

The French version shall prevail over the English one

FILM CO-PRODUCTION AGREEMENT BETWEEN THE GOVERNMENT OF THE FRENCH REPUBLIC AND THE GOVERNMENT OF INDIA

signed in New Delhi on 16 January 1985

French Decree No. 85-423 of 5 April 1985

(French Official Gazette of 13 April 1985)

The Government of the French Republic,
The Government of India,

Considering it to be desirable for their respective film industries to firstly, encourage the co-production of films of a quality capable of contributing to the development of the French and Indian film industries and, secondly, to increase exchanges of films between the two countries on a commercial basis, have agreed as follows:

PART 1 - COPRODUCTION

Article 1

For the purposes of this agreement, films shall be co-produced between French and Indian producers on the following terms and conditions:

1. Films co-produced within the framework of this agreement shall benefit from all regulatory provisions applicable to the national film industry that are at present or may hereafter be in force in each country.

2. They shall be automatically entitled to the full enjoyment of all benefits reserved to national films.

3. The making of co-production films between the two countries shall be subject to the approval, after consultation between them, of the competent authorities of both countries:

- in France: the *Centre National de la Cinématographie*;
- in India: the Ministry of Information and Broadcasting.

Article 2

To benefit from this co-production agreement, the production of films must be undertaken by producers having an activity recognised by the competent national authority.

Article 3

Co-productions shall be subject to the approval, by the competent authorities of both countries, of the terms of the contract specifying the technical, financial and artistic conditions.

In principle, a general balance shall be maintained between the two countries as regards both the respective financial contributions and the involvement of artists and technicians.

The proportions contributed by the respective producers from both countries shall be between 30 and 70 % per co-production film. However, subject to the consent of the competent authorities of both countries, the minority co-producer's contribution may be reduced to 20 %.

Article 4

Films shall be made by directors, technicians and performers that are either nationals or residents of France or nationals of India.

The participation of a performer who does not meet the requirements referred to in the previous paragraph may be permitted, on account of the requirements of the film, subject to the consultation and approval of the competent authorities of both countries.

Article 5

In principle, receipts shall be divided in proportion to the overall contribution of each co-producer. Financial arrangements made by co-producers and the areas for the division of receipts shall be subject to the approval of the competent authorities of both countries.

Article 6

Credits, trailers and promotional material for co-production films shall refer to the fact that the film is a co-production.

Studio shooting, the adding of the soundtrack and laboratory work shall be carried out with reference to the provisions set forth below.

Studio shooting shall preferably take place in the country of the majority co-producer.

Each co-producer shall, in any case, jointly own the original picture and sound negative regardless of the place where the negative is kept.

Each co-producer shall, in any event, have the right to an internegative in such co-producer's own version. If one of the co-producers waives such right, the negative shall be kept in a place chosen by the mutual agreement of the co-producers.

In principle, the negative shall be developed and copies for exploitation in such country shall be made in a laboratory located in the majority country. Copies for exploitation in the minority country shall be made in a laboratory in the minority country.

Article 7

For the purposes of international festivals and competitions, co-produced films shall be shown as co-productions unless otherwise agreed by the co-producers and approved by the competent authorities of the two countries.

Article 8

The co-production of short films shall be carried out, for each film, in such a way as to ensure that a general balance is maintained at both an artistic, technical and financial level.

Article 9

The competent authorities of the two countries shall give favourable consideration on a case-by-case basis to the co-production of films between France, India and countries with which either of them is bound by film co-production agreements.

Article 10

Subject to the statutory and regulatory provisions in force, every facility shall be granted in connection with the travel and stay of artistic and technical staff working on co-produced films as well as the import or export to or from each country of such equipment as is necessary for the making and exploitation of such films (film, technical equipment, costumes, items of film set, promotional material etc.).

PART II – EXCHANGE OF FILMS

Article 11

Both countries undertake to promote the commercial exchange of films on a reciprocal basis.

The Indian Ministry of Information and Broadcasting shall authorise, each year, the import of twenty French feature-length films. The films imported must have subtitles or be dubbed in English or an Indian language. In the same way, the French authorities shall authorise, each year, the import of twenty Indian feature-length films. However, such figures may be exceeded subject to the consent of the competent authorities given on a case-by-case basis.

Article 12

The import and distribution of Indian films in France, as well as the repatriation of receipts generated by such films shall be carried out in accordance with the applicable French statutory and regulatory provisions.

Article 13

French films shall be imported into India by the National Film Development Corporation for their cinema release and/or television broadcasting following an outright purchase or on a profit-sharing basis with or without a guaranteed minimum for each film subject to the approval of the competent authorities.

Article 14

Imported French films shall be distributed by NFDC in accordance with agreed terms and conditions not excluding distribution through private distributors approved or chosen by the NFDC, pursuant to the provisions of the contract entered into with the French exporters for each film.

Article 15

The repatriation of receipts from the exploitation of French films shall not exceed a cap fixed by the competent authorities and accounted for in the contract signed by the French exporter and NFDC for each film.

Article 16

The French share of profits shall be liable to tax in accordance with the rules laid down in the Double Taxation Agreement in force between France and India. In the absence of any such agreement, such profits shall be taxed in accordance with the applicable regulatory provisions.

Article 17

Any profits in excess of the cap referred to in Article 15 for each film shall be paid into the non-resident account held by the French vendor and may be used for the following purposes approved by the competent authorities following a joint consultation.

Article 18

Any profits in excess of the cap referred to in Article 15 may be used by the French party, subject to the approval of the Indian competent authorities, for the following purposes:

- a) The sums may be used for the remuneration of a representative of French producers and exporters in India and the reimbursement of expenses incurred in connection with such representative's work;
- b) For transport and accommodation costs incurred by French producers and exporters during their time spent in India for the implementation of this agreement;
- c) For expenses incurred in connection with the production and co-production in India of a French film or part of a film;
- d) For any other purposes connected to the film industry that the Indian Government may authorise.

Article 19

The repatriation of the Indian share of profits generated by the exploitation of Indian films in France shall be taxed in accordance with the provisions of the Double Taxation Agreement in force between France and India. In the absence of such an agreement, such profits shall be taxed in accordance with the standard provisions of the law.

Article 20

The two parties shall consider the possibility of exchanging television productions and broadcasting on a regular basis films produced by each party on television

Article 21

The competent authorities of the two countries shall review, where necessary, the conditions governing the implementation of this agreement in order to resolve any problems that may from time to time arise. They shall recommend possible amendments with a view to developing film cooperation to the mutual benefit of the film industries of both countries.

To this end, the competent authorities of both countries shall meet, within the framework of a mixed film commission, at the request of one of them, at a time and date that is convenient for both of them, to review the provisions of this agreement.

Article 22

This agreement shall enter into force thirty days after its signature for a period of two years. It shall be automatically renewed for two-year periods, save in the event of termination by one of the parties three months prior to the end of each period.

Article 23

Even after the termination hereof, this agreement shall continue to govern transactions finalised during its period of validity.

In witness whereof, the representatives of the two governments, duly authorised for such purposes, signed this agreement.

Signed in New Delhi, on 16 January 1985, in duplicate, each copy in French, English and Hindi.

Signatories:

For the Government of the French Republic: S.E. Serge Boidevaix, French Ambassador in India

For the Government of India: S.S. Gill, Secretary-General for Information and Broadcasting.

