

Specimen of Deed of Dissolution

THIS DEED OF DISSOLUTION made at _____ on this _____ day of Two Thousand and _____ Between (1) A _____ Indian Inhabitant, residing at _____ hereinafter referred to as “the Party of First Part (which expression shall unless it be repugnant to the context or meaning thereof be deemed to include his heirs, executors, administrators and assigns) of the One Part and (2) B _____, Indian Inhabitant, residing at _____ hereinafter referred to as “the Party of the Second Part” which expression shall unless it be repugnant to the context or meaning thereof be deemed to include his heirs, executors, administrators and assigns) and C _____ Indian Inhabitant, residing at _____ hereinafter referred to as the ‘Party of the Third Part’ (which expression shall unless it be repugnant to the context or meaning thereof be deemed to include his heirs, executors, administrators and assigns) of the Third Part.

WHEREAS (1) With effect from _____ A _____ and B _____ became partners in the business carried on in the firm name and style of Messrs. _____ on the terms and conditions recorded in the Deed of Partnership dated _____ executed between them and C who was then a minor was admitted to the benefits thereof.

(2) After the said C _____ attained majority, the said C _____ elected to become a partner in the said firm and under the Deed of Partnership dated _____ the said A _____ B _____ and C _____ continued the business of Messrs. _____ in partnership.

(3) Accordingly, with effect from _____ the parties hereto have been carrying on business in partnership in the firm name and style of Messrs. _____ on the terms and conditions recorded in the Deed of

Partnership dated _____ executed between the parties hereto, under which each of the parties hereto has a one-third share in the profits and losses of the said firm.

- (4) It is agreed between the parties hereto that with effect from _____ the said A _____ and B _____ shall retire from the said firm of Messrs. _____ and all the assets and liabilities thereof shall be taken over by C on the terms and conditions recorded herein.

NOW THIS DEED WITNESSETH AS FOLLOWS :

1. The parties hereto declare and confirm that the said A and B have retired from the said firm of Messrs. _____ with effect from the (close of business on) _____ and the business of the said firm of Messrs. _____ as from _____ is carried on by the C _____ on his own account and for his own benefit as the sole proprietor of Messrs. _____ in such manner as the said C _____ may deem fit.

2. It is agreed between the parties hereto that the accounts of the said firm of Messrs. _____ on the basis of going concern shall be completed for the accounting year ended 31st March _____ and further period ended _____ as expeditiously as possible and the shares of partners in the profits or losses of the said firm for the aforesaid periods shall be ascertained and credited or debited to the respective accounts of the parties hereto and Balance Sheet as on 31st March _____ and _____ and Profit and Loss accounts for the year ended 31st March _____ and further period ended _____ will be got prepared through Messrs. _____ Chartered Accountants and the amounts standing to the credit or debit of the respective parties hereto in the accounts of Messrs. _____ as on _____ shall be ascertained on the basis of such accounts. It is agreed between the parties hereto that such accounts shall be prepared without any re-valuation of assets or liabilities. The parties hereto shall co-operate in finalisation of such accounts and the same shall be signed by the parties hereto and within six months thereafter the party of the Third Part, namely C shall

pay to A and B being the First and Second Parties respectively, amounts, if any, that may be found standing to their credit as on _____ in the accounts to be finalised as aforesaid in full and final payment and settlement and satisfaction of all their claims in respect of said firm of Messrs. _____ including the amount of capital, interest and share in profits of the parties of the First and Second Parts respectively in the said firm of Messrs. _____ as also in full payment of the purchase money of all the shares, right, title and interest of the Parties of the First and Second Parts respectively in the said firm of Messrs. _____ and in all the properties and assets thereof and the Parties of the First and Second Parts respectively shall accept payment of the amounts to be paid to them as provided in this clause in full discharge and satisfaction of all rights conferred upon them respectively on their retirement from or dissolution of the said firm of Messrs. _____.

3. The parties of the First and Second Parts do and each of them doth hereby assign, release and transfer unto the Party of the Third Part with effect from _____ all the respective shares, right, title and interest of the Parties of the First and Second Parts in the said firm of Messrs. _____ and in all the properties, assets, business, credits, stock-in-trade, effects, securities, telephones, permits, licences, quota rights, ownership rights, tenancy rights, trade name and goodwill thereof including the benefit of all the agreements and contracts entered into and works executed and works in progress and deposits paid and moneys and properties due to the said firm and as incidental to such assignment the Parties of the First and Second Parts do and each of them doth hereby assign, release and transfer into the party of the Third Part all their respective shares, right, title and interest in the tenancy in respect of premises admeasuring about _____ square meters built-up area on the _____ floor of the building known as _____ consisting of ground and three upper floors without lift constructed in the year _____ situate at _____ on property bearing Cadastral Survey No. _____ of _____ Division in the Registration District and Sub-District of Mumbai City and Mumbai Suburban To Hold the same unto the Party of the Third Part absolutely.

4. The Parties of the First and Second Parts do and each of them doth hereby release the Party of the Third Part and the Party of the Third Part doth

hereby release the Parties of the First and Second Parts and each of them from all actions, accounts, claims and demands in relation to the said partnership and from all the covenants, agreements, matters and things in the said hereinbefore recited Deed of Partnership contained, but without prejudice to any rights, claims or remedies of the said releasing parties respectively under any provisions and stipulations contained herein.

5. The Party of the Third Part shall be entitled to collect all the assets of the said partnership and to demand, sue for, recover, receive and give full and effectual receipts and discharges for all amounts due or arising or belonging to the said partnership and to settle all accounts relating to any of the said debts or claims and to institute and to prosecute any suits, actions or proceedings for compelling payment or delivery thereof.

6. In order to enable the Party of the Third Part to get in and receive the Partnership assets, effects and premises hereby assigned, transferred and released, the parties of the First and Second Parts do and each of them doth hereby irrevocably appoint the Party of the Third Part as their true and lawful attorney in their names solely or jointly with and/or in the name of the said firm of Messrs. _____ or otherwise to ask, demand, sue for, recover and receive and to sign and give full and effectual receipts and discharges for all and singular the assets, debts and effects of or due or owing or in anywise belonging to the said partnership or any part thereof and otherwise to act in the premises for the purposes aforesaid as the Party of the Third Part may think proper and generally to use, take and prosecute every or any method or expedient whatsoever for recovery and receiving the said partnership assets, debts and effects or any part thereof in as full, ample and effectual a manner as the Parties hereto might or could jointly have done in case the Parties of the First and Second Parts had continued to be partners in said partnership.

7. The Party of the Third Part covenants with the Parties of the First and Second Parts and each of them that he the party of the Third Part will duly pay and satisfy or cause to be paid and satisfied all debts and liabilities and obligations of the said firm of Messrs. _____ and the Party of the Third Part shall at all times hereafter indemnify and keep indemnified the

Parties of the First and Second Parts and each of them from all debts and liabilities and obligations of the said firm of Messrs. _____ and from all actions, proceedings, claims, costs, charges, expenses and demands in respect thereof.

8. Each of the parties hereto shall sign, execute and do such documents, deeds, acts and things as the other party shall reasonably require for completely effectuating the provisions hereof.

9. All disputes and questions arising between the parties hereto and/or their respective legal representatives relating to the construction of this Deed or the finalisation of accounts hereunder or any act, deed, matter or thing required to be executed, paid or performed hereunder, shall be referred to Arbitration in accordance with the provisions of the Indian Arbitration and Conciliation Act, 1996 or any statutory modification or re-enactment for the time being in force.

IN WITNESS WHEREOF the parties hereto have hereunto set and subscribed their respective hands the day and year first hereinabove written.

SIGNED AND DELIVERED by the)
withinnamed A _____)
the Party of the First Part in the)
presence of : _____)

SIGNED AND DELIVERED by the)
withinnamed B _____)
the Party of the Second Part in the)
presence of : _____)

SIGNED AND DELIVERED by the)
withinnamed C _____)
the Party of the Third Part in the)
presence of : _____)