

SUB-LEASE AGREEMENT

THIS INDENTURE of Sub-Lease is made at Mumbai on the_____ day of_____(Month) 20__(year) BETWEEN THE PRESIDENT OF INDIA, through the Chairperson, SEEPZ Special Economic Zone (SEEPZ SEZ) having office at SEEPZ SEZ , Andheri (East), Mumbai(400 096), hereinafter referred to as ‘**the Lessee**’ and also in his capacity as a permitted **Sub-Lessor** (which the expression shall unless repugnant or meaning thereof be deemed to include its successors and assigns) of the **FIRST part**
AND

M/s._____

_____ having its office at

_____hereinafter referred to as the ‘**Sub-Lessee**’ (which the expression shall unless repugnant to the contest 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 **SECOND 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 and 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 registered 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 written 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 on 28.06.2005 between the same Lessor and the Lessee. The Lessor has granted to the Lessee a Lease of the piece of land and premises namely SEEPZ++ particularly described in the first schedule thereto (being the same as described in the second part of First Schedule hereunder written) upon the performance and observance by the Lessee of the obligations and conditions contained in the said Lease for a term of 95 years from 1st January 2002.

AND WHEREAS the Government of India has established an Export Processing Zone; hereinafter called the Santacruz Electronics Export Processing, Special Economic Zone 'SEEPZ SEZ' in the abovementioned demised land and premises for the purpose of encouraging the exports of Electronic Hardware , Information Technology and Gems & Jewellery Industries in India and other permitted activities issued as per the 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 product 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 as permitted under LOAs granted from time to time by the Approval Committee of the SEEPZ SEZ.

AND WHEREAS the Lessor, the Lessee and the Sub Lessee have to act in close co operation to achieve the objective which is in consonance with the objectives of the setting up of the SEEPZ SEZ.

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 contains therein and agreed to abide by such covenants, terms and conditions, if Sub-Lease is granted in their favour by the Lessee upon such and further terms and conditions.

AND WHEREAS by virtue of the aforesaid Lease deed, the Lessee 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 Sub-lessor has constructed buildings known as Standard Design Factory and Gems & Jewellery complex building, hereinafter referred to as the said building on a portion of the land demised to the Sub Lessor under the aforementioned lease for the purpose of allotting the same to the various entrepreneurs for carrying out business of manufacturing and /or processing articles, things, material, components and instruments relating to the industries of electronics and gems and jewellery sector.

AND WHEREAS the Sub Lessee has approached the Lessee/ Sub-Lessor for demising to it/him/them a portion of the said building known as unit no._____, SDF/G&J Complex No:_____, constructed and/ or erected on the Plot no: F-1 in the Marol Industrial Area within the village limits of Vyrawali, Parjapur, Kondivita and Marol Taluka- Andheri, District- Mumbai Suburban Sub Registration No, Sub district and Registration District- Mumbai City and Mumbai Suburban containing by admeasurements 3, 75, 013 sq mtrs or there about to establish manufacturing/ processing establishment for the manufacture of

articles, things, materials, components and instruments relating to the Electronics and Gems and Jewellery Sector Industries on the terms and conditions hereinafter contained and to grant to it/him/them all facilities and variety of concessions.

AND WHEREAS the Sub-Leassor has agreed to lease a portion of the said building named as unit no:____, SDF/G&J Complex no: ____ admeasuring about _____ sq.ft equivalent to ____sq.mtrs. or thereabout in the said building at a lease **rent of Rs.____/- and other charges are subject to revision from time to time by the sub lessor and same are to be paid by the sub lessee.**

NOW THIS DEED WITNESSETH AS FOLLOWS:

(1) In consideration of the premises and various facilities and variety of concessions made available to the Sub-Lessee and the **Effective Date of** rent hereby reserved and of the covenants and agreements on the **Possession** part of the Sub-Lessee hereinafter contained, the Sub-Lessor doth hereby, demise to the Sub-Lessee TO HOLD the said premises hereunder expressly demised unto the Sub-Lessee for a terms of five years computed from _____ to _____ therefore, the yearly Lease rent of **Rs.____/- and other charges are to be paid in advance to the sub lessor.**

(2) The Sub-Lessee with intent to bind all Persons into whatsoever by hands the demised Premises may come hereby covenant with **Covenants by** Sub-Lessee, the Lessee and Lessor as follow: **Sub-Lessee**

a) During the said terms hereby created to pay unto the Lessee/Lessor the said rent and all other charges that be fixed from time to time by the Chairperson, SEEPZ SEZ at the time & on the **To Pay Rent &** days and in manner hereinbefore appointed for payment thereof **Other Charges** clear of all deductions. Further, during the said term, the Sub-Lessor may revise the Lease rent even during the currency of this indenture on the following grounds:-

- 1. To charge additional lease rent to cover the actual maintenance costs as approved by SEEPZ Authority.
- 2. To bring parity with the rents charged in respect of the premises similar to the demised premises.
- 3. Any other exigencies which may necessitate the revision of the lease rent during the currency of this indenture.
- 4. To revise the Lease rent every year

In the event, the Sub-Lessee fails to make exports to the levels projected in the Application submitted by the Sub-Lessee, to the Government for approval of the project; and/or, for keeping the space vacant, and / or, not utilising the whole or a portion of the allotted space for any reason whatsoever as the SEEPZ SEZ Authority may consider, then the Sub-Lessee shall be liable to pay the penal rent as notified by the SEEPZ SEZ Authority from time to time.

- b) To pay all existing and future taxes, rates, assessments and outgoings of every description for the time being payable either by the Sub-Lessor or Sub-Lessee 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 rates and taxes
- c) During the said term hereby agreed, the Sub-Lessee shall carry to out only Authorized Operation as approved in the Letter of Approval granted by the Approval Committee, under the SEZ Act 2005/ SEZ Rules 2006.

To manufacture only the authorized items
- d) To commence the authorized as per the Letter of the Approval within three months from the date of handing over of the possession of the unit to the Sub-Lessee.

To commence the production

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| j) | Not to do or permit anything to be done or stored (except those required for authorized operations as per Letter of Approval granted by the Approval Committee) in the demised premises which may a nuisance, annoyance or disturbance to other Sub-Lessees. | To store only materials required for authorized operation |
| k) | Not to make any alterations, changes or additions in the demised premises except with the written previous permission of the Chairperson, SEEPZ SEZ and in accordance with the directions that the Chairperson, SEEPZ SEZ may prescribe and in accordance with the plans approved by the Chairperson, SEEPZ SEZ and the rules, byelaws and regulations of the Mumbai Municipal Corporation or any other authority prescribed by the law. | Not to make alterations |
| l) | To use the demised premises only and strictly for carrying out authorized activities as per the Letter of Approval granted by the Approval Committee under SEZ Act 2005/SEZ Rules 2006. | Use the demised premises for specified purpose |
| m) | It is hereby agreed to declare that in the event the Sub-Lessor and or keeps insured the building the demised premises the Sub-Lessee shall be liable to pay to the Sub-Lessor the amount of the premium/ premiums in proportion to the area of the demised premise within fifteen days of receipt of notice by the Sub-Lessor for payments of the amount of premium/premiums and that the Sub-Lessee shall pay the same without objection provided always in the event of dispute arising between the Sub-Lessor and Sub-Lessee regarding the liability of the Sub-Lessee to pay the said amount of the insurance premium, the decision of the Chairperson, SEEPZ SEZ shall be final and binding upon the Sub-Lessor. | Insurance |
| n) | Not to sublet, assign or part with the possession of the not to assign demised premises or any part thereof without the prior consent in writing of the Sub-Lessor and subject to such terms and conditions as the Lessee/Sub-Lessor may prescribe in granting the possession to the Sub-Lessee for the transfer of the said demised premises or any part thereof as hereinafter mentioned. | Not to assign |

o) The Sub-Lessee shall not mortgage the Sub-Demised premises in favour of any financial institution or create any third party right of whatsoever nature without the prior and express written consent of the Lessor and Lessee/Sub-Lessor as the case may be violations if any may automatically lead to the termination of this Sub-Lease without any further notice. **Not to mortgage**

It is expressly understood between the parties that all the covenants terms and conditions contained in the Lease dated 28 June 2005 as well as earlier lease dated 20 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.

At the expiration or sooner determination of the said Delivery of terms quietly to deliver unto the Lessee the peaceful and vacant possession of the demised unit after removing all partition fittings expiration and fixtures etc. in the said unit and such delivery should be given within a period of 30 days after the expiration or sooner determination of the said term provided always that in the event the Sub-Lessee failing to deliver vacant and peaceful possession as above of the unit after removing the fittings and fixtures etc, as aforesaid the said fittings and fixtures etc. shall belong to the Lessee on “as is where is” condition and the Sub-Lessee shall not be entitled to any cost or compensation thereof. In the event of failure to deliver the possession as above the Sub-Lessee shall be liable to pay the penal rent and compensation as applicable to the public premises. **Delivery of possession after expiration.**

p) To submit the statements of accounts and such other the details within such times as many be stipulated by the Lessees (SEEPZ-SEZ) during the terms of these presents giving all the necessary particulars [as may be required by the Lessee. **To submit the statement of accounts**

q) To allow the persons and vehicles entering and leaving the SEEPZ SPECIAL ECONOMIC ZONE to be examined by the **To allow the persons/ vehicles**

Staff of the Lessee / Sub-Lessor for the purpose of checking or checking by any statutory authorities.

r) To observe and perform all the rules and regulations **Application of** prescribed under the various labour Legislation such as Industrial **Labour Acts.** 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.

s) The Lessee/ Sub-Lessor may re-enter upon, whole and/or any part of the demised premises. In such event, the Sub- Lease **Rights of the** hereby granted shall absolutely cease and terminate / determine for **Lessee/ Sub-** all purposes. In such case, no compensation shall be payable to the **Lessor to re-enter.** Sub- Lessee, on inter alia, on account of any structural alterations and / or improvements made or carried out in the said premises. In view thereof, the Lessee/Sub-Lessor shall reserve the right to Re-Enter on the said premises inter-alia, in the following situations:-

(a) On the failure of the Sub Lessee to pay the Lease Rent hereby stipulated in this Deed, and the said Rent is in arrears for a period of 30 days, whether the same shall have been legally demanded or not; AND /OR

(b) If within a period of three months from the date of the commencement of this Deed the entire demised premises are not utilized for the purpose for which the same has been demised; AND/OR

(c)The Sub Lessee ceases to manufacture items for which the LOA has been granted to him for a period of six continuous months for whatever cause / reason whatsoever, arising due to and /or including strike, lock-out or grant of any injunction by the court in any case / litigation; AND /OR

(d) If and whenever there shall be a breach of any of the covenants and conditions hereinbefore set out or referred; AND /OR

(e) If the Sub-Lessee fails to make exports to the levels projected in the Application submitted by the Sub-Lessee, to the Government for approval of the project; and/or, deliberately keep the space vacant, and/or, not utilising the whole or a portion of the allotted for any reason whatsoever, as the SEEPZ SEZ authority may consider, AND /OR

(f) The Sub- Lessee becoming insolvent or is wound up or amalgamated or merged with any other body corporate or otherwise either pursuant to the Court's order or under the applicable provisions of law and or for the purposes of enforcing any other Agreement entered into by the Sub Lessee.

PROVIDED ALWAYS that the Sub-Lessor shall in addition to the right of determination of this Agreement and to effect re-entry as mentioned aforesaid be further entitled to recover as and by way of compensation such amount as may be considered by the Sub-Lessor as appropriately recoverable from the Sub-Lessee in the event the Sub-Lessee were not given or granted all those various concessions and variety of facilities.

If the said rent hereby receivable or recurring fees or Service charges **Recovery of rent** payable by the Sub-Lessee hereinafter shall be in arrears for the **service charges as** space of 30 days whether the same shall have been legally **arrears of Land** demanded or not or if within a period of three months from the **Revenue** date of handing over possession of the unit, 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 hereinbefore set out or referred or if the Sub-Lessee fails to make exports to the level projected in the application submitted to the Government for the project and it is hereby agreed and declared as an express term of this lease that if the Sub-Lessee commits default in payment of more than one month instalment of rent or commits breach of any covenant, term or condition contained in these presents or in the said Deed of Lease, or if the Sub-Lessee is adjudged insolvent, then and any of such cases or events, the Sub-Lessor shall be entitled there under 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 Lessee/ Lessor may take steps to recover the same together with interest at the rate prescribed by the Maharashtra Land Revenue Code 1996 (XLI of 1966).

3. a) The Lessee/Lessor do hereby covenant with the Sub-Lessee **Covenant for** that the Sub-Lessee paying the rent, service charges etc. hereby **peaceful** agreed and performing the covenant hereinbefore on the Sub- **enjoyment.** 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 Lessee/ Lessor or any person or persons lawfully claiming under the Lessee/Lessor.

b) All disputes and differences arising out of or in any way **To appoint the** touching or concerning these presents (except as to any matters, **arbitrator/s.** the decision of which is left to the sole discretion of the said Lessee/Lessor as specifically provided for in these presents) shall be referred to the arbitration by la sole arbitrator to be appointed by the Chairperson, 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 there under or any other statutory modifications thereof for the time being in force shall apply to the arbitration proceedings under this Clause.

4. If the Sub Lessee shall have duly performed and observed the **Renewal of Sub-** covenants and conditions to the satisfaction of this lease on the **Lease** part of the Sub-Lessee herein before contained and shall at the end of the said term hereby granted, be desirous of receiving a new Sub-lease of the demised premises and of such desire, shall give notice in writing to the Sub-Lessor before the expiration of the term hereby granted the Sub-Lessor shall and will at the cost and expenses in every respect of the Sub-Lease granted to the Sub-Lessee a new Sub-Lease of the demised premises for a further term of five years on payment of yearly rent as may be determined by the Sub-Lessor AND WITH covenants, provisions and stipulations herein before contained except this covenant for renewal and except, that the rules and other regulations referred to herein such Sub-Lease shall be as the Sub-Lessor may direct. 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 Letter of Approval granted and the appraisal by the Approval Committee constituted under SEZ Act, 2005.

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| 5. To intimate in writing the Development Commissioner within fortnight of the changes made or effected in the corporate structure or constitution of the Sub Lease. | Intimation as to the corporate structure |
| 6. The stamp duty and registration charges in respect of registration and execution of sub lease agreement and its 2 copies including the cost of charges and expenses shall be borne and paid wholly and exclusively by the sub lessee. | Stamp duty and registration charges |

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 anyother person or institution or any group of persons or to create any third party right and if any violations are noticed this Sub-Lease granted will automatically stand cancelled without any further notice.

The marginal notes do not form part of the sub lease and shall not be referred to for construction or interpretation thereof. **Marginal Notes**

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

FIRST SCHEDULE

Description of Building

(1) All that piece or parcel of land known as plot no. F-1, in the Marol Industrial Area within the village limits of Parjapur, Kondivita Marol and Vyaravli, Taluka – Andheri and now in the Registration sub-district and District of Bombay and Bombay Suburban, containing admeasurement. 3,75,013 square metres of thereabouts and bounded by red colored boundary lines on the plan annexed hereto, that is to say-

On or towards the North by Road and Aarey

Milk Colony Land-

On or towards the South by Road

On or towards the East by Pipe Line and

Aarey Milk Colony Land

On or towards the West by Road,

(2) All that piece or parcel of land known as SEEPZ++ in the SEEPZ Special Economic Zone, in Marol Industrial Area within the village limits of Vyaravali, Parajapur, Taluka Andheri registration Sub-District and District Mumbai Suburban containing by admeasurements 46092.40 sq.

Metres i.e. 11 Acres or thereabouts and bounded by blue colour boundary line on the plan annexed hereto as Annexure-II as follows, that is to say-

**On or towards the North by- Jogeshwari Vikroli Link
Road**

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

**On or towards the East by –Goregaon Marol Road
And**

**Aarey Milk Colony Land,
And**

On or towards the West by- SEEPZ Internal Road,

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 Sub Lessee:
By Shri/Smt_____

(Designation)

Partner of M/s_____

In the presence of

- 1.
- 2 .