

Total Consideration Rs. _____
Lease Money Rs. _____
Total Rs _____
3% of total cost Rs. _____

LEASE DEED

This Indenture made this ____ day of ____ 2005 at Shimla between the Governor of Himachal Pradesh (Hereinafter called 'The Lessor') of the one part and I further delegate my Power of Attorney to Shri _____ of this office to submit Lease Deed for Registration and M/s _____ Plot No. _____ Industrial Area, _____, Distt _____ (H.P.) (Hereinafter called 'The Lessee') of the Second Part through _____ sole proprietor of the firm.

Whereas the Lessee has applied to the Lessor for the grant of a Lease of the plot of land, belonging to the Lessor, hereinafter described and the lessor has on the faith of the statements and representations made by the lessee accepted such application and has agreed to demise the said plot to the lessee in the manners hereinafter appearing.

NOW THIS INDENTURE WITNESSETH that in consideration of the payment of revised premium of Rs. _____ per sq. meter or as later to final for fully developed plot as well as a rent of Rs. 1/- per acre which the lessee, hereby agrees to pay within fifteen days of demand by the lessor and of the covenants on the part of the lessee hereafter contained, the lessor both hereby demise up to the lessee. All that plot of land being the industrial plot in the layout plan of Industrial Area, Plot No. _____, Distt. _____ (H.P.) containing by measurements an area of _____ sq. mt. or there about situated at Industrial Area, _____, which industrial plot is more particularly described in the schedule here under written and with boundaries thereof for greater clearness has been delineated on the plan annexed to these presents and thereon coloured (hereinafter referred to as 'The Industrial Plots') together with all rights, pertaining to hold the premises hereby demised up to the lessee from ____ day of _____ yielding and paying therefore rent as hereinafter mentioned.

Subject always to the exceptions, reservations, covenants and conditions hereinafter mentioned that is to say:-

1. The Lessor excepts and reserves unto himself all mines, minerals, coals, gold-ashing, earth oil and quarries in or under the industrial plot and fill right and power at all times to do all acts and things which may be necessary or expedient for the purpose of searching, for working, obtaining, removing and enjoying the same without providing or leaving any vertical support for the surface of the industrial plot or for any building for the time being standing thereon provided always that the Lessor shall make reasonable compensation to the Lessee for all damages directly occasioned by the exercise of the right hereby reserved for any of them.
2. The Lessee for himself, his heirs, executors, administrators and assigns, convent ants with the Lessor in the manner following that is to say:-
 - i) The Lessee shall pay within such time such additional sum or sums towards premium as may be decided upon by the Lessor on account of the compensation awarded by the Land Acquisition Collector being enhanced on reference or in appeal or both and the decision of the Lessor in this behalf shall be final and binding on the Lessee.
 - ii) The Lessee shall pay up to the Lessor the yearly rent hereby reserved on the days and in the manner herein appointed.
 - iii) The Lessee shall not deviate in any manner herein from the layout plan or alter the size of the industrial plot whether by sub-division, amalgamation or otherwise.
 - iv) The Lessee shall within a period of one year from and the time as specified shall be of the essence of the contract after obtaining sanction to the building plan, with necessary designs, plan specifications from the Lessor or other authority specified by the Lessor, at his own expenses erect (upon the industrial plot and complete in a substantial and workman like manner an industrial building for carrying) on the approved manufacturing process or industry with the requisite and proper walls, sewer and drains and

other conveniences in accordance with the sanctioned building plan and to the satisfaction of and in accordance with the rules and by-laws of Municipal or other authority, within a period of twelve months which may further be extended by maximum period of six months with the prior permission of the Lessor, if circumstances, so warrant, at his sole discretion.

- v) The Lessee shall not sell, transfer, assign or otherwise part with the possession of the whole or any part of the industrial plot except with the previous consent in writing of the Lessor which he/she shall be entitled to refuse in his absolute discretion. Provided that such consent shall not be given for period of ten years from the commencement of this lease unless, in the opinion of the Lessor, exceptional circumstances exist for the grant of such consent.

PROVIDED FURTHER that in the event of the consent being given, the Lessor may impose such terms and conditions as he thinks fit and Lessor shall be entitled to claim and recover a portion of the unearned increase in the value (i.e. the difference between the premium paid and the marked value) of the industrial plot at the time of sale, transfer, assignment, or parting with the possession, the amount to be recovered being or fifty percent of the unearned increase and the decision of the Lessor in respect of the market value shall be final and binding.

PROVIDED FURTHER that the Lessor shall have the preemptive right to purchase the property after deducting fifty percent of un-earned increase as aforesaid.

NOTWITHSTANDING anything contained in sub-clause above the Lessee may, with the previous consent in writing of the Lessor, mortgage or charge the industrial plot to such person as may be approved by the Lessor in his absolute discretion.

PROVIDED THAT in the event of the sale or re-closure of the mortgaged or charged property, the Lessor shall be entitled to claim and recover the fifty percent of the unearned increase in the value of the industrial

plot as aforesaid, and the amount of the Lessor's share of the said unearned increase shall be a first charge, having priority over the said mortgage or charge. The decision of the lessor in respect of the market value of the said industrial plot shall be final and binding on all parties concerned.

PROVIDED FURTHER that the Lessor shall have the preemptive right to purchase the mortgaged or charged property after deducting fifty percent of the unearned increase as aforesaid.

- vi) The Lessor's right to recover fifty percent of the unearned increase and the preemptive right to purchase to an involuntary sale or transfer whether it be by or through an executing or insolvency court.
- vii) Whenever the title of the Lessee in the industrial plot is transferee in any manner whatsoever, the transferee shall be bounded by all the covenants and conditions herein and be answerable in all respect thereof.
- viii) Whenever the title of the Lessee in the industrial plot is transferred in any manner whatsoever, the transferor and the transferee shall within three months of the transfer, give notice of such transfer in writing to the Lessor.

In the event of death of the Lessee the person or whom the title of the deceased devolves shall, within three months of the devolution give notice of such devolution or the Lessor.

The transferee or the person on whom the title devolves, as the case may be, shall supply the lessor certified copies of the documents evidencing the transfer of devolution.

- ix) The Lessee shall from time to time and at all times pay and discharge all rates, taxes, charges and de-assessments of every descriptions, which now or at any time hereinafter during the continuance of this lease be assessed, charged and imposed

upon the industrial plot hereby demised or any building to be created there upon or on the landlord or tenant in respect thereof.

- x) All arrears of rent and other payments due in respect of the industrial plot hereby demised shall be recoverable in the same manner as arrears of land revenue.
- xi) The Lessee shall in all respects comply with and bound/the building, drainage and other bye-laws of the proper municipal or other authority for the time being in force.
- xii) The Lessee shall not without sanction or permission in writing of the lessor or other authority prescribed by the Lessor erect any building or make an alteration or addition to such building on the industrial plot.
- xiii) The Lessee shall not without the written consent of the Lessor use or permit to be used the industrial plot or any building thereon for residence or for carrying on any trade or business whatsoever or use the same or permit the same to be used for any purpose other than that of carrying on the manufacturing process or running the industry of _____ or such other manufacturing process of industry as may be approved from time to time by the Lessor or do or suffer to be done therein any act or thing whatsoever which in the option of the Lessor may be nuisance, annoyance or disturbance to the Lessor and persons living in the neighbourhood.

PROVIDED THAT, if the Lessee is desirous of using the industrial plot or the building thereon for a purpose other than that of the manufacturing process or industry as may be approved from time to time. The Lessor may allow such changes of use in such terms and conditions including payment of additional premium and additional rent, as the Lessor may in his absolute discretion determines.

- xiv) The Lessee shall on the termination of this lease peaceably yield upon the industrial plot and the building thereon up to the Lessor, if not renewed by the Lessor.

3. If the sum or sums payable towards the premium or the yearly rent hereby reserved or any part thereof shall at any time be in arrear and for one year calendar month next after any of the days where on the same shall have become due, whether the same shall have been the days where on the same shall have become due, whether on the same shall has been demanded or not, if it is discovered this lease have been obtained by suppression of any fact or by any mis-statement, mis-representation or fraud there shall have been in the opinion of the Lessor, whose decision shall be final and any breach by the Lessee or by any person claiming through or under him of any of the covenants or conditions contained here and on his part to be observed or performed than and in any such case it shall be lawful for the Lessor notwithstanding the waiver of any previous clause of right or reentry upon the industrial plot hereby demised and the building thereon to re-enter upon and take possession of the industrial plot and the building and fixture thereon and there upon this lease and every thing herein contained shall cease and determine and the Lessee shall not be entitled to the compensation whatsoever nor to the return of any premium paid by him.

PROVIDED THAT notwithstanding anything contained herein to the contrary the Lessor may without prejudice to his right of re-entry as aforesaid and in his absolute discretion, waive or condone reaches temporarily or otherwise, in receipt of any amount and on such terms and conditions as may be determined by him and way also accept the payment of the said sum or sums or the rent which shall be in arrear as aforesaid together with interest at the rate of 6% per annum.

4. No forfeiture or re-entry shall be affected until the Lessor has served on the Lessee a notice in writing.
 - a) Specifying the particular breach and compliance of Act.
 - b) If the breach is capable of remedy advising the Lessee to remedy the breach. And the Lessee fails within such reasonable time as may be mentioned in the notice to remedy the breach if it is capable of remedy and in the event of forfeiture or re-entry the

Lessor may, in his discretion relieve against forfeiture on such terms and conditions as he things proper.

Nothing in this clause shall apply to forfeiture or re-entry.

- a) For breach of covenants and conditions relating to sub division or amalgamation, erection and completion of building within the time provided and transfer of the industrial plot as mentioned in clause 2 or
 - b) In case this lease has been obtained by suppression of any facts, misstatement, misrepresentation or fraud.
5. (a) To hold the industrial plot upto the lease for the terms of 95 years commencing from _____ paying there after the annual rent as be determined by the Lessor. The rent for the first year shall be paid by the Lessee within 15 days of the receipt of notice of demand to that effect from the Lessor and such subsequent year it shall be payable in advance (proportionate in the part of the said rent will be payable for the fraction of year) in the manner that may be prescribed by the Lessor.
- (b) The rent as revised in the 61st year shall hold good for the remaining period of the lease. The rent shall be payable annually in advance on the first April of each year (proportionate) part of the said rent shall be payable for the fraction of year.
- (c) Explanation: The revision of the rent shall be due from the 31st and 61st years but the actual revision may be done at any time after the expiry of the 60th year and before the commencement of the year as the case may be.
6. The lease doth agree that the burden of the commencement may run with the industrial plot and kind any permitted, assigned thereof hereby covenants with the Lessor as follows:-
- (i) That the Lessee will during the term of the Lease hereby granted pay at the office of the Lessor or at such other place or places as the Lessor may from time to time appoint in this behalf the said

rent of the days and in manner hereinbefore appointed for the payment thereof.

- (ii) That he will erect upon the industrial plot in a substantial and workman like manner and at all times during the term of the lease maintained thereon a good and substantial building equipped with necessary machinery for the industries and for such other staff quarters and labour quarters as may be deemed necessary by the Lessee and as may be permitted in writing by the Lessor for the purpose of the industry according to the by laws, rules and regulations framed by the local authorities and having jurisdiction in the area in which the industrial plots is situated, or in accordance with any direction of any officer appointed by the Lessor in this behalf.
- (iii) That he/she, if need be, shall apply for and obtain a license for an industry under the Industrial (Development & Regulation) Act, 1951, within a period of one year from the date of execution of his lease and if failed to do so or the license is not parted by the competent authority within the said period, this lease shall become liable for termination at the option of the Lessor provided that the Lessor may extend the period for obtaining the license if the delay in granting it arises on the part of his attributable to the competent authority.
- (iv) That he/she shall establish the entry and the factory in accordance within the time specified in the license granted to him under the Industries (Development & Regulations) Act, 1951 and in case no license is required for establishing the industry aforesaid, he/she shall establish the industry and the factory in accordance with and within time specified in the scheme approved by the H.P. Govt. or any other competent authority or within the time actually/mutually agreed upon between the Lessor and the Lessee and any breach of this condition shall render this lease liable for termination at the option of the Lessor.
- (v) That he/she will perform observe and comply with all obligations and requisition in respect of the industrial plot and building thereon and business carried therein imposed by the statute

regulation or bye laws of any competent authority and also the lawful direction of public or local authority.

- (vi) That he/she will not assign or underlet or otherwise part in any manner whatsoever, with the industrial plots or of the said construction without the prior permission in writing of the Lessor provided, however, that it shall be lawful for the Lessee with the previous approval of the Lessor in writing to mortgage his interest in the industrial plot as well as his interest in any building and machinery set up by him or the industry to be set up by him on the industrial plot as security in respect of any money advanced by a State Financial Corporation or by the Government of Himachal Pradesh or by a scheduled Bank or by Insurance Company or any other person for the purpose of setting up/ expansion of the industry in the said land.
- (vii) Subject to the provisions of clauses (vi) he/she will register of change in the possession of the said lease of the building and machinery thereon whether by transfer, succession or other by with an office appointed for the purpose by the Lessor within one calendar month from the respective date of such changes and if the Lessee shall without sufficient cause neglect to register such changes the Lessor may impose in him for each such case of neglect to register such changes penalty not exceeding Rs. 100/- and the said Lessor may in addition to the other remedies available to him under these presents enforce the payment of such penalty in the same manner in the case of arrears of land revenue.
- (viii) That the Lessor and all persons acting this order shall be at liberty at all reasonable times during the term of this lease to enter upon the industrial plot or building that may be erected thereon for any purpose connected with the lease.
- (ix) That the lease may at the expiration of the terms of the lease obtain a renewal of the lease for a further period of 99 years at Lessor's option.
- (x) That in the event of the project not materializing or the industry failing, the lease will be terminated and the Lessor shall have the

first option to acquire on such termination the building, machinery etc. at an agreed price, or failing that at price determined by a sole arbitrator agreed upon by both the Lessor and Lessee in the absence of such agreed sole arbitrator by the arbitrators one to be appointed by the Lessor and one by the Lessee. The provision of the Arbitration Act, 1940 and any statutory modification thereof shall apply to any such Arbitration. If the Lessor does not exercise his option in the Lessee shall peacefully and quietly surrender to the Lessor vacant possession of the said land agree removing any construction made or machinery fitted etc., within a period of two years completed from the date of termination of the Lease.

- (xi) That the condition of surrender of vacant possession by the Lessee and of the first option of the Lessor or acquisition referred to in Clause-10 shall mutant-in mutandis apply in the event of the expiry of the terms of lease without renewal and in the event of the sooner termination of the lease in accordance with the terms and conditions in the matter stated in clause.
- (xii) That the cost of execution and registration of the lease deed shall be borne by the Lessee.
- (xiii) That any sum or money due to or claimable by the Lessor in respect of the land hereby demised shall be recoverable by the Lessor as arrears of land revenue.
- (xiv) That in case of any portion of the demised land is not used by the Lessee for the purpose of industry, then notwithstanding convenient hereinafter or contained the Lessor shall have the right to resume that portion of the land after giving three months notice to the Lessee provided that Lessor shall not exercise this option till after the expiry of five years from the date of completion of the industry in accordance with conditions of the license granted under the Industries (Development & Regulations) Act, 1951 or in accordance with the approval granted by the H.P. Government or any other competent authority.

7. All notices, orders, directions, consents or approval to be given under this lease shall be written and shall be signed by such officers as may be authorized by the Lessor and shall be considered as duly served upon the Lessee or any person claiming any right to the industrial plot if the same shall have been affixed to any building or erection whether temporary or otherwise upon the industrial plot or shall have been provided/delivered at or sent by the post to the then residents, office or place of business of the lessee or such person.
8. In witness whereof the PRESIDENT OF INDIA, has caused in his behalf at his hands and the Lessee has hereunder set his hand the day and year first above written.

THIS SCHEDULE REFERRED TO ABOVE

All that place of land comprising of Khasra No./Plot No. _____ situated at Industrial Area _____ District _____(H.P.).

On the South _____

On the North _____

On the West _____

On the East _____

Signed in presence of the following witnesses:

Signed by Shri/Smt. _____

(Lessee on behalf of M/s _____)

Signed by Shri/Smt. _____

(Lessor on behalf of the Governor of H.P.)

1 Witnesses:

2. Witnesses: