

SUB -LEASE AGREEMENT

THIS INDENTURE OF SUB-LEASE is made at Mumbai on the _____ of Two Thousand and _____ BETWEEN THE **PRESIDENT OF INDIA, through the Development Commissioner,** SEEPZ-Special Economic Zone (SEEPZ-SEZ) having office at SEEPZ Special Economic Zone, Andheri (East), Mumbai- 400 096, hereinafter called the **SUB-LESSOR**, in the original Lease Agreements between MIDC and SEEPZ referred as **LESSEE** (which expression shall unless repugnant or meaning thereof be deemed to include its successors and assigns) of the **FIRST PART**;

M/s _____ a Company having its registered office at _____ acting through its authorized representative Mr _____ hereinafter referred to as ‘**Confirming Party**’ or Original Unit Holder or Original Sub-lessee(which expression shall unless repugnant or meaning thereof be deemed to mean and include its successors and heirs, executors, administrators, subsidiaries and permitted assigns of such last survivor/successors in business) of the **SECOND PART**.

AND

M/s. _____ having its office at _____ hereinafter referred to as the **SUB-LESSEE** (which expression shall unless repugnant to the

context or meaning thereof deemed to include its successors and heirs, executors, administrators, subsidiaries and permitted assigns of such last survivors/ successors in business) on the **THIRD PART**.

WHEREAS by a deed of Lease made at Mumbai dated 20th Day of January, 1975 between THE MAHARASHTRA INDUSTRIAL DEVELOPMENT CORPORATION, a Corporation constituted under the Maharashtra Industrial Development Act, 1961, hereinafter referred to as the “LESSOR” on the one part, the Sub-Lessor herein referred to as the “LESSEE” on the other part and the same is registered at the office of the Sub-Registrar of Bombay under Registration No. S-392/75 of Book No.1, the Lessor demised unto the Sub-Lessor as Lessee the land, the premises described in the Schedule thereunder, (being the same as described in the First Schedule hereunder written) for a term of 99 years for such terms and conditions and subject to the covenants, terms and conditions therein mentioned.

WHEREAS by a further Indenture of Lease made at Mumbai 28.06.2005 between the same Lessor and Sub-Lessor has granted to the Sub-Lessor a Lease of the piece of land and premises namely SEEPZ++ upon the performance and observation by the Sub-Lessor of the obligations and conditions contained in the said Lease for a term of 95 years from 1st January 2002.

AND WHEREAS the aforesaid two Leases are still valid and subsisting and the Sub-Lessee herein have read and fully understood the covenants, terms and conditions contained therein and agreed to abide by such covenants, terms and conditions, if a Sub-Lease is granted in their favour by the Sub-Lessor upon such and further terms and conditions.

AND WHEREAS by virtue of the aforesaid Lease Deeds, the Sub-Lessor is absolutely seized and possessed of or otherwise is permitted and is at liberty to Sub-lease the demised premises or any parts thereof subject to the covenant and conditions contained therein.

AND WHEREAS the Government of India had established an Export Processing Zone, herein after called the SEEPZ Special Economic Zone (SEEPZ-SEZ for short) in the above mentioned demised land and premises for the purpose of encouraging the export of Electronics Hardware, Information Technology and Gems and Jewellery Industries in India and other permitted activities issued as per Letter of Approval (LOA) granted by the Approval Committee from time to time with the objective of earning Foreign Exchange on the export of various kinds of products in Information Technology, Electronics Hardware and Gems and Jewellery items, from the said Zone in the interest of the National Economy by establishing/developing Industrial units and as permitted under the LOAs granted from time to time by the Approval Committee of the SEEPZ SEZ.

AND WHEREAS in terms of the self financing scheme approved by the Inter Ministreial Committee of the Ministry of Commerce, the Lessor undertook to construct and behalf of Sub-Lessor and the various allottee of the Units ,Two Buildingscomprising ofnumber of Units known as Tower No. I and Tower No. II (7 Floors) on the said Plot i.e. SEEPZ++ admeasuring 46092.4Sq. Mtrs. i.e. 11 acres within the bonded area, within the village limits of Vyaravali and ParajpurTalukaAndheri District- Bombay Suburban District of the said Export Processing Zone and Lessor has accordingly constructed the above mentioned two buildings having Ground and Seven Floors comprising a total 72 numbers of Units in each Tower in SEEPZ++, Marol Industrial Area within the said time and more particularly described in the First Part of First Schedule hereunder written (hereinafter referred to as "the said Tower). The Construction costs have been recovered by Lessor from the Unit Holders, the said premises are to be managed by the unit holders underthe overall control of the Sub-Lessor.

AND WHEREAS on the recommendation of the Sub-Lessor, units in the said Tower I & II had been originally allotted to the different Industrial Companies/Firms/Entities through Lessorand later sub-leased by the Sub-Lessor to the Original Sub-Lessees.

And **WHEREAS** the Lessor MIDC allotted the units to various Industrial Companies/Firms/Entities after recovering the cost as such the Lessor has no right over the units in Tower I & II, henceforth the sub-lessor will make allotment of the Units to the Applicant who holds a valid Letter of approval from the Sub-Lessor to enable such allottees (hereinafter referred to as the ‘Sub-Lessee’) to set up Units for exporting items/services/produce in such Units for the purpose of encouraging export industries in India and for earning foreign exchange on export of various kinds of Electronic and gem jewellery items.

AND WHEREAS at the request of the predecessor in title of the Confirming Party viz M/s ABC..... (hereinafter referred to as the Original Sub-Lessee), of the herein Sub-Lessee M/S DEF , whose name was accepted by the Sub Lessor, the Sub-Lessor agreed to allot a Unit No. admeasuring Sq. Mtrs. or thereabouts in the said Towers within the village limits of Kondivita / Vyaravali / Parajpur, TalukaAndheri, Dist. Mumbai Suburban on the land forming part of the said Plot No., more particularly described in the Second Schedule hereunder written (hereinafter referred to as the said Unit No.), on the terms and conditions contained therein, for a term ofyears commencing from the date of possession i.e. w.e.f.

AND WHEREAS an Indenture of Sub-Lease dated, made between the President of India (therein called the Sub-Lessor) of

the one part; the said Original Sub-Lessee or Confirming Party (therein referred to as the Sub-Lessee) of the Second Part. The Sub-Lessor granted a sub lease unto the Confirming Party in respect of the said Unit No. in Tower I/II Building (therein and hereinafter referred to as the demised Unit No.) out of the said Plot No., more particularly described in the First Schedule hereunder written, excepting and reserving unto the Lessor all mines and minerals in and under the said land or any part thereof, for a term of years computed from to, for the consideration and for the rent reserved and on the terms and conditions contained therein.

The Confirming Party is thus seized and possessed of and well and sufficiently entitled to the said demised Unit No.;

In pursuance of the request made by the Sub-Lessee herein the Sub-Lessor has granted his approval for setting up a Unit in SEEPZ and for establishment of a Manufacturing Unit at the said demised Unit No., for undertaking authorized operations set out in the said order, on the terms and conditions contained in the said Order.

AND WHEREAS the Confirming Party has agreed to transfer, convey and assign to the Sub-Lessee herein, all its rights, title and interest in respect of the said demised Unit No., as well as under the

said Indenture of Sub-Lease dated, free from all encumbrances, claims and demands for a lumpsum consideration of Rs./- (Rupees Only) and on the terms and conditions mutually agreed between the parties dated day of

AND WHEREAS Transfer Fee in Lumpsum shall be determined by the Sub Lessor and agreed by the Confirming Party that the said amount will be paid by the Confirming Party as transfer charges to Sub Lessor without any objection.

AND WHEREAS the Confirming Party has paid Rs..... (Rs.Only) as the transfer charges to the Sub-Lessor Vide DD Dated.....”

The Confirming Party has handed over to the Sub-Lessee herein all the documents and title deeds related to the said demised Unit No.

AND WHEREAS prior to execution of these presents the Confirming Party has also handed over vacant and peaceful possession and now the Sub-Lessee hereinis having a quiet, vacant and peaceful possession of the said demised Unit No.;

AND WHEREAS the Sub-Lessee has approached the Sub-Lessor for demising the Unit No.....admeasuring Sqr. Mtrs in Towers I/II, located within the village limits of Vyaravali, Prajapur, TalukaAndheri, District – Mumbai Suburban District, more particularly described in Second Schedule hereunder written in the bounded area of the said SEZ.

AND WHEREAS the Sub-Lessor has agreed to demise unto the Sub-Lessee herein, all that piece of land equal in area to the FSI utilized in respect of the said demised Unit No. moreparticularly described in the First Schedule hereunder written, excepting and reserving unto the Lessor all mines and minerals in and under the said land or any part thereof, for a term of years computed from to,,, for the consideration paid to the Confirming Party and by way Transfer Charges to the Sub-Lessor and for the rent reserved and on the terms and conditions contained herein;

AND WHEREAS the Sub-Lessor and Sub-Lessee have to act in close co-operation to achieve the objective which is in consonance with the objective of the setting up of the SEEPZ SPECIAL ECONOMIC ZONE.

NOW THIS DEED WITNESSTH AS FOLLOWS:

- 1) In consideration of the sum of Rs./- paid as transfer charges by the Original Sub-lessee to the Sub-Lessor and Rs..... as by Sub-Lessee to the Confirming

Party towards cost& Consideration of the unit and of the rent hereby agreed and of the covenants and agreements on the part of the Sub-Lessee hereinafter contained, the Sub-lessor/Lessee hereby doth demise unto the Sub-lessee the. Unit, admeasuringsq Mtr. or thereabouts in Tower I & II, on, herein after referred to as Said Premises and more particularly described in the Second Schedule hereunder written together with the structures now or at any time standing and being thereon Excepting and Reserving all mines and minerals in and under the said land or any part thereof and TO HOLD the said premises hereunder expressly demised unto the Sub-Lessee for the term of years computed fromto 31st December 2096 paying thereof yearly rental during the said term unto the Lessee/Sub-lessor as the Lessee/Sub-Lessor may direct the said yearly rent in advance without any deduction whatsoever.

Covenants by Sub-Lessee

The Sub-Lessee with intent to bind all Persons into whatsoever hands the demised Premises may come doth hereby covenant with the Sub-Lessor as follows:-

To Pay Rent & Other Charges

During the said terms hereby created to pay unto the Sub-Lessor the said rent and all other charges that may be fixed from time to time by the Development Commissioner, SEEPZ Special

Economic Zone at the time and on the day and in manner hereafter appointed for payment thereof clear of all deductions.

To pay rates and taxes

To pay all existing and future taxes, rates, Assessments and outgoings of every description for the time being payable either by Sub-Lessor or Sub-Lessee or by the occupier in respect of demised premises and anything for the time being thereon including for common areas as soon as the same become due and payable.

To Pay Fees or Service Charges

Throughout the said term hereby created to pay to the Sub-Lessor from time to time in respect of the demised premises such yearly Recurring fees or service charges/Drainage Cess/EPSC Charges and fire Charges as may from time to time be described by the Government of Maharashtra under the Maharashtra Industrial development Act, 1961 or Rules framed thereunder in respect of the amenities or common facilities provided by the Sub-Lessor.

To Manufacture only the Authorized Items

During the said term hereby agreed to manufacture items as authorized by the Sub-Lessor from time to time and to

manufacture/process any article, thing, materials components and instruments which do not in any way relate to the Authorized Activity which are not explicitly approved in the Letter of Permission granted by the Approval Committee of SEEPZ SEZ.

Access Road

The access road to the demised Unit delineated, on the plan and thereon colored red will at all times hereafter shall be maintained jointly by all the units holders or by Sub Lessees in good order and condition to the satisfaction of the Estate Manager, SEEPZ-SEZ Authority.

Indemnity

To indemnify and keep indemnified the Sub-Lessor against any and all claims for damages which may be caused to any adjoining buildings or other premises by such building or in consequences of the execution of the aforesaid work and also against all payments whatsoever which during the progress of the work may become payable or be demanded by the Municipality or any Local Authority in respect of the said works or of anything done under the authority herein contained.

To Commence the Production

To commence the activities within three years from the date of handing over of the possession of the unit to the Sub-Lessee or the stipulated period prescribe by the Sub Lessor.

To Export Product as per LOA

- a. To export entire production (whether manufactured/processed including seconds, waste and scrap material) to foreign countries in accordance with the provision of the Law subject to such concessions and facilities as provided in the SEZ Act/Rules etc.
- b. To furnish Bond-Cum-Legal undertaking as prescribed under the Laws
- c. To arrange forwarding/clearing of manufactured /processed goods for export or import of material, spares and such other materials as are required for the Authorised Operations in the Letter of Approval.

To Repair

Throughout the said terms that the Sub-Lessee's expense well and substantially to repair pave, cleanse and keep in good and substantial repair and conditions (including all usual and

necessary internal and external painting, colour and white washing) to the satisfaction of the Estate Manager, SEEPZ-SEZ, the said building and premises and the drains, compound walls and fences thereto belonging and all fixtures and additions thereto.

Right of Sub-Lessor to Inspect the Demised Premises

“To permit the Sub-Lessor or any Authorized officer, Surveyor, Workman or the persons employed by them from time to time without any prior notice being given to enter into and upon the demised premises and to inspect the general state of the demised premises and also processing plants machinery etc. and the book of accounts and other documents concerning the activities permitted within the SEZs for which the premises have been demised under this Sub-Lease”. The Sub-Lessor reserves the right to give such suggestion for the upkeep and proper maintenance of the demised premises as and when and wherever required.

Nuisance

Not to cause any annoyance or hindrance to other Sub-Lessees of the Sub-Lessor and to so conduct the activities which will impede the other Sub-Lessees of the Sub-Lessor in carrying out approved activities as per Letter of Approval and in the event

Sub-Lessee experiences or finds any difficulty in conducting its/his/their business and/or activities connected herewith smoothly and efficiently by reason of the user of the said building or any portion thereof by other Sub-Lessees of the building, the same shall be referred to the Development Commissioner and any directions or orders issued by the Development Commissioner in relation thereto shall be complied by the Sub-Lessee.

User

To use the demised premises only and strictly for the purpose of _____ (nature of permitted activities).

Insurance

To keep the demised premises insured against loss or damage by fire on account of explosion, electrical apparatus and appliances and hazardous goods and to pay the premium and sum of money payable for that purpose so as to keep such insurance policy alive and subsisting and as soon as such payments are made, deliver to the Sub-Lessor for and on behalf of the Sub-Lessee, the receipt failing or neglecting to keep the said premises so Insured or to deliver any such receipt as aforesaid, then and in every such case, it will be lawful for the Sub-Lessor to insure the said premises, for the amount aforesaid and all sums of money paid by the Sub-Lessor for such insurance with interest thereof and such amount has to be borne by Sub Lessee.

Not to Assign

a. Not to sublet, assign or part with the possession of the demised premises or any part thereof without the prior consent in written of the Sub-Lessor and subject to such terms conditions as the Sub-Lessor may prescribed in granting the possession to the Sub-Lessee for the transfer of the said demised premises or any part thereof as hereinafter mentioned.

b. The Sub-Lessee shall not mortgage the Sub-demised premises in favour of any financial institution or create any third party rights of whatsoever nature without the prior and express written consent of the Sub-Lessor as the case may be. Violations if any may automatically lead to the termination of this Sub-Lease without any further notice.

It is expressly understood between the parties that all the covenants terms and conditions contained in the Lease dated 28th June 2005 as well as earlier Lease dated 20th January 1975 shall be binding upon the Sub-Lessee and if at any point of time the breaches committed of any terms and conditions of this Sub-Lease, the Sub-Lease will automatically be cancelled ipso-facto without any further notice.

Delivery of Possession after Expiration

At the expiration or sooner determination of the said terms, the Sub-lessee is to quietly deliver unto the Sub-Lessor the vacant possession of the demised unit after removing all erections,

structures erected in the said unit and such delivery should be given within a period of Two months after the expiration or sooner determination of the said terms provided always that, in the event of the Sub-Lessee failing to deliver vacant and peaceful possession of the unit after removing the structure etc, as aforesaid the said structure etc. shall belong to the Sub-Lessor on the “as is where is” condition and the Sub-Lessee shall not be entitled to any compensation thereof provided that in the event the Sub-Lessee desires to sell the building, structures etc, to the Sub-Lessor and the Sub-Lessor is willing and agreeable to take over the said building, structures etc., the Sub-Lessor shall pay to the Sub-Lessee such compensation as is mutually agreed to and the Sub-Lessee shall do all acts and things as are necessary for handing over the possession of such building and structures.

To Submit the Statements of Accounts

To submit the statements of accounts and such other details within such time as may be stipulated by the Sub-Lessor (SEEPZ-SEZ) during the terms of these presents giving all the necessary particulars as may be required by the Sub-Lessor.

To Allow the Persons / Vehicles

To allow the persons and vehicles entering and leaving SEEPZ SPECIAL ECONOMIC ZONE to be examined by the Staff of

the Sub-Lessor for the purpose of checking or Checking by any statutory Authorities.

Alterations

Not to make any alterations, changes or additions in the demised premises except with the written previous permission of the Development Commissioner and in accordance with the directions that the Development Commissioner may prescribed and in accordance with the plans approved by the Development Commissioner and rules, bye-laws and regulations of the Bombay Municipal Corporation or any other authority prescribed by the law.

Application of Laws

To observe and perform all the rules and regulations prescribed under the various labour Legislation such as Industrial Disputes Act, workmen's Compensation Act, Payment of Wages Act, Minimum Wages Act or Any other statues including Child Labour governing the relations of the employees and employers including The Factories Act and Fatal Accidents Act as may be Applicable.

Recovery of Rent, Service Charges as arrears of Land Revenue

If the said rent hereby receivable or recurring fees or Service charges payable by the Sub-Lessee hereinafter shall be in arrears for the space of 30 days whether the same shall have been legally

demande d or not or if within a period of three months from the date of handing over possession of the plot, the Sub-Lessee failed to commence the permitted activity or if the demised premises are not utilized for the purpose for which the same has been demised if and whenever there shall be a breach of any of the covenants and the conditions hereinabove set out or referred or if the Sub-Lessee fails to make exports to the Government for project and it is hereby agreed and declared as an express term of this lease that if the Sub-Lessee commits defaults in payment of more than one month installment of rent or commits breach of any covenant, term or condition contained in these presents or in the said Deed or Lease, or if the Sub-Lessee is adjudged insolvent, then and any of such cases or events, the Sub-Lessor shall be entitled thereunder to enter upon the Sub-demised land/premises or any part thereof in the name of the whole and thereupon this sub-demise shall determine without prejudice to any other right conferred on the Sub-Lessor by these presents and thereupon the Sub-Lease hereby granted shall absolutely cease and determine.

If the said rent hereby agreed is in arrears for a period of 30 days whether the same shall have been legally demanded or not, the Sub-Lessor may take steps to recover the same together with interest at the rate prescribed by the Sub-Lessor as arrears of land revenue under the provisions of the Maharashtra Land Revenue Code 1966 (XLI of 1966)

Covenants for Peaceful Enjoyment

The Sub-Lessor do hereby covenant with the Sub-Lessee that the Sub-Lessee paying the rent, service charges etc. hereby agreed and performing the covenants hereinbefore on the Sub-Lessee's part for contained shall and may peaceably enjoy the demised premises for the said term hereby granted without any interruption or disturbance from or by the Sub-Lessor or any person or persons lawfully claiming under the Sub-Lessor.

Dispute Resolution

All disputes and differences arising out of or in any way touching on concerning these presents (except as to any matters, the decision of which is left to the sole discretion of the said Sub-Lessor as specifically provided for in these presents) shall be referred to the arbitration by a sole arbitrator to be appointed by the Development Commissioner, SEEPZ-SEZ. The arbitrator so appointed can be either from within the SEEPZ Administration or from outside, as the case may be and an arbitrator so appointed should not have dealt with the matter or expressed any opinion previously to which the Sub-Lease herein relates and or that in the course of his duties or has any interest therein of whatsoever nature. In the event the arbitrator so appointed is neglecting or refusing to act or unable to perform for whatsoever reasons or misconducts himself, a substitute has to be appointed and the new arbitrator so appointed shall be entitled to proceed with the reference/ arbitration from the stage at which it was left

by the previous arbitrator. The cost of arbitration shall be borne alone by the party at whose request the arbitration proceedings are initiated. Subject to the above the provisions of the Arbitration and Conciliation Act, 1996 and the Rules framed thereunder as amended by the Arbitration and Conciliation (Amendment) Ordinance, 2015, (9 of 2015) or any other statutory modifications thereof for the time being in force shall apply to the arbitration proceedings under this clause. The Costs of the said Arbitration Proceedings to be borne equally by the Parties to this Agreement.

Renewal of Sub-Lease

- a. The period of Lease Agreement between MIDC and SEEPZ is of 95 years. The Renewal of Sub-Lease beyond period of 95 Years between SEEPZ SEZ and Unit is possible only after renewal of lease agreement between MIDC and SEEPZ SEZ.
- b. It is mutually understood between the parties that the Sub-Lessor reserves the right of renewal and is subject to the satisfactory performance of the Sub-Lessee in terms of the LOP granted and the appraisal by the Approval Committee constituted under SEZ Act.
- c. The other conditions relating to the upkeep, safety and internal changes to be observed by the Sub-Lessee. The Sub-

Lessee above undertakes to keep the demised premises in good condition and repairs whenever required.

Intimation as to the corporate structure

To intimate in writing the Development Commissioner a fortnight prior to the changes made or effected in the corporate structure or constitution of the Sub-Lessee. The Sub-Lessee shall obtain concurrence of Sub-Lessor.

Stamp duty and Registration charges

The stamp duty and registration charges in respect of the preparation and execution of this Sub-Lease and its 2 copies including the cost of charges and expenses of attorneys of the Sub-Lessor shall be borne and paid wholly and exclusively by the **Sub-Lessee**. Lastly, it is mutually and expressly understood between the parties the Sub-Lessee will not be permitted to Sub-Lease or Sub-Let the said property to any other person or institution or any group of persons or to create any third party right and if any violation are noticed this Sub-Lease granted will automatically stand cancelled without any further notice.

Marginal Notes

The marginal notes do not form part of the Sub-Lease and shall not be referred to for construction or interpretation thereof.

IN WITNESS WHEREOF the Development Commissioner SEEPZ SPECIAL ECONOMIC ZONE, the Sub-Lessor has for and on behalf of the President of India set his hands and affixed the common seal of the SEEPZ SPECIAL ECONOMIC ZONE, hereto; and the Sub-Lessee above named hath caused these presents to be executed under the hand of its authorized representative the day and year first hereinabove written.

FIRST SCHEDULE
(Description of Land)

Part 1 of First Scheudle

All that piece or parcel of land known as SEEPZ++, in Marol Industrial Area within the village limits of Vyaravali Parjapur, Taluka Andheri Registration sub-district and District of Bombay and Bombay Suburban, containing admeasurements 46092.40 sq. meters i.e. 11 Acres or thereabouts and bounded as follows, that is to say-

**On or towards the North by
JogeshwariVikroli Link Road**

**On or towards the South by Aarey
Milk Colony Land**

**On or towards the East by
GoregaonMarol Road AndAarey
Milk Colony Land,**

**On or towards the West by- SEEPZ
Internal Road,**

SECOND SHEDULE
(Description of Unit)

Part of the piece or parcel of land known as Unit No._____,
admeasuring SqrMtr. in Tower No.I and Tower No.
II (7 Floors) in SEEPZ Special Economic Zone, in
MarolIndustrial Area within the village limits of Parjapur,
KondivitaMarol and Vyaravali, Taluka – Andheri Registration
sub-district and District Mumbai Suburban, mtrs. which said unit
delineated as per annexure

SIGNED, SEALED AND DELIVERED)

By Shri._____

The Chairperson,

SEEPZ Special Economic Zone,

On behalf of the President of India

In the presence of

- 1.
- 2.

SIGNED, SEALED AND DELIVERED)

By the above named **Confirming Party**

By Shri/Smt._____ (Designation)

Partner of M/s._____

In presence of

- 1.
- 2.

SIGNED, SEALED AND DELIVERED)

By the above named **Sub-Lessee**

By Shri/Smt. _____ (Designation)

Partner of M/s. _____

In presence of

1.

2.