

INDEMNITY BOND FOR SHARE PURCHASE

This indemnity Bond is executed at Delhi, on this 26TH day of July 2021 by

Mr. (Name of Existing Shareholder) S/O Shri _____ R/O _____
(hereinafter referred to as “**Indemnifier** ”);

IN FAVOUR OF

Mr. (Name of Incoming Shareholder) S/O Shri _____ R/O _____
(hereinafter referred to as “**Indemnified 1**”);

AND

Name of Company (if incoming shareholder is a company) a company registered vide CIN _____ under the Companies Act of 1956 as amended up to date by Companies Act 2013 having its registered office at _____(hereinafter referred to as “**Indemnified 2**”)

Whereas, the Indemnifier is the retiring Directors and outgoing shareholders of (Name of Company) a company registered under the Companies Act of 1956 as amended up to date by Companies Act 2013, having CIN _____ and Registered Office at _____.

Whereas Indemnified 1 and Indemnified 2 are the incoming Shareholders of (Name of Company) a company registered under the Companies Act of 1956 as amended up to date by Companies Act 2013, having CIN _____ and Registered Office at _____, (hereinafter called the **Indemnified/Obligees**).

WHEREAS the Indemnifier was managing the affairs of the Company (Name of Company), a company registered under the Companies Act of

1956 as amended up to date by Companies Act 2013, having CIN _____ and Registered Office at _____ (hereinafter referred to as the “**Said Company**”), as directors of the said company.

AND WHEREAS the Indemnifier had approached the Indemnified to purchase the shares of the Company and to take over the management of the said company from them as Directors and to manage and control the affairs of the said company, for their bonafide needs and requirements and also as the Indemnifier is finding it difficult to manage the affairs of the said company.

AND WHEREAS the Indemnifier has agreed to resign from the Board of Directors of the said company and to transfer their shares in favour of the Indemnified.

AND WHEREAS the Indemnified have agreed to join / takeover the said company shareholders on the representations made by the Indemnifier, that there are no other liabilities, dues , demands, claims, against the said company and its assets except whatsoever have been shown in the latest Trial Balance dated _____ and on the following assurances, representations, covenants and undertakings by the Indemnifier:

- A. That the Company is the absolute owner of the properties (Detail of Properties) (hereinafter referred to as “**Said Properties**”).
- B. That the above referred properties are free from all encumbrances including charges, guarantee, surety, lien, agreement, arrangement ,settlement ,power of attorney ,gift, Will, mortgage, pledge, dispute, court cases, stay order, notice acquisition, attachment etc.
- C. That except the said company, no other person (s) including previous share holders and /or ex-directors of the said company have any rights, title, interest or claim whatsoever in the said property.
- D. That there are no dues pending with regards to, Jal Board, Labor Laws, Income Tax, Sale Tax, Central Sales Tax, Services Tax, Central and State Excise or any other organization / Authorities in connection to the Said Properties.

- E. Further the Indemnifier have not entered into any agreement, arrangement, MOU, settlement etc. in respect of the above referred property with any person/authority.
- F. The Indemnifier shall be solely responsible for the arrears, if any ,up to the date of transfer of all the existing shares of the Company, related to JAL, Income Tax and any legal/ statutory liabilities like service tax, ROC, Municipality, etc. any arrears or outstanding of any nature shall be the sole liability of Indemnifier.
- G. That the Authorised, Issued, subscribed and paid up capital of the Said Company is Rs._____/divided into _____ Equity shares of Rs.____/- each. That the obligors assure and confirm that all the Equity shares are free from all encumbrances including charges, lies, pledge, dispute, attachment etc. and which are freely transferable.

NOW THIS INDEMNITY BOND WITNESSETH AS UNDER:

1. That the Indemnifier do hereby undertake to indemnify and keep indemnified and harmless the Indemnified against all losses and damages which may be suffered by the Obligees, if the aforesaid representations turn out to be false at any point of time. The Indemnifier shall be jointly or severally liable to indemnify and keep the Indemnified indemnify against all such losses / damages thus sustained in this connection
2. The Indemnifier agree and undertake that they shall be fully liable for all acts, deeds and things done by the said company and shall be responsible for all the arrears and liabilities related to period till the date of execution of this Indemnity Bond and indemnify and keep indemnified the Indemnifieds against all claims, damages or losses that sustained in thisconnection.
3. That this indemnity Bond shall be continuing and binding instrument against the Indemnifier and their legal heirs and successor and the Indemnifier do hereby agree and undertake to make payment for all losses or damages, the Indemnifieds may suffer and compensate the Indemnifieds on this account without raising any objection whatsoever.
4. That Indemnifier shall be liable to indemnify Indemnifieds out of their personal assets.

5. That all disputes regarding this indemnity Bond are subject to jurisdiction of court of law in Delhi.

IN WITNESS WHEREOF THE Indemnifier have signed this indemnity bond on the day, month and year first herein above written.

INDEMNIFIER

INDEMNIFIEDS

WITNESS:

1.

2.