

**AGREEMENT TO DEMOLISH THE STRUCTURE, CLEAR THE SITE
AND TO CONSTRUCT NEW BUILDING ON THE PLOT**

THIS AGREEMENT made at on this day of 2000, between A son of Shri..... resident of (hereinafter called 'the Employer') of the ONE PART and XYZ Constructions, a partnership firm, carrying on the business of builders and contractors, having its office at (hereinafter called 'the builders') of the OTHER PART

WHEREAS the employer is absolutely seized or otherwise well and sufficiently entitled to the old bungalow being House No. Mohalla..... with an area of sq. mts which bungalow is more particularly described in " First Schedule hereunder written, and is hereinafter referred to as 'the said bungalow.

AND WHEREAS the said bungalow has become very old and the employer intends to dismantle the said bungalow and construct a new bungalow on the said plot of land.

AND WHEREAS the builders are willing to undertake the said job of dismantling and construction of the new bungalow in accordance with the plan and specifications set out in the Second Schedule hereunder written.

NOW IT IS AGREED BETWEEN THE PARTIES AS UNDER:

1. The builders agree to undertake the work of dismantling the said bungalow and to construct a new bungalow in accordance with the plan, description and specifications set out in the Second Schedule hereunder written (hereinafter referred to as 'the said works') in consideration of a sum of Rs..... to be paid by the employer to the builders in the manner hereinafter provided.
2. The builders will dismantle the said bungalow, clear the site and construct the bungalow with the best available materials and in workmanship in accordance with the directions of the employer's architect (hereinafter referred to as the architect) in accordance with the plan, description, and specifications set out in the Second Schedule hereunder written. However, the employer may require the builders to alter the drawings and the nature of the work by adding or omitting any items of work. Such alterations shall be paid at such rates as may be mutually agreed upon.
3. The builders shall take away the building material of the old bungalow and shall clear and level the plot of land.
 - (a) While demolishing and constructing the bungalow, the builders shall carry out the said Works in accordance with the law, rules and bye laws for the time being in force affecting the said works and shall give the necessary notices to and obtain the requisite sanction of the concerned local authorities in respect of the said works and shall comply with building and other regulations of such authority.
 - (b) The builders shall complete the said works on or before the expiry of months from the date of execution of these presents in accordance with the plans duly approved by the municipal corporation of and descriptions and specifications and other terms and conditions as are set out in Third Schedule hereunder written:

Provided however the architect, with the previous consent of the employer, may extend the time for completion of the said works, it in his opinion the works are delayed (a) by force majeure; or (b) by reason of any exceptionally inclement weather; or (c) by reason of civil commotion, local combination of workman or strike or lock-out affecting any of building trades; or (d) in consequence of the builders not having received necessary instructions from the architect in due time; or (e) from other causes which the architect may certify as beyond the control of the builders.

- (c) The employer shall pay to the builders, weekly during the progress of the work, such sum as may be sufficient to defray the expenses for materials and other out of pocket expenses, as certified by the architect.
- (d) The builders hereby indemnify and keep the employer saved, defended and harmless against any claims, demands, actions or proceedings that may be suffered by the employer by reason of anything done by the builders as a result of the builders committing breach of any rules and regulations or causing damage to any adjoining property or any individual or otherwise howsoever in dismantling the property or constructing the new bungalow on the said property or any letters, applications and writings addressed by the builders pursuant to such authority as also for the costs, charges and expenses which may be incurred or for which the employer may become liable in that behalf.
- (e) The builders shall be responsible for injury to persons, animals or things and for all structural damages to the property which may arise from the operation or neglect of the builders or their employees, nominees, sub-contractors or their employees, whether such injury or damage arises from carelessness, accident or any other cause whatsoever in any way connected with the carrying out of construction pursuant to these presents. This clause shall be deemed to include, inter alia, 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 works forming the subject of this contract by frost, rain, wind or other inclemency of weather.
- (f) The builders shall, within one week from the date of commencement of the works, insure the works and keep them insured until the buildings complete in all respects and fit for occupation are handed over to the employer, against loss or damage by fire, earthquake, flood, cyclone, etc. with an insurer, in the joint names of the employer and the builders for the full amount of the contract and for any further sum, if called upon to do so by the employer. The premium of such further sum shall be reimbursed to the builders by the employer. The builders shall deposit the insurance policy and receipts for the premia with the employer within fourteen days from the commencement of the works, unless otherwise instructed by the employer. In case the builders fail to insure as provided above, the employer may so insure the works and may deduct the premium paid from any moneys due or which may become due to the builders without prejudice to the other rights of the employer in respect of such default. In case it becomes necessary to suspend the works due to any of the risks covered under the policy, the builders shall, as soon as the claim under the policy is settled, or the work reinstated should proceed with all due diligence with the completion of the works in the same manner as though the risk had not occurred and in all respects under the same conditions of contract. The builders in case of rebuilding or reinstatement after the risk, shall be entitled

to such extension of time for completion of the works, as the architects shall deem fit.

- (g) If the builders (i) have abandoned the contract; or (ii) have failed to dismantle the old bungalow and remove, clean and level the plot of land; or (iii) have failed to commence the works or have without any lawful excuse under these presents suspended the progress of the works for fourteen days after receiving from the architect notice to proceed; or (iv) have failed to proceed with the works with such due diligence and failed to make such due progress as would enable the works to be completed within the time agreed upon; or (v) have failed to remove materials from the site or pull down and replace work for seven days after receiving from the architect written notice that the said materials or work were condemned and rejected by the architect under these presents; or have neglected or failed persistently to observe and perform all or any of the acts, matters or things by this contract to be observed and performed by the builders for seven days after written notice shall have been given to the builders requiring them to observe or perform the same; then and in any of the said cases the employer may, after giving seven days notice in writing to the builders, terminate the contract, on such termination of the contract the employer by his agents or servants may enter upon and take possession of the works and all plants, tools, scaffoldings, sheds, machinery and other utensils and materials lying upon the premises or the adjoining lands or roads, and use the same as his own property or and employ the same by means of its own servants and workmen in carrying on and completing the works or by employing any other contractor or other person or persons to complete the works, and the builders shall not in any way interrupt or do any act, matter or things to prevent or hinder such other contractor or other person or persons employed for completing and finishing the works or using the materials and plant for the works. When the works shall be completed or as soon thereafter as convenient 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 fourteen days after receipt thereof by them, the employer may sell the same by public auction, and give credit to the builders for the net amount realised. The architect shall ascertain and certify what s a be due or payable to or by the employer for the value of the said materials, plants are so taken possession of by the employer and the amount which shall be so certified shall thereupon be paid by the employer to the builders or by the builders to the employer, as the case may be and the architect's certificate shall be final and binding on both the parties.
- (h) If the builders fail to complete the said works within the period or extended period, the builders shall at the option of the employer, but without prejudice to the other rights under law of the employer and the other provisions herein shall pay by way of liquidated damages a sum of Rs per day for the entire period of delay and the employer will be entitled to deduct such damages from the amount becoming due and payable to the builders under this Agreement.
- (i) The builders shall not assign this contract to any other builder or contractor, without written consent of the employer.
- (j) The builders hereby agree and undertake to rectify the defects pointed out to them during the period of 12 calendar months from the date of handing over the said buildings to the employer. If the builders fail to rectify the

defects pointed out or decline to cure such defects as pointed out by the employer within fifteen days from the date of reporting to the builders, the employer may get such defects cured by such other contractors as it may deem fit at the entire cost and risk of the builders.

- (k) The builders shall deliver all the plans, detailed drawings and specifications to the employer after the completion of the said works or otherwise terminated under these presents.

- (l) All disputes arising between the employer and the builders under this Agreement during the continuance of this contract or on its completion or on abandonment thereof, shall be referred to arbitration to a single arbitration appointed by both the parties. If both the parties do not agree upon the appointment of single arbitrator, each party shall nominate his own arbitrator who shall before entering on the reference appoint an umpire. The arbitrator or arbitrators as the case may be shall deliver the award within a period of six months from the date of entering on the reference. The award of the arbitrator or arbitrators shall be final and binding on the parties. The parties agree that arbitration under this clause shall be a condition precedent to any right of action under the contract.

IN WITNESS WHEREOF the employer and builders have signed these presents, the day and year first hereinabove written.

Signed and delivered by A.....
the within named employer

Signed and delivered by M/s. XYZ Constructions,
the within named builders by their partners

WITNESSES;

- 1.

- 2.