier termination of the licence hereby granted remove the same from the said premises.

6. The Licensors hereby covenants with the Licensee as follows:-

a) To observe and perform all the terms and conditions and stipulations of all documents under which the Licensors derive title to the office premises ;

b) To permit the Licensee to use and occupy the licensed premises without any hindrance or obstruction of any nature whatsoever as long as the Licensee pays the licence fee and or compensation as hereinabove provided and observes and performs all the terms, conditions and covenants contained;

c) To permit the Licensee to install further furniture and fixtures in the licensed premises in order to suit to its purpose;

d) To permit the Licensee to carry out all the requisite repairs to the licensed premises provided however that the Licensee obtains the consent in writing from the Licensors;

e) To comply with the conditions laid down by the owners and to indemnify the Licensee and keep the Licensee indemnified from and against any breach;

f) Not to create charge mortgage or encumbrance in respect of the said premises or any part of portion thereof;

g) Not to sell, transfer or assign the Licensors' ownership rights in respect of the licensed premises to any person or party so as to adversely affect the rights of the Licensee to the licensed premises and the Licensee's right to purchase the licensed premises as hereinafter provided.

h) To insure and keep insured the said premises except in case where the insurance has been taken out by the society;

7. If at any time during the said term the said premises are damaged or destroyed by fire, storm, flood, tempest, earthquake, enemies, war, riot, civil commotion or any other irresistible force, act beyond the control of the Licensee or act of God so as to make the same unfit for use, occupation as office, then in that event the Licence hereby created shall forthwith stand terminated and the Licensors shall refund to the Licensee the advance rent paid by the Licensee to the Licensors for the unexpired period of the licence.

8. On expiry or sooner determination of this Licence, the Licensee shall remove its employees and servants and all its belongings, chattels, articles and things from the said premises and shall not claim any alternate accommodation and shall hand over vacant possession of the premises to the Licensors.

9. The Licensee shall permit the Licensors and their agents at all times to enter upon the said premises in order to view, survey and examine the state and condition of the said premises.

10. It is the express intention of the parties hereto that the Agreement shall be a mere Licence, the use and occupation by the Licensee being restricted for the purpose of using the said premises on the terms and conditions contained in the licence.

11. It is hereby agreed by and between the parties hereto that in case if any of the terms and conditions herein contained shall not be observed or performed, then in that event, the Licensors shall give notice in writing to the Licensee calling upon the Licensee to rectify and/or remedy the breach and in case if the Licensee fails to remedy the breach within a period of four weeks from the date of the receipt of the notice in writing in that behalf from the Licensors, then in that event, the Licensors shall be entitled to terminate this Agreement and enter upon the licensed premises and take possession of the licensed premises. Provided further that before taking possession of the licensed premises if the licensee remedies the breach, then in that event, the Licensors, shall not be entitled to invoke the power given under this Agreement and take possession of the licensed premises.

12. In the event of the Licensee failing to hand over to the Licensors possession of the licensed premises on the expiry or sooner determination of the licence hereby granted as hereinabove provided and continues to remain in occupation and possession of the licensed premises, then in that event, notwithstanding the right conferred upon the Licensors, the Licensors shall take such steps as may be advised to take physical possession of the licensed premises. The Licensors shall also be entitled to charge the Licensee compensation for the use and occupation of the licensed premises at the rate of Rs. _____ per day, which the Licensee agrees and undertakes to pay.

13. The Licensors hereby represent and declare that;

- a) The Licensors are absolutely entitled to the licensed premises;
- b) The Licensors have not created any charge or encumbrance of whatsoever nature on the said licensed premises nor have they created any tenancy or leave and licence or any right in favour of any one in respect of the licensed premises nor shall they create or purport to create any such charge or encumbrance hereafter;
- c) The Licensors have not entered into any Agreement for sale of the licensed premises in favour of any person or party;
- d) The Licensors has not committed breach of any of the rules regulations.

14. Any notice required to be given hereunder shall be sufficiently served on the Licensors, if forwarded by Registered Post Acknowledgement Due to the Licensors aforementioned address and on the Licensee if forwarded by Registered Post Acknowledgement Due to the Licensee's aforementioned Office in ----- and notice sent by post as aforesaid shall be deemed to be given at the time when in due course of post it would be delivered at the address to which it is sent.

IN WITNESS WHEREOF the parties hereto have hereunto set and subscribed their respective hands and seals the day and year first hereinabove written.

SIGNED SEALED AND DELIVERED)

by the within named Licensors _____)

in the presence of .. _____)

SIGNED SEALED AND DELIVERED)

by the within named Licensee _____)

_____)

by the hand of its duly authorised representative)

MR. _____)

in the presence of .. _____)

12.4. MORTGAGE

Mortgage is a transfer of an interest in a specific immovable property for the purpose of securing the payment of money advanced or to be advanced by way of loan, an existing or future debt or the performance of an agreement, which may give rise to a pecuniary liability. The person borrowing and transferring his interest in an immovable property to the lender is the mortgagor. The lender is the mortgagee. The funds lent against which the property is used as security is the mortgage money. The instrument by which the transfer is effected is called a mortgage-deed.

Types of mortgages

1) Simple Mortgage

Without delivering possession of the mortgaged property, the mortgagor binds himself personally to pay the mortgage-money, and agrees, expressly or impliedly, that in the event of

his failing to pay according to his contract, the Mortgagee shall have a right to cause the mortgaged property to be sold for satisfaction of the mortgaged debt.

2) Conditional Mortgage

The mortgagor presumably sells the mortgaged property on condition that on default of payment of mortgage money on a certain date, the sale shall become absolute or on condition that on such payment being made the sale shall become void or on condition that on such payment being made the buyer shall transfer the property to the seller.

3) Usufructuary Mortgage

The mortgagor delivers possession or expressly or by implication binds himself to deliver possession of the mortgaged property to the mortgagee and authorizes him to retain such possession until payment of the mortgage-money. The mortgagee is allowed to receive the rents and profits accruing from the property or any part of such rents and profits and to appropriate the same in lieu of interest or in payment of the mortgage money, or partly in lieu of interest or partly in payment of the mortgage money.

4) English Mortgage

The mortgagor binds himself to repay the mortgage-money on a certain date, and transfers the mortgaged property absolutely to the mortgagee, but subject to a provision that he will re-transfer it to the mortgager upon payment of the mortgage-money as agreed.

5) Mortgage by deposit of Title deeds or Equitable Mortgage

A person delivers to a creditor or his agent documents of title to immovable property with intent to create a security thereon. It can be conducted in a town where the state government concerned may, by notification in the Official Gazette, specify in this behalf.

6) Anomalous Mortgage

A mortgage, which is not any of the above, is called an anomalous mortgage.

Transfer of Mortgage

The mortgagor may direct the mortgagee to transfer the property, which he is in possession of, to a third party after all the dues have been paid off. The document to be executed for this is called transfer of mortgage in which the mortgagee is called the transferor and the third party is the transferee.

Situations when the mortgagee can exercise the right to sell the property

A mortgagee can exercise his power to sell or concur in selling the mortgaged property, in default of payment of the mortgage-money without the intervention of the court in the following cases:

- Where the mortgage is an English mortgage, and neither the mortgagor nor the mortgagee is a Hindu, Mohammedan or Buddhist or a member of any other race, sect, tribe or class from time to time specified in this behalf by the state government in the official gazette.
- Where a power of sale without the intervention of the court is expressly conferred on the mortgagee by the mortgage deed and the mortgagee is the government.
- Where a power of sale without the intervention of the court is expressly conferred upon the mortgagee by the mortgage deed and the mortgaged property is situated within the town which the State Government may, by notification in the official Gazette, specify on this behalf.

Important clauses in the Agreement for Mortgage

- The Agreement for Mortgage generally provides for payment of compound interest with monthly, quarterly or half yearly rests or otherwise. The interest rate is capped by the maximum rate chargeable.
- It also provides that the mortgagor will make out a marketable title to the property to the satisfaction of the mortgagee's solicitors or advocates.
- Tenure of the land should be checked up and mentioned, to find out whether the tenure is onerous or not.

- Provision should be made for payment of the amount due in the event in the mortgagor failing to pay interest amounting to more than Rs.500/- which remains in arrears for three months.

12.4.1.

SIMPLE MORTGAGE DEED

This Deed of Mortgage made at this day of Between, son of resident of hereinafter called as a MORTGAGOR of the ONE PART and, son of resident of hereinafter called as a MORTGAGEE of the OTHER PART.

WHEREAS the mortgagor is absolutely seized and possessed of or otherwise well and sufficiently entitled to the house bearing municipal no..... situated on Road, more particularly described in the Schedule hereunder written;

AND WHEREAS the mortgagor has requested the mortgagee to lend him a sum of Rs. which the mortgagee has agreed on the mortgagor mortgaging his property.

NOW THIS DEED WITNESSETH THAT in pursuance to the said agreement and in consideration of the sum of Rs. at or before the execution of these presents paid by the mortgagee to the mortgagor (the receipt whereof, the mortgagor doth hereby admit and acknowledge and of and from the same hereby release and discharge the mortgagee), the mortgagor hereby covenants with the mortgagee that he will pay on the day of (hereinafter called "the said date"), the said sum of Rs. with interest @ % per annum from the date of these presents till the repayment of the said sum in full, every quarter the first installment of interest to be paid on the day of 2000 and each subsequent installment on the day of July, October, January and April of each succeeding year until the said sum is repaid in full.

AND THIS DEED FURTHER WITNESSETH THAT

In consideration aforesaid, the mortgagor doth hereby transfer by way of mortgage his house bearing municipal no situated on and more particularly described in the Schedule hereunder written as a security for repayment of the said sum with interest @ per annum with the condition that the mortgagor, his heirs, executors, administrators or assigns shall on the said day pay to the mortgagee, his heirs, executors, administrators or assigns the said sum of Rs together with interest thereon at the rate mentioned above, the said mortgagee, his heirs, executors, administrators, or assigns shall at any time thereafter upon the request and at the cost of the mortgagor, his heirs, executors, administrators or assigns reconvey the said house, hereinbefore expressed to be mortgaged unto or to the use of the mortgagor, his heirs, executors, administrators or assigns or as he or they shall direct.

AND IT IS HEREBY AGREED AND DECLARED that if the mortgagor does not pay the said mortgage amount with interest when shall become due and payable under these presents, the mortgagee shall be entitled to sell the said house through any competent court and to realise and receive the said mortgage amount and interest, out of the sale proceeds of the house.

AND IT IS FURTHER AGREED AND DECLARED by the mortgagor that during the period, the mortgage amount is not paid and the said house remains as a security for the mortgage amount, the mortgagor shall insure the said house and take out an insurance policy in the joint names of the mortgagor and mortgagee and continue the said policy in full force and effect by paying premium and in case of default by the mortgagor to insure or to keep the insurance policy in full force and effect, the mortgagee can insure the said house and the premium paid by the mortgagee will be added to the mortgage amount, if not paid by the mortgagor on demand.

AND IT IS FURTHER AGREED THAT the mortgagor can grant lease of the said house with the consent of the mortgagee in writing.

AND IT IS FURTHER AGREED BY THE MORTGAGOR that he shall bear stamp duty, registration charges and other out of pocket expenses for the execution and registration of this deed and reconveyance deed but however each party will bear cost and professional charges of his Solicitor/Advocate.

IN WITNESS WHEREOF the parties have put their hands the day and year first hereunder written.

The Schedule above referred to

Signed and delivered by X the within named mortgagor

Signed and delivered by Y the within named mortgagee

WITNESSES;

1.

2.

12.4.2.

DEED OF MORTGAGE BY CONDITIONAL SALE

THIS DEED OF Sale made at this day of between residing at hereinafter referred to as the **VENDOR**, of the One Part, and

..... residing at hereinafter referred to as the **PURCHASER** of the Other Part.

WHEREAS the Vendor is seized and possessed of or otherwise well or sufficiently entitled to the land and premises situated at and more particularly described in the Schedule hereunder written.

AND WHEREAS the Vendor is in need of money and has requested the Purchaser to advance to him a sum of Rs..... which the Purchaser has agreed to do on the Vendor agreeing to execute this deed of sale in favour of the Purchaser in respect of the said property in the manner following.

NOW THIS DEED WITNESSETH THAT

1. Pursuant to the said agreement and in consideration of the said sum of Rs paid by the Purchaser to the Vendor on the execution of these presents (receipt whereof the Vendor doth hereby admit), he the Vendor doth hereby grant and convey unto the Purchaser all the said piece of land with building thereon and situated at and more particularly described in the Schedule hereunder written together with all things permanently attached thereto or standing thereon and all the liberties, easements, profits, privileges, rights and appurtenances whatsoever to the said piece of land and premises belonging or in anywise appertaining to or with the same or any part thereof and now or at any time hereafter usually held, used, occupied or enjoyed or reputed as part or member thereof or be appurtenant thereto And all the estate, right, title. claim and demand of the Vendor into and upon the said land and other the premises hereby granted TO HOLD the same unto and to the use of Purchaser subject to what is hereafter provided and subject to the payment of rates, taxes, assessments, dues and duties now chargeable upon the same or which may hereafter become payable in respect thereof to the Government or the Municipal Corporation or any other local authority.

2. And it is hereby agreed and declared that if the Vendor shall at any time hereafter repay to the Purchaser the said sum of Rs within a period of .. . years that is on or before the day of the grant and transfer of the said property as hereinbefore provided shall become void and in

that event the Purchaser shall retransfer the said property to the Vendor or his heirs executors, administrators or assigns by executing a document of re-sale.

3. Provided however and it is agreed that, if the Vendor or his heirs, executors, administrators or assigns shall fail to repay the said amount of Rs. ... within the said period then the grant and transfer of the said property to the Purchaser hereby made shall become absolute in favour, of the Purchaser his heirs, executors, administrators or assigns.

4. And the Vendor doth hereby covenants with the Purchaser that –

(a) The Vendor has good right and full power to grant the said land and building hereby granted or expressed so to be and every part thereof unto and to the use of the Purchaser in manner aforesaid.

(b) That the Purchaser shall quietly possess and enjoy the said property and receive the rents, Income and profits thereof without any lawful interruption or disturbance whatsoever by the Vendor or any person or persons lawfully claiming under from or through him and shall be at liberty to pay there out the Govt. revenue and all other charges of a public nature and all rents if any accruing due in respect of the said premises during such possession and any arrears of rent in default of payment of which the said land and premises may be summarily sold and all expenses incurred for the management of the said premises and the collection of rents, Income, profits and all other outgoing including costs of repairs of the said premises.

(c) That the said premises are free and clear and forever released and discharged or otherwise by the Vendor well and sufficiently saved, kept harmless and indemnified of and from and against all previous and other estates, title, charges and encumbrances whatsoever had made executed or suffered by the Vendor or any other person lawfully claiming under him.

(d) That the Vendor and all persons claiming any estate or interest in the said premises under him, shall and will from time to time and at all times hereafter upon the request of the Purchaser and at the costs of the Vendor do and execute or cause to be done or executed, all such acts, deeds and things whatsoever for further and more perfectly assuring all or any of the said

premises unto and to the use of the Purchaser in such manner aforesaid as shall or may be reasonably required by the Purchaser.

IN WITNESS WHEREOF the Vendor has put his hand the day and year first hereinabove written.

THE SCHEDULE ABOVE REFERRED TO

Signed and delivered by the within named Vendor Mr. in the presence of ...

1.

2.

12.5. DEVELOPMENT AGREEMENT

Development agreements, broadly speaking, are agreements between the owners of land/building and the developers to construct/reconstruct large building complexes.

The arrangement is a variant of the contract agreement in as much as the person undertaking the actual construction work is compensated not in terms of fixed agreed monetary consideration but in terms of allotment of some FSI (floor space index) which he is entitled to construct on his own, hold it as his own and dispose it in the manner suited to him subject to the terms and conditions stipulated in the development agreement. It is similar to the contract arrangement in so far as it relates to constructed area to be handed over to the owner except for the difference that the consideration is received by the developer not in money but in terms of constructed area and/or use of some percentage of TDR (transfer of development rights) entitlement which can be loaded on the property of the owner.

Specimen formats of development agreements are given hereunder.

12.5.1.

DEVELOPMENT AGREEMENT BETWEEN THE OWNER AND DEVELOPER

This Agreement is made here at on thisth day of, 20..., between through its s/o Residing at, hereinafter called the OWNER, the First Party and M/S through its Director s/o having office at, hereinafter called the DEVELOPERS, the Second Party.

The expression of the terms Owner and the Developers, whenever they occur in the body of this Agreement shall mean and include their respective heirs, executors, administrators and assign unless and until is repugnant to the context or meaning thereof.

Whereas the Owner is in possession of plot No., admeasuring sq. yards, the leasehold plot which was registered as Document No. Book No. Vol No. on pages from to dated

The property bounded as under :
EAST Plot No. WEST Plot No.
SOUTH Road ' NORTH

AND Whereas the Owner is desirous of erection of a super structure comprising of the basement, ground floor, first floor, second floor and terrace, according to the plans which may be got sanctioned from competent Authority in this regard but is not fully equipped to do so and has therefore approached the Developer which on being assured by the Owner that the said property is free from all sorts of encumbrances, attachments, charges, legal flaws, claims, demands, dues,

notices, religious or family disputes, etc., and that the said property is self-acquired property, has agreed to cooperate with the Owner for construction of a super structure on the land beneath the said property, on the terms and conditions that are set forth hereinafter.

Now this Deed Witnesseth as follows:

1. That the Developers have agreed to pay a sum of Rs. (Rupees only) as security for due performance of the terms of this agreement and successful completion of the project. However this security amount shall be adjusted against the consideration on completion of the building. The Developer has agreed to raise the superstructure of basement, ground floor, first floor, second floor and terrace on the land beneath the said property according to the building plans mutually agreed upon between the Owner and the Developers which may be sanctioned from the competent authority.

The said sum shall be paid in the following manner:

(a) THAT Rs. (Rupees only) shall be paid at the time of signing the agreement vide Chq No. dated drawn on Bank

(b) THAT the further sum of Rs. (Rupees only) shall be paid to the Owner by the Developer at the time of handing over the physical possession of the said property after the Developer has got sanction of plans or before, whichever is earlier for the limited purpose of development and construction of the said project. The physical possession for the Developer's portion shall automatically vest with the Developer on completion of the building.

(c) That the Developer shall pay beside a sum of Rs. (Rupees only) already paid, a sum of Rs. (Rupees only) to the Owner on completion of the building and at the time of signing of all necessary sale documents in regard to the first floor and second floor, to make the total consideration of Rs. (Rupees only).

2. If the Developer defaults in payment of any payment on the due date, the Owner will be entitled to terminate the agreement and to forfeit all moneys paid hereunder. On such termination, the licence to develop the property will be revoked and the Developer shall take away and remove within one month of such termination, all buildings, structures and materials brought on the property and in default thereof, the same shall belong to and vest in the Owner absolutely and the Developer shall not be entitled to any compensation or damages in respect thereof.

Without prejudice to his rights, the Owner may at his option, condone such default on payment by the Developer and extend the time for payment if the Developer pays interest at the rate of% per annum on the defaulted installment provided that the Owner shall before terminating this agreement as aforesaid, make a demand in writing for payment of the said sum on the Developer. If the Developer pays the amount due to the Owner with interest within days of receipt of such demand, then the Owner shall not be entitled to terminate the Agreement under this clause.

3. The Owner shall sign the necessary documents to enable the Developer to obtain all necessary permissions and sanctions as may be required.

4. That the Owner has executed attorney(s) by separate documents in favour of the Developer for submitting the applications, requisitions to the various authorities for obtaining permission, approvals, sanctions, allotment of building or other materials and concerning other matters required statutorily to be done and required in connection with the construction and completion of the said dwelling units/floors on the said property. However the Developers undertake not to cause to be done any act deed or thing which may in any way misuse, contravene any rule, law or regulation or to misuse the powers which may be conferred upon the Developers by the Owner to construct super structure as stated herein above on the land beneath the said building as per agreement.

5. That in the meantime till such sanctions and permissions are forthcoming, the Developers shall have the suitable plans prepared for the proposed residential building at their cost and the concurrence of the Owner shall be obtained with regards to final submission of plans.

6. That the entire cost of construction of the new building including cost of material, labour and the charges for time extension for construction from the Development Authority on above said plot and expenses for clearances and fee of the architect and others charges shall be borne and paid by the Developer.

7. That the construction shall be that of specifications detailed and described in Annexure 1 attached hereto. That the Developers shall utilize the full area available in respect of the property to be developed.

8. That the property tax till the execution of this deed shall be payable by the Owner. Any property tax payable thereafter shall be the liability of the Developer and shall be paid by the Developer till the flats are ready in all respects.

9. That the Owner gives licence and permission to the Developer to enter upon the said property with full right and authority to commence, carry on and complete development thereof, in accordance with the permission & terms herein mentioned. The said licence to develop the property will be personal to the Developer and under no circumstance the Developer will assign his title, right and interest to any other party, except with the prior written consent of the Owner. However the Developer shall be entitled to enter into separate contracts in his own name with building contractor, architect and others for carrying out the development at his own risk and costs.

10. That the dwelling units proposed to be constructed by the Developer shall be owned and possessed by the parties exclusively as under:

(a) Owner shall own and possess basement and ground floor and two car parking and two servant quarters with attached toilet of the said property with rear terrace for exclusive use and exclusive complete ownership right of construction on second floor terrace (i.e., third floor) and right to all future FSI/FAR and right of construction on third floor if permitted by the bye-laws in future, in that case the Owner construct the water tanks & servant rooms on third floor terrace at their/his own cost/fund with 50% undivided land rights of total plot measuring Sq. Yds.

(b) The Developer shall own and possess first floor, second floor, two car parking and two servant quarters along with toilet and front terrace for exclusives use, in case of construction of third floor, the Developer/buyers have rights to use front terrace of third floor terrace with 50% undivided land rights of total plots measuring Sq Yds.

(c) It is hereby specifically mentioned that the parties hereto shall be free to sell transfer and/or mortgage, assign or part with the possession of their respective portions at their own risk and account without any objection from the other party and to receive, accept any consideration, money in regards to above property and to issue receipt of full or partial payment. Each party shall have rights to negotiate his respective portion with common facilities to any intending purchaser.

11. The Owner agrees to execute, sign and deliver the document which might be required for conveying first floor and second floor of the said property in favour of the intending purchaser or nominee of Developer as a confirming party when the construction has been completed by the Developer and full consideration has been paid to the Owner. It is hereby specifically mentioned and agreed that the Owner shall not claim any remuneration for execution of the aforesaid documents and all the expenses whatsoever for the transfer of the first floor and second floor of the said property shall be borne and paid by the Developer/his nominee(s)/intending purchaser(s).

12. That the building shall be completed and finished in all respects within months and the first party's share of property will be handed over to them withinmonths from the date of sanctioning of plans/handing over the vacant possession of the plot for development, except for reasons beyond second party's control such as strikes, war, riots and natural calamities and due to any unforeseen circumstances like drastic changes in laws and hindrance caused by concerned authorities.

13. If the Developer fails to complete building and fails to deliver basement and ground floor within stipulated period of months then Developer shall be liable to give a sum of Rs. (Rupees only) per month to the party as compensation penalty.

14. That except as herein before provided, the Owner shall not interfere with or obstruct in any manner with the construction of work for the said residential flats. However the Owner or his nominee or nominees shall have free hand and unfettered access to the construction site at all reasonable time and he shall be free to point out to the Developer or their agents, subcontractors or administrators and the Developer shall rectify such defective construction, workmanship or use of inferior materials.

15. That this agreement shall not to be deemed to constitute a partnership between the Owner and the Developer or an agreement for sale of the plot by the Owner to the Developer and shall not be deemed to bind the parties hereto except specifically recorded herein. The Developer shall solely be liable and responsible for any liability in connection with the construction of dwelling units in the land beneath the said building. The Owner and the Developer shall be solely responsible from the date of possession for various expenses, taxes such as water charges, property tax, electric bills in respect of respective portions as mentioned aforesaid.

16. In case there is any accident in the aforesaid construction project, the Developer shall be fully responsible for all the consequences of the same under the Workmen Compensation Act or any other acts in force. If the Owner is ordered to attend a court or is requested or his presence is required by any other authority in this connection, he will empower the Developers to attend the court/authority concerned on his behalf and the Developer agrees to compensate the Owner fully in case an adverse order is passed or any compensation is ordered to be paid by the Owner by any court, judicial authority or any other competent authority.

17. That all costs of stamping, engrossing and registration of this agreement and any other paper relating to this agreement shall be borne by the Developer.

18. That during the course of construction all building materials and equipment used or to be used shall remain at the Developer's risk and the Developer shall not be entitled to any compensation from the first party for any damages, loss or destruction of such works or material or equipment arising from the any cause whatsoever.

19. If until the completion of building any case damage or harm occurs to the adjoining properties, neighbours, the Developer shall be fully responsible for all the consequences.

20. That the Owner has declared and assured the Developer that property is free from all sorts of encumbrances, i.e., mortgage, charges, gifts, wills, exchanges, attachments, injunction notice prior agreement to sell/collaboration agreement and shall also keep the property free from all sorts of encumbrances till the completion of the building, sharing of the respective portions in the new building and registration of their respective portions.

Whatsoever if it will be ever proved otherwise, first party shall be liable and responsible for making good all losses, which may be suffered incurred, undergone and sustained all by the Developer as a result thereof.

21. That no change modification or alterations to this agreement shall be done without the written consent of the Owner and Developer. The parties hereto undertake not to contravene any of the terms of this agreement.

22. That the Developer shall be responsible for any eventuality or consequences arising out of the structural defects. Appropriate remedial measures to rectify such defects or remove such irregularities at the earliest shall be taken. The Developer shall also apply and obtain the C&D forms, electricity, water and sewer connections, etc., from the competent authority/authorities concerned at his cost.

23. That as and when house tax gets assessed the Developer undertakes to pay for his share that is the basement and ground floor at the rates applicable.

24. That the Owner shall hand over all the original documents of the property to the Developer at the time of execution of this collaboration agreement. The same shall be returned back to the Owner on completion of the construction and possession of the Developer's portion to him.

ANNEXURE 1

(Specifications for Plot No. And List of Fittings and Fixtures)

IN WITNESS WHEREOF, the parties hereto have set their respective hands on these presents on the date, month and year hereinabove first mentioned. In the presence of the following witnesses:

WITNESSES

OWNER

BUILDER

12.5.2.

AGREEMENT FOR TRANSFER OF DEVELOPMENT RIGHTS

THIS AGREEMENT made at this day of, 20..., between M/s XYZ Builders, a firm registered under Indian Partnership Act, 1932, having their office at, (hereinafter referred to as the Vendors, which expression unless repugnant to the context or meaning thereof mean and include the partners for the time being of the said firm, their survivor or survivors and the heirs, executors and administrators of last survivor) of the FIRST PART, ABC Developers Pvt. Ltd. Co., incorporated and registered under the Companies Act, 1956 having their office at hereinafter referred to as "(The Confirming Party", which expression shall unless be repugnant to the context or meaning thereof be deemed to include its successors and assigns) of the SECOND PART and M/s. MNP Builders & Developers, a firm registered under Indian Partnership Act, 1932 having their office at hereinafter referred to as "The Purchaser" which expression shall unless be repugnant to the context or meaning thereof mean and include the partners for the time being of the said firm, their survivor or survivors and the heirs, executors and administrators of such last survivor) of the THIRD PART.

WHEREAS by two deeds of Conveyance all made betweenof the ONE PART and Vendors of the other respectively (1) dated registered under No..... dated registered under No..... with the Sub-Registrar at the Vendors purchased different pieces of land bearing No..... of in the registration Sub-district of District..... admeasuring about sq. mts. (hereinafter referred to as the

said "Bigger Plot") and the said granted and conveyed unto the Vendors the said bigger plot;

AND WHEREAS the layout named as Complex in respect of the said Bigger Plot and the Building plans for development inter alia of the said Sector Plot by construction of 1 to Buildings thereon have been sanctioned by the Collector of under No on the ;

AND WHEREAS on account of the internal roads of the said layout the said Bigger Plot has been divided into four sub-divided Plots including a sub- divided Plot known as Sector No. bearing No..... of and admeasuring about sq. mts. shown by red boundary on the said plan annexed hereto and hereinafter referred to as the said Sector Plot;

AND WHEREAS the full FAR (floor area ratio) available in respect of the said Sector Plot has not been utilised by construction of the said buildings and that there is a scope for construction of additional buildings to consume the full FAR in respect of the said Sector plot;

AND WHEREAS the Vendors have engaged the services of M/s., Architects & Consulting Engineers for preparation of structural designs and drawings of the said buildings and also if necessary for supervising construction thereof;

AND WHEREAS the fees of the said architect for sanction of the said building plans and other charges of and incidental thereto so far as the same relate to the said buildings Nos. 1 to 10 have been paid off;

AND WHEREAS the Vendors have engaged the services of M/s., Advocates and Solicitors for drafting the agreements for the sale of the flats on ownership basis to be constructed in the said, for formation of the organisation of the Purchasers of such flats, for transfer of title in favour of such organisation and for all other legal work in connection with the development of the said;

AND WHEREAS by an agreement dated made between the Vendors of the One Part and the Confirming Party of the other part, the Vendors granted rights to the Confirming Party to

develop the said Sector Plot by constructing thereon the building Nos. 1 to ... with a right to grant Sub-development rights in respect of the said buildings in one lot or in different lots as the Confirming Party may desire and for the consideration and upon other terms and conditions therein mentioned;

AND WHEREAS the said agreement dated is valid and subsisting;

AND WHEREAS the Confirming Party has agreed to grant to the Purchasers and the Purchasers have agreed to acquire from the Confirming Party and the said right to construct on the said Sector Plot on the consideration and upon the terms and conditions hereinafter appearing;

AND WHEREAS at the request of the Purchasers, the Confirming Party has requested the Vendors to enter into direct agreement to grant on behalf of the Confirming Party the right to construct the said building No. in the manner hereinafter appearing.

NOW THIS AGREEMENT WITNESSETH AND IT IS AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:

(1) In pursuance of the agreement and for consideration hereinafter set out on behalf of the Confirming Party, the Vendors hereby grant and the Purchasers hereby agree to acquire the rights to construct the said building No. 8 (hereinafter referred to as "the said building") on Plot of land situated at..... admeasuring about sq. mtrs. forming part of the land bearing No. and forming part of the said Sector ... Plot contained in the said within the limits of more particularly described in the Schedule hereunder written and shown by green colour boundary line on the said plan thereof hereto annexed (hereinafter referred to as the said plot) to be developed at their own costs, expenses, risks and responsibilities and as per the said building plans, a print whereof is hereto annexed.

(2) Subject to the Vendors permission obtained in advance in that behalf, the Purchasers shall be at liberty to make amendments, modifications, alterations and variation to the sanctioned building plans, so far as it relates to the said building without in any manner affecting the

construction of the other and rest of the buildings to be constructed on the said bigger Plot as also rest of the buildings in the said

(3) Subject to the provisions hereof, the Purchasers shall be at liberty to sell in their own name the dwelling units, flats, tenements and other premises that shall be contained in the said building on ownership basis at the rate and on the terms and conditions which the Purchasers may deem fit and proper.

(4) The agreement whereby the Purchasers shall sell the tenements or any other rights or privileges in the said building shall provide that the same are subject to the terms, stipulations and conditions contained in this agreement.

(5) In consideration of the rights hereby granted to the Purchasers, the Purchasers shall pay an amount at the rate of Rs. per sq. ft. of built up area of the tenements to be contained in the said building. The built up area of the tenements of the said building shall include the area of the balconies. The built up area of the flats in the said building as per the said plans comes to sq. ft. and the consideration payable hereunder in respect thereof on the said area and at the rate aforesaid come to Rs. The said consideration of Rs. shall be paid by the Purchasers to the Confirming Party in the manner as follows:

- (i) Rs. On the execution hereof to the Confirming Party (the payment and receipt whereof the Confirming Party do hereby admit and acknowledge)
- (ii) Rs. as part payment on or before the of
- (iii) Rs. As further part payment on or before the of20...;
- (iv) Rs. Being the balance to the Confirming Party on execution of the conveyance or lease as hereafter mentioned in favour of the organisation of the purchasers of the tenements.

(6) The Purchasers shall not be liable for the expenses already incurred by the Vendors for providing infrastructures for the said building. The Vendors shall not be liable to do any further work to complete or provide any further infrastructures for the said building.

(7) The Purchasers, their successors and assigns will have full and free and perpetual right and liberty for themselves, visitors, agents, tenants, servants, workmen and occupiers for the time being of the building or any part thereof and all other person or persons authorised in this behalf to be on the said building from time to time and at all times hereafter at their or his will and pleasure by night and by day and for all lawful purposes to go, return, pass and re-pass either on foot or with animals, wagons, trucks, vehicles of all kinds, automobiles or other carriages laden and/or unladen through and over the said internal roads shown on the said plan by colour burnt sienna as also to use, utilise and get benefit of the common services and amenities such as water pipes, sewers, drainage, electric cables under the said internal road along with the Vendors and the other person or persons entitled to the same.

(8) The Vendors shall keep the said internal roads unbuilt upon and open to sky forever. The Purchasers or the Developers or the Owners for the time being of the other Sectors and Plots forming part of the said bigger plot shall form a common agency. Such common agency shall maintain and repair the said internal road, the sewers, mains, drains, pipes of connection lines whether electric, water, telephone, gas or otherwise for the purpose of discharge or outlet of sewerage, rain water from the said building or for supply of electric energy, power, water, gas or other facilities or amenities to the Purchasers, their successors or any other person entitled to use the said building or any part thereof.

(9) The Purchasers, their successors and assigns shall and will bear and will pay along with the Vendors for the time being of the other buildings forming part of the said bigger plot proportionately i.e. in proportion which the area of the said building bears to the said other buildings on the said bigger plot, as the case may be, the costs, charges and expenses of repair and maintenance of the said internal road shown by colour burnt sienna on the plan hereto annexed as also of water pipes, drains, sewers, street lights to be laid, erected or put up on the said internal roads and all taxes payable to the Municipality, State Government or any other public body or authority for the land utilised for the said internal roads until the same shall if at all be taken over by the local authorities. The Purchasers shall at their own cost always have a right and liberty to lay and connect all along through and underneath the said internal roads shown in colour burnt sienna the sewers, mains, drains, pipes or connections whether electric, water, telephone, gas or otherwise for the purpose and in connection with the discharge and

outlet of sewerage, rain water from the said building or for supply of electric energy, -power, water, gas or other facilities for amenities to the Purchasers, their successors and assigns.

(10) If the taxes and other outgoings in respect of the said building are not separately assessed, the Purchasers shall pay the same proportionately. The Vendors decision in fixing the said proportion shall be final. The Vendors and Purchasers shall not object to the construction of the electric sub-station on any part of the said bigger plot.

(11) The Vendors shall not be entitled to recover from the Purchasers and expenses incurred for sanction of the building plans, the proportionate fees paid to the said architect and RCC Consultant or the fees paid or deposits made with any public body for sanction of the said building plans or for any charge of and incidental to the sanctioning of the said building plans as also the expenses incurred for the development work that the Vendors have carried out for the said Sector Plot.

(12) The Purchasers and the persons claiming through them including the occupants of the said building shall be entitled to the exclusive use of the said plot.

(13) The Purchasers shall in no manner whatsoever be liable to account to Vendors for any money refund or amount received, collected or recovered by them for the sale of dwelling units, flats, and tenements. All moneys received by the Purchasers in that account shall belong to the Purchasers and the Purchasers shall be entitled to appropriate the same to themselves in any manner they like.

(14) The Purchasers will carry out the development work as set out in these presents by constructing the said building and will strictly follow and adhere to all the building rules, regulations and bye-laws.

(15) The Purchasers shall sell and allot the tenements in the said Building on ownership basis with a view ultimately that the Purchasers of the tenements of the said building should subject to the Vendors permission, form themselves into a Co-operative Society duly registered under the Co-operative Societies Act or they should incorporate a Limited Company under the Companies Act, 1956. At the request and direction of the Vendors, the Purchasers shall cause the formation of an organisation of the Purchasers of the tenements of the said building

alone along with Purchasers of the tenements of such other buildings in the said Sector plot as the Vendors may desire and upon formation of such organisation, Vendors shall grant absolute conveyance in respect of the land under the buildings of which the said organisation may have been formed, the land appurtenant thereto, the service land required for the same with proper access in favour of such organisation if it is legally possible (same being not sub-divided) if not, the Vendors shall grant the transferable and as signable lease for 99 years at the nominal yearly rent of Re. 1 in respect thereof to such organisation.

(16) Subject to the terms, stipulations and conditions contained herein and subject to the payments of the amounts set out in clause 5 herein, the Vendors hereby hand over possession of the said plot to the Purchasers with authority to construct the said building with the following rights:

- (a) To put up and/or erect signboards upon the said Plot, also to issue advertisements including in newspapers as may be deemed fit by the Purchasers announcing construction of the said building by them and to sell the dwelling units, flats, tenements therein on ownership basis;
- (b) To commence, carry on and complete in their own name in accordance with the law, the construction of the said building by themselves or through any building contractor, sub-contractor as per the said plan;
- (c) To dispose of by the Purchasers in their own names on ownership basis the dwelling units, flats, tenements, premises to be contained in the said building to the persons of their choice, each tenement individually or the whole building on package deal basis;
- (d) To enter into in their own names agreements for sale of dwelling units, flats, tenements of the said building on ownership basis at such price and on such terms and conditions as may be deemed fit by the Purchasers;
- (e) To apply for and obtain in the name of the Vendors building completion certificate or building occupation certificate including part occupation from time to time in respect of the tenements flats premises of the said building;

and with all the rights to which the Purchasers may in law be entitled to on their being in possession of the said Plot.

(17) The agreement by the Purchasers for the sale of flats or tenements on ownership basis in the building to be constructed as stated above shall be in the form hereto annexed and shall provide that the same is subject to the terms and stipulations contained in these presents.

(18) The Purchasers shall be solely responsible to discharge all the obligations created under the provisions of the Ownership Flats Act in respect of the flats, premises, etc. that will be sold by them on ownership basis. The Purchasers shall remain responsible and liable to construct the said dwelling units, flats, premises, etc. and do all the acts, deeds, matters and things as may be necessary under the agreements that may be entered into for sale of dwelling units, flats, etc. by the Purchasers with different flat purchasers of the same and Vendors shall not remain liable or responsible for such matters. The Purchasers hereby agree to indemnify and keep the Vendors indemnified against all actions, claims, demands, costs, expenses, losses or damages that may arise on account of the non-performance of such obligation or under the provisions of Ownership Flats Act or the Apartments Act or any other Act, rules or regulations that are in force or that may come into force in the future or arising out of violation or non-fulfilment thereof or against the loss or damage that may be caused to any third party or workmen during the course of the construction of the said building.

(19) The Purchasers shall indemnify and keep indemnified the Vendors and the Confirming Party against all losses, damages, claims, actions, prejudice or proceedings from all persons including the Government of, the said Corporation, the purchasers or allottees of dwelling units, flats, tenements, premises, etc. or otherwise howsoever on account of any act or omission on the part of the Purchasers, their agents and servants, that Vendors and Confirming Party may sustain by reason of the Vendors giving possession to the Purchasers as provided herein and to construct the said building and the Purchasers putting up construction thereon of the dwelling units and/or by virtue of contracts, etc. entered into with the Purchasers of the flats and/or arising out of implementation of this agreement.

(20) As and from the date hereof, the Purchasers shall bear and pay proportionate outgoings in respect of the said building, the land under the plinth thereof and land appurtenant thereto

including the land revenue, N.A. tax, municipal taxes, betterment charges, if any, etc. and the taxes, if any enhanced by reason of the Purchasers constructing building on the said Plot. It shall be the responsibility of the Vendors to pay all aforesaid outgoings, expenses, levies, etc. previous to that day and the same if necessary be apportioned between the said parties hereto.

(21) The Purchasers hereby accept the Vendors title to said bigger Plot and shall not make any requisition on the Vendor's title to the said building. The Vendors and/or the Confirming Party shall at their own cost remove (a) any dispute or requisition that may hereafter arise with regard to their title to the said Plot; (b) obstruction to the development of the said Plot by construction of the building thereon; and (c) any objection on title that may be taken by any bank/financial institution for grant of loan to the Purchasers of the tenements that may be contained in the said building.

(22) The Vendor shall deliver to the Purchasers notarial certified copies of all the documents of title in their possession and exclusively relating to the said Plot.

(23) The Vendors hereby agree that from and after the date hereof they shall not create any tenancy, sub-tenancy, lease, licence or occupancy right or any other right, title or interest in respect of the said building or any part thereof or concur in doing so and shall not do any act, deed, matter or thing which may prejudice the rights of the Purchasers under this Agreement.

(24) The Purchasers and the persons claiming through them shall have right to use and enjoy along with the other parties entitled to the enjoyment thereof the play- grounds shown by green wash on the said plan and shall also have a right to approach the play-ground over and through the access shown by burnt sienna hatched lines on the said plans.

(25) The Purchasers shall not act or direct Vendors to act in any manner whatsoever whereby the interest of the Vendors is in any manner jeopardised or adversely affected and will indemnify and keep indemnified the Vendors and all persons claiming through them against all actions, claims, demands, costs, expenses, losses or damages that may arise on account thereof or incidental thereto.

(26) The Purchasers are entitled to commence development of the said plot either personally or through any nominee or nominees or contractor or contractors. The development work shall be carried out by the Purchasers at their own risk, costs, consequences and responsibilities.

(27) The Purchasers will construct the said building strictly as per the building rules, regulations and bye-laws as also as per layout conditions of IOD conditions and modifications or amendments that may from time to time be made to the same. The Purchasers shall ensure that no breach of municipal rules and regulations according to which the building plans are approved and also no breach of any other requirements of law is committed by the Purchasers or their nominees or contractor or contractors. The Purchasers shall at their own cost remove or rectify such breach, if any, committed by them. The Purchasers shall indemnify and keep the Vendors indemnified in that behalf.

(28) The sale in pursuance hereof shall be completed by execution of the conveyance or lease as hereby contemplated of the said Plot within 3 years from the date hereof in favour of the Purchasers or their nominee or nominees including a Co-operative Society.

(29) At least 4 weeks before the execution of the conveyance and/or other documents to transfer of the said building with the said land, the Confirming Party shall obtain and cause the Vendors to obtain the requisite certificates under the provisions of the Income Tax Act, 1961, if necessary for registration of said documents of transfer.

(30) The Vendors shall join the Purchasers to obtain permission, if any, required under any other law for transfer of the said building with the adequate portion of the said Plot to the said organisation.

(31) The Purchasers shall retain services of the said M/s., Architects & Consulting Engineers for the purpose of obtaining occupation or completion certificate in respect of the said building and to do all other work of and relating to the construction of the said building to be done by an Architect and shall pay his fees which shall, if any, become due hereafter for that purpose.

(32) The Purchasers shall engage and continue to engage the service of M/s., Advocates and Solicitors for the purpose of preparation of the agreement

for sale of the flats on ownership basis, formation of the organisation of the flat purchasers and for transfer of the said building with adequate portion of the land in favour of such organisation and for doing all other legal work in connection with the construction of the said building on ownership basis and shall pay their fees for the purpose.

(33) All out of pocket expenses of and incidental to this agreement and of the conveyance or writing to be made in pursuance hereof including stamp duty and registration charges thereon shall be borne and paid by the Purchasers alone.

IN WITNESS WHEREOF the parties hereto have hereunto set their respective hands and seals at on the day and year first hereinabove written.

The schedule hereinabove referred to

SIGNED, SEALED AND DELIVERED by

the within named Vendors M/s. XYZ Builders

THE COMMON SEAL OF the within

named Confirming Party M/s. ABC Developers Pvt. Ltd.

was hereunto affixed pursuant to its resolution dated

..... in the presence of two of the Directors,

who have in token thereof subscribed in their respective

signature hereunto.

SIGNED, SEALED AND DELIVERED by the within

named Purchasers M/s. MNP Builders and Developers

in the presence of:

WITNESSES;

1.

2.

Received of and from the within named Purchasers a sum of Rs Rupees
..... only) by their cheque No dated on Bank
being the amount payable by them as per clause 5(i) of the agreement hereunto us.

Rs

We Say Received

For ABC Developers Pvt. Ltd

Directors

(Confirming Party)

12.6. BUILDER / CONSTRUCTION AGREEMENT

AGREEMENT BETWEEN OWNER AND A BUILDER FOR CONSTRUCTION OF A BUILDING

THIS AGREEMENT made at..... on this..... day of20--, between Shri..... S/o..... resident of..... (hereinafter called 'the owner' which expression shall unless repugnant to the context or meaning thereof, be deemed to include his heirs, legal representatives, executors and administrators) of the ONE PART and M/s ABC Builders & Contractors, a partnership firm registered under Partnership Act, 1932 and having its registered office at..... (hereinafter referred to as 'the builders' which expression shall unless repugnant to the context or meaning thereof, be deemed to include every partner for the time being of the said firm, the survivor or survivors or the legal representatives, executors or administrators of the last survivor of the OTHER PART.

WHEREAS the first party is the owner of the plot of land admeasuring..... sq. meters bearing plot No..... city survey No. situate, lying and being at..... Tahsil and District..... (hereinafter referred to as the "said plot of land") and is desirous of getting a house constructed on the said plot of land.

AND WHEREAS the first party has appointed Mr..... as the architect and the said architect has prepared the plans, drawings and elevations of the said intended house and the specification of the works to be done and of the materials.

AND WHEREAS the second party is a big contractor and is having vast experience in construction of big buildings and has agreed to construct the house on the said plot of land.

NOW IT IS AGREED BY AND BETWEEN THE PARTIES AS FOLLOWS:

1. The builders will construct the building on the said plot of land in conformity with the plans, drawings, specifications and elevations as prepared by the architect which has been annexed

hereto and marked as Schedule II, with the material of best quality and in the most substantial and workman like manner and to the satisfaction of the architect.

2. The builders hereby undertake to commence the construction within fifteen days of execution of these presents and complete the construction on or before the expiry of..... months from the date of execution of these presents in accordance with the plans duly approved and sanctioned by the Municipal Corporation of..... and specifications and conditions as are set out in Schedule II hereunder written.

3. If the builders fail to complete the said work within the period as stipulated in the foregoing provision, the builders shall, at the option of the owner but without prejudice to the other rights under law of the owner and other provisions herein, pay liquidated damages calculated at the rate of Rs..... per day (but subject to a maximum of 2% of the total contract amount payable by the owner under this agreement) for the period between the said stipulated time for completion of the works. The builders hereby specifically agree and authorize the owner to deduct such liquidated damages, if any, from any installment of payment becoming due and payable to the builders in terms of this agreement.

4. The owner will pay to the builders a sum of Rs..... out of which the owner shall pay to the builders weekly such sum as may be sufficient to defray the expenses incurred by the builders in respect of materials used in the works, checked and certified by the architect, Rs..... on the certificate by the architect that the work up to first floor has been completed, the further sum of Rs..... on the certificate by the architect that the work up to second floor has been completed and the balance shall be paid on the certificate by the architect that the said works have been completed in all respects according to the agreement and the builders have at their own expenses removed and cleared all scaffolding, fencing, unused materials and rubbish from the premises and made and prepared the bungalow fit for use and habitation and immediate occupation. However, a sum equivalent to 5 per cent of the total contract amount payable by the owner under this agreement shall be retained by the owner as retention money, which shall be paid after a period of 12 months from the date of handing over the said bungalow complete in all respects and fit for occupation. The builders hereby agree and undertake to rectify all such defects as may be found or detected during the period of 12 months. If the builders fail to rectify

the defects pointed out or decline to cure such defects as pointed by the owner within fifteen days from the date of reporting to the builders, the owner shall be entitled to have such defects cured by such other agencies as it may deem fit at the entire cost and risk of the builders and utilise the retention money; Provided further that in the event of the said retention money being inadequate to meet such costs, charges and expenses incurred by the owner for curing the defects in the construction, the builders shall within 7 days of a demand in writing made by the owner make good the defect, failing which the builders shall be liable to pay the same together with the interest at 15% per annum.

5. The owner shall allow free ingress to and egress from the premises to the builder's servants, employees, sub-contractors and all other persons, who are necessary in connection with the carrying out of the works under the agreement.

6. The builders shall indemnify the owner in respect of all claims, damages or expenses payable in consequence to any injury to any employee, workman, nominee, invitee while in or upon the said premises. The builders shall also be responsible for any damage to buildings, whether immediately adjacent or otherwise and any damage to roads, streets, foot-paths, bridges or ways as well as all damages caused to the buildings, and work forming the subject to this contract by frost, rain, wind or other inclemency of weather.

7. If the builders abandon the contract or fail to commence the work or suspend the progress of the work for 14 days without any lawful excuse under these conditions, or fail to proceed with the works with such due diligence and fail to make such due progress as would enable the works to be completed within the time agreed upon or fail to remove materials from the site or to pull down and replace work for seven days after receiving from the architect written notice that the said materials or the works were defective and rejected by the said architect or neglect or fail persistently to observe and perform all or any of the acts, materials or things required by this contract to be observed and performed by the owner for seven days after written notice shall have given to the builders requiring them to observe or perform the same and the architect certifies in writing to the owner to the said effect, then and in any of the said cases the owner may, notwithstanding any previous waiver, after giving seven days notice through the said architect in writing to the builders terminate the license in favour of the builders and in so far as

it relates to the completion of the remaining construction work, but without thereby affecting the powers of the architect, or the obligations and liabilities of the builders, the whole of which shall continue in force as fully as if this Agreement had not been so determined. And the owner by his servants or agents may enter upon and take possession of the work, tools, scaffolding, sheds, machinery, power, utensils and materials lying upon the premises or in the adjoining lands or roads and use the same as its own property or may employ the same by means of its own servants and workmen in carrying on and completing the work or by employing any other contractor or other person to complete the works and the builders shall not in any way interrupt or do any act, matter or thing to prevent or hinder such other contractor or other person or persons employed for completing and finishing the works or using the material and plant for the works.

8. When the said works are terminated in the manner as stipulated in the foregoing provision, the architect shall give a notice in writing to the builders to remove their surplus materials and plant, and should the builders fail to do so within a period of seven days, after receipt thereof by them, the owner may sell the same by public auction and give credit to the builders for the net amount realised. The architect shall thereafter ascertain and certify in writing, what shall be due or payable to or by the owner, for the value of the said building and materials so taken possession of by the owner and the expense or loss which the owner shall have been put to in procuring the work to be completed and the amount, if any, owing to the builders and the amount which shall be so certified shall thereupon be paid by the owner to the builders or by the builders to the owner, as the case may be, and the certificate of the architect shall be final and conclusive between the parties.

9. The builders shall be bound to appoint an engineer competent to receive instructions from the architect from time to time, on behalf of the builder's at all reasonable hours and all directions given to him by the architect shall be deemed to have been given to the builders.

10. The owner or his representatives shall be entitled to inspect the progress of the construction work and materials used for the construction and they shall be entitled to point out to the architect any defects in the construction work, quality of workmanship or materials used when such defective work is in progress or being executed or such material is brought on site. If the

architect will be satisfied about the objections raised, the said architect shall certify the same in writing and direct the builders to rectify at their own cost the defect in the said construction work or remove such defective materials and the same shall be rectified or removed by the builders as directed.

11. All disputes or differences relating to the specifications, designs, drawings and as to quality of workmanship or material used in the work or as to any other question arising out of or relating to the contract, design, drawings, specifications, orders or otherwise in connection with the agreement or the carrying out of the works, whether during the progress of the work or after the completion or abandonment thereof shall be referred to the sole arbitration of two arbitrators, one to be appointed by each party. The arbitrators shall appoint an umpire before entering upon the reference. The parties would cooperate and lead evidence, etc. with the arbitrators and if one of the parties does not cooperate or remains absent at the reference, the arbitrators or the umpire would be at liberty to proceed with the reference ex-parte. The arbitrators or the umpire shall keep record of the oral evidence adduced by the parties and submit the same to the court at the time of filing of the award, along with documentary evidence produced before them or him by the parties or their witnesses. The proceeding of the arbitrators or the umpire shall be recorded in English and a carbon copy whereof shall be furnished to each party. The arbitrators or umpire shall be entitled to appoint stenographer, for recording proceedings of the arbitration, consult an expert, after previous notice to the parties to the reference, the cost whereof shall be borne equally by the parties. The fees of the arbitrator appointed by a party shall be borne by the party, so appointing and the fees of the umpire and the other arbitration expenses shall be borne equally by the parties. The arbitrators shall make their award, with reasons for the decision, within six months from the date of entering upon the reference. If the arbitrators have allowed their time to expire without making an award or have delivered to any party or to the umpire a notice in writing stating that they cannot agree, the umpire shall forthwith enter on the reference. The umpire shall make his award within four months of entering on the reference or within such extended time, as the parties may agree. The award of the arbitrators, or umpire, as the case may be, shall be final, conclusive and binding on the parties and shall not be challenged on any ground except collusion, fraud or an error apparent on the face of the award. This reference to arbitration shall be deemed to be a reference within the meaning of the Arbitration and

Conciliation Act, 1996 or any statutory modification thereof. No action can be taken under this agreement for the enforcement of any right without resorting to arbitration under this clause.

12. This agreement shall be executed in duplicate; the original shall be retained by the owner and the duplicate by the builders.

SCHEDULE I

(Details of the property)

SCHEDULE II

(Drawings, specifications etc. as prepared by the architect)

IN WITNESS WHEREOF the parties have signed these presents and a duplicate thereof, the day and year first hereinabove written.

Signed and delivered by..... the owner

Signed and delivered by M/s ABC Builders and Contractors,

the builders, through its partners

WITNESSES;

1.

2.

12.7. BROKER AGREEMENT

Real estate brokers and sales agents have a thorough knowledge of the real estate market in their communities. They know which neighbourhoods will best fit clients' needs and budgets. They are familiar with local zoning and tax laws and know where to obtain financing. Agents and brokers also act as intermediaries in price negotiations between buyers and sellers. When selling real estate, brokers arrange for title searches and for meetings between buyers and sellers during which the details of the transactions are agreed upon and the new owners take possession of the property.

Most real estate brokers and sales agents sell residential property. A small number—usually employed in large or specialized firms—sell commercial, industrial, agricultural, or other types of real estate.

Real estate brokers are becoming increasingly important in real estate residential property transactions. In the inner-city context, where individuals could not access to real estate information, brokers play an important role with their expertise, simplifying and smoothening residential property transactions and commercial property transactions. Some times without real estate brokers support, it is difficult for buyers and sellers to meet each other, negotiate deals, do the official paper work and close the deal.

Contract between a broker and a client

Client should be asked to discuss and sign a “contract” with the broker. This contract includes the terms of sale for the property, (such as the asking price), brokerage arrangements (such as what the broker will do for the client and how much will be paid to the broker), and the expiration date of the contract. It should be made sure that the services and terms that are important are written into the contract. It should necessarily contain a clause that if a property is introduced by a broker to the client, even if the buyer and seller get in a direct deal afterwards, will fetch commission to the broker. This will safeguard the interests of the brokers in case either of the parties wants to by-pass the broker later on.

12.7.1.

AGREEMENT BETWEEN A BROKER AND A PROSPECTIVE PURCHASER

This Agreement is made on this the _____ day of _____ 20__ at _____ by and between:

Mr. _____ S/o. _____ aged about _____ years, resident of _____ hereinafter called "**the broker**" (which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include his heirs, legal representatives, executors and administrators) of the ONE PART

AND

Mr. _____ S/o _____, aged about _____ years, resident of _____ hereinafter called "**the prospective purchaser**" (which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include his heirs, legal representatives, executors and administrators) of the OTHER PART.

Whereas the Broker comes into an understanding with the prospective purchaser hereunder in a written agreement who wish to purchase a property on his name and for that purpose he requires his services.

And whereas the broker, who is a reputed broker dealing in real estate in the area has shown his willingness to show him and take reasonable care and caution in finding a house for the prospective purchaser.

And whereas the prospective purchaser has agreed to appoint the broker on payment, for the purchase of property on the terms and conditions as hereinafter appearing.

NOW THIS AGREEMENT WITNESSETH AS UNDER:

1. The broker hereby gives his assent to the prospective purchaser that he shall show him properties of which he can purchase, if the same is as per his requirements, for a consideration.
2. The prospective purchaser hereby asserts the broker that if the property shown to him is clear, marketable and free from encumbrances and to his requirements he will purchase the same only

through him after paying all the necessary expenditure and brokerage costs before entering into any kind of agreement with the respective owner of the property/ the seller.

3. The broker hereby undertakes that after the receipt of brokerage commission/ costs from the purchaser, he shall take steps for the delivery of the abstract of title showing that the seller is real owner of the property and the property is free from mortgage, lien, charge or any such encumbrance.

4. The broker hereby undertakes that on receipt of his entire commission in respect of the property; make the seller execute the agreement between the purchaser and the seller.

5. The broker hereby agrees that he shall be able to find the property for the prospective purchaser within a period of ----- months from the date of these presents.

6. The broker hereby asserts that he will exercise reasonable care and diligence in the property and deal with the transaction in good faith.

7. The broker hereby agrees to present all written offers, notices and other communications in a timely manner with regard to the property whichever the prospective purchaser agrees to purchase.

8. The broker hereby agrees to disclose the material facts known to him about the seller which are not apparent or readily ascertainable to the prospective purchaser.

9. The prospective purchaser shall not make any additional offers to purchase the property directly with the seller without the interference or the knowledge of the broker.

10. The above agreement for brokerage will last for a period of ----- months, the period within which the broker affirms to find a house for the prospective purchaser.

The following list shall be maintained by the broker along with the prospective purchaser (with their attestation).

(a) The period of stay at the site and the day / time at which the property was shown.

(b) The description of the property [copy of plan].

(c) The price quoted by the mutual parties and related terms.

(d) Names of the persons accompanied the prospective purchaser.

11. The broker hereby asserts that he shall also provide an Advocate to seek expert opinion on the title of the property and shall provide the services for the execution of Agreement / Registration as desired by the prospective purchaser.

12. The brokerage cost is hereby fixed at [Rs _____] [or] ____% of the purchase price which shall be paid by the prospective purchaser to the broker before entering into any agreement with the seller, however, subject to a fixed sum of Rs. _____ towards minimal costs of the agreed services. These minimal costs are not applicable if any transaction materializes out of these services.

13. This agreement constitutes the entire agreement between the parties and supersedes any oral or written agreement made earlier to the date of this agreement. Any variations/ modifications to this agreement shall not have any effect unless the same is in writing and executed by both the parties.

14. If any dispute or differences arise between the parties hereto regarding the claim by one party against the other or regarding the implementation of this agreement or interpretation or meaning of any of the clauses herein, the dispute shall be referred to the arbitral tribunal as per the following terms and condition:

- a) Each party shall appoint one arbitrator.
- b) The arbitrator appointed by each party shall be a practicing Chartered Accountant or lawyer.
- c) English shall be used as the language for all the arbitration proceedings and the award of Arbitration.
- d) The Arbitration proceedings shall take place at _____.
- e) The Arbitral Tribunal shall enter upon the reference and decide the aforesaid matters. The Arbitral Tribunal shall make their award within three months after entering upon the reference or after having been called on to act by notice in writing from any party to the

submission, or on or before any later day to which the Arbitral Tribunal by any writing signed by them may from time to time enlarge the time in making the award.

- f) The Arbitral Tribunal shall record the proceedings of the hearing by way of minutes and get it signed by both the parties.
- g) The Arbitral Tribunal may proceed *ex parte* in case either party fails to appear after reasonable notice.
- h) This agreement shall remain effective and enforceable against the legal representatives of either party in case of death.
- i) The Arbitral Tribunal may appoint an accountant for examining the account of the party if they think necessary and the remuneration of the accountant as determined by the arbitrators shall be the costs in the reference to be paid by the parties as the arbitrators may direct in their award.
- j) In case the Arbitral Tribunal awards that any sum is due from one party to the other, then the party to whom the said sum is awarded may apply to the court for having a decree passed in terms of the award and may realize the amount in execution of the decree from the other party.
- k) The provisions of the Indian Arbitration & Conciliation Act, 1996, shall apply to this reference.
- l) The parties would cooperate and lead evidence, etc. with the arbitral tribunal and if one of the parties does not cooperate or remains absent at the reference, the tribunal would be at liberty to proceed with the reference *ex-parte*.
- m) The fees of the reference to Arbitral Tribunal shall be Rs._____ which shall be inclusive of costs of all the proceedings before the tribunal and shall be borne by both the parties equally.
- n) The Arbitral Tribunal shall make their award, with reasons for the decision, within three months from the date of entering upon the reference.
- o) The award of the Arbitral Tribunal shall be final, conclusive and binding on the parties and shall not be challenged on any ground except collusion, fraud or an error apparent on the face of the award.
- p) This reference to arbitration shall be deemed to be a reference within the meaning of the Arbitration and Conciliation Act, 1996 or any statutory modification thereof.

- q) No action can be taken under this agreement for the enforcement of any right without resorting to arbitration under this clause.

IN WITNESS WHEREOF the parties have set their hands on this ____day of _____20--.

Signed and delivered by S/o _____

Signed and delivered by S/o _____

WITNESSES:

- 1.
- 2.

12.7.2.

AGREEMENT FOR APPOINTMENT OF A BROKER FOR SELLING A HOUSE

THIS AGREEMENT made at on this day of, 20..., between S/o. resident of hereinafter called "**the owner**" (which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include his heirs, legal representatives, executors and administrators) of the ONE PART and C S/o D resident of hereinafter called "**the broker**" (which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include his heirs, legal representatives, executors and administrators) of the OTHER PART.

WHEREAS the owner is the absolute owner of the property described in the Schedule hereunder written and he wants to sell the same and for that purpose he requires the services of a broker.

AND WHEREAS the broker, who is a reputed broker dealing in real estate in the area has shown his willingness to sell the said property.

AND WHEREAS the owner has agreed to appoint the broker for the sale of his property described in the Schedule hereto on the terms and conditions as hereinafter appearing.

NOW THIS AGREEMENT WITNESSETH AS UNDER:

1. The owner authorises the broker to sell the property for a consideration of Rs..... out of which the purchaser shall pay Rs in advance as earnest money and the balance of Rs shall be paid within a period of months at the time of registration of the conveyance deed.
2. The owner hereby represents and warrants that the details of the property as described in the Schedule hereunder written are true and the title of the owner to the said property is clear, marketable and free from encumbrances.
3. The owner hereby undertakes that after the receipt of earnest money from the purchaser, he shall deliver the abstract of title showing that he is the owner of the property and the property is free from mortgage, lien, charge or any encumbrance.
4. The owner hereby agrees that on receipt of entire consideration in respect of the property, he shall execute conveyance deed in favour of the purchaser.
5. The broker hereby agrees that he shall be able to sell the property within a period of month from the date of these presents.

6. The owner shall pay to the broker the commission at the rate of% of the consideration, which shall be payable at the time of execution of the conveyance deed of the property.
7. This agreement constitutes the entire agreement between the parties and supersedes any oral or written agreement made earlier to the date of this agreement. Any variations/ modifications to this agreement shall not have any effect unless the same is in writing and executed by both the parties.
8. If any dispute or differences arise between the parties hereto regarding the claim by one party against the other or regarding the implementation of this agreement or interpretation or meaning of any of the clauses herein, the dispute shall be referred to the arbitral tribunal as per the following terms and condition:
 - a) Each party shall appoint one arbitrator.
 - b) The arbitrator appointed by each party shall be a practicing Chartered Accountant or lawyer.
 - c) English shall be used as the language for all the arbitration proceedings and the award of Arbitration.
 - d) The Arbitration proceedings shall take place at _____.
 - e) The Arbitral Tribunal shall enter upon the reference and decide the aforesaid matters. The Arbitral Tribunal shall make their award within three months after entering upon the reference or after having been called on to act by notice in writing from any party to the submission, or on or before any later day to which the Arbitral Tribunal by any writing signed by them may from time to time enlarge the time in making the award.
 - f) The Arbitral Tribunal shall to record the proceedings of the hearing by way of minutes and get it signed by both the parties .
 - g) The Arbitral Tribunal may proceed ex parte in case either party fails to appear after reasonable notice.
 - h) This agreement shall remain effective and enforceable against the legal representatives of either party in case of death.
 - i) The Arbitral Tribunal may appoint an accountant for examining the account of the party if they think necessary and the remuneration of the accountant as determined by

the arbitrators shall be the costs in the reference to be paid by the parties as the arbitrators may direct in their award.

- j) In case the Arbitral Tribunal awards that any sum is due from one party to the other, then the party to whom the said sum is awarded may apply to the court for having a decree passed in terms of the award and may realize the amount in execution of the decree from the other party.
- k) The provisions of the Indian Arbitration & Conciliation Act, 1996, shall apply to this reference.
- l) The parties would cooperate and lead evidence, etc. with the arbitral tribunal and if one of the parties does not cooperate or remains absent at the reference, the tribunal would be at liberty to proceed with the reference *ex-parte*.
- m) The fees of the reference to Arbitral Tribunal shall be Rs._____ which shall be inclusive of costs of all the proceedings before the tribunal and shall be borne by both the parties equally.
- n) The Arbitral Tribunal shall make their award, with reasons for the decision, within three months from the date of entering upon the reference.
- o) The award of the Arbitral Tribunal shall be final, conclusive and binding on the parties and shall not be challenged on any ground except collusion, fraud or an error apparent on the face of the award.
- p) This reference to arbitration shall be deemed to be a reference within the meaning of the Arbitration and Conciliation Act, 1996 or any statutory modification thereof.
- q) No action can be taken under this agreement for the enforcement of any right without resorting to arbitration under this clause.

IN WITNESS WHEREOF the parties have hereunto set their hands, the day, month and year first above written.

Schedule of the above property

Signed and delivered by s/o, the within named owner

Signed and delivered by s/o, the within named broker

WITNESSES

1.

2.

12.7.3.

AGREEMENT BETWEEN BUILDER AND A BROKER FOR SELLING THE FLATS TO BE CONSTRUCTED

THIS AGREEMENT made at on this day of, 20--, between Construction Co. Ltd., a company incorporated under the Companies Act, 1956 and having its registered office at hereinafter called '**the Builder**' (which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and assigns) of the ONE PART; and son of Late Shri..... resident of hereinafter called "**the Broker**" (which

expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include his heirs, legal representatives, executors and administrators) of the OTHER PART.

WHEREAS THE builder is constructing residential flats at more particularly described in the Schedule hereunder written; and wants to sell those flats and for the said purpose the services of the brokers are required.

AND WHEREAS the broker has approached the builder and expressed his consent to act as broker for the sale of the flats on the terms and conditions mutually agreed upon.

NOW THIS AGREEMENT WITNESSES AS FOLLOWS:

1. The builder appoints the broker for selling the flats being constructed by him, more particularly described in the Schedule hereunder written at the price and on the terms and conditions laid down in Annexure 1 to this agreement.
2. The broker will be entitled to the commission at the rate of --- percent on the cost of the flats booked by him.
3. The builder hereby represents and warrants that he is having clear and marketable title to the flats, free from any encumbrance, charge, lien, mortgage or attachment. The builder also represents and warrants that the material used in the flats is of best quality.
4. The builder hereby gives the period of months hereof for the sale of the flats described in the Schedule hereunder written and he shall not be authorised to sell the flats after the period of six months.
5. This agreement constitutes the entire agreement between the parties and supersedes any oral or written agreement made earlier to the date of this agreement. Any variations/ modifications to this agreement shall not have any effect unless the same is in writing and executed by both the parties.
6. If any dispute or differences arise between the parties hereto regarding the claim by one party against the other or regarding the implementation of this agreement or interpretation or meaning of any of the clauses herein, the dispute shall be referred to the arbitral tribunal as per the following terms and condition:
 - a) Each party shall appoint one arbitrator.

- b) The arbitrator appointed by each party shall be a practicing Chartered Accountant or lawyer.
- c) English shall be used as the language for all the arbitration proceedings and the award of Arbitration.
- d) The Arbitration proceedings shall take place at _____.
- e) The Arbitral Tribunal shall enter upon the reference and decide the aforesaid matters. The Arbitral Tribunal shall make their award within three months after entering upon the reference or after having been called on to act by notice in writing from any party to the submission, or on or before any later day to which the Arbitral Tribunal by any writing signed by them may from time to time enlarge the time in making the award.
- f) The Arbitral Tribunal shall to record the proceedings of the hearing by way of minutes and get it signed by both the parties .
- g) The Arbitral Tribunal may proceed ex parte in case either party fails to appear after reasonable notice.
- h) This agreement shall remain effective and enforceable against the legal representatives of either party in case of death.
- i) The Arbitral Tribunal may appoint an accountant for examining the account of the party if they think necessary and the remuneration of the accountant as determined by the arbitrators shall be the costs in the reference to be paid by the parties as the arbitrators may direct in their award.
- j) In case the Arbitral Tribunal awards that any sum is due from one party to the other, then the party to whom the said sum is awarded may apply to the court for having a decree passed in terms of the award and may realize the amount in execution of the decree from the other party.
- k) The provisions of the Indian Arbitration & Conciliation Act, 1996, shall apply to this reference.
- l) The parties would cooperate and lead evidence, etc. with the arbitral tribunal and if one of the parties does not cooperate or remains absent at the reference, the tribunal would be at liberty to proceed with the reference *ex-parte*.

- m) The fees of the reference to Arbitral Tribunal shall be Rs._____ which shall be inclusive of costs of all the proceedings before the tribunal and shall be borne by both the parties equally.
- n) The Arbitral Tribunal shall make their award, with reasons for the decision, within three months from the date of entering upon the reference.
- o) The award of the Arbitral Tribunal shall be final, conclusive and binding on the parties and shall not be challenged on any ground except collusion, fraud or an error apparent on the face of the award.
- p) This reference to arbitration shall be deemed to be a reference within the meaning of the Arbitration and Conciliation Act, 1996 or any statutory modification thereof.
- q) No action can be taken under this agreement for the enforcement of any right without resorting to arbitration under this clause.

IN WITNESS WHEREOF the parties have set their respective hands to these presents on the date, month and year hereinabove written.

Schedule

Annexure 1

Signed and delivered by Construction Co. Ltd.

through the hands of Shri.....

Managing Director

Signed and delivered by

WITNESSES

1.

2.

12.8. PARTITION

Partition is a division of joint right into several rights. It is different from gift or transfer of property. Partition refers to the severance of joint status. There should be a definite and unanimous indication of intention by the members of the joint family to separate.

The joint family properties are divided by metes and bounds among members. In case certain properties cannot be divided because it is impracticable or unreasonable, then partition can be effected by giving monetary compensation or allocating some other assets.

Joint family property can be partitioned through a partition deed.

Specimen Copy of Partition Deed

DEED OF PARTITION BETWEEN CO-OWNERS

Shri.....s/o.....r/o..... (hereinafter called the First Party), and Shri
.....s/o..... r/o (hereinafter called the Second Party) and
Shri.....s/o.....r/o..... (hereinafter called the Third Party) do hereby execute
this DEED OF PARTITION between themselves on this day of

WHEREAS the aforesaid parties are the co-owners in equal shares of the properties mentioned in the Schedules 1, 2, and 3 of this deed of partition.

WHEREAS the aforesaid properties were purchased by the aforesaid parties on.....from Shri..... s/o r/o vide sale-deed dated.....and registered on.....

AND WHEREAS the aforesaid parties have mutually agreed to divide the said properties amongst themselves in order to avoid any future dispute with regards to the said properties.

AND WHEREAS the aforesaid parties have agreed to assign the land comprising an area ofbearing No..... situated at.....,mentioned and mapped in Schedule 1 to first party and the land comprising an area of situated at.....bearing the No.....detailed in Scheduled 2 to this deed to second party and the land along with the trees standing thereon comprising an area of.....situated at.....bearing No.....detailed in Schedule 3 to this deed to the third party. The aforesaid parties have also mutually agreed that the aforesaid parties become sole and absolute owners of the allotted properties.

AND WHEREAS the aforesaid parties have taken possession of the properties assigned to them as aforesaid.

NOW THIS DEED WITNESSETH AS FOLLOWS:

1. That in consideration of the right title and interest made in accordance with the aforesaid terms of this deed and in accordance with the conditions hereinafter mentioned release and relinquish their interest in the properties allotted to other parties and each of the said parties hereby conveys to each other's party separately his right, title and interest therein so as to constitute each party to this deed the sole and absolute owner of demands of other thereto or concerning therewith, as from the date of this deed.
2. That the original deed of partition shall be retained by first party, at true copy thereof signed by each party has been delivered to the other said parties who shall be entitled to require production of the original from the first party before any Court or public office or Bank or Insurance Company etc. if so desired.
3. That the parties have agreed that all taxes and public charges in respect of the allotted properties shall be borne by the parties themselves.

4. That each party will execute such deed or do all other acts necessary which may be requisite for more effectually assuring the party so requiring and at his cost, in the manner required by law and appear before revenue or other authorities to have mutation effected in respect of the party assigned to the party concerned.
5. That the valuation of the entire property under this partition-deed is fixed at Rs. _____.

IN WITNESS WHEREOF the aforesaid parties have signed this deed of partition on the day and year first before written.

Witnesses :

1.....

2.....

Sd/-

1. First party

2. Second party

3. Third party

Schedule-1

Schedule-2

Schedule-3

12.9. GIFT

According to Sec.122 of The Transfer of Property Act, 1882, “Gift is the transfer of certain existing moveable or immoveable property made voluntarily and without consideration, by one person, called the donor, to another, called the donee, and accepted by or on behalf of the donee.”

A gift is a common mode of transfer of property. It is the transfer of certain existing moveable or immoveable property by one person to another. The transfer should be made voluntarily and without consideration. The person transferring the property is called the donor. The person to whom the property is transferred is referred to as the donee. The donee must accept the property during the lifetime of the donor and while he is still capable of giving. In case the donee dies before acceptance, the gift is void.

The essential elements of a gift are –

1) Voluntary

The transfer of movable or immovable property should be voluntary. The gift of property by undue influence makes the gift voidable and a suit to set it aside can be brought within three years prescribed by the Limitation Act, 1963.

2) Without consideration

A gift is a transfer without any element of consideration.

Complete absence of monetary consideration is an important prerequisite. Where there is any equivalent of benefit measured in terms of money in respect of a gift, the transaction ceases to be a gift.

In *Shakuntala v. State of Haryana*² the Supreme Court stated that it is one of the essential requirements of a gift that it should be made by the donor ‘without consideration’.

² (1979)3 SCC 226

3) Donor

The person transferring the property is called the donor and everyone who is Sui juris (legally competent) can dispose by way of gift, any property or any estate or interest into which he is absolutely entitled.

4) Donee

The person accepting the gift is the Donee. All persons whether Sui juris or not are competent to receive gifts. A minor can accept the gift, other than where gift is onerous.

In *Shri Ram Krishan Mission v. DogarSingh*³ dedication of property by a Hindu to a dharmasala was held not to be a gift as the donee was not a living person.

5) Competence to gift

Any person who is competent to contract can make a gift of his property. A minor, being incompetent to contract is incompetent to transfer. A gift by a minor is void. Competence to contract is an important qualification required for making a gift.

6) Subject matter of gift

All property, real and personal, corporeal and incorporeal may be the subject of gift. A future property or mere expectancy, such as an expectation of succession to property, as the possible heir or one of the possible next of kin of a living person cannot be transferred by gift.

7) Transfer

The donor should transfer the property voluntarily and without consideration.

8) Acceptance

The acceptance of gift should be made by the Donee. The acceptance may be express or may be inferred by the donee's possession of the property or even the donee's possession of the deed of gift within the meaning of section 123, Transfer of Property Act, and therefore the gift became effectual, subject to registration and it is immaterial that the deed was not stamped. The guardian of a minor can accept the gift for him, although he cannot incur an obligation. The acceptance of gift must be during the lifetime of the donor and if the donor dies before acceptance, there cannot be a gift. However, if the

³ AIR 1984 All 72

donor dies after acceptance of the gift, but before the deed is registered, the transfer may be completed by registration after the death of the donor.

In *N.M Thakker v. P.M Thakker*⁴ it was held that the execution of a registered gift deed, acceptance of the gift and delivery of the property together make the gift complete.

How gift of transfer is effected?

For the purpose of making a gift of immoveable property, the transfer should be effected by a registered instrument signed by or on behalf of the donor, and attested by at least two witnesses. For the purpose of making a gift of moveable property, the transfer may be effected either by a registered instrument signed as aforesaid or by delivery. Such delivery may be made in the same way as goods sold may be delivered.

Hence gift of immovable property is compulsorily registerable under the Registration Act, 1908.

In *Gomtibai v. Mattula*⁵ it was held that mere intention to give away the property is not enough to effect the transfer of gift. There has to be a registered gift deed in order for the gift to be complete in the eyes of law.

Gift of existing and future property

A gift comprising both of existing and future property is void as to the latter.

In *CIT v. R.S Gupta*⁶ the court laid down that in order to constitute a valid gift there must be existing property. In this case a gift was given by instructing a non banking company, firm or Hindu Undivided Family in which the donor had an account to give effect to the gift by debiting his account and crediting the account in the name of the donee. It was held that mere entries in the books of account would not constitute a valid gift unless the company, firm or Hindu Undivided Family has sufficient cash in hand or overdraft facilities with any bank. The court decided that on facts the gift in question was invalid in absence of cash balance or overdraft facilities in the company.

⁴ (1997)2 SCC 255

⁵ (1996)11 SCC 681

⁶ (1987)2 SCC 84

Gift to several of whom one does not accept

A gift of a thing to two or more donees, of which one does not accept it, is void as to the interest, which he would have taken had he accepted.

Suspension or revocation of gift

Generally a gift cannot be revoked except in the below mentioned circumstances –

The donor and donee may agree that on the happening of any specified event which does not depend on the will of the donor a gift shall be suspended or revoked; but a gift which the parties agree shall be revocable wholly or in part, at the mere will of the donor, is void wholly or in part, as the case may be.

A gift may also be revoked in any of the cases (save want or failure of consideration) in which, if it were a contract, it might be rescinded.

Examples –

- A gives a field to B, reserving to himself, with B's assent, the right to take back the field in case B and his descendants die before A. B dies without descendants in A's lifetime. A may take back the field.
- A gives a lakh of rupees to B, reserving to himself, with B's assent, the right to take back at pleasure Rs. 10,000 out of the lakh. The gift holds good as to Rs.90,000, but is void as to Rs. 10,000 which continue to belong to A.

Onerous gifts

"Onerous gift" is a gift made subject to certain charges/obligations imposed on the donee by the donor. The basic principle is that one has to accept the benefit of a transfer and the burden of the same. Hence, in an onerous gift, the donee should accept the burden imposed on the property gifted by the donor.

Sometimes, a gift is made in a "single transfer" to the same person and it consists of several things out of which one is burdened with an obligation and others are not so burdened. Under the circumstances, the donee has to accept the gift fully with the obligation also and cannot take only that part which has no obligation.

When an onerous gift consists of two or more separate or independent transfers made by a donor to the donee of several things, the donee is at liberty to take one of the transfers which is beneficial to him and refuse the others which are onerous to him.

When a donee under law is not qualified to accept the obligation, then, even when he accepts the gift with an obligation it does not bind him. For e.g., a minor cannot accept a gift himself and even when it is made it does not bind him.

However, when a disqualification ceases, i.e., when the minor becomes a major and being aware of the burden of the obligation, if he retains the property, the obligation on the property is valid and binding on him and he cannot refuse the same.

Universal Donee

Where the gift consists of the whole property of the donor, then the donee is known as an universal donee and he is personally bound by all the debts and liabilities due by the donor at the time of making the gift to the extent of the property comprised therein.

The gift must be for the whole of the property of the donor and no property of the donor shall be excluded. Then only the donee in such a case becomes a universal donee.

When any one of the properties of the donor is specifically excluded, then, the donee does not become a universal donee and hence may not be liable for all the debts and liabilities of the donor, which are not specifically charged on any property gifted.

Gift of movable property

Gift of movable property can be made by alternative modes of transfer namely, registered deed and delivery of possession.

In case of delivery, the donor should have done all that he can, to put the subject matter of the gift within the power of the donee to obtain possession. A valid gift must ordinarily be followed by possession.

Gift deeds transferring actionable claims like shares, insurance policies have been held to be valid.

Mere entries in accounts books in favour of the wife or where money is deposited in bank but the certificate is retained by the donor is not gift as there is no delivery of the subject matter of gift, but a transfer from the account of the donor to that of the donees will make it a valid gift.

Registration and stamp duty on Gift of movable property

Registration is optional when movable properties like jewellery are transferred as gifts.

But Stamp duty is applicable even if the transfer of jewellery to relatives through a gift deed is not registered.

Under the Bombay Stamp Act, 1958, stamp duty payable will be the same as that on a conveyance. In case the movable property is gifted to a family member like husband, wife, brother or sister of the donor or any lineal ascendant or descendant of the donor, then the amount of duty chargeable will be 2% and in other cases it will be at the rate chargeable for conveyance on the market value of the property.

According to Article 35 of Bombay Stamp Act, 1958 - “The same duty as is leviable on a Conveyance under clause (a), (b), (c) or (d), as the case may be, of Article 25, on the market value of the property which is the subject matter of the gift. Provided that, if the property is gifted to a family member being the husband, wife, brother or sister of the donor or any lineal ascendant or descendant of the donor, then the amount of duty chargeable shall be at the same rate as specified in this article or at the rate of rupees ten for every rupees five hundred or part thereof on the market value of the property which is the subject matter of the property which is the subject matter of the gift, whichever is less.

Articles 35 and 25 of the Bombay Stamp Act, 1958 only mentions about the true market value of the property, in such case if the gift is in the form of cash, no stamp duty will be payable on the same.

Registration and stamp duty on gift of immovable property

Registration of gift of immovable property is compulsory under the Registration Act, 1908. Registration fee is 1% of market value subject to a maximum of Rs.30,000.

Stamp duty payable on the gift of immovable property under the Bombay Stamp Act, 1958 is the same duty leviable on a conveyance on the market value of the property which is the subject matter of the gift. In case the movable property is gifted to a family member like husband, wife, brother or sister of the donor or any lineal ascendant or descendant of the donor, then the amount of duty chargeable will be 2% and in other cases it will be at the rate chargeable for conveyance on the market value of the property.

Specimen Models of Gift Deeds

12.9.1. DEED OF GIFT OF MOVABLE PROPERTY

I, Mr/Mrs. residing at do hereby make a gift of the ornaments and jewellery specified in the schedule herein under written to my daughter Miss in consideration of natural love and affection on the occasion of her marriage.

SCHEDULE

Signed by the DONOR

Accepted by the DONEE

Witnesses

1.....

2.....

12.9.2. DEED OF GIFT OF IMMOVABLE PROPERTY

THIS DEED OF GIFT is made at this day of between Mr. of hereinafter referred to as 'the **DONOR**' of the One Part and Mr. of hereinafter referred to as 'the **DONEE**', of the Other Part.

WHEREAS the DONOR is seized and possessed of the land and premises situated at and more particularly described in the Schedule hereunder written.

AND WHEREAS the DONEE is related to the Donor as

AND WHEREAS the Donor desires to grant the said land and premises to the DONEE as gift in consideration of natural love and affection as hereinafter mentioned.

AND WHEREAS the DONEE has agreed to accept the gift as is evidenced by his executing these presents.

AND WHEREAS the market value of the said property is estimated to be Rs

NOW THIS DEED WITNESSETH that the DONOR without any monetary consideration and in consideration of natural love and affection, which the DONOR bears to the DONEE, doth hereby grant and transfer by way of gift the said land and premises situated at and

more particularly described in the Schedule hereunder written together with all the buildings, and structures thereon and all the things permanently attached thereto or standing thereon and all the liberties, privileges casements and advantages appurtenant thereto and all the estate, right, title, interest use, inheritance, possession, benefit, claims and demand whatsoever of the DONOR To Have And To Hold the same unto and to the use of the DONEE absolutely but subject to the payment of all taxes, rates, assessments, dues and duties now and hereafter chargeable thereon to the Government or Municipality or other Local Authority.

AND he the DONOR doth hereby covenants with the DONEE;

- (a) That the DONOR now has in himself, good right, full power and absolute authority to grant the said piece of land and other the premises hereby granted as gift in the manner aforesaid.
- (b) The DONEE may at all times hereafter peaceably and quietly enter upon have occupy, possess and enjoy the said piece of land and premises and receive the rents, issues and profits and rents thereof and every part thereof to and for his own use and benefit without any suit, lawful eviction, interruption, claim or demand whatsoever from or by the DONOR or his heirs, executors, administrators and assigns or any person or persons lawfully claiming or to claim by, from, under or in trust for the DONOR.
- (c) That the said land and premises are free and clear and freely and clearly and absolutely and forever released and discharged or otherwise by the DONOR and well and sufficiently saved, kept harmless and indemnified of and from and against all former and other estate, titles, charges and encumbrances whatsoever, had made, executed, occasioned or suffered by the DONOR or by any other person or persons lawfully claiming or to claim by from, under or in trust for the Donor.
- (d) AND FURTHER that the DONOR and all persons having or lawfully claiming any estate or interest whatsoever to the said land and premises or any part thereof from under or in trust for the DONOR or his heirs, executors. administrators and assigns or any of them shall and will from time to time and at all times hereafter at the request and cost of the DONEE do and execute or cause to be done and

executed all such further and other acts, deeds, things, conveyances and assurances in law whatsoever for better and more perfectly assuring the said land and premises and every part thereof unto and to the use of the DONEE in the manner aforesaid as by the DONEE, his heirs, executors, administrators and assigns or counsel in law shall be reasonably required.

IN WITNESS WHEREOF the Donor as well as the DONEE (by way of acceptance of the said gift) have put their respective hands the day and year first hereinabove written.

THE SCHEDULE ABOVE REFERRED TO

Signed and Delivered by the within named Donor.....

Signed by within named DONEE.....

Witnesses

1.....

2.....

12.9.3. DEED OF GIFT OF LAND FOR BUILDING A TEMPLE

This Deed of gift is made at on this day of 20..., between son of resident of (hereinafter called "the Donor") of the One Part and Son of resident of (hereinafter called "the donee") of the Other Part.

WHEREAS the donor is absolutely possessed of or otherwise well and sufficiently entitled to the land more particularly described in the Schedule hereunder written and hereinafter called "the said property".

AND WHEREAS the donee proposes to construct a temple for public and he has requested the donor to donate the said property to him for the construction of the temple thereon.

AND WHEREAS the donor has agreed with the donee to gift to him for the construction of temple the said property hereby transferred belonging to the donor on the terms and conditions hereinafter contained.

NOW THIS DEED WITNESSETH AS FOLLOWS:

1. In pursuance of the aforesaid agreement and in consideration of the donee's covenants hereinafter contained, the donor does hereby voluntarily and absolutely grants, conveys, transfers and assures unto and to the use of the donee all that plot of land more particularly described in the Schedule, hereunder written, to hold the same to the donee and his successors according to the custom of succession in the management of religious endowments recognised by Hindu religion for the purpose of temple and for no other purpose.
2. The donee hereby covenants with the donor as follows:
 - i. He will construct a "..... temple" on the said property within one year from the date of these presents and will not use the said property for any other purpose whatsoever.
 - ii. The temple when constructed on the said property shall be open to all Hindus for worship and prayers and for no other purpose.

- iii. The donee and his successors shall regularly perform all ceremonies of worship in the temple according to Hindu religion.
- iv. The donee and his successors will keep the said temple in good and substantial repair.
- v. If the donee fails to construct a temple within the period of one year from the date of these presents or if the said property shall cease to be used for the purpose of temple or if the object of the gift is frustrated otherwise for any reason whatsoever, this gift will stand ipso facto revoked and the property shall revert to the donor or his successors, heirs, administrators or legal representatives free from any claim on that account, as if the gift was never made nor intended.

3. The estimated value of the property is Rs.....

IN WITNESS WHEREOF, the donor has executed this deed of gift and delivered the same to the donee, who has signed the same in token of acceptance the day and year first above written.

The Schedule above referred to

Signed and delivered by the within named donor

Signed and delivered by the within named donee

WITNESSES:

1.

2.

13.9.4. DEED OF GIFT OF PROPERTY FOR HOSPITAL

Let It Be Known To All Men that I..... s/o
.....r/o.....(hereinafter called the Donor, owner in possession of land
described in the schedule annexed herewith, intend to construct and start a hospital in
..... for providing free medical facilities to the poor inhabitants of
..... and desire to donate the aforesaid land to
s/o.....r/o.....(hereinafter called the Donee).

Both The Donor and Donee hereby agree to the following:

1. That the donor does hereby and under his free will and without force, compulsion or undue influence, give, grant, convey and assign the entire land (described in the schedule) unto and to the use of the donee and his successors and heirs for the purposes of a site for construction of the said hospital to have and hold the same so long as it would be utilized for the purpose for which it has been donated.
2. That the donee hereby accepts the gift made hereinbefore solely and exclusively for the purpose mentioned above and subject to conditions hereinbefore stated.
3. That it is also agreed between the parties that if the land so gifted is not utilized for the purpose for which it has been donated within a span of three years from the date of the execution of this deed of gift or the said hospital is demolished or shifted elsewhere or amalgamated with some other hospital, the present deed of gift shall stand revoked automatically and the land so gifted and all buildings and structures thereon shall revert back to the donor or his heirs and successors as the case may be and shall form part of his former estate as if such deed of gift was never executed.
4. That the parties further agree with each other that in the event of the land so gifted being required by the Government, the donee and his successors shall be entitled to the compensation and shall reinvest in the purchase of land and construction of the building of the hospital.
5. That the estimated value of the land so gifted is Rs.....

IN WITNESS WHEREOF the donor has executed this deed and delivered the same to the donee who has also executed the same in token of acceptance thereof on this Day of
..... 20.....

SCHEDULE

Sd/-Donor.....

Sd/-Donee.....

Witnesses:

1.

2.

12.10. RELINQUISHMENT / RELEASE

Relinquishment / release is one of the modes of transfer of property. By way of relinquishment deed, one or more joint owner can give up /relinquish /release his /their share in an immovable property to one or more joint owners. A release of rights in immovable property should be by a written deed and registered. Relinquishment of rights may be with consideration or without consideration.

RELINQUISHMENT DEED

This Deed of relinquishment is made and executed on this--- day of ----, 20--- by
_____ S/o _____ and. _____ Daughter of
_____ residents of _____ hereinafter called
“the EXECUTANTS/RELEASORS.

IN FAVOUR OF

_____W/o _____ resident of
_____ hereinafter called the “RELEASEE”.

WHEREAS _____son of Shri. _____resident of
_____ was the absolute owner of Entire Second Floor of
Freehold Property bearing No. _____ built on Plot No. _____, in Block No

Built on a plot of land measuring _____, situated at _____ by virtue
of Gift Deed registered as document no. _____in Add____Book No____Vilume No.
_____ on pages _____to_____ dated _____, in the office of Sub-Registrar, New
Delhi (hereinafter called the said portion of the said property).

AND WHEREAS the said _____intestate died on _____
(Death Certificate enclosed) leaving behind the following legal heirs:-

SL. No.	Names	Age	Relationship	Address
---------	-------	-----	--------------	---------

I)

II)

III)

WHEREAS consequent upon the death of Shri _____ 1/3rd share
each in the _____of Freehold property bearing No. _____ built on Plot No.

In Block No. _____, built on a plot of land measuring _____, situated at
_____, has devolved upon the above legal heirs.

NOW THIS DEED WITNESSETH AS UNDER :-

Pursuant to their wish, as mentioned above, the Executants/Releasors out of natural love and affection and without any monetary consideration, hereby wish to release and relinquish their _____ share each in the _____ of Freehold property bearing No. _____ built on Plot no _____, in Block No _____, built on a plot of land measuring _____, situated at _____, in favour of. _____ wife of _____ as mentioned above, and hereby affirm and declare that they and their legal heirs shall have no claim, right, lien or interest in the entire _____ of the aforesaid property and the same shall vest absolutely in the said. _____ wife of _____, the Releasee.

IN WITNESS WHEREOF , the Executants/Releasors and the Releasee have signed this Deed of Relinquishment on the day, month and year first mentioned above in the presence of the following witnesses:-

(-----)

RELEASEE

(-----)

EXECUTANTS/RELEASORS

WITNESSES:-

1.

2.

12.11. EXCHANGE

When two persons mutually transfer the ownership of one thing for the ownership of another, neither thing nor both things being money only, the transaction is called an Exchange. A transfer of property in completion of an exchange can be made only in the manner provided for the transfer of such property by sale. The difference between a sale and an exchange is that in a sale the price is paid in money while in an exchange it is paid in another property by way of barter. Sale is always for a price, which means money or the current coin of the realm while no price is paid in an exchange, there being only a transfer of one specific property for another.

EXCHANGE DEED

(Simple deed of exchange where the value of properties are of the same value)

This deed of Exchange is executed on the _____ day of _____ 20__ by Sri./Smt._____, S/o./W/o._____, and aged _____ years, residing at_____ hereinafter referred to as the PARTY OF THE FIRST PART.

And

Sri./Smt. _____S/o./W/o._____, aged _____ years, residing at_____ hereinafter referred to as the PARTY OF THE SECOND PART.

Whereas, the term the First Party and the Second Party unless repugnant to the context shall mean and include their representatives heirs, successors, executors, administrators, trustees, legal representatives and assigns.

Whereas, the First Party herein, is the sole and absolute owner of immovable property bearing No._____ situated at _____ more fully described in the First Schedule hereunder written and hereinafter called the First Schedule property.

Whereas, the First Party is the absolute owner, having acquired the property, by _____ and since then the First Party has been in possession and enjoyment of the First Schedule property and paying taxes and levies thereon, as sole and absolute owner thereof.

Whereas, the Second Party herein, is the sole and absolute owner of immovable property bearing No._____ situated at _____ more fully described in the Second Schedule hereunder written and hereinafter called the Second Schedule property.

Whereas, the Second Party is the absolute owner, having acquired the property, by _____ and since then the Second Party has been in possession and enjoyment of the Second Schedule property and paying taxes and levies thereon, as sole and absolute owner thereof.

Whereas it has been agreed between the parties hereto to exchange their respective properties viz. First scheduled property written hereunder unto and to the use of the Second Party in consideration of the Second Scheduled property here under written unto the use of First Party.

Whereas the market value of the First Schedule property is assessed at Rs._____.

Whereas the market value of the Second Schedule property is assessed at Rs._____

Whereas the parties hereto have now agreed to execute this deed of exchange.

NOW THIS DEED WITNESSETH that in pursuance of the aforesaid agreement and in consideration of the party of the Second Part conveying to the party of the First Part the Second Schedule property hereunder written and Second Party hereby grant and convey by way of exchange unto the party of the First Part absolutely and forever all that piece and parcel of the property described in the Second Schedule together with all the liabilities, easements, profits, privileges, advantages, rights, members and appurtenances whatsoever of the said Second Schedule property and also together with all the deeds, documents, writings and other evidences

of title relating to the said Second Schedule property and all the estate, right, title, interest, use, possession, benefit, claim and demand whatsoever, both at law and in equity of the party of the First Part TO HAVE AND TO HOLD the said Second Scheduled property hereby granted and conveyed by way of exchange unto and to the use and benefit of the party hereto of the First Part subject to payment of all rents, taxes, assessments, rates, duties, now chargeable upon the same or which may herein after become payable in respect thereof to the local authority.

NOW THIS DEED WITNESSETH that in pursuance of the aforesaid agreement and in consideration of the party of the First Part conveying to the party of the Second Part the First Schedule property hereunder written and First Party hereby grant and convey by way of exchange unto the party of the Second Part absolutely and for ever all that piece and parcel of the property described in the First Schedule together with all the liabilities, easements, profits, privileges, advantages, rights, members and appurtenances whatsoever of the said First Schedule property and also together with all the deeds, documents, writings and other evidences of title relating to the said First Schedule property and all the estate, right, title, interest, use, possession, benefit, claim and demand whatsoever, both at law and in equity of the party of the Second Part TO HAVE AND TO HOLD the said First Schedule property hereby granted and conveyed by way of exchange unto and to the use and benefit of the party hereto of the Second Part subject to payment of all rents, taxes, assessments, rates, duties, now chargeable upon the same or which may herein after become payable in respect thereof to the local authority.

Whereas each of the parties of the First and the Second Part mutually covenants with the other that;

(i) He has now in himself, absolute right, full power and absolute authority to grant the scheduled property hereby granted or assured or intended to be by him unto and to the use of the other party in manner aforesaid.

(ii) That the other party shall and may at all times hereafter peacefully and quietly enter upon have occupy, possess and enjoy the schedule property conveyed to him and receive the profits thereof and for his own use and benefit without any suit, eviction, interruption, claim or demand whatsoever from or by him the covenanting party or his heirs, or any of them or any persons lawfully or equitably claiming or to claim by from under or in trust for them or any of them.

(iii) The said schedule property is free from all encumbrances, claim, and attachment of whatsoever in nature.

(iv) He the covenanting party and all the persons having or lawfully claiming any estate or interest whatsoever in the scheduled property is conveyed by him shall and will from time to time and at all times hereinafter at the request and cost of the other of them do and execute or caused to be done and execute such further and other acts deeds, things, conveyances and assurances in the law whatsoever for the better and more perfectly assuring the said land and premises conveyed to him by the other and every part thereof unto and to the use of, the party to whom it is conveyed in the manner aforesaid as by him his heirs, executors, administrators and assigns shall be reasonably require.

FIRST SCHEDULE

(Property belongs to First Party exchanged to the Second Party)

All the piece and parcel of immovable property bearing No. _____

Measuring _____

Bounded by:-

On the East:

On the West:

On the South:

On the North:

Market value of the property under this deed is Rs. _____ (Rupees _____ only).

SECOND SCHEDULE

(Property belongs to Second Party exchanged to the First Party)

All the piece and parcel of immovable property bearing No. _____

Measuring _____

Bounded by:-

On the East:

On the West:

On the South:

On the North:

Market value of the property under this deed is Rs. _____ (Rupees
_____ only).

The Stamp duty is paid on the market value as stated above.

IN WITNESS WHEREOF the First Party as well as the Second Party have put their respective hands the day and year first herein above written.

FIRST PARTY

SECOND PARTY

WITNESSES:

1.

2.

EXCHANGE DEED

(Exchange deed were the properties are not of the same value and therefore equalisation money
is paid)

THIS DEED OF EXCHANGE made at _____ this _____ day of _____ 20____
between _____, residing at _____ of the One Part AND
_____ residing at _____ of the Other Part;

WHEREAS the said _____ is seized and possessed as the absolute owner of the lands
more particularly described in the First Schedule hereunder written;

AND WHEREAS the said _____ is seized and possessed as the absolute owner of a house
more particularly described in the Second Schedule in the matter hereinafter mentioned;

AND WHEREAS the value of the property agreed to be transferred by party of the One Part is
Rs. _____ (Rupees _____ only) and the value of the
property agreed to be transferred by the party of the Other Part is Rs. _____ (Rupees
_____ only) and the parties have agree to pay and
receive the difference in value in cash.

NOW THEREFORE THIS DEED WITNESSES as follows:

1. In pursuance of the said agreement, the party of the One Part hereby grants, transfers and
conveys to the party of the Other Part ALL THAT the lands more particularly described in the
First Schedule hereto TO HOLD unto the party of the Other Part, his heirs, executors,
administrators and assigns absolutely.

2. In further pursuance of the said Agreement, the party of the Other Part hereby grants, transfers
and conveys to the party of the One Part ALL THAT the house more particularly described in
the Second Schedule hereto TO HOLD unto the party of the One Part, his heirs, executors,
administrators and assigns absolutely.

3. Each of the parties hereto covenants with the other –

(1) That the property hereby transferred by him is unencumbered;

(2) That the property hereby transferred by him and the rent and profits thereof shall be quietly
enjoyed by the transferee without disturbance or interruption whatsoever;

(3) That at the request and cost of the other party, the parties hereto shall execute such assurances and do such acts, deeds and tings as shall be reasonably necessary for the more perfectly assuring unto such other the title to the property hereby transferred; and

(4) That in the event of any defect in title or any disturbance of possession by the other or those claiming through or under him, this transaction shall be null and void and the parties hereto shall be relegated to the same position in which they were prior to this transaction.

4. That the part of the One Part has paid on or before the execution of this Deed a sum of Rs. _____ (Rupees _____ only) by cheque to the party of the Other Part (the receipt whereof has separately been acknowledged by the party of the Other Part).

5. The original Deed of Exchange shall be retained by the Party of the One Part and the duplicate, duly signed and stamped shall be retained by the Party of the Other Part and shall for all purposes be treated as the original.

IN WITNESS WHEREOF the parties hereto have hereunto set and subscribed their respective hands and seals the day and year first hereinabove written.

FIRST SCHEDULE

(Description of property of the Party of the One Part)

SECOND SCHEDULE

(Description of property of the Party of the Other Part)

Signed, Sealed and Delivered }

by the within named _____ }

in the presence of _____ }

Signed, Sealed and Delivered }

by the within named _____ }

in the presence of _____ }

12.12. CANCELLATION

CANCELLATION DEED

(Where money transaction has taken place)

This deed of cancellation made this..... day of..... 20... between (hereinafter referred to as the BUYER) of the one part and (hereinafter referred to as the SELLER) of the other part:

WHEREAS by a covenant made between the parties hereto and registered in the office of the Sub-Registrar of Book No., Volume..... Pages..... being No. for the year it was witnessed that the party hereto of the First part consented to buy the property fully stated in Schedule thereto as also in the Schedule hereunder written and hereinafter referred to as the said property at and for the sum of Rs..... on terms having therein.

AND WHEREAS the party of the First part paid to the party of the Other part a sum of Rs..... as earnest money basing said covenant.

AND WHEREAS the said sum of Rs. was in terms of the said agreement secured by a charge on the said property.

AND WHEREAS the said covenant is in full force/virtue.

AND WHEREAS it has now been consented by and between parties hereto that the party of the Other Part shall refund to the party of the First Part the said sum of Rs. and also pay a further sum of Rs. due to all his costs, charges and expenses for searches, investigation of title and on other accounts by which said covenant shall stand cancelled.

AND WHEREAS party of the Other part has refunded to the party of the First part the said sum of Rs. and paid Rs..... as stated above which the party of the First part doth hereby as also by receipt hereunder written, confirm, acknowledge and admit.

And whereas party of the Other part has also returned to party of the First part the said covenant for sale dated the endorsed as abrogated.

NOW THIS CONTRACT WITNESSETH that for the consideration as aforesaid the party hereto of the First part doth hereby consent, declare and confirm that he bear no right, title, claim or interest in said property under and due to hereinbefore stated covenant for sale which stands annulled with immediate effect and shall hereafter bear no force and effect whatever and further that the party of the First part doth hereby and hereunder discharge, reassure, allow release, the said property and every portion thereof unto and to the party of the Other part discharged and freed from charge, security, claim, created and due to said agreement for sale as aforesaid and all claims, demand, cause of action emerging out of or relating with same and the party of the First part doth hereby agree with the party of the Other part that he has not done any deed act or thing by which or by reason or means whereof he is restricted or prevented from abrogating the said agreement for sale and/or releasing and reassuring the said property in the way as aforesaid.

SCHEDULE

IN WITNESS WHEREOF the party of the First part doth hereunder set and subscribe his hand and seal the day month and year first above-written.

Signed, sealed and delivered by the parties at..... in the presence of:

CANCELLATION DEED

(Where consideration has not been paid)

This covenant is made atthe ... day of between Mr. of..... hereinafter referred to as the first party and Mr. of..... hereinafter referred to as the second party.

WHEREAS the first party has executed a Deed of Conveyance on theday of..... favouring of the second party concerning the land and premises located at..... and more specifically described in the Schedule to the said Deed.

AND WHEREAS the second party had consented to pay to the first party a sum of Rs. as consideration for the vending the said land and premises for said amount but the second party neglected to pay and admitted not paying the said sum.

AND WHEREAS the title to the said property was desired to be transferred to the second party on paying the said amount.

AND WHEREAS the possession of the said property has not been delivered to the second party.

AND WHEREAS the said Deed of Conveyance has been lodged for registration with the Registrar of Assurances at but the first party has not yet admitted the execution thereto.

AND WHEREAS the second party could not pay the said consideration money, hence the first party and second party have consented in abrogating and do hereby record the said agreement of abrogation.

Now it is consented and declared by parties hereto that in view of the buyer not paying the consideration money the parties hereto by mutual agreement do hereby abrogate the said Deed of Conveyance and consent and confirm that the same is annulled and shall be considered to be and treated as cancelled and never to have been acted upon.

Now it is consented and confirmed that the said property has not transferred to the second party and does not claim any right, title or interest in the said property under or due to said Deed of Conveyance.

And it is further consented and declared that all expenses, charges and costs including stamp duty and registration fees relating to the Deed of Conveyance and of these presents are to be borne/paid by the second party wholly.

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

Signed and delivered by the within-named

First party Mr. X in the presence of:

Signature

Signed and delivered by the within-named

Second party Mr. Z in the presence of:

Signature

13. POWER OF ATTORNEY

A power of attorney (“**PoA**”) is an instrument whereby a specified person or persons are empowered to act for and in the name of the person executing the instrument (“donor”).

Power of Attorneys are specifically or incidentally referred to in several statutes. It is a type of agency, and law relating to the powers of attorney forms part of the general law of agency. The law of agency in India is contained in Chapter X, sections 182 to 238 of the Indian Contract Act, 1872.

The statutory provisions concerning Power of Attorneys are found in the Powers of Attorney Act, 1882.

Competence to Execute

Any person competent to contract can execute a Power of Attorney. However, as per section 5 of the 1882 Act, married women can execute a Power of Attorney even if they are minors. Thus the following persons can execute a Power of Attorney:

- a. Individuals competent to contract, provided that married minor women can also execute a Power of Attorney;
- b. Partnership firms; and
- c. Companies.

Persons appointed

As per section 183 of the Indian Contract Act, 1872 any person can become an agent between the principal and third persons, however a person who is not competent to contract cannot become an agent, so as to be responsible to his principal.

Execution

A power of attorney need not be attested or registered. However if at the time of execution of a Power of Attorney, the principal resides in any part of India, and the Power of Attorney authorizes a person to present documents at the registration office for registration, it has to be executed and authenticated by the Registrar or Sub-Registrar within whose district or sub-district the principal resides.

In case the principal does not reside in India, it must be executed and authenticated by a Notary Public, or any Court, Judge, Magistrate, Indian Consul or Vice Consul, or representative of the Central Government in the country in which the donor is residing at the time of executing a power of attorney.

Further, under Section 4 of the Act, it is possible to deposit a power of attorney, its execution being verified by affidavit, statutory declaration or other sufficient evidence, along with the said affidavit or declaration if any, in the High Court or the District Court within the local limits of whose jurisdiction the instrument may be. A separate file is kept of the instruments so deposited

and any person is entitled to search that file and inspect every instrument so deposited. A certified copy is also delivered on request. A certified copy of such an instrument is, without further proof, sufficient evidence, of the contents of the instrument and of the deposit thereof in a High Court or District Court.

Partnership Firms

The powers and authority of a partner of a firm are regulated by the Partnership Act. In the absence of any usage or custom of trade to the contrary, the implied authority of a partner does not empower him to⁷ –

- Submit a dispute relating to the business of the firm to arbitration;
- Open a banking account on behalf of the firm in his own name;
- Compromise or relinquish any claim or portion of a claim by the firm;
- Withdraw a suit or proceeding filed on behalf of the firm;
- Admit any liability in a suit or proceeding against the firm;
- Acquire immovable property on behalf of the firm; or
- Enter into partnership on behalf of the firm.

Accordingly, for the purposes mentioned in clauses (a) to (h), a partner requires a power of attorney from all the partners of the firm, i.e. a power of attorney in favour of any partner or outsider must be executed by all the partners. However, if one or more partners hold a general power of attorney executed by all partners with a power to delegate, then one or more partners can execute a power of attorney in favour of a third person for and on behalf of the firm or other partners. A power of attorney executed by one or more partners in favour of a third person, even

⁷ Section 19, Indian Partnership Act, 1932.

in the name of and for and on behalf of the partnership would not be valid as it would not be binding on the other partners. In such a case, at least the written consent of other partners should be obtained to confirm the power of attorney executed by one or more, but not all partners of the firm.

Companies

Section 48 of the Companies Act, 1956 provides that a company may by writing and under its common seal empower any person as its attorney to execute deeds on its behalf.

Power of Attorney executed abroad

If a power of attorney is executed outside India, it should be ensured that it is authenticated by the Indian Consul, Vice-Consul or a representative of the Central Government in that country and not by any Notary Public except in the where it has been executed in the countries notified under the Notaries Act, 1952.

If a power of attorney is executed outside India but relates to, any property situated in India; or to any matter or thing to be done in India and is received in India, it must be stamped with the appropriate stamp duty within three months of its arrival in India.

Authentication

As stated earlier, a Power of Attorney need not be attested but for identification purpose, it should be signed before the Notary Public or Judge/Magistrate and be authenticated by such Notary Public or Judge or Magistrate.

Power of Attorney can be authenticated by Indian consul or vice-consul or authorized representative of the Central Government in case it is executed abroad. A Power of Attorney so authenticated is admitted by court as the execution of such Power of Attorney is presumed under Section 85 of The Indian Evidence Act, 1872⁸.

⁸ *Yogesh Singh v. Niranjan Lal*, AIR 1981 Del 222.

Stamp Duty

A Power of Attorney is chargeable to stamp duty under Article 48 of Schedule I to the Indian Stamp Act, 1899, subject to State variations, if any.

Registration

A power of attorney is not required to be registered under the Registration Act, 1908. Clause (c) of section 32 of the Act requires that where a document is presented for registration by the agent of a person entitled to present it for registration, such agent must be "duly authorized by power-of-attorney executed and authenticated in manner hereinafter mentioned"; and the manner of execution and authentication of such a power-of-attorney is prescribed in section 33 of the Act.

Duties of the Attorney

Duties of an Attorney are the same as those of an agent as enumerated under Chapter X of the Indian Contract Act, 1872.

Remuneration of the Attorney

An attorney is entitled to be remunerated for his services if the terms of his appointment expressly or impliedly make provision for such payment. However, an attorney is entitled to be indemnified by the donor, with respect to the advances made or expenses properly incurred by him in carrying out his functions under the instrument the even if the Power of Attorney does not provide for any remuneration.

Construction of Power Of Attorney

A PoA being must be construed strictly as it is a formal instrument and confers only such authority as is given expressly or by necessary implication⁹. A PoA is subjected to strict interpretation because it delegates powers which are to be interpreted in strict terms and, in such a way, as would be necessary to carry into effect the authority that is expressly given.

⁹ *Atma Ram v. Chitra Production Co.*, AIR 1952 Punj 59.

Duration

A general PoA unless expressly or impliedly limited for a particular period, continues in force until revoked or determined by the death of either party, whereas a Special PoA continues to remain in force till act/acts for which the instrument was executed, subsists. If it is desired that the power should continue for a particular period or until a certain event happens, an express provision to that effect should be made.

Where attorneys were appointed under a PoA, without any terms limiting the duration of their power, but contained a recital that the principal was going abroad and was desirous of appointing attorney during his absence, was held to be an appointment limited to the time during which the principal was abroad.

Where a principal executed a PoA before leaving India, authorizing the agent to act in his absence and subsequently came to India and again left without executing a new PoA, it was held that the power of the agent did not terminate and the agent had the power to act for the principal during his absence.

Termination / Revocation

The provisions of the Indian Contract Act, 1872 relating to termination of Agency are equally applicable to termination of power of attorney, as the law relating to power of attorney is a specie of the law of agency. Relevant provisions under the Contract Act are sections 201-210.

Cancellation

Section 31(1) of the Specific Relief Act, 1963 provided that any person against whom a written instrument is void or voidable, and who has reasonable apprehension that such instrument, if left outstanding may cause him serious injury, may sue to have it adjudged void or voidable; and the court may, in its discretion, so adjudge it and order it to be delivered up and cancelled.

13.1. GENERAL POWER OF ATTORNEY

Where the instrument is executed generally for certain acts, it is called “General Power of Attorney”, i.e. if the Power of Attorney authorizes the agent to act generally on in more than one transaction in the name of the principal, it is known as general power-of-attorney. However, the word “general” means that the power must be general in respect to the subject-matter.

Specimen Model of General Power of Attorney

GENERAL POWER OF ATTORNEY

TO ALL TO WHOM THESE PRESENTS SHALL COME,

I, son of, resident of at present residing at SEND GREETINGS:

WHEREAS I own various movable and immovable properties in various parts of India described in the Schedule I hereto and I have interest in various firms, companies, association of persons, trusts, societies as partner, proprietor, shareholder, member, trustee, beneficiary, etc. and/or otherwise, described in the Schedule II hereto.

AND WHEREAS I am presently residing out of India as mentioned hereinabove for the time being, I am personally unable to attend to my day to day affairs and for reasons of convenience it is necessary that I should appoint an attorney and confer upon him the powers hereinafter stated.

NOW KNOW BY THESE PRESENTS that I the said do hereby nominate and constitute and appoint Shri son of late at present residing at as my true and lawful Attorney for me in the name and on behalf of myself and/or my said Attorney and in any of my said capacities and in the name and on behalf of any partnership firm, association of persons, trustee, beneficiary or businesses in which I am now or may in future in any manner become interested to do exercise, execute and perform all or any of the following acts, deeds and things, namely:-

1. Commercial

- 1.1 To transact business:- To commence, transact, manage, carry on, close down any of my business and to do all things requisite or necessary or connected therewith including correspondence with any person or authority.
- 1.2 To buy and sell:- To buy, receive, store and hold and to sell, pledge, hypothecate, give on hire or otherwise deal with any goods, articles, things or movable property.
- 1.3 To open branches:- To open, establish, conduct, shift and/or close any branch of any business at any place or places.
- 1.4 To contract:- To enter into, sign, execute, vary, alter, terminate, suspend, and repudiate any contracts.
- 1.5 Partnership business:- To act as a partner in the firm or firms in which I am a partner at present or become a partner in future and commence, carry on, close, dissolve or retire from any business of any partnership with any person and for the said purpose to do all acts as partner or partners therein including banking operations, execution of partnership, retirement, dissolution or other deeds and documents.

2. Property

- 2.1. To acquire and to transfer:- To purchase, take on lease, to take charge or mortgage on and to acquire in any manner and to sell, mortgage, settle, charge, lease, grant tenancy or otherwise transfer and/or in any manner and/or on any terms deal with any immovable or real property or properties or any interest therein.
- 2.2. To manage and maintain:- To hold, defend possession, manage and maintain movable, or immovable properties described in Schedule 1 herein and other immovable properties acquired by me hereafter.
- 2.3. To receive rents, etc.:- To demand, recover and receive rents, mesne profits, licence fees, maintenance charges, electricity charges, corporation taxes and all other sums of moneys receivable in respect of my properties and to make all just and reasonable allowance therein in respect of rates, taxes, repairs and other outgoings and to take all necessary

steps whether by action, distress or otherwise to recover any property or sums of money in arrears.

- 2.4. To pay outgoings:- To pay all taxes, rates, assessments, charges, expenses and other outgoings whatsoever payable for or on account of my properties or any part thereof and to insure any buildings thereon against loss or damage by fire and other risks as be deemed necessary and/or desirable and to pay all premia for such insurances.
- 2.5. To serve notice on tenants:- To sign and give any notice to any occupier of any property belonging to me to quit or to repair or to abate any nuisance or to remedy any breach of covenant or for any other purpose whatsoever.
- 2.6. To construct, repair and/or reconstruct:- To take down, demolish, rebuild and/or repair any of my house, building or other structure of whatever nature.
- 2.7. To get utilities: - To apply for and obtain electricity, gas, water, sewerage and/or connections of any utilities and/or to make alterations and/or close down and/or have disconnected the same in my properties.
- 2.8. To view the condition of any property:- To enter upon any of my property or any part of it as often as be desired to view the state of repair thereof and to require any occupier as a result of such view to remedy any want of repair or abate any nuisance.
- 2.9. To enforce covenants:- To enforce any covenant in any lease, licence or tenancy agreement or any other document affecting any of my property and if any right to re-enter arises in any manner under such covenants or under notice to quit, then to exercise such rights amongst others.
- 2.10. To deal with trespassers:- To warn off and prohibit and if necessary proceed against in due form of law against all trespassers on any of my property and to take appropriate steps whether by action or otherwise and to abate all nuisances.
- 2.11. To prepare and have sanctioned the plans: - To get prepared plans for construction of any building or structure and/or otherwise on any of my property and to have the same

sanctioned, modified and/or altered by any Corporation, Municipality or other authority and in connection therewith or to make necessary applications, give undertakings, pay fees, obtain sanctions and such other orders and permissions as may be expedient.

- 2.12. To apply for obtaining building materials:- To apply for and obtain such permission as may be necessary for obtaining steel, cement, bricks and other construction materials and construction equipments and to appoint architects and contractors for the construction of building or buildings to be constructed on the plots belonging to me.
- 2.13. To act in proceedings under rent control legislation:- To appear and represent in any proceedings for fixation of fair rent and/or for any other purpose or purposes before any court, Rent Controller or other authority in connection with any matter relating to and/or arising out of any of my property.
- 2.14. To obtain any certificate:- To apply for and obtain such certificate and other permissions and clearances including certificates and/or permission under any law relating to ceiling on urban land, or other law relating to land and/or buildings both urban and rural or under the Income-tax Act or any other law as may be required for execution and/or registration of any conveyance or other document and/or for transferring any rights in any land, building or other property belonging to me or acquired by me hereafter.
- 2.15. To file declarations:- To prepare, sign, declare and file declarations, statements, applications and/or returns and otherwise in connection with holding, possessing, acquiring, transferring, partitioning or otherwise dealing with any of my property before any appropriate or other authority as may be required under any law or laws now prevailing or as may in future become applicable and to do, exercise, execute and perform any or all the necessary acts, deeds and things required thereunder.

3. Companies

- 3.1. To promote company:- To promote or form or cause to be promoted or formed or join with any other person in promoting or forming and to do all things necessary or proper to be done or causing to be formed and incorporated a company with limited or unlimited

liability for any object and to settle and sign the memorandum and articles of association, prospectus, application forms, statement in lieu of prospectus and all other papers required for or in connection with incorporation, commencement of business of such company and other acts, relating thereto.

- 3.2. To spend money in promoting a company:- To expend or agree to expend moneys for promoting and forming any such company as aforesaid and in taking up and paying for any shares in my name in any such company as aforesaid.
- 3.3. To contract to take shares:- To sign and file with the Registrar of Companies or any other appropriate authorities contract in writing to take from and/or pay for any share or shares in any such company as aforesaid in my name.
- 3.4. To apply for, accept and deal with shares:- To make application or applications for and take allotment or allotments or purchase or otherwise acquire or hold any share or shares in any company in my name and to sell, transfer, pledge, hypothecate and/or deal with any share or shares held by me or acquired by me hereafter and to execute and/or deliver all deeds and documents including transfer deeds in connection therewith and/or for registration of any transfer and/or transmission.
- 3.5. To consent to act as a director:- To sign and file with the Registrar of Companies or any other appropriate authority in my name, consent in writing to act as a director of any company as aforesaid.
- 3.6. To exercise shareholder's privileges:- To attend, vote and otherwise act in the meetings of any company or companies or to appoint or act as proxy or representative in respect of any shares, stock or debentures now held by me or which may hereafter be acquired by me and generally to exercise all rights and privileges and perform all duties in respect of any shares, stocks or debentures as the holder, owner and/or registered owner thereof or as otherwise being interested in any company including carrying on correspondence and making or consent in the making of any applications in connection therewith before the Centra4 Government, court or other authority under the Companies Act or any other law for the time being in force.

- 3.7. To transfer securities:- To transfer any share, stock, debenture or other securities held by me or to be acquired by me hereafter in any company and to execute transfer deeds, receipts and ail other papers in connection therewith and also to transmit and/or apply for and/or to consent to the transmission of any share, stock, debenture and/or other securities and/or have the same registered and/or to have such registration altered and/or cancelled in any manner.
- 3.8. General:- To do such acts and deeds and to execute such papers and documents as may be necessary in any capacity as shareholder, debtor, creditor or otherwise in relation to any company which may be required to be done by me.
- 3.9. To receive bonus shares and other benefits: - To receive and to hold and to deal with bonus shares and all other benefits that may accrue as a shareholder or otherwise in relation to any company.

4. Investments

- 4.1. To sell investments:- To acquire or sell, transfer, assign or join in acquiring or selling, transferring or assigning ail or any stocks, shares, annuities, debentures, stocks, bonds, obligations, government securities, units and other securities or investments of any nature whatever which do now or shall hereafter stand in my name or to which I am now or may at any time hereafter be entitled to and for that purpose to employ and pay brokers and other agents in that behalf and to receive and give receipts for the purchase money payable in respect of such sales and to transfer any investments so sold to the purchaser or purchasers thereof or as he or they direct and for these purposes to sign and execute all such contracts, transfer deeds and other writings and do all such other acts as may be necessary for effectually transferring or assigning the same.
- 4.2. Allotment of shares in companies:- To apply for and accept allotments of shares in my name in any company, corporation or body corporate or any statutory body.
- 4.3. To receive dividends and repaid capital sums:- To demand, sue for and receive from any company, corporation, government or other body politic or person all deposits, dividends,

interest, bonuses or any other sums that may become due in respect of any investment and likewise any capital sum represented by or comprised in any investment held by me as and when the same shall be payable or repayable and for any such purpose to sign, indorse and execute all receipts, dividends and interest warrants, cheques, releases, discharges, reconveyances or other deeds, documents, instruments and other writings whatsoever that may be required or necessary for the purpose.

- 4.4. Investment in and dealing with provident funds:- To operate, open, withdraw and deal with funds in the Public Provident Fund Account or any other provident fund accounts whatsoever in my name.
- 4.5. Investments in company deposits, shares, etc.:- To invest my money in company deposits, shares, stocks, debentures, bonds, units or other corporate securities or securities of local authorities, any other statutory bodies or corporations, whether incorporated in India or in any other country, in such manner and upon such securities as my attorney shall in his absolute discretion think fit and from time to time withdraw any such moneys and apply the same to any purpose as he may think fit.
- 4.6. To initiate proceedings:- To give notices, commence any legal proceedings or use any other lawful means that may appear to my attorney desirable or necessary in order to safeguard or enforce my rights in or in connection with any of the investments with full power to prosecute or discontinue any such proceeding and to compromise or submit to arbitration any matter in dispute or doubt.
- 4.7. To pay all calls:- To pay all calls that may be lawfully made or other expenses that may be incurred in relation to any of my investments and to give security for the payment of the same.
- 4.8. To assent to arrangements:- To assent (if it seems to my attorney necessary or desirable) to any arrangement modifying any rights, privileges or duties in relation to any of my investments and to agree to any scheme or arrangement for the increase or reduction of the value or amount of the same or of the capital of any company or corporation and for any such purpose to deposit, surrender or exchange any of the investments or the

documents of title relating thereto and to pay any contribution or incur any other necessary expense in connection with any such scheme or arrangement.

- 4.9. To apply for and contract for investments:- To tender, contract for, purchase, accept and sign the transfer into my name any government securities, securities of local authorities or any statutory body, shares, stocks or debentures in any such company, corporation or body as aforesaid or other stocks, funds, debentures and securities of any and every description whatsoever or any other properties.

5. Banking

- 5.1. Banking operation:- To open, operate, continue or close any account including any overdraft or other loan account and/or saving account, current, fixed or other accounts and also safe deposit lockers and all accounts whatsoever in my name and on my behalf with any bank or banks that may be existing or may in future be opened in my name or in the name of my firm or firms or business or businesses or in my capacity as trustee or beneficiary of any trust with any bank or banks including Postal Savings Bank.
- 5.2. Drawing and negotiations of cheques: - To draw, sign, negotiate and/or endorse cheques, payment orders, drafts, dividend warrants and/or any other instruments and to execute, enter into, acknowledge, do and present all such deeds, instruments, contracts, agreements, acts, deeds and things as shall be requisite or deemed fit and proper for or in relation to all or any of the purposes, matters or things herein contained or others with any bank or banks.
- 5.3. To deal with bills of exchange:- For all or any of the banking purposes to draw, accept, endorse, discount or otherwise deal with any bills of exchange, bills of lading, delivery orders, promissory notes or other mercantile instruments relating to money, goods, properties or otherwise.
- 5.4. To operate bank locker or safe deposit vault locker: - To operate any bank locker or safe deposit vault locker and to deposit therein and withdraw therefrom any articles belonging to me.

6. Money

- 6.1. To realise loans or borrow money:- To realise loans and/or borrow money from time to time from any bank, institution, or any person or persons, organisation whatsoever against the security or properties both movable and immovable belonging to me or any of my firm or firms of business or businesses in which I am now or may hereafter become interested and to execute, sign and register mortgage, charges, transfer and/or give other security or securities by any other deed or deeds on such terms and conditions as my said attorney or his substitute or substitutes may think fit and proper.
- 6.2. Loans and advances:- To make and/or to receive any loan or advance from any bank, financial institution or other person to such extent and on such terms as the said attorney may deem expedient and also to secure the same by pledging, hypothecating, mortgaging, charging or any other manner encumbering any of my movable or immovable property.

6.3 Miscellaneous

- 6.3.1. To agree to charge or pay any interest or other considerations for any loan and/or advance and to vary such rates of interests or consideration from time to time.
- 6.3.2. To remit, reduce or settle any claim of any moneys, losses and/or damages.
- 6.3.3. To draw, execute, negotiate, cancel, present for payment and/or make or receive payment of any promissory note, bill of exchange, bond or undertaking regarding any money receipt and/or advance.

7. Representations

- 7.1. To represent before bank or banks, insurance companies, etc:- To represent me or any of my firm or firms or business in any of the bank or banks, insurance companies, courts, registration offices, municipal offices, office of competent authority, urban land ceiling, post offices, sales tax offices, income-tax offices, customs offices, revenue offices or any

co-operative society, Central or any other State Government or other authority, society, body corporate or other person for any purpose or purposes whatsoever and do all acts as may be expedient before the same or in connection therewith.

- 7.2. To prepare, sign and file tax returns:- To prepare, sign, execute and/or file any of my and/or any of my firm or firms or business or businesses in my personal capacity or as trustee or beneficiary of any trust, sales tax returns, income-tax returns, or any other returns under the Income-tax Act, 1961, Wealth-tax Act, 1957, Gift-tax Act, 1958 and/or any other law for the time being in force or other returns, statements, papers, documents in connection with the aforesaid Acts, to sign and/or submit returns, statements of accounts, balance sheets, declaration forms, to receive refund orders or vouchers from any of the aforesaid authorities, to apply for and to sign and submit to necessary authorities and to represent me or any of the firm or firms or business or businesses, trusts, proprietary concerns in which I am now or may hereafter be interested as proprietor, partner, trustee or beneficiary with such authority or authorities concerned therewith.
- 7.3. Appear before Assessing Officer, etc.: - To appear before any Assessing Officer, Deputy Commissioner and/or Assistant Commissioner and/or Commissioner and/or Central Board of Direct Taxes and/or tribunal and/or any other authority or authorities in connection with any matter or matters and to represent me or my proprietary concerns, firm or firms, business or businesses, trusts in which I am trustee or beneficiary and to produce, explain accounts, documents and papers as may be necessary and to pay taxes and other amounts to such authorities and to any other authority by virtue of these presents and to sign, execute and deliver all other papers, documents and deeds in connection therewith.
- 7.4. To appear before registrar, notary public, magistrate, etc.: - To appear before any Notary Public, Registrar of Assurances, District Registrar, Sub-Registrar of Assurances, Metropolitan Magistrate and other officer or officers or authority having jurisdiction and to acknowledge and register or have registered and perfected all deeds, instruments and writings, executed, signed or made by me personally or as partner of any firm or firms or

business or businesses or by my said attorneys or any of them by virtue of the powers herein conferred.

8. Trusts

- 8.1. To execute trusts:- To do all acts, deeds relating to any matter in which I am a trustee and/or beneficiary and to exercise all powers and authorities elsewhere hereunder or otherwise as expedient.
- 8.2. To exercise powers:- To execute and exercise in relation to any land or investment or property for the time being subject to any trust and all powers and description for the time being vested in me as such trustee or as beneficiary as aforesaid or under any deed of trust, settlement or other documents to the extent lawfully possible.

9. Execution and registration of documents

- 9.1. To execute documents (stocks, shares, annuities):- To execute all deeds and other instruments necessary or proper for transferring any stock, shares, annuities, debentures, obligations and other securities held by me or to be acquired by me hereafter to the purchaser or purchasers thereof.
- 9.2. To execute and register deeds:- To sign, execute, enter into, modify, cancel, alter, draw, approve, present for registration and admit registration of all papers, documents, contracts, agreements, conveyances, mortgage deeds, leases, grants, assurances, applications, declarations, trust deeds and other documents as may in any way be required to be so done for or in connection with any movable or immovable property belonging to me or to be acquired by me hereafter or of any part thereof or any interest therein including those held by me as owner, lessor, lessee, partner, mortgagor, tenant, trustee or otherwise be interested for the time being including those connected with the management and development of any business and also in connection with the sale, purchase, lease, transfer and disposition or construction or sanction of plan or obtaining of clearances or permits from the Government or for any other purpose whatsoever.

10. Legal proceedings

- 10.1. To compound the debts and to submit claims to arbitration:- To compound with or make allowances to any person for or in respect of any debt or demand whatsoever which now is or shall or may at any time hereafter become due or payable to me and to take or receive any composition or dividend thereof or thereupon and give receipts, releases or other discharges for the whole of the same debts, sums or demands or to settle, compromise or submit to arbitration every such debt or demand and every other claim, right, matter and thing due to or concerning me and for that purpose in my name to enter into, make, sign, execute such agreements as are necessary in like cases, execute such agreements for arbitration or other deeds or instruments as are necessary in like cases and to allow time for the payment of any such debt or demand (with or without security) upon such terms as the attorney may think fit.
- 10.2. To conduct and defend legal proceedings:- To commence, prosecute, enforce, defend, answer or oppose all notices, suits, and other legal proceedings and demands touching any of the matters aforesaid or any other matters in which I am now or may hereafter be interested or concerned and also if thought fit with such consent as aforesaid to compromise, refer to arbitration, abandon, submit to judgment or become non-suited in any such action or proceeding as aforesaid before any court, civil, or criminal, or revenue including the Rent Controller, City Civil and Small Causes Courts.
- 10.3. To appoint advocates, etc.:- To appoint any solicitor, advocate, pleader or counsel as may be necessary for prosecuting and defending any suit or proceedings, in the matters relating to my properties, business, firm, trusts, companies or organisations, in which I am interested or become interested hereafter in my name or in the name of my said attorney as he may think fit and proper and to sign vakalatnamas, warrant of attorney in favour of any solicitor, advocate, pleader or counsel engaged by him.
- 10.4. To sign complaints and other papers:- To sign, declare and/or affirm any complaints, written statements, petitions, consent petition, affidavits, memorandum of appeal or any other document or paper in my name in any proceeding or in any way connected therewith.

10.5. To deposit and receive documents from court:- To deposit and receive documents and money from any court or courts and/or any other person or authority in my name and give valid receipts and discharges therefor.

11. Receipts and discharges

11.1. Receive money and goods:-To demand, collect, sue for, recover and receive from all and every person or persons, body or bodies, political or corporate, court or authority including government and/or local bodies whomsoever concerned or chargeable therewith all or every sum or sums of money including rent, documents, securities, goods, effects, dues, duties, interests, rents, profits, income, purchase consideration, dividends, compensation and/or any other money which shall belong or be or become payable to me or to any of my firm or firms, business or businesses or companies in which I am interested.

11.2. To collect debts:- To demand, collect, sue for, recover and receive in my name, from all and every person, body, political or municipal or corporate or firm or company wheresoever and whatsoever all sums of money, debts, dues, goods, wares, merchandise, chattels, effects and things of any nature or description whatsoever which now are or which at any time or times hereafter shall or may become due or owing or payable to or recoverable including those from or by the bank by virtue of any hypothecations, bonds, mortgages, pledges, agreements or other securities whatsoever or upon or by virtue of any bills of exchange, promissory notes, cheques, bills of lading or other mercantile or negotiable instruments whatever or otherwise.

11.3. To give receipts:- To receive and give effectual receipts and discharges in my name for all monies, securities for monies, debts, goods, chattels and personal estate which are or may become due, owing, payable or transferable in or by any right, title, ways or means howsoever from any person or persons or corporation or other body or authority.

11.4. To receive debts, gifts, legacies, etc.:- To receive and give good and valid receipts and discharges in my name for share of assets of any business or for the purchase money of

any share therein or of any part of such share and all such other monies as may be payable to me in any manner whatsoever.

12. Agents

- 12.1. Agency:- To act as agents for any person or to appoint any person as agent for any purpose in connection with any business or matter herein contained or otherwise and on such terms and with such powers and authorities as may be deemed by my said attorney to be expedient and to vary, modify and/or terminate such appointment and/or appointments and make other or others.
- 12.2. To employ persons in any capacity:-To employ any person in any capacity for my business firm, trusts, companies in which I am interested and require to employ such person or become interested in future and require to employ such person and to suspend, dismiss or discharge any employee so employed as my said attorney may deem fit.
- 12.3. To employ professionals:- For better and more effectually executing the powers or authorities aforesaid or any of them to retain and employ solicitors, advocates, chartered accountants, managers, consultants or any other professional persons and/or debt collecting or other agents.

13. Miscellaneous

- 13.1. To enter into bond and indemnities: - For all or any purpose to give and execute all such bonds, guarantees, indemnities, covenants and obligations in my name.
14. To substitute and appoint in his place (on such terms and conditions as my said attorney shall think fit and proper) one or more attorneys to exercise for me as my attorney or attorneys any or all of the powers and authorities hereby conferred and to revoke any such appointment from time to time and to substitute or appoint any other person or persons in the place of such attorney or attorneys as the said attorney shall from time to time think fit and proper.

15. AND in case of death of the said attorney or inability or unwillingness to act through illness or any other reason to act as my said attorney in relation to all or any of the matters aforesaid, I hereby appoint Smt. wife of resident of to act as my attorney in place of the said attorney after his death or during such inability or unwillingness and in the latter case during the subsistence of any such inability or unwillingness as the name of Smt..... had been inserted in this deed instead of the name of the said attorney.
16. And generally my said attorney shall have the power to do all such acts, deeds and things on my behalf and I could have lawfully done, if personally present.

AND I do hereby for myself, my heirs, executors, administrators of acts done and legal representatives ratify and confirm and agree to ratify and by attorney confirm all and whatsoever my said attorney or his substitute or substitutes shall lawfully do or cause to be done by virtue of these presents.

IN WITNESS WHEREOF, I have hereunto set my hand this..... day of 20---.

Schedule I above referred to

Schedule II above referred to

Signed and delivered by the within named

.....

WITNESSES;

1.

2.

Identified by me

()
me

Before

Advocate
Public

Notary

13.2. SPECIAL POWER OF ATTORNEY

If an instrument is executed for specified act or acts, it is called a “Special Power of Attorney”. In other words, a Power of Attorney conferring on the agent the authority to act in single or specified transactions in the name of the principal is known as special power-of-attorney.

Specimen model of Special Power of Attorney

POWER OF ATTORNEY TO EXECUTE SALE DEED

BY THIS POWER OF ATTORNEY, I -----, s/o ----- residing at -----

- do hereby appoint -----, s/o -----, residing at ----- to be my Attorney for me and in my name and on my behalf.

1. To negotiate and sell my property situated at ----- to any purchaser at such price and at such time as my said Attorney may in his absolute discretion think proper to agree upon and for such purpose to execute any document, deed or other papers and to present the same for registration and to admit the execution thereof.

2. To receive from the purchaser the consideration money for the said property and to give receipt and discharge therefore as may be required.

3. To deliver physical possession in the manner that is possible in the circumstances of the said property at ----- to the purchaser or to the nominee of the purchaser.

4. To apply to the Municipal Corporation of ----- for mutation of the said property in favour of and in the name of the purchaser or his nominee and to do and execute all deeds, assurances and to do all such acts as may be necessary to fully effectuate the sale of the said property.

I hereby agree and undertake to ratify all acts, deeds, assurances, done, given, executed or made by my said Attorney under the powers conferred by this Power of Attorney as if the same were done or made by me personally.

IN WITNESS WHEREOF, I have hereunto set my hand this..... day of 20--.

(Signature)

WITNESSES;

1.

2.

**13.3. POWER OF ATTORNEY BY A PARTNERSHIP FIRM IN
FAVOUR OF FIRM'S MANAGER**

TO ALL TO WHOM THESE PRESENTS SHALL COME, We (1) X residing at (2) Y residing at and (3) Z residing at the partners of M/s..... a firm duly registered under the Indian Partnership Act being No..... hereinafter referred to as the "said firm", carrying on the business of do hereby nominate, constitute and appoint Shri son of resident of(hereinafter referred to as "the Attorney") as our attorney to act for us and in our name and on our behalf, and for and in the name of the firm to execute and perform all or any of the following acts, deeds, matters and things, namely:

- (1) To carry on the business of the said partnership firm M/s.....
- (2) To buy and sell all goods, things, commodities and merchandise connected with the business of the said firm and to pay and receive moneys in respect thereof.
- (3) To represent the firm to all intents and purposes before the Government, authorities, organisations, corporations, persons, companies in or outside India in connection with the business of the said firm and to sign all contracts, agreements, orders, letters, receipts, documents, papers and writings whatsoever and to conclude all contracts and to submit tenders, estimates, quotations, etc. to the prospective customers.
- (4) To ask, demand, sue for recovery, receive and collect all moneys due and payable to the said firm in connection with its business from any person or persons, company,

association, Government Department, including any statutory body or authority and to give valid receipt and discharges thereof.

- (5) To appear before and represent the firm before income-tax, sales-tax and other authorities, municipal corporation, railways, Indian Airlines, in all courts having civil, criminal, revenue, original, appellate or revisional or special jurisdiction and before any other tribunal, government, semi-government offices, judicial or administrative tribunals and authorities.
- (6) To sign all applications and forms required for the licences, permits, etc. from Central Government, State Government, municipal or other statutory authority as may be necessary or requisite for the purpose of carrying on or developing the business of the firm.
- (7) To draw, accept, endorse, negotiate, pay or satisfy any bill of exchange, promissory notes, cheques, drafts, hundies, orders for payment or delivery of money, securities or goods, bills of lading or other negotiable or mercantile instruments or securities which may be deemed necessary or proper for the business of the said firm.
- (8) To borrow moneys as may be required from time to time for the business of the firm from any bank by way of overdraft or cash credit account without security or with security by pledge, mortgage or hypothecation of any of the movable or immovable assets of the firm or by way of drawing hundies, or in any other way on such terms and conditions as the said authority may think fit.
- (9) To operate bank accounts in the name of the firm, and to obtain overdrafts from any such bank or banks against such security of the said firm and to execute all documents and instruments required necessary for the said purpose.

- (10) To appoint any employee, accountant, consultant or agents for the business of the said firm and to settle and pay their remuneration and fix up conditions of service and to dismiss or discharge them at his discretion.
- (11) To institute, defend, prosecute, enforce or oppose any suit, action, proceedings, appeal or revision in any court in India or outside India or before any tribunal of arbitration or industrial court, whether by and on behalf of the said firm or against it, to engage any solicitor, advocate, counsel or pleader as may be necessary for prosecuting and defending in the premises aforesaid or any of them or in any other matters relating to the conduct of the business of the said firm, and to sign vakalatnama to sign and for the aforesaid purposes to sign, declare, verify or affirm complaints, written statements, petition, and other pleadings and also to present any memorandum of appeal, revision, review application, writ petition, etc. on behalf of the firm.
- (12) To compound, compromise, settle, withdraw, adjust, submit to arbitration any claim due to or due by the firm from or to any person and compromise or withdraw any suit, or other legal proceeding, filed by or against the firm on such terms and conditions as the said Attorney may think fit or to abandon or waive any claim.
- (13) To enter into agreement and execute such deeds as shall be required or may be deemed proper for or in relation to all or any of the matters or purposes aforesaid.
- (14) And generally to do all acts, deeds and things as may be necessary on behalf of the said firm to all intents and purposes as we constituting the said firm could do, if personally present.

Provided that the said attorney shall always keep and maintain a true and correct account of all transactions and dealings done by him in relation to the business of the said firm and affairs, ancillary an incidental thereto and furnish the same to us at reasonable times as and when demanded and this Power of Attorney will remain valid and in full force notwithstanding any change in the constitution of the firm.

And we hereby for ourselves, our heirs, successors, executors and administrators ratify and confirm and agree to ratify and confirm all such lawful acts, deeds and things done and executed by the said Attorney shall do or purport to do by virtue of these presents.

IN WITNESS WHEREOF, we the present partners of the said firm have hereunto set and subscribed our respective hands on this day of 20

Signed and delivered by the within named

Signed and delivered by the within named. .

WITNESSES;

1.

2.

13.4. POWER OF ATTORNEY BY A COMPANY TO ITS BRANCH MANAGER

A company may give Power of Attorney to its branch manager to facilitate the business of its branch.

Specimen Model of Power of Attorney by a company to its branch manager

POWER OF ATTORNEY BY A COMPANY TO ITS BRANCH MANAGER

TO ALL TO WHOM THESE PRESENTS SHALL COME, ----- Ltd., a company registered under the Companies Act, 1956, and having its registered office at ----- (hereinafter referred to as the 'Company') send GREETINGS;

WHEREAS the Company is carrying on business of -----.

AND WHEREAS the Company has several branches in India including a Branch at ----- having Mr. ----- as Manager of the said Branch at present.

AND WHEREAS in order to facilitate the business carried on at the said branch, the Company proposes to appoint the said Mr. ----- as a Constituted attorney of the Company with the following specific powers and authority.

NOW KNOW YOU ALL AND THESE PRESENTS WITNESS that the Company hereby appoints, and constitutes the said Mr. ----- as true and lawful attorney or agent of the Company with full powers and authority to do and execute all acts, deeds, and things as hereinafter mentioned on behalf of, in the name of and for the Company viz.

- 1) To manage the said branch of the company efficiently and faithfully and in a manner conducive to the interest of the company.
- 2) To maintain proper control on and discipline the staff employed in the said Branch and to initiate disciplinary proceedings against any member of the staff for any act of indiscipline or misconduct or any other offence prescribed by the service rules made by the Company.
- 3) To pay the monthly salaries and other emoluments of the members of the-staff in the said Branch as sanctioned by the Company and to obtain receipt for the same.

- 4) To keep a muster roll for the staff and to register the daily attendance of the members of the staff particularly the time of arrival in the Branch Office, absence in any day and the time of departure.
- 5) To consider the applications for leave of any nature made by any member of the staff and to make his recommendations to grant or not to grant the same to the Head Office of the Company for final orders.
- 6) To communicate all the orders, circulars and instructions issued by the Company to the members of the staff for information and compliance.
- 7) To open one or more accounts of the Company in the name of the Company with one or more Banks as may be approved by the Head Office and to operate the same for and on behalf of the Company by drawing, accepting, endorsing negotiating, releasing, paying and or satisfying any promissory notes, bills of exchange, cheques, drafts, hundies or orders for payment of money and delivery of securities, goods, or effects or other negotiable instruments and mercantile documents which may be deemed necessary or proper in respect of the business of the Company or its offices at the said Branch.
- 8) Subject to prior approval of the Head Office of the Company, to sign any deed or document or other paper required to be executed by or in favour of the Company including a Deed of Conveyance or a Deed of Mortgage, hypothecation or pledge or a lease or a leave and licence agreement or any other document required to be executed by the Company.
- 9) To lodge for registration any document executed by or in favour of the Company in relation of any property situated in the said district in which the said Branch Office is situated and to admit execution thereof and do all acts and things required to be done for registration of such deed.
- 10) To accept money on fixed deposit according to the scheme made by the Company for accepting fixed deposits and to issue and sign fixed deposit receipts in the form prescribed by the Company.

11) To appoint agents or retail dealers in the said District for sale of the pharmaceutical products manufactured by the Company on terms and conditions prescribed by the Company and to sign necessary letters or agreements for such appointments.

12) To take on monthly tenancy basis or leave licence basis godowns, storerooms or other suitable premises for storing the products sent by the Company to the said branch and to pay the rent thereof

13) To advertise the products of the Company by publishing advertisements in local newspapers or periodicals by sponsoring cultural programmes and sports events and by holding seminars on allied subjects and by doing other acts and things beneficial to promote the sale of the Company's products provided that total expenses to be incurred are within the budget sanctioned by the Company.

14) To demand, receive, recover, accept, exercise or utilize any claim, things, right, or any object to which the Company is entitled and to make and give receipts and discharges for the money and other property received for and on behalf of the Company.

15) To carry on correspondence with the customers of the Company including prospective customers, agents, brokers, dealers and other trade agents in connection with the business of the company and to represent the company at any programmes or meetings in connection with or with a view to promote the business of the Company.

16) Subject to the previous sanction of the Company, to commence and prosecute any suit or other legal action or proceedings in relation to the business of the Company and for recovery of any moneys, goods or other property of the Company or establishing a right related to the business of the Company and to defend any suit or legal proceeding against the Company by any person and in the courts within the District in which the Branch Office is situated and for that purpose to sign, affirm or declare plaints, statements of defences, petitions, affidavits and other papers as may be required to be done and to appoint any advocate or solicitor for the said purpose as well as to obtain legal advice from them.

17) To insure all the goods of the company wherever stocked and the office furniture and other articles and things at the Branch Office for such sum and for such risks as the Head Office may direct and to pay the premium in respect thereof from time to time.

18) To appear before any officer of the Government or any local authority in connection with the transactions of the Company and to represent the Company's interest.

19) If any dispute arises in connection with the business of the Company with any person, then subject to prior approval of the Company, to agree to refer the same to arbitration of one or more arbitrators as the said attorney may think fit or the company may direct and to attend to such arbitration personally or through advocate and to produce all relevant documents before the Arbitrator and file statements of claims or defences and to do all other acts and things for proceeding with and conducting the proceedings.

20) With the prior permission of the Company to negotiate with any party for settlement of any dispute or claim and to compromise or compound the same in the best interest of the Company.

21) To receive money and other property payable to the Company by way of sale of the products, commissions or on any other account from customers, agents, shop keepers and other persons whatsoever and to give valid receipts for the same and to credit the money so received in the Bank Account of the Company.

22) To pay the rents and other dues payable to the Company in respect of the premises taken by the Company for business and to pay all expenses reasonably incurred by the Branch Office in connection with the said branch and the business of the Company.

23) And generally, to do all acts and things incidental to the powers hereinbefore mentioned and all other acts and things necessary for carrying on the business of the Company at the said Branch.

Provided that notwithstanding anything hereinbefore contained the said attorney shall always act within and not outside the Instructions or directions received by him from the Head Office of the

Company and the Company agrees to ratify all acts and things lawfully done by the said attorney pursuant to the powers hereinbefore contained.

IN WITNESS WHEREOF the Company has put its seal this ----- day of -----, 20--.

The common seal of the said ----- Ltd., is hereto affixed pursuant to the resolution of the Board of Directors dated in the presence of Mr. -----a Director duly authorised in that behalf, in the presence of -----.

13.5. POWER OF ATTORNEY FOR A COURT CASE

POWER OF ATTORNEY FOR A COURT CASE

I,, s/o Mr., residing atdo hereby appoint Mr. residing at, my attorney to do or execute all or any one of the following act in connection with ----- (court case) No. pending before the Honourable, in which I am the -----.

6. That the said attorney shall appoint a Senior Counsel to conduct the case.
7. That the said attorney shall present himself on my behalf and move application/applications in connection with the proceedings of the case.
8. That the said attorney shall deposit any amount or take refund to any amount in connection with the proceedings of the case.
9. That the said attorney shall file an stay application and on obtaining stay file security to the satisfaction of
10. That the said attorney shall obtain copies of the papers required by the Senior Counsel and hand them over to him to facilitate him for proper argument.
11. That generally the said attorney shall do all other lawful work in connection with the said appeal.

And I hereby agree that all the acts and things, lawfully done by my attorney shall be deemed to have been done by me and shall be binding on us..

IN WITNESS WHEREOF I have signed this power of attorney on this.....day of.....in the presence of the following witnesses:

Witnesses:

1.

Signature of.....

13.6. POWER OF ATTORNEY BY COMPANY TO ITS AGENT

GENERAL POWER OF ATTORNEY BY COMPANY TO ITS AGENT

KNOW ALL MEN BY THESE PRESENTS that M/s. Ltd., having its Head Office at (hereinafter called the company) appoint Mr. ----, s/o Mr. ----, r/o, (herein after called the attorney) as its attorney to do all deed and acts, which the Company is authorised to do through an attorney. The said attorney shall have the power to do the following:

1. That attorney shall carry out the business of the company to best of his ability and capacity in the interest of the work.

2. The attorney shall purchase or otherwise acquire any movable or immovable property in the interest of the company.
3. The attorney shall work, manage and develop the properties or undertakings in the interest of the firm.
4. The attorney shall manage and supervise manufacture, and sales of the goods in the best interest of the company.
5. The attorney shall be the over all in-charge of the staff. He shall appoint, suspend, and terminate Manager, Accountant, Steno, Typist and peons etc. as and when he thinks proper in the best interest of the company.
6. The attorney is authorised to enter into any kind of contract, execute and perform all obligations and receive and accept all benefits for and on behalf of the company.
7. The attorney is authorised to enter into, make, sign and do all such agreements, receipts, payments and contracts, etc. as he thinks proper and expedient in the interest of the company. The attorney can mortgage property if he thinks proper and expedient for carrying on affairs of the company smoothly.
8. The attorney shall adjust, settle, compromise and submit to arbitrators all accounts, debts, claims, demand, disputes and matters which may arise between company and persons/persons from time to time.
9. The attorney shall draw, accept, endorse, negotiate, retire, pay or satisfy any bills of exchange, promissory notes, hundis, cheques, drafts etc. which he thinks necessary and expedient in the interest of the company.
10. That attorney shall draw, accept, endorse, negotiate, retire, pay or satisfy any bills of exchange, promissory notes, hundis, cheques, drafts etc. which he things necessary and expedient in the interest of the company.
11. The attorney shall borrow from time to time any sums by pledging movable or immovable properties the company on such terms and conditions as he thinks proper in the interest of the company.

12. The attorney shall open a bank account in the name of the company in any of the Nationalised Bank and shall operate it as General Manager of the Company. The attorney is authorised to close the bank account, already running, and open the account to some other Nationalised bank as and when he thinks it proper in the best interest of the company.

13. The attorney is empowered to invest the money of the company in the best interest of the company, as and when he thinks it proper.

14. The attorney is empowered to commence and prosecute, and to defend compound and abandon all actions proceedings, suits and claims in relation to the business and property of the company. He is empowered to appoint advocate/advocates to look after the matter in the courts and Government offices.

15. The attorney shall represent the company before any Department of the State Government or the Central Government, or before any local authorities and vote at any meeting in any firms, companies, or Government departments for and on behalf of the company.

16. The attorney shall appoint some insurance agent for insurance of the stock, buildings, plant and machinery and other movable and immovable properties.

17. Generally the attorney shall do all other works concerning with the affairs of the company to the best of his ability in the best interest of the company.

18. The company agrees that all the works done by the said attorney shall be binding on the company.

I execute this power of attorney in the presence of the following witnesses.

Witnesses:

..... For Ltd.

.....

Signature.....

Director (seal)

Signature of Director

**13.7. POWER OF ATTORNEY FOR DEVELOPMENT OF
PROPERTY**

Power of Attorney may be executed for development of property by the owner of an immovable property. Specimen format of such power of attorney is given hereunder –

POWER OF ATTORNEY FOR DEVELOPMENT OF PROPERTY

KNOW ALL MEN BY THESE PRESENTS THAT I, Mr. _____ residing at _____ send greetings -

WHEREAS I am the owner of an immovable property consisting of a plot of land with old building thereon and which is more particularly described in Schedule hereunder written.

AND WHEREAS I propose to develop the said property by demolishing the existing building and constructing thereon a new building with flats and other premises therein and intended to be sold on ownership basis, so that ultimately after the property is fully developed I will transfer the property to a Co-operative Housing Society to be formed by the Purchasers of flats and other premises therein.

AND WHEREAS I am unable to attend to all the matters necessary to develop and carry on such development work due to my other occupations.

AND WHEREAS I, therefore, propose to appoint (1) Mr. _____ and (2) Mr. _____ and (3) Mr. _____ who are the partners of the partnership firm of M/s A B & Co. and who have agreed to carry on the work of development on the terms of an agreement entered into by me with the said firm as my attorneys or agents with full power to develop the said property as hereafter stated on my behalf and in my name and which the said attorneys have agreed to do.

NOW KNOW YOU ALL AND THESE PRESENTS WITNESSES that I Mr. _____ hereby appoint and constitute the said (1) _____ (2) _____ and (3) _____ jointly and severally to be my true and lawful attorneys with full authority and power to do and execute all acts, deeds and things mentioned below, for me and on my behalf and in my name viz.

1. To apply to the Competent Authority under the Urban Land (Ceiling & Regulation) Act. 1976 for grant of permission to develop the said property by demolishing the existing structure thereon and construct a new building in its place and for that purpose to sign all applications and other papers, to appear before the Competent Authority and to give him all the papers and information as required and to do all acts and things necessary for the purpose of obtaining permission.
2. To appoint an architect and to get the plans of the proposed building sanctioned by the Municipal Corporation of _____ and other authorities concerned in respect of the new building proposed to be constructed thereon, provided the plans, before they are submitted to the Municipal Corporation for approval, are also approved by me.
3. To make necessary applications and sign all papers, to appear before the Municipal Authorities to pay necessary fees and premium required for getting the plans sanctioned and to do all other acts and things as may be necessary for getting the plans of the proposed building sanctioned by the Municipal and other authorities.
4. To apply for and obtain I.O.D (intimation of disapproval) and Commencement Certificate for construction of the building from the Municipal Authorities and for that purpose to sign applications and other papers, to pay necessary fees and all other acts and things necessary for that purpose and in that behalf.
5. After the N.O.C. is obtained and the municipal plans are sanctioned to demolish the existing building or structure/s on the said property and to remove all the other material there from, and to sell such building material like steel and cement at the best price

- available and to pay the sale proceeds to me.
6. To construct a building on the said plot as per the sanctioned plans and according to specifications and other requirements of the Municipal Corporation and for that purpose to employ contractors, architects, structural engineers, surveyors and other professionals as may be required in the construction of the building.
 7. To enter into and sign and contract with the contractor or contractors for construction as well as contractors for labour and to sign such agreements.
 8. To enter upon the said property as my licensee for the purpose of carrying on the construction work as aforesaid.
 9. To apply for and obtain permission for water supply, electricity supply, laying down drainage and for other amenities as are generally required for a building.
 10. To obtain occupation and completion certificate from the Municipal Corporation after the building is completed in all respects.
 11. To sell the flats and other premises in the said building at the best price available to, the intending purchasers thereof and to enter into agreements in the prescribed form if any under the Ownership Flats Act, or otherwise with such modifications therein as may be necessary.
 12. To open an account with any Bank in my name or in the names of the said attorneys and to credit all the sale proceeds in respect of the flats and other premises received by the attorneys in the said account to withdraw from such account such money as may be required from time to time for meeting the cost of construction.
 13. After all the flats and other premises are sold and money realised and all the expenses are also incurred, to hand over the balance of the said proceeds of the flats and other premises to me.
 14. To get a co-operative housing society of the flat purchasers in the said new building registered under the Co-operative Societies Act and for that purpose to get necessary forms, applications signed by all the purchasers of flats and other premises and to file the same with the Registrar of Co-operative Societies and to do all other acts and things necessary for registration of the society and to obtain registration certificate.
 15. To engage any advocate or solicitor for the purpose of taking advice and for preparation and execution of different documents required to be executed pursuant to these powers

and to pay their fees.

16. To pay all the municipal and other taxes relating to the said property payable until the completion of the building and transfer thereof to the proposed Co-operative Housing Society.
17. To do generally all other acts and things as are necessary or seem to be required to be done for the development of the said property by constructing a building on flat ownership basis in all respects.
18. I agree to ratify all acts and things lawfully done by the said attorneys by exercise of the powers herein contained.

IN WITNESS WHEREOF I, Mr... have put my hand this the ... day of... 2000

THE SCHEDULE ABOVE REFERRED TO

Signed and delivered by the within named Mr. _____

in the presence of _____

13.8. REVOCATION OF POWER OF ATTORNEY

In some circumstances, a Power of Attorney may need to be revoked. In such case a separate document need to be drafted to revoke the earlier Power of Attorney granted.

Specimen format of deed of revocation of power of attorney

DEED OF REVOCATION OF POWER OF ATTORNEY

THIS DEED OF REVOCATION OF POWER OF ATTORNEY is executed on this day of 20... by Mr / Mrs..... s/o / w/o.....aged about years, residing at

WHEREAS I have executed a general power of attorney dated.....in favour ofs/o w/o / D/oaged about.....years, residing at

A copy of the said Power of Attorney is hereto annexed and is hereinafter referred to as "the said Power of Attorney".

WHEREAS the aforesaid Sri.....has been acting adverse to my interest and I have already revoked the said power of attorney dated.....by my registered letter dated.....sent to the aforesaid person Sri.....

NOW THIS DEED OF REVOCATION WITNESSETH AS FOLLOWS:

1. I do hereby confirm that I have cancelled and revoked the said Power of Attorney granted to Sri _____ dated..... with effect from..... and I have also absolutely and completely revoked all powers or authority given under the aforesaid power of attorney to the aforesaid person with effect from the aforesaid date.

IN WITNESS WHEREOF I have signed this deed on the day, the month and the year first mentioned above.

WITNESSES:

1. EXECUTANT
2. (_____)

13.9. REPLACEMENT OF ATTORNEY

KNOW ALL MEN ETC, THAT WHEREAS by power of attorney dated, I, ----
----- s/o Mr. -----, r/o had appointed Mr. ----- s/o Mr. --
----- r/o as my attorney and certain powers were given to him,
which were specified in the said power of attorney.

AND WHEREAS I now desire to replace Mr.-----, above named by Mr. -----,
r/o for the purposes mentioned in the said deed dated

NOW I hereby revoke all the powers and authorities given to said Mr. ----- by power
of attorney dated

AND further I hereby appoint Mr. -----, as my attorney in place of Mr. ----- and
give him all powers already mentioned in the power of attorney dated, a
verified copy of which is enclosed herewith.

AND I hereby agree that all the lawful acts and things done by my attorney shall be deemed to
have been done by me and shall be binding on me.

IN WITNESS WHEREOF, I have signed this power of attorney on this day of
..... in the presence of the following witnesses:

Witnesses:

1.
2.

Signature

(-----)

14. INTELLECTUAL PROPERTY AGREEMENTS

Intellectual property rights (IPR) can be defined as the rights given to people over the creation of their minds. They usually give the creator an exclusive right over the use of his/her creations for a certain period of time. Intellectual property Right (IPR) is an umbrella term for various legal entitlements which attach to certain types of information, ideas, or other intangibles in their expressed form. The holder of this legal entitlement is generally entitled to exercise various exclusive rights in relation to the subject matter of the Intellectual Property. The term intellectual property reflects the idea that this subject matter is the product of the mind or the intellect, and that Intellectual Property rights may be protected at law in the same way as any other form of property.

Intellectual property is an intangible creation of the human mind, usually expressed or translated into a tangible form that is assigned certain rights of property. Examples of intellectual property include an author's copyright on a book or article, a distinctive logo design representing a soft drink company and its products, unique design elements of a web site, or a patent on the process to manufacture chewing gum.

In effect, intellectual property laws give the creator of a new and unique product or idea a temporary monopoly on its use. The value of intellectual property to an individual or company is not based on physical properties, such as size and structure. Instead, intellectual property is valuable because it represents ownership and an exclusive right to use, manufacture, reproduce, or promote a unique creation or idea. In this way, it is perhaps the most valuable asset a person or small business can own.

Rights protected under Intellectual Property

The different types of Intellectual Property Rights are:

- i. Patents
- ii. Copyrights
- iii. Trademarks
- iv. Industrial designs

- v. Protection of Integrated Circuits layout design
- vi. Geographical indications of goods
- vii. Biological diversity
- viii. Plant varieties and farmers rights
- ix. Undisclosed information

Some of the agreements covering intellectual property rights are detailed hereunder.

14.1. AGREEMENT FOR SALE OF TECHNICAL KNOW-HOW

THIS AGREEMENT is made at this... day of..... between M/s. XYZ Co. Ltd., a Company incorporated under the laws of..... and having its registered office at hereinafter referred to as the 'Foreign Company, of the One Part and M/s. ABC Co. Ltd., a Company registered under the Indian Companies Act, 1956, and having its registered office at ... hereinafter referred to as the 'Indian Company' of the Other Part.

WHEREAS the Foreign Company is carrying on business of manufacturing/fabricating the Items of machinery/the products, the particulars of which are set out in the Schedule hereunder written, at

AND WHEREAS the Foreign Company has the exclusive expertise or know-how in respect of the said items of machinery/product.

AND WHEREAS the Indian Company proposes to set up a factory at ... with intent to manufacture similar machinery/product and requested the Foreign Company to make available the know-how to the Indian Company.

AND WHEREAS after the negotiations the Foreign Company has agreed to make available to the Indian Company know-how on the following terms and conditions and which are set out and now proposed to reduce to writing.

AND WHEREAS approval of the Government of India will be obtained to enter into this agreement and this agreement will be subject to such approval.

NOW IT IS AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:

1. The Foreign Company shall make available to the Indian Company all the expertise or know-how in relation to the manufacture of the said items of machinery/product mentioned in the Schedule hereunder written within a period of days from the date hereof.
2. The Foreign Company shall supply to the Indian Company all the materials regarding such know-how, such as the formulae, charts, drawings, process sheets, calculation sheets, standards and other information as is necessary to understand and utilise the said know-how and to implement the same in the manufacture of the said items of machinery/ products.
3. All such material referred to above shall be in English language and shall be supplied to the Indian Company by the Foreign Company within ... days from the date hereof and as and when required subsequently by the Indian Company.
4. If the Foreign Company effects any improvement or makes any additions or alterations in the technology for the manufacture of the said items of machinery/product, the same will be intimated to the Indian Company forthwith and all the literature, new formulate, drawings and other information in respect of such new technology or improvement, additions or alterations shall also be supplied to the Indian Company forthwith.
5. All the know-how and other information supplied to the Indian Company shall be kept secret by the Indian Company and shall not be directly or indirectly passed on to any other person In or outside India. The Indian Company will secure from its employees who become acquainted with such know-how, proper agreements for maintaining the secrecy of the know-how and supply copy thereof to the Foreign Company.
6. The Foreign Company will assist the Indian Company in selecting and buying the modern and up-to-date machinery and equipment in India or abroad, suitable for the manufacture of the type

of machinery /product aforementioned and supply the necessary Information with the Foreign Company in connection with such machinery product.

7. The material relating to the know how mentioned above shall be in English language or If the original is any other language it will be accompanied by English translation thereof and measurement and weight figures will be as for metric system.

8. The know-how material will be handed over by the Foreign Company in at the registered office of the Foreign Company to the authorised representative of the Indian Company with utmost secrecy.

9. The Foreign Company shall not enter into any agreement with any party for the use of the said know how by such party in India.

10. The Indian Company may not grant a sub-licence or permission any party for manufacturing their machinery /product with the help of the said know how except with written consent of the Foreign Company and which consent maybe given on such terms and conditions as may be agreed upon.

11. The said machinery /product will be according to the specification quality and standard envisaged by the know-how. The Indian Company shall have the first production tested by the Foreign company and if any deficiency is found the same will be rectified by the Indian Company.

12. On the termination of this agreement by efflux of time (but not otherwise) Indian Company will be entitled to use the know-how free of charge. But if the agreement is terminated earlier as herein after provided then the Indian Company shall not be entitled to make use of the knowhow and shall forthwith return all the technical material relating to the knowhow to the Foreign Company.

13. If and whenever required by the Indian Company, the Foreign Company shall depute one or more representatives who are specialized in the application of the said know-how with a view to

teach any one or more employees of the Indian Company for the application of the said know-how and/or supervise the application of the know-how in the factory of the Indian Company.

14. The Indian Company will bear and pay all the travelling charges to and from India of such representatives of the Foreign Company as aforesaid and shall also bear and pay the expenses incurred for their stay in India and other incidental charges.

15. If so desired by the Indian Company it may send one or more representatives to the factory of the Foreign Company to get themselves acquainted with the implementation of the knowhow and with the process of manufacture of the said items of machinery/product and in that case the Foreign Company shall render them all facilities and assistance to achieve the said object. The Foreign Company will make all arrangements for the stay of such representatives or representative of the Indian Company. All the expenses on account of travelling from and to India and of the stay of the said representative or representatives of the Indian Company at the place where the factory of the Foreign Company is situated will be borne and paid by the Indian Company.

16. If any special tools, instruments and material are required in the application of the said know-how and which are not available in the Indian market, the same will be supplied by the Foreign Company. The Indian Company will obtain the necessary Import License for the same and the price thereof will be paid by the Foreign Company opening a Letter of Credit on any Indian Bank through Foreign Bank in favour of the Foreign Company. Such goods will be sent F.O.B. to some port In India.

17. The Indian Company shall not make any innovations or additions or alterations in the said know-how and the process of manufacture without the written consent of the Foreign Company and the Indian Company shall take care to see that the said items of machinery/products will be in strict compliance with the specifications of quality and standards laid down by the Foreign Company.

18. The Indian Company in all advertisements wherever made and other literature mention the fact that the item of machinery/products are manufactured in collaboration with the Foreign Company.

19. The Foreign Company will have the right to send its one or more representatives on its own but at its own costs to India and to visit the factory of the Indian Company to supervise and check that the said knowhow or expertise is being utilised properly and according to the requirements and the items of machinery/product are according to the standards maintained by the Foreign Company.

20. The items of machinery/products manufactured by the Indian Company will be sold only in the Indian market and not outside India except with the written consent of the Foreign Company.

21. The Indian Company will furnish to the Foreign Company a statement every six months of the total production of the said items of machinery/products, and the total sale effected to enable the Foreign Company to ascertain the response to the said items of machinery/ products from the Indian market.

22. Indian Company may sell the said items of machinery/products, under its own trade mark or trade name in India but shall not use the trade mark or trade name of the Foreign Company without a separate written agreement to that effect between the Foreign Company and the Indian Company.

23. In consideration of the Foreign Company making available to the Indian Company the said know-how the Indian Company shall pay to the Foreign Company as follows :-

(a) A lump sum payment of (currency) in the manner hereinafter mentioned and (b) a royalty at the rate of Rs on the ex-factory price of the each of the said items of manufacture/product at the end of every three months as hereinafter stated. The lump sum legally payable as aforesaid shall be paid to the foreign company in three installments unless otherwise stipulated in the letter of the Reserve Bank of India namely-

(i) One third of the said amount will be paid on the approval of this agreement by the Reserve Bank of India and on this agreement being pledged with the authorised dealer in foreign exchange.

(ii) The second installment of one-third amount will be paid on the supply of the know-how.

(iii) The third installment of the balance will be paid after four years or on the approval of the

Reserve Bank and the agreement is filed with the authorised dealer in foreign exchange whichever is earlier.

(iv) All remittances of money to be made to the Foreign Company under this agreement will be forwarded as per the exchange rates prevailing on the date of remittance.

24. The Indian Company will submit to the foreign company every three months from the date the first item of machinery/product is produced and the statement of the total production during the previous months duly certified by a Chartered Accountant and after the same is verified and accepted by the Foreign Company. The India Company will pay the amount of royalty at the rate aforesaid on such three months production within one month from the date of such acceptance.

25. The payment to be made by the foreign company will be subject to payment of cess if any payable under the Research and Development Cess Act of 1986.

26. The Indian Company will also, be entitled to deduct from such payment the income tax, if any payable under the Income Tax Act. 1961.

27. Copy of this agreement signed by both the parties will be filed with the several authorities as required by law.

28. The Indian company will submit to the Foreign Company every three months from the date the first item of machinery /product is produced, a statement of the total production during the previous months duly certified by a Chartered Accountant and after the same is verified and accepted by the Foreign Company, the Indian Company will pay the amount of royalty at the rate aforesaid on such three months production within one months from the date of such acceptance.

29. The payment to be made to the Foreign Company will be subject to payment of cess, if any payable under the Research and Development Cess Act of 1986.

30. The Indian Company will also be entitled to deduct from such payment the income tax, if any payable under the Income Tax Act, 1961.

31. A copy of this agreement signed by both the Parties will be filed with the other authorities as required by law.

32. All payments to be made by one party hereto to the other in Indian or foreign currency under this agreement will be made subject to the approval of the Reserve Bank of India and in the manner stipulated by the said Bank.

33. The Letter of approval of the Government of India hereinbefore recited shall be deemed to be a part of this agreement and any term herein contained which is contrary to or inconsistent with any term or condition contained in the said letter, shall be treated as void and of no effect.

34. This agreement will remain in force for a period of... years from the date hereof subject to the other terms hereof. The parties may extend the said period by mutual consent.

35. This agreement will be treated as terminated on the happening-of any of the events below mentioned.

(i) If any party hereto commits breach of any provisions of this agreement and the party who is alleged to have committed breach is served with a notice by the other party, three months prior to the intended date of termination by the other party and the former party has failed to amend the breach within the said period.

(ii) If any event happens which will make the performance of this agreement impossible including any force majeure event.

(iii) If either the Indian Company or the Foreign Company goes into either voluntary or compulsory liquidation according to or under the law by which it is governed.

(iv) If the parties hereto mutually agree to terminate this agreement.

36. All the sanctions, approvals, permissions, licenses and other requirements of the Government of India and of any statutory authorities required for giving effect to all the terms and conditions, of this agreement shall be obtained by the Indian Company.

37. In the event of any dispute or difference arising between the parties hereto or as to the rights and obligations under this agreement or as to any claim, monetary or otherwise of one party against the other or as to the interpretation and effect of any terms and conditions of this agreement, such dispute or difference shall be referred to Arbitration of a common Arbitrator if agreed upon otherwise to two or more Arbitrators, one to be appointed by each of the parties to this agreement and such Arbitration shall be governed by the Indian Arbitration & Conciliation Act, 1996. The venue for such Arbitration shall be in India.

38. The validity of this agreement and the effect or meaning of the terms hereof will be decided according to the Indian Law.

39. Any communication by one party to the other shall be made by registered post through airmail with acknowledgement due or by telex or fax or cable. In case the communication is made by telex or fax or cable, the same will be subsequently but immediately thereafter confirmed by written communication sent by registered post as aforesaid. Any evidence showing the communication was posted or telex, fax or cable communication was made will be sufficient to prove the posting of sending the communication.

40. In this agreement the expression 'know-how' shall include technical information such as inventories, formulae process, engineering and manufacturing skill, scientific data, calculations, specifications, drawings, standards, sketches and all other relevant information and knowledge.

41. Each of the parties hereto shall be deemed to include its successors or permitted assigns..

THE SCHEDULE ABOVE REFERRED TO

IN WITNESS WHEREOF the parties have put their respective seals the day and year first hereinabove written.

The common seal of M/s. ABC Co. Ltd., is hereunto affixed pursuant to the resolution of the Board of Directors dated in the presence of Mr....., a Director duly authorised in that behalf

The common seal of M/s. XYZ & Co. Ltd., is hereunto affixed pursuant to the resolution of the Board of Directors dated..... in the presence of Mr. a Director, duly authorised In that behalf.

Witnesses:

- 1.
- 2.

14.2. DEED OF ASSIGNMENT OF COPYRIGHT

THIS DEED OF ASSIGNMENT is made at _____ this _____ day of _____ between Mr. A residing at _____ hereinafter referred to as the Author of the One Part and Mr. B carrying on business at _____ hereinafter referred to as the Publisher of the Other Part.

WHEREAS:

(1) The Author has written a book entitled _____ (hereinafter called “the said book”) and desires to publish the same.

(2) The author is the absolute owner of the copyright in the book. The copyright is registered with the Registrar of Copyrights in _____.

(3) The publisher’s representative has scrutinized in detail and to his satisfaction the manuscript of the book and has offered to purchase the copyright in the said book for the purpose of publication.

(4) The Author has agreed to do so in consideration of the Publisher paying him a sum of Rs_____ as lump sum royalty and on the following terms and conditions agreed to between the parties.

NOW THIS DEED WITNESSETH that pursuant to the said agreement and in consideration of the Publisher paying to the Author a sum of Rs_____ on the execution of the Agreement (receipt whereof the author admits) he the Author hereby assigns to the Publisher the Copyright in the said book TO HOLD the same unto the Publisher absolutely throughout India and subject to reservations hereinafter contained:

1. And the Publisher agrees and undertakes that the said assignment is restricted to publish the said book in India only and the Publisher shall not without the prior consent in writing of the author, publish any translation thereof in any other language and shall not allow it to be exploited for converting into a play or any cinematographic film or any Television serial.

2. The Publisher undertakes to mention in the first edition, all reprints and subsequent editions the name of the author as author of the book.

3. The Author hereby warrants to the Publisher that:

- The Author is the exclusive owner of the copy right in the said book and he has not assigned the Copyright in or given license to use the copy right to anybody else or encumbered the same or done anything so as to prevent him from assigning the said right.
- That the said book does not contain any defamatory obscene or otherwise objectionable matter; and
- That the contents of the current edition of the said book are the original work of the author and do not constitute breach of copyright vesting in any other person/s, where limited extracts have been taken from other published or unpublished works in which copyright vests in other person/s proper acknowledgement has been made in the book.
- That if the publisher requires any other person/s to assist the author in preparing subsequent editions of the book the names of those persons will also be mentioned as joint author/s of the book. And the author will do and

execute such other acts or deeds, if required, to confer entire copyright in the said book and as hereby assigned as may be necessary.

- That he will not publish either himself or through any other publisher an abridgment of the said book or any other book on the same subject and which would be competing with the book or get it published by any other person so long as the said book which is the subject matter of the present is being published by the Publisher and sold in the market.
- That the publisher shall have the right to get the second and subsequent editions of the book prepared by either the author or any other person of the publisher's choice. If the publisher requires the author to prepare the second or any subsequent edition, the author undertakes that he will re-edit the said book at the time of publishing second edition thereof and to make it up-to-date when required by the Publisher. In case of author's failure to do so, the Publisher will be entitled to get the book re-edited, enlarged or abridged through some other author of the publisher's choice. For the said re-editing, the publisher will pay to the author the sum of Rs. _____/-. the author shall complete the re-editing within _____ months of being asked to do so by the publisher.

4. And the Author hereby agrees to:

- Indemnify and keep indemnified the Publisher against all claims, proceedings, costs and damages incurred or suffered or awarded or paid in respect of or arising out of any breach or non performance of any of the warranties on the part of the Author hereinbefore given or out of any claim by a third party based on facts, which if substantiated would constitute a breach or non-performance of such warranties.
- The publisher shall have full right to assign the said copyright to publish the book in any part of India, to any person.

5. Permit the Author to take _____ copies of the book on publication free of cost.

6. In the event of any dispute or difference between the parties hereto arising out of or in connection with this deed of whatsoever nature the same shall be referred to arbitration of a common arbitrator if agreed upon, failing which to two Arbitrators one to be appointed by each

party to the Arbitration. The said Arbitrators shall appoint a presiding Arbitrator and the Arbitration shall be governed by the Arbitration Act and Conciliation Act, 1996, or any statutory modification thereof.

IN WITNESS WHEREOF the Assignor has put his hand the day and year hereinabove written.

Signed and delivered by the)

Within named Assignor Mr. A)

In the presence of.....)

14.3. AGREEMENT TO SELL PATENT RIGHTS

THIS AGREEMENT made on this _____ day of _____ between _____ S/o _____ r/o _____ hereinafter referred to as "the patentee" (which expression shall unless contrary to the context or meaning thereof including his successors, executors, administrators, legal representatives and assigns) of the one part.

AND

_____ S/o _____ r/o _____ hereinafter referred to as "the assignee" (which expression shall unless contrary to the context or meaning thereof including his successors, executors, administrators, legal representatives and assigns) of the other part.

The patentee and the assignee hereinafter are collectively referred to as the "Parties".

WHEREAS

1. The patentee being inventor of _____ and holding patent rights (more specifically stated

in schedule I hereto) in exclusively manufacturing/marketing of products of several descriptions/sizes in using the patented process.

2. The assignee has approached the patentee in buying all rights/interests of the patentee relating to the said patent rights. The patentee has consented to vend those rights to the assignee on terms/conditions hereinafter appearing.

NOW IT IS HEREBY CONSENTED AS FOLLOWS:

Agreement to Assign

That in consideration of a sum of Rs. _____ (the patentee hereby acknowledges its receipt) to payable by the assignee to patentee and a further payment of Rs. _____, the inventor shall vend to assignee all his rights/interests with concerning the said patent rights.

Deed of Assignment

The patentee shall be executing an assignment deed and do all things as may be compulsory in vest owing said patent rights in the assignee.

Patentee's Agreement

The patentee hereby agrees that, as per assignment of patent rights to the assignee, he shall correspond all progress made by him in said invention to assignee and shall help assignee for doing all acts, deeds/things compulsory for procuring a patent for such progress which shall be bestowed in the assignee on the same term/conditions as if such progress had formed portion of original invention.

Assignee's Agreement

The assignee hereby agrees that, as per assignment of patent rights to him, he shall not do anything resulting in cancellation of said patent rights and shall, in the eventuality of such revocation, pay to patentee as liquidated compensation, the sum of Rs. _____, respectively.

IN WITNESS WHEREOF, the parties hereto have signed this Agreement on the day and year first here-in-above written.

(The schedule I hereinafter referred to)

The Patentee

The Assignee

Witness:

14.4. AGREEMENT FOR MORTGAGE OF PATENT

THIS DEED OF MORTGAGE is made at..... this..... day of.....between
residing at..... hereinafter referred to as 'the Borrower' of the One Part and
residing at... hereinafter referred to as the 'Lender' of the Other Part.

WHEREAS –

1. The Borrower is the registered proprietor of a patent and which is more particularly specified in the Schedule hereunder written.
2. The Borrower requires funds to exploit or use the said patent commercially and has requested the Lender to advance him a loan of Rs..... which the Lender has agreed to do on the Borrower executing this Deed.

NOW THIS DEED WITNESSETH that in pursuance of the said agreement and in consideration of and as a security for repayment the said sum of Rs.... lent and advanced by the Lender to the Borrower on the execution of these presents (receipt whereof the Borrower admits) and all the interest and other moneys payable in respect thereof the Borrower as beneficial owner hereby assigns or transfers unto the Lender all the said patent described in the Schedule hereinafter written together with the invention related thereto and all the rights, title and interest of the

Borrower in respect of the said patent and the rights and benefits arising out of the registration thereof under the Patents Act, 1970 and together with the full and exclusive benefit of the same and all improvements, and extensions in respect thereof TO HOLD the same and all the premises hereby assigned unto the Lender but subject to the covenant for redemption hereinafter contained.

2. And the Lender hereby covenants with the Borrower that in the event of the Borrower repaying the said amount with interest as is hereinafter provided and other moneys payable by him hereunder within the period of redemption hereinafter mentioned, the Lender shall release and retransfer all his right, title, interest hereby created or granted in respect of the said patent.

3. And the Borrower hereby agrees and covenants with the Lender that—

(i) He will repay the said amount of Rs.... with interest on or before the..... day of.....

(ii) He will in the meanwhile and until repayment of the said amount in full, pay interest thereon at the rate of Rs..... p.a. by monthly rests, the first of such payment to be made on the.....day of..... and subsequently on the..... day of each and every succeeding month.

(iii) If he fails to pay any Installment of interest as aforesaid, the Lender will be entitled to charge interest on such arrears of interest at the same rate by way of compound interest.

(iv) If he fails to pay the said amount of the principal on the said due date or any two monthly installments of interest on their due dates or commits breach of any other term of this Deed the Lender will be entitled to claim back the whole amount with interest and to enforce the security hereby created as hereinafter provided.

4. The Borrower hereby further agrees and undertakes that if the said patent is found to be infringed by anybody else he will take immediate legal steps to protect the patent from such infringement and to claim damages and give intimation of such action to the Lender and that if the Borrower fails to do so, the Lender will be entitled and is hereby authorised to take legal proceedings against the infringement and all the costs charges and expenses incurred by the Lender will be paid by the Borrower to the Lender on demand and until payment they will remain a charge on the said patent.

5. And the Borrower further covenants that if he makes any improvements, additions or alterations in the said patent he will inform the Lender accordingly and take action to register the same and that all such improvements, additions and alterations shall be deemed to form part of

the security created along with the said patent as if they were transferred to the Lender by these presents.

6. The Borrower further agrees and undertakes that he will not assign the said patent and grant license in respect thereof to any person during the subsistence of this security hereby created.

7. And it is agreed that until the enforcement of the security hereby created by the Lender as hereinafter provided the Borrower will be entitled to use and exploit the said patent commercially but he shall not enter into any agreement in respect thereof with any person which will prejudicially affect the right of the Lender hereunder.

8. It is further agreed that if the security hereby created becomes enforceable, as hereinabove provided, the Lender will be entitled to bring the said patent and all other benefits, rights hereby assigned to him to sale either privately or through court and to appropriate the net sale proceeds in repayment of the said debt and other moneys due and payable by the Borrower to the Lender including the costs, charges and expenses incurred by the Lender on account of such legal action to enforce the said security.

9. It is also agreed that in the event of the said security becoming enforceable, the Lender will be entitled either to take possession or appoint a Receiver of the said patent and all the machinery, equipment and literature or other documents in respect thereof.

10. In order to enable the Lender to sell the patent the Borrower hereby appoints the Lender as his Constituted attorney or agent with full power and authority to do all acts and things and execute all documents for the purpose of effecting sale of the said patent by private sale or by auction and for that purpose the Borrower authorises the Lender:

- (i) to advertise the sale of the said patent and all rights and benefits appurtenant thereto,
- (ii) to appoint an auctioneer if the sale is to be effected by public auction.
- (iii) to invite tenders and accept the best offer available for purchase,
- (iv) to recover the sale price and after deducting the expenses for sale to appropriate the balance towards the amount due to him and to pay the balance if any to the Borrower.
- (v) To execute a deed of assignment in favour of the Purchaser,
- (vi) to register such deed of assignment with the Controller of Patents,
- (vii) and to do and execute all other acts, deeds, and things as will be necessary to effect the sale of the said Patent and all rights and benefits appurtenant thereto.

IN WITNESS WHEREOF the Borrower has put his hand the day and year first hereinabove written.

THE SCHEDULE ABOVE REFERRED TO

Signed and delivered by the Within named
Borrower

In the presence of...)

14.5. DEED OF ASSIGNMENT OF PATENTS

This Deed of Assignment is executed on this _____ day of _____.

Between

_____, S/o _____, R/o _____ (hereinafter named "the assignor") which expression shall include his successors, executors and administrators of the one part

And

_____, S/o _____, R/o _____ (hereinafter named "the assignee") which expression shall include his successors, executors and administrators of the other part.

WHEREAS the assignor has invented and patented a process for the manufacture of _____ and duly registered and entered in the Register of Patents duly sealed in the Patent Office at _____.

AND WHEREAS by an agreement dated _____ between the parties to this deed; the assignor has consented to assign all his rights and interest in the patent above stated in favour of the assignee for a consideration of Rs. _____.

NOW THIS DEED WITNESSETH AS FOLLOWS:

1. That the assignor being the sole and beneficial owner of this patent, hereby assigns to the assignee his title and all benefits, rights, privileges and advantages emerging and concerning to the said patent and to hold the same completely.
2. That as consideration of the said assignment, the assignee has paid to the assignor a sum of Rs._____ the receipt of which the assignor hereby acknowledges.
3. That the assignor's title to the said patent is existing and that he has not assigned or dealt with the said patent. The assignor also agrees that nothing has been done to prejudice the rights of the assignee as transferee of the patent and the assignee is entitled to can exclusively.
4. That, if at any time while the said patent is in force, the assignor invents or makes any improvement or improvements on the said invention, which shall be disclosed to the assignee. Also, the assignor shall help the assignee in making practical use of such method /discovery. The Assignor shall also do all other acts and execute all such deeds as may be required for conferring in the assignee all rights, title and interest in the new invention or improvement and its full and exclusive benefit.

IN WITNESS WHEREOF, the parties to this deed have signed at _____, on the day, month and year first mentioned above in the presence of:

Assignor

Assignee

Witnesses:

1.

2.

14.6. AGREEMENT BETWEEN AUTHOR AND PUBLISHER

WHEREAS _____ hereinafter called the “Author”, has written a work entitled _____ hereinafter called the “Work” and whereas _____ Publishing Co, having its business premises at Delhi, hereinafter called the “publishers” are desirous of publishing the Work in book form and whereas the Author agrees to prepare and supply to the Publishers before _____ (Date) a double-spaced typescript of the work suitable for use as printer’s copy and acceptable to the Publishers in content and form, together with illustrations as may be mutually deemed desirable and in a form mutually agreed and with index, the Author does hereby grant and convey to the Publishers the right to:

Print, publish and sell the Work, for the First edition thereof and including all translations, abridgments and adaptations thereof in English and Indian languages.

The copyright, save the rights assigned herein to the Publishers, shall vest in the Author.

The Publishers, in consideration thereof, agree to publish the Work in book form at their expense, in a style as to paper, printing and binding considered suitable by the Publishers, and to use all ordinary means to market the said Work upon terms as follows:

(1) Publication, Sale and Terms of Sale.—The Publishers shall have exclusive control of the form, get-up, price, sale and terms of sale of the Work.

(2) Royalties:

(a) The Publishers agree to pay to the Author a royalty of _____ per cent of the list price on each copy of the work actually sold.

(b) The Publishers agree to render to the Author statements of copies sold semi-annually as on June 30 and December 31 each year, and to make settlements thereof within one month thereafter.

(c) No Royalty will be payable in respect of any copies given away for review or complimentary copies.

(d) If the Publishers themselves undertake the publication of translations, or abridgments, or adaptations of the Work in English or in Indian languages, this agreement will govern, as far as the context will permit, such publication by the Publishers and accounting and payment to the Author will be governed by clauses 2(a), 2(b) and 2(c) above, subject to the deduction of expenses incurred by the Publishers in having the said translations, abridgments or adaptations prepared.

(3) Author's corrections.—Should the Author make or cause to be made any alterations in type, illustrations or plates which are not corrections of typographical or draftsman's errors, which shall cost in excess of twenty per cent (20%) of the cost of composition independent of the cost of the said alterations, the cost of such excess alterations shall be charged to, and paid for by, the Author. The Publishers may, at their discretion, agree to debit such charges to the royalty account.

(4) Delivery of work.—If the Author fails to supply the full and final typescript along with the agreed illustrations by the date mentioned for this purpose in this agreement, the Publishers shall have the option, any time after this date, unilaterally to declare this agreement cancelled after giving the Author thirty days' notice in writing to provide the necessary material, unless the Publishers have meanwhile agreed in writing to an extension of the period of submitting the material. In the absence of such a written notice, this agreement will continue to be fully effective and for this period the Publishers will be deemed to have agreed to an extension of the date for the delivery of the material till the date of the expiry of any notice the Publishers may subsequently serve on the Author.

(5) Correction of proofs.—The Author undertakes diligently to check and correct printers' proofs sent to him for this purpose by the Publishers and to return them to the Publishers within 10 days of the receipt of the proofs. If the Author fails or is unable to check proofs as just stipulated, the

Publishers shall be free to arrange for such checking by a person competent, in the Publishers' judgment, to do so and the cost of this arrangement will be debited to the royalty account of the Work as the first charge.

(6) Subject-index.—The Author agrees to provide a subject-index for each edition of the book. On his inability or refusal to do so, the Publishers would be free to get the same prepared by any person deemed competent by them and the cost will be debited to the royalty account as a first charge.

(7) Author's copies.—The Publishers agree to give to the Author on publication of each new edition of the Work.copies of that edition and to sell him such additional copies as he desires for personal use and not for resale at the terms allowed by the Publishers to booksellers, both in respect of discount and packing, postage, freight and forwarding charges.

(8) Damaged copies.—The Publishers may dispose of copies of the Work damaged in storage and/or transit or by any other means or circumstances rendered unsaleable, either by discarding them as waste or selling them as scrap below cost and, on copies so discarded or sold, no royalties will be payable.

(9) Supplement.—If and when a supplement to the Work is deemed necessary by the Publishers, the Author agrees to supply the same within reasonable time failing which the Publishers would be at liberty to get the same prepared against his cost.

(10) Warranty.—The Author warrants that the Work is original except for such excerpts from copyrighted works as may be included with the permission of the copyright owners thereof, that it contains no libellous statements, that it contains nothing unlawful, and does not infringe upon any copyright, trademark, patent, statutory right, proprietary right of others, and that he will indemnify the Publishers against any costs, expenses and damages arising from any of this warranty.

(11) Assignments.—This agreement may be assigned by either party, but only as a whole, and no part of the respective interests of either party may be assigned without the written consent of the other party. Notwithstanding any such assignments, this agreement shall be binding on the parties hereto, their heirs, successors, assigns and personal representatives.

(12) Protection of copyright.—The Publishers shall be free to take, on the Author's behalf but at the Publishers' expense, any action, including legal action that the Publishers may consider necessary to protect their rights under this agreement arising out of the Author's copyright in the Work.

(13) Disputes.—If a dispute arises between the parties to this agreement concerning matters covered by this agreement or incidental thereto, this dispute will be referred to the arbitration of two arbitrators, one each appointed by the parties hereto, and, in case the arbitrators disagree, to an umpire of their choice, and the provisions of the Indian Arbitration Act as in force at the time of the arbitration will apply.

IN WITNESS WHEREOF this agreement has been executed by the parties hereto on the dates following their signatures.

Date:

Author

Publishers

Witnesses:

14.7. AGREEMENT BETWEEN AUTHOR AND NEW PUBLISHER

AGREEMENT is made at _____ this day of _____ Between _____ R/o _____ Hereinafter referred to as the 'Author' of the First Part &.....carrying on business at _____ Hereinafter referred to as 'the New Publisher of the Other Part.

WHEREAS

1. The Author, by a Deed of Assignment dated _____ between the Author and _____ (hereinafter referred as the Old Publisher) in consideration therein mentioned, assigned to the said. Old Publisher all his copy right in the book titled _____ written by him subject to certain reservations particularly regarding subsequent edition of the book and the first edition has been published by the said old Publisher in the year _____
2. The said Old Publisher has in his turn assigned the said copyright in the said book to the New Publisher by a Deed of Assignment dated..... 20__.
3. The Old Publisher had brought out, and sold one edition of the said book and the book is due for republication, being in demand.
4. The New Publisher has approached the Author with a request to re-edit the said Book by making necessary, additions omissions or alterations so as to bring it up-to-date and which the Author has agreed to do on the following terms and conditions.

NOW IT IS AGREED BY THE PARTIES HERETO AS FOLLOWS:

1. The Author, at the request of the New Publisher agrees to re-edit the said book entitled _____ by making necessary additions, omissions, alterations or corrections as may be necessary to make it up-to-date. The Author agrees to complete the said work within _____ months from the date hereof and to hand over to the New Publisher the re-edited manuscript copy of the said book.
2. The Author grants license to the New Publisher to publish such a revised edition to be prepared by the Author.
3. The Author covenants that he will not give any license to any other person for republishing the said book revised or unrevised.

4. The New Publisher agrees to pay to the Author by way of royalty for the revised edition a sum equal to _____per cent of the price of each copy of the book sold less the proportionate costs of printing and the amount will be paid at the end of every _____months from the publication of the revised edition for all copies during the said period.
5. The New Publisher shall send to the Author every _____months a statement of account in respect of the royalty payable to the Author and the Author will have the right to inspect the books of account, vouchers and papers of the New Publisher to verify the correctness of the account submitted by the New Publisher.
6. The Author shall have a lien on the unsold copies for the amount of royalty due and payable to him and he will be entitled to enforce the said lien through Court.
7. The Author warrants that the said book or its revised edition does not infringe the copyright of anybody else and does not and will not contain any defamatory material.
8. The New Publisher will supply _____copies of the said book free of costs to the Author.
9. This License is limited to the publication of the said revised edition of the book and if after the new edition is published and sold out, and the New Publisher does not agree to reprint or bring out a new edition of the said revised edition of the Book, on the terms of this agreement or otherwise the Author will be entitled to get a new edition printed and published through some other publisher and the License hereby granted by the Author shall be deemed to have lapsed.
10. The Deed of Assignment of copyright between the Author and the Old Publisher shall be deemed to be modified by this Agreement and subject to such modification it will continue to remain in force.
11. If any dispute or difference shall arise between the parties hereto in connection with or arising out of this agreement of whatsoever nature, the same shall be referred to arbitration of a common Arbitrator if agreed upon failing which to two Arbitrators, one to be appointed by each party to the dispute and the Arbitration will be governed by the Arbitration Act.

12. This Agreement is executed in duplicate and one copy will remain with the Author and the other with the New Publisher.

IN WITNESS WHEREOF the parties have put their hands the day and year first hereinabove written.

Signed and delivered by

.....

The within named Author

In the presence of.....)

Signed and delivered by

.....

The within named Publisher

In the presence of.....)

14.8. AGREEMENT FOR USE OF TRADE MARK

THIS AGREEMENT is made at this..... day of between M/s. XYZ Co. a Company incorporated under the laws of..... and having its office at of the One Part and M/s ABC Co. Ltd., a company registered under the Indian Companies Act, 1956, and having its registered office at... of the Other Part.

WHEREAS the Foreign Company is manufacturing a specialized article by name ... and which is sold by the Foreign Company under a registered Trade Mark, the particulars of which are given in the Schedule hereunder written.

AND WHEREAS the Indian Company is manufacturing the same product with the know-how and expert or technical advice and guidance of the Foreign Company in India under a separate agreement entered into between the parties hereto.

AND WHEREAS the Foreign Company declares that the Trade Mark is duly registered under the laws in and is valid and subsisting and the Foreign Company has a right to allow the same to be used by any party outside the said Country.

AND WHEREAS the Indian Company has requested the Foreign Company to allow the Indian Company to use the same Trade Mark in the sale of the said product in India and which the Foreign Company has agreed to do on the following terms and conditions agreed upon between the parties.

AND WHEREAS the Govt. of India has given its approval to this agreement as is evidenced by the letter dated ... of the Govt. of India in the Ministry of Commerce and Industry.

AND WHEREAS it is now proposed to record the said terms and conditions in the manner following .

NOW IT IS AGREED BETWEEN THE PARTIES HERETO AS FOLLOWS:

1. The Foreign Company agrees to allow and hereby grants the exclusive right to use the said Trade Mark mentioned in the Schedule hereunder written in relation to the said product manufactured and sold by the Indian Company in India during the remaining portion of the period for which the registration of the said Trade Mark shall stand valid or during the period of this agreement whichever period expires earlier.
2. The Indian Company shall get its name registered as the user of the said Trade Mark in India as required by the Indian Law and the Foreign Company will give its written consent to the application that will be made by the Indian Company to the Registrar of Trade Marks in India for that purpose. All expenses required for that purpose will be on account of the Indian Company.
3. The Indian Company will use the said Trade Mark only for the sale of the said product in India and not for any other goods or anywhere outside India.
4. The Foreign Company has agreed to allow the use of the said Trade Mark only if and so long as the said product is manufactured according to the specifications and standards laid down by the Foreign Company and with the help of the know-how supplied by the Foreign Company to

the Indian Company. If at any time, the Foreign Company finds that the said product is not up to such specifications and standards the Foreign Company will be entitled to withdraw the license or permission granted by the Foreign Company by this agreement and to cancel this agreement giving three months' prior notice to the Indian Company in that behalf.

5. In the event of the cancellation of this agreement under the above mentioned clause or any other provision herein contained, the Indian Company will forthwith stop the usage of the said Trade Mark and withdraw all advertisements, posters and other material referring to the said Trade Mark in any manner. In such event, the registration of the Trade Mark for user will also be got cancelled by the Indian Company.

6. In all advertisements, labels or packing, posters, and other material in which the said Trade Mark is used, it will also be mentioned that the Trade Mark belongs to the Foreign Company and the Indian Company is allowed to use the same.

7. The Indian Company will be vigilant to see that the said Trade Mark or any other mark similar thereto is not used or passed off by any other person as the Trade Mark of that person and in the event of such use, shall take immediate legal action civil and/or criminal to prevent the use thereof or in the event of its being used to claim damages for infringement thereof. The Foreign Company will, in such event execute a power of attorney in favour of the Indian Company authorising the Indian Company to take such action, civil or criminal in the name of the Foreign Company provided that such action shall not be taken without the written consent of the Foreign Company and if taken shall not be further prosecuted unless it is ratified by the Foreign Company in writing.

8. Except the right to use the said Trade Mark during the subsistence of this agreement, the Indian Company shall not have or claim to have any other right to the said Trade Mark.

9. In consideration of the permission or licence to use the said Trade Mark the Indian Company shall pay to the Foreign Company in the manner following:

10. All payments to be made by one party hereto to the other under this agreement shall be subject to the permission of the Reserve Bank of India and shall be made in the manner sanctioned by the said Bank.

11. The said Letters of approval issued by the Govt. of India hereinbefore recited and hereto annexed, shall be deemed to form part of this agreement and any term of this agreement which is contrary to or inconsistent with any term or condition of the said letter will be treated as void and of no effect.

12. The duration of this agreement shall be a period of... years, subject to the other provisions herein contained. The said period may be extended by mutual consent.

13. This agreement will be treated as terminated on the happening of any of the events below mentioned.

(i) If any party hereto commits breach of any provisions of this agreement and the party who is alleged to have committed breach is served with a notice by the other party, three months prior to the intended date of termination by the other party and the former party has failed to amend the breach within the said period.

(ii) If any event happens which will make the performance of this agreement impossible Including any force majeure event.

(iii) If either the Indian Company or the Foreign Company goes into either voluntary or compulsory liquidation according to or under the law by which it is governed

(iv) If the parties hereto mutually agree to terminate this agreement.

14. All the sanctions, approvals, permissions, licenses and other requirements of the Government of India and of any statutory authorities required for giving effect to all the terms and conditions of this agreement shall be obtained by the Indian Company.

15. In the event of any dispute or difference arising between the parties hereto or as to the rights and obligations under this agreement or as to any claim, monetary or otherwise of one party

against the other or as to the interpretation and effect of any terms and conditions of this agreement, such dispute or difference shall be referred to Arbitration of a common Arbitrator If agreed upon, otherwise to two Arbitrators one to be appointed by each of the parties to this agreement and such Arbitration shall be governed by the Indian Arbitration & Conciliation Act 1996. The venue for such Arbitration shall be in India.

16. The validity of this agreement and the effect or meaning of the terms hereof will be decided according to the Indian Law.

17. Any communication by one party to the other shall be made by registered post through airmail, with acknowledgement due or by telex or fax or cable. In case the communication is made by telex or fax or cable, the same will be subsequently but immediately thereafter confirmed by written communication sent by registered post as aforesaid. Any evidence showing the communication was posted or telex, fax or cable communication was made will be sufficient to prove the posting or sending the communication.

18. In this agreement the expression know-how shall include technical information such as Inventories, formulae, process, engineering and manufacturing skill, scientific data, calculations, specifications, drawings, standards, sketches and all other relevant information and knowledge.

19. Each of the parties hereto shall be deemed to include its successors or permitted assigns.

THE SCHEDULE ABOVE REFERRED TO

IN WITNESS WHEREOF the parties have put their respective seals the day and year first hereinabove written.

The common seal of M/s. ABC Co. Ltd., is hereunto affixed pursuant to the resolution of the Board of Directors dated in the presence of Mr.....,a Director duly authorised in that behalf

The common seal of M/s. XYZ & Co. Ltd., is hereunto affixed pursuant to the resolution of the Board of Directors dated..... in the presence of Mr. a Director, duly authorised In that behalf.

Witnesses;

1.

2.

**14.9. AGREEMENT BETWEEN TRADE MARK OWNER AND A
MANUFACTURER**

AGREEMENT is made this _____ day of _____ between _____ M/s _____, a Company registered under the Companies Act, 1956, and having its registered office at _____ hereinafter referred to as 'the Licensor' of the One Part and Mr. _____ carrying on business of _____ Hereinafter referred to as 'the Licensee' of the Other Part

WHEREAS

1. The Licensor is the proprietor of a trade mark more particularly described in the schedule hereunder written and which is duly registered under the Trademarks Act, 1999.
2. The Licensor is manufacturing and selling the goods viz. _____ under the said trade mark.
3. The Licensee who is running a small scale industry has requested the Licensor to grant him a license to manufacture the said goods with the trade mark embossed or printed thereon as is being done by the Licensor and which the Licensor has agreed to do on the following terms and conditions agreed to between the parties hereto.

NOW IT IS AGREED BY AND BETWEEN THE PARTIES AS FOLLOWS:

1. The Licensor hereby grants to the Licensee a license to manufacture the said goods as a job work by applying the said trade mark, particulars of which are described in the Schedule hereunder written.
2. The Licensee agrees and undertakes that all of the said goods manufactured by the Licensee in his factory at _____ or elsewhere shall be sold to the Licensor and not to anybody else at the price of Rs _____ per item or article. The Licensee undertakes to manufacture and supply to the Licensor a quantity of not less than _____ every month.
3. The goods so manufactured with the said trade mark applied to them will be supplied and delivered by the Licensee to the Licensor at the latter's business premises at _____ at his own costs of transport.
4. The price of the said goods so supplied will be paid by the Licensor against delivery after deducting there from the royalty payable by the Licensee to the Licensor as hereinafter provided.
5. The Licensor shall have the right to reject any goods supplied if they are not as per specifications or quality which are made known to the Licensee and in the event of such rejection the Licensee shall take back the rejected goods from the Licensor's premises at his own costs and until such removal they will be at the risk of the Licensee. The Licensor agrees that during the subsistence of this agreement, the Licensor will not get the said goods manufactured from anybody else.
6. The ownership of the said trademark will always remain with the Licensor and the Licensee will not pass off the said goods as if he is the owner of the said trademark.
7. The Licensee will be at liberty to put a label or advertise that the said goods are manufactured by him but it will also be mentioned that the trade mark belongs to the Licensor and that the goods are manufactured for the benefit of the Licensor.
8. In consideration of the Licensor allowing the Licensee to manufacture the said goods with the said trade mark the Licensee agrees to pay to the Licensor by way of royalty a

sum equal to _____per cent of the price of the goods at which they will be sold to the Licensor by the Licensee as aforesaid.

9. The Licensee shall keep an account of the goods manufactured and sold to the Licensor and the price received by him and royalty paid in respect thereof and such account shall be open to inspection by the Licensor from time to time as may be required by the Licensor. The Licensor will also have the right to enter upon the premises of the Licensee where the goods are manufactured and to take inspection of the goods manufactured.
10. This agreement will remain in force for a period of _____ years from the date hereof and on the expiration of the said period or earlier termination thereof as herein provided, the Licensee shall stop manufacturing the said goods under the said trade mark and all the goods till then manufactured and lying undelivered to the Licensor will be delivered to the Licensor in terms of this agreement as aforesaid.
11. If the Licensee commits breach of any term of this agreement, the Licensor will be entitled to terminate this agreement by fifteen days prior notice in writing to the Licensee and on the expiration of the notice period, this agreement shall stand terminated unless in the mean while the breach complained of is remedied to the satisfaction of the Licensor.
12. The Licensee may get himself registered as a registered user under the provisions of the Trademarks Act 1999 subject to the terms of this agreement.
13. If the Registrar of Trade Marks while registering the Licensee as a registered user puts any condition which is not acceptable to the Licensor, the Licensee will withdraw the application for registration or the Licensor will have the option to terminate this agreement.
14. If any person is found by the Licensee to infringe the said trade mark either by passing off or otherwise, the Licensee will bring that fact to the notice of the Licensor to enable him to take necessary legal action against such person and in that event the Licensee will give all cooperation to the Licensor in prosecuting such action and all the costs thereof will be borne and paid by the parties hereto in equal shares.

15. If the Licensee himself infringes the said trade mark by passing off or otherwise, then notwithstanding anything provided in clause 16 hereof it will be open to the Licensor to take legal action against him and in such case the Licensee will not be entitled to challenge the ownership of the Licensor in respect of the said trade mark.

16. In the event of any dispute arising out of this agreement, the same will be referred to arbitration of a common Arbitrator if agreed upon or in the absence of such agreement, to two Arbitrators one to be appointed by each party hereto and the Arbitration will be governed by the Arbitration Act for the time being in force.

IN WITNESS WHEREOF the parties have put their respective hands the day and year first hereinabove written.

THE SCHEDULE ABOVE REFERRED TO

Signed and delivered for and on behalf of

Within named Licensor _____ Company

By its Managing Director

In the presence of _____

Signed and delivered by the

Within named Licensee Mr. _____

In the presence of _____

14.10. ASSIGNMENT OF TRADE MARK

THIS ASSIGNMENT is made atthis.....day of BETWEEN Mr. A residing at..... (Hereinafter called "the ASSIGNORS") of the one part and M/s. AB & Co.

Ltd., a Company registered under the Companies Act, 1956, and having its registered office at (Hereinafter called the "ASSIGNEES" of the other part)

WHEREAS the ASSIGNORS are the proprietors of the trademark registered in India under No. _____ particulars of which are as follows (hereinafter referred to as the "said trade mark"): Trade Mark Number Class Goods

WHEREAS the ASSIGNEES are desirous of acquiring the right, title and interest in and to the said trade mark with the good-will of the business concerned in the goods relating to the said trade mark.

AND WHEREAS the ASSIGNORS have agreed to assign the said trade mark to the ASSIGNEES as so desired by the ASSIGNEES. The assignee is carrying on the same business and manufacturing and selling similar goods and requested the Assignor to assign the said trademark with the goodwill of his business and which the Assignor has agreed to do on the following terms and in the following manner.

NOW THIS DEED WITNESSETH that pursuant to the said Agreement and in consideration of the sum of Rs....paid by the Assignee to the Assignor on the execution of these presents (receipt whereof the Assignor hereby admit) the Assignor as beneficial owner, assigns and transfers unto the Assignee, - Firstly, all the said business of the Assignor of selling the said goods and carried on in the name of M/stogether with the goodwill belonging to thereto together with the exclusive right to the said name or style in which the said business is carried on and Secondly, with the said Trade Mark described hereunder written with all the rights and benefits belonging thereto including the benefit of registration thereof under the Trademarks Act of 1999.

TO HOLD the same and all the said premises hereby assigned unto the Assignee absolutely.

AND the Assignor hereby covenants with the Assignee that –

1. He has full right and absolute authority to assign the said trade mark with all rights appurtenant thereto.
2. That he has not assigned or agreed to assign the same or to grant any license thereon.

3. That the Assignee will be entitled to use the said Trade Mark and the goodwill of the business of the Assignor and to use the said Trade Mark in respect of the said goods manufactured or to be manufactured or sold by the Assignee without any objection or interruption by the Assignor or any person claiming under him, and

4. That the Assignor will at the request and cost of the assignee, at any time execute any document as may be required for better and more perfectly assuring the said trademark unto the Assignee and particularly for registration of this agreement with the Registrar of Trademarks as required by the said Act, 1999.

And the Assignor further covenant with the Assignee that the Assignor will not carry on any business of manufacturing and selling the said goods and competing with the business of the Assignee for a period of one year and within the area of five kilometers in radius from the place where he has been carrying on the said business.

IN WITNESS WHEREOF the ASSIGNORS and the ASSIGNEES have executed these presents the day and year first above written.

ASSIGNOR

Witness

1.

2.

ASSIGNEE

Witness

1.

2.

14.11. REGISTERED USER AGREEMENT

THIS AGREEMENT MADE BETWEEN M/s _____ a company incorporated under the enactments of the Companies Act, 1956 and with its registered office at _____ hereinafter referred to as "the Registered Proprietor" of the One Part

AND

M/s _____ a partnership firm registered under Partnership Act, 1932 having office at _____, hereinafter referred to as the "User" of the other Part.

WHEREAS

(a) The Registered Proprietor being one of the leading companies in manufacturing, marketing and sale of _____ products and holds registration of the Trade Mark "XYZ", being registration No. _____ in class _____ in the _____ schedule of the Trademarks Rules concerning the _____ products.

(b) The User recognizes that the Registered Proprietor being the registered legal owner of the Trade Mark "XYZ" as registered in India and the User wants to use the above stated Trademark, after it referred to as the "said Mark".

(c) The Registered Proprietor and the User have consented that the Registered Proprietor and the User shall conjointly apply for the registration of the User as the Registered User for all Trademarks registered or for which a registration application has been applied in India by the Registered Proprietor.

NOW IN CONSIDERATION OF THE MUTUAL PROMISES THIS AGREEMENT WITNESSED AS UNDER:

1. ALLOWING OF RIGHT IN USING THE TRADE MARK

The Registered Proprietor hereby allows to the User, exclusive right in using the said Mark during the term of this Agreement subject to the terms/conditions stated here in below. It is expressly construed and consented that this agreement does not in any way give right to User, either impliedly or otherwise, for using any other name or trademark of the Registered Proprietor, other than the one given herein this Agreement.

2. USER'S AGREEMENT.

a. The User acknowledges that all rights, titles, proprietary and interest in and goodwill attached to the trademark are and shall remain conferred in the Registered Proprietor and the User shall not, on its own or in help of or helping any other person take any action that may invalidate, prejudice or impair any rights of the Registered Proprietor in and to the said mark.

b. The User also consents and covenants that it shall not assail the title of the Registered Proprietor to said Mark or assail the legality of this Agreement. The User shall not try to register or record the said mark as such or in any altered form or use or try to register or record any mark which is either in whole or in part of the same or as confusing similar thereto in any state, region or country, either during the term of this Agreement or after ending or termination thereof.

c. User consents any and all uses of the said mark by them in anticipation of this Agreement shall inure solely to the advantage of and on behalf of the Registered Proprietor.

d. User consents in reporting to the Registered Proprietor after they notice any doubtful breach or disparaging use of the said mark or with trade name, trade mark, or symbol as owned by Registered Proprietor.

e. User shall not transfer, assign or sub-license the license hereby allowed or any rights allowed herein in any manner.

f. Any laches or omission or failure by User for enforcing any of the terms/conditions of this Agreement shall not affect or limit the rights of Registered Proprietor and any waiving by the Registered Proprietor of any infringement of any enactments of this Agreement shall not be understood as waiving of any continuing or succeeding contravention of any enactment.

g. Excepting as laid herein, the User shall not reproduce, vend publish, or in any way commercially exploit the said Mark or grant such reproduction, vending , publication or exploitation by any employee or independent contractor reserved for the purposes of doing out its activities.

h. The User will only use the said mark till he manufactures his goods according to terms/specifications described by the Registered Proprietor.

i. The User shall give to Registered user from any time on its express request, sample of products using the said mark. If any such sample wished by the Registered Proprietor is not found in conformity with the standards and specifications of the Registered Proprietor then, on notice of such fact, User shall stop using such non-conforming product using said Mark till such non-conformance is rectified and express approval received from the Registered Proprietor intended that such product is in conformity to the standards and specifications of the Registered proprietor.

j. The User consents in giving the Registered Proprietor approach to his venue of manufacture whenever needed and also help in its inspection.

k. The User agrees in not using the said Mark on advertisements, journals, labels and on other documents in such a way that the said mark may in any way become mixed concerning the distinctiveness or legality. An indication either by eye or representatively shall be given to the buying public to the limit that the User uses the said Mark by virtue of allowed use only.

3. APPLICATION TO THE REGISTRAR OF TRADEMARKS

The User contents to apply the compulsory application jointly with the Registered Proprietor to the proper office of Registrar of Trade Mark in Performa as laid under the Trademarks Act, 1999.

4. ROYALTY

Both the parties hereby consent that no royalty shall be paid by the User to the Registered Proprietor for allowing exclusively right in using the said Mark

5. DISCLAIMER AND INDEMNITY

- a. By This Agreement the User does not become an agent, partner or legal representative of the Registered Proprietor and neither party shall be obliged on behalf of the other party, except as contained herein.
- b. Subject to any law against it and to the maximum limit allowed under law, the Registered Proprietor on its behalf, its directors, employees and representatives denouncing claims all liability and the User releases the Registered Proprietor and their directors, employees and representatives from whole liability for any loss/damage (whether predictable or not) sustained by any person including the User by using of the said Mark.
- c. The Registered Proprietor is not liable for any actions by third parties emerging out of the use by the User of the said Mark.

6. EFFECTIVE DATE AND TERMINATION

This Agreement shall begin on the date stated herein above, if however that this covenant shall at once terminate on cancellation of license hereby allowed by the Registered Proprietor.

- a. The Registered Proprietor shall be entitled in terminated this Agreement in any of the following eventualities: Any contravention of this Agreement by the User including but not restricted to misuse, passing off, unauthorized use, contravention, mixing and disparagement of said Mark, not remedied by thirty (30) days after date of express notice thereto if such contravention can be remedied.
- b. The User evaded disclosure or misrepresented, any material fact which if correctly presented would have justified the denial by the Registered proprietor to entering this Agreement
- c. Insolvency/bankruptcy of the User;
- d. Appointment a trustee or receiver of the User; and
- e. If the User shall be ended, either by himself or involuntarily, or if any order shall be passed or effective resolution be passed for liquidating of the User.

On happening of the above-stated eventualities or any other event materially/adversely effecting this Agreement the Registered Proprietor shall be just within its rights to apply in the prescribed Performa to Registrar of the Trademarks for canceling of the registration of the user as Registered User

The enactments of this article are without prejudicing any other remedy (ies) which the Registered Proprietor may be having due to default of the User.

On termination, the User shall at once not use the said mark, and will obey all other future instructions, directions and specifications that the Registered proprietor may give to the User concerning the use of said Mark. The User shall acknowledge and execute any/all documents, and acting on things, as requested by the Registered Proprietor in establishing, protecting and sustaining the said mark.

7. NOTICES

All notices, agreements and sanctions needed to be served or given by either party to other shall be considered to have been duly served or given if the same shall be handed over to, left at, or sent by airmail, registered post, courier, or fax by either party to the other at its principal/registered office. If however that either party shall be entitled in intimating other of any other address where such sanctions, agreements and notices shall be received by it and the same shall be considered to have been duly served or given if the same shall have been handed over to, left at or sent by airmail, registered post, courier, or fax to such party at such other address

8. ARBITRATION

All controversies or disagreements emerging out of or in relation with any of the terms of this Agreement shall be decided through negotiations amicably per good faith for a period of upto _____ days and failing which shall be decided finally and exclusively per arbitration by arbitral tribunal. Arbitral tribunal should conducted arbitration according to rules of Conciliation and Arbitration of International Chamber of Commerce, as modified from the time being. Each arbitral tribunal shall comprise three arbitrators, one to be selected by each party and the third to be selected by the arbitrators selected by each party. The venue of arbitration shall be

_____ (Name of the city and country). The language used in all written documents laid in arbitration shall be English. Any decision/award of an arbitral tribunal shall be conclusive and bind the parties.

IN WITNESS WHEREOF, the parties have executed this Agreement through their duly authorized officers on the dates set forth below:

Date:

Name _____ Designation: _____

Signed for the Registered Proprietor

Name: _____ Designation: _____

Signed for User

Witnesses:

1.

2.

15. CYBER LAW

The virtual world of internet is known as cyberspace and the laws governing this area are known as Cyber laws and all the netizens of this space come under the ambit of these laws as it carries a kind of universal jurisdiction.

Cyber law can also be described as that branch of law that deals with legal issues related to use of inter-networked information technology.

Cyber law is important because it touches almost all aspects of transactions and activities on and involving the internet, World Wide Web and cyberspace. Every action and reaction in cyberspace has some legal and cyber legal perspectives.

In India cyber laws are contained in the Information Technology Act, 2000 ("IT Act"). This Act aims to provide the legal infrastructure for e-commerce in India and the cyber laws have a major impact for e-businesses and the new economy in India.

15.1. SOFTWARE SERVICES AGREEMENT

(Any software development company which provides software service solutions to customers, has to enter into an agreement with the customer, to deliver the agreed upon solution to the customer at an agreed upon price under some terms and conditions, for every project. This agreement is called the Software Services Agreement.)

THIS AGREEMENT MADE at..... on this..... day of.....
20.....

BETWEEN

.....Limited a company registered under the Companies Act, 1956 and having its registered office at..... (Hereinafter referred to as “CLIENT”) which expression shall unless it is repugnant to the context or otherwise be deemed to include its successors and assignees.

AND

.....Limited a company registered under the Companies Act, 1956 and having its registered office at..... (Hereinafter referred to as “SUPPLIER”) which expression shall unless it is repugnant to the context be deemed to include its successors and assignees.

WHEREAS the CLIENT has approached the SUPPLIER for writing certain software programs as described in this agreement.

WHEREAS the SUPPLIER agrees to write software programs for the client and to provide such other services described in and upon the terms and conditions contained in this Agreement.

NOW THEREFORE, in consideration of the mutual covenants and obligations between the parties it is agreed as follows:

I – Definitions

In this Agreement, unless the context otherwise requires, the following expression shall have the meaning hereinafter assigned to them:

1. Acceptance Date: means the date on which the Programs are accepted [or deemed to be accepted] by the Client;
2. Budget: means the budget giving all the relevant details as to quality, quantity and projected cost etc., to be prepared and agreed for each Budget Year;
3. Budget Year: means each period of 12 months or less in the event of a termination during the currency of the agreement;
4. Completed Programs: means fully installed, and tested and accepted programs;
5. Equipment: means the Client’s computer hardware and associated peripherals equipment specified in Schedule or such other equipment as may be agreed between the parties;
6. Execution Plan: means the time Schedule for the completion of the Phases of preparation and delivery of the Programs as specified in Schedule...

7. Finishing Date: means the date specified in the Execution Plan by which the Supplier is to provide the Completed Programs, or such extended date as may be set pursuant to any provision of this Agreement;
8. Guidance Plan: means the training provided by the Supplier for the use of the Programs by the Client's staff the details of which are set out in Schedule
9. Maximum Cost: means the sum specified in Schedule.
10. Operative Specifications: means the specification in accordance with which the Programs are to be written;
11. Operating Manuals: means the operating manuals to be prepared by the Supplier;
12. Operation Criteria: means the criteria which is intended that the Programs shall fulfill as specified in the Operative Specifications subject to the tolerances, limitations and exceptions stated in the Operative Specifications;
13. Phase: means a Phase of the Execution Plan;
14. Price: means the price to be paid by the Client for the Services as specified in Schedule.
15. Programs: means the applications/computer programs to be written by the Supplier;
16. Services: means the services to be provided by the Supplier under this Agreement;
17. Testing Date: means the date on which the Supplier attends the program [s] tests on the Client's premises.

II – Covenant Services to be provided

(a) The Supplier, under the terms and conditions of this Agreement, agrees to:

- (i) Write the Program [s];
- (ii) Successfully install the Program [s] on the Equipment;
- (iii) Provide the Completed Program [s] by the Finishing Date; and
- (iv) Provide Operating Manuals and training;

Supplier's Acceptance

(a) The Supplier accepts that the Programs are to be used by the Client in conjunction with the Equipment and the client's existing _____ operating system.

(b) The Supplier also accepts that it has been supplied with sufficient information about the Equipment and the said operating system to enable it to write the Programs in accordance with the Operative Specifications for use with the Equipment and the said operating system.

(c) The Supplier shall not be entitled to any additional payment nor excused from any liability under this Agreement as a consequence of any misinterpretation by the Supplier of any matter or fact relating to the functions, facilities and capabilities of the Equipment or the said operating system.

Programs Writing

(a) The Supplier shall write a series of applications programs in _____ language operating under version _____ of the _____ database management system [DBMS].

(b) The Database Management System shall provide the facilities and functions set out in the Operative Specifications and shall fulfill the Operation Criteria.

Alterations

If any alterations are made to the Programs then, the Supplier shall make appropriate modifications to the Operative Specifications, the Operating Manuals and the Guidance Plan to reflect such alterations. The cost of such modifications shall be included in the quotation given by way of an invoice.

Delivery and installation of Program

(a) The Supplier shall at the agreed Phase deliver to the Client:

(i) One copy of the object code of the Programs in machine-readable form on the storage media as specified by the Client;

(ii) Certified copies of the data and results of tests carried out by the Supplier on all parts of the Programs before delivery; and

(iii) The Operating Manuals.

(b) The Supplier shall also successfully install the Programs on the Equipment.

Operating Manuals

The Supplier shall prepare and provide the Client with ... copies of a set of operating manuals containing sufficient information to enable the Client to make full and proper use of the

Programs in combination with the Equipment and the Client's _____ operating system. If the Client requires further copies of the Operating Manuals then, these will be supplied by the Supplier at a reasonable charge.

Training of staff / employee

The Supplier undertakes to provide training in the use of the Programs for the Client's staff in accordance with the Guidance Plan. Any additional training required by the Client shall be provided by the Supplier upon reasonable written notice at its standard scale of charges.

Agreement for Maintenance

The parties shall enter into a separate maintenance agreement on the Acceptance Date in respect of the Programs and the Operating Manuals.

Meetings of representatives

The parties shall ensure that their Authorized representatives will meet every quarter to discuss and assess the progress of the Services.

Provision of required Information

The Client shall provide all information and documentation reasonably requested by the Supplier to enable the Supplier to prepare and write the Programs and the Operating Manuals. Such information and documentation shall be subject to the provisions of confidentiality contained in the agreement. The Client shall ensure that it provides the Supplier with such access to its staff as may be reasonably required for the purposes of the provision of the Services

Staff / employee

(a) The Services under the agreement shall be provided by the employees of the Supplier named in Schedule _____ or such other persons as may be approved by the Client in writing. If particular Supplier's staff is crucial to the success of the project, the client may seek commitments that they will work full time on the project and shall not be removed from it without the client's consent.

- (b) The Supplier agrees that the services envisaged in this Agreement shall be performed by persons nominated by the Supplier or such other persons as the Client approves in writing.
- (d) The Supplier shall instruct the Client's staff and provide technical advice that may be necessary for the use of the program [s].
- (e) The Supplier's personnel, while attending the Client's Place of Use shall conform to the Client's normal codes of staff practice.
- (f) The Client shall ensure that the Supplier's personnel are treated in the same manner and given the same respect as the Client's staff.
- (g) The Client shall guarantee a clean, healthy and safe working environment for the Supplier's personnel whilst performing the services envisaged in this Agreement.

III – Consideration

1. The Supplier shall send an invoice concerning the Monthly Standing Charges to the Client on the _____ day of each month.
2. The Client shall make payment of such invoice within... days of its receipt.
3. The Budget shall be reviewed jointly by representatives of both the parties at quarterly intervals.
4. The Monthly Standing Charge for the remainder of the Budget Year shall be appropriately adjusted if agreed upon.
5. The aggregate payments made by the Client in respect of Monthly Standing Charge shall be adjusted by means of a separate payment at the end of each quarter.
6. The Supplier shall not exceed the projected expenditure in the Budget without prior written consent of the Client.
7. Unless otherwise agreed between any deficit in actual expenditure shall be credited to the Client by means of a Monthly Standing Charge.
8. Either party is entitled to charge the other interest at the rate of _____% per annum on late payment of any amount due until full payment of such amount.

IV – Supplier's Warranty

1. The Supplier warrants that the Programs will, after acceptance by the Client, perform as set out in the Operative Specifications when properly used with the Equipment and the said Client's _____ operating system.
2. The Operating Manuals and the Guidance Plan will provide adequate instruction to enable the Client to make full and proper use of the Programs in combination with the Equipment and the said operating system without the need for reference to any other person or document.
3. If the Supplier receives written notice from the Client after the Acceptance Date of any breach of the said warranty then, the Supplier shall at its own expense and as promptly as possible remedy the defect or error in question unless the Supplier receives a written notice regarding the defect after the expiry of _____ months after the Acceptance Date.
4. The Supplier's primary obligation is to remedy breaches of warranty by the provision of materials and services promptly and without charge to the Client, provided that the Supplier fails to conform to its obligations and its liability for such failure.
5. The explicit terms of this Agreement conform to all warranties, conditions, terms, undertakings and obligations implied by statute, common law, trade usage and course of dealing or otherwise, all of which are hereby excluded to the fullest extent permitted by law.

V – Indemnity

1. The Client will indemnify the Supplier against all costs, claims, demands, expenses and liabilities arising out of or in connection with any claim that the use by the Supplier of any information or material supplied by the Client for the purpose of enabling the Supplier to prepare and write the Programs and/or the Operating Manuals infringes any third party intellectual property.
2. The Supplier shall likewise indemnify the Client against all costs, claims, demands, expenses and liabilities arising out of or in connection with any claim that the Services provided by the Supplier that infringe any third party intellectual property rights.
3. The indemnifying party shall be granted immediate and complete control of any claim of indemnity and the indemnified party shall not prejudice the indemnifying party's defense of the claim.
4. The indemnified party shall give the indemnifying party all reasonable assistance at the expense of the indemnifying party on such claim of indemnity.

VI – Confidentiality

1. Both parties undertake to each other to keep confidential all information concerning the business and affairs of the other, which has been obtained or received as a result of the discussions leading up to or the entering into of this agreement save that which is:

- (a) Inconsequential or obvious;
- (b) Already in its possession other than as a result of a breach of this clause; or
- (c) Required by law.

2. Each of the parties undertakes to the other to take all such steps as shall from time-to-time be necessary to ensure compliance with the provisions of the above clause by its employees, agents and subcontractors.

VII – Intellectual Property Rights

1. The copyright and all other intellectual property rights of whatever nature shall be and shall remain vested in the Supplier.

2. The Supplier hereby grants to the Client with effect from the Acceptance Date a non-exclusive and non-transferable license to use and copy the Programs and the Operating Manuals for its own internal business purposes.

3. The Client shall not be entitled to sub-license the use of the whole or any part of the Programs or the Operating Manuals.

4. The Client undertakes to treat as confidential and keep secret all information contained or embodied in the Programs, the Operating Manuals, and the Operative Specifications and in all other specifications and documentation relating to the Programs and all information conveyed to the Client by training.

5. The Client shall not without the prior written consent of the Supplier disclose any part of the Information to any person except:

- (a) The Client's own employees who need to know such information;
- (b) The Client's auditors, Tax authorities, Customs & Excise and any other persons or bodies having a right, duty or obligation to know the business of the Client and then only in pursuance of such right duty or obligation;

(c) Any person who is from time-to-time appointed by the Client to maintain any equipment on which the Programs are being used and then only to the extent necessary to enable such person properly to maintain such equipment;

(d) Any professional adviser of the Client in connection with a dispute arising from this Agreement or the Client's use of the Programs.

6. The Client undertakes to ensure that the persons and bodies mentioned in clauses 5(a), 5(b), 5(c) and 5(d) are made aware prior to the disclosure of, any part of the Information that the same is confidential and that they owe a duty of confidence to the Supplier.

7. The Client shall indemnify the Supplier against any loss or damage which the Supplier may sustain or incur as a result of the Client failing to comply with such undertaking.

8. The Client shall promptly notify the Supplier if it becomes aware of any breach of confidence by any person to whom the Client divulges all or any part of the Information and shall give the Supplier all reasonable assistance in connection with any proceedings that the Supplier may institute against such person for breach of confidence.

VIII – Force Majeure

Notwithstanding anything to the contrary in this Agreement, neither Party shall be liable by reason of failure or delay in the performance of its duties and obligations under this Agreement if such failure or delay is caused by acts of God, war, riot, fire, civil commotion, strikes, lock outs, embargoes, any orders of governmental, quasi-governmental, or local authorities or any other similar cause beyond its control and without its fault or negligence.

IX – Termination of Agreement

1. This agreement may be terminated under the following circumstances:

(a) Immediately by the Installer if the Client fails to pay any sum due under this agreement within _____ days of its due date;

(b) Immediately by either party if the other commits any material breach of any term of this agreement and which has not been remedied within _____ days of a written request to remedy the same; and

(c) Immediately by either party if the other party takes steps for the voluntary winding up or enters into any arrangement with its creditors or if an official liquidator is appointed in respect of

all or any part of the business or assets of the other party or other steps are taken for the winding up of the other party.

2. Any termination of this agreement pursuant to this clause shall be without prejudice to any other rights or remedies a party may be entitled to under this agreement or under law and shall not affect any accrued rights or liabilities of either party nor the coming into or continuance in force of any provision hereof which is expressly or by implication intended to come into or continue in force on or after such termination.

X – Governing Law and dispute resolution

1 This Agreement shall be construed in accordance with the law of India.

2 Any dispute, difference, controversy or claim arising between the Parties out of or in relation to or in connection with this Agreement, or the breach, termination, effect, validity, interpretation or application of this Agreement or as to their rights, duties or liabilities hereunder, shall be settled by the Parties by mutual negotiations and agreement. If, for any reason, such Dispute cannot be resolved amicably by the Parties, the same shall be referred to and settled by way of arbitration proceedings by three arbitrators, one to be nominated by each Party and the third to be appointed by the two appointed arbitrators. The arbitration proceedings shall be held in accordance with the Arbitration and Conciliation Act, 1996, or any subsequent enactment or amendment thereto (the “Arbitration Act”). Each of the Parties shall appoint an arbitrator within thirty (30) days of the receipt by a Party of the other Party’s request to initiate arbitration. The two arbitrators so appointed shall then jointly appoint a third arbitrator within thirty (30) days of the date of appointment of the second arbitrator, which third arbitrator shall act, as the Chairman of the tribunal. Arbitrators not appointed within the time limit set forth in the preceding sentence shall be appointed in accordance with the Arbitration Act. The decision of the arbitrators shall be final and binding upon the Parties. The venue of arbitration proceedings shall be _____
The language of the arbitration and the award shall be English.

XI – Interpretations of certain terms and references

In this agreement unless otherwise specified following interpretation shall be applicable:

1. Reference to a Subsidiary or Holding Company is to be interpreted in accordance with the Companies Act 1956;

2. Reference to a party is reference to a party of this agreement and this includes the party's permitted assignees and/or the respective successors in title to the whole undertaking;
3. Reference to a person includes any person, individual, company, firm, corporation, government, state or agency of a state, or any undertaking regardless of it having a legal representative or not and notwithstanding of the law under which it exists;
4. Reference to any statute or statutory instrument or any of its provisions shall be interpreted as a statute or statutory instrument or provision that is re-enacted or amended from time-to-time;
5. All words/terms denoting the singular shall include the plural and vice versa; and all words/terms denoting any gender shall include all genders;
6. All references to clauses and Schedules shall be interpreted as references to clauses or Schedules of this agreement.

XII – Alteration and Modification

Any alteration or modification or waiver in connection with this contract will not be effective unless made in writing and signed by both the parties.

XIII – Severance

Invalidity or unenforceability of any term of this agreement shall not render the other provisions and the remainder of the agreement invalid or unenforceable and the agreement shall remain in full force and effect.

XIV – Entire Agreement

This Agreement and the Schedules and Annexure hereto represent the entire agreement as to the subject, matter hereof, and supersede any and all prior understandings between the Parties on the subject-matter, hereof.

XV – Assignment

Neither of the Parties hereto shall be entitled to assign this Agreement or any of their rights, powers, obligations and/or duties hereunder without the prior written consent of the other Party.

XVI – Duration

This agreement is effective w.e.f..... and shall terminate on.....
unless both parties decide to extend the agreement by informing each other in writing.

XVII – Notices

All notices and other communications under this contract must be in writing, and must be mailed by registered or certified mail or any other form of communication [fax/email] at the following address:

To CLIENT

.....
.....

To SUPPLIER

.....
.....

XVIII – Waiver

Save where this Agreement expressly provides, neither Party shall be deemed to have waived any right, power, privilege or remedy under this Agreement unless such Party shall have delivered to the other Party a written waiver signed by an authorised officer of such waiving Party. No failure or delay on the part of either Party in exercising any right, power, privilege or remedy hereunder shall operate as a waiver, default or acquiescence thereof, nor shall any waiver on the part of either Party of any right, power, privilege or remedy hereunder operate as a waiver of any other right, power, privilege or remedy, nor shall any single or partial exercise of any right, power, privilege or remedy hereunder preclude any other or further exercise thereof or the exercise of any other right, power, privilege or remedy hereunder.

XIX – Insurance

The Supplier shall maintain throughout the term of this agreement, with an insurer of good repute, indemnity/insurance comprehensively covering all his obligations for a sum of not less than Rs..... (Rupees.....)

XX – Authorized Signatory

Both parties shall provide information in writing regarding the authorized signatories for this contract along with their respective names and designations.

The contracting parties assume that the respective authorized signatories are the person recognized for the purpose of signing the contract in conformity with the authorisation of the Company.

XXI – Non-Solicitation of Staff

For the purposes of this contract, both parties agree not to solicit either directly or indirectly with a view to provide or offer employment to, offer to contract with or encourage a staff member of the other party to leave without the prior written consent of the other during the term of this agreement and for an additional period of _____ days after termination.

XXII – Regulation of foreign exchange

Both the parties agree to be governed by the Laws of India regarding the use of foreign exchange in their transactions.

XXIII – Legal expenses and charges

The succeeding party shall be entitled to reasonable litigation and professional fees along-with the out of pocket costs incurred in connection with dispute resolution arising between the parties with matters pertaining to this Agreement.

XXIV – Genuine Software

Both parties agree that the software that is required to be used for the purposes as envisaged under this Agreement shall be genuine and registered software and not a pirated version of any nature.

XXV – Warranty of Software

The Supplier warrants to the Client that the software that has been agreed to be part of the equipment to be supplied as envisaged under this Agreement shall be the genuine and registered version and shall not be a pirated version/copy of any nature.

XXVI – Injury resulting during Installation of Software

The Client shall not be liable for any Injuries occurring to the Supplier's staff while installing the Software at the Place of Use unless such staff belongs to the Client.

XXVII – Injury While Using the Software

The Supplier warrants that the Equipment provided to the Client shall not cause any physical harm or injury or otherwise to any of the Client's staff or the user of the Program [s]. If such Software causes physical harm or injury or otherwise, the Supplier agrees to compensate the Client [in terms of incurred expenditure] and rectify the Program [s] free of charge.

XXVIII – Damage to Other Program [s]

1. The Supplier warrants that the Software shall not damage, destroy or corrupt any other Software belonging to the Client, provided the Client executes and implements all the required networking related measures and safeguards as stated in the manual.
2. However, subject to the foregoing clause, if the Software damages, destroys or corrupts the Client's Equipment, the Supplier shall rectify/replace such damaged, destroyed or corrupted Software free of charge.
3. To this effect, the Client is under an obligation to bring it to the notice of the Supplier about the nature and extent of the damage that has taken place. On the basis of which, the Supplier may send its team of personnel to evaluate and assess the incident and consequently ensued damage.

XXIX – Warranty of Program [s]

The Client warrants to the Supplier that the Program[s] shall be used only for the purposes envisaged in this Agreement and shall not be used for any other purpose other than what has been mentioned in this Agreement.

XXX – Compliance with Legal Requirements

The Supplier undertakes for the purpose of Sale/Lease/Rent that it has fulfilled all the applicable legal Requirements, Procedures and Formalities, as envisaged by the different laws, rules, regulations, bye-laws, procedure and formalities.

XXXI – Harmful Effects of Program [s]

The Supplier shall bring to the notice of the Client beforehand harmful effects, if any, of using the Program[s].

XXXII – Survival of certain clauses

The Clauses of this Agreement, which by nature are intended to survive termination of this Agreement shall remain in effect after such termination.

IN WITNESS WHEREOF the Agreement has been entered into between the parties on the day and year first above written

CLIENT’S NAME

ADDRESS

SIGNATURE [of Authorized Signatory]

SUPPLIER’S NAME

ADDRESS

SIGNATURE [of Authorized Signatory]

15.2. INTERNET SERVICES AGREEMENT

(An Internet Service Agreement governs the use of internet access services.)

This Agreement is executed on this ... day of Between With Registered Office at----- hereinafter referred to as “Member” And, with registered office at, hereinafter referred to as “ABC”.

WHEREAS ABC is established to be a neutral Internet Exchange facilitating the ISPs to interconnect with each other for efficient routing of domestic traffic.

AND WHEREAS the Member is an ISP duly licensed by the Government of India (“Licensor”) to provide Internet services in India in accordance with the terms of the License granted to it.

NOW the Member and ABC agree as follows:

1. Definitions

“ASN” means Autonomous System Number, which is a globally unique identifier for Autonomous Systems. An Autonomous System (AS) is a group of IP networks having a single clearly defined routing policy, run by one or more network operators.

“BGP” means Border Gateway Protocol which is a protocol for exchanging routing information between gateway hosts (each with its own router) in a network of autonomous systems. BGP is often the protocol used between gateway hosts on the Internet. The routing table contains a list of known routers, the addresses they can reach, and a cost metric associated with the path to each router so that the best available route is chosen.

“Connection” means the physical connection of the peering router of ISP to the ABC shared medium (e.g. LAN switch), which is not allowed to go beyond the premises of the respective Housing Site.

“Core Area” is the Room, cage or otherwise dedicated and separated rack space at the Housing Site where the ABC equipments (e.g. LAN switch) is located.

“Housing Site” is the Physical location at which the ABC is present, and where the peering router of ISP is located.

“ISP” shall mean an Internet Service Provider, having valid ISP License issued by the Government of India. The term ISP shall include those Internet Service Providers also who have got their License amended for providing Internet Telephony

“Member” is an ISP who wants to connect to ABC and avail of its services under the terms and conditions of this agreement.

“Member Equipment” is any equipment owned by, leased to, or otherwise controlled by a Member, who is here referred to as the 'owner' irrespective of the actual method of control.

2. Services provided by ABC to Member

ABC shall:

- a) provide and maintain the Connection for Member.
- b) provide rack space to the Member at its site.
- c) allow access to the Core Area only to authorized personnel of Member under supervision of ABC staff
- d) provide 24 x 7 watch of the Member equipment
- e) provide installation & support services
- f) provide network management related services
- g) provide any other services as decided by the ABC Board

3. Responsibilities of Member

Member shall

- a) make payments to ABC as per the Financial Schedule as applicable to the Member by the due date. No refund of charges will be made under any circumstances.
- b) at his own cost ensure the faultless connection of its Network through Leased line (or any other connecting medium such as Radio link, VSAT, Fibre, ATM, Frame relay etc.) to the ABC network, as per the Technical Requirements of ABC.
- c) Be solely responsible for all charges (including insurance, maintenance, repairs, configuration, operation etc) related to the Member Equipment.
- d) provide 24x7 operational contact details for the use of ABC staff and other ABC Members as required by ABC.
- e) ensure that its usage of the Connection / ABC's network is not detrimental in any way and does not cause damage to the ABC network / infrastructure or to the usage of ABC by the other Members or to the traffic exchange thereon.
- f) Insure its equipments (including third party insurance) while it is in the ABC racks.
- g) not hold ABC responsible for the content of its traffic being transmitted through ABC network
- h) Be solely responsible for the Member's own violation of the conditions of its ISP License(s) issued to it by the Department of Telecom, Ministry of Communications & IT, under which he is authorized to provide Internet Services and connect to ABC

4. Connecting Rules at ABC to be adhered by Member

- a) Members shall have an ASN (Autonomous System Number) and use BGP4(+) for peering.

- b) The Autonomous System Number, which the Member provides to ABC, should be visible from the ABC router.
- c) Member shall not hand over international traffic at ABC.
- d) Member shall handover its traffic to the ABC PoP which is nearest to the destination of the traffic.
- e) Member may allow other ISP's to connect to ABC and handover their traffic through its own facilities. Member in that case will advertise the ASN of such ISPs connecting through it. Member shall have its own agreement with the ISPs connected through it, requiring such ISPs to adhere to the terms and conditions of this Agreement.
- f) Member shall not use ABC Services to carry out any illegal or unauthorized activities
- g) Members will be allowed to do bilateral peering/transit amongst them without using the ABC switches or any other ABC networking equipment.

5. Peering Policy of ABC

ABC has adopted a multilateral peering policy. Member ISPs shall not refuse to accept traffic from other members.

6. NON COMPETE

ABC is a neutral Internet Exchange facilitating the ISPs to interconnect with each other for efficient routing of domestic traffic and shall not compete with the business of Member ISPs.

7. Membership Status

Submission of this Agreement along with the Connection form does not guarantee membership to ABC. The membership shall be deemed to be granted only after the application and agreement

is approved by the ABC board. On granting of the membership, the Member shall be entitled to all the rights described in the Bye-Laws/Articles of Association of ABC including offering candidature to be elected on ABC Board as and when permissible.

8. Warranties & Representations

Member represents that it possesses a valid License issued by the Department of Telecom, Ministry of Communications & IT to provide Internet Services, a copy of which has been provided to ABC along with this Agreement. ABC represents that it is a neutral Internet Exchange facilitating the ISPs to interconnect with each other for efficient routing of domestic traffic, a copy of which has been provided to the Member.

9. Non-compliance

Any Violation of the provisions of this agreement including the Payment schedule and technical requirement may result in immediate disconnection from the Services, termination of membership, financial penalties or any other action at the sole discretion of the ABC Board.

10. Fee & Mode of Payment

Member is liable to make payments of the dues by the due dates in accordance with the Routing and Tariff Policy as applicable and amended from time to time. Non payment of the dues by the due date will be deemed to be non-compliance of the terms of this agreement.

11. Intellectual Property Rights

All logos, trademarks, copyrights and other intellectual property rights remain the property of its respective owners. This Agreement in no way grants any right to a party to use the intellectual property of the other party.

12. Insurance and Liability

ABC shall take all precautions to ensure that no damage is caused to the Member Equipment; however, ABC shall not be liable for any loss or damage, howsoever caused, to the Member Equipment. Member is solely responsible to get its equipment insured.

13. TERM and TERMINATION

This Agreement shall come into force upon approval by the Board of ABC or personnel duly authorized by ABC Board for this purpose and shall remain in force until its termination in accordance with the provisions of this Agreement. Either Party may terminate this Agreement by giving a written notice of 3 Calendar months to the other.

Notwithstanding anything said in this Agreement ABC reserves the right to immediately disconnect a member and suspend services to it at any time on having reasonable knowledge of any violation of this Agreement or other terms and conditions that will be communicated to the Member from time to time by ABC.

14. Severability

If any provision of this Agreement is found invalid or unenforceable, that provision will be enforced to the maximum extent permissible and the other provisions of this Agreement will remain in force unaffected.

15. Relationship

The parties are independent contractors and will have no power or authority to assume or create any obligation or responsibility on behalf of each other. This Agreement will not be construed to create or imply any partnership, agency or joint venture between the parties.

16. Force Majeure

If performance of either party is prevented because of the occurrence of force majeure or unforeseen circumstances, beyond the reasonable control of the parties, such occurrence shall not constitute a breach of this agreement.

17. Indemnity

The Parties to this Agreement shall indemnify and hold each other harmless from and against all direct, indirect, incidental or consequential liabilities, demands, losses, costs and actual expenses suffered or incurred by or awarded against either Party in consequence of or arising out of any actions of the other Party that is in breach of its obligations, warranties, representations under this agreement or are otherwise in violation of the existing laws.

18. Dispute Resolution & Applicable Law

Any disputes arising out of to this agreement shall be resolved through arbitration, conducted in accordance with the provisions of the Arbitration and Conciliation Act 1996. The award rendered by the arbitrator shall be final & binding upon the parties.

The venue of arbitration shall be ----- and for all further legal proceedings pertaining to the terms and conditions enshrined in the agreement, the jurisdiction shall be ----- . The cost of arbitration shall be borne equally by both the parties.

The authorized signatories of the Parties have set their hands on the date mentioned hereinabove.

For ABC

For the Member

Signature:

Signature:

Name:

Name:

Title:

Title:

Date:

Date:

Company Seal

Company Seal

15.3. PRIVACY POLICY AND USER AGREEMENT

This document is an electronic record in terms of the Information Technology Act, 2000. This electronic record is generated by a computer system and does not require any physical or digital signatures.

Your use of this website is governed by this contract. You shall have deemed to have agreed to be bound by this privacy policy and user agreement, whenever you access or use this site in any way.

Privacy Policy

..... respects the privacy of visitors to this website. This policy describes how and when we gather information from visitors to our website.

Aggregate Data

We generally record certain usage information, such as the number and frequency of visitors to this website. This information may include the websites that you access immediately before and after your visit to our website, the Internet browser you are using, and your IP address. If we use such data at all, it will be on an aggregate basis, and we will not disclose to third parties any information that could be used to identify you personally. We do not employ cookies.

Personally Identifiable Information

If you voluntarily submit information to our website, for example, in a request for general information or through the submission of a business proposal, we may record and use any personally identifiable information, such as your name, phone number and e-mail address, for reasonable business purposes including, but not limited to, fulfilling your request. We will not use your personally identifiable information for any other purpose without your permission.

We may use internal service providers to operate our website and employ other persons to perform work on our behalf, such as sending postal mail and e-mail. These persons may have access to the personally identifiable information you submit through the website, but only for the purpose of performing their duties. These persons may not use your personally identifiable information for any other purpose.

We will not provide any personally identifiable information to any other persons, except if we are required to make disclosures to the government or private parties in connection with a lawsuit, subpoena, investigation or similar proceeding. We can (and you authorize us to) disclose any such information in those circumstances.

User Agreement

Restrictions on Use

Any person using this website is permitted to copy and print individual website pages for non-commercial purposes. Users may also copy or print minimal copies of any research or reports posted on the site solely for informational, non-commercial use. These copies must not alter the original website content, including all legal notices and legends. Our prior permission is required for (i) any commercial use of materials on this website; (ii) making more than minimal copies of website materials; and (iii) copying large portions of our website, such as by bots, robots or spyders that "harvest" the website. If you seek permission for such use of our website, please contact us at

Linking and Framing

We do not permit others to link to or frame this website or any portion thereof.

Please note that this Privacy Policy and User Agreement will apply only to this website and not to other websites that may be accessible from this website via hyperlink. We are responsible only for the content of our own website. We encourage you to review the privacy policies and user agreements of all other websites that you visit.

Ownership

All content included on this website, such as graphics, logos, articles and other materials, is the property of our organization or others and is protected by copyright and other laws. All trademarks and logos displayed on this website are the property of their respective owners, who may or may not be affiliated with our organization.

Submissions

As our website indicates, we welcome your questions about us and our products and services. Please be advised that any comments, suggestions, ideas or other information that you send to us through our website will not be treated as confidential, and that we will own and have the right to use them as we choose, without payment to you.

International Use

Due to the global nature of the Internet, this website may be accessed by users in countries other than India. We make no warranties that materials on this website are appropriate or available for use in such locations. If it is illegal or prohibited in your country of origin to access or use this website, then you should not do so. Those who choose to access this site outside India can do so on their own initiative and are responsible for compliance with all local laws and regulations.

Limitations of Liability

We are not responsible for any damages or injury, including but not limited to special or consequential damages, that result from your use of (or inability to use) this website, including any damages or injury caused by any failure of performance, error, omission, interruption, defect, delay in operation, computer virus, line failure, or other computer malfunction. You acknowledge that we provide the contents of this website on an "as is" basis with no warranties

of any kind. Your use of this website and use or reliance upon any of the materials on it is solely at your own risk.

Governing Law

You agree that your use of this website, this Privacy Policy and User Agreement and any disputes relating to any of them shall be governed in all respects by the laws of the State of, India. Any dispute relating to the above shall be resolved solely in the courts located in, India.

15.4. SOFTWARE ESCROW AGREEMENT

(A Software Escrow Agreement is an agreement between the software owner, the party receiving the license and the escrow agent. Software escrow means deposit of the source code of the software into an account held by a third party escrow agent. Escrow is typically requested by a party licensing software (the “licensee”), to ensure maintenance of the software. The software source code is released to the licensee if the licensor files for bankruptcy or otherwise fails to maintain and update the software as promised in the software license agreement.)

THIS ESCROW AGREEMENT entered into, on the _____ day of _____ 20____ (“Effective Date”), by and between _____ (“Customer”); _____ (“Licensor”); and _____ (“Escrow Agent”). Capitalized terms not otherwise defined herein shall have the meanings set forth in the License Agreement given in Exhibit A.

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

WHEREAS the Licensor and Customer have entered into a software license agreement (the “License Agreement”) dated _____, a copy of which is appended hereto and made a part hereof, pursuant to which Licensor has licensed to Customer certain Software, including all updates, improvements, and enhancements thereof from time to time developed

by Licensor, and all Documentation developed by Licensor (hereinafter collectively referred to as the "Product"); and,

WHEREAS, Licensor and Customer agree that upon the occurrence of certain events described further herein, Customer shall be able to obtain the source code and materials and all revisions relating to the applicable Product, and accordingly, Licensor agrees to delivery said source code and materials to the Escrow Agent.

NOW THEREFORE, In consideration of the mutual promises and covenants contained herein, and for other good and valuable consideration, Licensor, Customer, and Escrow Agent hereby agree as follows:

1. **Deposits** - The Escrow Agent, as a safekeeping (escrow) agent, agrees to accept from Licensor the source code and materials (as more fully described in the applicable Exhibit A hereto) and revisions thereof. The Escrow Agent will issue to Licensor a receipt for the source code and materials upon delivery. The source code and materials held by the Escrow Agent shall remain the exclusive property of Licensor, and the Escrow Agent shall not use the source code and materials or disclose the same to any third party except as specifically provided for herein. The Escrow Agent will hold the source code and materials in safekeeping at its offices described herein unless and until the Escrow Agent receives notice pursuant to the terms of this Agreement that the Escrow Agent is to deliver the source code and materials to Customer or Licensor, in which case the Escrow Agent shall deliver the source code and materials to the party identified therein, subject, however, to the provisions of this Escrow Agreement.
2. Representations of Licensor to Customer - **Licensor represents and warrants that:**
 - 2.1 **the source code and materials delivered to the Escrow Agent is in a form suitable for reproduction by computer and/or photocopy equipment, and consists of a**

- full source language statement of the program or programs comprising the Product and complete program maintenance documentation, including all flow charts, schematics and annotations which comprise the precoding detailed design specifications, and all other material necessary to allow a reasonably skilled third party programmer or analyst to maintain or enhance the Product without the help of any other person or reference to any other material; and,
- 2.2 Licensor will promptly supplement the source code and materials delivered hereunder with all revisions, corrections, enhancements, or other changes so that the source code and materials constitutes a human readable program for the current release of the Product.

3. Default -

- 3.1 Events of Default. The Licensor shall be deemed to be in default of its responsibilities to Customer if:
- 3.1.1 Licensor is unable, at any time during the warranty period specified in the License Agreement, to correct any malfunction, defect, or non-conformity in any Product which prevents such Product from functioning in accordance with the applicable specifications, documentation, performance criteria, and other warranties and descriptions provided in the License Agreement, within seven business days after Customer's notification to Licensor specifying in reasonable detail in what respects the Product fails to conform;
- 3.1.2 Licensor is unable to discharge any of its maintenance obligations with respect to any Product in accordance with the warranties or other standards for such maintenance set forth in any software maintenance agreement from time to time in effect between Licensor and Customer, within seven business days after Customer's notification specifying in reasonable detail in what respects the Product is not properly being maintained;

- 3.1.3 the sale, assignment, or other transfer by Licensor, without the prior written consent of Customer, of such of Licensor's rights in the Product as would prevent Licensor from the discharge of its obligations with respect to the performance of the Product under the License Agreement during the warranty period specified therein, or from the discharge of its maintenance obligations with respect to the Product under any software maintenance agreement from time to time in effect between Licensor and Customer, unless such sale, assignment, or transfer is expressly permitted by the provisions of the License Agreement; or,
- 3.1.4 Licensor becomes insolvent, makes a general assignment for the benefit of creditors, files a voluntary petition of bankruptcy, suffers or permits the appointment of a receiver for its business or assets, becomes subject to any proceeding under any bankruptcy or insolvency law whether domestic or foreign, or has wound up or liquidated its business voluntarily or otherwise, and Customer has compelling reasons to believe that such event(s) will cause Licensor to fail to meet its warranty and maintenance obligations in the foreseeable future.
- 3.2 Notice of Default. Customer shall give written notice to the Escrow Agent of any default by Licensor. The Notice of Default shall at the minimum: (a) be labelled "Notice of Default"; (b) identify the License Agreement and this Escrow Agreement; (c) specify the nature of the default; (d) identify the source code and materials with specificity; and, (e) demand the delivery of the source code and materials to Customer.
- Upon receipt of the Notice of Default, the Escrow Agent shall send a copy thereof to Licensor by certified or registered mail, postage prepaid, return receipt requested. If Licensor desires to dispute the Notice of Default, Licensor shall, within ten days after the receipt of the copy of the Notice of Default from the Escrow Agent, deliver to the Escrow Agent a sworn statement (the "Affidavit") saying that no default has occurred, whereupon the provisions of Clause 5 hereof will become applicable. If the Escrow Agent receives the Affidavit within said ten days, the Escrow Agent shall send a copy

thereof to Customer by certified or registered mail, return receipt requested, and the Escrow Agent shall continue to hold the source code and materials in accordance with this Escrow Agreement. If the Escrow Agent does not receive the Affidavit within said ten days, the Escrow Agent is authorized and directed to deliver the source code and materials to Customer.

4. **Notice of Termination** - Upon the termination of the License Agreement, Licensor may obtain the return of the source code and materials by furnishing written notice of the termination, agreed to by authorized signature of Customer.

5. **Disputes** -

- 5.1 In the event that Licensor files the Affidavit with the Escrow Agent in the matter and within the time period set forth in Clause 3.2 hereof, or if Customer shall fail to agree that the License has been terminated, the Escrow Agent shall not release the source code and materials to either party except in accordance with: (a) a final decision of the arbitration panel as hereinafter provided; or, (b) receipt of an agreement with authorized and notarized signatures of both Licensor and Customer, authorizing the release of the source code and materials to one of the parties hereto.
- 5.2 Disputes arising under this Escrow Agreement shall be referred immediately to, and settled by, binding arbitration. The arbitration panel shall consist of three persons. Each of the parties hereto shall appoint one arbitrator, and the two arbitrators thereby appointed shall select a third arbitrator. The arbitration shall be conducted in a city and place mutually agreed to by the parties for, if there is no agreement, by the arbitration panel in accordance with the Arbitration and Conciliation Act, 1996. The Escrow Agent shall give prompt effect to any authenticated arbitration award, notwithstanding the right of either party to seek, in any court having jurisdiction thereof, enforcement or a stay of any award rendered by the arbitrators. This

Agreement shall be governed by, and construed in accordance with, the laws of the State in which the Escrow Agent's office is located.

- 6. Payment to Escrow Agent** - As payment for its services hereunder, the Escrow Agent shall receive a fee in an amount agreed to by Licensor and Escrow Agent. Customer has no obligation to pay any fees for the services of the Escrow Agent.
- 7. Termination** - This Escrow Agreement shall terminate on the delivery of the source code and materials to either party in accordance with the terms of this Agreement.
- 8. Waiver, Amendment, or Modification; Severability** - This Escrow Agreement shall not be waived, amended, or modified except by the written agreement of all the parties hereto. Any invalidity in whole or in part, of any provision of this Escrow Agreement shall not affect the validity of any other of its provisions.
- 9. Notices** - All notices required to be given hereunder shall be in writing and shall be given by certified or registered mail, return receipt requested, to the parties at their respective addresses herein.
- 10. Limitation on Escrow Agent's Responsibility and Liability**
 - 10.1 The Escrow Agent shall not be obligated or required to examine or inspect the source code and materials. The Escrow Agent's obligation for safekeeping shall be limited to providing the same degree of care for the source code and materials as it maintains for its valuable documents and those of its customers lodged in the same location with appropriate atmosphere or other safeguards. However, the parties agree and acknowledge that the Escrow Agent shall not be responsible for any loss or damage to any of the source code and materials due to changes in such atmospheric conditions

(including, but not limited to, failure of the air conditioning system), unless such changes are approximately caused by the gross negligence or malfeasance of the Escrow Agent.

- 10.2 The Escrow Agent shall be protected in acting upon any written notice, request, waiver, consent, receipt, or other paper or document furnished to it, not only in assuming its due execution and the validity and effectiveness of its provisions but also as to the truth and acceptability of any information therein contained, which it in good faith believes to be genuine and what it purports to be.
- 10.3 In no event shall the Escrow Agent be liable for any act or failure to act under the provisions of this Escrow Agreement except where its acts are the result of its gross negligence or malfeasance. The Escrow Agent shall have no duties except those which are expressly set forth herein, and it shall not be bound by any notice of a claim, or demand with respect thereto, or any waiver, modification' amendment, termination, or rescission of this Escrow Agreement, unless in writing received by it, and, if its duties herein are affected, unless it shall have given its prior written consent thereto.
- 10.4 The parties to this Agreement hereby jointly and severally indemnify the Escrow Agent against any loss, liability, or damage (other than any caused by the gross negligence or malfeasance of the Escrow Agent) including reasonable costs of litigation and counsel fees, arising from and in connection with the performance of its duties under this Agreement.

Executed on the dates set forth above by the undersigned authorized representative of Customer, Licensor, and Escrow Agent

IN WITNESS WHEREOF

Customer

Licensor

Escrow Agent

Witnesses –

1.

2.

15.5. WEBSITE DEVELOPMENT AGREEMENT

(Website development agreement is entered into for developing a World Wide Web Portal.)

THIS AGREEMENT entered into this _____ day of _____ 20____ between _____ having its office at _____ (hereinafter referred to as 'COMPANY') and _____ having its office at _____ (hereinafter referred to as 'CLIENT'), to deliver a functional Word Wide Web Portal (hereinafter referred to as 'WEB PORTAL'), serving the purpose of _____. The scope of work for the project is specifically described in the supporting document titled _____ (hereinafter referred to as 'Document 1'). The schedule and timeline for the project is specifically described in the supporting document titled _____, (hereinafter referred to as 'Document 2').

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. Authorization - _____ has engaged _____ as an independent contractor for the specific purpose of developing a World Wide Web Portal, to be published on his hosting account on an Internet Service Provider (ISP)/Web Presence Provider (WPP) server. _____ hereby authorizes _____ to access this FTP account, and authorizes the Hosting

Service to provide _____ with full access to the Client's FTP account, and any other programs needed for this Web Portal Development Project that are included as part of the Hosting Service.

2. Browser Compatibility and Accessibility - Without sacrificing quality and design, _____ will try to ensure that the content and functions built into Web Portal are available to all visitors. _____ represents and warrants that the web site designed by them will work under these browsers:

While the company will make all reasonable efforts to design a fully functional Web Portal, Company's warranty does not cover _____ or text-based browsers or any requested special effects that are advised against.

3. Assignment of Web Design Project - The Company reserves the right to assign subcontractors to this Web Development Project if necessary, specifically, Graphics designs and Hosting services.

4. Copyrights and Trademarks – The Client unconditionally guarantees that any elements of text, graphics, photos, designs, trademarks, or other artwork furnished to the Company for inclusion in the Web Development Project are owned by him, or that Client has permission from the rightful owner to use each of these elements, and will hold harmless, protect, indemnify and defend the Company and its subcontractors from any liability including lawyer's fees and court costs, including any claim or suit, threatened or actual, arising from the use of such elements furnished by the Client.

5. Web Site Maintenance - This Contract does not allow for web site maintenance after delivery to the Client. Web Site maintenance is available under a separate Contract. However, One year Hosting, Maintenance and bug fixes are included as part of this contract.

6. Completion Date – The Company, the Client and his associates must work together to complete the web portal Development Project in a timely manner (as per time line in Document 2). The Company agrees to work expeditiously to complete the Web Portal Development Project

according to the development schedule specified in Document 2. If the Client and associates does not supply the Company with complete text, concept and content for this Web Portal Development Project within the specified time frame in Document 2, then the effective date of this Contract and the entire project time line will be rearranged.

7. Project Delivery - The final web site will be published to the Client's hosting service upon receipt of final and full payment.

8. Web Site Hosting - Hosting services from the Company is available, and is automatically included in this Web Development Project for only the first year after the project completion date. Following years' hosting services require a separate contract with the hosting service of the Client's choice. The Client agrees to select a hosting service which allows the Company full access to his hosting account via FTP. The Client will be solely responsible for any and all hosting service charges, after the one year free hosting.

9. Domain Name Registration – The Company is a domain name registrar reseller, also provides assistance in registering and renewing domain names for the Client.

10. Electronic Commerce Laws – The Client agrees that the he is solely responsible for complying with any laws, taxes, and tariffs applicable in any way to the Web Portal Development Project or any other services contemplated herein, and will hold harmless, protect, and defend the Company and its subcontractors from any claim, suit, penalty, tax, fine, penalty, or tariff arising from the Client's exercise of Internet electronic commerce and/or any failure to comply with any such laws, taxes, and tariffs.

11. Web Development Project Copyright - While the web site is under development, copyright to the Web Development Project produced by the Company will be owned by Company. The Client will assume full ownership and copyright privileges to the web site once final payment under this Contract and any additional charges incurred have been paid. An exclusive Non - Disclosure Agreement will be maintained later to address code ownership and distribution rights.

Third-party materials (e.g., fonts, scripts, and software) purchased or licensed by the Company for this project will remain the property/license of the Company unless the Client has reimbursed the Company for costs incurred. The Company and its subcontractors retain the right to display

graphics and other Web design elements from this project as examples of their work in their respective portfolios.

All Web Development Projects will contain a copyright and/or legal statement with some manner of hyperlink to the Company's web site, with proper approval from the Client.

12. Company's Proprietary Information and Trade Secrets - With the exception of the Company's trade secrets, if the Company includes in this site any prior intellectual property that it owns and of which it wishes to keep ownership, the Company may elect to give the Client a perpetual, irrevocable, worldwide, royalty free transferable license to the same.

13. Client's Proprietary Information and Trade Secrets – The Company agrees not to disclose or otherwise abuse any of the Client's proprietary information and trade secrets, as well as any sensitive information that might be collected about visitors to the Client's web site.

14. Photography - Photographs taken by the Company (where a professional photographer will need to contribute his/her service in context with the Web Portal project) for use on the Web Portal project or elsewhere are not covered by this Contract. Payment for photography services will be handled separately from this Contract. The Company may elect to give the Client a perpetual, irrevocable, worldwide, royalty free transferable license to such photographs.

15. Payments - All payments will be made in _____ currency. Payments must be made promptly based on the terms of this contract and Document 1 and Document 2, attached hereto and made a part of this Contract hereof. The Company reserves the right to stop work and/or remove any Web Portal Development Project from viewing on the Internet until final payment is made.

16. Payment Schedule - Payment for services provided herein shall be made in accordance with the conditions contained in this contract and Document 2 attached hereto and made a part of this Contract hereof. Notwithstanding any prices listed in literature or on Web pages, the Client and the Company agree that the services described in this Contract shall be provided according to the

terms detailed in Document 1. The Client agrees to pay to the Company an initial, non refundable deposit upon execution of this Contract (Payment details are explained in Document 1. Final payment is due prior to publication and/or delivery of the Web Portal Project. All amounts must be in _____ currency.

17. Collection Action - In case collection action becomes necessary, the Client agrees to pay all fees (including all lawyer's fees and court costs) incurred by that process. This Contract becomes effective only when signed by the Company's authorities and the Client.

18. Venue – the Company agrees that for purposes of venue, this Contract was entered into in _____. Any dispute will be litigated or arbitrated at _____.

19. Legal Notices - Notwithstanding anything to the contrary contained in this contract, neither the Company nor any of its employees or agents, warrant that the functions contained in the Web Design Project will be uninterrupted or error free.

In no event the Company will be liable to the Client or any third party for any damages, including, but not limited to, service interruptions caused by Acts of God, the Hosting Service or any other circumstances beyond reasonable control.

In no event the Company will be liable to the Client or any third party for any lost profits, lost savings or other incidental, consequential, punitive, or special damages arising out of the operation of or inability to operate this Web Development Project, failure of any service provider, of any telecommunications carrier, of the Internet backbone, of any Internet servers, or the site visitor's computer or Internet software, even if the Company has been advised of the possibility of such damages.

If any part of this Contract is voided by any court, the rest of the Contract remains in full force and effect.

20. Agreement - This constitutes the sole agreement between the Company and the Client regarding this Web Portal Development Project. Any additional work not specified in this contract, Document 1 or other amendment or modification to this contract must be authorized by a written request explicitly agreed to by both the Client and the Company's authorities.

21. Authorities - This contract is Valid and in full force only once signed by related authorities from both Parties.

Namely:

Company Authorized Person of Company

The Business Manager of the Web Portal Project

Client Authorized Person of Client

The undersigned hereby agree to the terms, conditions and stipulations of this Contract on behalf of his or her organization or business.

This Contract constitutes the entire understanding of the parties. Any changes or modifications thereto must be in writing and signed by both parties.

IN WITNESS WHEREOF

Client Authorized Person

Company Authorized Person

Witnesses –

1.

2.

15.6. AGREEMENT FOR TRANSFER OF
RIGHT/TITLE/INTEREST IN WEBSITE

THIS AGREEMENT made at _____ this ____ day of _____, 20____

BETWEEN _____ LTD., a private limited company incorporated under the Companies Act, 1956 and having its registered office at _____ hereinafter referred to as "the Transferor" of One Part

AND

_____ LTD, a private limited company incorporated under the Companies Act, 1956 and having its registered office at _____, hereinafter referred to as "the Transferee" of the Other Part and reference to the parties hereto shall unless repugnant to the context or meaning thereof mean and include their respective administrators, successors and assigns;

WHEREAS the Transferor is carrying on the business of Website development since _____;

AND WHEREAS the Transferor has incurred heavy expenditure by way of advertisements, payments to employees, overhead expenditure, etc. in developing the Website "_____.COM";

AND WHEREAS the Transferor has agreed to transfer and assign the right, title and interest of the Website "_____.COM" to the Transferee and the Transferee has agreed to take over the same along with all the rights of the contents and the brand name at or for the price and on the terms and conditions as recorded here in below;

NOW THIS AGREEMENT WITNESSETH AND IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES HERETO AS UNDER:-

1. The Transferor hereto is carrying on the business of Website development.
2. The Transferor has incurred various expenditure in the process of development of the Website "_____.COM".
3. The Transferor has now agreed to sell, transfer and assign its entire right, title and interest in the content and the brand name of _____ COM. to the Transferee and the Transferee has agreed to purchase and acquire the same at or for a total price of Rs._____-/- (Rupees _____ only).
4. The Transferee has paid to the Transferor the full and final consideration of Rs._____-/- (Rupees _____ only) for transfer/sale of rights to the content and brand name of "_____.COM." by Cheque No._____ dated __/__/____ drawn on _____ Bank, the receipt whereof the Transferor doth hereby admit and acknowledge.
5. The Transferor declares and states that the Website "_____.COM" is free from all lien, charge, claim, encumbrance, right of anyone over the same and that the Transferee can use and acquire the same without any claim of liability of anyone over it.
6. The Transferor hereby indemnifies and agrees to keep indemnified the Transferee at all times unconditionally from and against any claims, dues, taxes, liabilities, charges, etc. that may arise on account of the Website _____.com up to the date hereof.
7. This Agreement is made at _____, the payments have been made in _____ and is subject to _____ jurisdiction.

IN WITNESS WHEREOF the parties hereto have hereunto set and subscribed their respective hands the day and year first hereinabove written.

SIGNED AND DELIVERED by the within named)

_____ LTD.)

by its _____ Mr. _____)

in the presence of)

SIGNED AND DELIVERED by the within named)

M/S _____ .COM PVT. LTD.)

by its _____ Mr. _____)

in the presence of)

15.7. INTERNET GATEWAY MERCHANT LEGAL
AGREEMENT

(A Payment Gateway is the access point to the national banking network. All online transactions must pass through a Payment Gateway to be processed. In effect, Payment Gateways act as a bridge between the merchant's website and the financial institutions that process the transaction. A Payment Gateway authenticates and routes payment details in an extremely secure environment between various parties and related banks.)

This agreement is made on the date and at the place mentioned in Item No. 1 of the Schedule hereunder written between _____ Bank Limited, a banking company incorporated and registered under the companies Act 1956 and having its registered office at _____

(hereinafter referred to as "the Bank" which expression shall unless it be repugnant to the context or meaning thereof be deemed to mean and include its successors and assigns) of the one part:

AND

M/s_____ having their address/ office(s) at the address mentioned in Item No. 3 of the Schedule hereunder written (hereinafter referred to as "the Merchant" which expression shall unless it be repugnant to the context or meaning hereof be deemed to mean and include (i) in the case of the merchant being a sole proprietary concern/ individual- the heirs, administrators, executors, legal representatives and permitted assigns of the Proprietor: (ii) in the case of the Merchant, being a partnership firm- the partners for the time being and from time to time of the firm, the survivor or survivors of them, their respective heirs, administrators, executors, legal representatives and permitted assigns and (iii) in the case of the merchant being a company- its successors and assigns (as the case may be) of the other part.

WHEREAS

i) The Bank is engaged in banking business and as part of its banking operations is engaged in the business of processing payments for establishments in respect of payments sought to be made by way of debit/ credit cards (as hereinafter provided).

ii) The Merchant undertakes the business stated in Item no. 4 of the schedule hereunder written, at the premises situated at the address(es) specified in Item no. 3 of the Schedule hereunder written.

iii) The Merchant wishes to conduct buying and selling activities from the Merchant's web site as specified in the Schedule hereto and receive credit/debit card payments for the same over the Internet. The Bank is in the business of enabling payment through the use of credit/debit cards on the internet. The Merchant is desirous of being able to receive payment through credit/debit cards on the internet.

iv) Enabling receipt of payment through a credit/debit card on the internet requires the use of payment gateway facilities that would enable secure transmission of transaction messages over the Internet, and the Merchant is desirous of utilising the payment gateway facilities of the Bank.

v) The Merchant is desirous of being approved as an establishment for the purpose of payment processing of transactions made by credit/ debit cards (as hereinafter provided) from the website specified in Item No. 5 of the schedule hereunder written, on the terms and conditions hereinafter mentioned, and in consideration of the Bank agreeing to pay to the Merchant the amount of all sales slips (hereinafter collectively referred to as “sales slips”) issued by the merchant in accordance with the following terms and conditions less the discount mentioned in Item no.7 of the schedule hereunder written hereby agrees with the bank as follows: -

1. DEFINITIONS

For the purpose of this Agreement, the terms set forth in this Article, when used in this agreement either in singular or plural forms are defined to mean unless the context otherwise requires, the following:

"Authorisation" shall mean the process by which the Bank confirms to the merchant whether the valid card of the card holder has the required credit limit/funds (as the case may be) to make payments for the transaction with the merchant as more particularly described in Article 6 hereunder

"Cardholder" shall mean a person holding a valid card, i.e. either a MasterCard/ Visa Card or an approved Card product licensed by these Associations.

"Premises" shall mean the place/s of business of the merchant mentioned in item no. 3 of the Schedule hereto where the equipment is agreed to be installed by the Bank.

"Promotional material" shall include all posters, stickers, brochures, decals, take-ones, signage, advertisements and any other material, which is used to promote the payment processing services of the Bank offered under this agreement.

"Settlement Amount" shall mean the transaction amount less the agreed merchant commission (referred to as MDR) and any other related charges/ fees payable by the merchant to the Bank.

"Business hours" shall mean the usual business hours of the merchant as specified in Item no. 6 of the Schedule hereunder written.

"Transaction amount" shall mean the amount payable by the valid card holder on the Product/ Service offered by the merchant inclusive of shipping charges and other taxes, duties, cost, charges and expenses in respect of the Product / Service that are to be charged to the Cardholder's Valid Credit/Debit Card.

"Merchant Discount Rate" means, with respect to a Transaction amount, the percentage of that Transaction Amount as specified in the Schedule and additionally the amount per Transaction as specified in Schedule. Provided however that the Merchant Discount Rate may be revised quarterly by the Bank, and the Bank will advise Merchant of any such change not less than 30 days in advance of its effectiveness.

"Delivery" means, in respect of a Product, delivery of the Product by the Merchant through a reputed courier /parcel service to the Cardholder at the address specified by the Cardholder in this behalf, or in respect of a Service, delivery/performance of the Service, proof of which has been submitted to the Bank to the satisfaction of the Bank.

"Dispatch" shall mean, in respect of a Product, proof to the satisfaction of the Bank that the Product has been dispatched to the address specified by the Cardholder, and in respect of a Service, delivery/performance of the Service, proof of which has been submitted to the Bank to the satisfaction of the Bank.

"Effective Date" means the date of execution of this Agreement by the Merchant.

"Facility" means the payment gateway facility provided by the Bank to the Merchant in terms of this Agreement and any other services that augment or enhance the current facility.

"Issuing Bank" in respect of a Cardholder, means the bank which has issued the Valid Credit/Debit Card to the Cardholder with which Cardholder makes the payment for the Products / Services.

"Order" means an order for the purchase of Product(s) / Services placed by the Cardholder on the Merchant website.

"Product" means a tangible product that is manufactured or distributed by the Merchant, and that is purchased by the Cardholder, the payment for which is to be made on the Cardholder's Valid Credit/Debit Card.

"Service" means any service that the Merchant offers to provide, and that is availed of by the Cardholder, the payment for which is to be made through the Cardholder's Valid Credit/Debit Card.

"Software" means a software program provided by a facility provider or its vendors to the Bank and / or to the Merchant that enables Merchant to utilise the Facility.

"Transaction" means every order that results in the Delivery by the Merchant to the Cardholder of the Product(s) / Services in respect of which the Order was placed.

"Valid Card" shall mean an unexpired card issued by any institution designated to issue a Visa, MasterCard, Visa Electron or a Maestro or other card as may be specified by the Bank from time to time provided that the card is not listed in a current warning or restricted card bulletins or notices and bears the signature of the person in whose name the card is personalized.

2. MASTERCARD AND VISA CARDS

This agreement and the following terms and conditions shall apply in respect of each and every transaction involving payments by means of a MasterCard or a Visa Card ("Card") and the term "MasterCard/ Visa Card" shall be construed accordingly.

2.1 Honour MasterCard/ Visa cards: The merchant shall honour every valid, unexpired Card when properly presented for payment from Cardholders for all transactions. The Merchant shall not engage in acceptance practices or procedures that discriminate against, or discourage the use of MasterCard/Visa Card in favour of any other competing card brand that is also acceptable. The Merchant shall also not prefer, or indicate that they prefer a MasterCard or Visa Card issued by a particular institution.

2.2 Displaying MasterCard/ Visa Card Symbols and Names: The merchant shall display current MasterCard/ Visa card symbols and names as well as promotional materials to inform the public that MasterCard/ Visa Cards will be honoured at the merchant's place(s) of business.

2.3 Account Number Information: The Merchant shall not sell, purchase, provide or exchange a cardholder's name or MasterCard / Visa account number information in any form obtained by reason of a MasterCard/ Visa Card transaction to any third party other than its MasterCard/ Visa acquiring member (the Bank), to MasterCard/ Visa, or pursuant to a government /statutory or competent body's request. Further, the materials containing card account information must be made unreadable and unusable before they are discarded in an approved manner.

3. TERM; NON-EXCLUSIVE

Nothing in this Agreement shall prohibit the Bank from furnishing the services similar to those provided under this Agreement to others, including competitors of Merchant.

4. UNDERTAKINGS OF THE ACQUIRING BANK

4.1 Provision of the Facility: The Bank agrees to enable the merchant to receive payments made to it by a Cardholder through a Valid Credit/Debit Card and the Bank hereby reserves the right to appoint a third party to enable receipt of such payments, on such terms and conditions as it may deem fit.

4.2 Facility Standard: The Bank shall:

- i) Make its reasonable best efforts to maintain the Facility in operation 24 hours a day, seven days a week.
- ii) Make its reasonable best efforts to provide the Facility in a manner that protects information transmitted by the Software from (A) unauthorised interception, (B) undetected unauthorised modification or alteration after its origination, (C) undetected initiation by persons posing as other persons or entities, (D) unauthorised replication.

4.3 Limitations: The Bank's obligations described above are subject to the following limitations:

- i) Messages that originate from the server of the Merchant or the server of a third party designated by Merchant (e.g., a host) shall be deemed to be authorised by the Merchant, and the Bank shall not be liable for processing such messages.

ii) Messages that originate from the Cardholder are deemed to be authorised by the Cardholder and the Bank shall not be liable for processing such messages.

iii) The Bank is not responsible for the security of data residing on the server of the Merchant or a third party designated by the Merchant (e.g., a host) or on the server of a Cardholder or a third party designated by a Cardholder (e.g., a host).

iv) The Bank shall have no liability for any failure or delay in performing its obligations under this Agreement if such failure or delay: (A) is caused by the Merchant's acts or omissions; (B) results from actions taken by the Bank in a reasonable good faith effort to avoid violating a law, rule or regulation of any governmental authority or to prevent fraud on Cardholders; or (C) is caused by circumstances beyond the Bank's control, including but not limited to vandalism, hacking, theft, phone service disruptions, Internet disruptions, loss of data, extreme or severe weather conditions or any other causes in the nature of "Acts Of God" or force majeure.

4.4 Compliance with Law: The Bank shall at all times comply with applicable laws, rules and regulations insofar as relevant to its provision of the Facility.

5. UNDERTAKINGS OF MERCHANT

5.1 Use of the Facility: In using the Facility, the Merchant agrees:

i) Not to use the Facility in any manner, or in furtherance of any activity, which constitutes a violation of any law or regulation or which may result in fraud on any person or which may cause the Bank to be subject to investigation, prosecution or legal action.

ii) To use information regarding a Cardholder (including name, address, e-mail address, telephone numbers, and data regarding bank accounts or financial instruments) conveyed to Merchant by consumer software designed to access the Facility only for the purpose of completing the Transactions for which it was furnished, and not to sell or otherwise furnish such information to others unless the Merchant has an independent source of such information or obtains the express consent of such Cardholder.

iii) To use the Software in accordance with the terms on which the Software has been provided to the Merchant and not to attempt to modify, translate, disassemble, decompile or reverse engineer the Software, or use it for any purpose other than for the utilisation of the Facility.

5.2 Cardholder Support: The Merchant shall provide a commercially reasonable level of cardholder support to the Cardholders with respect to sales using the Facility. Such support shall include appropriate notice to the Cardholders of: (i) a means of contacting Merchant in the event the Cardholder has questions regarding the nature or quality of the goods or services that Merchant offers for sale and (ii) procedures for resolving disputes. If the Bank determines in good faith that the Merchant's failure to comply with this paragraph is causing an unacceptable burden on its cardholder support facilities, the Bank may suspend or terminate this Agreement.

5.3 Compliance with Law & Guidelines: Merchant shall at all times comply with applicable laws, rules and regulations insofar as relevant to its use of the Facility. Merchant will at all times comply with the guidelines set for merchants by Visa / MasterCard / Bank respectively. If the utilisation of the Facility by the Merchant results in or may result in additional liability being placed on the Bank under VISA/MasterCard guidelines, such utilisation shall be deemed to be a violation of this Agreement.

5.4 Prevention of Infringement: If for any reason the Facility or any component of the Facility becomes, or in the Bank's opinion is likely to become, the subject of a claim of infringement, the Bank reserves the right to, at its option and expense, either (i) to revoke the right of the Merchant to continue using the Facility as permitted in this Agreement, or (ii) to replace or modify Facility or the infringing component of the Facility so that it becomes non-infringing. If, after using commercially reasonable efforts, the Bank is unable to cure the infringement, any of the Parties may terminate this Agreement on written notice to the other Party.

6. AUTHORISATIONS

6.1 The Merchant shall not accept any Order for which payment is to be made through a Valid Credit/Debit Card unless the Transaction is authorised by the Payment Gateway.

6.2 Unacceptable Transactions: The merchant shall not process or deposit transactions with the Bank for any other merchant establishment who may or may not be the merchant with the Bank.

The merchant will also not give cash advance by showing the transaction as a sale transaction. The merchant shall not accept payment from a cardholder to re-finance an existing debt.

6.3 The Bank reserves the right to discontinue the service on these grounds and recover such amounts from the merchant in case it is exposed to losses due to charge backs or disputes.

6.4 Minimum or Maximum Transaction Amount: The merchant shall not require, or post signs indicating that they require, a transaction amount below or above which the merchant shall refuse to honour an otherwise valid Master Card/ Visa Card.

7. TRANSACTION HANDLING

7.1 The merchant in handling transaction(s) via payment gateways must ensure that the extraction of data from the Cards must be in the manner specified by the Bank (this may vary from time to time but the Bank will give prior notice of variation to the Merchant)

7.2 Deliver to the Cardholder a bill including mentioned of charges covered in the payment received from the cardholder through the payment gateway.

7.3 The Bank reserves the right to impose limits on the number of Transactions undertaken using a particular Valid Credit/Debit Card and the value of a single Transaction during any time period, and reserves the right to refuse to make payments in respect of Transactions exceeding such limit.

7.4 The merchant shall not require any cardholder to pay any surcharge, to pay any part of the discount, whether through any increase in price or otherwise, or to pay any contemporaneous finance charge in connection with the transaction in which a MasterCard/Visa Card is used.

8. PAYMENT TO THE MERCHANT

8.1 Subject to the terms of this Agreement, the Bank shall normally pay to the Merchant within two to seven business days, following the day on which the transactions took place, the transaction amount less the discount for all the card transactions processed and accepted by the Bank for all Products / Services sold on the Internet subject to the proof of Delivery being submitted to the Bank.

8.2 Net payments to the Merchant shall be made by the Bank to the account of the Merchant with the Bank (the "Merchant's Account") or by cheques/ pay orders.

8.3 Payment by the Bank shall be made without prejudice to any claims or rights that the Bank may have against the merchants and shall not constitute any admission by the Bank as to the performance by the merchant of its obligations under this Agreement and the amount payable to the merchant.

8.4 The Bank shall be entitled to set off and deduct from any payment due to the merchant:

a) The amount of any refund due to any cardholder in accordance with the refund procedure set out in clause 10 below; and

b) Any overpayment made by the Bank due to computational/ system errors or otherwise; and

c) Any other sums due from or payable by the merchant to the Bank herein; and

d) At the Bank's discretion, an amount equal to interest at the rate then currently charged to cardholders in respect of their indebtedness from the due date until the date of payment (as well as after and before any demand made or judgement obtained) on the amount of any credit slip details of which are not presented as required under this agreement within seven days after the refund has been agreed between the merchant and the cardholder, or which is not dispatched to the bank within such period together with a payment in favour of the bank for the full amount thereof (the seventh such day being the due date for the purpose of the calculation of such interest); and in doing so the Bank may-

i). Debit the merchant's account forthwith; and/or

ii). Deduct the outstanding amount from subsequent credits to the Merchant's account; and/ or

iii). If there is no account with the Bank, or insufficient funds available therein, claim from the merchant the amount credited to the account in respect of the relative transaction/s.

8.5 If the Bank suspects, on reasonable ground and in its sole and exclusive opinion, that the merchant has been negligent, or has committed a breach of this agreement or act/s of dishonesty or fraud against the Bank or any Cardholder, the Bank shall be entitled to suspend all payments

under this agreement to the merchant pending enquiries by the Bank and resolution of the same to the Bank's satisfaction.

8.6 Rejection of Payment: Notwithstanding anything stated elsewhere in this agreement or the annexed schedule/s, the Bank may reject payment in respect of Orders where:

- i) The authorisation process cannot be completed/fails in relation to a Transaction;
- ii) Any Order which the Cardholder refuses to pay because the Product / Service was not as promised or was defective or was not delivered;
- iii) Payment in respect of the Order or the relevant instalment of the purchase price has already been made;
- iv) The Order was placed more than 13 calendar days prior to the date of claim by Merchant in respect thereof.
- v) If the Merchant is unable to Deliver any part of the Cardholder's Order within 13 calendar days from the date on which the Order was placed, the Merchant shall cancel the Order and the Cardholder shall be refunded.

8.7 Consequences upon rejection of payment: Where the Bank is entitled to reject payments in respect of an Order or demand a refund, it may:

- i) deduct the relevant amount from the Transaction Amount and/or payments to be made in respect of subsequent Transaction amounts until the Bank has been refunded in full;
- ii) demand payment of the relevant amount from the Merchant.

9. ORDER FORMS

The order forms in which the Merchant accepts Orders from the Cardholder on the Internet should contain the following information:

- (a) the Cardholder's name
- (b) the transaction amount (in Indian Rupees)

- (c) the transaction date
- (d) the Cardholder's postal address
- (e) the method of delivery
- (f) the refund policy

10. PRESENTMENT OF TRANSACTIONS AND REFUNDS

The merchant agrees to inform the cardholder about its credit refund policy clearly mentioning the same in bill invoice and/ or on the website.

10.1 a) If in respect of any transaction any goods/ services are not received as described, by the Cardholder or are lawfully rejected or accepted for or services are not performed or partly performed or cancelled or price is lawfully disputed by the Cardholder or price adjustment is allowed, the Merchant shall not make a cash refund but shall complete a credit slip supplied or approved by the Bank. The merchant shall sign and date each credit slip and include a brief description of the items concerned. A true and completed copy of the credit slip must be delivered or forwarded to the Cardholder.

b) In the event of a refund to a cardholder the merchant shall not make cash refund to the cardholder. The merchant must present a credit process/refund letter on headed stationary and signed by authorized signatory/ies. The merchant must not process a refund transaction, unless there is a preceding corresponding debit on a card account. In the event that only credit slips are presented to the Bank at any one time, the merchant shall at the same time make payment of the net refund (ie. the total refund(s) to the cardholder(s) less the discount) to the bank.

c) In situations where sale date and refund date have a gap between them, which or otherwise causes a currency translation difference for transactions on foreign cards, the Bank will have the right to recover the equivalent INR amount pertaining to such foreign exchange currency translation differences from the ME, for the purpose of crediting the same to the Cardholder's Card Account.

10.2 By presentation of any transaction information (which for the purposes of this agreement means any sales slip and/ or any information in respect of any transaction presented to the Bank by or on behalf of the merchant) the merchant warrants to and agrees with the Bank:-

- (a) That all statements of fact contained therein, which are within the knowledge of the merchant, are true and complete.
- (b) That the merchant has supplied or caused to be supplied, the goods/ and or services to which the transaction information relates and to the value stated therein and a price not greater or otherwise on terms not less favourable than the same price and terms at and on which such goods and/ or services are supplied by the merchant for cash.
- (c) That no other sales slip or information has been or will be issued or presented in respect of the goods and/ or services to which the transaction information relates;
- (d) That the provision of credit for the supply of the goods and/ or services to which the transaction information relates is not unlawful; and
- (e) That the transaction information relates to a transaction and that the merchant has complied with this agreement.

10.3 Neither the receipt by the Bank of any transaction information nor any payment by or other act of omission by the Bank (other than an express written acknowledgement or waiver thereof by the bank) shall constitute or be deemed to constitute any acknowledgement or waiver of compliance by the merchant with any of the warranties specified in clause 10.2 above or any other provision of this agreement.

11. MERCHANT DISCOUNT RATE (MDR)

In consideration of the services provided by the Bank, the Merchant agrees to pay to the Bank the Merchant Discount Rate and further charges as detailed in the Schedule, which shall be deducted by the Bank from the amounts payable to the Merchant in terms of Section 5 hereof in respect of a Transaction Amount.

The Bank shall advise the Merchant Discount Rate from time to time. For the purpose of this agreement the discount rate would be as mentioned in Item No. 7 of the Schedule hereunder written.

11.1 For the purpose of calculating the merchant discount rate on, the amount would be the aggregate amount of the bill including taxes, tips, shipping charges, etc.

11.2 If any extra credit is given by the merchant to the cardholder without prior approval of the Bank, the merchant shall do so at its own risk and responsibility. In such case the entire transaction would be treated as void and the Bank will reject payment of the same.

11.3 All applicable tax including service tax, consumption tax or value added tax whether currently in force or introduced after the date of this Agreement and any other taxes, duties, fees and charges arising out of the performance of this Agreement shall be borne by the Merchant.

12. CHARGEBACKS & DISPUTES

The bank shall be entitled at any time to refuse total or partial payment to the merchant, or, if payment has been made, to debit the merchant's account with such amount or to seek immediate reimbursement from the merchant, notwithstanding any authorization and/ or authorization code numbers given by the Bank to the merchant, in any of the following situations:-

- (a) The transaction is for any reason unlawful or a fraudulent transaction;
- (b) Cardholder's account number is found to be omitted, incomplete or invalid, or cardholder's account number is modified or altered.
- (c) The card presented to the merchant in respect of the transaction had been altered or had not yet become valid or had expired at the time of the transaction.
- (d) The card presented to the merchant in respect of the transaction was listed in a warning list or any other communication or advice (in whatever form) from time to time, issued or made available to the Bank by other Institutions or Card Associations or if such intimation is made available by or on behalf of the Bank to the merchant.

- (e) The price charged to the cardholder was in excess of the price at which the goods supplied or services performed were supplied by the merchant for cash.
- (f) The goods and/ or services covered by the transaction are rejected or returned or the transaction or part thereof, is validly cancelled or terminated by a card holder or if the merchant fails to provide at all or to the cardholder's satisfaction, goods and/ or services to the cardholder
- (g) The cardholder disputes the nature, quality or quantity of the goods and/ or services covered by the transaction and or the transaction itself.
- (h) Any information presented electronically to the bank in respect of the transaction is not received in accordance with the bank's requirements from time to time.
- (i) The bank has requested evidence in accordance with Clause 15 hereunder, in relation to the transaction, which the merchant has failed to provide;
- (j) There has been any departure from the terms of this agreement in relation to that transaction;
- (k) The transaction information required to be presented in respect of the transaction is not presented to the bank within seven days of the transaction
- (l) The cardholder disputes or denies the transaction or the sale or delivery of goods and/ or services covered by the transaction within reasons;
- (m) In seeking authorization for a transaction, the merchant has given an incorrect cardholder's name or Card account numbers to the bank.
- (n) There has been a breach by the merchant of this agreement, other than the breaches more specifically provided in this sub-clause, in connection with the transaction or otherwise;
- (o) The Bank reasonably believes that the transactions are irregular
- (p) The Bank is of the opinion that there are suspicious circumstances surrounding the transaction;
- (q) The Bank is of the opinion that the submission is out of the normal pattern;
- (r) The issuing bank refuses to honour the transaction presented by the merchant;

(s) Any other event or circumstance which the bank shall from time to time notify to the Merchant to have occurred at the date of the transaction;

(t) If MasterCard / Visa dispute the transaction or report a retrieval request/fraud/chargeback..

13. PUBLICITY

13.1 The merchant irrevocably authorizes the bank to include the merchant's name in any directory or promotional material produced in connection with the acceptance of Master Card/ Visa Card.

13.2 The merchant hereby agrees, undertakes and covenants to prominently display and maintain the Bank's promotional material as supplied by the Bank from time to time.

14. BREACH OF AGREEMENT

Without prejudice to the bank's right to terminate this agreement under Clause 20, in the event of a breach by the merchant of any of these terms, the bank is authorized to debit the Merchant's Account or deduct from the deposit any refund claimed. In the event that there is no account with the Bank or there is insufficient funds available therein to claim from the merchant or that the deposit is inadequate to compensate the bank for any refund claimed, the merchant undertakes that it would forth with becomes "Debt" and on demand by or on behalf of the bank pay to the bank the amount of the refund to the extent to which such funds or deposit proves inadequate.

15. EVIDENCE AND DOCUMENTS

15.1 The Merchant will promptly on the Bank's request (and whether or not the same is disputed by the Cardholder) produce to the Bank evidence satisfactory to the Bank of the Cardholder's authority for the Cardholder's Card account to be debited with any transaction amount and (but without prejudice to the foregoing) will retain all documents and records relating to each transaction for a period of not less than one year thereafter and produce the same to the Bank on request.

15.2 The Merchant agrees that when goods are to be exported, the following documents would be additionally maintained for records:

- Order form
- Invoice
- Certificate of insurance
- Proof of despatch of the goods
- Proof of delivery of goods

15.3 The Merchant shall provide such reasonable assistance for the prevention and detection of fraud in respect of any transaction/s as the Bank may from time to time request.

16. REMOVAL AND CESSATION OF BUSINESS

The Merchant shall inform the Bank any removal of shops or offices, change of address and/or its cessation of business in writing 30 working days prior to its effective date.

17. DISCLOSURE

The Bank will be entitled at any time to disclose any and all information concerning the Merchant within the knowledge and possession of the Bank to any

party in connection with the credit/debit card facility provided by the Bank, including inter alia information relating to the cause for termination of this Agreement. This clause will survive the termination of this Agreement.

The Bank reserves the right to verify the information provided by the Merchant at the time of signing this agreement through its own staff or third party. The Bank may thereafter seek to verify any market information that it may receive about the ME's business activities/ principals behind the business.

18. INDEMNITY

18.1 The Merchant shall indemnify the Bank for any claims, demands, actions, suits, proceedings, liabilities, losses, costs, legal fees or damages of any kind, including attorney's fees and costs of litigation, arising from claims of a third party (including claims, assertions and

investigations of a governmental agency), which claims arise in whole or part from, and/ or asserted against the Bank on account of:

- (a) any acts or commissions by the Merchant in connection with the sale of Products/ Services (by the Merchant) and the performance of this Agreement.
- (b) the negligence or wilful misconduct of Merchant or its employees or agents;
- (c) a breach of an obligation of Merchant to the Bank under this Agreement; or
- (d) any loss or liability arising to the Bank from the Merchant's use of the Facility.

18.2 The Bank will be entitled to have full conduct of all proceedings and negotiations relating to any such claim and in its discretion to accept, dispute, compromise or otherwise deal with the same and shall be under no liability in respect thereof to the Merchant and the Merchant will provide any assistance in connection with any such claim that the Bank may require.

Notwithstanding whatever is mentioned herein the merchant agrees that pursuant to any disputes or claim if the Bank is made to refund the amount being the transaction effected by the merchant and the purchaser, the bank shall have the authority to debit and or claim the said amount from the merchant pending any disputes. In such an event the merchant shall pay the amount without demur.

19. CONFIDENTIALITY

19.1 The Merchant will not without the prior written consent of the Cardholder, use or disclose information on the Cardholder or his/ her transactions howsoever obtained and in whatsoever form the information shall take, to any third party (other than the Merchant's agents for the sole purpose of assisting the Merchant to complete or enforce the transactions and the Merchant's insurers and professional advisers) unless such disclosure is compelled by law.

19.2 The Merchant will not, without the prior written consent of the Bank, use or disclose information howsoever obtained and in whatever form about the business of the Bank or the system of this Agreement, to any third party (other than to the Merchant's agents for the sole purpose of assisting the Merchant to complete or enforce the transactions and the Merchant's insurers and professional advisors) unless such disclosure is compelled by law.

20. TERMINATION

20.1 This Agreement may be terminated by the Merchant giving to the Bank at least thirty days prior notice in writing or by the Bank forthwith without prejudice to due completion and payment in respect of all transactions processed and accepted by the Bank on or before the termination date. In the event of termination the Merchant shall present all completed transactions to the Bank's representative at the time of termination. However subject to clauses 8.4, 10.1 and 12 payment for all such items received will only be made to the Merchant after the payment is successfully collected by the Bank from the card issuer (s) within 180 days from the date of transaction. Where any refund claimed by the Bank exceeds the amount due to the Merchant the difference thereof shall be a debt due from the Merchant to the Bank and be forthwith recoverable by appropriate legal action, as deemed fit by the Bank.

20.2 In case of inactivity of the merchant exceeding three months, the Bank has the discretion to unilaterally terminate the agreement with immediate effect, and the merchant shall not have any recourse to the Bank and no compensation is payable to the ME, the Bank's decision being final and binding on the merchant in this regard

20.3 Upon termination, the Merchant shall forthwith, and at the Merchant's expenses, return to the Bank the Equipment and all related documentation.

20.4 Any termination shall not affect any liabilities incurred prior to the termination nor any provision expressed to survive or to be effective on termination and (but without prejudice to the foregoing) clauses 8.4, 10.1, 12, 15, 18 and 19 and this clause shall remain in full force and effect notwithstanding termination.

20.5 Any transaction presented to the Bank after the termination date, whether it bears authorisation or not, shall not be paid by the Bank.

21. ASSIGNMENT

This Agreement is not assignable but in case of the Merchant being an individual or individuals shall bind his or their respective estates. The Bank is entitled at any time to assign this Agreement or any of the Bank's rights and obligations herewith in favour of any subsidiary or associated company of the Bank or of the Bank's holding company or any other Bank or other

company and to sub-contract or appoint any agent or agents to carry out any of the Bank's obligations herein.

22. REPRESENTATIONS

The Merchant acknowledges and agrees that the Merchant has not entered into this Agreement in reliance on any representation statement or warranty (whether written or oral and whether express or implied) made by or on behalf of the Bank other than such as are expressly set out herein.

23. WAIVER

The failure by the Bank to enforce at any time or for any period any one or more of the terms or conditions of this Agreement shall not be a waiver of them or of right at any time subsequently to enforce all terms and conditions of this Agreement.

24. ACCEPTANCE OF CHARGES WITH RECOURSE

The Merchant agrees that payment made in respect of which the Issuing Bank raises a claim on the Bank shall be the financial responsibility of the Merchant.

The Merchant agrees to the non-payment in respect of such Order or the charging back of such uncollectable charge as the case may be without any demur or protest. The Merchant hereby authorises the Bank to debit the Merchant's bank account to the extent of the aforesaid uncollectable amounts and any other moneys due for any reason to the Bank by the Merchant, or deduct the same from amounts payable to the Merchant in terms of Section 5 of this Agreement in respect of a Transaction Amount.

25. DISCLAIMER OF WARRANTY

The Bank disclaims all warranties, express or implied, written or oral, including but not limited to warranties of merchantability and fitness for a particular purpose. The Merchant acknowledges that the Facility may not be uninterrupted or error free.

26. LIMITATION OF LIABILITY

The Bank and its vendors (and any officers, directors, employees and agents of the Parties and their vendors) shall be liable only for direct, out-of-pocket damages, and shall not be liable for any consequential, incidental or indirect damages under any theory or cause of action whether in tort, contract or otherwise, regardless of whether the Bank has been advised of the possibility of such damages provided further that the liability of the Bank hereunder shall always be limited to Rupees Fifty thousand only, and any person including the Merchant shall not be entitled to recover moneys in excess of such limit. In no cases shall the Merchant be entitled to punitive or exemplary damages.

27. PRICES

Prices to be charged by the Merchant shall be inclusive of all taxes and delivery charges and shall be uniform for all Cardholders. In case of any difference in prices due to shipping or any other charges, the same shall be made explicit to the cardholder.

28. INSPECTION OF PLACE OF BUSINESS

The Merchant shall permit the authorised representatives of the Bank to carry out physical inspections of the place(s) of business of the Merchant and any godowns and warehousing facilities of the Merchant.

29. TRADEMARKS

(a) Bank's Trademarks: The Bank hereby grants to the Merchant a non-exclusive, royalty-free limited license to use, display and reproduce the trademarks, service marks, and logos of the Bank (herein, "Bank Trademarks") solely in connection with Merchant's offering the Facility to the public, provided that nothing herein constitutes a license to use a Bank Trademark as part of an Internet domain name. Merchant shall use the Bank Trademarks in accordance with the policies notified by the Bank in this behalf from time to time.

(b) Merchant's Trademarks: Merchant hereby grants the Bank a non-exclusive, royalty-free limited license to use, display and reproduce the trademarks, service marks, and logos of Merchant (herein, "Merchant Trademarks") solely in connection with the Bank's marketing of the Facility. The Bank shall use the Merchant Trademarks in accordance with policies as provided by Merchant from time to time.

30. MERCHANT DEPOSIT ACCOUNTS

As security for the obligations of the Merchant arising in terms of this Agreement, the Merchant shall maintain an amount as specified in the Schedule, in the form of fixed deposits with the Bank (hereinafter referred to as "the Merchant Fixed Deposit" or the "MFD"). The Bank shall have an exclusive lien over the MFD and shall be entitled to appropriate all amounts due to it from the Merchant, including amounts in respect of refunds, charge backs and indemnities from the MFD. In the event of termination of this Agreement by reason of breach of its terms by the Merchant, the Bank shall be entitled to forfeit the MFD. In the event of termination of this Agreement by reason other than breach by the Merchant, the Bank shall be entitled to withhold refund of the MFD for a period of 180 days from the date of termination. During this period, it shall be entitled to appropriate any amounts due and payable to it from the Merchant in terms of this Agreement. The provisions of this Section shall not be affected by the intervening bankruptcy / insolvency of the Merchant. The acquiring bank may increase the MFD if there is a reasonable increase in business volume of the merchant.

31. MINIMUM ENCRYPTION STANDARDS AND SECURITY OF CARDHOLDER DATA

The Merchant must use encryption standards of 128 bits or more in respect of all processing of Order or such other standard as may be specified by Bank.

32. GENERAL

32.1 If signed by a firm, the expression " the Merchant" shall include the person or persons from time to time carrying on the business of such firm and, if, there are two or more signatories hereto, the expression " the Merchant" shall include all and each of them and their liabilities under this Agreement shall be joint and several. The person authorized to sign this agreement has got power and authority from the concerned authority and make them liable as per the governing laws.

32.2 This Agreement shall be governed by and construed in accordance with the laws of India and the parties hereto submit to the exclusive jurisdiction of the Mumbai courts.

32.3 If any provision of this Agreement is, or proves to be or becomes illegal, invalid, or unenforceable, in whole or in part, under any enactment or rule of law, such provision or part

shall to that extent be deemed deleted from this Agreement and the legality, validity and enforceability of the remaining provisions of this Agreement shall not be in any way affected thereby.

32.4 This Agreement shall be deemed to have been made when it is signed both on behalf of the Bank and on behalf of the Merchant.

32.5 Any notice or communication by either party to the other shall be in writing and shall be deemed to have been duly given if either delivered personally or by prepaid registered post addressed to the other party at the appropriate address stated above or at other such address as such party hereto hereafter specify to the other party.

32.6 In this Agreement if the context permits or requires words importing the masculine gender shall include the feminine and neuter genders, and words in the singular number shall include the plural number and vice versa.

32.7 All costs (including costs between the Advocate and client), charges, expenses, taxes, duties (including stamp duty) in relation to this agreement and any document executed pursuant thereto and in relation to the enforcement of this agreement shall be borne and paid by the merchant alone.

32.8 Entire Agreement: This Agreement constitutes the entire agreement between Merchant and the Bank pertaining to the subject matter hereof and supersedes in their entirety all written or oral agreements between the Parties.

32.9 Relationship between Parties: The Parties to this Agreement are independent contractors and nothing in this Agreement shall make them joint ventures, partners, employees, agents or other representatives of the other Party hereto. Neither Party shall make any representation that suggests otherwise.

32.10 Survival of Provisions: Notwithstanding any other provision to the contrary herein, terms which by their nature survive termination or expiration of this Agreement shall bind the parties following any expiration or termination of this Agreement.

32.11 Liability Upon Expiration: Neither Party shall be obligated to extend or renew this Agreement.

32.12 Headings and sub - headings: The headings and sub headings in this Agreement are for convenience only and do not affect the meaning of the relative section / clause.

32.13 Notices: Any notice, direction or instruction given under this Agreement shall be in writing and delivered by hand, post, cable or facsimile as specified in the Schedule. Notice and instructions will be deemed served 7 days after posting or upon receipt in the case of hand delivery, cable or facsimile.

33. VARIATION OF AGREEMENT

The Bank reserves the right at all times to vary or amend these terms and conditions or to introduce new terms and conditions. Any such variation or amendment or introduction will become effective and binding on the Merchant upon notification to the Merchant by ordinary post and if the Merchant is unwilling to accept any such variation or amendment or introduction the Merchant shall notify the Bank in writing by registered post within five days from the receipt of the notification by the Bank. A notice sent by the bank by post shall be deemed to have been received by the merchant on the day following the date of posting.

It is agreed by and between the parties hereto that this agreement shall remain in force for a period of 12 months unless terminated by either party by giving one month's notice in writing to the other. In the event of the agreement being in subsistence at the end of the period of 12 months, this agreement shall automatically stand renewed thereafter until terminated by either party by giving to the other party at least 1 month written notice about the same.

34. BANNED PRODUCTS & SERVICES

The Merchant hereby expressly agrees not to directly or indirectly deal in the following product/s or service/s at any time during the tenure of this Agreement.

Without prejudice whatsoever to the Bank's other rights & privileges, the Merchant binds himself unequivocally to be solely liable for including but not limited to any legal actions and suits, and to make good to the Bank immediately upon demand damages suffered by the Bank

directly or owing to claims by any third party, levy of assessment fees or fines, penal actions taken by MasterCard/Visa, the Reserve Bank of India and any other statutory or competent authorities for any breach of any terms of this Agreement, including the dealing in the following:

- 1) Adult goods and services which includes pornography and other sexually suggestive materials (including literature, imagery and other media); escort or prostitution services.
- 2) Alcohol which includes Alcohol or alcoholic beverages such as beer, liquor, wine, or champagne
- 3) Body parts, which includes organs or other body parts – live, cultured/preserved or from cadaver.
- 4) Bulk marketing tools which includes email lists, software, or other products enabling unsolicited email messages (spam)
- 5) Cable TV descramblers and black boxes which includes devices intended to obtain cable and satellite signals for free
- 6) Child pornography in any form.
- 7) Copyright unlocking devices which includes Mod chips or other devices designed to circumvent copyright protection
- 8) Copyrighted media, which includes unauthorized copies of books, music, movies, and other licensed or protected materials
- 9) Copyrighted software which includes unauthorized copies of software, video games and other licensed or protected materials, including OEM or bundled software
- 10) Counterfeit and unauthorized goods which includes replicas or imitations of designer goods; items without a celebrity endorsement that would normally require such an association; fake autographs, counterfeit stamps, and other potentially unauthorized goods
- 11) Drugs and drug paraphernalia which includes illegal drugs and drug accessories, including herbal drugs including but not limited to salvia and magic mushrooms

- 12) Drug test circumvention aids which includes drug cleansing shakes, urine test additives, and related items
- 13) Endangered species, which includes plants, animals or other organisms (including product derivatives) in danger of extinction
- 14) Gaming/gambling which includes lottery tickets, sports bets, memberships/ enrollment in online gambling sites, and related content
- 15) Government IDs or documents which includes fake IDs, passports, diplomas, and noble titles
- 16) Hacking and cracking materials which includes manuals, how-to guides, information, or equipment enabling illegal access to software, servers, websites, or other protected property
- 17) Illegal goods which includes materials, products, or information promoting illegal goods or enabling illegal acts
- 18) Miracle cures which includes unsubstantiated cures, remedies or other items marketed as quick health fixes
- 19) Offensive goods which includes literature, products or other materials that: a) Defame or slander any person or groups of people based on race, ethnicity, national origin, religion, sex, or other factors b) Encourage or incite violent acts c) Promote intolerance or hatred.
- 20) Offensive goods, crime which includes crime scene photos or items, such as personal belongings, associated with criminals
- 21) Prescription drugs or herbal drugs or any kind of online pharmacies which includes drugs or other products requiring a prescription by a recognized and licensed medical practitioner in India or anywhere else.
- 22) Pyrotechnic devices and hazardous materials which includes fireworks and related goods; toxic, flammable, and radioactive materials and substances
- 23) Regulated goods which includes air bags; batteries containing mercury; Freon or similar substances/refrigerants; chemical/industrial solvents; government uniforms; car titles; license plates; police badges and law enforcement equipment; lock-picking devices; pesticides; postage

meters; recalled items; slot machines; surveillance equipment; goods regulated by government or other agency specifications

24) Securities, which includes stocks, bonds, mutual funds or related financial products or investments.

25) Tobacco and cigarettes which includes cigarettes, cigars, chewing tobacco, and related products

26) Traffic devices, which includes radar detectors/ jammers, license plate covers, traffic signal changers, and related products

27) Weapons, which includes firearms, ammunition, knives, brass knuckles, gun parts, and other armaments

28) Wholesale currency, which includes discounted currencies or currency, exchanges

29) Live animals or hides/skins/teeth, nails and other parts etc of animals.

30) Multi Level Marketing schemes or Pyramid / Matrix sites or websites using a matrix scheme approach

31) Any intangible goods or services or aggregation/consolidation business.

32) Work-at-home information

33) Drop-shipped merchandise

34) Web-based telephony/ SMS/Text/Facsimile services or Calling Cards. Bandwidth or Data transfer/ allied services. Voice process /knowledge process services.

34) Any product or service, which is not in compliance with all applicable laws and regulations whether federal, state, both local and international including the laws of India.

SCHEDULE

1. Date and Place of the Agreement : _____

2. Name of Merchant Establishment : _____

- A Company registered under the provisions of the Companies Act, 1956, and having its Registered Office as below
- A Partnership Firm registered under the Indian Partnership Act, 1932 and having its Principal place of Business as below
- A sole proprietorship having its Principal place of Business as below
- A HUF represented through _____ its Karta and residing as below
aged _____ years approximately
- Trust

3. Address of Merchant Establishment : _____

4. Business of Merchant Establishment: _____

5. Website address (URL) _____

6. Business Hours: _____

7. Merchant Establishment servicing Fees-

1. Website Integration fees / Installation Charges - One time non-refundable (Rs.)

2. Merchant Discount Rate:

% Per transaction

3. Transaction cost (Rs.) _____/ txn

4. Monthly Gateway Maintenance Charges

5. Merchant Fixed Deposit (MFD) (Rs.) (Please refer to instruction in Clause 30 of this Agreement)

6. Settlement Net Amount for transactions will be released on proof of delivery, and after number of business days - 2-7 business days

7. Fraud liability of the Merchant - 100%

8. Mode of payment to the Merchant: Cheque/ Credit to Merchant Establishment's Bank Account No. _____

IN WITNESS WHEREOF the parties hereto have executed this Agreement the day and year below written.

SIGNED BY

(Name) _____

(Name) _____

For and on behalf of the Bank

For and on behalf of the Merchant

In the presence of

In the presence of

DATE _____

16. BANKING / FINANCIAL AGREEMENT

16.1. LOAN CUM HYPOTHECATION AGREEMENT

(Loan cum Hypothecation Agreement is usually entered into between financial institutions and the borrower for purchase of vehicles.)

This AGREEMENT made at _____, on this _____ day of _____, 20__ (“this AGREEMENT”) by and between: ABC, a non banking finance company incorporated under the Companies Act, 1956 and having its registered office at _____ (hereinafter referred to as “the LENDER” or “ABC” which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and assigns) of the One part; and The Borrower whose name and address are stated in the Schedule hereto, hereinafter called “the BORROWER” (which expression shall unless the context otherwise requires, include his / her / their heirs, executors, administrators, successors and permitted assigns) of the Other Part.

WHEREAS

The Borrower has applied to ABC for sanction of Loan for the Purpose defined hereunder. Relying on the statements made by the Borrower, ABC has agreed to sanction to the Borrower Loan for the Purpose set out hereunder, brief particulars whereof are given in the Schedule hereto. One of the conditions stipulated by ABC for sanction of the Loan is that in consideration of the sanction of the Loan, the Borrower shall execute in favour of ABC an Agreement in ABC's prescribed form, bringing these presents, to record, inter alia, the terms and conditions of the grant of the Loan, and in consideration of ABC having agreed to sanction the Loan, the Borrower hereby executes these presents.

NOW THIS AGREEMENT WITNESSETH THAT THE BORROWER HEREBY AGREES WITH, AND UNDERTAKES TO, ABC AS FOLLOWS:

1. DEFINITIONS AND INTERPRETATION

The following definitions will apply throughout this Agreement unless otherwise stated:

1.1 The term “Agreement” means this agreement and any amendment made thereto from time to time by the parties hereto

1.2 The term “Account” means the account maintained by the Lender in respect of the Loan availed/agreed to be availed by the Borrower.

1.3 The term “Additional Interest” means interest levied by ABC on delay in payment of the monthly instalments or any other amounts due and payable by the Borrower to the Lender.

1.4 The term “Application Form” /”Loan Application” means, as the context may permit or require, the loan application form submitted by the Borrower to ABC for applying for and availing of the Loan, together with the preliminary loan application form and all other information, particulars, clarifications and declarations, if any, furnished by the Borrower or any other person from time to time in connection with the Loan facility.

1.5 The term “Assets” shall mean the Vehicle and / or any other assets, whether moveable or immovable, offered or caused to be offered as security/ secured in favour of ABC by the Borrower for the due repayment of the Loan facility granted/ to be granted by ABC.

1.6 The term “Borrower” means the person/entity named as such in the Schedule hereto and includes Co-Borrower.

1.7 The term “Borrower's Dues” means and includes the outstanding Principal amount of the Loan, interest on the Loan, together with all other interest, all fees, costs, charges, expenses, and stamp duty and all other sums whatsoever payable by the Borrower to ABC in accordance with this Agreement and the Loan Terms and Transaction Documents.

1.8 The term “Co-Borrower” means the person/entity named as such in the Schedule hereto.

1.9 The term “Vehicle” means new vehicle/used vehicle described in the Application Form and more particularly described in Schedule hereto, which is sought to be purchased by the Borrower and / or sought to be financed by ABC and includes all the spare parts and all accretions, additions and accessories (including any additional body building/modification works, additional components to the equipments).

1.10 The term “Due Date” means the date(s) on which any amounts in respect of the Borrower's Dues including the Principal amounts of the Loan interest and/or any other monies, fall due as specified in the Application Form and/ or the Loan Terms and the other Transaction Documents.

1.11 The term “Electronic Clearing System” hereinafter referred to as “ECS”, shall be deemed to include transfer of funds electronically, either through a message for transfer of funds sent electronically or through image of instrument of transfer of funds sent electronically or through an electronic file containing the details of the funds transfer sent by electronic media or payment through an electronic cheque or where funds are transferred through various types of plastic cards or such other debit clearing service notified by Reserve Bank of India, participation in which has been consented to in writing by the Borrower for facilitating payment of Instalments.

1.12 The term “Effective Date” means the date on which the first disbursement is availed by the Borrower out of the Loan.

1.13 The term “Interest” shall mean the rate of interest chargeable on the Loan at the rate specifically mentioned in Schedule hereto.

1.14 The term “Indebtedness” means any indebtedness whatsoever of the Borrower at any time for or in respect of monies borrowed contracted or raised (whether or not for cash consideration) or liabilities contracted by whatever means (including under guarantees, indemnities credits, deposits, hire purchase and leasing)

1.15 The term “Loan” means the amount disbursed by the Lender to the Borrower and includes principal amount, interest, Additional interest and any other amount due and payable by the Borrower to the Lender as per the terms and conditions of this Agreement.

1.16 The term “Loan to Value” “LTV” shall mean the ratio of the maximum amount of loan to the ex showroom value/cost of the vehicle. This may vary with vehicle, make, model, documentation and tenure more particularly described in the Annexure attached hereto.

1.17 The term “Monthly Instalment” means the amount of monthly payments required to be paid to the Lender which may be either fixed (EMI) or variable as set out in the Schedule and Annexure attached hereto, to amortise the Loan with Interest over the tenure of the Loan.

1.18 The term “Pre Monthly Instalment Interest (PMII)” means interest at the rate indicated in the Schedule hereto on the Loan disbursed from the date/respective dates of disbursement to the date of commencement of the monthly instalments.

1.19 The term “Person” shall include individual, partnership firm, company, association of persons, society as mentioned & stipulated as per the relevant provisions of the Income Tax Act, 1961.

1.20 The term “Post Dated Cheques” (“PDC”) means the cheques issued by the Borrower in favour of the Lender for repayment of the Loan along with accrued interest.

1.21 The term “Purpose” means the purpose of buying/purchasing the Vehicle, for which the Loan is availed by the Borrower.

1.22 The term “Prepayment” means premature repayment of the Loan before the due date as per the terms and conditions laid down by the Lender in that behalf and as in force at the time of prepayment.

1.23 The term “RBI” means Reserve Bank of India

1.24 The term “ABC PLR” means the rate of interest fixed by the Lender from time to time as its prime lending rate.

1.25 The term “Repayment” means the repayment of the principal amount of the Loan , interest thereon, commitment and other charges, premium, fees or other dues payable under this Agreement to the Lender.

1.26 The term “Sanction Letter” means the letter issued by the Lender sanctioning the Loan with the relevant particulars as mentioned in the letter.

1.27 The term “Schedule” means and includes Schedule hereto and forming an integral part of this Agreement.

1.28 The term “Seller”/“Dealer”/“DSA” includes all the persons/entities from whom the vehicle is purchased.

1.29 The term “Standing Instructions” hereinafter referred to as “(SI)” means written instructions given by the Borrower(s) to ABC to debit the account of the Borrower(s) maintained in a bank acceptable/approved by ABC for the amount of the Instalment, more particularly set out in Schedule hereto.

1.30 The term “Transaction Documents” includes all writings and other documents executed or entered into or to be executed or entered into, by the Borrowers or, as the case may be, any other person, in relation to, or pertaining , to the Loan and each such transaction document as amended from time to time. Reference to the masculine gender includes feminine and neutral gender and vice versa and Singular to plural.

2. LOAN AMOUNT, DISBURSEMENT, INTEREST, TAXES AND AMORTIZATION

2.1 Loan Amount

a) The Borrower has approached the Lender for grant of the Loan to the Borrower for purchase of vehicle along with spare parts, tools and accessories (hereinafter referred to as “Vehicle”) more particularly described in Schedule hereto, for the Purpose as set out in Schedule and have identified a Seller/DSA/Dealer of the said vehicle and have inspected and approved the vehicle.

b) The Lender hereby agrees to make available to the Borrower and the Borrower hereby agrees to avail from the Lender, the Loan amount mentioned in Schedule in the manner and according to the Loan to Value/extent of funding as given in the Annexure hereto and on the terms and conditions as stipulated in these presents.

c) The Borrower shall not be entitled to cancel the Loan or refuse to accept disbursement of the Said Loan, except with the approval of ABC and payment to ABC of such cancellation or foreclosure charges as may be stipulated by ABC. The Borrower agrees that ABC is not bound to approve such cancellation and ABC has a right to approve/reject the cancellation of the Loan , as ABC deems fit.

d) The Borrower shall be solely liable to bear any increase in the price of the vehicle and / or cost of insuring/ registering the vehicle.

2.2 Interest

a) The Borrower shall be liable to pay Interest on the Loan at the rate more particularly mentioned in Schedule hereto. The Lender shall be entitled to revise the rate of Interest at any time and from time to time as per its policy, market conditions and/or applicable laws and regulations, if any, during the tenor of the Loan at its sole discretion. The Lender shall inform the Borrower about the variation in the Interest in due course. In the event of default in payment of interest on the Loan and all other monies on respective due dates, such defaulted amount shall carry interest/further interest at the rate of interest as mentioned in the Schedule hereto, computed from the respective due dates and shall become payable upon the footing of compound interest with monthly rests.

PROVIDED THAT in the event the Lender reduces or increases the Interest rate prior to the disbursement of the full Loan the applicable rate of Interest shall be varied on weighted average basis with reference to the tranches disbursed/to be disbursed. The Borrower shall reimburse or pay to the Lender all such amount as may have been paid or payable by the Lender to the Central or State Government on account of any tax levied on interest (and/or other charges) on the Loan by the Central or State Government. The Borrower shall make the reimbursement or payment as and when called upon to do so by the Lender. The Borrower shall also bear all the tax, toll, duties levies, cess or any other tax as may be imposed by the central government, state government, judicial, quasi judicial or any municipal authorities, which may be chargeable on the Vehicle and if required shall also be liable to reimburse all such taxes, tolls, duties, levies, cess, tax deducted at source etc. to the Lender.

2.3 Computation of Interest

The Monthly Instalment comprises of principal and interest calculated on the basis of rate of Interest mentioned in the Schedule hereto and is rounded off to the next rupee calculated on daily reducing balance. Interest and any other charges shall be computed on the basis of a year comprising of three hundred and sixty days.

2.4 Payment of Other Expenses

The Borrower undertakes to pay forthwith on demand to the Lender all costs and expenses (including legal costs between legal counsel and clients) on a full indemnity basis incurred and or to be incurred by the Lender for inspection of vehicle offered as security and for the preparation, execution, preservation, performance, enforcement and realization of the outstanding Loan Amount, security documents and other instruments creating and/or evidencing the creation of any security for the Loan as also any other instruments required in connection with the Loan.

2.5 Details of Disbursement

The Lender shall disburse the Loan in one lump sum or in suitable instalments having regard to the needs of the Borrower. The decision of the Lender in this regard shall be final, conclusive and binding on the Borrower. The Borrower shall acknowledge the receipt, in the form required by the Lender, of each amount so disbursed.

2.6 Mode of Disbursement

- a) Disbursement of the Loan may be made directly to the Borrower or Seller/Dealer/DSA of the Vehicle or in such other manner as may be decided solely by the Lender.
- b) The Lender shall have the right to adjust PMII or any other dues against undisbursed amount, if any.
- c) Disbursement shall be deemed to have been made to the Borrower/Seller/Dealer/DSA on the date of the disbursement by cheque or pay order as the case may be.
- d) It is hereby agreed by the Borrower that in case the disbursement has been made directly to the Seller / DSA/Dealer, all such payment shall be deemed to be the Loan granted to and availed of by the Borrower under this Agreement. In the case of used Vehicle, the Loan may be disbursed by ABC to Seller and such disbursement shall be deemed to be disbursement of Loan to the Borrower.
- e) Interest on the Loan will begin to accrue in favour of the Lender on and from the first date of disbursement in cases where the Loan is payable in tranches or from the date when the entire Loan Amount was made in lump sum.

2.7 Amortization

a) The Borrower will amortise the Loan as stipulated in the Schedule hereto, subject to any other changes in such amortisation as communicated later in writing to the Borrower. However, in the event of delay or advancement, for any reason whatsoever, in the disbursement of the Loan, the Due Date of payment of first Monthly Instalment shall in such case be the corresponding day of the following months to the day currently stated in the Schedule hereto.

b) The Borrower shall also pay to the Lender PMII, until commencement of Monthly Instalment.

c) The Borrower agrees that the repayment of the amount of the Loan together with interest, further interest, Additional interest and all such other sums due and payable by the Borrower to the Lender shall be payable at the place where the branch/office of the Lender is situated or such other place notified by the Lender to the Borrower by any of the following ways/modes:

i) Post dated Cheques (“PDC”);

ii) Electronic Clearing System as notified by RBI (“ECS”);

iii) Deduction from Borrower’s salary (“Salary debit method”),

iv) Standing Instructions (SI) details whereof are mentioned in the Schedule hereto,

v) Debit Notes/ bills raised by the Lender

The Borrower agrees that the amount shall be remitted to the Lender on the due date of Monthly Instalment. In the event of any dishonour of PDC/SI/ECS instruction the Borrower agrees to pay dishonour charges as mentioned in the Schedule hereto, in addition to any Additional interest that may be levied by the Lender. In the event of any variation in: the date of payment of Monthly Instalment or the amount of Interest, principal or Monthly Instalment or the numbers thereof, the Borrower agrees and undertakes to forthwith issue fresh PDCs/ ECS/SI instructions to the Lender/its banker, as may be required by the Lender.

d) Notwithstanding what is stated in Article 2.7(a) above and in Schedule hereto, the Lender shall have the right at any time or from time to time to review and reschedule the repayment terms of the Loan or of the outstanding amount thereof in such manner and to such extent as the

Lender may in its sole discretion decide. In such event/s the Borrower shall repay the Loan or the outstanding amount thereof as per the revised Schedule as may be determined by the Lender in its sole discretion and communicated to the Borrower by the Lender in writing.

e) In case if any amount is prepaid by the Borrower, the same shall be adjusted first towards the incidental charges, Additional Interest, Monthly Instalment outstanding and balance towards the principal amount of the Loan.

f) The Lender shall have the right to require the Borrower to furnish such information/documents concerning his employment, trade, business or profession at any time and the Borrower shall furnish such information/documents immediately.

g) In case where the Loan has been granted for the purchase of multiple vehicle(s) from different suppliers/manufacturers, it is specifically understood and agreed by the Borrower that ABC will for its accounting purposes be reflecting/subdividing the aforesaid Loan into separate sub-accounts corresponding in number to the number of vehicles financed. It is further agreed that any payment made by the Borrower to ABC shall be apportioned by ABC proportionately in each of the said account. Notwithstanding above, ABC shall be entitled at its discretion to appropriate any payment received by the Borrower (either in part or in full) against any such sub-account.

2.8 Delay / Default in Payment

a) No notice, reminder or intimation shall be given to the Borrower regarding his obligation and responsibility to ensure prompt and regular payment of interest, PMII, Monthly Instalment and all other amounts payable by the Borrower to the Lender on the respective due dates.

b) Without prejudice to the Lender's other rights, delay in payment of Monthly Instalment or PMII shall render the Borrower liable to pay Additional Interest at the rate mentioned in the Schedule hereto or at such higher rate as per the rules of the Lender in that behalf as in force from time to time. In such event, the Borrower shall also be liable to pay incidental charges and costs to the Lender.

c) Notwithstanding anything contained in these presents or the Transaction Documents, and irrespective of the mode of payment selected by the Borrower in the Application Form, upon any

default by the Borrower in payment of one or more Instalment on the Due Date pertaining to the Loan or any non-realization of the of the Instalment on the Due Date by ABC, ABC shall be entitled, without prejudice to its other rights under the Loan terms, to present and/or re-present the post dated Cheque issued by the Borrower in favour of ABC in connection with the Loan Irrespective of mode of payment/repayment selected by the Borrower in the Application Form, ABC shall, as it may deem appropriate and necessary, be entitled to require the payment and/or collection of the Instalment and all other amounts comprising the Borrower`s dues as expressed in the Application Form, or other Post Dated Cheque, if any, submitted by the Borrower, or by means of ECS, by itself or through such other person permitted for the same, instead of and in lieu of presenting/re-presenting such PDC, if any, issued by the Borrower in favour of ABC or utilizing any other mode or manner of Payment or re payment of the Instalments and all other amounts comprising the Borrower`s dues, provided that such right of ABC shall be without prejudice to its other rights under the Loan terms , in case of any failure to receive the Instalments or any other amounts due, through the ECS (debit) for any reason whatsoever.

d) if the Borrower defaults in making payment of any Instalments or any other amounts comprising the Borrower's Dues to ABC on the respective the Due Date(s), the Borrower shall be liable to pay further interest at the rate specified in the Application Form (plus applicable interest Tax or other statutory levy) on all such Outstanding /unpaid amounts from the relevant Due Date till the date of payment of such entire amount. Such further interest shall be in addition to any other charges, which the Borrower is liable to pay to ABC in terms of these presents.

2.9 Pre-payment of the Loan

The Lender may, in its sole discretion and on such terms as to pre-payment fees, etc., as it may prescribe, permit acceleration of Monthly Instalments or pre-payment at the request of the Borrower. If permitted by the Lender, the Borrower shall give prior written notice of his intention to prepay the full amount of Loan and pay to the Lender such prepayment charges mentioned in the Schedule hereto, subject to change by the Lender from time to time.

Save and except as mentioned above, the Borrower shall not be entitled to make any Prepayment. If notwithstanding the above the Borrower pays any amount to the Lender before the Due Date the Lender shall be entitled to appropriate the same in such manner as it deems fit.

And the Lender will give the Borrower credit for the same only on Due Date and not before. In the event the Lender permits any Prepayment the Repayment schedule shall be altered by the Lender at the request of the Borrower and the Borrower agrees to adhere to the altered Repayment schedule. Such repayment schedule shall be part of this Agreement.

2.10 Processing Fees

The Borrower acknowledges that processing fee as mentioned in the Schedule hereto has been paid by the Borrower.

2.11 Terminal Dates for Disbursement

The Lender may by notice to the Borrower suspend or cancel further disbursements of the Loan, if the Loan shall not have been fully drawn within 60 (sixty) days from the Effective Date or such other period as may be decided by the Lender.

2.12 Alteration and Re-Scheduling of Monthly Instalment

If the entire amount of the Loan is not drawn by the Borrower within a period of 60 (sixty) days from the Effective Date, Monthly Instalments may be altered and re-scheduled in such manner and to such extent as the Lender may, in its sole discretion, decide and the repayment will thereupon be made as per the said alteration and re-scheduling notwithstanding anything stated in this Agreement.

2.13 Liability of the Borrower (s) to be Joint and Several

Where the Loan is provided to more than one Borrower notwithstanding anything herein stated, the liability of the Borrower to repay the Loan together with interest, and all other amounts and to observe these terms and conditions and terms and conditions of any other agreement/s, document/s that may be executed by the Borrower with the Lender in respect of the Loan or any other loan is joint and several.

2.14 Cross Default

The Borrower agrees and acknowledges that any default by the Borrower under any agreement entered into by the Borrower with the Lender, any other bank and/or financial institution

including the Lender shall constitute an event of default under this Agreement and vice-versa. The Borrower further agrees that any security provided by the Borrower to the Lender under any other credit facility shall be available to the Lender under this Agreement upon the occurrence of an event of default under this Agreement and vice versa.

3. CONDITIONS PRECEDENT

3.1 The following shall be conditions precedent for disbursement of the Loan or any tranche thereof:

- i) The Borrower shall, prior to receiving the disbursement of the Loan, have paid his own contribution, i.e. the cost of purchase of the Vehicle less Loan availed from the Lender unless specified by the Lender.
- ii) The Borrower shall have an absolute, clear and marketable title/ownership to the vehicle and that the Vehicle is absolutely unencumbered and free from any liability and prior charges whatsoever.
- iii) No Events of Default shall have occurred.
- iv) Any disbursement of the Loan and/or tranche thereof shall at the time of request therefor be required immediately by the Borrower for the sole and exclusive Purpose of the Borrower as stated in the Loan Application and the Borrower shall produce such evidence of the proposed utilization of the proceeds of the disbursement of the Loan or any tranche thereof as is satisfactory to the Lender as and when required by the Lender.
- v) No extraordinary or other circumstances shall have occurred which shall make it improbable for the Borrower to fulfill his/its obligations under this Agreement.
- vi) The Borrower shall have executed and delivered a money bond or a demand promissory note in favour of Lender for the amount of the Loan.

4. SECURITY

4.1 In consideration of ABC advancing to the Borrower the said Loan, the Borrower agrees and hereby exclusively hypothecates on first charge to ABC the Vehicle/ all the Assets, brief particulars whereof are set out in the Schedule hereto, belonging to the Borrower where so ever

lying or parked hereinafter for sake of brevity are collectively referred to as “Hypothecated Assets” .

4.2 The security hereby created by way of hypothecation shall be deemed to be created immediately on signing of this Agreement or delivery of the Vehicle, whichever is earlier.

4.3 The charge by way of hypothecation hereby created on the Hypothecated Assets shall be a security for the due repayment and discharge on demand of the said Loan to ABC together with interest there on at the agreed rates and all costs, charges, expenses and other moneys payable in respect of the said Loan and also for the due observance, performance and discharge by the Borrower of all obligations arising out of or in respect of the said Loan or which may give rise to the pecuniary liability and for all costs (between Attorney and Client) on full indemnity basis, charges expenses and other moneys whatsoever paid or incurred by ABC in connection with the insurance protection, observance, enforcement, or realization of the security and for recovery of their respective dues as also as security for the payment and discharge of all indebtedness whatsoever or promissory notes or instruments at any time drawn, made, accepted or endorsed by the Borrower solely or jointly with others which ABC may discount or become interested in together with all interests, discount, commission, charges, costs (between Attorney and Client) and expenses payable to or incurred by ABC in relation thereto so that the security hereby created shall be and shall always be and remain continuing security for all moneys, indebtedness and liabilities aforesaid and the said security shall be in addition to any other security for any such indebtedness or liability now held or hereafter to be held by ABC.

4.4 The Borrower hereby declares that the Hypothecated Assets is the absolute property and ownership of and at the sole disposal of the Borrower and free from any prior charges or encumbrances of any nature whatsoever except charge created in favour of ABC

4.5 The charge/security created by the Borrower under this Agreement shall be a continuing security for the amounts due from time to time under the said Loan and shall continue and remain in force till such time all other dues under this Agreement from ABC are fully discharged and ABC issues a Certificate of Discharge.

4.6 The Borrower undertakes to further secure the Loan and create such further security and execute such other documents as may be required by ABC from time to time with regard to the Loan.

4.7 The Borrower shall execute on demand by ABC such further documents as may be required by ABC to perfect the Security and/or vest the Hypothecated Assets or any of them in favour of ABC and to render the same readily realizable or transferable by ABC at any time.

4.8 The Borrower undertakes to maintain the security margin as specified by ABC from time to time in respect of the outstanding balance of the Loan and accrued interest. If the margin falls below what has been specified, the Borrower undertakes to deposit sufficient cash and/or provide additional security to the satisfaction of ABC within such time as may be required by ABC.

5. COVENANTS

5.1 Particular Affirmative Covenants

The Borrower covenants with the Lender that during the tenor of the Loan:

a) The Borrower shall ensure that the entire Loan will be utilized for the Purpose as stated by the Borrower in the Loan Application Form and for no other purpose whatsoever.

b) The Borrower shall keep and maintain the Hypothecated Assets in good marketable condition at the cost and risk of the Borrower in all respects and all necessary repairs, additions and improvements thereto will be made during the currency of the Loan and the Borrower shall be liable for any loss or damage caused to the Hypothecated Assets for any reasons whatsoever, including theft, damage by weather and deterioration in quality.

c) The Borrower shall notify the Lender of any change in the Borrower's employment, business or profession. In the event the Borrower is self-employed, the Borrower hereby undertakes to keep the Lender informed about the financials of his business on a regular basis as may be notified to him by the Lender. In the event the Borrower sole proprietary concern, the Borrower shall provide the Lender such information and/or documents as may be required by the Lender.

d) The Borrower shall notify the Lender of any change in its residential status within 15 days of such change.

e) The Borrower shall duly and punctually comply with all the terms and conditions of holding the Hypothecated Assets and all the rules, regulations and other laws relating but not limited to Motor Vehicles laws, or any other Competent Authority, and pay such maintenance and other charges for the upkeep of the Hypothecated Assets as also any other dues, etc., as may be payable in respect of the Hypothecated Assets and/or of the use thereof.

f) The Borrower shall ensure that the Hypothecated Assets is insured against fire, earthquake, flood, storm, tempest or typhoon and other hazards, as may be required by the Lender, with the Lender being made the sole beneficiary under the policy, for a value as required by the Lender and produce evidence thereof to the Lender from time to time and wherever called upon to do so. The Borrower shall pay the premium promptly and regularly so as to keep the insurance policy alive at all times till the said Loan is amortized in full.

g) The Borrower shall promptly inform the Lender of any loss or damage to the Hypothecated Assets due to any act of God or damage or other risks against which the Hypothecated Assets may not have been insured.

h) For the present Loan:

a. The Borrower shall complete purchase of the Vehicle as indicated by him in the Loan Application Form and obtain and produce to the Lender purchase documents, as the case may be.

b. The Borrower shall promptly notify any event or circumstances which might operate as a cause of delay in the purchase of the Vehicle.

i) The Borrower shall pay all road taxes, octroi and other local taxes / charges in accordance with the laws and regulations.

j) The Borrower shall allow any person authorized by the Lender to have free access to the Hypothecated Assets for the purpose of inspection.

k) The Borrower shall intimate the Lender promptly of any dispute which might arise between the Borrower and any person or any governmental body or authority thereby affecting the ability of the Borrower to repay the Loan in the manner stipulated hereunder.

l) The Borrower shall on the Lender's request do, perform and execute such acts, deeds, matters and things as the Lender may consider necessary either to perfect the security provided for and to carry out the intent of this Agreement.

m) The Borrower shall confirm that the true copies of the document submitted for the purpose of the Loan are genuine. The Lender may at any time, call for or require verification of originals of any/all such copies. Any such copy in possession of the Lender shall be deemed to have been given only by the Borrower.

n) The Borrower confirms that there is no action, suit, proceedings or investigation pending or, to the knowledge of the Borrower, is threatened, by or against the Borrower before any court of Law or Government authority or any other competent authority which might have a material adverse effect on the financial and other affairs of the Borrower or which might put into question the validity or performance of this Agreement or any of its terms and conditions.

o) The Borrower confirms that the Borrower is the absolute owner of the Hypothecated Assets to be offered as security.

p) The Borrower shall take consent from ABC if the Hypothecated Assets is/are proposed to be removed /taken outside the territorial borders of the state in which the Assets is registered or removed/taken out of the address/location as specified on a permanent basis or for a continuous period of more than 60 days.

q) If the Borrower is a Person other than an individual, it shall promptly inform the Lender of change in location of its office/registered office, name, main business activity of the Borrower.

r) The Borrower shall bear all costs of making good any deficit in stamp duty on the documents executed by the Borrower in relation to the Loan and/or security created by the Borrower in favour of the Lender.

s) The Borrower shall intimate the Lender of any change in residential status within 10 (ten) days of such change.

t) The Borrower agrees that any security provided by the Borrower to the Lender under any other credit facility shall be available to the Lender under this Agreement upon the occurrence of an event of default under this Agreement and vice versa.

5.2 Negative Covenants

The Borrower further covenants with the Lender that until such times the amounts due have been fully paid to ABC (unless the Lender shall otherwise previously approve in writing), the Borrower shall not:

- a) Use the Loan for any speculative purpose or a purpose other than that stated with Loan Application.
- b) Sell, transfer, assign, mortgage, pledge, charge, encumber the Hypothecated Assets in any manner in favour of any person, corporation partnership or association, other than in favour of ABC , without the express consent in writing of ABC. The Borrower undertakes to get the registration certificates of Vehicle endorsed in the name of Reliance Consumer Finance Pvt. Ltd. to further express the fact that the Vehicle stands hypothecated to ABC.
- c) During the continuance of this Agreement create any mortgage, charge, lien or encumbrance affecting the Hypothecated Assets or any part thereof nor shall do anything which would prejudice the security nor shall they part with them.
- d) Make and/or allow to be made any material alterations and/or additions in the Hypothecated Assets.
- e) Enter into any Agreement or Arrangement with any person, institution or local or Government body for the use, occupation or disposal of the Hypothecated Assets or any part thereof.
- f) Stand surety for anybody or guarantee the repayment of any loan or overdraft or the purchase price of any asset.
- g) Execute any document, such as Power of Attorney, or any other similar or other deed, in favour of any person to deal with the Hypothecated Assets in any manner.

h) If the Borrower leaves India for employment or business or for long term stay abroad without fully repaying the Loan together with interest and other dues and charges including prepayment charges as contained herein. If the Borrower becomes a Non Resident Indian, the Borrower agrees to repay the Loan in accordance with the rules, regulations, guidelines, norms of the Reserve Bank of India.

6. REPRESENTATION AND WARRANTIES

A. REPRESENTATION BY THE BORROWER: The Borrower hereby declares, represents and warrants on a continuing basis that:

a) Borrower is aware that ABC is granting the Loan on the basis of the Loan Application made by him/her/it for the purchase of the Vehicle and on the faith of the representations made by the Borrower and believing the same to be true;

b) That all the necessary approvals for availing of the Loan have been obtained and that the Borrower will at all times till the amounts due to ABC are paid in full and the Loan is fully repaid, keep all such permissions valid and subsisting.

c) The officer of the Borrowers executing this agreement and the documents executed in pursuance hereof, are duly and properly in office and fully authorised to execute the same.

d) This Agreement and the documents to be executed in pursuance hereof, when executed and delivered, will constitute valid and binding obligations of the Borrower;

e) It has not taken any action nor have any steps been taken or legal proceedings been initiated or threatened against the Borrower or all or any of its assets or undertakings;

f) As of the date of this Agreement, there is no litigation, proceedings or disputes pending or threatened against the Borrower, the adverse determination of which might substantially, affect the Borrower's ability to repay the Loan as described in the Schedule hereto or have a materially adverse effect on the financial condition of the Borrower;

g) The execution and delivery of this Agreement and the performance of its obligations hereunder does not:

- i) contravene any applicable law, statute or regulation or any judgment or decree to which the Borrower is subject;
- ii) conflict or result in any breach of any covenants, conditions and stipulation under any existing agreement, to which the Borrower is a party;
- h) There has been no material adverse change in the financial condition of the Borrower, nor has any event which is prejudicial to the interest of ABC taken place since the date of latest audited financials of the Borrower which is likely to materially and/or adversely affect the liability of the Borrower to perform all or any of the obligations under this Agreement.
- i) The Borrower shall be exclusively responsible for getting the delivery of the Vehicle from the Seller/Dealer/DSA. ABC shall not be liable for any delay in delivery/disbursement, or the quality/condition/fitness of the Asset(s). The Borrower absolves ABC from any liability in respect of the above and that the Borrower shall not withhold payment of stipulated MI's on the ground that the Asset has not been delivered or any alleged claim/dispute in respect of the Hypothecated Assets.
- j) The information given in the Loan Application Form and End Use of Funds letter and any prior or subsequent information provided or explanation furnished to the Lender in this behalf are true, complete and accurate in every respect.
- k) The purpose for which the Loan is taken is not illegal, speculative or nefarious.
- l) The Borrower assures that subsequent to the application there has been no material change, which would adversely affect the Lender and/or the provision of Loan by the Lender to the Borrower.
- m) The Borrower is not aware of any document, judgement or legal process or other charges or of any latent or patent defect affecting the title of the Vehicle or of any material defect in the Vehicle which has remained undisclosed and/or which may affect the Lender prejudicially.
- n) The Borrower has paid or will pay when due, all public demands such as income tax, property taxes and all the other taxes and revenues payable to the government of India or to the

Government of any State or to any local authority and that at present there are no arrears of such taxes and revenues due and outstanding.

o) The Borrower has disclosed/furnished all facts/information to the Lender in respect of the Loan and all information in the Loan Application or in any supporting documents or otherwise howsoever is absolutely true, correct and complete in all respects and that no fact or information necessary to be furnished by the Borrower has been omitted to be stated in order to induce the Lender to provide the Loan

p) The Borrower does not violate any covenant, conditions or stipulations under any existing agreements entered into by the Borrower with any party, by availing the Loan from the Lender.

q) The Borrower assures that all the necessary approvals for availing the Loan and creating the security/securities have been obtained or shall be obtained.

r) The Borrower is entitled and empowered to borrow the Loan , provide the security documents, execute the promissory notes if any and all other documents and papers in connection with and upon execution of the same will create legal and binding obligations on the Borrower enforceable in accordance with their respective terms.

s) The Borrower confirms that the representations and warranties contained herein shall be deemed to be repeated by the Borrower on and as of each day from the date of this Agreement until all sums due or owing hereunder by the Borrower to the Lender have been paid in full, as if made with reference to the facts and circumstances existing on such day.

t) The Borrower shall at all times maintain sufficient funds in his/her/their bank account/s to ensure that the Instalment are received/realized by ABC and shall not close the account.

u) The Borrower shall not be entitled to cancel or issue stop-payment instruction with respect to post dated cheques for so long as the Loan or any part of Borrower`s Dues is outstanding and any such act of Borrower shall be deemed to have committed with an intension to cheat ABC and avoid prosecution under Negotiable Instrument Acts, 1881, and ABC shall be entitled to initiate appropriate criminal proceeding against the Borrower.

v) The Borrower shall promptly replace the post dated cheques and/or the mandates, agreements and/or other documents executed for payments of Instalment and issue fresh post-dated cheques, mandates, agreements and/or other documents in lieu thereof to the satisfaction of ABC , if ABC is facing any difficulty / inconvenience / impediments for any reason whatsoever in presenting such cheques/issuing debit instruction or if required any time by ABC at its sole discretion.

w) The Borrower may, subject to prior approval by ABC, be permitted to swap/exchange the post dated cheques issued to ABC with alternative post-dated cheques drawn on another Bank (as approved by ABC) subject to payment to ABC of the “cheques swap” charge as specified in Application Form.

x) The Borrower shall not without the approval of ABC (which approval may be given subject to such terms and conditions as may be stipulated by ABC including the payment of minimum prepayment amount, prepayment premium or discount interest and /or any other charges, plus applicable interest tax or statutory levy), prepay the outstanding principle amount of Loan in full or part, before the due dates. In the event of any part payment of the Loan is permitted by ABC, the repayment schedule/amount of Instalment(s) as specified in the Application Form shall be amended by ABC and the Borrower shall thereafter make payments of Instalments as per such amended schedule.

B. REPRESENTATION AND WARRANTIES FOR THE VEHICLE:

i) The Borrower shall be also solely and exclusively responsible for getting/insuring/delivery of the Vehicle from Seller/Dealer/DSA, as the case may be, and ABC shall not be liable or responsible for delay in delivery and (non-delivery of the Vehicle or any demurrage cost or any defect or variation in the quality, condition, fitness and performances of the Vehicle or any guarantee or warrantee given by the Seller/Dealer/DSA, in respect thereof. ABC shall not be liable for, or bound by any representation or warranties whatsoever made by Seller/Dealer/DSA in respect of the Vehicle or any agent of such Seller/Dealer/DSA.

ii) The Borrower shall, within ten days from the date of disbursement or delivery of the Vehicle (whichever is earlier), register with appropriate Registering Authority clearly indicating that such Vehicle is exclusively charged in favour of ABC and submit a certified copy of the Registration Certificate to ABC.

iii) Where full details of Vehicle (such as engine number/chassis number/serial number, registration number, etc., as required to be specified in the Application Form) is/are not available at the time of submitting the Application Form, the Borrower shall furnish all such details of the Vehicle to ABC , in such format as specified by ABC , within 3 days of the Vehicle or receipt of such details (such as registration number of Vehicle) from appropriate authority.

iv) In the event of any security being created in favour of ABC, the Borrower shall, if required by ABC affix plates/sticker on the Vehicle indicating the fact of charge of the Vehicle in favour of ABC, while such plates/stickers shall be constantly affixed on the Vehicle so long as any portion of the Borrower's Dues remain outstanding from the Borrower to ABC and the charge has been released by the ABC , over the said Vehicle.

v) Any such direct or indirect agreement /arrangement, lien, charge, encumbrance, hire, lease, transfer or parting with possession of the Vehicle, as referred to in the Agreement, shall be deemed to be an act of criminal breach of trust and cheating by Borrower, ABC shall be entitled in such circumstance, without any prejudice to the other rights of ABC under and/or Loan Term, to initiate appropriate criminal proceeding against the Borrower.

vi) The Borrower shall take consent from ABC if the Vehicle is proposed to be removed /taken outside the territorial borders of the state in which the Vehicle is registered or removed /taken out of the address /location as specified on a permanent basis or for a continuous period of more than 60 days.

7. FURTHER COVENANTS:

a) The Borrower agrees that the Borrower will not compound or release the Hypothecated Assets or do anything whereby the recovery of the same may be impeded, delayed or prevented without the consent of ABC and further agrees to keep proper books of account of its business(es) and will at all times as and when required produce such books of account and all vouchers, papers and documents relating thereto for the inspection of ABC and any of its officers or agents and allow free access to them without any demur.

b) The Borrower shall carefully keep and preserve all the documents, papers and vouchers in connection with or relating to or which are likely to prove the Hypothecated Assets or any part

thereof and will at any time when required to do so, produce such documents, papers and vouchers for the inspection of ABC and take such steps for the recovery thereof as ABC may direct, failing which ABC is hereby empowered without any consent of the Borrower to take all or any such steps by itself in the name of and on behalf of and at the cost and expenses of the Borrower.

c) The Borrower shall allow ABC or its authorized agent to take inspection of Hypothecated Assets of all records and will produce such evidence as ABC may require as to the cost and value of any such Hypothecated Assets and it shall be lawful for ABC at any time and from time to time during the continuance of this security to appoint and employ at the expense of the Borrower in all respects and either temporary or for such periods as ABC shall think fit a person or persons or firm or company to inspect and value on behalf of ABC the Hypothecated Assets and the Borrower shall pay to ABC on demand the fees or other remuneration payable to any such person firm or company and the cost, charges and expenses of and incidental to such valuation (the bank's statement therefore being conclusive in that behalf) and in default ABC shall be at liberty to debit the amount thereof to the respective Account of the Borrower. Any such valuation shall be conclusive against the Borrower.

d) If so required by ABC, the Borrower shall cause to be displayed on the Hypothecated Assets, sign boards prominently indicating that the Hypothecated Assets are hypothecated to ABC; the sign boards to be displayed in such manner and form as may be required by ABC.

e) The Borrower hereby declares that the Hypothecated Assets and all documents relating to the Hypothecated Assets shall be held in trust by them for ABC.

f) The Borrower shall ensure that no charge or encumbrance is created on Hypothecated Assets or any of them and that nothing is done that may adversely affect the security created hereby on the Hypothecated Assets in favour of ABC.

g) Notwithstanding anything herein contained, ABC shall have a lien over all the assets of the Borrower in ABC's control and a right of set off against any monies due from the Borrower to ABC and to combine all accounts of the Borrower for recovery of ABC's dues.

h) The Borrower undertakes to comply with all the rules, laws and regulations relating to the possession, operation and use of the Vehicle as may be applicable from time to time and assumes all risks and liabilities arising from or pertaining to the possession, operation or use of the Vehicle. The Borrower doth hereby agrees to indemnify and keep indemnified and hold safe and harmless ABC from and covenants and undertakes to defend ABC against any and all claims, costs, expenses, damages and liabilities whether civil or criminal, of any nature whatsoever, arising from or pertaining to the use, possession, operation or transportation of the Vehicle or against the loss of the Vehicle by seizure by any person other than ABC for any reason whatsoever, or resulting from any form of legal process initiated by any person other than ABC as also against any damage or loss (whether monetary or otherwise) caused to ABC due to the destruction of or any damage to the Vehicle.

i) The Borrower does hereby further covenant with ABC that the Vehicle shall not be used either by himself or by his servants or agents for any form of smuggling, transport of goods, articles, persons etc. or be employed for carrying hazardous waste, drugs or any other psychotropic and banned substances, etc. in contravention of any of the provisions of the Acts of Central and State Legislatures relating to Forest, Excise, Sales Tax, Customs, Prohibition, Opium, Railway property unlawful possession, Gold Control etc and the Vehicle shall not be adapted, altered or fitted for the purpose of concealing such goods, articles or persons. The Borrower shall not engage the Vehicle in any unlawful or illegal activity and the Borrower shall be responsible for any damage or loss sustained by ABC directly or indirectly, in respect of the Vehicle, as result of such wrongful or unlawful use.

j) In consideration of the said Loan, the Borrower has agreed to sign/signed and executed various forms specified under Motor Vehicles Act and rules (hereinafter called the “RTO Form”) to enable ABC to utilize them for the purpose of sale and/or transfer of Vehicle in the name of any purchaser/transferee/third party to the choice of ABC and/or to transfer the Registration certificate from one State to another State. On an occurrence of Event of Default the Borrower hereby irrevocable authorizes ABC to fill in, all the details in the RTO Form, with the name of purchaser/transferee/third party, of ABC's choice and use such RTO Form and apply before the concerned Registering Authority for transfer the Vehicle in the name of the transferee/third Party as if Borrower had personally performed or executed the same.

The Borrower further authorizes ABC to do, perform and execute all acts, deeds, matters and things relating to concerning these presents as fully and effectually as if Borrower had personally performed or executed the same. The Borrower agrees to ratify and confirm all and whatsoever ABC shall do cause to be done in or about the premises by virtue of these presents. The Borrower further agrees that the aforesaid powers have been granted for valuable consideration and as such shall be irrevocable in nature till such time as any amounts remain due owing or payable under or in respect of or in pursuance of the said Loan and/or these presents.

8. RENT, TAXES AND OUTGOINGS: The Borrower shall punctually pay all rents, taxes, outgoing and other charges in respect of the premises in which the Hypothecated Assets are parked or kept. The Borrower shall also ensure that such premises and the Hypothecated Assets are fully and comprehensively insured against all risks such as fire, earthquake, lightning riots, civil, commotion, war, theft, pilferage and such other risks as may be stipulated by ABC from time to time to the extent of the full market value thereof.

9. INSURANCE:

a) The Borrower shall duly and punctually pay all the premium on such policies as and when due and shall produce to ABC for inspection the original receipt and furnish duly certified copies thereof for ABC's record. The Borrower shall ensure that such policies of insurance are kept alive during the subsistence of the security and the Borrower shall not do or permit to be done anything by reason of which such insurance may be cancelled. The Borrower shall assign to ABC every policy of insurance and shall pay to ABC all proceeds of any policy received by them.

b) In the event of the Borrower failing in its obligations as aforesaid, ABC, may, at its discretion but without any obligation to do so, pay such rents and outgoing and insure the said premises and the Borrower hereby undertakes to reimburse ABC all monies so paid by ABC for the purpose. ABC shall have the right to debit the amount so paid to the account of the Borrower maintained with a bank approved by ABC ("Account") and such amount shall thereafter carry interest at the rate as specified in the Agreement.

c) The insurance shall be in the joint names of the Borrower and ABC, and the name of ABC shall be shown as 'the Loss Payee' and the copy of original policies of insurance and renewal

notes shall be deposited with ABC. The Borrower shall duly and punctually pay all the premium on such policies as and when due and shall produce to ABC for inspection the original receipt and furnish duly certified copies thereof for ABC's record. The Borrower shall ensure that such policies of insurance are kept alive during the subsistence of the security and the Borrower shall not do or permit to be done anything by reason of which such insurance may be cancelled.

d) On default of the Borrower to keep the Hypothecated Assets insured as aforesaid, ABC may, at its discretion, but without any obligation to do so, effect insurance of the Hypothecated Assets and/or pay the premium in respect thereof at the risk, cost and responsibility of the Borrower and the Borrower hereby undertakes to reimburse ABC on demand all the amounts paid and/or incurred by ABC in doing so and on default of payment of such amounts by them ABC shall be at liberty to debit such amounts to the accounts of the Borrower with ABC and such amounts shall carry interest at the same rates as provided in the Agreement. Provided, however, that in the event of so insuring the Hypothecated Asset, ABC shall not be considered responsible or liable for the non admission of the claims or their non-payment wholly or partly by such Insurance Company for the omission to ensure or deficiency of insurance and the ultimate liability of the Borrower to ABC shall continue notwithstanding such failure or non-admission as aforesaid.

e) Further, that all sums received under any such insurance as aforesaid shall be received by ABC and applied in or towards the liquidation of the outstanding amount of the Loan to ABC for the time being and in the event of there being a surplus, ABC shall be entitled to appropriate such surplus as provided in this Agreement. Provided that ABC shall not incur any liability to the Borrower if it fails to lodge any claim under any policy with the Insurance Company within the time prescribed under such policy or for any reason whatsoever. Nor shall ABC incur any liability to the Borrower for not bringing any suit for recovery of insurance moneys or allowing such suit to be barred by time.

f) In the event of any loss or damage to the Asset(s) due to any accident, the first claim on any insurance proceeds shall be that of ABC, which proceeds shall be applied by ABC towards the Borrower's Dues in terms hereof or such other manner as deemed fit by ABC. Further, and in the event of any total loss/damage to the Asset(s), if the claim amount settled by the insurance company is less than the total Borrower's Dues outstanding and payable by the Borrower, the Borrower shall immediately pay all the balance outstanding amounts of the Borrower's Dues to

ABC. ABC is irrevocably authorised and entitled at its sole discretion to act on the Borrower's behalf, at the Borrower's sole risk and cost, and to take all necessary steps, actions and proceedings as ABC deems fit to safeguard its interests: (i) to adjust, settle, compromise or refer to arbitration any dispute arising under or in connection with any insurance and such adjustment, settlement, compromise and any award made on such arbitration shall be valid and binding on the Borrower and (ii) to receive all monies payable under any such insurance or under any claim made thereunder and to give a valid receipt there for, and apply such proceeds in accordance with the terms hereof or such other manner as deemed fit by ABC.

g) The Borrower shall not be entitled to raise any claim against ABC in case ABC chooses not to take any action in relation to the insurance claims or proceedings and or on the grounds that a larger sum or amount of claims/settlement might or ought to have been received or be entitled to dispute the liability of the Borrower for the balance amount of Borrower's dues remaining due after such adjustment.

h) It is also agreed that ABC shall have the absolute right to adjust, settle, compromise or refer to the arbitration without reference to or consent of the Borrower, any dispute in connection with or arising under any policy of insurance and any of the assured and such act of ABC shall be valid and binding on the Borrower but shall not impair right of ABC to recover its dues from the Borrower.

10. SET-OFF

ABC shall have a paramount lien and right of set off on/against (a) all insurance proceeds whatsoever from the Hypothecated Assets, as well as (b) all other monies, securities, deposits of any kind and nature, including deposits and bonds, and all other assets and properties belonging to the Borrower or standing to the Borrower's credit (whether held singly or jointly with any other person), which are deposited with/under the control of ABC (or any of its group companies) whether by way of security or otherwise pursuant to any contract entered/to be entered into by the Borrower in any capacity, and ABC shall be entitled and authorized to exercise such right of lien & set off against all such amounts and assets for settlement of the Borrower's Dues with or without any further notice to the Borrower. In this regard, any discharge given by ABC to its group companies shall be valid and binding on the Borrower. The joint

account holder/s to such monies, securities, deposits and other assets is/are aware of, and have no objection to (a) the Loan applied for, (b) the Loan terms, (c) using such monies from the joint accounts for paying/repaying the Loan and all other amounts due to ABC , and (d) ABC's rights of set off in the event of their default of the Loan terms: It shall be the Borrower's sole responsibility and liability to settle all disputes/objections with such joint account holders, if so required, and ABC shall be well within its rights to exercise the right of set off against any money lying in any deposit/bond/other assets held singly or jointly, for settlement of dues.

11. EVENTS OF DEFAULT

The following events shall be considered as "Events of Default": -

- a) If any default shall have occurred in payment of Monthly Instalment or any part thereof and/or in payment of any other amounts due and payable to the Lender in terms of this Agreement and/or in terms of any other agreement(s)/document(s) which may be subsisting or which may be executed between the Borrower and ABC hereafter;
- b) If default shall have occurred in the performance of any other covenants, conditions or agreements on the part of the Borrower under this Agreement or any other agreement(s) between the Borrower and the Lender in respect of the Loan or any other loan;
- c) If any information given by the Borrower to the Lender in the Loan Application Form or otherwise is found to be misleading or incorrect in any material respect or any representation or warranty referred to in Article 6 is found to be incorrect;
- d) If the Asset(s) on which the security for the Loan is created depreciates in value to such an extent that in the opinion of the Lender further security should be given and such security is not given on written demand;
- e) If the Asset(s) is, sold, disposed off, charged, encumbered, sub-let or leased or let or otherwise alienated in any manner whatsoever without written approval of the Lender;
- f) If the Borrower fails to furnish any information or documents required by the Lender;
- g) If the Borrower fails to inform the Lender of the occurrence of any Event of Default or any event which after the notice or lapse of time, or both, would become an Event of Default;

- h) If a cheque in respect of any payment including but not limited to Monthly Instalment is dishonoured;
- i) If the Borrower fails to deliver post dated cheques in accordance with the terms of the Loan or as and when demanded by the Lender;
- j) If any security for the Loan becomes infructuous or is challenged by the Borrower or any other person;
- k) Where the Borrower or where the Loan has been provided to more than one Borrower, any one of the Borrower is divorced or dies and the other surviving Borrower is incapable of securing the Loan in the sole opinion of the Lender;
- l) If the Borrower makes a default in performance of any of the terms, covenants and conditions of any other loan or facility provided by the Lender to the Borrower;
- m) If the Borrower fails to furnish to the Lender detailed end use statement of the Loan as and when so required by the Lender within 10 (ten) days of receiving such request from the Lender;
- n) if the Borrower commits an act of insolvency or makes an application for declaring himself an insolvent or an order is passed against the Borrower declaring him an insolvent.
- o) If the Borrower ceases or threatens to carry on any of his business or gives notice of its intention to do so or of all or any part of the assets of his business or operation are damaged or destroyed or there occurs any change in from the date of submission of the Application in the general nature or scope of business, operations, management or ownership of the Borrower which could have a material adverse effect.
- p) The Asset(s) is/are endangered/stolen or suffer total loss/damage due to any accident and or incident.
- q) The Asset(s) or any part or portion thereof, being confiscated, attached or taken into custody by any authority or becoming the subject of any legal proceedings.
- r) The Asset(s) or any part or portion thereof, are distained, endangered or damaged.
- s) The Asset(s) is stolen or is total loss in the opinion of ABC.

12. REMEDIES OF THE LENDER

a) On the happening of any event of default ABC shall have the following remedies available for enforcement of rights:

(i) To send the notice in writing to the Borrower/s informing such default in respect of the repayments and calling upon him to make payments of all the dues in respect of the loan or a loan recall notice and if the Borrower fails to comply with such notice ABC shall have right to take possession of the asset/vehicle if the dues remain unpaid within _____ days from the date of such notice.

(ii) In case it is found by ABC that the Borrower has disposed off or sold the vehicle to any third party without valid no objection letter from ABC or in

case either the borrower or asset/vehicle is not traceable, or the borrower has handed over the possession of the vehicle to third party without

ABC's consent or the Borrower fails to submit the vehicle for inspection if required by ABC , ABC shall have liberty to waive off the notice period

before taking possession of the asset/vehicle as mentioned in the preceding clause at its discretion.

(iii) ABC shall call upon the Borrower to hand over the asset/vehicle to its agents , representatives, and if the Borrower fails to comply with this demand within stipulated time given by ABC , ABC or its agents/representatives shall have right to enter into any place or premises where any of the hypothecated assets/vehicles may be situated or kept or stored (and for the purpose of such entry to do all acts , deeds or things as are deemed necessary by ABC or its Agents or any of them) and to take charge and/or to seize, recover, receive and/or take possession of all or any of the hypothecated assets. Upon taking possession of the asset/vehicle in such a manner, ABC may call upon the Borrower to repay and close the entire loan amount with all applicable charges, penal charges before the sale/auction of the hypothecated asset/vehicle within the time as may be specified by ABC in such notice and if the Borrower honours and makes the payment of the entire loan amount with interest and other applicable charges in accordance with such notice, ABC shall handover the subject asset/vehicle to the

Borrower upon the repayment of the entire loan amount with interest and other charges including expenses incurred for taking possession of the asset/vehicle.

(iv) In case the Borrower fails to comply with such requisitions and demand made by ABC as mentioned in the preceding clauses, ABC shall be at liberty to forthwith or at any time and from time to time and without any notice or reference either by public auction or tender or private contract or tender, to sell and dispose off all or any part of the hypothecated assets/ vehicles to any third party in such manner as ABC shall think fit without any further notice or intimation to the Borrower .

b) ABC shall be entitled, at the sole risk and cost of the Borrower, to engage one or more person(s) to collect the Borrower's Dues and/or to enforce any security provided by the Borrower and ABC may (for such purposes) furnish to such person(s) such information, facts and figures pertaining to the Borrower, the security and/or the Vehicle(s) as ABC deems fit. ABC may also delegate to such person(s) the right and authority to perform and execute all acts, deeds, matters and things connected therewith or incidental thereto, as ABC deems fit.

c) ABC shall not in any way be liable / responsible, notwithstanding anything to the contrary under any applicable laws, for any loss, deterioration of or damage to the Vehicle on any account whatsoever whilst the same are in the possession of ABC or by reason of exercise or non-exercise of any rights and remedies available to ABC as aforesaid.

d) If any one (or more) Events of Default shall have occurred, then ABC shall, in addition to the various rights and remedies of ABC referred to in the clauses above, be irrevocably entitled and authorised to contact and require the Borrower's employers to make deduction/s from the salary/wages payable by the employer to the Borrower and to remit the same to ABC until all of the Borrower's Dues outstanding from the Borrower to ABC is/are completely discharged. The deductions shall be of such amounts, and to such extent, as ABC may communicate to (and instruct) the Borrowers' employers. The Borrower shall not have, or raise/create, any objections to such deductions. No law or contract governing the Borrower and/or the Borrower's employer prevents or restricts in any manner the aforesaid right of ABC to require such deduction and payment by the Borrower's employer to ABC. Provided however that in the event the said amounts so deducted is insufficient to repay the outstanding Borrower's Dues to ABC in full, the

unpaid amounts remaining due to ABC shall be paid by the Borrower in such manner as ABC may in its sole discretion decide and the payment shall be made by the Borrower accordingly.

e) If one or more of the Events of Defaults shall have occurred, then, the Lender, by a written notice to the Borrower may declare the principal and all accrued interest and charges on the Loan which may be payable by the Borrower under or in terms of this Agreement and/or any other agreements, documents subsisting between the Borrower and the Lender, as well as all other charges and dues to be due and upon such declaration the same shall become due and payable forthwith and the security in relation to the Loan and any other loans shall become enforceable, notwithstanding anything to the contrary in this Agreement or any other Agreement/s or documents.

f) If any Event of Default or any event which, after the notice or lapse of time or both would constitute an Event of Default shall have happened, the Borrower shall forthwith give to the Lender notice thereof in writing specifying such Event of Default, or such event.

g) All reasonable costs incurred by Lender after an Event of Default has occurred in connection with:

i) Preservation of the Borrower's assets (whether now or hereafter existing); or

ii) Collection of amounts due under this Agreement may be charged to the Borrower and reimbursed, as the Lender shall specify.

h) The Lender may issue any certificate as regards payment of any amounts paid by the Borrower to Lender in terms of this Agreement only if the Borrower has paid all amounts due under this Agreement to the Lender and the Borrower has complied with all the terms of this Agreement.

i) In the Event of Default, the Lender shall be entitled to communicate, in any manner it may deem fit, to or with any person or persons with a view to receiving assistance of such person or persons in recovering the defaulted amounts including but not limited to visit any property and/or any place of work of the Borrower.

j) In the event the Borrower fails to pay on demand any money which ought to be paid by it under the said Loan including principal, interest and other money or the Borrower commit any breach of any covenant, deed, undertaking or declaration on its part to be performed as herein contained or it appears to ABC that false or misleading information in any material particular was given in the Borrower's proposal made to ABC and such breach or default is not remedied forthwith and on the failure of the Borrower to remedy the same or if any circumstance shall occur which in the opinion of ABC, is prejudicial to or imperil or is likely to prejudice or imperil this security or if any distress or execution is levied or enforced against any property or assets whatsoever of the Borrower or if any person, firm or company shall take steps towards applying for or obtaining an order for the appointment of a Receiver of any property or assets whatsoever of the Borrower or if such Receiver is appointed or cease to carry on business or to conduct its business to the satisfaction of ABC or on the Borrower misusing the said Loan or any part thereof for any purpose other than for which the said Loan has been sanctioned or on the Borrower committing a breach of any of the terms, covenants and conditions herein contained or on the Borrower committing a breach of any other agreement entered into by the Borrower with ABC or any other bank, financial institution, non-banking financial company, lender or any other body or person and/or the Hypothecated Assets are likely to be transferred to defeat the security and the due amounts of ABC or any consent, authorization, approval or license of or registration with or declaration to governmental or public bodies or authorities required to authorize or required by the Borrower in connection with the execution, delivery, validity, enforceability or admissibility in evidence of this Agreement or the performance by the Borrower of its obligations hereunder is modified in a manner unacceptable to ABC or is not granted or revoked or terminated or expires and is not renewed or otherwise ceases to be in full force and effect or there existing any other circumstances which in the sole opinion of ABC jeopardizes ABC's interest ABC shall be entitled but without prejudice to any other rights or remedies of ABC :

a) To enter into or upon any place or premises where or wherein the Hypothecated Assets may be kept or parked (and for the purpose of such entry to do all acts, deeds or things as are deemed necessary by ABC or its agents and servants or any of them) and to take charge and/or take possession of the Hypothecated Assets and thereupon either forthwith or at any time and from time to time and without any notice or reference either by public auction or tender or private

contract or tender to sell and dispose of the Hypothecated Assets in such manner as ABC shall think fit

b) As attorney for and in the name of the Borrower or otherwise to recover and receive and/or appoint receiver of the Hypothecated Assets or any part thereof, give notices and demands to debtors and third parties liable therefor and sue for, recover receive and give receipts for the same and sell or realise by public auction or private contract or otherwise dispose of or deal with all or any part of such debts and enforce, settle, compromise, submit to arbitration or deal in any manner with the Hypothecated Assets or any part thereof; and to apply the net proceeds thereof in the manner and for the purposes mentioned in hereof for the application of insurance money. If, however the net proceeds realized from the Hypothecated Assets are insufficient to cover the indebtedness of the Borrower to ABC then the Borrower shall forthwith pay to ABC the deficiency. In exercise of the powers of sale and disposal hereunder, ABC shall be at liberty from time to time or at any time at its discretion but at the risk and on account of the Borrower, to enter into all contracts in India or elsewhere for the protection of its interest as it shall think fit and the Borrower shall pay to ABC any moneys which may become payable under or by virtue of such hedge forward or other contracts.

k) On a sale by private contract or public auction the Borrower shall accept ABC's accounts of such sale or sales or other transactions signed by any agent or authorized officer of ABC as sufficient proof of the amount realised or due by or under the sale or sales or transactions and the costs, charges and expenses incurred in connection therewith.

l) ABC will have all powers incidental to and necessary for the realisation of its security.

m)i) In the event of the Hypothecated Assets being realized however and in whatsoever manner, the realization thereof shall be applied as under:-

a) Firstly, for appropriation towards satisfaction of all indebtedness of the Borrower due and outstanding (whether accrued or contingent) to ABC under or in respect of the principal amount of the said Loan and all interests including interest portion of all MIs due, overdue interest of all MIs due, thereon unto the date of realization of the security whether actually debited or to the Loan facilities account together with any costs (between attorneys / advocates and clients), and expenses debitable to the said Loan Account(s) whether actually debited or not in accordance

with the total amount of such indebtedness due and outstanding under and in respect of the said Loan facilities accounts as aforesaid with ABC and

b) Secondly, for appropriation towards the remaining outstanding indebtedness of the Borrower on account of bounce cheque charges, Additional Interest and/or liquidated damages on defaulted amounts.

c) Thereafter the balance, if any, shall be available for, reimbursement to ABC of the costs (between attorneys/advocates and clients) charges and expenses incidental to such realization and/or on any account to ABC in accordance with the total amount of such other outstanding indebtedness;

ii) In the event of the net proceeds of realization as aforesaid being insufficient for the repayment of whole of the indebtedness of the Borrower to ABC under or in respect of the said Loan Accounts as aforesaid, ABC shall be at liberty to apply any other money or monies in their hands standing to the credit of or belonging to the Borrower in or towards the payment of the balance amount and in the event of there being still any deficiencies, the Borrower shall forthwith pay such deficiencies, provided that nothing herein contained shall in any manner prejudice or effect ABC's remedy against the person of the Borrower. iii) In the event of there being a surplus available of the net proceeds of such sale after payment in full of the balance due to ABC, it shall be lawful for ABC to retain and apply the said surplus together with any money or monies belonging to the Borrower for the time being in the hands of ABC in or under whatever account as far as the same shall extend against in or towards liquidation of any and all monies that shall be or may become due from the Borrower, ABC or any of ABC's subsidiaries or group entities or any of the subsidiaries, solely or jointly with any other person or persons firm or company by way of loans, bills, letters of credits, guarantees, charges or any other debts or liability including, notes, credits and other obligations current though not then due and payable or other demands legal or equitable which ABC or any of ABC's subsidiaries or group entities, may have against the Borrower or which the law of set-off or mutual credit would in any case admit along with interest thereon from the date on which any and all advance/s in respect thereof shall have been made at the rate or respective rates at which the same have been so advanced.

n) On a sale by private contract or public auction under the provisions of this Agreement ABC shall be entitled to charge and retain as part of the costs, charges and expenses incurred in connection therewith such commission as ABC shall at its sole discretion fix and shall not be liable to account for the same to the Borrower. Such commission shall be in addition to any brokerage or outgoing payable in respect of any such sale. If the sale proceeds are not sufficient to pay the amount of such commission the Borrower shall pay the same to ABC on demand.

o) ABC shall be at liberty at its entire discretion from time to time and at all times to deliver and/or transfer to the Borrower or any other person nominated by him, the whole or any portion of the Asset(s) against payment to ABC of any sum or sums of money therefor. Any partial delivery and/or transfer and/or redemption by the Borrower of the Asset(s) as aforesaid shall not in any way affect or prejudice the rights of ABC under this Agreement against the remainder of the Asset(s) including any powers of sale nor shall such disposal affect or prejudice any previous or subsequent demand made by ABC against the Borrower for payment of the balance or any sums due to it hereunder or any step or proceeding for sale, disposal or otherwise taken in relation to the Asset(s).

p) ABC shall be entitled to appoint any Receiver, Agent, Manager or other person to exercise all or any of the powers hereby vested in ABC with reference to the security hereby created and shall be entitled to recover and receive from the Borrower the remuneration and/or charges of such Receiver, Agent, Manager or other person as aforesaid. ABC shall not be liable and shall be entitled to be indemnified and kept indemnified by the Borrower for and in respect of all acts, defaults, negligence or mistakes (whether arising in the casual course of business or otherwise) of any such Receiver, Agent, Manager or other person who shall be deemed to be the agent of the Borrower and all losses, damages, claims, demands, suits, proceedings, costs, charges and expenses sustained or made in respect thereof.

13. INSPECTION, ASSIGNMENT:

a) The Borrower shall permit inspection of all books of accounts and other records maintained by him in respect of the Loan to officers of the Lender. The Borrower shall also permit similar inspection by officers of such other companies, banks, institutions or bodies as Lender may approve and intimate to the Borrower.

b) The Lender shall have the right to create charge over the Vehicle in favour of any bank, institution or body by way of security for any refinance facility or any loan availed of by Lender from such bank, institution or body. Lender shall also have the right to transfer or assign the rights herein including but not limited to the hypothecation/pledge over the Vehicle in favour of any bank, institution or body in connection with any sale or transfer of the Loan by Lender to them.

c) The Lender shall have the authority to make available any information contained in the Loan Application Form and/or any document or paper or statement submitted to the Lender by or on behalf of the Borrower and/or pertaining or relating to the Borrower and/or the Loan including as to its repayment, conduct, to any rating or other agency or institution or body as Lender in its sole discretion may deem fit. The Lender shall also have the authority to seek and/or receive any information as it may deem fit in connection with the Loan and/or the Borrower from any source or person or entity to whom the Borrower hereby authorizes to furnish such information.

14. A) The Borrower hereby agrees and appoints ABC and its officers, employees and agents and authorized representatives to be its duly constituted attorneys for all or any of the following purposes, upon the occurrence of an event of default, namely:

i) To enter any place where any of the Hypothecated Assets may be and inspect and value them;

ii) To demand and receive all debts, sums of money, dividends, interest and other dues of whatever nature

iii) To take possession of the Hypothecated Assets and/or the documents relating thereto from whomsoever they may be in possession of including the contents thereof and to dispose them of immediately if they are dangerous and perishable in nature;

iv) To sell, dispose of the Hypothecated Assets for and on behalf of the Borrower and at the risk of the Borrower in all respects and to realise full or any part or portion of the sale proceeds thereof and sign and execute all contracts, declarations and instruments as may be necessary or expedient for giving delivery thereof

v) To appear before the office of Regional Transport Officer, Sales Tax Officer, Police Authorities or any other authorities through advocates or any authorized person deemed

necessary by ABC to effect endorsement of hypothecation in registration certificate and transfer of the Vehicle/Asset/Hypothecated Assets.

vi) To take all such steps as may be required for the recovery of any of the Hypothecated Assets, including the institution of any claim, suit, petition or other legal process and the signing and execution of all necessary vakalatnamas and documents for the said purpose and the compromising or settlement of such suit or action.

vii) To sign all papers, correspondence, vouchers, forms, applications, petitions, receipts, documents, deeds, indentures and writings that the Borrower would be bound to do under or in pursuance of these presents and / or the Loan for and behalf of the Borrower and to attend before the Regional Transport Officer, Sales Tax Officer, Police Authorities, Sub-Registrar of Assurances or any other relevant authority and admit execution thereof.

viii) Generally to do perform and execute or cause to be done performed and executed all acts deeds matters things and documents in all matters arising under or out of or concerning or touching these presents as the Borrower could itself do perform or execute.

ix) And for the better and more effectually doing effecting and performing the several matters and things aforesaid to appoint from time to time or generally such other persons bodies companies organizations or agencies as ABC may think fit as its substitute or substitutes to do execute and perform all or any such acts and things as aforesaid and such substitute or substitutes at pleasure to remove and to appoint other or others in his or their place. The Borrower agrees that the above powers may be exercised without any prior notice to the Borrower and further agrees to ratify and confirm all that ABC or any substitute or substitutes appointed by ABC may lawfully do or cause to be done in exercise of the aforesaid powers. The Borrower further agrees to give all assistance to ABC and its officers and authorized representatives for the purpose of exercising any of the powers here in above set out, including endorsing of documents, signing of papers and doing all such things as may be necessary to enable ABC and its officers to exercise all the powers hereby conferred. The Borrower further agrees that the aforesaid powers have been granted for valuable consideration and as such shall be irrevocable in nature till such time as any amounts remain due owing or payable under or in respect of or in pursuance of the said Loan and/or these presents.

15. DISCLOSURE

a) The Borrower hereby agrees as a pre-condition of the Loan given to the Borrower by the Lender that, in case the Borrower commits default in the repayment of the Loan or in the repayment of interest thereon or any of the agreed Instalment of the Loan on due date(s), the Lender and/or the Reserve Bank of India will have an unqualified right to disclose or publish the Borrower's name as defaulter in such manner and through such medium as the Lender or Reserve Bank of India in their absolute discretion may think fit. Accordingly, the Lender shall have the right to furnish and publish the name of the Borrower as defaulter to the Reserve Bank of India or other regulatory authority. Notwithstanding the above the Borrower understands that as a pre-condition relating to grant of the Loan to the Borrower the Lender requires the Borrower's consent for the disclosure by the Lender of information and data relating to the Borrower, of the credit facility availed of/to be availed by the Borrower, obligations assured/ to be assured by the Borrower in relation thereto and default, if any, committed by the Borrower in discharge thereof. Accordingly, the Borrower hereby agrees and gives consent for the disclosure by the Lender of all or any such

- i) information and data relating to the Borrower;
- ii) the information or data relating to any credit facility availed of/to be availed by the Borrower; and
- iii) default, if any, committed by the Borrower in discharge of such obligation as the Lender may deem appropriate and necessary to disclose and furnish to Credit Information Bureau (India) Limited and any other agency authorized in this behalf by Reserve Bank of India.

b) The Borrower further declares that the information and data furnished by the Borrower to the Lender are true and correct.

c) The Borrower also understands and agrees that:

- i) the Credit Information Bureau (India) Limited and any other agency so authorized may use, process the said information and data disclosed by the Lender in the manner as deemed fit by them; and ii) the Credit Information Bureau (India) Limited and any other agency so authorized may furnish for consideration the processed information and data or products thereof prepared by

them, to banks/financial institutions and other credit grantors or registered users, as may be specified by the Reserve Bank of India in this behalf.

d) The Lender may disclose to a potential assignee or to any person who may otherwise enter into contractual relations with the Lender in relation to this Agreement such information about the Borrower as the Lender may deem appropriate.

e) The Borrower confirms that the Lender may for the purposes of credit reference checks, verification, etc., disclose any information/documents relating to the Borrower under this Agreement to any third party.

f) The Borrower further authorizes the Lender to disclose such information/documents to Reserve Bank of India, Income Tax Authorities, Credit Bureau, third parties, Credit Rating Agencies, Databanks, corporates, other banks, financial institutions or any other Government or Regulatory Authorities, statutory authorities, quasi judicial authorities.

16. SECURITIZATION:

a) The Lender reserves the right to assign/sell/securitize the said Loan with or without security, if any, in any manner by transferring and/or assigning or otherwise all its right, title and interest which the Lender deems appropriate and the Borrower hereby expressly agrees that in that event, Lender is not required to obtain any permission or put the Borrower to any notice.

b) The Borrower shall be bound to accept any such securitization and any such sale, assignment, or transfer and the Borrower shall accept such other party(s) as creditors exclusively or as a joint creditor with the Lender, or as a creditor exclusively with the right to Lender to continue to exercise all powers hereunder on behalf of any such other party.

c) Any cost in this behalf, whether on account of such sale, assignment or transfer or enforcement of rights and recovery of outstanding and dues shall be to the account of the Borrower. The Borrower undertakes to pay to third parties the difference between the Loan outstanding and the amount received by the Lender in the event of transfer of the portfolio to a third party.

17. INDEMNIFICATION

a) The Borrower undertakes to indemnify and keep Lender and its officers/employees fully indemnified and harmless from and against all the consequences of breach of any of the terms, conditions, statements, undertakings representations and warranties of this Agreement as also of any of its representations or warranties not being found to be true at any point of time, including any actions, suits, claims, proceedings, damages, liabilities, losses, expenses or costs (hereinafter referred to as “Claims”) faced, suffered or incurred by the Lender. Borrower hereby accepts and acknowledges to have clearly agreed and understood that this indemnity would cover all acts and omissions on the part of the warranties and/or representations of the Borrower. Similarly, In the event of any claims being made on Lender, on account of any breach of warranty, representations, non-compliance of any applicable law, unauthorized act, fraud, deed or thing done or omitted to be done or undertaking made by Borrower or its employees, agents, being false, the Borrower undertakes to pay on first demand made by Lender of any amount on this account without any demur, reservation, contest, protest whatsoever within 7 working days of the demand being made.

b) The Borrower further covenants and undertakes to indemnify and keeps indemnified ABC against the loss of the Asset(s) by seizure by any person other than ABC for any reason whatsoever, or resulting from any form of legal process initiated by any person other than ABC as also against any loss caused to ABC by reason of damage to or destruction or loss or dispossession of the Asset(s) .

18. Cost: The Borrower shall pay on demand to ABC costs (between Attorney and Client) incurred by them or any of them in connection with the preparation, engrossment and stamping the counterparts in quintuplicate and execution of this Agreement and of any guarantee or other security executed contemporaneously herewith in connection with the said Loan hereby secured and of the registration of this security with the Registrar of Companies (If Borrower is a Company) and all other costs (between Attorney and Client), incurred or to be incurred by ABC or any of them in connection herewith or with the enforcement or attempted enforcement of the security hereby created or the protection of defence or perfection thereof or for the recovery of any moneys defense secure and of all suits and proceedings of whatsoever nature for the enforcement or realization of the security hereby created or the recovery of such moneys or

otherwise in connection herewith or in which ABC may be joined as a party or otherwise involved by reason of the existence of the security hereby created.

19. Nothing herein contained shall operate or be deemed to prejudice ABC's rights or remedies in respect of any present or future securities, guarantee, obligation or decree for any indebtedness or liability of the Borrower to ABC.

20. All other securities held by ABC on any other account or in respect of any other transaction on behalf of the Borrower shall be available in so far as the same shall not have been exhausted for the claims of ABC hereunder.

21. The security hereby created shall, subject to the rights of ABC hereunder, be available to ABC as security (collateral or otherwise) for all sums of money, accounts, debts, liabilities, present or future, conditional or contingent, whether matured or not, due by the Borrower to ABC whether singly or jointly with another or as Co-borrower /guarantor or in any other capacity or otherwise howsoever and for all claims, demands costs and charges of ABC against the Borrower on any account whatsoever.

22. ABC shall not in any way be responsible for loss or destruction of, or damage to Asset(s) occasioned by theft, pilferage, robbery, fire, riot, strike, civil commotion or otherwise howsoever, whatever may be the circumstances under which loss destruction or damage may arise including any act, omission, neglect or default of ABC or any of its servants or agents.

23. SERVICE OF NOTICE:

Any notice or request required or permitted to be given or made under this Agreement to Lender or to the Borrower shall be given in writing. Such notice or request shall be deemed to have been duly given or made when it shall be delivered by hand, mail or telegram to the party to which it is required or permitted to be given or made at such party's address specified below or at such other address as such party shall have designated by notice to the party giving such notice or making such request.

To the Lender: At the address of the Lender mentioned in the Schedule.

To the Borrower: address stated in the Schedule.

24. MISCELLANEOUS

- i) In case of default, ABC has the right to recall the Loan and to repossess the Vehicle and / or to demand the Borrower to surrender the Asset(s) and the Borrower shall forthwith comply with the same. In the absence of the Borrower failing to comply with the same, the Borrower is liable for criminal misappropriation, criminal breach of trust and such other civil and criminal consequences and proceedings without prejudice to ABC's other rights and remedies.
- ii) ABC has right to demand or ask the Borrower to produce the Asset(s) for inspection at any time at their office or at any other designated place and the Borrower shall forthwith comply with the same. In the absence of the Borrower failing to comply with the same, the Borrower shall render himself liable for criminal misappropriation, criminal breach of trust and such other civil and criminal consequences and proceedings without prejudice to ABC's other rights and remedies.
- iii) If the Borrower or his group or family or Co-borrower, etc have more than one agreement with or have availed any other facility from the ABC of whatsoever kind and if in any of the contracts or agreements, they have committed any breach or default, then ABC has the right of lien and right to hold on to the security of all the assets under all the agreements even if in any of the agreements, the Borrower has paid off all the dues and/or the Asset(s) has become free from any charge under such Loan facility.
- iv) ABC has the exclusive right and sole discretion to appropriate all amounts received from the Borrower towards any of the agreements that the Borrower has entered into either in his own name or in the name of his family members or group notwithstanding the Borrower requests the ABC to appropriate the money to a particular agreement.
- v) The Borrower agrees that when payments are made by the ABC directly to the dealers (as approved by ABC in its sole discretion which is final and conclusive and binding on the Borrower) and if the Asset(s) is not delivered within a period of 30 days, then unless permitted in writing by ABC, the Borrower is liable to repay the amount back to the ABC with interest at 2% p.m. immediately on the expiry of 30 days from the date of disbursement of the Loan.

vi) ABC shall have the right to part with details pertaining to the Loan, transaction and/or the Borrower/Guarantor to such agencies as may be required including Reserve Bank of India, government authorities, rating agencies, credit rating bureaus, collection agencies, repossession agencies and such other agencies as may be required from time to time.

vii) ABC has the right to and is hereby authorized to debit the Borrower's account with the actual amount of or an approximate amount where measuring such expenses accurately is not feasible and to collect all expenses that the ABC incurs in following up with the Borrower for payments including personal visits, agency charges, other out of pocket expenses etc.

viii) The Borrower agrees that all taxes and duties arising from the Loan or the transaction of whatsoever nature, present or future etc, state or central should be borne by the Borrower.

ix) That the terms and conditions and all the covenants and details of the Schedule hereto shall be read and construed as part and parcel of these presents.

x) That the terms and conditions of this Agreement shall be binding on the legal representatives, heirs, executors, administrators, successors and assigns of the Borrower and on the successors and assigns of the Lender.

xi) That the Borrower has read and understood this Agreement and in the event that the Borrower is illiterate and/or cannot read English language, the terms and conditions of this Agreement have been read over, translated and explained in detail in the vernacular language to the Borrower.

xii) This Agreement shall become binding on the Borrower and the Lender on and from the date of execution hereof. It shall be in full force till the Loan is fully Amortized/repaid and any other moneys due and payable to the Lender under this Agreement as well as all other agreements, documents which may be subsisting/ executed hereafter between the Borrower and the Lender is fully paid.

xiii) Waiver/Forbearance: Any waiver of forbearance or delay on the part of ABC to insist upon the performance of any terms and conditions of this Agreement, or to exercise any right or privilege conferred in this Agreement, or to demand any penalties resulting from any breach of any of the terms or conditions of this Agreement shall not be construed as a waiver on the part of

ABC of any of the terms or conditions of this Agreement or of any of its rights or privileges or of any other default on the part of the Borrower, and all original rights and powers of ABC under this Agreement will remain in full force, notwithstanding any such forbearance or delay.

xiv) Partial Invalidity: If at any time provision hereof is or becomes illegal, invalid or unenforceable under the law, neither the legality, validity or enforceability of the remaining provisions hereof nor the legality, validity or enforceability of other provisions shall in any way be affected or impaired thereby.

xv) Overriding Effect: This Agreement and any other documents attached hereto or referred to herein, integrate all the terms and conditions mentioned herein or incidental hereto and supersedes all oral negotiations and prior writings in respect of the subject matter hereof, except for those provisions of the Agreement, Letter of Sanction, security documents issued or executed prior to this Agreement which are in addition to and complement to, and are not the same or in conflict with, the terms of this Agreement. In the event of any conflict between the terms, conditions and provisions of this Agreement and any other agreements or documents attached hereto or referred to herein, then in such event, the terms, conditions and provisions of this Agreement shall prevail.

xvi) Arbitration: In the event of any dispute or differences arising under this Agreement including any dispute as to any amount outstanding, the real meaning or purport hereof ("Dispute"), such Dispute shall be finally resolved by arbitration. Such arbitration shall be conducted in accordance with the provisions of the Indian Arbitration and Conciliation Act, 1996 or any amendment or re-enactment thereof by a single arbitrator to be appointed by the Lender. The venue of arbitration shall be at as decided by the Lender and the arbitration shall be conducted in English language.

xvii) Governing Laws and Jurisdiction: That this Agreement shall be governed by the laws of India and the courts of _____ (state) alone shall have exclusive jurisdiction in respect of any matter, claim or dispute arising out of or in any way relating to these presents or to anything to be done pursuant to these presents or in regard to interpretation of these presents or of any clause or provision thereof. This shall not, however, limit the rights of ABC to take proceedings in any other court of competent jurisdiction including, but not limited to, the courts of Mumbai.

IN WITNESS WHEREOF the Parties have executed this Agreement on the day and the year first hereinabove written,

SIGNED AND DELIVERED)

by the withinnamed Borrower]

_____]

_____]

as Sole Proprietor/ Proprietress of M/s _____]

[To be used in case the Borrower is a Proprietorship Concern]

SIGNED AND DELIVERED]

by the withinnamed Borrower]

_____]

_____]

[To be used in case the Borrower is an Individual]

SIGNED AND DELIVERED]

By the withinnamed Borrower _____]

in his capacity as karta of _____ HUF]

[To be used in case the Guarantor is a Karta of HUF]

SIGNED AND DELIVERED]

by the withinnamed Borrower]

1) _____]

2) _____]

for and on behalf of M/s _____]

[To be used in case the Borrower is a Partnership firm]

THE COMMON SEAL of the abovementioned Borrower has been]

hereunto affixed pursuant to the Resolution of its Board of Directors

passed in that behalf on the _____ day of _____ 20 ____]

in the presence of]

1. _____]

2. _____]

Director(s)/ Secretary of the Company who have in token thereof]

hereunto subscribed their respective signatures.]

[To be used in case the Borrower is a Company]

SIGNED, SEALED AND DELIVERED]

by the withinnamed Borrower _____,]

through its authorised signatory _____]

_____]

pursuant to the Resolution passed at its Meeting held on _____]

In the presence of _____]

1. _____]

2. _____]

who have executed THESE PRESENTS]

[To be used in case the Borrower is a Society]

SIGNED AND DELIVERED]

by the withinnamed Co-Borrower]

_____]

_____]

_____]

SIGNED SEALED AND DELIVERED BY]

The Lender ABC]

Through its authorized signatory]

_____]

16.2. HYPOTHECATION DEED

(For purchase of machinery)

THIS DEED OF HYPOTHECATION executed at _____ on this _____ day of _____

Between

Mr. _____, son of _____, aged about _____ years, residing at _____, hereinafter called the CREDITOR (which expression shall, unless it is repugnant to the context mean and include his legal representatives, executors, administrators, and assigns)

And

Mr. _____, son of _____, aged about _____ years, residing at _____, hereinafter called the BORROWER (which expression

shall, unless it is repugnant to the context mean and include his legal representatives, executors, administrators and assigns);

WHEREAS

The BORROWER has placed an order for the purchase of machinery namely_____, {valued at Rs._____ (Rupees _____), (Details of the same are set out in the schedule 'A' hereunder) (hereinafter referred to as the asset), with the _____, namely _____, having its office at _____, and has remitted an amount of Rs._____(Rupees _____only}, with the said _____ as advance towards the sale consideration.

The BORROWER has approached the CREDITOR for a loan of Rs._____, (Rupees _____only), for the payment of the balance price of the schedule 'A' mentioned asset. The CREDITOR and BORROWER have agreed that the CREDITOR shall finance the purchase of the schedule 'A' mentioned asset, on the condition that the BORROWER hypothecates the schedule mentioned asset with the CREDITOR as security for the due repayment of the said loan. The parties have agreed to reduce their agreement to writing.

NOW THEREFORE IN CONSIDERATION OF THE MUTUAL OBLIGATIONS AND UNDERTAKINGS CONTAINED HEREIN THIS AGREEMENT WITNESSETH AS FOLLOWS:

A. Payment by the CREDITOR

The CREDITOR shall pay to the said manufacturer, on behalf of the BORROWER, a sum of Rs. _____/-, (Rupees _____), towards the balance price of the said asset and shall retain possession of the original invoice of the said asset till the debt is fully discharged by the BORROWER.

B. Hypothecation

The BORROWER hereby hypothecates and creates a charge on the asset more fully described in the schedule 'A' hereunder to and in favour of the CREDITOR as security for the repayment of the loan with interest.

C. Obligations of the BORROWER

The BORROWER hereby undertakes to repay the loan amount within a period of _____ months commencing from _____ along with interest. The BORROWER shall pay interest at the rate of ____ percent per month on the principal, at Rs. _____/-, (Rupees _____ only). The Interest and principal are payable in monthly installments as per Schedule-B hereto.

D. Rights of the CREDITOR

If the BORROWER defaults in payment of the amount as per Schedule-B hereto, then such defaulted installment will carry interest as if the defaulted installment is the principal, until it is paid. If the BORROWER fails to pay any of the installments then the CREDITOR shall be entitled to claim the principal and interest amount due, and the same shall become payable forthwith, on the CREDITOR calling upon the BORROWER to make payment of such defaulted principal amount.

The BORROWER shall not remove or take the said asset, outside the State without prior intimation to the CREDITOR.

The BORROWER agrees and undertakes to insure the asset against all hazards, and shall produce the relevant receipts, and other documents, whenever called upon by the CREDITOR so to do.

Any dispute arising under this Deed or any matter incidental thereto, shall be submitted to arbitration as per the provisions of the Arbitration and Conciliation Act 1996 and the venue of the arbitration shall be at _____.

IN WITNESS WHEREOF the parties hereto affix their signatures on the day month and year mentioned hereinabove.

SCHEDULE 'A'

(Details of the Asset)

SCHEDULE-B

(Payment schedule)

CREDITOR

BORROWER

WITNESSES

1.

2.

16.3. BANK GUARANTEE

1. KNOW ALL MEN BY THESE PRESENTS THAT in consideration _____ a company constituted and established under the Companies Act, 1956 and having its Head Office at _____ (hereinafter called “The Company”) have agreed to accept from M/s_____ (Name of the firm) having its registered/Head office at _____ (hereinafter called “The Contractor”) a bank guarantee for Rs_____ (Rupees_____) only in lieu of cash Security Deposit for the due fulfilment by the Contractor of the terms and conditions of the *Letter of Intent/Letter of Acceptance/Purchase Order” No _____ issued by the company for _____ (Description & Name of work) (hereinafter called the Letter of Intent/Letter of Acceptance/Purchase Order).

We _____ (Name of & address of Bank) (hereinafter called the guarantor) do hereby undertake to indemnify and keep indemnified the Company to the extent of Rs_____ (Rupees_____) only against any loss or damage caused to or suffered by the Company or reason of any breach by the Contractor of any of the terms and conditions contained

in the said Letter of Intent/Letter of Acceptance/Purchase Order of which breach the opinion of Company shall be final and conclusive.

2 And we, _____ (Name & address of Bank) do hereby guarantee and undertake to pay forthwith on demand to the Company such sum not exceeding the said sum of Rs_____ (Rupees _____) only as may be specified in such demand, in the event of contractor failing or neglecting to execute fully efficiently and satisfactorily the order for _____ (Name of work) within the period stipulated in the said Letter of Intent/Letter of Acceptance/Purchase Order in accordance with the terms and conditions contained or referred to in the said Letter of Intent/Letter of Acceptance/Purchase Order in the event of the Contractor refusing or neglecting to maintain satisfactory operation of the equipment or work or to make good any defect therein or otherwise to comply with and conform to the design, specification, terms and conditions contained or referred to in the said Letter of Intent/Letter of Acceptance/Purchase Order.

3. We, _____ (Name of Bank) further agree that the guarantee herein contained shall remain in full force and effect during the period that would be taken for performance of the said order as laid down in the Letter of Intent/Letter of Acceptance/Purchase Order including the warranty obligation and that it shall continue to be enforceable till all the dues of the Company under or by virtue of the Letter of Intent/Letter of Acceptance/Purchase Order have been fully paid and its claim satisfied or discharged or till the Company or its authorized representative certifies that the terms and conditions for the Letter of Intent/Letter of Acceptance/Purchase Order have been fully and properly carried out by the said Contractor and accordingly discharge the guarantee.

4. We the guarantor undertake to extent the validity of the Bank Guarantee at the request of the Contractor for further period or periods from time to time beyond its present validity period failing which we shall pay the Company the amount of Guarantee.

5. The liability under this guarantee is restricted to Rs_____ (Rupees _____) only and will expire on _____ and unless a demand or claim in writing is presented within 6 (six) months from _____ all the rights will be forfeited and the bank shall be relieved of and discharged from all our liabilities thereunder.

6. The guarantee herein contained shall not be determined or effected by liquidation or winding up or insolvency or closure of the Contract.

7. The executant has the power to issue this guarantee on behalf of guarantor and holds full and valid Power of Attorney having no _____ dated _____ granted in his favour by the guarantor authorizing him to execute the guarantee.

8. Notwithstanding anything contained herein above, our liabilities under this guarantee is restricted to Rs _____ (Rupees _____) only and our guarantee shall remain in force upto _____ and unless a demand or claim under the guarantee is made on us in writing on or before _____ All your rights under the guarantee shall be forfeited and we shall be relieved and discharged from all liabilities thereunder.

We, _____ (Name of the Bank) lastly undertake not to revoke this guarantee during the currency except with the previous consent of the Company in writing.

In witness whereof, we, _____ (Name of Bank) have set and subscribed our hand and seal on this _____ day of _____.

For & on behalf of the Bank

Witness

1. Signature

Name

Full Address

2. Signature

Name

Full Address

16.4. PROMISSORY NOTE

Section 4 of the Negotiable Instruments Act, 1881 defines a promissory note as ‘an instrument in writing (not being a bank note or a currency note) containing an unconditional undertaking, signed by the maker, to pay a certain sum of money only to or to the order of a certain person or to the bearer of the instrument’. In short it is called ‘Pronote’.

Given under are model promissory notes.

Promissory Note where no interest is contemplated and no time for payment is mentioned

I, _____ son of _____ promise to pay _____, son of _____ of _____ or order, the sum of Rs. _____ (Rupees _____ only).

_____ (place)

(Stamp)

Signature

Dated _____

Witness:

1.

2.

Promissory Note made by Joint Promisors

We, _____ son of _____ and _____ son of _____ acknowledges ourselves to be indebted to _____, Rs. _____ (Rupees _____ only) to be paid on demand for value received.

_____ (place)

(Stamp)

Signatures

1.

2.

Dated _____

Witness:

1.

2.

Promissory Note providing for interest

I, _____ son of _____, promise to pay _____, son of _____, or order, on demand, the sum of Rs. _____ (Rupees _____ only) with interest at the rate of _____ % per annum from the date of these presents, for value received.

_____ (place)

(Stamp)

Signatures

Dated _____

Witness:

1.

2.

16.5. PERSONAL GUARANTEE

THIS DEED OF GUARANTEE executed at _____ on this ____ day of _____20____by:

(1)_____,S/o_____R/o _____; (hereinafter collectively referred to as 'the Guarantors' which expression shall, unless it be repugnant to the subject or context thereof, include their respective heirs, executors and administrators).

IN FAVOUR OF _____, a Company incorporated under the Companies Act, 1956 and having its Registered Office at _____ (hereinafter referred to as 'the Lenders' which expression shall, unless it be repugnant to the subject or context thereof, include its successors and assigns.)

WHEREAS

1) _____ a Company within the meaning of the Companies Act, 1956 and having its Registered Office at _____ (hereinafter referred to as 'the Borrower') has requested the Lenders to lend and advance to it Term Loan amounting to Rs _____ (Rupees _____only) for its project envisaging setting up _____ in the State of _____.

2) The Lenders have agreed in principle to lend and advance to the Borrower sum mentioned against their name in the Schedule hereto amounting to Rs. _____ (hereinafter referred to as 'the Loan') on the terms and conditions contained in the Loan Agreement dated _____ entered into between the Borrower and the Lenders (hereinafter referred to as 'the Loan Agreement').

3) At the request of the Guarantors the Lenders have agreed to make to the Borrower, disbursement(s)/interim disbursement(s) from out of the Loan.

NOW THIS DEED WITNESSETH AS FOLLOWS

In consideration of the premises, the Guarantors hereby jointly and severally and unconditionally, absolutely and irrevocably guarantee to and agree with the Lenders as follows:

1. The Lenders shall have the sole discretion -

(a) to make disbursement(s) and/or interim disbursement(s) to the Borrower from out of the Loan and / or

(b) to lend and advance to the Borrower Bridge Loans, at such time, on such conditions and in such manner as the Lenders may decide.

2. The Borrower shall duly and punctually repay the Loan together with all interest, additional interest, liquidated damages, Front-end fees and other monies in accordance with the Loan Agreement and perform and comply with all the other terms, conditions and covenants contained in the Loan Agreement.

3. In the event of any default on the part of the Borrower in payment/repayment of any of the monies referred to above, or in the event of any default on the part of the Borrower to comply with or perform any of the terms, conditions and covenants contained in the Loan Agreement the Guarantors shall, upon demand, forthwith pay to the Lenders without demur all the amounts payable by the Borrower under the Loan Agreement.

4. The Guarantors shall also indemnify and keep the Lenders indemnified against all losses, damages costs, claims and expenses whatsoever which the Lenders may suffer, pay or incur by reason of or in connection with any such default on the part of the Borrower including legal proceedings taken against the Borrower and/or the Guarantors for recovery of the moneys referred to in Clause 2 above.

5. The Guarantors hereby agree that, without the concurrence of the Guarantors, the Borrower and the Lenders shall be at liberty to vary, alter or modify the terms and conditions of the Loan Agreement and of the security created and of the security documents executed by the Borrower in favour of the Lenders and in particular to defer, postpone or revise the repayment of the Loans or payment of interest and other monies payable by the Borrower to the Lenders on such terms and conditions as may be considered necessary by the Lenders including any increase in the rate of interest. The Lenders shall also be at liberty to absolutely dispense with or release all or any of the security/ securities furnished or required to be furnished by the Borrower to the Lenders to secure the Loan. The Guarantors agree that the liability under this Guarantee shall in no manner be affected by any such variations, alterations, modifications, waiver, dispensation with or release of security and that no further consent of the Guarantors is required for giving effect to any such variation, alteration, modification, waiver, dispensation with, or release of security.

6. The Lenders shall have full liberty, without notice to the Guarantors and without in any way affecting this guarantee, to exercise at any time and in any manner any power or powers reserved to the Lenders under the Loan Agreement to enforce or forbear to enforce payment of the Loan or any part thereof or interest or other monies due to the Lenders from the Borrower or any of the remedies or securities available to the Lenders, to enter into any composition or compound with or to grant time or any other indulgence or facility to the Borrower AND the Guarantors shall not be released by the exercise by the Lenders of their liberty in regard to the matters referred to above or by any act or omission on the part of the Lenders or by any other matter or thing whatsoever which under the law relating to sureties would but for this provision have the effect of so releasing the Guarantors AND the Guarantors hereby waive in favour of the Lenders so far as may be necessary to give effect to any of the provisions of this Guarantee, all the surety ship and other rights which the Guarantors might otherwise be entitled to enforce.

7. This Guarantee shall be enforceable against the Guarantors notwithstanding that any security or securities comprised in any instrument(s) executed or to be executed by the Borrower in favour of the Lenders shall, at the time when the proceedings are taken against the Guarantors on this Guarantee, be outstanding or unrealised or lost.

8. The Guarantors hereby agree and give consent to the sale, mortgage on prior pari-passu or second charge basis, release etc. of any of the assets by the Borrower from time to time as may be approved by the Lenders or the transfer of any of the assets of the Borrower from one unit to the other or to the release or leasing out by the Lenders any or whole of the assets charged to the Lenders on such terms and conditions as the Lenders may deem fit and this may be treated as a standing and continuing consent for each and every individual act of transfer, mortgage, release or lease of any of such assets of the Borrower. The Guarantors hereby declare and agree that no separate consent for each such transfer, mortgage, release or lease of any of such assets would be necessary in future.

9. The Guarantors hereby agree and declare that the Borrower will be free to avail of further loans or other facilities from the Lenders or any other financial institution or bank in addition to the Loan or to secure the same during the subsistence of this guarantee and in that event the guarantee herein contained will not be affected or vitiated in any way whatsoever but will remain in full force and effect and binding on the Guarantors.

10. The rights of the Lenders against the Guarantors shall remain in full force and effect notwithstanding any arrangement which may be reached between the Lenders and the other Guarantor(s), if any, or notwithstanding the release of that other or others from liability and notwithstanding that any time hereafter the other Guarantor/s may cease for any reason whatsoever to be liable to the Lenders, the Lenders shall be at liberty to require the performance by the Guarantors of their obligations hereunder to the same extent in all respects as if the Guarantors had at all times been solely liable to perform the said obligations.

11. To give effect to this Guarantee, the Lenders may act as though the Guarantors were the principal debtors to the Lenders.

12. The Guarantors hereby declare and agree that they have not received and shall not, without the prior consent in writing of the Lenders receive any security or commission from the Borrower for giving this guarantee so long any monies remain due and payable by the Borrower to the Lenders under the Loan Agreement.

13. The Guarantors shall not in the event of the liquidation of the Borrower prove in competition with the Lenders in the liquidation proceedings.

14. A certificate in writing signed by a duly authorised official of the Lenders shall be conclusive evidence against the Guarantors of the amount for the time being due to the Lenders from the Borrower in any action or proceeding brought on this Guarantee against the Guarantors.

15. This Guarantee shall not be wholly or partially satisfied or exhausted by any payments made to or settled with the Lenders by the Borrower and shall be valid and binding on the Guarantors and operative until repayment in full of all monies due to the Lenders under the Loan Agreement.

16. This Guarantee shall be irrevocable and the obligations of the Guarantors hereunder shall not be conditional on the receipt of any prior notice by the Guarantors or by the Borrower and the demand or notice by the Lenders, as provided in Clause 20 hereof shall be sufficient notice to or demand on the Guarantors.

17. The liability of the Guarantors under this Guarantee shall not be affected by:-

(a) any change in the constitution or winding up of the Borrower or any absorption, merger or amalgamation of the Borrower with any other company, corporation or concern; or

(b) any change in the management of the Borrower or takeover of the management of the Borrower by Central or State Government or by any other authority; or

(c) acquisition or nationalization of the Borrower and / or of any of its undertaking(s) pursuant to any law; or

(d) any change in the constitution of the Lenders; or

(e) the insolvency or death of the Guarantors or any of them.

18. This Guarantee shall be a continuing one and shall remain in full force and effect till such time the Borrower repays in full the Loan together with all interest, liquidated damages, Front-end fees, costs, charges and all other monies that may from time to time become due and payable and remain unpaid to the Lenders under the Loan Agreement.

19. The liability of the Guarantors hereunder shall not exceed the sum of Rs. _____ (Rupees _____ only) plus all interest, liquidated damages, Front-end fees, costs, charges and other monies payable by the Borrower to the Lenders under the Loan Agreement.

20. Any demand for payment or notice under this Guarantee shall be sufficiently given if sent by Regd. Post/Courier to or left at the last known address of the Guarantors or their respective personal representative/s, as the case may be, such demand or notice is to be made or given, and shall be assumed to have reached the addressee in the course of post, if given by post and no period of limitation shall commence to run in favour of the Guarantors until after demand for payment in writing shall have been made or given as aforesaid and in proving such notice when sent by post it shall be sufficiently proved that the envelope containing the notice was posted and a certificate by any of the responsible officers of the Lender that to the best of his knowledge and belief, the envelope containing the said notice was so posted shall be conclusive as against the Guarantors even though it was returned unserved on account of refusal of the Guarantors or otherwise.

IN WITNESS WHEREOF the Guarantors have hereunto set their respective hands on the day, month and year first hereinabove written.

THE SCHEDULE-I:

(Particulars of Loan)

SIGNED AND DELIVERED by the within named

Lenders

16.6. LOAN AGREEMENT WITH BANK

This agreement is made the.....day of.....in the year.....between the..... Bank Ltd., a banking company with its registered office at (hereinafter called the bank) of the one part and son of..... residing at..... and doing business under the name and style of at hereinafter called the borrower of the other part.

Whereas the bank through its branch at has at the request of the borrower consented to grant him financial adjustment against his said trade and for that purpose to allow him overdraft facilities through a cash credit account in the name of up to the maximum limit of Rs.....

Now it is hereby consented by and between the parties as follows:

1. The bank shall adjust the borrower from time to time against his said business by overdraft as and when needed by the borrower up to a maximum limit of Rupees only including all interest and other charges, but nevertheless the liability of borrower shall not be recessed to above maximum amount, if borrowings including interest and other costs, charges and expenditures exceed the aforesaid consented limit.
2. The borrower shall pay interest on the said loan or advance at the rate of..... percent on daily balance of said account which shall be debited in his said account on the last working day of each month and forming part of principal and carrying interest at said rate. If above stated limit is not availed of by borrower for any reason whatsoever there remains a credit balance favoring the borrower, the borrower shall however remain liable for paying interest at the specified rate on Rs.....
3. That account in books of bank shall be final against borrower of the amount or amounts of the bank. In addition to fix interest the borrower shall paying to the bank the following other charges also:

(i) usual incidental charges every six months;

(ii) usual commissions on other services, i.e. out station cheques, drafts, etc. with other usual;
and

(iii) Customary charges.

4. The Property situated at bearing number..... is hereby mortgaged with bank for the purpose of security against this loan. The whole loan is also to be granted by the borrower in its person capacity.

5. This agreement shall be enforceable for a period of one year from the date hereof, unless otherwise increased or terminated by the bank. The borrower has to apply for renewal one month in advance before the termination of this agreement.

6. On expiry of the period stated in Para 5 above or at any moment later or earlier, the borrower shall pay or cause to be paid to the bank as per demand, the balance then outstanding as owing to the bank as per said cash credit account (including interest and all other charges and expenses) as appearing from the books of the bank which the borrower has agreed to accept as sufficient and conclusive evidence as against him of the amount due from him and in the event of the said demand being neglected and/or not complied with, the bank shall realise the amount or amounts due through civil process along with all expenses and charges actually incurred.

IN WITNESS WHEREOF, the parties have set their hands this _____ day of _____.

BORROWER

BANK MANAGER

WITNESSES:-

16.7. COMPOSITION DEED WITH CREDITORS

(Composition Deed, is an instrument executed by a debtor, whereby he conveys his property for the benefit of his creditors, or where payment of a composition or dividend on their debts is secured to the creditors, or where provision is made for the continuance of the debtor's business, under the supervision of inspectors or under letters of licence, for the benefit of his creditors.)

This Deed of Composition is made on this ____ day of ____

Between

_____, S/o._____, R/o _____ (hereinafter called "the Debtor" which expression shall unless contrary to the context include his successors, legal representative and assigns) of the first part;

And

_____, S/o _____, R/o_____ (hereinafter called "the Trustee" which expression shall unless contrary to the context include his successors, legal representative and assigns) of the second part;

And

All the several persons, firms and companies, being the Creditors of the Debtor, whose names and seal signed and affixed hereunder and the amount of debt owed to them is given in Annexure A to this document (hereinafter called "the Creditors" which expression shall unless contrary to the context include their successors, legal representative, heirs and assigns as the case may be) of the third part:

Whereas

1. The Debtor is indebted to the Creditors to amounts as given in Annexure A hereto.
2. The Debtor is unable to pay the Creditors their debts in full and hence has proposed to pay to the Trustee a sum of Rs._____ to be distributed among the Creditors in proportion to their

debts respectively and that such sum may be received by the Creditors in full discharge of their respective debts and claims against the Debtor.

3. The Creditors have agreed to accept the offer of the Debtor and to take the said composition in fully discharging to their concerned debts and in consideration thereof, to grant to the Debtor the release hereinafter contained.

Now this deed witnesseth as follows:

1. The Debtor hereby agrees with the Trustee and the Creditors that the Debtor, shall within a period of three months from the date of execution of this deed pay or cause to be paid to the Trustee the sum of Rs. _____.

2. The Trustee in trust shall hold the said sum for the purpose as hereinafter stated.

3. The Trustee shall possess the said sum of Rs. _____ on trust to distribute the same among the Creditors whose names are given in Annexure A hereto in proportion to their debts.

4. In pursuing further pursuance the said agreement and in consideration of the premises the Creditors hereby jointly and severally release and discharge Debtor, from all debts owed by him to the Creditors.

5. The Creditors further discharge and release the Debtor from all actions, claims or demands or any of them against the Debtor in concerning the debt as owned.

6. If the Debtor fail to pay or caused to be paid to the Trustee the said sum of Rs. _____, within the fix time, the release of the debts by the Creditors as aforesaid shall be nullity.

7. In case the Debtor is adjudicated insolvent prior payment of the whole of the said sum, in that case also the release of the said debts hereinbefore contained null and void and ineffective. In this eventuality the Creditors and each of them shall be free to exercise all such rights and remedies they would have been entitled to, had this deed not been executed.

8. The release hereinbefore contained is only concerning the Debtor and shall no case prejudice

the rights of the Creditors or any of them against parties other than the Debtor, and the Creditors hereby expressly reserve all the rights and remedies against any such party or parties.

9. If any controversies shall emerge concerning any matter or things done under the foregoing enactments or otherwise in this deed the same shall, if the parties do not agree, be referred to the arbitration of _____. The decision of the arbitrator shall be conclusive and bind the parties.

IN WITNESS WHEREOF, the parties to this deed have signed on the day and year above mentioned.

Annexure A

S. No.	Name and Address of the Creditor	Amount of Debt Due (in Rs.)
--------	----------------------------------	-----------------------------

1. The Debtor

2. The Trustee

Witnesses:

17. LABOUR / EMPLOYMENT AGREEMENT

Employment agreement is an agreement that is entered into between two parties, i.e. the employer and employee. It is a document that describes the responsibilities and duties expected of an employee. It also describes the profile of the job and the title. The document ensures that the employee knows his place in the organisation and what is expected of him. Employment agreements should be created in a way that is just and fair for all the employees. If this is followed, employees will do their tasks and responsibilities well and without any negative emotions toward their employers. Usually employment contracts contain only vague references to the "policies and procedures to which the employee will be bound". The employer should provide the employee with all of the company policies and other documents that relate to the contract or are referred to in the contract.

Following are the usual contents of an employment agreement:

- 1) Name of the parties involved
- 2) Starting date of employment
- 3) Title and description of the job
- 4) Location of work
- 5) Hours of work
- 6) Probationary period
- 7) Salary
- 8) Restrictive terms
- 9) Holidays
- 10) Other information like deductions, permissible expenses, notice period etc.

17.1. EMPLOYMENT AGREEMENT

Certain important issues that need to be taken care of before finalizing the employment agreement are given hereunder:

- Identify the long term requirement of employees.

- Identify the workmen and employees not covered under definition of workmen, respectively.
- Local laws of the State should be borne in mind while drawing up the contracts.
- Issue appointment letters which clearly define the employment terms and conditions.
- Employment contracts, where necessary, should be put in place with clauses for wages, benefits, non-compete, confidentiality, term, termination etc.
- Depending on the requirement, use fixed term contracts for workmen.
- The terms and conditions of the employment should be clearly explained to employees before execution and should be drafted without any ambiguity.

Specimen format of Employment Agreement

AGREEMENT FOR EMPLOYMENT

An AGREEMENT made on this ----- day of ----- BETWEEN -----represented by its Managing Director ----- (hereinafter called the ‘Employer’ of the One Part and ----- (hereinafter called the “Employee” of the Other Part.

1. The Employer is engaged in the business of ----- and maintains business premises at -----.
2. The employer wants to appoint a suitable person to work as ----- for his business concern;
3. The Employee, the party of the Other Part, has agreed to serve as ----- for the business concern on the terms and conditions hereinafter set forth.

NOW this agreement witnesseth and the parties hereto and hereby agree as follows:

1. AGREEMENT TO EMPLOY AND BE EMPLOYED

The Employer hereby employs the Employee as----- at ----- and the Employee hereby accepts and agrees to such employment.

2. DESCRIPTION OF EMPLOYEE'S DUTIES

Subject to the supervision and pursuant to the orders, advice, and direction of the Employer, the Employee shall perform such duties as are customarily performed by one holding such position in business concern. The Employee shall additionally render such other and unrelated services and duties as may be assigned to him from time to time by employer

3. MANNER OF PERFORMANCE OF EMPLOYEE'S DUTIES

The Employee shall at all times faithfully, industriously, and to the best of his/her ability, experience, and talent, perform all duties that may be required of and from him/her pursuant to the express and implicit terms hereof, to the reasonable satisfaction of employer. Such duties shall be rendered at the abovementioned premises and at such other place or places as employer shall in good faith require or as the interests, needs, business, and opportunities of employer shall require or make advisable.

4. DURATION OF EMPLOYMENT

The term of employment shall commence on ----- and continue till such date the Employee works in the business concern subject, however, to prior termination as provided in Clause 9 hereof or by resignation by the Employee. In case of resignation, the Employee shall give one month prior notice to the Employer and on failure to do so, shall forego his salary for the notice period.

5. REMUNERATION

The Employer shall pay a salary of ----- to the Employee for the services rendered to the business concern. The details of the salary are mentioned in Annexure A of the document. In addition to the foregoing, the employer shall also reimburse the expenses incurred by the Employee while travelling for and on behalf of the Employer pursuant to the employer's direction.

6. EMPLOYEE'S LOYALTY TO EMPLOYER'S INTEREST

The Employee shall devote all his time, attention, knowledge, and skill solely and exclusively to the business and interests of the Employer, and the Employer shall be entitled to all benefits, emoluments, profits, or other issues arising from or incident to any and all work, services, and advice of the Employee. The Employee expressly agrees that during the term hereof he will not be interested, directly or indirectly, in any form, or manner, as partner, officer, director, stockholder, advisor, employee, or in any other form or capacity, in any other business similar to the employer's business or any allied trade, except that nothing herein contained shall be deemed to prevent or limit the right of employee to invest any of his surplus funds in the capital stock or other securities of any corporation whose stock or securities are publicly owned or are regularly traded on any public exchange.

7. NON-DISCLOSURE OF BUSINESS INFORMATION

The Employee will not at any time, in any form or manner, either directly or indirectly divulge, disclose, or communicate to any person, firm, or corporation in any manner whatsoever any information of any kind, nature, or description concerning any matters affecting or relating to the business of employer, including, without limitation, the names of any its customers, the prices it obtains or has obtained, or at which it sells or has sold its products, or any other information concerning the business of employer, its manner of operation, or its plans, processes, or other data of any kind, nature, or description without regard to whether any or all of the foregoing matters would be deemed confidential, material, or important.

The parties hereby stipulate that, as between them, the foregoing matters are important, material, and confidential, and gravely affect the effective and successful conduct of the business of employer, and its good will, and that any breach of the terms of this section is a material breach of this agreement.

8. LEAVE

The Employee will be entitled for one day leave for a completed month of service. Apart from this the employee will also be entitled to medical leave of 15 days in a year subject to submission of medical certificate in case the medical leave period exceeds three days.

9. TERMINATION OF SERVICE

- i. The Employer shall terminate the services of the Employee without any previous notice, if the employer is satisfied based on medical evidence that the employee is unfit and is likely for considerable period to continue to be unfit by reason of ill health for discharge of his/her duties.
- ii. The Employer shall terminate the services of the Employee without any previous notice, if the Employee is found guilty of any in-subordination, intemperance, moral turpitude or other misconduct or of any breach or non performance of any of the provisions of these conditions, or if otherwise found unsuitable for the efficient performance of his /her duties.

10. SETTLEMENT OF DISPUTE

Any claim or controversy that arises out of or relates to this agreement, or the breach of it, shall be settled by arbitration in accordance with the provisions of the Arbitration and Conciliation Act, 1996 and relevant labour legislations.

11. WAIVER OR MODIFICATION EFFECTIVE ONLY IN WRITING

No waiver or modification of this agreement or of any covenant, condition, or limitation herein contained shall be valid unless in writing and duly executed by the party to be charged therewith. Furthermore, no evidence of any waiver or modification shall be offered or received in evidence in any proceeding, arbitration, or litigation between the parties arising out of or affecting this agreement, or the rights or obligations of any party hereunder, unless such waiver or modification is in writing, duly executed as aforesaid.

12. AGREEMENT GOVERNED BY LAW

This agreement and performance hereunder and all suits and special proceedings hereunder shall be construed in accordance with the laws of the State of -----, India.

13. BINDING EFFECT OF AGREEMENT

This agreement shall be binding on and inure to the benefit of the respective parties and their respective heirs, legal representatives, successors, and assigns.

IN WITNESS WHEREOF

On behalf of the party of the ONE PART and by the party of the OTHER PART have hereto and hereby set their hands the day, month and year above mentioned:

1. Signature of the Party of the ONE PART (Employer)

2. Signature of the Party of the OTHER PART (Employee)

In the presence of

1. ----- (Name, designation and address)

2. ----- (Name, designation and address)

17.2. NON-DISCLOSURE AGREEMENT

A non-disclosure agreement is a legal agreement between two parties where the company gives access to certain restricted information to the employee preventing its disclosure by the employee to third parties. The secrecy of the restricted information is protected through the non-disclosure agreement or the confidentiality agreement. If the classified information is transferred to the employee orally he must provide in writing that the information so communicated constitutes confidential information to which he is legally bound.

Specimen format of Non-Disclosure Agreement

EMPLOYEE NON-DISCLOSURE AGREEMENT

This Agreement ("**Agreement**") made and entered into on this ----- day of ----- 20-- ("**Effective Date**"), by and between----- ("**Company**"), a ----- (company, partnership etc) with its principle place of business at ----- and ----- ("**Employee**"), son of ----- residing at -----.

For good consideration, and in consideration of being employed by the Company, the undersigned Employee hereby agrees and acknowledges as follows:

That during the course of my employment there may be disclosed to me certain trade secrets of the Company; said trade secrets consisting but not necessarily limited to:

Technical information: Methods, processes, formulae, compositions, systems, techniques, inventions, machines, computer programs and research projects.

Business information: Customer lists, pricing data, sources of supply, financial data and marketing, production, or merchandising systems or plans.

That I shall not during, or at any time after the termination of my employment with the Company, use for myself or others, or disclose or divulge to others including future employees, any trade secrets, confidential information, or any other proprietary data of the Company in violation of this agreement.

That upon the termination of my employment from the Company:

I shall return to the Company all documents and property of the Company, including but not necessarily limited to: drawings, blueprints, reports, manuals, correspondence, customer lists, computer programs, and all other materials and all copies thereof relating in any way to the Company's business, or in any way obtained by me during the course of employment. I further agree that I shall not retain copies, notes or abstracts of the foregoing.

The Company may notify any future or prospective employer or third party of the existence of this agreement, and shall be entitled to full injunctive relief for any breach.

That this agreement shall be binding upon me and my personal representatives and successors in interest, and shall inure to the benefit of the Company, its successors and assigns.

That I shall indemnify the Company against any and all losses, damages, claims, or expenses incurred or suffered by the Company, whether directly or indirectly, including reasonable attorney's fees and costs, resulting from my breach of this Agreement.

This Agreement shall remain in full force and effect with respect to the confidential information without limitation of time.

This Agreement shall be governed by and construed under the laws of India.

Signed this ____ day of _____, 20--.

Company

Employee

17.3. COMPENSATION AGREEMENT

Compensation Agreement may be entered into between the workman and the employer for compensation arising due to any injury during the course of employment. A format of compensation agreement is given hereunder –

MEMORANDUM OF AGREEMENT

It is hereby submitted that on the day of, 20--, personal injury was caused to residing at by accident arising out of and in the course of employment in The said injury has resulted in temporary disablement to the said workman whereby it is estimated that he will be prevented from earning more than his previous / any wage for a period of months. The said workman has been in receipt of half-monthly payments which have continued from the day of 20-- until the day of 20--, amounting to Rs. in all. The said workman's monthly wages are estimated at Rs. The workman is over the age of 15 years.

It is further submitted that I, the employer of the said workman has agreed to pay, and the said workman has agreed to accept, the sum of Rs. in full settlement of all and every claim under the Employees Compensation Act, 1923 (Workmen's Compensation Act, 1923), in respect of all disablement of a temporary nature arising out of the said accident, whether now or hereafter to become manifest. It is, therefore, requested that this memorandum be duly recorded.

Dated.....

(Signature of employer)

(Witness)

(Signature of workman)

(Witness)

RECEIPT

(To be filled in when the money has actually been paid)

In accordance with the above agreement, I have this day received the sum of Rs.

.....

Dated20--.

.....

(workman)

The money has been paid and this receipt signed in my presence.

.....

(witness)

17.4. COLLECTIVE BARGAINING AGREEMENT

Collective bargaining consists of negotiations between an employer and a group of employees that determine the conditions of employment. Often employees are represented in the bargaining by a union or labour organization. The result of collective bargaining procedure is called the Collective Bargaining Agreement. Collective bargaining agreements may be in the form of procedural agreements or substantive agreements. Procedural agreements deal with the relationship between workers and management and the procedures to be adopted for resolving individual or group disputes.

Specimen form of Collective Bargaining Agreement

COLLECTIVE BARGAINING AGREEMENT

This Agreement made on the ---- day of ----- 20-- between the Board of directors of -----
-----, hereinafter referred to as the “**EMPLOYER**,” and agreed to by the **Union for** ----
-----, hereinafter referred to as the “**UNION**.”

The Union is the bargaining agent for the collective bargaining unit described in Article 1.

This agreement is a reflection of the parties’ commitment to the following shared values:

- To maintain a respectful, cooperative relationship.
- To work together to further the mutual success of both parties; positioning -----
(Employer) for continued competitive success in the marketplace while enabling -----
(Union) to best represent and serve its members.
- To resolve issues, to the greatest extent possible, through a collaborative process, marked
by open communication and respect for each other’s interests.

ARTICLE 1 - RECOGNITION

This agreement grants to ----- as the **UNION** carrying the greatest confidence of the staff
(measured in membership), sole recognition and negotiation rights for its staff employed within
the Organization.

The Employer recognises the right of the **Union** to manage its responsibilities in the best
interests of the industry and its members.

The **Employer** recognises the responsibility of the **Union** to represent the **employees** within the
framework of this agreement and its own set of rules.

In order that negotiation can be conducted on a fully representative and authoritative basis the
Employer recognises that it is desirable that its entire employees / staff should be members of
the **Union**.

However, staffs covered by this agreement have the right to join or not to join the Union, as is
their wish. The union will not attempt by industrial or other action to pursue issues of union

membership, or industrial or related matters and will not object to working alongside employees who are not members of any union, or not members of a particular union.

ARTICLE 2 - REPRESENTATION

As a union with sole negotiating rights for the employees, the Employer will ensure that an updated rule Book (Induction Manual) will be lodged with the Union representative so that both employer & union can co-operate effectively.

The names of each Union representative should be notified in writing to the Employer by the Union. Elected representatives of the Union will act in good faith in accordance with the rules governing their responsibilities. It is agreed that the employees will primarily concern themselves with performing their normal working duties and that the union activities will be secondary to their employment and will normally take place outside working hours.

ARTICLE 3 - HEALTH & SAFETY

The Employer must ensure that it will adopt reasonable practices so far as is reasonably practicable to the health, safety and welfare at work of its employees not exposed to risks to their health and safety.

Health and Safety at Work Statement is prominently displayed in office premises and the copy of the same is distributed amongst its employees.

Employees must take reasonable care for the health and safety of themselves and of other persons who may be affected by their acts or omissions at work, co-operate with the employer, so far as is necessary, to enable the employer to fulfill his responsibility.

ARTICLE 4 - PROCEDURE FOR RESOLVING DIFFERENCES / GRIEVANCE PROCEDURE

It will usually be better if grievances can be resolved informally and where an employee has a grievance, he or she will, in the first instance, discuss the matter with the employer representative or union representative. The employee may wish to discuss the matter with the Employer if no

satisfactory agreement is reached, and the employee wishes to proceed further, the issue should be raised with the Union National Office bearers.

The following procedure should be used where it is not possible to resolve an issue informally -

- At each stage of the procedure a fellow worker or trade union representative who may address the meeting on behalf of the employee but may not answer questions for the employee may accompany the employee.
- The employer will keep records of any action taken under this grievance procedure. It will be treated as confidential although may be used if the issue is unresolved and is taken to external stages of the procedure or to a tribunal.
- To raise a formal grievance, the employee will as the first stage write to the employer with an explanation of the basis for the grievance.
- The employer will then invite the employee to a meeting to consider the matter. The meeting will normally be held within 5 days of the formal grievance being raised.
- The employer must advise the employee in the letter inviting the employee to the meeting of his or her right to be accompanied at the meeting.
- After the meeting, the employer must inform the employee of the decision without unreasonable delay and also of the right to appeal.
- The employee must take all reasonable steps to attend the meeting.
- If the employee's chosen companion is unavailable at the time appointed for the meeting but the employee proposed a reasonable alternative time in the next five working days, the meeting must be postponed to that time. If the employee is unable to propose an alternative time within the next five days, then the meeting may go ahead if reasonable to do so without the chosen companion.
- If the employee wishes to appeal he or she must write to the employer without unreasonable delay setting out the grounds for the dissatisfaction of the decision. The employer will then invite the employee to a further meeting. This meeting must be held without unreasonable delay and will normally be held within 5 working days of the request being made. The employee may be accompanied at the meeting. The decision at the appeal is the final stage of the internal procedure and the statutory procedure and will

normally be given in writing within 5 working days of the meeting. The external procedure set out below may then be invoked.

- An employee cannot take the employer to tribunal unless he or she has written to the employer about the grievance and waited for 28 days. The 28 day period is to allow the employer to respond but the employer should not wait this long if he or she can help it.
- Failing settlement the matter may be referred to the concerned labour department, which will be the last stage in the Procedure.
- It is agreed by all parties that there shall be no stoppage of work either of a partial or general character such as a strike, locking out, go slow, work to rule and overtime ban, or any other restriction until the procedure mentioned above has been exhausted.

ARTICLE 5 - ALTERATION AND TERMINATION

Each party wishing to alter or terminate this agreement shall do so by giving three months notice in writing.

This agreement shall operate from -----, ----- of 20--.

This Agreement shall be effective on the date written above and shall remain in effect to and including ----- 20-- provided that the parties may in writing mutually agree to extend this agreement.

IN WITNESS WHEREOF, the EMPLOYER and UNION have signed this Agreement on the ----
----- day and year 20--.

For EMPLOYER

Signature -----

(Designation)

FOR Union

Signature -----

(Designation)

17.5. WAGE AGREEMENT

Wage Agreement may be entered into between the employer and employees to decide the wage structure of the organisation. It generally covers the allowances payable; leave, travel benefits, social security schemes etc. Specimen format of the agreement is given hereunder -

WAGE AGREEMENT

Representatives of Management –

Representatives of Employees –

1. Scope and Coverage

The Agreement shall be called the WAGE AGREEMENT and will be effective from -----
----- to -----.

This Agreement shall cover all categories of employees in the Company.

The scope of the agreement covers the wage structure including Dearness Allowance, fitment in the revised scale of pay, fringe benefits, service conditions, welfare/social security/pension, safety & other matters as contained elsewhere in this Agreement.

2. Wages, Wage Structure and Dearness Allowance

(i) Component of Wage

The wage of employees shall consist of :-

(a) Basic Wage

(b) Special Dearness Allowance (SDA) at the rate of ----% of attendance bonus or ---% of basic wage representing computed fringe benefits of attendance bonus, such as contribution of provident fund, payment in lieu of profit sharing bonus, gratuity etc.

(c) Variable Dearness Allowance (VDA)

(ii) Minimum wage (details of minimum wage may be given

(iii) Basic wage structure

The revised Basic wage structure for different categories, skills and grades, covering daily rated and monthly rated employees as worked out on the basis of this Agreement are detailed under Annexure-II.

(iv) Attendance Bonus

The attendance bonus will continue to be paid quarterly at the rate of ---% of Basic wage.

(v) Minimum Guaranteed Benefit

(vi) Overtime wages

(vii) Fitment in the Revised Scale of Pay for Time Rated & Monthly Pay Scales

For the purpose of fitment in the revised scale of pay/wages to the existing total emoluments of an employee as on ----- comprising of basic wages including stagnation increments, VDA, Special DA, Attendance Bonus will be added together and amount so arrived at will be divided into Basic Wage, Attendance Bonus (at the rate of -----% of basic pay) and Special DA @ ---- of Attendance Bonus and fitted in the corresponding stage in the revised pay scale. If the new Basic wage is below the minimum of the revised scale of pay then the employee will be fitted at the minimum of the revised pay scale. If the new basic is in between two stages of the revised wage scale, then the employee will be fitted in the next higher stage in the revised wage scale.

(viii) Date of Annual Increments

The anniversary date of increment of employees will remain the same as has been the practice i.e. 1st of March every year.

3. Other allowances

(i) Washing allowance

Employees who will be provided with uniform by the Management will be paid a Washing Allowance at the rate of Rs.---/- per head per month with effect from ----- . Where washing of uniforms is arranged by the Management, the Washing Allowance will not be paid.

(ii) Transport subsidy

Employees who do not utilize Company's transport either free or on payment of nominal or subsidised rate will be paid transport subsidy at the rate of Rs.--/- per day of actual attendance with effect from ----- .

(iii) Conveyance reimbursement

Two Wheeler) conveyance reimbursement will be paid at the rate of Rs.----/- per day of attendance with effect from ----- . Employees getting Conveyance Reimbursement shall not be entitled for Transport Subsidy. The existing employees who are having valid driving license with ownership of the vehicle will be eligible for conveyance reimbursement.

(iv) Difficulty allowance

Difficulty allowance will be paid depending on the nature of difficulty of work carried out by the employee.

4. Leave

(i) Annual Leave with wages

For the purpose of computation of attendance for determining the eligibility for earned leave, all authorised paid leave (Sick Leave with full pay, Casual leave with pay, Maternity leave with pay, days of absence on account of injury arising out of employment or on account

of occupational disease with pay, as well as paid holidays) would be included. These paid leave would, however, not earn any further leave.

(ii) **Accumulation of Earned Leave/annual Leave with Wages**

The existing provisions relating to the accumulation of Earned Leave/Annual Leave will be 120 days prospectively.

(iii) **Encashment of Earned Leave**

The workmen will be entitled to get encashment of earned leave at the rate of 15 days per year. On discontinuation of service due to death, retirement, superannuation, VRS etc. the balance leave or 120 days whichever is less will be allowed for encashment.

(iv) **Sick Leave and Special Leave**

The existing provision relating to Sick Leave of 15 days with full pay in a calendar year will continue. Sick leave with full pay will accumulate up to 100 days prospectively.

(v) **Casual leave with pay**

(vi) **National / Festival Holidays**

5. Leave Travel Benefit

(details of LTC may be mentioned)

6. House Rent Allowance

House rent allowance at the rate of Rs.----- per month will be paid to those employees who have not been provided with residential accommodation.

7. Social Security

(Social security schemes prevalent in the company may be mentioned.)

8. Production, Productivity, Efficiency And Industrial Harmony

Management and workers' representatives agree to cooperate for creating a harmonious industrial environment conducive to the growth of health and financial viability of the company. With this objective in view, both the Management and workers' representatives

are fully committed to the accomplishment of the following tasks related to productivity, efficiency and industrial harmony:

- To achieve targets of production and productivity at each Unit, Area and Company level;
- To ensure optimum utilisation of resources like manpower, equipment, materials, power etc., and ensure that wastage of all kinds are minimised.
- To undertake jointly a programme of training and retraining of workers for introduction of new technology and to cooperate in redeployment of trained workers.
- To cooperate in ensuring full equipment utilisation.
- To Cooperate in redeployment/ rationalisation of manpower whenever called for on account of reorganization of introduction of new technology / deployment of manpower.

9. Implementation of the Agreement

The Agreement including the wage structure shall come into force and will be implemented with effect from ----- unless otherwise specified.

The Management and Employees' representatives agree that the terms of this agreement will be implemented faithfully and in a spirit of goodwill by the management and the unions.

During the period of operation of this agreement, no demand will be made or disputes raised in respect of matters settled by this Agreement.

The management of the Company on their part will not resort to unilateral interpretations of the Agreement. In case of any doubt or difficulty in interpretation or implementation of any clause of this agreement, the same shall be referred to and settled by the Sub-Committee constituted for this purpose.

For Employer

(Signature)

For Employees

(Signature)

17.6. AGREEMENT BETWEEN EMPLOYER AND EMPLOYEE
GOING ABROAD

In some organisations, employees are sent abroad i.e. to other countries for a particular project or on a contract basis for a particular period. In such case, specific agreement may be entered into between the employer and employee going abroad wherein the role and responsibilities of the employer and employee may be enumerated. Specimen format of such employment agreement is given hereunder -

EMPLOYMENT AGREEMENT

THIS AGREEMENT is made BETWEEN the Employing Company
M/s _____ (hereinafter
called “**The Employer**”)

AND

Mr. _____ holder of Passport No.:
_____ (hereinafter called “**The Employee**”)

Employee’s job title / position: _____

Working Location:

Any location within the region of _____ as preferred by the Employer at the Employing Country.

Salary Scale (on monthly basis):

Basic :

General Allowance :

Medical :

Educational Allowance:

Duration of Contract:

The period of the contract is for _____ years from the date of arrival at the Region of the Employing Country and shall be renewed automatically for a further period by mutual written agreement between the Employer & the Employee.

THE FOLLOWING TERMS AND CONDITIONS OF THIS EMPLOYMENT AGREEMENT HAVE TO BE AGREED UPON BY THE EMPLOYEE.

Agreement subject to the following:

- Passing the Medical examination prescribed by the Employer / Employing Company.
- Obtaining approvals from Appropriate Government Authorities wherever applicable.
- On receipt of original academic and experience certificates wherever applicable in case of NOC (no objection certificate) not produced from previous Employer. The same will be returned at the time of terminating the Agreement.
- On receipt of satisfactory report from the previous employer.

Mobilization Expenses:

Air Ticket from the Country of Origin of the Employee to the Employer's Country shall be borne by the Employer / Employee and the expenses of the transfer from the Airport to the work site will also be borne by the Employer.

Effective date of Employment :

Employment in the company shall be effective from the date of reporting to duty.

Working Schedule :

Normal Working Days – (depending upon the normal working days of that country)

Rest / Day Off – (depending upon the normal rest day of that country)

Working Hours – 8 hours per day and overtime wherever applicable

Probation:

First three months of the agreement period shall be considered as probationary period.

Confirmation:

After successful completion of three months, the employee will be confirmed in the service of the Employing Company.

During the period of employment with the Company, the Employee will not engage himself directly or indirectly in any activity or job or employment or assignment outside this employment and the Employee shall devote his full time and attention in the interest of the Company.

The Employee shall be dismissed without getting any notice period from the Employer or any compensation if he engages in any activity against the Labour Law applicable in the Employing Country and in particular if he absents himself from work without legal reason for more than 20 days within one year or more than ten consecutive days.

Accommodation:

The Employee will be provided with free furnished living accommodation according to the status of the Employee.

Transportation:

The Employer will provide free transport to and from the working site to the Employee.

Leave:

- Annual leave after completion of two years of service as per the Country Labour Law.
- Return air ticket to the country of origin (In case of non completion of two years of qualified service envisaged under the agreement, the Employer will be under no obligations to bear the air ticket to the Employee.)
- Sick leave as per the Country Labour Law.

Medical:

Employer shall provide the medical treatment whenever necessary for the Employee as per the Country Labour Law and every Employee will be covered under free medical insurance as per the Labour Law of the country.

Disputes:

Any dispute arising in connection with the employment, which cannot be settled amicably, shall be referred to the Federal Civil Courts in the Employment Country.

Termination:

Either party may terminate this agreement after completion of probation period by giving the other party a written notice of one month.

No amendment or alterations to the terms and conditions of the Agreement shall be valid unless mutually agreed in writing and signed by both the Employer and the Employee.

Any terms and conditions not specifically covered under the agreement, the internal rules and regulation of the Employing Company shall be governed.

**Name of the Signatory in the
Employing Company**

Name of the Employee

Designation

Signature of the Employee

Signature

Company Seal

Date :

Date :

Place :

Place :

17.7. AGREEMENT TO REFER DISPUTES TO ARBITRATION

Agreement may be entered into between the employer and employees to refer any dispute to an arbitrator or arbitrators. Specimen format of such agreement is given hereunder –

**AGREEMENT BETWEEN THE EMPLOYER AND EMPLOYEES FOR REFERENCE
OF DISPUTES TO ARBITRATION**

AN AGREEMENT BETWEEN ----- (Employer) AND -----
(Representing workmen/workman)

It is hereby agreed between the parties to refer the following disputes to the arbitration of..... [The name(s) and address(es) of the arbitrator(s)]:

- (i) Specific matters in dispute;
- (ii) Details of the parties to the dispute including the name and address of the establishment or undertaking involved;
- (iii) Name of the workman in case he himself is involved in the dispute or the name of the Union, if any, representing the workmen or workman in question;
- (iv) Total number of workmen employed in the undertaking affected;
- (v) Estimated number of workmen affected or likely to be affected by the dispute.

We further agree that the majority decisions of the arbitrator(s) be binding on us. In case the arbitrators are equally divided in their opinion, that they shall appoint another person as umpire whose award shall be binding on us.

The arbitrator(s) shall make his (their) award within a period of (the period agreed upon by the parties) or within such further time as is extended by mutual agreement between us in writing. In case the award is not made within the period aforementioned, the

reference to arbitration shall stand automatically cancelled and we shall be free to negotiate for fresh arbitration.

(Signature of the parties)

Representing employer

Representing workman/workmen

WITNESSES:

(1)

(2)

Copy to:

- (i) The Assistant Labour Commissioner (Central), (office address of the Conciliation Officer in local area concerned).
- (ii) The Regional Labour Commissioner (Central).....
- (iii) The Chief Labour Commissioner (Central), New Delhi.

- (iv) The Secretary to the Government of India, Ministry of Labour, Employment and Rehabilitation (Department of Labour and Employment), New Delhi.

17.8. CONTRACT LABOUR AGREEMENT

Before employment of contract labourers, a contract labour agreement should be entered into between the employer and the contractor wherein the terms and conditions with regard to mode of payment of wages, validity of contract, responsibility of contractor etc are defined. A specimen format of contract labour agreement is given hereunder –

CONTRACT LABOUR AGREEMENT

This Contract of Agreement is made and entered on this _____ day of _____ between M/s_____ having their office situated at _____ (hereinafter referred to as “the Company”) of the ONE PART AND _____ having his office at _____ (hereinafter referred to as “The Contractor”) of the OTHER PART.

WHEREAS the Company is in the business of _____ and is on the lookout for a suitable Contractor who can undertake/render services for the Factory/Establishment in respect of (Details of the job to be given).

AND WHEREAS the Contractor has the expertise to do such kind of work and has taken or done similar such type of jobs in other concerns.

AND WHEREAS the Company wants to give and the Contractor has agreed to undertake the said job on the terms and conditions set out hereunder:

I. Details of the job to be given:

II. Compensation:

- a) The Contractor will be paid compensation on job basis;
- b) The Contractor agreed to execute/fulfill and discharge jobs agreed upon by him efficiently and to the full satisfaction of the Company within the stipulated time;

III. Raw material and machinery etc:

- a) The Company, if found necessary, shall give machinery required for the purpose of execution of work entrusted to the contractor and the Contractor shall be responsible for the same for its use and maintain and upkeep the same in proper order.
- b) In respect of the raw materials, the Contractor shall maintain proper register and give account of the raw materials consumed by him and the balance is to be returned to the Company.
- c) In the event the raw material has not been fully consumed, the balance account of the same is to be given to the Company and in default, the Company is to be reimbursed the payment of the same.

d) Similarly any damage or loss caused to the equipment entrusted to the Contractor, the Contractor shall reimburse the payment of the same to the Company.

IV. Rights and Obligations of the Contractor:

a) To perform the job as per the assignment, details of which are given in the agreement.

b) To receive the payment from the principal employer for performance of the job.

c) The Contractor shall decide the number of workmen required for the completion of the job. He will review his work as to the number of workmen required from time to time i.e. decrease or increase the workforce of his job.

d) The Contractor shall decide the mode and manner of work to be done by his workmen.

e) The Contractor shall decide the working conditions of his workmen and shall decide about their salary and other service conditions and payment thereof.

f) The Contractor also will decide and take disciplinary action against the workman if he is found to have committed any acts of misconduct and take disciplinary action as deemed necessary including discharge or dismissal after compliance with the labour law. He shall also decide about the retrenchment etc.

g) The Contractor shall pay wages to his workmen on or before 7th of every month.

h) The Contractor shall comply with the following acts:

1. Employees' State Insurance Act, 1948;
2. The Employees' Provident Fund and Miscellaneous Provisions Act, 1952;
3. The Minimum Wages Act, 1948;
4. The Factories Act, 1948;
5. The Payment of Wages Act, 1936;
6. Maternity Benefit Act, 1961;
7. Contract Labour (Regulation & Abolition) Act, 1970.
8. Any other applicable labour law.

i) In case the Contractor contravenes any provisions of the law, and the Company suffers any damage or loss or harm due to any acts of commission or omission of the Contractor, the Contractor is bound to indemnify the Company. The Contractor shall also be responsible for the discharge of all legal liabilities towards the Company and also for observing all laws and Government rules relating to labour laws.

j) The Contractor shall be responsible for damage or loss to the Company caused due to the negligence of the workmen employed by him and shall compensate or reimburse the company adequately for such loss which shall be assessed and determined by the Company.

k) The Contractor shall submit the bills to the Company along with documents of performance of work as per contract and shall be paid on the basis of those documents.

l) The Contractor shall not disclose to any one regarding the information, formulae of the Company adversely affecting the interest of the Company.

m) The contractor shall, at the expiry or the termination of the contract after completion of terms of extension, if any, hand over the vacant possession of the premises to the Company.

V. Rights and Obligations of the Company:

i) To provide the Contractor articles agreed to provide as mentioned in the agreement.

ii) To make the payment to the Contractor on the details given by him of the work done at the rate agreed upon on or before_____.

iii) To deduct the amount from the bills of the contractor proportionately to the defective job/work/ performance.

iv) To check up whether the Contractor has paid salary to his workmen and also have made payment in respect of provident fund, ESI or any other statutory dues.

v) The Company will have right to deduct Income tax or TDS as applicable from time to time.

VI. Miscellaneous:

This Contract of Agreement comes into force with effect from _____ and shall remain in force for a period of 11 months i.e. till _____. However, this Contract of Agreement shall be liable to be terminated at the expiry of the terms of the contract and in event it is to be extended; it shall be done by mutual consent in writing.

Notwithstanding anything contained herein above, this Contract of Agreement can be terminated earlier than the period agreed upon by giving one month's notice to the Contractor without assigning any reason whatsoever therefore and without prejudice to the rights of the Company to recover any money becoming due under this Contract of Agreement.

VII. Arbitration:

In case of any dispute/grievance arising out of under this Contract of Agreement, the same shall be mutually discussed and settled, failing which it shall be referred to arbitration of a Single Arbitrator under the provisions of the Arbitration and Conciliation Act, 1996 and the venue of arbitration shall be at _____ and the Arbitrator's decision shall be final and binding on both the parties.

The Contractor has accepted and agreed and herein confirms that he shall abide and is willing to execute the work assigned to him in accordance with the terms and conditions of this Contract of Agreement and in turn the Company also agrees to engage the Contractor with effect from _____

SIGNED AND DELIVERED

For and on behalf of _____

In the presence of _____

SIGNED AND DELIVERED

For and on behalf of) _____

In the presence of _____

**17.9. AGREEMENT FOR APPOINTMENT OF MANAGING
DIRECTOR**

Once the Managing Director of the company is appointed, an agreement may be drafted containing the role and responsibilities of the Managing Director concerned.

AGREEMENT FOR APPOINTMENT OF MANAGING DIRECTOR

THIS AGREEMENT made this day of 20..., between ----- Ltd., a company incorporated under the Companies Act, 1956 (hereinafter called as "the Company") and having

its Registered office at ----- of the first part and ----- S/o ----- R/o -
----- a director of the company (hereinafter called "the managing director") of
the second part.

WHEREAS ----- satisfies the conditions specified in Part I of Schedule XIII to the
Companies Act, 1956, and other relevant provisions of the Act;

WHEREAS the Board of Directors of the company has at its meeting held on -----
appointed ----- as the Managing Director of the company for a period of ----- years from
----- on the terms and conditions and subject to the remuneration approved by the Board
of Directors and set out hereunder, and WHEREAS ----- has accepted the said terms and
conditions of the appointment.

Now it is hereby agreed by and between the parties hereto as follows:—

1. ----- has been appointed as the Managing Director of the company with effect from ----
----- for a period of ----- years.

2. The Managing Director shall exercise and perform such powers and duties as the Board of
directors of the company (hereinafter called "the Board") shall, from time to time, determine, and
subject to any directions and restrictions, from time to time, given and imposed by the Board and
further subject to the superintendence, control and direction of the Board, he shall have general
control, management and superintendence of the business of the company with power to appoint
and to dismiss employees and to enter into contracts on behalf of the company in the ordinary
course of business and to do and perform all other acts, deeds, and things, which in the ordinary
course of business, he may consider necessary or proper or in the interest of the company,
provided however, that nothing shall be done by the managing director which by the Act or the
articles of the company shall be transacted at a meeting of the Board by resolution or which shall
not be effective unless approved by the Board or which are not expressly provided.

3. Without prejudice to the generality of the power vested in the managing director hereinabove
the Managing Director shall be entitled to exercise the following powers:—

- (i) With the Board's approval, together with the person in charge of finance for the time being of the company and other personnel authorised by the Board, to open and operate any banking or other account and to draw, make, accept, execute, endorse, discount, negotiate, retire, pay, satisfy and assign cheques, drafts, bills of exchange, promissory notes, hundis, interest and dividend warrants and other negotiable or transferable instruments or securities.
- (ii) To borrow money with or without security, for the purpose of business of the company, subject of course to the approvals of the company as required under section 293(1)(d) of the Companies Act, 1956 and approval of the Board of directors of the company as required under section 292 of the said Act and subject further to such maximum limit as the Board may impose from time to time while giving its approval.
- (iii) To incur capital expenditure upto a sum of ----- during any financial year.
- (iv) To invest funds of the company (other than in the shares of the other companies covered by section 372A of the Act) and fixed deposit with the company's bankers.
- (v) To appoint distributors for the sale of the products of the company subject to prior approval of the Board whenever necessary.
- (vi) To ensure that all taxes due to the Central and State Governments and Municipal authorities are paid promptly.
- (vii) To engage persons in the employment of the company.
- (viii) To increase the salary or remuneration of any employee of the company and to sanction annual increases.
- (ix) To enter into contracts for the purchase of goods for the company subject to prior approval of the Board of directors in term of sections 297 and 299 of the Companies Act, 1956, wherever necessary.
- (x) To institute, prosecute, defend, oppose, appear or appeal to, compromise, refer to arbitration, abandon and execution, become non-suited in any legal proceedings including trademarks, trade names, trade property and passing off actions and revenue proceedings relating to customs or excise duties, tax on income, profits and capital and taxation generally or otherwise.

4. The Managing Director shall throughout the said term, devote his entire time, attention and abilities to the business of the company and shall carry out the orders, from time to time, of the

Board and in all respect conform to and comply with the directions and regulations made by the Board, and shall faithfully serve the company and use his utmost endeavors to promote the interests of the company.

5. The company shall pay to the Managing Director during the continuance of this agreement in consideration of the performance of his duties:—

(1) Salary at the rate of Rupees ----- per month;

(2) Commission not exceeding 1% of the net profit of the company subject to Rupees -----
--- per annum.

(3) The Managing Director shall be entitled to the following perquisites and facilities:

3.1 Perquisites

I. Housing: The expenditure to the company on hiring furnished accommodation shall not exceed 60% of the salary. In case the Managing Director is provided accommodations owned by the company, he will pay 10% of his salary towards house rent.

II. Gas, Electricity, Water and Furnishings: Besides house as mentioned above, the expenditure on gas, electricity, water and furnishing will be borne by the company and the market value will be evaluated as per Income-tax Rules, 1962.

III. Medical Reimbursement: Medical expenses incurred by the appointee on self, spouse and dependent children will be reimbursed to him subject to a ceiling of one month's salary in a year or three month's salary over a period of three years.

IV. Club Fees: Fees of two clubs subject to a maximum of two clubs excluding admission and life membership fees.

V. Annual Leave: 30 days annual leave with pay for every completed service of eleven months.

VI. Leave Travel Concession: For self and family once a year in accordance with the rules of the company.

VII. Personal Accident Insurance: The annual premium on a policy shall not exceed -----
-----.

VIII. Provident fund and superannuation:

A. Company's contribution towards provident fund as per rules of the company, but not exceeding 10% of salary and company's contribution towards superannuation fund which shall not, together with the company's contribution to provident fund, exceed 25%.

B. Gratuity payable at the rate of half month's salary for each completed year of service with a service of six months or more being treated as a full year.

C. Encashment of leave at the end of tenure.

IX-A. Car with driver: The managing director will be provided with a car and driver for use on company's business. Use of car for private purpose will be billed by the company.

B. Telephone: Free telephone at his residence; Personal long distance calls will be billed to the managing director.

The provision of car for official use and telephone at residence will not be considered as perquisite.

X. The company shall reimburse actual entertainment and traveling expenses incurred by the managing director in connection with the company's business.

In the event of inadequacy or absence of profits during the duration of the agreement, the managing director shall be entitled to the remuneration herein provided but without commission and where applicable the same shall be subject to the approval of the Central Government.

6. The Managing Director shall not, during the period of his employment and without the previous consent in writing of the Board, engage or interest himself either directly or indirectly in the business or affairs of any other person, firm, company, body corporate or in any undertaking or business of a nature similar to or competing with the company's business and further, shall not, in any manner, whether directly or indirectly use, apply or utilize his knowledge or experience for or in the interest of any such person, firm, company or body corporate as aforesaid or any such competing undertaking or business as aforesaid.

7. The Managing Director shall not, during the continuance of his employment with the company, divulge or disclose to any person, firm, company or body corporate whomsoever or make any use whatever for his own or for whatever purpose, of any confidential information or

knowledge obtained by him during his employment as to the business or affairs of the company or as to any trade secrets or secret processes of the company and the managing director shall, during the continuance of his employment hereunder, also use his best endeavors to prevent any other person, firm, company or body corporate concerned from doing so.

8. Either party shall terminate this agreement by giving to the other advance notice of three months, provided that the company may waive the notice by giving in cash the remuneration for three months which the managing director would have received had he remained in office for the said three months.

9. The Managing Director shall, from time to time, during his employment hereunder fully disclose to the company the progress of investigations and of any discoveries he may make himself or in conjunction with other officials or non-officials with regard to any improvement, invention or discovery arising out of or in connection with the said employment, he shall forthwith disclose to the company a full and complete description of the nature of said improvement, invention or discovery and the mode of performing the same.

10. This agreement and the terms and conditions hereof shall be subject to the approval of the shareholders of the company in general meeting and also of the Central Government under the relevant provisions of the Companies Act, 1956 if necessary.

IN WITNESS WHEREOF, the parties hereto have set their hands on the day, month and the year above written.

For and on behalf of the company,

(.....) (Name of Managing Director)

Witness:

1

2

17.10. ON THE JOB TRAINING AGREEMENT

The employer of a company may enter into an agreement with its employee for undergoing on the job training wherein the responsibilities of the employee may be given in detail.

ON THE JOB TRAINING AGREEMENT

This agreement ("Agreement") is made on this the _____ day of _____, 20__.

BETWEEN:

Mr / Ms _____ S/o D/o W/o _____ residing at
_____ (hereinafter called "the Employee" which expression shall be deemed to include his/her legal heirs, representatives, successors) of the ONE PART.

AND

_____, a Company incorporated under the Companies Act 1956, having its registered office at _____ (hereinafter called "the Employer", which expression shall deem to include its legal representatives, successors and permitted assigns) of the SECOND PART.

WHEREAS the Employee is presently employed on the rolls of the Employer, and as part of his / her employment that he should undergo necessary training to effectively perform his services to the company and for which he is being sent to _____ by the Employer for a period of _____ weeks.

AND WHEREAS the employee is aware that the company would be spending substantial amount of money and time on account of the aforesaid training and the Employee has assured the Employer that he/she will demonstrate good behavior during the tenure of his/her training abroad and will successfully complete the assigned Training programme.

AND WHEREAS the Employee further undertakes and assures the Employer that he/she will serve the Employer for a minimum period of _____(____) years after returning from the Training on the terms contained herein below.

AND WHEREAS the parties are desirous of reducing the terms of the Agreement in writing.

NOW THEREFORE THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. That the Employee has been selected as _____with the Employer. To effectively perform the services for which he/she has been appointed the company has agreed to sponsor the employee to acquire necessary training in this regard and for which purpose is being sent to abroad.
2. The selection envisages imparting training in _____, which are confidential.
3. The Employee assures and undertakes that the Employee shall complete the training diligently and also undertakes to serve the Employer for a minimum period of 2 (Two) years after returning from the training, as per the terms of his/her terms of employment.
4. Any action by the Employee of:
 - a) Failing to complete the training for which he/she has been selected for reasons other than ill health, PROVIDED THAT such ill health is not the result of his/her own neglect, carelessness or misconduct regarding which the certificate of the Medical Officer nominated by the Company shall be conclusive; and /or
 - b) Not conforming to or complying with the instructions regarding training and discipline conveyed to him/her by or on behalf of the Company; and/or
 - c) Failing to report forthwith on arrival to India, after successful completion of his/her training and to rejoin the post originally held in the Company on the terms and conditions of his employment; and/or

- d) Refusing to serve the Company for a minimum period of two (2) years after the successful completion of training; and /or
- e) Failing to observe the rules and regulations governing the terms and conditions of service for the time being in force during his/her training or service period as aforesaid;

shall be deemed to be violative of the assurances and undertakings of the Employee to the Employer.

5. On any violation of the above terms contained in para 4 above, the Employee shall forthwith pay, as liquidated damages, to the Employer on demand the following sums in the manner specified below:
 - Prior to completion of 12 months after training - Rs. _____
 - After completion of 12 months but before completion of 18 months after training - Rs. _____
 - After completion of 18 months but before completion of 24 months after training amount payable shall be prorated and recovered.
6. The employee and the Company agree that the amounts so calculated, on the basis described above is a genuine, fair, reasonable, estimate of the damages or loss that would accrue to the company in the event the employee discontinues his service to the Company. In the event the employee fails to make the aforesaid payment the Employer shall be entitled retain all or any payments that may be payable to the Employee including all benefits till realization of the sum from the Employee.
7. The Employee shall be discharged only upon making such payment to the Company for breach of any/all of the above obligations.
8. That during the period of training, and during such period from the date of the Employee's return, for which it has been made incumbent upon, the Employee to serve the company, the Employee undertakes:
 - a) Not to take employment or obtain work, in any capacity or under any designation, with any other person, firm or company, whether in India or elsewhere, whether for consideration, or otherwise; and/or

- b) To refrain from absenting himself from work without reasonable cause during both the period of training as also upon his return to India for the entire period for which he is stipulated herein as having to work for the company; and/or
- c) That during the period of training, and during such period thereafter for which the Employee is envisaged herein as having to work for the company, he does not conduct himself in a manner unacceptable to the Company or commit any act subversive of discipline, or otherwise misbehave in such a manner, as would reasonable be construed as giving the company cause for terminating his services.

9. All communications between the Employee and the company shall be deemed to have been effectively served if addressed to the following addresses:

Employee's Address

Employers Address

10. All disputes or differences whatsoever arising between the parties out of or relating to the construction, meaning and operation or effect of this contract or the breach thereof shall be settled by Arbitration in accordance with the Rules of Arbitration of the Indian Council of Arbitration and the award made in pursuance thereof shall be binding on the parties.

IN WITNESS WHEREOF, the parties have hereto respectively put their signature at ____ on the day, month and year first above written.

**SIGNED AND DELIVERED
DELIVERED**

SIGNED AND

For and on behalf of _____

By within named Employee

_____ < Company > _____

Authorized Signatory

In the presence of:

1. _____

2. _____

18. WILLS

Will is a legal declaration of the intention of a testator with respect to his property which he desires to be carried into effect after his death - (Section 2(h) of the Indian Succession Act, 1925. A Will is an important document which enables the individual / any living person to rightfully leave his assets and wealth to whomever he chooses to, after his death. In a way a person can ensure that his wishes with respect to his assets and property are followed after his death.

The word Will is derived from the latin word “Voluntas” which was a term used in the text of Roman Law to express the intention of a testator.

A will made by a Hindu, Buddhist, Sikh or Jain is governed by the provisions of the Indian Succession Act, 1925. However Muslims are not governed by the Indian Succession Act, 1925 and they can dispose their property according to Muslim Law.

The chief characteristics of a Will are:

- There must be a legal declaration of intention by the testator.
- The declaration must be with respect to property of the testator.
- The declaration should be effective and operative only after the death of the testator.
- The testator has the liberty to revoke the will at anytime during his life time.

Section 59 of the Indian Succession Act, 1925 deals with persons capable of making wills.

- ✓ Every person who is of sound mind and is not a minor can make a will. In order to have testamentary capacity, a testator must understand:
 - The effect of his wishes being carried out at his death, though it is not necessary that he should comprehend the provisions of the Will in their legal form;
 - The extent of the property of which he is disposing;
 - The nature of claims on him.

- ✓ Any married woman can make a will of any property which she could alienate during her life time.
- ✓ Persons who are deaf or dumb or blind can make a will provided they are able to know what they do by it.
- ✓ A person who is of sound disposing mind although physically incapable of signing the name at the time of execution of Will is a competent person to make a Will.
- ✓ A person who is ordinarily insane may make a Will during an interval in which he is of sound mind.
- ✓ A will made by a testator of full capacity is not revoked by the fact that subsequently he became incapable of making a will or insane.
- ✓ No person can make a Will while he is in such a state of mind, whether arising from intoxication or from illness or from any other cause that he does not know what he is doing.
- ✓ Where a person who executes an instrument purporting to be his Will, but does not understand the nature of the instrument, nor the effect of its provisions, then the instrument is not a valid Will.

The burden of proof to prove that the Will was made out of free volition is on the person who propounds the Will. A Will that has been proved to be duly signed and attested will be presumed to have been made by a person of sound mind, unless proved otherwise. Further, a bequest can be made to an infant, an idiot, a lunatic or other disqualified person as it is not necessary that the legatee should be capable of assenting it.

Wording of Will

Sec.74 of the Indian Succession Act, 1925 lays down that the use of technical words or terms of art is not necessary in a will but the wording should be such as to clearly indicate the intention of the testator. The Will can be made in any form and language.

An error in the name or description of the legatee will not prevent the legacy from taking effect. A mistake in the name of a legatee can be corrected by a description of him, and a mistake in the description of a legatee can be corrected by the name.

If the thing which the testator intended to bequeath can be sufficiently identified from the description of it given in the will, but some parts of the description do not apply, such parts of the description can be rejected as erroneous, and the bequest will take effect.

WILL

I -----, son of -----, Hindu, aged about 60 years and residing at -----, being of sound body and mind do hereby declare this to be my last Will and testament which I execute at ----- on this day of -----th -----.

1. I hereby revoke all Wills and Testamentary dispositions which I may have herein before made.
2. I bequeath on my death, to _____, my title, interests, and all other rights which I have as owner of the residential / commercial property at _____. I hereby state that he shall be entitled to use and enjoy the said property at his own will after my death.
3. I have ancestral lands in my native village, ----- My son..... and daughter shall take the same with rights of survivorship.
4. I bequeath on my death the following ornaments and jewellery belonging to me to _____ (List of ornaments to be given.)
5. I bequeath on my death, cash balance lying with me at the time of my death to _____.
6. I bequeath on my death, bank balance lying in my name at Savings / Current Bank Account No. _____ Bank of _____, _____ Branch, _____ at the time of my death to _____.
7. I bequeath the amounts receivable by me at the time of my death from various parties on various accounts to _____.

8. I bequeath the amounts and other valuables owned by me and lying in locker number _____ in my name at Bank_____, (Branch) at the time of my death to _____.
9. I direct that a sum of rupees _____ Only (Rs. ____/-) be set apart from my assets at the time of my death and be donated to a charitable trust or persons whose aim and objective is to provide food, medical assistance, education assistance, etc to needy persons.
10. I direct that before distributing my assets in accordance with this will, all my debts, liabilities and monetary obligations including all testamentary expenses, costs, charges, expenses in respect of probate and other legal charges at the time of my death be met out of my assets.
11. I bequeath all other residuary property, assets and other rights whether or not existing at the time of my death to _____.

I further state that my wife, Mrs. _____ is appointed as the executrix of this Will.

I declare that all other properties possessed by me, in whatever place and in whatever shape are all my self acquisitions, having been purchased out of my earnings and without recourse to the family properties and I have full testamentary power over them.

IN WITNESS WHEREOF I have hereunto set and subscribed my hand and signature on this ____
th day of _____.

Signature of the Testator

Signed by the above named -----in our presence at the said time and each of us, signed his/her name hereunder as attesting witnesses.

Witnesses:

1. I have witnessed and read the aforesaid Will.

(signature)

2. I have witnessed and read the aforesaid Will.

(signature)

CODICIL SUBSTITUTING A TRUSTEE

I, -----, declare this to be the first codicil to my will dated -----.

1. WHEREAS by the said will I had appointed ----- as one of the executors and trustees of my Will.
2. AND WHEREAS the said -----has died on _____.
3. I hereby revoke the appointment of the said ----- as one of the executors and trustees of my will and I hereby appoint AB to be an executor and trustee of my said will in place of the said ----- and I declare that my said will and all the provisions contained therein shall be construed and take effect in all respects as if the name of the said AB had been originally mentioned therein lieu of the name of the said ----- of executor and trustee.
4. In all other respects I confirm my said will.

IN WITNESS WHEREOF I have hereto put my signature this 8th day of July 2008.

Signature of Testator

Signed by the said testator as a codicil to his will dated _____ in the presence of us present at the same time and who at his request have hereto signed our names as witnesses in the presence of the said ----- and in the presence of each other.

Witnesses:

1.

2.

ISLAMIC WILL

In the Name of Allah the Most Beneficent the Most Merciful

LAST WILL AND TESTAMENT OF _____

I, presently residing at _____, being of sound mind and memory, do hereby revoke any and all former wills and codicils by me made, and do make, ordain, publish, and declare this my Last Will and Testament.

I bear witness that there is no deity but Allah, the One, the Merciful, Almighty

God -- Creator of the heavens and the earth and all therein -- God of Abraham, Moses, Jesus, Mohammad, and all the Prophets, mercy and peace be upon them. He is One God and He has no partner. And I bear witness that the Prophet Mohammad is His servant and His Messenger and the last of all the Prophets, mercy and peace be upon them all. I bear witness that Allah is the Truth, that His promise is Truth, that the Meeting with Him is Truth. I bear witness that paradise is truth, and that Hell is truth. And I bear witness that the coming of the Day of Judgment is truth, there is no doubt about it, and that Allah, who is exalted above all deficiency and imperfection, will surely resurrect the dead of all the generations of mankind, first and last and those in between.

This is my counsel to my relatives and friends, my Muslim brothers and sisters, and all those who remain after me, that they strive to be true Muslims, that they submit to their Creator-- may He be exalted -- and worship Him as He alone is to be worshiped, fear Him as He alone is to be

feared, and love Him and His Prophet Mohammad with a complete love that is rivaled by nothing besides them. Let them obey Him and hold fast to His shariah (Islamic Law). Let them spread and firmly establish Islam and let them die only in a state of complete submission to His Will.

I remind them that no man and no woman dies before his time. The exact duration of each life span is precisely determined before we are born, by the All-powerful Creator, may He be exalted. Death is tragic only for the one who lived out his/her life in self-deception without submitting to the Creator and preparing for the final return to Him. So, do not preoccupy yourself with my death, but instead, make the proper preparations for your own.

Maintain patience and self-composure as the religion of Islam requires. Islam permits female relatives to mourn for no more than three days, although a widow is allowed to mourn for four lunar months and ten days, until her iddah (period of waiting) is completed. Wailing and excessive lamentation is forbidden by the Creator, and it only reflects lack of understanding and dissatisfaction with the will of the Creator, may He be exalted.

Finally, I ask all my relatives, friends, and all others, whether choose to believe as I believed or not - to honor my Constitutional rights to these beliefs. I ask them to honor this document which I have made, and not to try to obstruct it or change it in any way. Rather, let them see that I am buried as I have asked to be buried and let my properties be divided as I wanted them to be divided.

Funeral And Burial Rites

I ordain that no autopsy or embalmment be done on my body unless required by law, that without unjustified delay my body be washed, wrapped with cloth free of any ornaments and other article, prayed for, and then buried, which all should be done by Muslims in complete accordance with Islamic Religion.

a. I hereby nominate and appoint _____, to execute these and other necessary provisions for my Islamic funeral and burial. In the event that any one of them is unwilling or unable to execute, such of those that remain shall perform the function.

b. I ordain that absolutely no non-Islamic religious service or observance shall be conducted upon my death, or on my body.

c. I ordain that no pictures, crescents and stars, decorations, crosses, flags, any symbols-Islamic or otherwise- or music be involved at any stage of the process of conducting my burial or ever be placed at the site of my grave.

d. I ordain that my body shall not be transported over any unreasonable distance from the locality of death - particularly when such transportation would necessitate embalming, unless such long distance transportation is required to reach the nearest Muslim cemetery or is requested by my Muslim family.

e. I ordain that my grave be dug deeply and in complete accordance with the specifications of Islamic practice that it faces in the direction of the qiblah (the direction of the City of Mecca in the Arabian Peninsula toward which Muslims turn during prayers).

f. I ordain that my body shall be buried without casket or any other encasement that separate the wrapped body from the surrounding soil. In the event that the local laws require casket encasement, I ordain that such encasement be of simplest, most modest, and least expensive type possible and I further ordain that the encasement be left open during burial and filled with dirt unless prohibited by law.

g. I ordain that my grave be leveled with ground or slightly mounded with no construction of any kind. The marking - if necessary - should be a simple rock, merely to indicate the presence of a grave. There should be no inscriptions, or symbols on the said marking.

h. My spouse and I have purchased cemetery lots located at the _____, and to the extent possible I request that I be buried there.

Debts and Expenses

a. I direct that all properties that I hold on behalf of someone shall be returned to the rightful owners. I further direct that my executor hereafter named first apply the assets of my estate to the

payment of all my legal debts -- including such expenses incurred by my last illness and burial as well as the expenses of the administration of my estate. I direct said executor to pay any outstanding obligations to Allah@ (huquq Allah) which are binding on me including unpaid Zakah, kaffarat or unperformed pilgrimage (hajj).

b. I direct all inheritance, estate and succession taxes (including interest and penalties thereon) payable by reason of my death shall be paid out of and be charged generally against the principal of my residuary estate without reimbursement from any person; except that this provision shall not be construed as a waiver of any right which my executor has, by law or otherwise, to claim reimbursement for any such taxes which become payable on account of property, if any, over which I have a power of appointment.

Confirmation of spouse's interest in residence and entitlement to stay therein

I hereby affirm that the residence located at belongs only to me and my spouse as our community property.

Notwithstanding any other bequests in this Will my spouse shall be entitled to stay in said residence, for as long as our lives, or any succeeding residence that I or we may purchase as a replacement for this one.

Contingent specific bequests for spouse and children of predeceased child

In the event any child of mine predeceases me than I direct, subject to the limitation contained in the succeeding paragraph, that the share that such child would have received had he/she been alive be distributed one half to the spouse of such child, and the other half to be distributed equally amongst the surviving children of such child. In the event such spouse has also predeceased me than the entire share shall be distributed amongst the surviving grandchildren.

It is my intention that no more than 1/3rd of my estate be distributed by specific bequests contained in this Will, including those contained in the above paragraph and the succeeding paragraphs. I accordingly direct my executor that the maximum amount to be distributed to the spouse and children of a predeceased child of mine is the lesser of the share my child would have

been entitled to under Islamic Law had he or she been alive on the date my death or 1/3 of my net estate, i.e. after all debts and inheritance/estate taxes are paid. Nothing contained herein is to be construed to deny these legatees from inheriting, if they become so entitled, as my Islamic heirs.

Charitable Contributions and Testamentary Transfer

I direct my executor to pay the following percentage of the remainder of my estate as charitable contributions to the named persons and organizations:

Name of the organization -

Percentage -

Distribution of Residue of My Estate

a. I direct, devise, and bequeath all the residue and remainder of my estate after the execution of the above mentioned paragraphs only to my heirs who are Muslims and whose relation to me, whether ascending or descending, has occurred through Islamic or lawful marriage at each and every point. The distribution of the residue and remainder of my estate shall be made strictly in accordance with the Islamic Distribution of the Estate.

b. I direct that no part of the residue and remainder of my estate after the execution of of the above mentioned paragraphs shall be inherited to any non-Muslim relative whether this relative is a kin or an in-law, spouse, parent, or child. I further direct and ordain that any non-Muslim relative be disregarded and disqualified in the application of the named schedule.

c. Should I die as a result of murder, I direct that the adjured murderer, principal or accessory in the murder, shall be disqualified to receive any part of my estate.

d. I direct that no part of my estate shall be given to relatives whose relationship to me, ascending or descending has occurred through non-Islamic or unlawful marriage, or through adoption, at each and every point.

e. I direct and devise that any fetus, conceived before death, whose relationship to me qualifies it to be a heir shall be considered as a heir if the following condition is fulfilled: the fetus should be born alive within 365 days of my death. I further direct and devise that, whenever there exists a fetus who may become an heir according to this section, the whole distribution of the residue and remainder of my estate after the execution of of the above mentioned paragraphs shall be delayed until after the birth of the fetus.

f. I direct, devise, and bequeath all the residue and remainder of my estate after the execution of all preceding paragraphs and to the

Executor and Guardian

I hereby nominate and appoint my spouse to act as Executor, in the event that my spouse is unable or unwilling to act, I nominate and appoint ----- to be the co-executors of this, my Last Will and Testament. In the event any one of them is unable or unwilling to serve as executor, than the remaining shall so serve.

The executors shall have full authority to administer my. The executor shall have all powers now or hereafter conferred on executors by law, except as otherwise specifically provided in this will, including any powers enumerated in this will.

I give my executor herein named power to settle any claim for or against my estate and power to sell any property, real, personal or mixed, in which I have an interest, without court order and without bond. I direct that no bond or surety for any bond be required for my executor in the performance of his/her duties.

If at any time any beneficiary under this will is a minor or it appears to the executor that any beneficiary is incapacitated, incompetent, or for any other reason not able to receive payments or make intelligent or responsible use of the payments, then the executor, in lieu of making direct payments to the beneficiary, may make payments to the beneficiary's conservator or guardian; to the beneficiary's custodian; to one or more suitable persons, as the executor deems proper, such as a relative or a person residing with the beneficiary, to be used for the benefit of the beneficiary; to any other person, firm, or agency for services rendered or to be rendered for the

beneficiary's assistance or benefit; or to accounts in the beneficiary's name with financial institutions.

Concluding Provisions

a. Whenever this Will mandates that a person is to be disregarded and/or is considered disqualified from sharing in my inheritance than distributions hereunder shall be made as if that person had predeceased me.

b. If any beneficiary under this Will and I die simultaneously, or if it cannot be established by clear and convincing evidence whether that beneficiary or I died first, I shall be deemed to have survived that beneficiary, and this Will shall be construed accordingly.

c. If any person, directly or indirectly, contests the validity of this will in whole or in part, or opposes, objects to, or seeks to invalidate any of its provisions, or seeks to succeed to any part of my estate otherwise than in the manner specified in this will, any gift or other interest given to that person under this Will shall be revoked and shall be disposed of as if he or she had predeceased me without issue.

IN WITNESS WHEREOF I have hereunto set and subscribed my hand and signature on this ____
th day of _____.

Signature of the Testator

Signed by the above named -----in our presence at the said time and each of us, signed his/her name hereunder as attesting witnesses.

Witnesses:

1. I have witnessed and read the aforesaid Will.

(signature)

2. I have witnessed and read the aforesaid Will.

(signature)

19. OTHER AGREEMENTS

19.1. ADOPTION DEED

Adoption can be defined as the statutory process of terminating a child's legal rights and duties towards the natural parents and substituting similar rights and duties towards adoptive parents. Adoption establishes a parent-child relationship between persons not so related by the birth of the child. For the parentless or the abandoned child, adoption means a balanced physical and psychological family environment and to the desirous parents, chances to become parents and experience family growth. It is one of the means of solving the problems of destitute and orphans. A child for adoption must be under 18 years of age and unmarried and legally free for adoption.

Adoption has no uniform law in India, but there are two legislations related to adoption namely:

1. Hindu Adoption and Maintenance Act, 1956
2. The Guardians and Wards Act, 1890

Procedure for In-country adoption

- The prospective adoptive couple/single parent had to register their names with an Adoption co-ordination Agency or with a recognized placement agency.
- The Home Study Report of the prospective adoptive couple/single parent will be prepared by a qualified social worker. The Home Study report takes into account all the attributes of couple/single parent that would contribute to an effective parenthood.
- After a Home Study has been accepted and approved, a child will be shown to the parent(s). If desired by the parents, the agency will take care to match a child meeting the desired description.

- Once a successful matching has been done, the agency will file a petition in the Court/Juvenile Justice Board (JJB) for obtaining the necessary orders under the relevant Act. The above process will normally be completed in 6-8 weeks.

Procedure for Inter-country adoption

The Supreme Court of India has laid down that every application from a foreigner/NRI/PIO (as applicable) desiring to adopt a child must be sponsored by a social or child welfare agency recognised or licensed by the Government or a Department of the Foreign Govt. to sponsor such cases in the country in which the foreigner is resident. The foreign agency should also be an agency 'authorised' by CARA, Ministry of Social Justice & Empowerment, Govt. of India. No application by a foreigner/NRI/PIO for taking a child in adoption should be entertained directly by any social or child welfare agency in India.

Criteria for Foreign Prospective Adoptive Parent/s (FPAP):

- Married couple with 5 years of a stable relationship, age, financial and health status with reasonable income to support the child should be evident in the Home Study Report.
- Prospective adoptive parents having composite age of 90 years or less can adopt infants and young children. These provisions may be suitably relaxed in exceptional cases, such as older children and children with special needs, for reasons clearly stated in the Home Study Report. However, in no case should the age of any one of the prospective adoptive parents exceed 55 years.
- Single persons (never married, widowed, divorced) up to 45 years can also adopt.
- Age difference of the single adoptive parent and child should be 21 years or more.
- A FPAP in no case should be less than 30 years and more than 55 years.
- A second adoption from India will be considered only when the legal adoption of the first child is completed.
- Same sex couples are not eligible to adopt.

GENERAL ADOPTION DEED

THIS DEED of adoption made on this _____ day of _____ between Sh. _____, s/o _____, r/o _____ (hereinafter called "the adoptive father") of one part

AND

Sh. _____ s/o _____ r/o _____, (hereinafter called "the natural father") of the other part.

WHEREAS

1. The adoptive father has no issue, male or female, and having regard to his circumstances, he has no expectation of having any issue.
2. The adoptive father and his wife want to adopt a child as their son/daughter.
3. The natural father has three children, all sons.
4. The adoptive father, with the consent of his wife, has approached the natural father for giving in adoption one of his sons named _____ (name of the child).
5. The natural father has, with the consent of his wife, consented to his said son being given in adoption.
6. The ceremony of giving and taking in adoption has been duly performed along with other religious ceremonies customary with the parties on the day of _____.
7. The parties considered it expedient and necessary that a proper deed of adoption be executed as an authentic record of adoption.

NOW THIS DEED WITNESSETH AS FOLLOWS:

1. Declaration of Adoption

The parties hereto do hereby declare that the adoptive father has duly adopted the said child as his son from the day of _____ i.e. the day on which ceremony of giving and taking in

adoption has been duly performed along with other religious ceremonies customary with the parties.

2. Legal rights and liabilities of adopted son

The said son has been transferred to the family of adoptive father and shall have, from the date of adoption, all the legal rights and liabilities of an adopted son.

3. Maintenance, etc. of adopted son

The adoptive father shall be liable for the maintenance, education and other expenses of the adopted son and shall bear all such expenses in accordance with his status.

IN WITNESS WHEREOF, the parties hereunto have signed this deed this _____ day of _____.

WITNESS:

1.

THE ADOPTIVE FATHER

2.

THE NATURAL FATHER

ADOPTION BY AN UNMARRIED HINDU WOMAN

THIS DEED of adoption made on this _____ day of _____ by _____, d/o Sh. _____ r/o _____.

WHEREAS

1. That I, _____, am the only living daughter of Sh. _____, s/o Sh. _____, not married and does not intend to marry hereafter.

2. I have this day adopted _____ (name of the child), son/daughter of Sh. _____ r/o _____, aged ____ as my son/daughter and the said child having been given to me in adoption by his/her father with the consent of the child's mother.

3. The ceremony of giving and taking in adoption has been duly performed on _____ along with other religious ceremonies.

NOW I, _____, hereby declare that I have adopted the said child as my son/daughter and the said child shall have, from the date of adoption, all the legal rights and liabilities of an adopted son/daughter. I further confirm that I have executed this deed out of my free will without any compulsion from any person.

IN WITNESS WHEREOF, I am signing this deed this _____ day of _____.

WITNESS:

1.

Smt. _____

2.

ADOPTION OF AN ORPHAN FROM AN ORPHANAGE

THIS DEED of adoption made on this _____ day of _____ by Sh _____, s/o Sh. _____ r/o _____

WHEREAS

1. I have no issue of my own and have no expectation of having any issue due to the reason of having become quite aged.

2. I have long been anxious to adopt a suitable boy/girl as our son/ daughter.

3. I have, after taking consent of my wife, adopted _____ aged _____, residing in _____ (name and address of the orphanage) and the said child has been given in adoption to me by the superintendent of the said orphanage, with the prior permission of the court vide dated _____, a copy of which is annexed hereto.

4. The ceremony of giving and taking in adoption has been duly performed on _____ along with other religious ceremonies.

NOW I, _____, hereby declare I have adopted the said child as my son/daughter and the said child shall have, from the date of adoption, all the legal rights and liabilities of my adopted son/ daughter.

IN WITNESS WHEREOF, I am signing this deed this _____ day of _____.

WITNESS:

1.

_____ **Sh.**_____

2.

19.2. SURROGACY AGREEMENT

A surrogate is a woman who agrees to carry a pregnancy for another person or couple, called the intended or genetic parent(s). The typical surrogate is a woman in her mid 20's to early 30's married & has her own children. Although compensated, surrogates generally provide their services to help other loving, committed couples experience the same joy they have as parents.

A Surrogacy agreement should be finalised when the following aspects have been finalised –

(a) The choice over the surrogate mother;

- (b) The choice over the Clinic;
- (c) The financial element, with regard to the compensation to the surrogate; and
- (d) The date for commencing the procedures at the hospital has been fixed.

Once all the above factors have been determined, it is the right time for entering into a surrogacy agreement. The surrogate should have a clear understanding of the agreement and there should be also some evidence for the same.

The purpose of the surrogacy agreement is to allow each party to state their intentions and their responsibilities to one another. The agreement will clearly state that the surrogate does not intend on parenting any resulting children & does not wish to have physical or legal custody of any children. The surrogacy agreement will also define the right & responsibilities of the assisted parents.

SURROGATE PARENTING AGREEMENT

This Agreement is made on _____ (Date), by and between _____, a married woman (Referred to as Surrogate), _____, her husband (Referred to as Surrogate's Husband), who both reside at _____ (Address) and _____, (Referred to as Natural Father), who resides at _____ (Address).

This Agreement is made with reference to the following facts:

A. The Natural Father is a married man over the age of Eighteen (18) or Applicable Age Required by Statute) _____ years, who desires to enter into this Agreement, the sole purpose of which is to enable the Natural Father and his wife, who cannot conceive, to have a child who is biologically related to the Natural Father.

B. The Surrogate and Surrogate's Husband are over the age of eighteen (18) years and both

desire and are willing to enter into this Agreement subject to the terms and conditions contained in this Agreement.

NOW THEREFORE, in consideration of the mutual promises, representations, terms and conditions contained in this Agreement, the parties agree as follows:

1. Surrogate represents that she is capable of conceiving children. Surrogate understands and agrees that in the best interests of the child she will not form or attempt to form a parent-child relationship with any child or children she may conceive, carry to term, and give birth to, pursuant to this Agreement.
2. Surrogate and Surrogate's Husband have been married since _____ (Date). Surrogate's Husband agrees with the purposes and provisions of this Agreement and acknowledges that his wife, Surrogate, shall be artificially inseminated pursuant to the provisions of this Agreement. Surrogate's Husband agrees that in the best interests of the child he will not form or attempt to form a parent-child relationship with any child or children. Surrogate may conceive by artificial insemination, as described in this agreement, and agrees to freely and readily surrender immediate custody of the child to Natural Father. Surrogate's Husband further agrees to terminate his parental rights to such child. Surrogate's Husband acknowledges he will do all acts necessary to rebut the presumption of paternity of any offspring conceived and born pursuant to this Agreement as provided by law, including blood testing and other testing.
3. Surrogate shall be artificially inseminated by a physician. Surrogate, upon becoming pregnant, agrees she will carry the embryo (or fetus) until delivery. Surrogate and Surrogate's Husband, agree that they will cooperate with any background investigation into Surrogate's medical, family, and personal history and warrants the information to be accurate to the best of their knowledge and belief. Surrogate and Surrogate's Husband agree to surrender custody of the child to Natural Father, to institute, and cooperate, in proceedings to terminate their respective parental rights to such child, and to sign any and all necessary affidavits, documents, and papers in order to further the intent and purposes of this Agreement. Surrogate and Surrogate's Husband understand that the child is being conceived for the sole purpose of giving such child to Natural Father, its natural and

biological father. Surrogate and Surrogate's Husband agree to sign all necessary affidavits and other documents, prior to and subsequent to the birth of the child, and to voluntarily participate in any paternity proceedings necessary for the Natural Father's name to be entered on the child's birth certificate as the natural or biological father.

4. The consideration for this Agreement which is compensation for services and expenses, and should in no way be construed as a fee for the termination of parental rights or as payment in exchange for a consent to surrender the child for adoption, in addition to other provisions contained in this Agreement, shall be as follows:
 - a. _____ (Rs. _____) Rupees shall be paid to Surrogate, for services and expenses in carrying out Surrogate's obligations under this Agreement, immediately upon surrender to Natural Father Custody of the child born pursuant to the provisions of this Agreement.
 - b. The consideration to be paid to Surrogate shall be deposited with _____ (Referred to as Custodian), the representative of Natural Father, at the time of the signing of this Agreement and shall be held in escrow until completion of the duties and obligations of Surrogate as provided for in this Agreement.
 - c. Natural Father shall pay the expenses incurred by Surrogate, pursuant to her pregnancy, which are specifically defined as follows:
 - (a) All medical, hospitalization, pharmaceutical, laboratory, and therapy expenses, incurred as a result of Surrogate's pregnancy, not covered or allowed by her present health and major medical insurance, including all extraordinary medical expenses and all reasonable expenses for treatment of any emotional, mental, or other problems related to such pregnancy. In no event, however, shall any such expenses be paid or reimbursed after a period of _____ (____) months has elapsed since the date of the termination of the pregnancy. This agreement specifically excludes expenses for lost wages or other non-itemized incidentals related to such pregnancy.

(b) Natural Father shall not be responsible for any medical, hospitalization, pharmaceutical, laboratory, or therapy expenses occurring _____ (____) months after the birth of the child, unless the medical problem incident to such expenses was known and treated by a physician prior to the expiration of the _____ (____) month period and written notice advising of this treatment is given to Custodian, as representative of Natural Father, by certified mail, return receipt requested.

(c) Natural Father shall be responsible for the total cost of all paternity testing. Such paternity testing may, at the option of Natural Father, be required prior to release of the Surrogate fee from escrow. If Natural Father is conclusively determined not to be the biological father of the child as a result of an HLA test, this Agreement will be deemed breached and Surrogate shall not be entitled to any fee, and Natural Father shall be entitled to reimbursement of all medical and related expenses from Surrogate and Surrogate's Husband.

(d) Natural Father shall be responsible for Surrogate's reasonable travel expenses incurred at the request of Natural Father pursuant to this Agreement.

5. Surrogate and Surrogate's Husband are aware, understand, and agree to assume all risks, including the risk of death, which are incidental to conception, pregnancy, childbirth, and includes, but is not limited to, complications subsequent to such childbirth.
6. Surrogate and Surrogate's Husband, hereby agree to undergo psychiatric evaluation by _____, a psychiatrist, as designated by Natural Father. Natural Father shall pay for the cost of such psychiatric evaluation. Prior to their evaluations, Surrogate and Surrogate's Husband shall sign a medical release permitting dissemination to Custodian or Natural Father and his wife, copies of the report prepared as a result of such psychiatric evaluations.
7. Surrogate and Surrogate's Husband hereby agree it is the exclusive and sole right of Natural Father to name such child born pursuant to this agreement.

8. Child, as referred to in this agreement, shall include all children born simultaneously pursuant to the inseminations contemplated in this Agreement.
9. In the event of the death of Natural Father prior or subsequent to the birth of such child, it is understood and agreed by Surrogate and Surrogate's Husband, the child will be placed in the custody of Natural Father's wife.
10. In the event the child is miscarried prior to the _____ (____) (Fifth or as the Case May Be) month of pregnancy, no compensation, as enumerated in Section Four, Paragraph 1, shall be paid to Surrogate. However, the expenses enumerated in Section Four, Paragraph 3 shall be paid or reimbursed to Surrogate. In the event the child is miscarried, dies, or is stillborn subsequent to the _____ (____) (Fourth or as the Case May Be) month of pregnancy the Surrogate shall receive _____ (Rs. ____) Rupees in lieu of the compensation enumerated in Section Four, Paragraph 1. In the event of a miscarriage or stillbirth as described above, this agreement shall terminate, and neither Surrogate nor Natural Father shall be under any further obligation under this Agreement.
11. Surrogate and Natural Father shall each undergo complete physical and genetic examination and evaluation, under the direction and supervision of a licensed physician, to determine whether the physical health and well-being of each is satisfactory. Such physical examination shall include testing for AIDS and venereal diseases including, but not limited to, syphilis, herpes, and gonorrhea. Such AIDS and venereal disease testing shall be done prior to, but not limited to, each series of inseminations.
12. In the event that pregnancy has not occurred within a reasonable time in the opinion of Natural Father, this Agreement shall terminate by written notice to Surrogate, at the residence provided to the Custodian by the Surrogate (from Custodian, as representative of the Natural Father).
13. Surrogate agrees she will not abort the child once conceived except if, in the professional medical opinion of the inseminating physician, such action is necessary for the physical health of Surrogate or the child has been determined by such physician to be physiologically abnormal. Surrogate further agrees, at the request of such physician, to

undergo amniocentesis or similar tests to detect genetic and congenital defects. In the event such test reveals the fetus is genetically or congenitally abnormal, Surrogate agrees to abort the fetus on demand of Natural Father. The fee paid to Surrogate in this circumstance will be in accordance to Section Ten. If Surrogate refuses to abort the fetus upon demand of Natural Father, Natural Father's obligations, as stated in this Agreement, shall cease except as to obligations of paternity imposed by statute. Natural Father recognizes that some genetic and congenital abnormalities may not be detected by amniocentesis or other tests, and, therefore, if proven to be the biological father, assumes the legal responsibility for any child who may possess genetic or congenital abnormalities.

14. Surrogate agrees to adhere to all medical instructions given her by the inseminating physician as well as her independent obstetrician. Surrogate also agrees not to smoke cigarettes, drink alcoholic beverages, use illegal drugs, or take prescription or nonprescription medications without written consent from her physician. Surrogate agrees to follow a prenatal medical examination schedule to consist of no fewer visits than: one (1) visit per month during the first _____ (____) (Seven or as the Case May Be) months of pregnancy, two (2) visits (each to occur at two-week intervals) during the _____ (____) and _____ (____) (Eighth and Ninth or as the Case May Be) months of pregnancy.
15. Prior to signing this Agreement, each party has been given the opportunity to consult an attorney of his or her own choice concerning the terms and legal significance of the agreement and the effect it has upon any and all interests of the parties to this Agreement.
16. Each party acknowledges that he or she has carefully read and understands every word in this Agreement, realizes its legal effect, and is signing this agreement freely and voluntarily. None of the parties has any reason to believe the other party or parties did not understand fully the terms and effects of this Agreement, or that the other parties did not freely and voluntarily execute this Agreement.

17. In the event any of the provisions of this Agreement are deemed to be invalid or unenforceable, such invalid or unenforceable provision may be severed from the remainder of this Agreement and shall not cause the invalidity or unenforceability of the remainder of this Agreement. If such provision shall be deemed invalid due to its scope or breadth, then such provision shall be deemed valid to the extent of the scope or breadth permitted by law.
18. This Agreement shall be executed in three copies, each of which shall be deemed an original. One copy shall be given to Custodian, another copy to Natural Father, and the third copy to Surrogate.
19. This instrument embodies the entire Agreement of the parties with respect to the subject matter of surrogate parenting. There are no promises, terms, conditions, or obligations other than those contained in this Agreement, and this Agreement shall supersede all previous communications, representations, or agreements, either verbal or written, among the parties.
20. This Agreement cannot be modified except by written agreement signed by all the original parties.
21. This Agreement has been drafted, negotiated, and executed and shall be governed by, and enforced in accordance with, the laws of India.

Signature of Surrogate Mother

Date

Signature of Surrogate's Husband

Date

Signature of Natural Father

Date

19.3. AGREEMENT FOR MAINTENANCE BETWEEN
HUSBAND AND WIFE

Obligation of a husband to maintain his wife arises out of the status of the marriage. Right to maintenance forms a part of the personal law. Under the Code of Criminal Procedure, 1973 (2 of 1974), right of maintenance extends not only to the wife and dependent children, but also to indigent parents and divorced wives. Claim of the wife, etc., however, depends on the husband having sufficient means.

Maintenance is a right to get necessities which are reasonable from another. It has been held in various cases that maintenance includes not only food, clothes and residence, but also the things necessary for the comfort and status in which the person entitled is reasonably expected to live. Right to maintenance is not a transferable right.

MAINTENANCE AGREEMENT BETWEEN HUSBAND AND WIFE

THIS AGREEMENT made at..... on this day of20.., between A, son of B, resident of (hereinafter called "the husband") of the ONE PART and Smt. X his wife (hereinafter called "the wife") of the OTHER PART.

WHEREAS the husband and wife are living separately due to differences and disputes having arisen between them; and

AND WHEREAS they want to live separate, apart from each other and intend to live separate at all times hereafter unless there is any reconciliation.

NOW THIS AGREEMENT WITNESSETH THAT:

1. The parties shall live separately and apart from each other and no party shall have any right, authority over the other or shall institute any legal proceeding for restitution of conjugal rights or otherwise.

2. The husband shall during the life time of the wife pay to her a sum of Rs..... p.m. for her maintenance and the maintenance of the children. However, if the wife does not lead a chaste life, the husband shall be entitled to stop the payment of maintenance allowance after giving her notice.
3. The wife shall be entitled to the custody and guardianship of the children of the marriage, namely C and D now aged years and years, respectively. The wife shall maintain and educate the said children until they shall respectively attain the age of majority. The husband shall not be liable for any claim or demands of the children and the wife shall keep the husband indemnified from and against all claims and demands in respect of such children.
4. The wife shall pay for and discharge all liabilities or debts incurred by her after the date of these presents, whether for maintenance, support or otherwise and the husband shall not be liable for the same. The wife shall indemnify and keep indemnified the husband against all claims, actions and demands on that account and if the husband has to pay any sum on account of the liabilities of debts incurred by the wife, he is entitled to deduct the same from the amount payable to the wife under this agreement.
5. The wife may remove all her wearing apparel, jewelry and other personal effects, etc. belonging to her from the husband's place and retain the said goods as her separate property.
6. The husband may have the access to the children at every Sunday between 7.00 A.M. to 9.00 P.M. He may have the sole custody of the children in the said timings on the said day.
7. Notwithstanding anything contained in this agreement, it is expressly agreed that if at any time hereafter, the parties live together as husband and wife with mutual consent, then in that case, the said sum payable to the wife-under this agreement shall no longer be payable and the agreements hereinabove contained shall become void.
8. This agreement shall be revoked by the death of either the husband or wife.
9. This agreement shall be executed in duplicate. The original shall be retained by the husband and duplicate by the wife.

IN WITNESS WHEREOF, the parties have set their respective hands to these presents and a duplicate hereof on the day and year first hereinabove written.

Signed and delivered by the within named husband A.

Signed and delivered by the within named wife Smt. X

WITNESSES;

1.

2.

**19.4. FAMILY SETTLEMENT BETWEEN THE HEIRS OF A
DECEASED**

This Deed of Family Settlement made at on this day of 20..., between the heirs of (deceased) namely (i), widow of (deceased), (ii) son of (deceased), (iii) daughter of (deceased), (iv) son of (the predeceased second son of (deceased)), (v) widow of the third son of (deceased).

Whereas the said (deceased) died intestate at on leaving movable and immovable assets, more particularly described in the Schedule hereunder written.

And whereas differences and disputes have arisen amongst the legal heirs of said deceased as to the respective share of the heirs.

And whereas the parties hereto desire and have agreed that the disputes and differences between them should be resolved amicably between the parties and litigation amongst the family members should be avoided.

NOW THIS DEED WITNESSETH AS FOLLOWS:

1. In pursuance of the said agreement and in consideration of the premises, the parties aforementioned have agreed that the estate of the deceased shall be distributed amongst the heirs of the deceased as under:

1.

2.

3.

4.

5.

2. The parties hereby declare that they have taken independent advice from their respective advocates and they know the true meaning and effect of this deed.

IN WITNESS WHEREOF, the parties hereto have set and subscribed their hands to this writing the day and year first hereinabove written.

SCHEDULE

(Particulars of movable and immovable assets left by (Deceased))

WITNESSES:

1.

2.