# **Deed of Assignment of Business with Goodwill and Tenancy Rights**

# **THIS DEED OF ASSIGNMENT** made at \_\_\_\_\_\_\_\_\_\_\_ this \_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_ 200\_\_ Between M/S. SUPER PHARMA AND CHEMICALS, a Proprietary concern of ABC having address at \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ hereinafter called **‘The Assignor’** (which expression shall unless repugnant to the context or meaning thereof be deemed to include the said proprietary firm, the Proprietor and his legal heirs, executors and administrators) of the One Part; and XYZ CHEMICALS LTD, a Public Limited Company incorporated under the Companies Act, 1956, having its registered Office at \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, hereinafter called **‘The Assignee’** (which expression shall unless repugnant to the context or meaning thereof be deemed to include its successors and Assigns) of the Other Part;

**WHEREAS:**

(a) The Assignor for last \_\_\_\_\_ years has been carrying on business of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ in the name and style of **“M/S. SUPER PHARMA AND CHEMICALS”** as the sole Proprietor thereof at \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, hereinafter called “**the said Premises”**.

(b) The Assignor is the lawful tenant of the said premises at the monthly rent of Rs. \_\_\_\_\_\_\_\_\_\_/-.

(c) The Assignor is also possessed of plant, machinery, equipment, stock in trade etc. lying in the said premises and is running its activities and the business with all necessary licences from the said premises.

(d) The Assignee is also in the similar business of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

(e) The Assignor has agreed to sell and assign and the Assignee has agreed to purchase from the Assignor, free from all encumbrances, as a going concern, the said business of **“SUPER PHARMA AND CHEMICALS”** along with its assets, licences, permissions etc. including the said name along with its goodwill as incidental to the assignment of the said business as also with the benefit of monthly tenancy rights of the said premises for the consideration and upon the terms and conditions recorded herein.

(f) The parties are desirous of recording the terms and conditions agreed upon between them as appearing hereinafter.

**NOW THIS DEED OF ASSIGNMENT WITNESSETH** and it is hereby mutually agreed by and between the parties hereto as follows:

1. The Assignor hereby sells, transfers and conveys absolutely and the Assignee hereby purchases, free from all encumbrances and reasonable doubts, all and singular the Assignor’s said business of **“SUPER PHARMA AND CHEMICALS”** as a going concern with effect from \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (hereinafter referred to as **‘the Effective Date’**) along with its business, goodwill, firm name, trade name, rights and assets listed below (hereinafter referred to as **“the said business”**):

(a) The tenancy rights in respect of the said premises situated at \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_ and which are more particularly described in the **SCHEDULE** hereunder written and hereinafter referred to as ‘**the said Premises’** together with electric power connections including cable connections from Electricity Board and all other rights and benefits directly and/or indirectly attached to the said premises;

(b) all fixed and loose plant and machinery and tools and all furniture (fixed or loose), fixtures, fittings, instruments/equipments, spare parts, dyes, and all connected accessories thereof.

(c) all current Assets of the said business;

(d) the Assignor’s goodwill of the said business and the right to represent the Assignee as carrying on/continuing the business in succession to the Assignor’s said business;

(e) the full benefits of all patents, trade marks designs, discoveries, inventions, secret processes, licences, approvals etc. thereof;

(f) all policies of insurance in respect of assets and business; and

(g) the net current assets namely existing stocks, raw materials, finished and unfinished products, material in process, stores, packing material etc.

2. On and from the effective date, all the aforesaid assets of the said business of the Assignor are vested absolutely in the Assignee as full owner thereof and from the said effective date, the operations of the said business is to the account of the Assignee as sole owner thereof. The Assignor is executing the present Deed of Assignment in favour of the Assignee for effectively vesting the said assets in it as owner thereof, the Assignee having the full benefits thereof pursuant to assignment hereunder.

3. The total consideration for the sale of the said business of **SUPER PHARMA AND CHEMICALS** together with all its assets as aforesaid by the Assignor to the Assignee is   
Rs. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (Rupees \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ only) and the payment of the said consideration has been paid by the Assignee on or before the execution hereof.

4. The parties covenant that:-

(a) It shall be the sole obligation of the Assignor to pay, and discharge all the outstanding debts and liabilities of the said business as on the effective date.

(b) On and from the effective date, it shall be the sole obligation of the Assignee to meet all the debts and liabilities of the said business.

5. The Assignee is taking over the services pertaining to the said business of all the existing employees and workmen as from the effective date on their existing remuneration and the terms and conditions governing their services and as from the effective date by operation of law as also by virtue of this Deed all such employees of the said business shall be deemed to be the employees of the Assignee. However, all the liabilities of the said employees including provident fund, gratuity, pension, leave allowance, etc. till the effective date shall be on account of the Assignor.

6. In consideration aforesaid the Assignor doth hereby transfer his tenancy rights, title and interest in the said premises more particularly described in the Schedule hereunder written to the Assignee for which the Landlords have given their consent. The Assignor has upon execution hereof handed over vacant and peaceful possession of the said premises to the Assignee. The Landlords have granted their consent to admit the Assignee as tenant of the said premises from the date hereof at the enhanced rent of Rs. \_\_\_\_\_\_\_\_\_/- per month. The Assignee shall be entitled to directly enter into a fresh tenancy agreement with the said Landlords, if necessary.

7. Pursuant to the aforesaid, the Assignor doth hereby agree to indemnify and keep indemnified the Assignee and its successors against all loss, charges, costs and expenses it may incur or suffer on account of Assignor’s liability of the said business prior to the effective date.

8. The Assignor declares and has represented to the Assignee that:-

(a) the Assignor is the sole and absolute owner of the said business and entitled to the tenancy rights in respect of the said premises and has absolute and sole right to hold, use, occupy and possess the same.

(b) the said tenancy rights, the said business and all its assets are free from all claims and encumbrances and reasonable doubts of any nature whatsoever and the same are not attached either before or after judgment or at the instance of any taxation authority or any other authorities and the Assignor has not given any undertakings to the taxation authorities or any authorities so as not to deal with or dispose of the right, title and interest in the said property/business.

(c) the Assignor has not entered into any arrangement, agreement or commitment in respect of the said business nor created any third party rights for the same or any part thereof.

(d) For effectively transferring the said business and its’ assets in terms of this Deed of Assignment, the Assignor shall at all material times, as may be reasonably required by the Assignee, execute all necessary writings, deeds, declarations etc. at the cost of the Assignee.

9. All the cost of transfer including Stamp Duty, Registration Charges, and Sales Tax (if any) shall be borne and paid by the Assignee alone. Each party shall separately pay their advocates/solicitors professional charges.

10. In the event of any dispute arising between the parties hereto and which cannot be mutually resolved within a reasonable time; the same shall be referred to the Arbitration under the provisions of The Arbitration and Conciliation Ordinance, 1996 or any other prevailing Arbitration law. The Arbitration shall be held in the city of \_\_\_\_\_\_\_\_\_\_\_\_\_\_.

11. The Courts at \_\_\_\_\_\_\_\_\_\_\_\_\_\_ alone shall have jurisdiction to try and entertain all disputes between the parties hereto.

THE SCHEDULE ABOVE REFERRED TO

(“The said premises”)

**IN WITNESS WHEREOF** the parties hereto have executed these presents and a duplicate thereof the day and year first hereinabove written.

SIGNED AND DELIVERED by the )

Within named M/S. SUPER PHARMA )

AND CHEMICALS, through its )

Proprietor Mr. ABC )

in the presence of ……… )

1.

2.

THE COMMON SEAL of the within named )

Assignee X Y Z CHEMICALS LIMITED )

was hereunto affixed pursuant to the )

Resolution of it’s Board of Directors )

passed in that behalf, on the )

\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_ 200\_\_ in the )

presence of (1) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, )

Managing Director and (2)\_\_\_\_\_\_\_\_\_\_\_\_ )

Director and in the presence of \_\_\_\_\_\_\_\_\_ )

Witness:

1.

2.

RECEIPT

RECEIVED the day and year first hereinabove written of and from the within named Assignee an aggregate sum of Rs. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_/- (Rupees \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ only) as within mentioned being the full and final consideration as under:-

( set out details of the payment)

WE SAY RECEIVED

M/S. SUPER PHARMA AND CHEMICALS

PROPRIETOR

WITNESS:

1.

2.