

DRAFT LEASE AGREEMENT

(For Development of Tourism Infrastructure Project in Amaravati Capital City)

This Lease Agreement is made at Hyderabad on this ___ day of _____ 2018 by and between:

1. M/S Amaravati Development Corporation Limited, a government company incorporated under the Companies Act 2013, having its Regd. Office at D.No.20-4-15, Flat No.-1G, Ananda Heights, beside Prabhas College, Kedarewaraopet, Vijayawada, Andhra Pradesh 520003, represented by its Managing Director, (hereinafter referred to as “LESSOR” or “ADCL” or “Authority” which expression shall, unless repugnant to the context or meaning thereof, include its successors, administrators and permitted assigns) of the **FIRST PART**;

AND

2. M/s _____, a company incorporated under the Companies Act, 2013, exclusively for the Project, having its Registered Office at _____, represented by its authorized person Sri _____ (hereinafter referred to as the “LESSEE” or “CONCESSIONAIRE” which expression shall, unless repugnant to the context or meaning thereof, include its successors, administrators and permitted assigns) of the **SECOND PART**, along with:

The Lessor and the Lessee, wherever the context permits, are collectively referred to as the Parties and severally as the Party.

WHEREAS:

A. The First Party is a Government Company set up by the Government of Andhra Pradesh for the development, implementation, operation and management of Infrastructure in Amravati, the new Capital City of Andhra Pradesh and intends, inter-alia to develop various ‘Tourism Infrastructure Projects’ including in the ‘Central Park’ Site under Public Private Partnership (PPP) mode. As part of the said development under ‘Tourism Infrastructure Projects’, ADCL intends to develop “..... **Project**” in **Acres** of land parcel (**Project**). The land will be leased for 33 years tenure for the development of the Project on Design, Build, Finance, Operate and Transfer (**DBFOT**) basis.

B. Accordingly, ADCL invited Request For Proposal (RFP/Bids) from the eligible bidders under competitive bidding process and after due evaluation of the Bids received, the Bidder / Consortium of M/s. (**Selected Bidder**) has been selected for awarding the Project. The ADCL issued the Letter of Award (LOA) No....., dated, containing the terms and condition for execution of the Concession and Lease Agreements. The Selected Bidder, has conveyed its acceptance of the LOA and the terms and conditions stipulated therein

C. The Selected Bidder having complied with the terms and conditions of the LOA including setting up of the Special Purpose Vehicle (SPV) the Second Party herein, requested for execution of the Agreements. Along with this Agreement, the Concession Agreement is also executed simultaneously and both Agreements are co-terminus.

NOW THEREFORE THIS AGREEMENT WITNESSTH AS UNDER:

ARTICLE 1
DEFINITIONS AND INTERPRETATIONS

1.1 Definitions

In this Agreement, the following capitalised words and expressions shall, unless repugnant to the context or meaning thereof, have the meaning hereinafter respectively assigned to them. The capitalised words and expressions used but not defined here shall have the meaning as ascribed/described in the relevant provisions of this Agreement and/or the Concession Agreement or the RFP.

a) Agreement means this Lease Agreement.

b) Agreements mean this Lease Agreement and the Concession Agreement, as the context require.

c) Appointed/Effective Date means the date of execution of this Agreement.

d) Concession Agreement means the Agreement, executed by the Parties simultaneously with this Agreement, containing the terms and conditions for implementation of Project on the Project Site leased under this Agreement and both the Agreements are co-terminus.

e) Encumbrance means any encumbrance such as mortgage, charge, pledge, lien, hypothecation, security interest, assignment, privilege or priority of any kind having the effect of security or other such obligations and shall include without limitation any designation of loss payees or beneficiaries or any similar arrangement under any insurance policy pertaining to the Project, physical encumbrances and encroachments on the Project Site.

f) Lease Rental shall mean the amount payable annually by the Lessee for granting the Lease as specified in **Schedule B**.

g) Lease Period/Tenure shall mean 33 (thirty three) years from the date of this Agreement and co-terminus with the Concession Agreement.

h) Lessee means the Second Party to this Agreement who is also the Concessioner under the Concession Agreement.

i) Lessor means the First Party to this Agreement and also to the Concession Agreement as well.

j) Operation/Operation & Maintenance shall mean the operation of the Project including its maintenance and management in accordance with the provisions of Agreements.

k) Project/Project Facilities means development, construction, operation and management/maintenance of the Tourism Infrastructure Project as described in the Concession Agreement.

l) Special Purpose Vehicle/Company (SPV/SPC) shall mean the Second Party herein incorporated under the Companies Act, 2013 by the Selected Bidder exclusively for the specific purpose of the Project,

m) Project Site/Site means the part and parcel of the land admeasuring Ac.10.00 leased under this Agreement as more particularly described and clearly demarcated and delineated in **Schedule A**.

n) Relevant Authority shall mean the government, State and/or Central, or its departments, authorities or agencies or instrumentalities having power and control over the Project Site and the Project under the Applicable Laws.

o) Tenure of Lease means the **Lease Period** and synonymous with that of Concession Period under the Concession Agreement commencing from the date of this Agreement.

p) Termination shall mean early termination of this Agreement pursuant to Termination Notice or otherwise in accordance with the provisions of the Agreement other than termination by efflux of time.

q) Termination Date shall mean the date specified in the Termination Notice as the date on which Termination occurs.

r) Termination Notice shall mean the notice of Termination by either Party to the other, in accordance with the provisions of the Agreement.

1.2 Project Definition

a) The definition of the Project/Project Facility as referred in this Agreement shall be as defined / described in the Concession Agreement.

b) If any of the Schedules as specified above are not included in the Agreement for reasons of non-availability at the point of signing the Agreement, the same shall, after approval by the Parties, be made part of the Agreement as and when ready not later than 30 (thirty) days from the Appointed Date.

1.3 Interpretation

a) In this Agreement unless the context otherwise requires:

i) Words denoting the singular number shall include the plural and vice versa;

ii) Words denoting any gender shall include all genders;

iii) Where a word or phrase is defined, other parts of speech and grammatical forms of that word and phrase shall have corresponding meanings;

iv) Words denoting person shall include a natural person, association of persons corporate or unincorporated.

v) References to Schedules, Appendices, Annexures, Articles, Clauses, and Sub-Clauses are to the Schedules, Appendices, Annexures, Articles, Clauses, Sub-Clauses and Schedules to this Agreement and references to Clauses shall be read as references to Sub-Clauses also where appropriate;

vi) References to any Party to this Agreement or any other agreement or instrument executed pursuant / in relation thereto shall include the Party's successors and permitted assigns;

vii) References to any other agreement or instrument shall include references to such agreement or instrument as amended, novated, supplemented, varied or replaced from time to time;

viii) References to any legislation or to any provisions of any legislation shall include any modification or re-enactment of that legislation or any legislative provision substituted for, and all regulations and statutory instruments issued under, such legislation or provision from time to time;

ix) References to "Operation" and/or "Maintenance" with their grammatical variations include, unless the context otherwise requires, periodic and preventive maintenance, cleaning, servicing, renewing, repair, replacement, maintenance of quality and hygiene standards, environmental standards and other incidental activities, also as described in the Concession Agreement

x) All Schedules and Annexures to this Agreement and its recitals shall form part of this Agreement;

xi) Headings are for convenience only and shall not affect interpretation.

xii) Terms and words beginning with capital letters and defined in this Agreement including the Schedules, Appendices and Annexures shall be construed accordingly;

xiii) Measurements and Arithmetic Conventions - All measurement and calculations shall be in metric system and calculations done to 2 decimals places, with the third digit of 5 or above being rounded down except in money calculation, which shall be rounded off to nearest rupee.

xiv) While the Project Site leased under this Agreement is for the development and operation the Project, the nature and mode of development shall be as stipulated in the Concession Agreement and the Approved DPR.

b) In case of ambiguities or discrepancies within this Agreement, the following shall apply:

i) Between two Articles of this Agreement, the provisions of specific Articles relevant to the issue under consideration shall prevail over those in other Articles;

ii) between the Articles and the Schedules, the Articles shall prevail;

iii) between the written description on the Drawings and the Specifications and Standards the latter shall prevail;

iv) between the dimension scaled from the Drawings and its specific written dimension, the latter shall prevail;

v) between any value written in numerals and that in words, the latter shall prevail.

vi) the expression 'herein', hereto' 'hereof' and hereunder' shall be understood as with reference to this Agreement.

c) The following documents between the Parties shall be construed as mutually explanatory to one another provided that in the event of any conflict or repugnancy between them the order of precedence of the documents shall be:

1. This Lease Agreement, including its recitals, Schedules and Annexure thereto.
2. The Concession Agreement including its recitals, Schedules and Annexure thereto.
3. Letter of Award (LOA)
4. Request for Proposal (RFP) Document, all Schedules and Annexures thereto issued by Lessor to the Selected Bidder, including clarifications, amendments thereto.
5. The Bid Documents/Proposals submitted by the Selected Bidder including any supplementary information, replies to clarifications provided by the Selected Bidder as part of its submissions.

(d) This Agreement is co-terminus with the Concession Agreement.

(e) The various other provisions relating to the lease, lease rentals, lease security deposit, advance rental payment, defaults, termination etc. of this Agreement, but also contained in the Concession Agreement shall also be read as part of this Agreement provided between similar provisions in these two Agreements there is no ambiguity in between such provisions. In case of ambiguity the provisions of this Lease Agreement shall prevail. ,

1.4 Notices, Consents, Approvals, etc.

a) Wherever in this Agreement provision is made for the giving or issue of any notice, consent, approval, certificate or determination by any of the Parties, unless otherwise specified, such notice, consent, approval, certificate or determination shall be in writing and the words "notify", "certify" or "determine" shall be construed accordingly.

b) Essence of Time

As the Project Implementation is as per a pre-decided time schedule, the Lessee shall ensure that the Project is executed within the Project Implementation Period of two years in two phases, Phase-I in the first year and the Phase-II before the second year, to be specific on or before the Scheduled COD.

c) Public Interest

The award, Development, Operation and Maintenance of the Project is in public interest.

d) Wherever there shall appear any reference to a time within which or a date by which an act should be done or agreement reached or consent given such reference shall be deemed to be read, (unless the context otherwise requires) as including the expression “or any other period or date, as the case may be, as may be mutually agreed between the Parties from time to time.

ARTICLE 2 GRANT OF LEASE

2.1 Grant of Lease

In consideration of the Lease Amount and the Lessee agreeing to observe and perform the covenants, obligations and comply with the terms and conditions set forth in this Agreement and also those in the Concession Agreement, the Lessor hereby grants to the Lessee a lease of the Project Site to develop, construct, finance, operate and maintain the Project on Design, Build, Finance, Operate and Transfer (DBFOT) basis under Public Private Partnership (PPP) mode and to exercise and/or enjoy the rights, powers, privileges, authorisations and entitlements as set forth in this Agreement and the Concession Agreement.

2.2 Lease Period

The lease hereby granted shall be for a tenure of 33 (thirty three) years commencing from the Appointed Date during which the Lessee is authorised to implement the Project in accordance with the provisions herein and Concession Agreement, provided that in the event of earlier Termination, the Lease Period shall mean and be limited to the period commencing from the Appointed Date and ending with the Termination Date.

2.3 Tenure of Agreement

The Tenure of the Agreement is synonymous with the Concession Period.

2.4 Renewal

Subject to the terms and conditions of the Concession Agreement, the Lessor may, at its sole discretion, renew the lease on such terms and conditions as mutually agreed, or use the Project Site and the structures thereon for any other activity on such terms and conditions as it may decide and the Lessee shall have the first right of refusal.

2.5 Lease Rental Deposit for payment of Lease Amount

For the prompt payment of the Lease Rentals by the Lessee and for realization of the same in case of default as provided in the Agreement, the Lessor shall keep a Lease Rental Deposit equivalent to 6 (six) months lease rental amount of the first year of lease i.e. Rs., and has since been paid. The difference between the Lease Rental Deposit amount and the enhanced Annual Lease Rental, on account of annual increase by 5%) each year, shall be paid by means of an additional bank guarantee or submit a fresh

guarantee for the total amount each year in the first month of the year. Failing to do so, will amount to a default. For clarity it is understood that the Rental Deposit Amount to be kept with Authority during the Lease Period shall be the amount equivalent to six months' rent for each year and carries no interest.

2.6 Annual Lease Rental Amount and Payment Method

a) The Lessee shall pay the Annual Lease Rental amount half yearly on or before 10th of the first month of each half year to the Lessor from the Appointed Date. The Lease Amount payable annually shall be as specified in the **Schedule-B**. The Lease amount shall be exclusive of all the taxes, levies, charges, impositions including Service Tax under law which shall be paid by the Lessee.

(b) The Lease Amount shall be paid by way of a Demand Draft/pay order drawn on a nationalised bank/schedule commercial bank, and payable at Vijayawada, Andhra Pradesh. The Lease Amount for the first half year shall be payable at the time of handing over of the Project Site.

(c) In the event of delay up to 15 days from the due date (10th day of the first Month of the Half Year) in the payment of the Lease Rentals, the Lessee shall be liable to pay to the Authority, interest on the due amount at the rate of 18% (Eighteen per cent) per annum, for the period from the due date until the date of actual payment and any fraction of the month (days) being rounded off to one month.

(d) In the event, the payments are delayed beyond a period of 15 days from the due date; it shall be construed as a Lessee's event of default in payment of Lease Rentals. When such a default occurs, the Authority shall issue a default notice to the Lessor requesting to remedy the situation within 15 days. If the situation is not remedied, at the end of 15th day a second notice shall be issued allowing further period of 15 days. In the event that the Lessee fails to remedy the situation in response to the second notice, the Authority may, at the end of 45th day (15+15+15 days), appropriate the Security Deposit and may also issue, at its discretion, a termination notice.

2.7 Development & Operation of the Project

The Lessee shall develop, operate, maintain and manage the Project (**Development and Operation**) in accordance with the terms and conditions of the Concession Agreement, subject to payment of the Lease Amount regularly and in time,

2.8 Acceptance of the Lease

The Lessee hereby accepts the Lease and agrees and undertakes to implement and operate the Project and to perform / discharge all of its obligations in accordance with the terms and conditions of the Agreements.

2.9 Handing over of Project Site

(a) In pursuance of the Lessee accepting the Lease in terms of this Agreement, and on payment of the Lease Rental Deposit, the Lessor hereby hands over the vacant, peaceful and exclusive possession of the Project Site on as-is-where-is condition to the Lessee free from any encumbrances, encroachments, charges, liabilities and third party claims together with necessary rights of way for the purpose of implementation (development, construction, operation and maintenance) of the Project in accordance with the Concession Agreement.

(b) The Lessor confirms that upon the Project Site being handed over pursuant to the clause (a) the Lessee shall have the exclusive right to enter upon, occupy and use the Project Site and to make at its own costs, charges and expenses such development and improvements in the Project Site as may be necessary or appropriate to implement and operate the Project subject to and in accordance with the provisions of the Agreements.

2.10 Use of the Project Site

The Lessee shall not, without prior written consent or approval of the Lessor, use the Project Site for any purpose other than for the purposes of the Project and purposes incidental thereto as permitted under the Agreements and as per approved DPR.

2.11 Warranties, Covenants and Indemnity

The Lessor warrants that:

(a) The Project Site has been acquired through the due process of law, belongs to and vested in the Lessor and that the Lessor has full power to hold, dispose and deal with the same consistent inter-alia, with the provisions of this Agreement.

(b) It has a clear, free and marketable title to the said site free from all encumbrances, charges, liens, claims and liabilities whatsoever and that it shall not, after the Appointed Date, incur any debt, liability, lien, encumbrances or change or enter into any arrangement or contract in respect of the said site and shall not sell, transfer, dispose of, mortgage or alienate the said site.

(c) the Lessee shall, during the tenure of this Lease, have the full and exclusive right and authority to enter upon and remain in the said Site and to implement (develop, operate, maintain and manage) the Project in accordance with the terms of this Agreement and of the Concession Agreement and for this purpose do all acts and deeds in any manner it may think fit without any interference of whatever nature from the Lessor or any person or party claiming through or under the Lessor so long as Lessee does not commit any act which would, in the opinion of the Lessor, in any way materially and adversely affect the interest of the Lessor either during or beyond the tenure of this Agreement or commits default of any of its obligations under the Agreements.

(d) the Lessee, subject to the restrictions if any under the Agreements, is entitled to exercise all rights granted under this Agreement to enter into any agreement, contract, arrangement as it may think fit, necessary and expedient in furtherance of the Parties covenants herein and for the proper compliance of the terms of this Agreements and the Lessor will not do any act of commission or omission that will in anyway jeopardize and/or affect such rights and facilities.

(e) The Lessor hereby indemnifies and will keep indemnified Lessee against all or any claims demands and/or legal proceedings, suits of whatsoever nature arising on and after the Appointed Date respecting the title of the Site, if it pertains to the period prior to or after the Appointed Date.

2.12 Rights and Title over the Project Site

(a) The Lessee shall have exclusive rights to the use of the Project Site in accordance with the provisions of the Agreements and for this purpose it may regulate the entry and use of the same by third parties without any discrimination subject to any law in force.

(b) The Lessee shall not transfer, assign or part with the possession of the Project Site or any portion thereof in any manner, form, device, method or arrangement to anybody else nor shall it be entitled to allow any person/s to occupy the said site or to use any part thereof save as otherwise provided in this Agreement.

(c) Notwithstanding anything contained in this Agreement or the Concession Agreement, the title and ownership of the Project Site shall always remain with and belong to and vests in the Lessor and any contract or arrangement that may be entered with any third party by the Lessee for whatever purpose in connection with the Project shall be subordinate to the Lessor's rights of ownership of the Project Site and to this Agreement and shall co-terminate with the Agreement.

ARTICLE 3 OBLIGATIONS AND UNDERTAKINGS

3. In addition to and not in derogation or substitution of any of the obligations set out elsewhere in this Agreement, the Parties agree and undertake as under:

3.1 Obligations of the Lessee

(a) The Lessee shall use the Project Site solely for the purpose of the Project and purposes incidental thereto for which the right to possession under this Agreement and the Concession Agreement has been granted and the Lessee shall take adequate measures to ensure that the peaceful possession of the Project Site with all buildings, other immovable structures and fixtures and attachments that are necessary to operate the Project are handed over to the Lessor in good working condition on expiry or sooner Termination of the Lease without any claim for compensation.

(b) The Development and Operation of the Project shall be as per the Applicable Laws and it shall be the responsibility of the Lessee to secure all Applicable Permits, clearances, sanctions etc., to implement the Project at its own cost and expense and keep them in force from time to time during the Operation period, however, the Lessor may, not being an obligation, provide reasonable assistance and on best effort basis to enable the Lessee in obtaining the Applicable Permits.

(c) During the last six months of the Lease Period, the Lessee and the authorised representative of the Lessor shall record in detail immovable assets including their working condition, the site condition, the details of the payment of taxes, bill payments towards the power and water supply and the like, any encumbrances and encroachments etc. and such recorded details shall be signed by both the parties, The Lessee shall on the last day of the Lease Period, handover the said Project Site with all immovable assets including fixtures and attachments in good working condition without claiming any compensation or costs of whatever nature.

(d) In case the Lessee fails to hand over the Project Site along with the immovable structures, fixtures and attachments, it shall be deemed to have been handed over to the Lessor and the Lessor shall have the right to enter the Project Site and use the Project assets and all other Facilities thereon on the immediate following day of the Lease Period, and notwithstanding the said stipulation, any continued presence of the Lessee or its employees or personnel on the Project Site or use of the Project Facilities on expiry of the Lease Period, shall be an act of encroachment by the Lessee and the Lessor shall have the right to evict, and the Lessee hereby acknowledges, admits and agrees to the aforesaid stipulation and the right of the Lessor.

(e) The Lessee shall indemnify and keep indemnified the Lessor and its employees against any claim and / or liabilities and / or any suit and / or legal proceeding if it arises on and after the Appointed Date in the course of its implementation of the Project or later to the Lease Period; and

(f) All other terms and conditions relating to the Implementation of the Project contained in the Concession Agreement shall mutatis-mutandis apply.

3.2 Obligations of Lessor

Lessor shall:

(a) hand over the physical possession of Project Site together with necessary right of way to the Lessee as provided in the Agreement the same day immediately after signing of the Agreement;

(b) ensure peaceful use of the Project Site by the Lessee under and in accordance with the provisions of this Agreement without any let or hindrance from it or persons claiming through or under it; and

(d) observe and comply with all its obligations set forth in the Agreements.

ARTICLE 4

Financing Arrangement, FM Events etc.

4. All other terms and conditions and provisions concerning the following matters contained in the Concession Agreement shall be applicable.

- (a) Financing Arrangement.
- (b) Force Majeure Events (FM Event).
- (c) Insurance

4.1 Events of Default

Event of Default means the Lessee Event of Default or the Lessor Event of Default or both as the context may admit or require.

(a) Lessee Event of Default

Any of the following events shall constitute an event of default by the Lessee (“Lessee Event of Default”) unless such event has occurred as a result of Lessor Event of Default or a Force Majeure Event.

- i. If the Lessee being ordered to be wound up by an order of any court of competent jurisdiction or in the event of the Lessee being declared ‘sick’ under SICA, the lease granted herein shall automatically stand revoked
- ii. The Lessee repudiates this Agreement or otherwise evidences an intention not to be bound by this Agreements
- iii. The Lessee has delayed payments of Lease Amount.
- iv. The Lessee fails to pay any other dues within the stipulated time.
- v. The Lessee fails to satisfactorily discharge its obligations under the Agreement.

(b) Lessor Event of Default

The following events shall constitute events of default by Lessor (each a “Lessor Event of Default”), unless such Event of Default has occurred as a result of Lessee Event of Default or due to a Force Majeure Event:

- i. The Lessor is in breach of this Agreement and has failed to cure such breach within 60 (sixty) days of receipt of notice in that behalf from the Lessee;
- ii. The Lessor repudiates this Agreement or otherwise evidences an intention not be bound by this Agreement.

4.2 Termination due to Event of Default

In case of Termination due to Event of Default by either Party, the defaulting Party shall be served with a Termination Notice of 30 days by the other Party for rectification of the default. If the defaulting Party fails to rectify the default, within the 30 days, the Agreement shall stand terminated on the 31st day without any further notice, subject to otherwise provided herein above in case of default in payment of Lease Rental amount

4.3 Handing of Possession of the Site and Assets

The provisions relating to handing over Site and the assets and matters related thereof and the termination payments and recovery of dues shall be as specified in the Concession Agreement.

ARTICLE 5 RIGHT TO TERMINATION

5. (a) Termination at will: Either Party (Lessor or the Lessee) may terminate the Agreement with a 3 (Three) months advance notice to the other Party provided no defaults on either side are committed. In case the Termination Notice is given by the Concessionaire, there shall not be any outstanding dues to the Lender or the Authority and shall produce a letter from the lender that there are no outstanding dues and the loans have been repaid and it has not objection for such Termination Notice. Where there are outstanding dues to the Authority, the same shall be paid along with the Termination Notice, or if the Rental Security Deposit or the Performance Guarantee held by the Concessionaire under the Concession Agreement are adequate to recover the dues, the dues may be recovered therefrom. Even after such recovery. Similarly any outstanding dues under the Concession Agreement the same shall be recovered from the Performance Security and even after such recovery there still remains the dues, the same shall be recovered from the Rental Security Deposit. Even after recovery of the outstanding under the Lease Agreement and the Concession Agreement from the Rental Deposit and the Performance Security, the balance dues shall be paid within 7 days of the Termination Notice failing which the Termination Notice shall become ineffective and invalid. This Article shall be treated as part and parcel of the Concession Agreement also.

(b) Handing of Possession of the Site and Assets

The provisions relating to handing over Site and the assets, payment of termination payments and matters related thereof as provided in the Concession Agreement shall equally be applicable and binding on the Parties.

ARTICLE 6 MISCELLANEOUS

6.1 The relevant provisions concerning the following matters as provided in the Concession Agreement shall mutatis-mutandis apply.

- (a) Governing Law and Jurisdiction.
- (b) Dispute resolution.
- (c) Severability.
- (d) Parties Relationship (No Partnership).
- (e) Language.
- (f) Indemnity.
- (g) Exclusion of Implied Warranties etc.
- (h) Waiver.
- (i) Modification of Agreement.
- (j) Non-Assignability.

6.2 Notices

Unless otherwise stated, notices to be given under this Agreement including but not limited to a notice of waiver of any term, breach of any term of this Agreement and termination of this Agreement, shall be in writing and shall be given by hand delivery under seal, recognized courier, mail or facsimile transmission and delivered or transmitted to the Parties at their respective addresses set forth below:

If to the Lessor

Managing Director,
Amaravati Development Corporation Ltd.,
D.No.20-4-15, Flat No.-1G, Ananda Heights,
Beside Prabhas College, Kedarewaraopet,
Vijayawada, Andhra Pradesh 520003
Email:

If to the Lessee

_____,
_____,
_____,
Email:

Or such address, or facsimile number as may be duly notified by the respective Parties from time to time, and shall be deemed to have been made or delivered (i) in the case of any communication made by letter, when delivered by hand, by recognized courier or by mail (registered, return receipt requested) at that address and (ii) in the case of any communication made by facsimile, when transmitted properly addressed to such facsimile number. In case of (ii) a written notice shall also be sent by post or courier.

6.3 Change in Law

(a) In the event of Change in Law after the Appointed Date affects and leads to any of the material rights and obligations of the Lessee and consequently leading to material breach of any of the provisions of the Agreement by the Lessee, then only either at the instance of the Lessor or at the instance of the Lessee, the Agreement may be terminated subject to the provisions of the Agreements. Therefore change in law under the normal circumstances shall not be a ground for termination.

However, prior to such request for termination, the Parties shall consult each other in good faith for a period of 180 days to mitigate the material adverse impact of the Change in Law. In case during this period, the commercial operation is halted for more than 120 days, then the Agreement period shall be extended by such period.

(b) In the event of the Parties unable to agree to changes to the Agreement to mitigate the impact of the Change in Law during the 180-day period, either Party may refer the matter to

dispute resolution in which case the Termination Notice shall stand suspended until such matter has been resolved.

However, in case of such termination, the Lessor shall not be liable to pay any compensation.

- (d) Change in Law shall not include any change in the tax laws or solely has an economic impact on the Project.

6.4 Co-terminus

This Lease Agreement and the Concession Agreement are co-terminus. All other terms and conditions concerning lease and Project Site and all other matters thereof contained the Concession Agreement and in contravention of this Lease Agreement shall mutatis-mutandis apply.

6.5 Applicability of Terms and Condition of Agreements

Any of the terms and conditions concerning the lease of the Site that are not covered by the Lease Agreement but are provided in the Concession Agreement they shall equally apply to the lease and vice versa.

6.6 Counterparts

This Agreement shall be executed in two counterparts on non-judicial papers of Rs.100/- each and registered within the statutory period under the Indian Registration Act 1908 which when executed and delivered shall constitute an original of this Agreement. The cost of stamp duty and registration charges shall be borne by the Lessee.

IN WITNESS WHEREOF THE, PARTIES HAVE EXECUTED AND DELIVERED THIS AGREEMENT AS OF THE DATE FIRST ABOVE WRITTEN

Signed, Sealed and Delivered
For and on behalf of Lessee/SPV by:

Signed, Sealed and Delivered
For and on behalf of Lessor/ADCL

Signature of Authorised Person
(Name)
(Designation)
(Seal)

Signature of Managing Director
(Name)
(Designation)
(Seal)

Witnesses for all the Parties

1) Signature
Name.
Address.

2) Signature
Name.
Address.

SCHEDULE - A

(1) Description of Project Site

(2) Sketch of Project Site

SCHEDULE - B

Statement of Annual Lease Amount Payable by the Lessee