

**A Specimen of Promoters' Contract for the Purchase of an Industrial Plot for setting up Industrial Unit of the Proposed Company ABC Ltd.**

THE AGREEMENT made on..... day of..... between Mr. A, son of Mr..... resident of....., Mr. B, son of Mr..... resident of..... and Mr. C, son of Mr....., resident of.....' (hereinafter referred to as "promoters") of the one part which expression shall, unless repugnant to the context include their heirs, legal representatives and assigns and Mr. "V" son of Mr..... resident..... (hereinafter referred as "Vendor") of the other part, which expression shall, unless repugnant to the context, include his heirs, legal representatives and assigns.

WHEREAS the promoters have been engaged for quite sometime in the past in promoting and forming a company to be known as ABC Ltd., which name has been made available to the promoters by the Registrar of Companies....., consequent upon which they have filed with the Registrar memorandum of association and articles of association for registration of the company;

AND WHEREAS the memorandum and articles of association of the proposed ABC Ltd., empower the company and its directors to enter into agreements on its incorporation on the lines of the agreement entered into by the promoters for the purchase of land, plant, machinery, equipment and for hiring the services of persons required for and in connection with the formation and incorporation of the company;

AND WHEREAS the Vendor is the absolute owner of industrial plot of land measuring..... and situated at..... and is desirous of selling the same;

AND WHEREAS the promoters are desirous to buy the said plot of land for the proposed company ABC Ltd. to set up an industrial unit on its incorporation.

NOW IT IS AGREED AND DECLARED BETWEEN AND BY THE PARTIES AS FOLLOWS:

That the said vendor shall sell and the promoters shall purchase the industrial Plot No..... situated in .the..... Industrial Area, .....bounded on North by....., on South by....., on East by....., and on West by..... in consideration of the payment, by the promoters on the date of this agreement, of the sum of Rs..... and the balance of Rs..... on the date of the appearance of the vendor and the promoters before the Sub-Registrar..... at the time of registration of the deed of sale to this agreement.

2. The vendor shall satisfy the promoters or ABC Ltd., if incorporated by then, about the title of the vendor to the aforesaid piece of land within one month of the execution of this agreement and the promoters or their attorney shall be entitled to ask for such information as may be necessary to ascertain the title of the vendor and the vendor shall be bound to allow inspection of the title deeds relating to the plot of land at his place within two months of the date of this agreement. On the satisfaction of the .promoters as to the title of the vendor in respect of the said plot of land, the parties shall complete the transaction of the sale within six months of the date of this agreement.

3. The parties shall bear the expenses of sale equally. The purchaser shall pay to the vendor the expenses for purchase of stamp, a fortnight before the expiry of the period fixed for this agreement for completion of the sale and the promoters shall also at the same time deliver to the vendor a draft of the deed of sale which the vendor shall, if in proper form, execute at his expense in favour of the purchasers and present the same for registration on or before the date fixed for the completion of the sale transaction.

4. The vendor shall deliver actual possession of the plot of land to the promoters or the company on the date of payment of the balance of the price aforementioned and shall do all other acts that may be necessary or requisite to effectually put the promoters or ABC Ltd., as the case may be, in such possession.

5. In case there found to be any error or misdescription in area or the boundaries or the other specifications of the plot of land agreed to be conveyed to the promoters of ABC Ltd. or ABC Ltd., as the

case may be, corresponding decrease or increase in price relating to the area and rectification of misdescription of the specification relating to boundaries etc. shall be permissible, and shall not form any ground for avoiding this agreement for sale of the plot of land.

IN WITNESS WHEREOF the parties aforementioned have signed this deed of acceptance of the terms thereof.

- |            |  |
|------------|--|
| 1. Witness | Vendor   |
| 2. Witness | Purchasers/Promoters of the Company<br>ABC Limited, under incorporation. |
| 3. Witness | A  |
| 4. Witness | B  |
|            | C  |

*(Schedule of Land)*

**A Specimen of Agreement entered into by and between ABC Ltd. on its Incorporation and Mr. .... Vendor of Industrial Plot No..... Situated..... who had earlier entered into an Agreement dated..... for the Sale of the said Plot of land to the Promoters of the Company.**

THIS AGREEMENT made and entered into the..... day of..... between Mr. 'V' son of Mr..... resident of..... (hereinafter called "the vendor") which expression shall, unless, repugnant to the context, include his heirs, legal representatives and assigns of the one part and ABC Ltd., a company incorporated under the Companies Act, 1956 and having its Registered Office at..... (hereinafter known as "the company") which expression shall, unless repugnant to the context, include its legal representatives, of the other part.

WHEREAS the company was incorporated on..... under the Companies Act, 1956 as a public limited company with a nominal share capital of Rs..... divided into..... equity share of Rs..... each;

AND WHEREAS Mr. A, Mr. B and Mr. C have been engaged for quite sometime in the past in promoting and forming this company;

AND WHEREAS the said promoters of the company, Mr. A, Mr. B and Mr. C had entered into agreement with the vendor on the....., for the purchase of industrial plot of land No..... situate at....., a copy of the plan whereof is annexed hereto as Annexure-I;

AND WHEREAS the memorandum and articles of association of the company empower the company and its directors to enter into agreements with third parties on the terms and conditions of the agreements entered into by and between the promoters and the third parties for the purchase of land, plant, machinery, equipment etc. for the company;

NOW IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES OF ONE PART AND PARTY OF THE OTHER PART:

That the said vendor shall sell and the company shall purchase the industrial plot No..... situate in the..... Industrial Area, .....more precisely described in the Schedule hereto in consideration of payment by the company on the date of this agreement of the sum of Rs..... and the balance of Rs..... on the date of the appearance of the vendor and the company before the Sub-Register, .....at the time of registration of the deed of sale pursuant to this agreement.

2. The company has already satisfied itself with regard to absolute title of the vendor in the said plot of land and has already given to the vendor a draft of the deed of conveyance and the vendor hereby

agrees and undertakes to execute the same in favour of the company within a period of a fortnight of the date of execution hereof and present the same for registration within the said period of fortnight.

3. The vendor shall deliver actual possession of the plot of land to the company on the date of payment of price aforementioned and shall do all other acts that may be necessary or requisite to effectually put the company in such possession.

Signed and delivered by within named vendor in presence of:

Witness - 1.....

Witness - 2..... Signature of Vendor

Signed, sealed and delivered by within named company (purchaser)

(Name of the Company)

Through its Director

Shri..... Signature.....

In presence of:

Witness - 1.....

Witness - 2.....

*(Annexure or Schedule of Land)*

A