

**MEMORANDUM OF UNDERSTANDING FOR
JOINT VENTURE AGREEMENT**

1. This Memorandum of understanding executed this _____ day of _____ 20__ between _____ (Name of Co.) _____ a company registered under the Companies Act 1956 having its registered office at _____ represented through its Director / Authorized Representative _____ (hereinafter referred to as _____ which expression shall unless repugnant to the context thereof includes its successors) of the **FIRST PART**

OR

M/s. _____ a partnership firm registered under the Indian Partnership Act 1932, having its registered office _____ represented through its Partner Shri _____ / Authorized Representative _____ (hereinafter referred to as _____ which expression shall unless repugnant to the context thereof includes its successors) of the **FIRST PART**

AND

2. M/s. _____ (Name of Co.) _____ a company registered under the Companies Act 1956 having its registered office at _____ represented through its Director or Authorized Representative _____ (hereinafter referred to as _____ which expression shall unless repugnant to the context thereof includes its successors) of the **SECOND PART**.

OR

M/s. _____ a partnership firm registered under the Indian Partnership Act 1932, having its registered office _____ (hereinafter referred to as _____ which expression shall unless repugnant to the context thereof includes its successors) of the **SECOND PART**

AND

3. This Memorandum of understanding executed this _____ day of _____ 20__ between _____ (Name of Co.) _____ a company registered under the Companies Act 1956 having its registered office _____ through its Director or Authorized Representative _____ (hereinafter referred to as _____ which expression shall unless repugnant to the context thereof includes its successors) of the **THIRD PART**

OR\

M/s. _____ a partnership firm registered under the Indian Partnership Act 19_____, having its registered office _____ through its Partner or Authorized Representative _____ (hereinafter referred to as _____ which expression shall unless repugnant to the context thereof includes its successors) of the **THIRD PART**.

4. This Memorandum of Understanding executed this _____ day of _____ 20__ between _____ (Name of Co.) _____ a company registered under the Companies Act 1956 having its registered office _____ through its Director or Authorized Representative _____ (hereinafter referred to as _____ which expression shall unless repugnant to the context thereof includes its successors) of the **FOURTH PART**

OR

M/s. _____ a partnership firm registered under the Indian Partnership Act 19, having its registered office _____ through its Partner or Authorized Representative _____ (hereinafter referred to as _____ which expression shall unless repugnant to the context thereof includes its successors) of the **FOURTH PART**

5. This Memorandum of Understanding executed this _____ day _____ of _____ 20 between _____ (Name of Co.) _____ a company registered under the Companies Act 1956 having its registered office _____ through its Director or Authorized Representative _____ (hereinafter referred to as _____ which expression shall unless repugnant to the context thereof includes its successors) of the **FIFTH PART**.

OR

M/s. _____ a partnership firm registered under the Indian Partnership Act 19, having its registered office _____ through its Partner or Authorized Representative _____ (hereinafter referred to as _____ which expression shall repugnant to the context thereof includes its successors) of the **FIFTH PART**.

Whereas, Central Railway, Mumbai CST hereinafter referred to as Owner/Customer has invited Tender Nos. _____ hereinafter referred to as the CR Tender for the work of _____ hereinafter referred to as the said work.

Whereas, the party of the first part, i.e. M/s. _____ details to be supplied of the expertise in their field.

Whereas, the party of the second part, M/s. _____ details to be supplied of the expertise in their field.

Whereas, the party of the third part, M/s. _____ details to be supplied of the expertise in their field.

Whereas, the party of the fourth part, M/s. _____ details to be supplied of the expertise in their field.

Whereas, the party of the fifth part, M/s. _____ details to be supplied of the expertise in their field.

AND whereas parties to this MOU, have agreed to co-operative with each other to associate jointly and to form a Joint Venture Firm to participate in the CR Tender of Indian Railways.

Now, therefore, in consideration of the premises and mutual promises and of the undertaking contained herein, it is hereby agreed as follows:-

1. **The purpose of MOU-**

M/s. _____ and _____ agree to co-operate with each other for the purpose of joint participation in the CR Tender and in the event, the contract is awarded, to jointly execute the contract. The board interfaces and scope of work of each party is set forth below:-

2. The name of the Jt. Venture firm shall be _____

3. The parties, hereto, represent that:

- a) They are in possession of all approvals and valid authorization for the purpose of execution of this MOU.
- b) They have not entered into any agreement/MOU of equal or similar nature with any third party for the CR Tender.

That each of the parties of the JV, agrees and undertake to place at the disposal of the JV, benefits of its individual experience, technical knowledge and skill and shall in all respects bear its share of the responsibility, including the provision of information advice and other assistance required in connection with the works. The share and the participation of the partners in the JV shall broadly be follows :

M/s. _____ %

M/s. _____ %

M/s. _____ %

M/s. _____ %

M/s. _____ %

Lead Member:

That one of the member of the JV firm shall be the lead member of the JV firm who shall have a majority (at least 51%) share of interest in the JV firm. The other members shall have a share of not less than 20% each in case of JV firms with up to three members and not less than 10% each in case of JV firms with more than three members. In case of JV firm foreign member(s), the lead member has to be an Indian firm with a minimum share of 51%.

And all rights, interest, liabilities, obligations, work experience and risks (net profits or net losses) arising out of the contract shall be shared or borne by the Parties in proportionate to these shares. Each of the parties shall bound by guarantees, sureties required for the work as well as its proportionate share in working capital and other financial requirements.

4. The parties to this MOU undertakes:

- a) That after submission of the tender, the MOU shall not be modified/altered/terminated during the validity of the tender except when modification becomes inevitable due to succession laws etc., but in no case the minimum eligibility criteria would be vitiated. The parties to this MOU further agrees that the Lead Member will continue to be the Lead Member of J.V.Firm.
- b) That after the contract is awarded the constitution of the J.V. firm shall not be altered during the currency of contract except when modification becomes inevitable due to Succession Law etc. but in no case the minimum eligibility criteria would be vitiated.

5. JOINT & SEVERAL LIABILITY

In respect of the CR Tender, all terms shall be complied by each party on back-to-back basis as per specifications of the CR Tender or any other mutually agreed terms with the Owner/Customer. The Parties hereto shall, if awarded the contract for the project for which the Joint Venture is formed, be jointly and severally liable to the Indian Railways for execution of the project in accordance with the contract. The Parties hereto also undertake to be liable jointly and severally for the loss, damages caused to the Indian Railways in course of execution or due to non-execution of the contract or part thereof or arising out of the contract.

6. Shri _____ shall be authorized partner/person on behalf of the Joint Venture to deal with contract, to sign the agreement or enter into contract in respect of the said tender, to receive payment, to witness joint measurement of work done, to sign measurement books, and similar such action in respect of CR tender/Contract. All notices/correspondence with respect to the contracts would be sent only to this authorized member of the JV Firm.

7. Notwithstanding anything contained herein, in respect of the CR Tender with regard to the internal relationship, the inter se liabilities between the parties shall be in proportion to their respective scope of work and shall be subject to the provisions of this MOU.
8. The Parties agree that with respect of the CR Tender neither Party, nor any subsidiary company of either Party, nor any joint venture company or any other entity, in which the Party/ies, is or are in any way interested, shall compete together with or through any third party, nor shall the Parties advise, consult for, engage in or otherwise assist in any way any person or entity or any affiliate thereof in respect of any orders or contracts related to the CR Tender.
9. **Responsibility**
Each party shall assume and accept full responsibility for its Scope of Work and the obligations imposed in the Contract and in this MOU as if it was, with regard to its Scope of Work, an independent partner contracting individually with the Customer. In the event of any defect and damage or any claim arising from the Customer under the Contract or any third party in relation to or as a consequence of any failure to meet the performance specification the Party, within whose Scope of Work the claim arises, shall be entirely responsible for the claim and shall indemnify and hold harmless the other Party from any liability, demand, claim burden cost, expense attorney's fees and costs arising from thereof.
10. **Assignability**
No party to the Joint Venture has right to assign or transfer the interest, right or liability in the contract without the written consent of the other party and that of the Railway.
11. **Use of Machinery, Instruments, Labour Force etc.**
The Parties hereto undertake that whatever the machinery, instruments, Labour force (including unskilled, skilled, inspectors, Engineers etc.) they possess at the time of entering into Joint Venture Agreement or which subsequently shall come in their possession and if such machinery, instruments, labour force is required for the speedy and efficient execution of the work, the Party/Parties having the control over the said machinery, instrument, labour force etc. without having any regard to their share of profit and loss agreed to between the Parties in Joint Venture Agreement shall hand over the same at the disposal of the other party who is actually executing the work for purpose of execution of the contract without any hindrances and obstacle.
12. **Duration of MOU**
It shall be valid during entire currency of contract including the period of extension, if any and also till the maintenance period is over or till all the contractual liabilities including warranty/guarantee obligations are discharged completely.
13. **Applicable Law**
This MOU and any arrangement/agreements regarding the performance shall be construed and interpreted in accordance with and governed by the Laws of India and shall be subject to the exclusive jurisdiction of the courts at MUMBAI.
14. **Settlement of Disputes**
In the event of disputes arising from this MOU, the Parties to the MOU undertakes to endeavour to settle the said disputes amongst them amicably. However, if the parties fail to resolve the disputes amongst them amicably, the said disputes arising out of or in connection with the present MOU shall be resolved through Arbitration as per the provisions enshrined under the Arbitration and Conciliation Act, 1996 or/and amendments thereof.
15. All communications or notices provided for herein shall be in English language and be delivered, mailed, or tele-faxed to the Parties addresses as indicated below:-

M/s.-----

M/s.-----

All correspondence and notices to the Joint Venture shall be addressed to the Lead Member, i.e.
M/s._____/Shri_____at the address stated hereinbelow:-

M/s.-----

Such communication or notices shall be deemed to have been duly given when so delivered or, if mailed, when received at destination.

16. Each part shall have full and sole responsibility to bear the expense of and effect the payment of any taxes, duties, special insurance, fees or assessments of any nature whatsoever (including personal income taxes level or imposed on any of its employees or personnel or any of its sub-contractor's employees or personnel) including penalties and interest, if any, levied in connection with the execution of this MOU.
17. The parties to this MOU declare and certify that they have not been black listed or debarred by Railways or any other Ministry/Department of the Govt. of India/State Govt. from participation in tenders/contract on or before the date of opening of bids either in their individual capacity or the JV firm or partnership firm in which they weremember/partners.

In witness whereof, the Parties have caused this MOU to be executed by their respective authorized representatives on the date and year mentioned herein above.

Signature:-

Shri_____of

M/s._____

Signature:-

Shri_____of

M/s. _____

Signature:-

Shri_____

M/s. _____

Signature:-

Shri_____of
M/s._____

Signature:-

Shri_____of M/s.

Witnesses:-

1) Name:

2) Name:

Address:-

Address:-

