

CONFIDENTIALITY AGREEMENT

THIS AGREEMENT entered into on the ____ day of _____ 2009 between _____**XYZ**_____ a company registered under the Companies Act, 1956 having its registered office at (hereinafter referred to as "**____XYZ____**")which expression shall unless repugnant to the context or meaning thereof be deemed to include its successors and assigns) of the One Part

AND

Vadivarhe Speciality Chemicals Limited, a company registered under the Companies Act, 1956 having its registered office at **Gate No. 204, Wadivarhe Taluka, Igatpuri, Nashik District 422403, Maharashtra** (hereinafter referred to as "**VSCL**", which expression shall unless repugnant to the context or meaning thereof be deemed to include its successors and assigns) of the Other Part.

WHEREAS

1. **__XYZ__** and **VSCL** ("the Parties") are in the business of developing, manufacturing and marketing pharmaceutical products.
2. **____XYZ____** and **VSCL** intend to discuss a possible business arrangement whereunder **VSCL** would manufacture _____ for _____
3. For the purpose of evaluating the possible business arrangement ("the Purpose"), **__XYZ__** proposes to exchange information relating to products, manufacturing processes and specifications, analytical methods, markets and marketing strategy, which is non-public, confidential and proprietary in nature (hereinafter referred to as "the Information").
4. Such Information comprises, all and any information in oral, written, electronic, visual or in pictorial form including but not limited to material of a technical, analytical, operational, administrative, economic, planning, strategic business or financial nature which may be provided by **__XYZ__** to **VSCL** before or after the date of this Agreement during the course of discussions between the Parties.
5. **__XYZ__** is prepared to disclose to **VSCL** the Information, subject to the terms and conditions of this Agreement.

NOW THEREFORE in consideration of the covenants and conditions herein contained, the Parties hereto agree as follows:

1. The Information shall be used solely for the Purpose and will be kept strictly confidential by **VSCL** and shall not be disclosed, in whole or in part to any other person or party. Provided however that the Information or parts thereof may be disclosed to those of **VSCL**'s directors, officers and employees (collectively called "Representatives") who need to know such information for the Purpose (it being understood that those Representatives will be informed of the confidential nature of the information) and shall be bound by similar obligations of confidentiality and non-use as are contained in this Agreement.
2. **VSCL** hereby undertakes on behalf of itself and its Representatives to keep the Information safe and secure at all times and separate from any other information, not to use, reproduce, transform or store any of the Information on an externally accessible computer or electronic information system or transmit it in any form outside its normal place of business or is not disclosed or duplicated for the use of any third party.
3. The obligations of confidentiality, non-use and non-disclosure under this Agreement do not apply to any information which (i) is in the public domain, (ii) was available to **VSCL** on a non-confidential basis from a source other than XYZ , (iii) becomes public knowledge or comes into the public domain through no action, failure to act or omission of **VSCL** subsequent to disclosure, or (iv) becomes available to **VSCL** from a third party who has not obtained it in breach of any agreement with . **XYZ**
4. Nothing herein contained shall be construed as XYZ providing any representation or warranty in respect of the accuracy or completeness of the Information provided to **VSCL** under this Agreement. No liability whatsoever is accepted by XYZ for any of the Information or for any opinions contained therein or for any errors, omissions or misstatements. XYZ does not give any representation or warranties (express or implied) in relation to the Information or to the accuracy or completeness thereof. In particular no representation or warranty is given as to the achievement or reasonableness of any future projections, estimates, prospects or returns.
5. All Information shall remain **XYZ**'s property. Neither this Agreement, nor any disclosure hereunder, shall be deemed by implication or estoppel or otherwise to vest in **VSCL**, any licence or other ownership rights.
6. The execution and performance of this Agreement does not obligate the Parties to enter into any further Agreement or to perform any obligations other than as specified herein.
7. This Agreement shall commence on the date it is executed by the Parties hereto and shall continue for the period of evaluation or six months, whichever is earlier, unless

terminated or extended by mutual agreement of the Parties hereto. The obligations of confidentiality, non-disclosure and non-use contained herein shall survive the expiration or termination of this Agreement for a period of five years from the date of such expiration or termination. Provided however that the confidentiality obligations relating to any know-how, formulae, specifications and the like provided by ___ XYZ ___ to **VSCL** under this Agreement shall survive for all time.

8. On expiry/ termination of this Agreement or at any time when required by _____, **VSCL** shall return promptly to **XYZ** _____ or destroy at _ **XYZ** ___'s request, all copies of the Information in **VSCL**'s possession. The return or destruction of such Information shall not relive **VSCL** of its other obligations under this Agreement.
9. The Parties agree that should **VSCL** or any of its Representatives breach this Agreement, money damages may be inadequate to remedy such breach. As a result, ___ **XYZ** ___ shall be entitled to seek specific performance and/ or injunctive or other equitable relief, in addition to such other remedies, including money damages. **VSCL** hereby indemnifies and undertakes to keep indemnified _ **XYZ** ___ against all claims, losses liability and costs which ___ **XYZ** ___ may incur as a result of the breach of the provisions of this Agreement by itself or its Representatives or by any third party to whom **VSCL** has disclosed the Information or the results of the evaluation.
10. This Agreement shall not be construed as creating any obligation on _____ **XYZ** ___'s part to consummate any transaction with **VSCL** or to compensate **VSCL** in any manner, any costs or expenses incurred by **VSCL**, except as may be set forth in any separate agreement duly executed between the Parties.
11. The execution of this Agreement shall not preclude ___ **XYZ** ___ from simultaneously negotiating with one or more parties in respect of this or any other transaction.
12. This Agreement shall not be assigned to any third party.
13. This Agreement shall be governed by and construed in accordance with Indian Law and both parties submit to the exclusive jurisdiction of the Courts in Mumbai in respect thereof.
14. The failure to exercise or a delay in exercising a right or a remedy provided by this Agreement does not constitute a waiver of a right or a remedy or a waiver of other rights or remedies. No single or partial exercise of a right or a remedy provided by this Agreement or by law prevents further exercise of the right or a remedy or the exercise of any other right or a remedy.

- 15. No modification, amendment or waiver of any provision of the terms of this Agreement shall be effective unless it is made in writing and duly signed by each of the parties hereto.

IN WITNESS WHEREOF, the Parties have signed this Agreement on the day, month and year first above written.

SIGNED AND DELIVERED by the _____)
withinnamed XYZ _____
in the _____)
presence of _____)

SIGNED AND DELIVERED by the _____)
withinnamed Vadivarhe Speciality _____)
Chemicals Limited in the presence of _____)
_____)