

**AGREEMENT BETWEEN OWNER AND CONTRACTOR FOR CONSTRUCTION OF
HOUSE, FLAT OR A BUNGALOW**

THIS AGREEMENT made on this..... day of

BETWEEN

..... a company registered under the Companies Act, 1956 and having its registered office athereinafter referred to as "the Owner" (which expression shall unless repugnant to the context or meaning thereof include its authorised representatives, successors and assigns) of the one part

AND

.....a company registered under the Companies Act, 1956 and having its registered office at hereinafter referred to as "the Contractor" (which expression shall unless repugnant to the context or meaning thereof include its authorised representatives, successors and assigns) of the other part.

WHEREAS

1. The Owner is seized and possessed of plot of land situated at and as per entry No. in Municipal Registers (more specific description of the property may be given here or may be annexed as a Schedule).
2. The Contractor is engaged in construction activities for a long time and having good experience in construction of Building/ Flat/Bungalow.
3. The Owner is willing to construct a storeyed house/Flat/Bungalow (hereinafter referred to as the said works) on the said plot of land as per sites plan prepared by and approved by, the copies thereof are annexed to this agreement.
4. The Contractor has agreed to construct the said works as per the said sites plans on the terms and conditions herein after appearing

NOW IT IS HEREBY AGREED AND DECIDED BETWEEN BOTH THE PARTIES AS
FOLLOWS:

1. Commencement of Work

The Contractor will clear and prepare the said plot of land for construction of said works as per the said sites plans.

2. Payment

The Owner shall reimburse the Contractor all the expenses incurred by him in connection with the completion of the said works on actual basis at regular intervals and shall pay to the Contractor a sum of Rs..... within months after the Contractor has completed the construction of the said works in accordance with the terms of this agreement and handed over the same to the Owner.

3. Owners right of Inspection

The Contractor will permit the Owner to have access to the said works while the same are under construction and to inspect the same.

4. Variation

If, in the opinion of the Contractor, any variation or deviation from the said sites plan is necessary in order to satisfactory completion of the said works, the Contractor shall do so only with the prior permission in writing of the Owner.

5. Account of Materials

The Contractor shall keep full and regular account of all the materials purchased, brought on the site, consumed and balance lying on the site which shall be open to inspection of Owner at all reasonable times. All materials or plants used or to be used in construction shall remain at the contractor's risk and he shall not be entitled to any compensation for injury to, or loss or destruction of such works or materials arising from any cause, whatsoever.

6. Defect

If any defects, shrinkage or other faults appear in the works within six months after their completion, it shall be the duty of Contractor to make good the loss.

7. Extension of Time

If due to certain unforeseen/uncontrollable circumstances, the Contractor requires any extension of time for completing the works, he shall immediately make known the same

to the Owner and the Owner may, if he thinks such request reasonable, grant such extension of time as he may think necessary.

8. Determination of Contract by Owners

If the Owner is not satisfied with the progress of the work or with the quality of materials used or of the workmanship or violates any provisions of this Agreement, he may call upon the architect to make a report on the progress of the work. If the architect in his report also certifies that progress is not satisfactory, the Owner may, after giving days notice, terminate the contract. In such an event, the Owner may then enter upon the site of the works and may employ another Contractor to complete the same and may pay such contractor the cost of such completion out of the sum payable to the Contractor under this agreement or any other sum as agreed to between the Owner and the new contractor.

9. Time for Completion

Unless the time is extended under Clause 7 hereof, the Contractor will complete a portion of the works of the value of not less than Rs..... on or before , of the value of not less than Rs..... on or before and will complete the whole work and will remove from the site of the works all plant, scaffolding, sheds and other unused materials and leave the works and site clean on or before

10. Arbitration

Every dispute, difference, or question which may, at any time, arise between the parties hereto or any person claiming under them, in respect of any clause of this agreement or in respect of work done or quality of materials used or in respect of any delay in completion of works, shall be first referred to the architect who shall state his decision in writing. If any party is not satisfied with the decision of the architect, it may give a notice in writing to the other party that the matter in dispute be referred to the arbitration of an arbitrator to be agreed upon and appointed by both the parties. If he shall be unable or unwilling to act, to another arbitrator to be agreed upon between the parties or failing agreement, to three arbitrators one to be appointed by each party to the dispute or difference and the two appointed arbitrators shall appoint the third arbitrator who shall act as the presiding arbitrator and the decision of the arbitrator (or, arbitrators) shall be final and binding on the parties. Subject as aforesaid the Arbitration and Conciliation Act, 1996 and the rules

made thereunder shall apply to the arbitration proceedings under this clause. The decision so given by the Arbitrator(s) shall be final and binding upon the parties.

11. Indemnity

The Contractor shall keep indemnified the Owner from all claims, demands or actions that may be raised against the Owner by reason of anything done by the Contractor in the course of execution of works under this Agreement.

IN WITNESS WHEREOF, the parties hereto have signed this agreement and has caused the common seal to be affixed on the agreement in the manner hereinafter appearing on the day and year first here-in-above written.

Witness:

1.For and behalf of the Owner Director

2.For and behalf of the Contractor Director