

Partnership Capital Loan Agreement

This Partnership Capital Loan Agreement (the "Agreement") is entered into on this ____ day of _____, 20____, by and between:

1. The Firm/Partnership:

[Name of the Firm], having its registered office at [Address] (hereinafter referred to as the "Partnership", which expression shall, unless repugnant to the context, mean and include its partners, successors, and assigns);
2. The Lender/Partner:

[Name of Lending Partner], residing at [Address] (hereinafter referred to as the "Lender/Partner");

1. Loan Amount & Purpose

The Lender/Partner hereby agrees to advance a sum of **Rs.** _____ (Rupees _____ only) (the "Loan") to the Partnership as a capital loan for business requirements and working capital needs.

2. Terms of Loan

- Interest Rate:** The loan shall carry interest at the rate of ____% p.a. [or specify if interest-free].
- Repayment:** The Loan shall be repayable on demand/over a period of ____ months/years, or as mutually agreed upon by both parties.
- Capital Contribution:** This loan shall not be treated as capital contribution for the purpose of sharing of profits/losses unless otherwise agreed.

3. Representations & Warranties

Both parties hereby represent and warrant that they are fully authorized and competent to enter into this Agreement and that all details mentioned herein are correct to the best of their knowledge.

4. Governing Law & Jurisdiction

This Agreement shall be governed by and construed in accordance with the laws of [State/Country]. Any dispute arising hereunder shall be subject to the exclusive jurisdiction of courts at [Location].

5. Miscellaneous

- This document constitutes the entire agreement between the parties regarding the subject matter herein.
- Any modification or amendment shall be in writing and signed by both parties.
- This Agreement is executed in two counterparts, each party retaining one.

For the Partnership

[Name]

Date: _____

For the Lender/Partner

[Name]

Date: _____

Important Notes:

- Such agreements should be carefully reviewed for compliance with partnership deed and firm policies.
- Interest on partners' loans may have tax implications for both firm and partner.
- Clearly distinguish between capital contribution, current account, and loan account in firm's records.
- Documenting repayment terms helps avoid future disputes among partners.
- Seek legal and tax advice if unsure.

