

**THIS MODEL CONTRACT MAY BE DOWLOADED, SHALL BE EDITED**

**AND MODIFIED AS PER THE REQUIREMENT OF THE PARTIES**

**MODEL BUILDING CONTRACT**

This agreement is executed on this..... day of..... 2016 between ABC Ltd., a company incorporated under the Companies Act, 2013, having its Registered Office at..... acting through Shri....., its Company Secretary, (hereinafter called "the builder"), which term shall, unless repugnant to the context, include its legal representatives, of the one part and Shri.....son of Shri.....resident of..... (hereinafter called "the owner"), which term shall, unless the context otherwise admits, include his heirs, executors, administrators, legal representatives, nominees and assigns, of the other part.

WHEREAS the owner has a plot of land measuring..... sq. meters situated at.....(as specified in Schedule I) duly registered in his own name with the rights, title and interest therein absolutely vesting in him;

AND WHEREAS the owner has requested the builder to build a residential house on the said piece of land according to the plan approved by the Municipal authorities, of the area;

AND WHEREAS the builder, has agreed to build the desired residential house.

Now this AGREEMENT is reduced into writing and respective parts thereof shall be performed by the owner and the builder in accordance with the following terms and conditions:

1. The builder will build and complete the residential house within six months from the date of execution hereof in a thorough manner and with the best material and work as specified in Schedule II hereof on the plot of land belonging to the owner, which is more clearly and precisely described in Schedule I hereof.
2. Subject to the conditions hereinafter contained, the owner will pay to the builder a sum of Rs..... as cost of labour for construction and all other type of labour, cost of materials, electrical and sanitary fittings, wood work, doors and windows, white-washing, painting and polishing etc., as per specifications of the architect of the owner, which have been given in detail on the approved plan of the bungalow and a photo-copy whereof has already been handed over to the builder, who has received the same and has signed the original sanctioned plan in token of having received a photo copy thereof, in the following manner and at varying stages of the construction:

(a) Construction up to plinth level - Ten per cent of the total contract

amount.

(b) Completion of walls up to roof level - Fifteen per cent of the total contract amount.

(c) Completion of roof slab of the entire structure of the bungalow - Thirty per cent of the total contract amount.

(d) Fixing of shutters of doors, windows, completion of wooden almirahs, pelmets and all other wood work - Twenty per cent of the total contract amount.

(e) Finishing of the entire construction and fixing of electrical and sanitary fittings - Fifteen per cent of the total contract amount.

(f) After receipt of Completion Certificate from the Municipal authorities - Balance amount of the contract money.

3. The owner shall pay to the builder a sum of Rupees twenty thousand only immediately on execution of this Agreement in the form of earnest money, immediately on receipt whereof, the builder shall procure building materials and start construction work. The said sum of Rupees twenty thousand shall be adjusted by the owner from the last installment payable to the builder.
4. It is expressly, agreed between the owner and the builder that in respect of the aforesaid payments and in respect of the construction of the residential house, time is the essence of this agreement.
5. The builder will do and perform all works incidental to the proper execution and completion of the residential house including all works rendered necessary in consequence of the doing of the works and will supply all the required skilled, semi-skilled and unskilled labour and materials necessary for the same and no additional payment shall be made by the owner to the builder for the same.
6. The builder will permit the owner, his representatives and his architect to have access to the works while the same are under construction and to inspect the same so as to make sure that the construction work is being done according to sanctioned plan and materials are being used as per specifications given by the architect.
7. While the bungalow is in the course of construction and until the owner takes over the same, all materials used or to be used in the construction, shall remain at the builder's risk and the builder shall not be entitled to any compensation for injury/or loss/or destruction of, such works or materials arising from any cause whatsoever.
8. The owner will not be entitled to take possession of the residential house until the entire amount is paid within the time stipulated herein above.
9. The owner shall make payments of all the amounts in respect of the said residential house towards water and electricity deposits etc.

10. It is agreed by the owner that any amount that will be due and payable to the builder as mentioned in this agreement shall be treated as a charge on the residential house till such time the same is paid in full.
11. If the owner requires any additional or extra items of work to be carried on by the builder in the residential house, other than the above specified works, the builder should be informed by the owner in advance and the cost and/or difference of cost for such items of work as per rates mutually agreed upon should be paid by the owner to the builder in advance.

**Dispute Resolution and Jurisdiction**

1. Any dispute, controversy or claims arising out of or relating to this Agreement or the breach, termination or invalidity thereof, shall be settled by arbitration in accordance with the provisions of the [Indian] Arbitration and Conciliation Act, 1996.
2. The arbitral tribunal shall be composed of three arbitrators, one arbitrator appointed by ....., a second arbitrator appointed by “Franchise” and a third arbitrator to be appointed by such arbitrators.
3. The place of arbitration shall be at ..... and any award whether interim or final, shall be made, and shall be deemed for all purposes between the Parties to be made in .....
4. The arbitral procedure shall be conducted in the English/Kannada language and any award or awards shall be rendered in English/Kannada. The procedural law of the arbitration shall be Indian law.
5. The award of the arbitral tribunal shall be final, conclusive and binding upon the Parties, and the provisions of the [Indian] Arbitration and Conciliation Act, 1996 shall apply.
6. The rights and obligations of the Parties under, or pursuant to, this Clause, including the arbitration agreement in this Clause, shall be governed by and be subject to Indian law, and the agreement shall be subject to the exclusive jurisdiction of the courts at \_\_\_\_\_.  
(place to be named as per the agreement between the parties)

**SCHEDULE I**

Details of the plot of land upon which the residential house is to be built by the builder for the owner:

Plot No..... measuring..... sq.  
metres  
Street.....

Road.....  
Bounded on                      East.....  
   West.....  
   North.....  
   South.....  
Within the District of.....

## **SCHEDULE II**

### **1. Foundation and Super-structure:**

Earth digging for foundation up to a depth of six feet. R.C.C., framed structure with R.C.C. foundation columns, beams and slabs all the partition and main walls shall be of 1st quality red bricks in cement mortar, both sides plastered and finished with snowcem painted on outer side and plastic emulsion painted inside.

### **2. Almirahs, Doors and Windows:**

All the almirahs, doors and window frames will be of teak wood and the entire window frames will be of teak board (1/2" thick) covered by kail wood frames. All the doors and window frames will be fixed with M.S. Grills and glazed shutters and wooden plank shutters. All the doors, windows, shutters etc. will be painted with synthetic enamel paint. Drawing-cum-dining room will have a sliding gate.

### **3. Flooring:**

Entire flooring will be laid with light grey colour mosaic tiles with 6" skirting for all the rooms. Bathrooms and toilets will have square while 5" x 5" tiles to a height of seven feet.

### **4. Electrical Fittings etc.:**

Concealed electrical wiring will be done with best quality insulated wires and cables. Light points will be as per the specifications shown in the site plan.

### **5. Water Supply:**

There will be an underground water storage tank which will be 10' x 10' with 4' depth fully water proof coated with a booster pump to lift water to an overhead R.C.C. water tank of similar capacity to be constructed on four R.C.C. columns. A tube well will also be bored and fitted with a booster pump, which may be used as an alternative source of water supply in the event of Municipal Water Supply failure.

Contd..

**6. Kitchen:**

Kitchen will be fitted with an exhaust fan of the best available make and suitable for the size of the kitchen to be constructed in the bungalow. White 4" x 4" tiles will be fixed up to a height of 9' on all the walls. There will be raised platform on two sides as shown in the plan with tops fitted with 1/2" thick white marble slabs with a stainless steel sink at the space provided therefore.

IN WITNESS WHEREOF, the parties afore-mentioned have signed this deed in token of acceptance of the terms thereof.

Witnesses:

(1) Name:

Father's Name:

Address:

Signature:

Owner

(2) Name:

Father's Name:

Address:

Signature:

Builder