**ELEKTRO MAGNETISCH**

**PARTNERSHIP DEED**

**THIS INDENTURE made at Ahmedabad on this day of 03rd March, 2022 as per the Indian Partnership Act, 1932**.

**BETWEEN**

1. **SHRI NIKHIL RAVINDRA BHAWALKAR**, aged about 37 years residing at B1-302/ ASHRAYA 10, Near Khodiyar Mandir, New Ranip, Ahmedabad City, Ahmedabad, Gujarat-382470, INDIA which expression shall, unless it be repugnant to the subject or context thereof, include his legal heirs, successors, nominees and permitted assignees and hereinafter called the party of the FIRST PART.
2. **SHRI HASMUKH S CHAUDHARI**, aged about 37 years residing at A-402, Shivalik Heights, near rain forest Bunglow, Opp. Someshwar Mahadev Temple, New Shahibaug, Nana Chiloda, Ahmedabad, Gujarat-382330 INDIA which expression shall, unless it be repugnant to the subject or context thereof, include his legal heirs, successors, nominees and permitted assignees and hereinafter called the party of the SECOND PART.
3. **SHRI HASMUKH D CHAUDHARI**, aged about 41 years residing at B-19, Venice Bunglows, near rain forest Bunglow, Opp. Lubi, New Shahibaug, Nana Chiloda, Ahmedabad, Gujarat-382330, INDIA which expression shall, unless it be repugnant to the subject or context thereof, include his legal heirs, successors, nominees and permitted assignees and hereinafter called the party of the THIRD PART.

WHEREBY IT IS AGREED that the parties hereto (hereinafter together called the partners) shall become partners in the business of Manufacturing of circular lifting magnet and all type of lifting magnets, vibrating Equipment as well as provide related services and for the term of 5 years with effect from 03/03/2022 upon the terms and conditions hereinafter contained namely:

(1) The Partnership shall be carried on in the name and style of **M/s. ELEKTRO MAGNETISCH** and hereinafter called as **THE PARTNERSHIP FIRM**

(2) The Partnership business will be carried on at Survey No. 63 – 64, B/h Geeta Bharti Ashram, Daskroi, Village-Pasunj, Ahmedabad, Gujarat-382430, and/or at such other place or places, as shall be agreed to by the partners from time to time.

(3) The capital of The Partnership shall be Rs. 3,00,000/- which shall be contributed by the partners in the following proportions.

First Party 33.33% Rs. 100,000/-

Second Party 33.33% Rs. 100,000/-

Third Party 33.33% Rs. 100,000/-

The further capital if any required by The Partnership shall be brought by the partners and such additional capital brought by the partners shall be treated as loan to the Partnership and shall be paid interest @ 12 % p.a. out of the gross profits of the Partnership.

(4) The partners may agree to increase the capital of the firm by bringing in additional contribution in the proportion of the shares held by them in the initial capital of the Partnership. At the time of increase of the capital, the additional capital of the partner or partners may be adjusted against the increased capital.

(6) The net profits of the business shall be divided between the partners in the proportion of the capital and they shall bear all losses including loss of capital in the same proportion.

1. The Partnership shall maintain usual account and other books at the place of business and they shall be kept properly posted up to date and shall not be removed from the place of business without the consent of all the partners. Each partner shall have free access to the books of account of the partnership at all times and shall be entitled to make such copies or extract there from as he may think fit.
2. All partners of the Partnership will devote their whole time and attention to the interests of the business and shall be the working partners. They shall be entitled to equal remuneration for their working out of the amount computed in the manner laid down under section 40(b) of the Income-tax Act, 1961. The remuneration so computed shall be worked out and credited in the books of account, at the close of the accounting year period.

(9) Each partner shall-

(i) Be just and faithful to other partners in the transactions relating to The Partnership business;

(ii) Pay his separate debts and indemnify the other partners and assets of the Partnership against the same and all other proceedings, costs, claims or demands in respect thereof;

(iii) Give full information and truthful explanations of all matters relating to the affairs of The Partnership to the partners at all times.

(10) No partner shall without the consent of the other partners-

1. Engage in any other business directly or indirectly.

(ii) Lend money or give credit of the goods of the firm to whom the other partners have previously for bidden him to trust.

(iii) Mortgage, charge or assign his share in the assets or profits of the Partnership.

(iv) Draw, accept or indorse any bill of exchange or promissory note on account of the Partnership.

(v) Engage, remove or dismiss any apprentice, employee or agent of the Partnership.

(vi) Give any security or promise for the payment of money on account of the Partnership except in the ordinary course of business.

(vii) Give bail, bond or guarantee or become surety for any person or do or knowingly suffer any thing to be done where Partnership property may be endangered.

(viii) Buy, order or contract any property or goods for the Partnership exceeding Rs. 5,00,000/-

(ix) Sign any cheque on behalf of the Partnership to, a sum exceeding Rs. 5,00,000/-

(x) Compromise or compound or, release or, discharge any debt due to The Partnership.

(11) The accounts of The Partnership shall be maintained according to the financial year, from 1st April to 31st March and general account shall be taken of all the capital assets and liabilities to, the time being of The Partnership shall be drawn for each financial year within reasonable time after the end of financial year and a balance sheet and profit and loss account shall be prepared by any Chartered Accountants to be agreed upon by the partners and a copy thereof shall be furnished to each of the partners, who shall be bound thereby, unless some manifest error shall be discovered within six months, in which case such error, shall be rectified. Immediately after the preparation of the said balance sheet and profit and loss account, the net profits less sums drawn by the partners shall be divided to the partners.

(12) Each partner shall be entitled to Four week’s holiday in each year and all the partners shall make choice of the holiday alternatively.

(13) A new partner may be introduced with the consent of all the partners on such terms and conditions as the partners agree with the Person to be introduced as a partner, in the Partnership.

(14) On the death of any partner, during the continuance of the partnership, the Partnership shall not be dissolved; the surviving partners shall have the option to purchase the share of the deceased partner, in The Partnership business and the property and goodwill thereof. The purchase price of the share of deceased partner shall be the amount at which such share shall stand in the last balance sheet which shall have been prepared prior to the death of the deceased or in the event of the death of either, partner before the preparation of the first balance sheet the sum credited to him as his share of capital, and interest at the rate of 6 % p.a. thereon in lieu of profit from the date of the then last preceding annual account up to the date of death of the deceased. The partner, purchasing the share of the deceased partner, shall also enter, into a covenant to indemnify the personal representatives of the deceased partner from the existing and future debts, obligations and liabilities of The Partnership.

(15) If a partner retires or becomes insolvent, then the partnership will not be dissolved, and the remaining partner shall have the option to purchase the share of such partner and the purchase price shall be calculated as given in the preceding clause.

(16) All outgoings and expenses of The Partnership and all losses or damages incurred, interest payable for any loans received and taxes, etc. shall be paid first out of the profits, next out of capital and in the case of further deficiency, by the partners in the shares in which they are entitled to the net profits of The Partnership business.

(17) All The Partnership moneys, bills, notes, cheques and other instruments received by the partnership shall as and when received be paid and deposited in the bank to the credit of the firms' account, except such sums as are immediately required to meet the current expenses of The Partnership.

(18) All transactions of the Partnership shall be done in the name of The Partnership and all goods shall be purchased or sold in the Partnership name. All the bills, vouchers, delivery notes, receipts, etc. shall be issued in the name of the Partnership.

(19) If any partner shall assign, charge or encumber his share in The Partnership or shall become bankrupt or a lunatic or otherwise permanently incapable of attending to The Partnership business or shall absent himself from The Partnership business for more than 30 days, in any period of the twelve months except during his annual holiday without the consent of the other partners, or commit any breach of any of the provisions of this agreement or commits any criminal offence or do or suffer any act which would be a ground for the dissolution of The Partnership by the court and in any such case it shall be lawful for the other partners by notice in writing to the offending or incapacitated partner or his trustee or official assignee to determine The Partnership whereupon The Partnership so far as concerns such partner shall determine and the other partner shall have the option to purchase his share and pay the purchase price to the offending partner or his trustee or official assignee in accordance with clause 14 hereof.

(20) Upon the determination of The Partnership by efflux of time or in the case of death, retirement or expulsion of a partner The Partnership, the surviving or other partner shall not exercise the option of purchasing the share and interest of the deceased, retired or expelled partner or The Partnership is determined by any other event not herein otherwise provided, a full and general account of the assets, credits, debts, liabilities of The Partnership shall be taken and the assets and credits shall be sold, realized and the proceeds shall be applied in paying and discharging debts, liabilities and expenses of and incidental to The Partnership business and the winding up affairs of The Partnership affairs and subject thereto in paying to each partner any unpaid profits which may be due to him and his share of the capital and the balance of such proceeds shall be divided between the partners in the shares in which they are entitled to the net profits of The Partnership and the partners shall execute, do or cooperate in all necessary or proper instruments, acts, matters and things for effecting or facilitating the sale, realization and getting in of the partnership assets and credits and the application and division of the proceeds thereof and for their mutual release or indemnity or otherwise.

(21) Upon the determination of The Partnership, each partner shall have the option to purchase the goodwill of The Partnership on a price as agreed to by the partners, and if no partner exercises the option to purchase the goodwill, the same shall be sold to a willing purchaser, PROVIDED THAT it upon any such determination as aforesaid of The Partnership, the business thereof shall be sold as a going concern, the goodwill shall be sold along with the business. No partner (unless he is the purchaser of such business) shall directly or indirectly carry on or be concerned or interested in a similar business in his own name in the locality of the firm within a period of two years from the completion of sale of goodwill. The value of the goodwill shall be considered as an asset of the partnership and will be added to and form part of the sum payable to all the partners on the dissolution of The Partnership.

(22) All disputes and differences whatsoever which shall arise between the partners or between the partners and the personal representatives of the deceased partner relating to any matter whatsoever touching the affairs of The Partnership or the interpretation of this agreement and whether before or after the determination of The Partnership shall be referred to a single arbitrator, if the parties agree upon one, otherwise to four arbitrators one to be appointed by each party to the difference in accordance with and subject to the provisions of the Arbitration and Conciliation Act, 1996 or any statutory modification or re-enactment thereof for the time being in force.

(23) All the other matters for which no provision is made in this deed shall be decided by the majority of the partners for the time being of The Partnership.

IN WITNESS WHEREOF, the parties hereto have hereunto set and subscribed their respective hands the day and year first hereinabove written.

1. Signed and delivered by SHRI Nikhil Ravindra Bhawalkar

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1. Signed and delivered by SHRI Hasmukh S Chaudhari

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1. Signed and delivered by SHRI Hasmukh D Chaudhari

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WITNESSES:

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