

## **AGREEMENT FOR SALE OF TECHNICAL EQUIPMENT**

THIS AGREEMENT is made at ... this... day of ... Between M,. A residing at ... hereinafter referred to as 'the Seller' of the One Part and M/s. A B & co. Ltd., a Company registered under the Companies Act. 1956. and having its registered office at ... hereinafter referred to s 'the Company' of the Other Part;

WHEREAS the Seller has developed and produced a machine for the manufacture of ... and proposes to sell the amend the Company has agreed to purchase the same on 'turn key' basis on the following terms and conditions agreed to between the parties.

NOW IT IS AGREED BETWEEN THE PARTIES HERETO AS FOLLOWS:-

1. The Seller agrees to sell and the Company agrees to buy the machine and equipment, the particulars of which are given in the Schedule hereunder written and which is useful in the manufacture of... and which good the Company desires to manufacture.
2. The said machine and equipment will be delivered by the Seller at his premises at... within two weeks from the date hereof and it will be the responsibility of the Company to transport the same from the said premises to the Company's factory at ... at the Company's cost.
3. The price of the said machine and equipment Is fixed at Rs. ... out of which the Company shall pay to the Seller a sum of Rs. ... as earnest money and In part payment of the said price before taking delivery of the said machine and equipment and the balance will be paid within a week from the installation of the said machine and equipment at the Company's factory and commencement of operation thereof.
4. The ownership of the said machine and equipment mill remain vested with the Seller until the full price thereof is paid to him and the title to the said machine and equipment will pass to the Company only after the payment of the price and other moneys payable hereunder to the Seller in full.
5. The said machine and equipment will he insured by the Company in the sum of atleast Rs.... for the period commencing from the time the same is removed from the Seller's premises until it Is delivered at the Company's factory. The insurance policy will be in the name of the Seller and against the risk of fire, accident and theft. The insurance premium will be paid by the Company and will be deemed to be part f the transport charges.
6. Before removing the said machine and equipment from the Seller's premises the Company hall keep ready the place in the Company's factory where it is to be installed by providing necessary foundation, electric supply, water supply and other requirements for installing the said machine and equipment
7. The responsibility of installing the said machine and equipment and putting it into operation will be that of the Seller and the Seller shall make available his Technical experts, mechanics and other required person or persons. All the expenses incurred during the course of installation and commencing operation will be that of the Company Including expenses on account of boarding and lodging and travelling of the personnel of the Seller sent for Installation.

8. The installation will be completed by the Seller within eight days from the date of the said machine and equipment reach the Company's factory but if the installation is delayed beyond eight days due to default on the part of the Company in supplying all necessary things and in making all arrangements for Installation including supply of electricity labour and other things the Company will be liable to pay in addition to expenses mentioned above, the fees or remuneration required to be paid to the Seller's staff of technical experts, mechanics and others also. If, however, the delay beyond eight days for installation is on account of the Seller, the Seller will bear and pay all such additional expenses.
9. All the taxes and other charges payable in respect of the said machine and equipment will be on the Company's account.
10. The Seller shall supply one item of each of the spare parts of the said-machine and equipment free of cost but If-any additional items are required the Company will pay the price thereof separately against delivery.
11. If the Company fails to pay to the Seller the said balance price and other expenses if any as per the invoice sent by the Seller to the Company, within a week from the time the said machine is installed and put into operation, the Seller will be entitled to cancel this agreement by one week's notice to that effect and in that event the Seller will be entitled to remove the same from the Company's factory. The costs of such removal and transportation from the Company's factory premises to the Seller's said premises will be payable by the Company on demand. If, however, the Seller is not able to remove the said machine and equipment due to any obstruction on the part of the Company or any legal action taken by the Company, the Company will be liable to pay compensation at the rate of -Rs. ... per day until the said machinery is removed by the Seller.
12. The Seller warrants that the said machine and equipment is free from any mechanical defect in workmanship and quality of the material used therefor under normal use and service. The Seller further guarantees that if the said machine and equipment goes out of order or requires repairs due to any such mechanical defect or in workmanship in the course of one year from installation (being the guarantee period) the Seller will carry out the repairs at his own costs unless the defect is found to be due to improper use or mishandling of the said machine or due to inefficiency or negligence of the staff of the Company working on the said machine in which case the costs of repairs will be on account of the Company.
13. Any spare parts required to be replaced within a period of one year from the date of installation of the machine will be supplied by the Seller free of cost provided that, if the defect is developed or repairs are required due to any default in electric connection or electric equipment used in connection with the said machine, the Seller will not be liable to remove the defect or carry out repairs free of costs; provided further that, during the said guarantee period the Company will not get the machine repaired or defect removed with the help of the mechanics or technical experts except those sent by the Seller. Similarly, If the repairs are required to be carried out due to any accident in the Company's factory and for which the Seller is not responsible, the Seller will not be liable to carry out the repairs or remove the defect free of costs during the guarantee period.
14. During the said guarantee period the Seller shall have the right to visit and inspect the said machine and equipment through his technical experts and

mechanics so as to keep the same in working condition and the Company shall provide all facilities required in that connection. The Company shall carry out the instructions and directions given by the Seller or his technical experts from time to time. The Company shall also provide sufficient space in its factory for storing and keeping the test equipment and spare parts of the Seller.

15. The guarantee period mentioned-above will cease to exist if during the said period the Company either sells the said machine and equipment to anybody else or shifts the machine and equipment to any other place in the said factory or otherwise.
16. If any dispute arises between the parties hereto in respect of this agreement or in connection with any claim by one against the other the same will be referred to arbitration of a common arbitrator if agreed upon failing which, to two arbitrators one to be appointed by each party to the dispute and the arbitration will be governed by the Arbitration Act, 1940.

*THE SCHEDULE ABOVE REFERRED TO*

IN WITNESS WHEREOF the parties have put their respective signatures hereunder the day and year first hereinabove written.

Signed and delivered by the withinnamed Seller ...  
in the presence of ... ..

Signed and delivered for and on behalf of the withinnamed  
M/s A B & Co. Ltd., by its Managing Director  
In the presence of ... ..