

(To be Registered)

AGREEMENT FOR SALE OF RUNNING BUSINESS TO THE COMPANY

THIS AGREEMENT made at _____ this ____ day of DD-MM-YYYY.

Between

Mr./Ms. _____, Son/daughter of _____ resident of _____ (hereinafter called "vendor") of the **ONE PART**

and

_____, a Company registered under the **Companies Act, 2013** and having its registered office at _____ (hereinafter called the "Company") of the

OTHER PART.

WHEREAS the vendor is carrying on business as **(Select Any one - sole proprietor /Partnership/OPC/LLP)** of _____ under the name and style of M/s. _____ **(Mention any one Private Limited / Limited)** at _____ **(Mention Location – State)**, hereinafter called the said business;

AND WHEREAS the Company has offered to purchase the business of the Vendor as a going concern at **Book Value**, which the Vendor have agreed on the terms and conditions hereinafter appearing.

NOW IT IS AGREED BETWEEN THE PARTIES AS FOLLOWS:

- (1) The Vendor as (Select Any one - sole proprietor / Partnership / OPC/LLP) will sell and the Company will purchase the said business of _____ now carried on by the Vendor at _____ under the name and style of M/s. _____ (Mention any one Private Limited / Limited) as a going concern, with all the assets including goodwill thereof relating to the said business as on _____ (DD-MM-YYYY).
- (2) The Vendor have assured the Company that he has clear and marketable title to the said business together with its assets and the same is not mortgaged, charges, hypothecated or otherwise encumbered in any manner whatsoever and the Company shall accept such title without investigation and shall not make any objection or requisition in relation thereto.
- (3) The Consideration for the said sale (in addition of debt and liability) shall be the sum of Rs. _____ (Rupees _____ Only), which shall be paid in Cash to the Vendor by the Company.
- (4) The Company shall purchase the said business subject to all debts and liabilities of the Vendor in respect thereof at the said ____ Day of _____, 20__ are paid off and shall indemnify the Vendor against all the claims, demand, actions or other proceeding in respect of such debts or liabilities.
- (5) The Sale shall be completed on the ___ day of _____, 20__ at which company shall pay to the Vendor consideration amount of Rs. _____ (Rupees _____ Only) and the vendor shall execute and do all such deed and things as may be necessary for effectually vesting the said business in the Company.
- (6) The Vendor will not undertake the business of _____ for a period of One year after the completion of the sale under this agreement within a radius of 10 Kms.

- (7) The transferred entity / business i.e. M/s _____ Name of Firm / Entity which is a (Select Any one - sole proprietor /Partnership/OPC/LLP) shall cease to exist post transfer and date of execution of this agreement dated DD-MM-YYYY. Also, the M/s _____ Name of the Company i.e. a (Private Limited / Limited) shall file the takeover agreement with the MCA records.
- (8) The Stamp duty and all costs of and incidental to this agreement and the conveyance and assignment of the said business to the company shall be borne by the Company.
- (9) If the sale is not completed on or before the date hereinbefore fixed for completion, the Vendor shall the right by notice in writing to the Company to rescind this agreement and neither party shall have any claim against the other for expenses, damages or sustained otherwise.
- (10) After the execution of this agreement along with sale consideration M/s. _____ shall not exist.

IN WITNESS WHEREOF the party of the One Part have set have set their hands and signatures and the Company have caused its stamp to be affixed in the presence of one of its directors, who have also set their respective hands and signatures the day and year hereinabove written.

SIGNED AND DELIVERED BY THE

(1) **Mr.** _____ **(Vendor)**

(2) **The Stamp of the within named company**
 _____ **Private Limited / Limited**

**Has been affixed pursuant to the Resolution
Of its Board of Directors Passed on the _____,
20____ In the presence of Shri. _____
Director who have in token thereof set their hand
and signature**

Witness:

1) Name:

Address:

Signature: _____

2) Name:

Address

Signature: _____