**Release By Creditors**

**THIS DEED OF RELEASE** IS MADE **BETWEEN**

Sh. \_\_\_\_\_\_\_\_\_, S/o Sh. \_\_\_\_\_\_\_\_\_\_\_, R/o \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (hereinafter called "the Debtor" which expression shall unless contrary to the context including his successors, executors assigns) of the first part,

**AND**

All the various persons, firms and companies, being the Creditors of the Debtor, whose names and seal are hereunder signed and affixed and the sum of debt owed to them is given in Annexure A per this document (after it called "the Creditors" which expression shall unless contrary to the context include their successors, lawful representative, heirs and assigns as the case may be) of the second part

WHEREAS

1. The Debtor is indebted to the Creditors to sums as per the Annexure A hereto.

2. The Debtor can not pay the Creditors their debts fully and therefore has suggested to paying there Creditors per composition, proportionately to their debts.

3. The amount suggested be paid shall be received by the Creditors fully discharge their respective debts/claims against the Debtor;

4. The Creditors have consented in accepting offer of the Debtor and to allow the said composition fully discharging to their respective debts, in consideration thereof and of the premises to allow to the Debtor the release hereinafter contained.

NOW THIS DEED WITNESSETH AS FOLLOWS:

1. The Debtor consents in paying on or before \_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_, to each of the Creditors, the sum, as per the terms of the said deed of composition.

2. Each of the Creditors hereby consents in fully accepting such composition per satisfaction of their related debts.

3. Also per said agreement and in consideration of the premises the Creditors hereby jointly and severally relinquish and discharge the Debtor from all debts owed by the Debtor to the Creditors.

4. The Creditors also discharge and relinquish the Debtor from all actions, claims or demands or any of them against the Debtor relating of the debt so owned.

5. This release shall bind and effect, though not executed by all Creditors and though all or any of the non-executing Creditors may be paid in full.

6. In the event of the Debtor not paying or causing to be paid to the Creditors, as per deed of composition, their related amount within the fix time, the release of the debts by the Creditors as stated above shall be nullity and void.

7. If Debtor is adjudged insolvent prior paying whole of the said amount, in that case too the release of said debts as contained before shall be void and of in effective.

8. In such an event shall be the Creditors and each of them shall be liberal in exercising there rights /remedies which they are entitled to, had this deed not been executed.

9. The relinquishment hereinbefore contained is merely relating the Debtor and shall not it all prejudice the rights of the Creditors or any of them against parties other than the Debtor, and the Creditors hereby expressly retain all the rights/remedies against any such party or parties.

10. This deed has been executed by parties, agreeing mutually with nil power to any party in assailing it on any reason whatsoever.

11. The Debtor shall keep the original agreement. A true copy signed by both the parties shall be kept by each of the Creditors, which true copy will be considered as effective as the original deed for all intents and purposes.

**IN WITNESS WHERE OF,** the parties to this deed have scribed their hands on the day and year above mentioned.

 The Debtor

The Creditors

**Witnesses:**

**Annexure A** hereinabove referred

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| --- | --- | --- | --- |
| S. No | Name of the Creditor | Amount of Debt Due | Amount to be Received under this agreement |
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