

## Draft

**THIS LEASE DEED** is made at Ahmedabad on the day of \_\_\_\_\_, 2010 between Dishman Infrastructure Limited, a company registered under the Companies Act, 1956 and having its registered office at Bhadr-Raj Chambers, Swastik Cross Roads, Navrangpura, Ahmedabad – 380 009 (hereinafter referred to as the “Developer” or the “Lessor” which expression shall, unless repugnant to the context, include its successors and permitted assigns) of the **ONE PART**

**And**

....., a company registered under the Companies Act, 1956 and having its registered office at ..... (hereinafter referred to as the “Lessee”) of the **SECOND PART**.

**WHEREAS** the Central Government has notified under sub-section (1) of Section 4 of the Special Economic Zones Act, 2005 (the ‘Act’) read with Rule 8 of the Special Economic Zones Rules, 2006 (the ‘Rules’) an area of 106.8383 Hectares at Villages Kalayangadh & Gangad, Taluka Bavla, District-Ahmedabad on National Highway 8-A, in the State of Gujarat developed by the Developer, as sector specific Pharma and Fine Chemicals, Special Economic Zone (hereinafter referred to as ‘SEZ’); and

**WHEREAS** the Lessee has been granted by the Development Commissioner, Kandla, (the ‘Development Commissioner’) Letter of Approval bearing No. ....dated.....under sub-section 9 of Section 15 of the Act read with Rules 18 and 19 of the Rules to set up a Unit in the SEZ and undertake operations authorized by the Development Commissioner; and

**WHEREAS** the Developer is entitled under sub-rule 5 of Rule 11 of the Rules, to give plots of land in the SEZ on lease basis to such persons which are holding a valid Letter of Approval issued under Rule 19 of the Rules; and

**WHEREAS** the Lessee has approached the Developer for grant of the Plot on lease in the SEZ in terms and as stipulated by the Act, the Rules and as per the terms and conditions contained in the Letter of Approval No.....dated .....issued to the Lessee by the Developer Commissioner, which request has been accepted by the Developer.

## NOW THIS DEED WITNESSES AS FOLLOWS:

### 1.0 Definitions and Interpretations

- 1.1 Unless the context otherwise requires, the terms used in this Deed but not defined herein below, shall have the same meaning as ascribed to them in the Act and the Rules and the Gujarat Special Economic Zone Act, 2004 ('Gujarat Act') and the Gujarat Special Economic Zone Rules, 2005 ('Gujarat Rules') and any amendment there to.
- 1.2 The '**Co-Developer**' shall mean a person who has entered into an agreement with the Developer for providing any infrastructure facilities in the SEZ in terms of sub-section 11 of Section 3 of the Act and on making a proposal for the same, has been granted a letter of Approval by the Central Government under sub-section 10 of Section 3.
- 1.3 The '**Common Facilities**' shall mean and include business center, High tech Communication and internet connectivity, club house with modern facilities such as gymnasium, yoga and meditation centers, training center, restaurant and cafeteria provided by the Developer in the SEZ to which the Lessee's employees would have access and for which the Lessee shall be charged on the basis of membership/usage.
- 1.4 The '**Development Committee**' shall mean the Committee formed under Section 12 of the Gujarat Act.
- 1.5 The '**Infrastructure**' shall mean and include roads, streetlights, drainage system including storm water drains, water supply system, telecommunication system and centralized effluent treatment plant (CETP), disaster mitigation unit and such other facilities provided in the Pharmez by the Developer and/or Co-Developer.
- 1.6 The '**Development Charges**' shall mean and Include charges for development of land and infrastructure as well as common facilities provided by the Developer and/or Co-Developer and would include charges for surveys, site clearance, land filling, landscaping and other land related charges.
- 1.7 The '**Maintenance Charges**' shall mean the charges payable by the Lessee to the Developer and/or Co-Developer towards the cost of maintaining the infrastructure and common facilities in the SEZ which shall include charges and expenses for security services, housekeeping, insurance, rates and taxes and levies payable to any agency or authority, as may be fixed for each Plot by the Development Committee from time to time.
- 1.8 The '**Plot**' shall mean the defined geographical land as mentioned in the layout of the SEZ as approved by the Development Commissioner and more specifically described as Plot No.....admeasuring .....square metres.
- 1.9 The '**Rent**' shall mean the annual consideration payable by the Lessee to the Developer for the award of lease.

- 1.10 The '**Term**' shall mean a period of ninety nine years beginning from the date of execution of this Lease Deed and shall be subject to the period for which the initial Letter of Approval is issued by the Development Commissioner to the Lessee as extended from time to time and further subject to the provisions contained in Clause 2.2. However that the lease shall automatically lapse and stand terminated on the expiry of the validity period of the Letter of Approval issued by the Development Commissioner or any extension thereof.
- 1.11 The '**Unit**' shall mean the business entity set up by the Lessee on the allotted plot as per the Letter of Approval issued by the Development Commissioner to the Lessee.
- 1.12 The '**Utility Charges**' shall mean the charges payable by the Lessee to the Developer/Co-Developer/service providers for consuming or using utilities such as electricity, water, sewage, effluent, steam, telecommunication and such other utilities and other services provided to the Unit based on actual usage as may be fixed by the Development Committee and/or the Service Provider. Other services shall mean services not listed above but are provided by the Developer for facilitating smooth operations of the Unit within the SEZ.

## **2.0 The Lease**

- 2.1 The Developer leases Plot No.....admeasuring .....square meters (more particularly described in **Annexure-1** attached hereto and forming part of this Deed) to the Lessee, upon the Lessee having paid Development Charges of Rs.....(Rupees .....) at the rate of Rs...../- per square meter (which amount or any part of the same shall not be refundable to the Lessee and which amount shall not carry any interest in any event, and the receipt of which the Developer hereby acknowledges) and on the terms and conditions contained herein, consistent with the provisions and stipulations contained in the Act, the Rules, the Gujarat Act and the Gujarat Rules as applicable from time to time together with the rights and obligations specified in the Act, the Rules, the Gujarat Act and the Gujarat Rules as well as subject to all the permissions and licences which are required to be obtained by the Lessee under the Act, the Rules, the Gujarat Act and the Gujarat Rules as well as under other applicable laws, Statutes and enactments. The lease entitles the Lessee to hold the Plot for the Term and carry out thereon activities necessary to fulfill and achieve the objectives stated in the Letter of Approval and the activities related and incidental thereto subject to all obligations and compliances of whatsoever nature affecting the Lessee and or the Plot as provided in the Act, the Rules, the Gujarat Act and the Gujarat Rules and other applicable laws Statutes and enactments and the said Letter of Approval issued to the Lessee by the Development Commissioner.
- 2.2 The lease is for the Term; provided, however, that the Letter of Approval issued to the Lessee by the Development Commissioner requires the Lessee to commence the activities for which it is issued such as production or providing services or trading or warehousing activities within one year from the issuance of the Letter of Approval or such further period as may be

granted by the Development Commissioner and therefore, as specified in the Rules, the lease shall automatically lapse and stand terminated forthwith upon the failure of the Lessee to comply with such time limit or any valid extension thereof as may be granted by the Development Commissioner. The lease shall also automatically lapse and stand terminated forthwith, in case the Letter of Approval issued to the Lessee comes to be cancelled by the Approval Committee in terms of sub-section 1 of Section 16 or any other provisions of the Act or the Rules or in terms of the Letter of Approval itself. The Term shall also be subject to the validity period specified in the Letter of Approval issued to the Lessee by the Development Commissioner being in the first instance for a period of 5 years from the date of commencement of production or provision of services and shall include any further period/s of 5 years or otherwise and shall be co-terminus with the validity period of the Letter of Approval issued to the Lessee by the Development Commissioner in terms of sub-rule 6 of Rule 19 of the Rules.

- 2.3 The Developer agrees to allot the said Plot on lease on the same terms and conditions to any other person/party complying with the provisions of the Act and the Rules and the regulations applicable and in force from time to time and who is holding a valid Letter of Approval issued by the Development Commissioner to set up a Unit of the SEZ and who is suggested by the Lessee to the Developer for re-allotment/transfer of the said Plot subject to the condition that the maximum period of lease to the Lessee and any other person/party to whom the said Plot is so allotted/transferred under this Clause shall not exceed in aggregate the period of ninety-nine years from the execution of this Lease Deed subject to clause 2.2 above. Such transaction would require payment of facilitation fees of 10 % to the Developer on any value received/receivable by the Lessee provided that the value of such transaction/transfer is agreed by the Developer. The Developer shall not withhold unreasonably his approval to the value of the transaction.

A suggestion, made for transfer/re-allotment as aforesaid, to be binding upon the developer, shall have to be made within a period of one month from the expiry or cancellation of the Lessee's letter of Approval, after which period it will be the sole discretion of the Developer as to whether to accept aforesaid, whether within the period of one month, or after, shall only be considered provided the Lessee shall have paid and shall continue to pay all charges and expenses, contemplated by this Deed, even after the cancellation of this Deed, consequent to the expiry or cancellation of the Letter of Approval, till such time as the developer takes a decision on the suggestion of the Lessee in respect to the suggested re-allotment of the Plot.

Any liability or obligation towards tax or other levy, in connection with any such re-allotment shall be the exclusive liability of the Lessee.

Notwithstanding the option provided herein to the Lessee, to suggest a person or entity for re-allotment, any failure or inability of the Developer to accede to such suggestion, for any reason beyond its control or for the reason of any restriction or prohibition contained in the Act, the Rules, the Gujarat Act and

the Gujarat Rules, shall not entitle the Lessee to seek any compensation, refund or return, in full or in part, of any monies or amounts, including Development Charges, paid by him the Developer.

- 2.4 **Indemnities**: The Lessee shall always and at all times keep the Developer fully indemnified against all losses arising directly or indirectly out of any act of omission or commission or negligence of the Lessee or his servants or any persons on the Plot with or without the authority or permission of the Lessee or any breach or non-observance or non-compliance by the Lessee of the covenants, stipulations, conditions and other provisions of this lease or any of the matters to which this lease is subject to or violation of any Act, Statute, enactment, rules and regulation relating to the Unit or infringement of any contract or arrangements entered into by the lessee/Unit.
- 2.5 The Developer shall be entitled to entrust provision of any infrastructure facility in the SEZ to a Co-Developer/other agency by an agreement as provided under the Act and the Rules and the Co-Developer/other agency shall exercise such rights and obligations as may be decided by such agreement and intimated in writing to the Lessee.

### **3.0 Developer and Lessee Covenant**

- 3.1 **Electricity** : The Developer has made arrangements with Uttar Gujarat Vij Company Ltd (UGVCL) for providing electrical power to the Units and has paid for erection of feeder line to SEZ. The Lessee shall be required to enter into an agreement with UGVCL for the Unit's power requirement and pay deposit and other charges to UGVCL directly and reimburse pro rata charges to the Developer for erection of the said feeder line. For future requirement of power, the Developer is in negotiations with UGVCL and Gujarat Energy Transmission Corporation Ltd. (GETCO) for putting up a 66 KV sub-station within SEZ to supply power to the Units in SEZ. The Developer has agreed to give required land on long term lease to GETCO on token lease of Re.1/- per year. Efforts are made to make available power to the user units without burden of capital expenditure for putting up 66 KV sub-station. However, if UGVCL/GETCO do not agree to this, the user units shall have to reimburse to GETCO/Developer pro rata cost of sub-station. The Developer shall, at his option, either provide trenches/RCC Hume Pipes from the common switch yard to the Unit for laying 11 KV cables by the Lessee or may lay 11 KV cables itself from the common switch yard up to the Unit and charge the Lessee at actual. The maintenance of the cables shall always be the responsibility of the Lessee.

Alternatively Developer will purchase electricity in bulk from the companies generating electric power at the competitive rates and distribute to the individual units after adding incidental charges, Govt. taxes etc. Capital cost and maintenance charges for distribution lines shall have to be paid by the lessess over and above electric power consumed. Even Developer may generate power and distribute to the lessess on above line. In this case as soon as distribution licence is granted to Developer all units who has taken power from UGVCL against stop gap arrangement will have to surrender their

power connection to UGVCL and Developer will give power at appropriate tariff to individual units after collecting S/c, electric duty etc. as per prevailing rates. In this case all units will be consumers of Developers instead of UGVCL.

- 3.2 Raw water:** The Developer has received permission from the Gujarat Ground Water Authority for withdrawal of ground water for the SEZ. The Developer shall provide raw water or treated water to the Units at their gate along with a meter. The consumption of raw/treated water shall be charged as per rates approved by the Development Committee from time to time. The Lessee shall not be allowed to withdraw ground water without prior written permission from the Development Committee/Developer. Any violation of this condition will result into imposition of penalty on the Lessee.
- 3.3 Telecommunication:** The Developer shall at its option, may provide trench/es for laying cables for telecom/internet connectivity for the Lessee's Unit or may enter into arrangements with a service provider for laying cables for telecom/internet connectivity up to entry point of the Lessee's Plot and to provide telecom/internet services to the Lessee's Plot. The Unit shall enter into an agreement with the service provider/s for getting required services and pay deposit and other charges directly to the service provider.
- 3.4 Effluent Treatment:** The Developer has received No Objection Certificate from the Gujarat Pollution Control Board (GPCB) for environmental conformance. A copy of such NOC of GPCB has been furnished to the Lessee. The Lessee shall be bound by the special and general conditions laid down in the said NOC of GPCB and shall comply with the same. The Lessee shall keep separate tanks for collection of different effluents such as concentrated effluent, toxic effluent, dilute effluent, etc as may be prescribed by the Developer/Co-Developer which shall carry such different effluent to CETP by special tankers. The Lessee shall provide primary treatment to the effluent generated on the Plot and comply with the greening norms as stipulated in the said NOC of GPCB. The discharge parameters from the Plot to CETP shall be as approved by GPCB and annexed hereto as **Annexure-2**. The Lessee shall be obliged to observe these parameters on no-deviation basis as the violation of the same may warrant closure of the Lessee's Unit. The Lessee shall have to pay user/maintenance charges for CETP based on metered raw water consumption by the Lessee as may be fixed from time to time by the Development Committee/Developer.
- 3.5 Rent:** The Lessee shall pay to the Developer Rent for the Plot at the rate of Re.1/- (Rupee one) per square metre per year payable in advance by way of bankers cheque or demand draft on or before commencement of calendar year for the period of lease. The Lessee shall not exercise or seek to exercise any right or claim to withhold the Rent or any right or claim to legal or equitable set off, whether against the Developer, the Government or any other authority or person.

#### **4.0 Maintenance Charges:**

4.1 The Lessee shall pay to the Developer or the Co-Developer the maintenance charges as may be decided by the Development Committee from time to time at such time and in such manner and as set out herein below and the Lessee shall not exercise any right or claim to withhold payment of maintenance charges or any right or claim to legal or equitable set off whether against the Developer, the Government or any other authority or person.

4.2 The maintenance charges shall be payable in advance for every quarter by bankers cheque or demand draft in favour of the Developer/Co-Developer/agency or by way of credit transfer to the Developer's/Co-Developer's/agency's bank account as may be informed by the Developer/Co-Developer/agency from time to time by the 1<sup>st</sup> day of each quarter of the calendar year.

**5.0 Outgoings exclusive to the Plot:** The Lessee shall pay and shall indemnify the Developer against all rents, rates and taxes, assessments, duties, charges, impositions and outgoings that are presently or may at any time in future during the Term be charged, assessed or imposed upon the Plot or upon the Developer for the Plot.

**6.0 Outgoings assessed on the Plot:** The Lessee shall pay and shall indemnify the Developer against the maintenance costs proportionately attributable to the Plot – to be determined from time to time by the Development Committee to maintain the infrastructure that are presently or at any time in future during the Term be charged, assessed or imposed.

**7.0 Utility Charges:** The Lessee shall pay to the Developer or the relevant supplier/service provider as the case may be and shall indemnify the Developer against all charges for specific services including electricity, water, telecommunication and other services consumed or used at or in relation to the Plot including meter rents and standing charges and shall comply with the lawful requirements and regulations of the respective suppliers/service providers

**8.0 Interest on arrears:** The Lessee shall pay interest at 15 % per annum or as may be decided by the Development Committee from time to time on any arrears including rents, maintenance charges, utility charges or other payment due and payable under this lease that are not paid within the time limit specified by the Developer or the service provider as the case may be whether formally demanded or not. Nothing in this clause shall affect the rights of the Developer in relation to any non-payment or outstandings on the Plot or from the Unit.

## **9.0 Construction, Repairs, House-keeping and Beautification**

- 9.1 **Construction in the Plot:** The Lessee shall submit plans and drawings for constructions in the Plot and get the same approved by the Development Committee before starting any activity related to construction in the Plot.
- 9.2 **Uniformity and Synergy:** The Lessee shall construct main gate, security cabin, adjoining structures and compound wall of the Plot facing roads as per the design and specification given by the Developer to create uniformity and synergy.
- 9.3 **Repairs of the Plot:** The Lessee shall repair the Plot and the constructions thereon and keep them in good condition.
- 9.4 **Care of the Open Land:** The Lessee shall keep that part of the Plot that is not built on ('the Open Land') adequately surfaced, in good condition and free from weeds and shall keep all landscaped areas properly cultivated.
- 9.5 **Storage on the Open Land:** The Lessee shall not store anything on the open land or bring anything onto it that is or might become untidy, unclean, unsightly or in any way detrimental to the Plot or any adjoining property of the Developer or other Units or the area generally.
- 9.6 **Care of adjoining property:** The Lessee shall not cause any adjoining property of the Developer, the other Units or any other land, roads or pavements abutting the Plot to be untidy or dirty and in particular, but without prejudice to the generality of the foregoing, shall not deposit refuse or other material on them.
- 9.7 **Beautification:** The Lessee shall beautify the outside and inside of the Plot and the construction thereon in a good and workmanlike manner and with appropriate materials of good quality as necessary in the reasonable opinion of the Developer in order to maintain a high standard of decorative finish and attractiveness.
- 9.8 **Shared facilities:** Where the use of any pipeline, sewer line, drains, mains, ducts, conduits, gutters, watercourses, wires, cables, channels, boundary structures or other things is common to the Plot and any adjoining or near by Plot, the Lessee shall be responsible for and shall indemnify the Developer against all sums due from the Unit, Lessee or occupier of the Plot in relation to such pipeline, sewer line, drains, mains, ducts, conduits, gutters, watercourses, wires, cables, channels, flues, conducting media, boundary structures or other things and must undertake all work in relation to them that are his responsibility.

## **10.0 Additions and Alterations**

The Lessee shall not make any addition or alteration to the Plot, unite the Plot with any adjoining Plot or land or make any alteration to the Plot except as provided herein below:

- 10.1 **Pre-conditions for alterations:** The Lessee shall not make any internal structural alterations to the Plot, contrary to the bye laws and rules and regulations made applicable or enforced in the SEZ by the Development Committee/Developer unless the Lessee has obtained prior written permission from the Development Committee/Developer.
- 10.2 **Consents:** The Lessee shall obtain and comply with the necessary consents of the Development Committee/Developer and pay charges for the same.
- 10.3 **Method of getting consent:** The Lessee shall make an application to the Development Committee/Developer for consent, supported by drawings and where necessary, with specifications in duplicate, prepared by an architect or a member of some other appropriate professional body who must supervise the work throughout to completion.
- 10.4 **Consent to be in writing:** The Lessee shall obtain written consent of the Development Committee/Developer. The Developer will not withhold or delay the consent unreasonably.

#### **11.0 Removal of Structures**

At the end of the Term, if so instructed by the Developer or the Development Committee, the Lessee shall remove all or any buildings, additions, alterations or improvements made to the Plot and shall make good any part or parts of the Plot that may be damaged by such removal.

#### **12.0 Aerials, Signs and Advertisements**

- 12.1 **Masts and Wires:** The Lessee shall not erect any pole or mast on the Plot or install any cable or wire on them whether in connection with telecommunication or otherwise, without express written permission of the Developer.
- 12.2 **Advertisements:** The Lessee shall not, without the written consent of the Developer, fix to or exhibit on the outside of the Plot or fix to or exhibit through any window of the Plot or display any where on the Plot any placard, sign, notice, fascia board or advertisement.

#### **13.0 Statutory Obligations**

- 13.1 **General provisions:** The Lessee shall obtain necessary permissions and approvals from the concerned authorities and comply in all respect with the requirements of the Act, the Rules, the Gujarat Act, the Gujarat Rules and all applicable Laws, Statutes and enactments and any other obligations imposed including those relating to environment, pollution, health and safety or by bye-laws applicable to the Plot or the trade or the business for the time being carried on on the Plot.

13.2 **Particular obligation:** The Lessee shall comply with the following subject-related Development control guidelines as may be made applicable from time to time in the SEZ by the Development Committee/Developer.

- Plot margins and set backs
- Plot entry shall be as provided in the Lay Out Plan and the entry, security cabin, etc and the compound wall of the Plot facing roads shall be as per the specification/design given by the Developer
- Rain water harvesting, metered water usage-recycling and zero discharge of effluent
- Effluent discharge to CETP and Greening norms
- Parking norms for goods and Passenger vehicles
- Building management norms for efficient and economical use of space

#### 14.0 Compliance with conditions of the Letter of Approval

The Lessee shall comply with all the terms and conditions on which the Letter of Approval has been granted to the Lessee or such terms and conditions which may be imposed at any time during the Term either by the Development Commissioner or the Development Committee/ Developer or otherwise as may be permissible in law and shall ensure continued compliance with all the initial requirements on the basis of which the Letter of Approval may have been granted. The Lessee shall ensure that only such activities as are permitted to be carried on in the Plot as per the Letter of Approval in the Special Economic Zone shall only be carried on in the Plot and that all permissions, clearances and authorizations contemplated by the Act, the Rules, the Gujarat Act, the Gujarat Rules and the Letter of Approval are valid, operative and in force at all times during the Term and are appropriately renewed as and when required.

#### 15.0 Entry to inspect and notice for repair

15.1 The Lessee shall allow the Developer and the Development Commissioner and their authorized officers to

- (i) Monitor and supervise compliance of conditions subject to which the Letter of Approval or permission, if any, has been granted to the Lessee.
- (ii) Enter the Plot to ascertain whether or not the covenants and conditions of this lease have been observed and performed.
- (iii) View the state of repair and condition of the Plot and to open up floors and other parts of the Plot wherever it is necessary; and
- (iv) Give to the Lessee notice specifying the works required to remedy for breach of the obligations by the Lessee. Notwithstanding the provisions pertaining to Notices, the Developer and his authorized officer shall be entitled to leave on the Plot such notice addressed to the Lessee.

15.2 **Works to be carried out:** The Lessee shall promptly and within reasonable time carry out the works specified in such notice.

#### **16.0 The Developer's power in case of default by the Lessee**

If within one month of the service of a notice to repair, the Lessee has not started to execute the work referred to in such notice or is not proceeding diligently with it or if the Lessee fails to finish the work within three months from the date of notice and in the Developer's reasonable opinion, the Lessee is unlikely to finish the work within that period, the Lessee shall permit the Developer to enter the Plot to execute the outstanding work and shall within a period of three months from receipt of written demand, pay to the Developer the cost of such work and all the expenses incurred by the Developer including legal costs and fees of surveyors. The Lessee shall not hold the Plot on trust for another. The Lessee shall not part with the possession of the Plot or any part thereof or permit another person to occupy the Plot or any part thereof except pursuant to a transaction permitted by the Development Commissioner or the Developer and effected in accordance with such permission.

#### **17.0 Assignment, subletting, charging or alienating**

The Lessee shall not assign, sublet, charge or alienate part or whole of the Plot. The Lessee shall not hold the Plot on trust for another and shall not part with the possession of the Plot or any part thereof or permit another to occupy the Plot or any part thereof except pursuant to a transaction permitted by the Development Commissioner or the Developer and effected in accordance with the provisions of such permission.

#### **18.0 Nuisance and other restrictions**

18.1 **Nuisance:** The Lessee shall not do anything on the Plot or allow anything to remain thereon that may be or become a nuisance or cause annoyance, disturbance, inconvenience, injury or damage to the Developer or other Units or Plot holder or occupiers of any adjoining or adjacent or other Plots in the Pharmedz.

#### **19.0 Auctions, trades and immoral purposes**

The Lessee shall not use the Plot for any auction sale, any dangerous, noxious, noisy or offensive trade, business, manufacture or occupation or for any illegal or immoral act or purpose.

#### **20.0 Planning and development**

20.1 **Compliance with the Planning Acts:** The Lessee shall observe and comply with the provisions and requirements of the Planning Acts affecting the Plot and their use and shall indemnify the Developer and keep him indemnified,

both during the Term and following the end of it against all losses in respect of any contravention of the provisions of such Acts.

## **21.0 Obstruction and encroachment**

21.1 **Encroachments:** The Lessee shall take all steps to prevent the construction of any new window, light, opening, doorway, path, passage, pipeline or the making of any encroachment or the acquisition of any easement in relation to the Plot and shall notify the Developer immediately if any such encroachment is made or easement acquired or any attempt is made to encroach or acquire an easement. At the request of the Developer the Lessee shall adopt such means as are required to prevent the making of any encroachment or the acquisition of any easement.

## **22.0 Exercise of the Developer's rights**

22.1 The Lessee shall permit the Developer to exercise any and all of the rights granted to him by virtue of this lease at all times during the Term without interruption or interference.

## **23.0 Forfeiture**

If and whenever during the Term any one or more of the following events happen, namely

23.1 The Lease Rents or the Maintenance Costs or Utility charges or any other sums due under the lease for the Plot or any part thereof or any taxes payable on them are outstanding for 90 days after becoming due, whether formally demanded or not; or

23.2 The Lessee breaches any covenant or other term or condition of this lease; or

23.3 The Lessee being an individual becomes bankrupt or the Lessee being a company, goes into liquidation whether compulsory or voluntary liquidation (but not if the liquidation is for amalgamation or reconstruction of a solvent company) or has a Receiver appointed; or

23.4 The Lessee has any distress or execution levied on his goods; or

23.4.1 Any statement or representation made by the Lessee/Unit while seeking approval from the Development Commissioner or getting allotment of Plot from the Developer or permission for construction in the Plot is found to be false and misleading in a material respect; or

23.4.2 The Lessee enters into an arrangement for the benefit of his creditors, or where the Lessee is more than one person, if and whenever any of the events referred to in this clause happens to any one or more of them the Developer shall have the right to determine the lease and re-enter the Plot or any part thereof after due notice and thereupon the Term shall cease absolutely but without prejudice to any rights or remedies that may have accrued to the

Developer against the Lessee in respect of any breach of covenant or other term of the lease, including the breach in respect of which the re-entry is made.

## **24.0 Miscellaneous**

24.1 **Exclusion of warranty as to use:** Nothing in this lease or in any consent granted by the Developer under this lease shall imply or warrant that the Plot may lawfully be used under the Planning Acts for the permitted Use.

24.2 **Representations:** The Lessee acknowledges that this lease has not been entered into in reliance wholly or partly on any statement or representation made by or on behalf of the Developer except any such statement or representation expressly set out in this Lease Deed.

24.3 **Lessee's Property:** If after the Lessee has vacated the Plot at the end of the Term, any property of the Lessee remains in or on the Plot and the Lessee fails to remove the same within 15 days after a written notice by the Developer to do so and if the Lessee does not remove his such property within such time, the Developer shall sell such property as agent of the Lessee at any time thereafter. The Lessee shall indemnify the Developer against any liability incurred by the Developer to any third party whose property is sold by the Developer through mistaken belief held in good faith, which shall be presumed unless proved to the contrary, that the property belonged to the Lessee. If, having made reasonable efforts to do so, the Developer is unable to locate the Lessee, the Developer shall retain the proceeds of sale absolutely unless the Lessee claims them within 90 days from the date upon which he vacated the Plot. The Lessee shall indemnify the Developer against any damage occasioned to the Plot and any losses caused by or related to the presence of such property in or on the Plot.

## **24.4 Notices:**

24.4.1 **Form and service of notice:** A notice under this lease shall be in writing and unless the receiving party or his authorized agent acknowledges receipt, shall be valid if and only if

24.4.1.1 It is given by hand or sent by registered post or recorded delivery or sent by fax provided that a confirmatory copy is given by hand or sent by registered post or recorded delivery on the same day and it is served –

- (a) where the receiving party is a company incorporated within India, at its registered office;
- (b) where the receiving party is the Lessee and the Lessee is not such a company, at the Plot; and
- (c) where the receiving party is the Developer, at the Developer's address shown in this lease or at any address specified in a notice given by the Developer to the Lessee.

## **24.4.2 Deemed delivery**

### **24.4.2.1 By registered post or recorded delivery:**

Unless it is returned through the mail undelivered, a notice sent by registered post or recorded delivery shall be treated as served on the third working day after posting whenever and whether or not, it is received.

## **24.5 Covenants relating to adjoining property:**

The Lessee shall not be entitled to the benefit of or the right to enforce or to prevent the release or modification of any covenant, agreement or condition entered into by any Lessee of the Developer in respect of any adjoining Plot.

## **24.6 Disputes with adjoining occupiers:**

Subject to the provisions contained in Clause 25 relating to Jurisdiction and Arbitration, if any dispute arises between the Lessee and other Lessee or occupiers of an adjoining Plot or property of the Developer in connection with the Plot and any of that adjoining Plot or property, it shall be decided in the first instance by the Developer in such manner as the Developer directs, the Developer or his authorized officer, acting as an expert and not as an arbitrator. If any of the parties to such dispute is dissatisfied with the decision of the Developer or his authorized officer, such party may resort to arbitration or litigation as contemplated by the Act.

## **24.7 Environment protection:**

The Lessee shall be required to comply with environmental protection norms and standards including those for effluent discharge and air emission and noise pollution stipulated by the competent authority or department of the State or the Central Government for the Lessee's Plot/Unit during the Term.

### **24.7.1 Discharge of effluent and dangerous substances:**

The Lessee shall not discharge effluent in the CETP which is not as per the norms specified for the same by the Developer nor any dangerous substance. The Lessee shall not allow any effluent or dangerous substance to escape from the Plot,

### **24.7.2 Damage to the conduits and environment:**

The Lessee shall not permit any oil or grease or any deleterious, objectionable, dangerous, poisonous or explosive matter or substance to be discharged into any of the conduits or pipeline and shall take all measures to ensure that any effluent discharged into the conduits/pipeline does not harm

the environment or corrode or otherwise harm the conduits/pipeline or cause any obstruction or deposit in the conduits.

#### **24.7.3 Poisons and pollutants:**

The Lessee shall not permit the discharge into conduits/pipeline of any fluid of a poisonous or noxious nature or of a kind likely to contaminate or pollute the water of any stream or river or ground water.

#### **24.7.4 Notice of spillage and inspection:**

As soon as possible on happening of the spilling or deposit on the Plot of any noxious or dangerous substance in a quantity that may cause serious damage to or pollution of the environment or serious damage to property or serious harm to human health, the Lessee shall inform the Developer and the concerned Government authority of such happening and permit the authorized officers of the Developer to enter the Plot and inspect such spillage or deposit.

#### **24.7.5 Indemnity for damage and pollution:**

The Lessee shall indemnify the Developer and keep him always indemnified against any loss in respect of damage to or pollution of the environment or damage to property or harm to human health caused from the Plot or any substance whether in liquid, solid, gaseous or vapor form or any activity or operation carried out on the Plot.

#### **24.8 Notice of Accidents:**

The Lessee shall immediately inform the concerned Government authority and the Developer on happening of any accident involving serious injury or death of any person working at the Plot/Unit.

### **25.0 Jurisdiction and Arbitration**

25.1 In accordance with Section 23 of the Act, the State Government may, with the concurrence of the Chief Justice of the High Court, designate one or more courts

- (i) to try all suits of a civil nature arising in any Special Economic Zone in the State;
- (ii) to try notified offences committed in any Special Economic Zone in the State.

25.2 No court other than the court designated under Section 23(1) of the Act shall try any suit or conduct the trial of any such notified offence.

25.3 As per Section 42 of the Act, any dispute of a civil nature arising among two or more entrepreneurs or between the Developer and the Lessee in a Special

Economic Zone and the court or the courts to try suits in respect of such disputes have not been designated under Section 23(1) of the Act, such dispute shall be referred to the arbitration. Provided that no dispute shall be referred to the arbitration on or after the date of the designation of the court or courts under Section 23(1).

- 25.4 Where a dispute has been referred to arbitration under sub-section 1 of Section 42 of the Act, the same shall be settled or decided by the Arbitrator to be appointed by the Central Government.
- 25.5 Save as otherwise provided under the Act, the provisions of the Arbitration and Conciliation Act, 1996 shall apply to such arbitration.

**IN WITNESS WHEREOF THE PARTIES HAVE SET THEIR HANDS HERE UNTO ON THE DATE FIRST HEREINABOVE MENTIONED.**

**For LESSEE** .....

**Name** \_\_\_\_\_  
**Title** \_\_\_\_\_

**Witnesses:**

**(1) Name** \_\_\_\_\_  
**Address** \_\_\_\_\_

**(2) Name** \_\_\_\_\_  
**Address** \_\_\_\_\_

**For Developer** .....

**Name** \_\_\_\_\_  
**Title** \_\_\_\_\_

**Witnesses:**

**(1) Name** \_\_\_\_\_  
**Address** \_\_\_\_\_

**(2) Name** \_\_\_\_\_  
**Address** \_\_\_\_\_