**AGREEMENT BETWEEN TWO COMPANIES FOR AMALGAMATION BY SALE OF ONE COMPANY TO THE OTHER COMPANY**

This Agreement made at between A B Co. Ltd. a company incorporated under Indian Companies Act, 1913 and having its registered office at (hereinafter called the Vendor company) of the ONE PART and X Y Co. Ltd. a company incorporated under Companies Act, 1956, and having its registered office at........................ , (hereinafter called the Purchasing company) of the OTHER PART.

**WHEREAS**

The Vendor company is a company incorporated under Indian Companies Act, 1913 with a capital of Rs. 10,00,000 divided into 1,00,000 shares of Rs. 10 each and it is authorised by its memorandum of association to sell, dispose off and transfer the whole or any part of its undertaking in consideration of cash or shares or debentures or debentures stock of any other company-or all or any of these and on winding up to distribute among the members its surplus assets;

**AND WHEREAS THE** Purchasing company was incorporated under the Companies Act, 1956 with a capital of Rs. 1 crore (Rs. 1,00,00,000) divided into 1,00,000 shares of Rs. 100 each and it is authorised by its Memorandum of Association to purchase or otherwise acquire all or any part of the properties or undertaking and liabilities of any other company or companies doing the business similar to the company.

**AND WHEREAS** Purchasing Company has agreed to purchase the whole of the undertakings and assets of the Vendor Company on the terms and conditions hereinafter appearing.

**NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:**

(1) The Vendor Company will sell and the Purchasing Company will purchase the whole of the properties, assets and undertakings of the Vendor Company (except uncalled capital) as a going concern as from the day of 20 for a sum of Rs. ................... I out of which Rs . shall be paid to the Vendor company in cash and the residue of Rs . shall be satisfied by the allotment of fully paid up shares of Rs. ...................... each in the capital of the Purchasing Company, to the Vendor Company or as the Vendor Company shall direct.

(2) The Vendor Company shall pay all outgoings and discharge its liabilities upto day of 20 and from that date the Purchasing Company shall pay all outgoings and discharge the liabilities of the Vendor Company.

(3) The Purchasing Company will be entitled io the benefits of all subsisting contracts, goodwill, trade marks, book debts made or owing to the Vendor Company including all cheques, bills, securities as from the day of 20 and the Purchasing Company will pay the debts and discharge and perform the liabilities and engagements of the Vendor Company from the said date and shall indemnify the Vendor Company against all claims, demands, actions and other proceedings in respect thereof.

(4) The Vendor Company will deliver an abstract of title to all lands and premises owned by it at its own expenses to the solicitors of the purchasing company within twenty days from the date hereof. Any requisitions and objections (if any) on the title of Vendor Company shall be made within days after the delivery of such abstract and in default of such requisition or objections, the Purchasing Company shall be deemed to have accepted the title.

(5) The transaction will be completed on the day of.................... 20 in the office of M/s . Solicitors and Advocates when the Purchasing Company shall pay to the Vendor Company the said sum of Rs . in cash and handover the share certificates and the Vendor Company and all other parties (if any), shall execute all conveyances, assignments and assurances and do all such acts, deeds or things as may be reasonably required for vesting all the property agreed to be sold in the Purchasing Company. The Vendor Company shall also appoint the Purchasing Company as its attorney to act on its behalf and in its name and for perfecting any registration and for giving and signing all notices on behalf of the Vendor Company for carrying into effect in all respects the aforesaid sale to the Purchasing Company and also for demands and recovering and giving receipts for all debts due to the Vendor Company in respect of the said business and for bringing all necessary suits for the recovery of the same and in respect of all other assets of the said

business of the Vendor Company.

(6) The Purchasing Company shall bear the stamp duty and all other expenses of this agreement and conveyance deed.

**IN WITNESS WHEREOF** the common seals of the parties have

hereunto affixed on the date and year first above written.

**WITNESSES** The common seal of A B Co. Ltd. the within named

Vendor Company was hereunto affixed pursuant to a

1. resolution passed at a meeting of the Board of Directors held on the day of20 in the presence of S/Shri and

Directors of the company who have signed in token thereof

2. The common seal of X Y Co. Ltd. the withinnamed Purchasing Company was hereunto affixed pursuant to a resolution passed at a meeting of the Board of

Directors held on the day of20 in the presence of Shri and Shri and

Directors of the company, who have signed in token thereof