

JOINT VENTURE AGREEMENT

(To be stamped as an agreement as per rules of the State where executed)

THIS AGREEMENT made effective as of the ____ day of _____, 20__

BETWEEN:

_____ [*insert name of Business*], a company registered in India under the Companies Act, 1956 and having its registered office at _____ [*insert address*], _____ [*city*], _____ [*state/province*], hereinafter referred to as the "**Party of the First Part**" (which expression shall unless repugnant to the context include the Party of the First Part's permitted successors and assigns)

and

_____ [*insert name of Business*], a company incorporated under the laws of _____ and having its Registered Office at _____ [*insert address*], _____ [*city*], _____ [*country*] hereinafter referred to as "**Party of the Second Part**" (which expression shall, unless repugnant to the context include the Party of the Second Part's permitted successors and assigns)

WHEREAS the Party of the First Part is engaged in the business of _____ [*insert nature of business*] in India.

AND WHEREAS the Party of the Second Part by itself and its subsidiary companies is engaged in the business of _____ [*insert nature of business*].

AND WHEREAS the Party of the First Part and the Party of the Second Part have entered into an Agreement for the purposes of expanding their business by setting up of a Joint Venture Company (hereinafter called the "JVC") to be set up in India for the purpose of _____ [*insert purpose of joint venture*].

NOW THEREFORE IN CONSIDERATION of mutual agreements and undertaking hereunder set out the Parties to this Agreement have granted the rights and accepted the obligations. The Party of the Second Part and the Party of the First Part shall undertake to incorporate and form a company to be registered in India under the Companies Act, 1956 by the name of _____ [*name of joint venture company*] (hereinafter called the "Joint Venture Company" or "JVC"), and the Parties hereby agree as follows.

1. General

- 1.1 The JVC will be registered in the State of _____, and will have its Registered Office at _____ [*insert address*], _____ [*city*] or such other place/s in India as the Parties may agree upon. The headquarters of the JVC shall be at _____ [*insert address*], _____ [*city*], _____ [*state*], India.
- 1.2 The main objects of the JVC will be as set forth in its Memorandum of Association, a draft copy of which is attached hereto as Annexure I. The main objects shall include _____ relating to _____. [*Briefly describe necessary facilities and distribution, organisation, etc, required for start-up of joint venture*]
- 1.3 The JVC shall be entitled to operate sell and distribute goods manufactured by it in India or any other place outside India as mutually agreed between the Parties.
- 1.4 The initial authorised capital of the JVC will be IRs. _____/- divided into _____ equity shares of Rs. _____ each. The Party of the First Part and the Party of the Second Part have agreed to subscribe the share capital of the proposed JVC in the proportion of

_____ [*insert ratio*] i.e., the Party of the First Part to take _____ equity shares of the aggregate value of IRs. _____, and the Party of the Second Part _____ equity shares of IRs. ____/- each of the aggregate value of IRs. _____/-.

- 1.5 In addition to the initial subscription mentioned hereinabove, the Parties agree to subscribe to the further issue of share capital of the JVC as may be required in the following proportion: the Party of the First Part as to _____% and the Party of the Second Part as to _____%.

THIS IS A 4-PAGE AGREEMENT with 1-page schedule.