

भारत सरकार / GOVERNMENT OF INDIA  
रेल मंत्रालय / MINISTRY OF RAILWAYS  
(रेलवे बोर्ड) / (RAILWAY BOARD)

No.2021/LML/25/5

New Delhi, Dated 02.06.2023

महाप्रबंधक, सभी क्षेत्रीय भारतीय रेलें एवं उत्पादन इकाइयां,  
**The General Managers,**  
All Zonal Railways & Production Units.

Sub:	कार्गो संबंधित उद्देश्यों हेतु रेल भूमि के लंबी अवधि के पट्टे हेतु मॉडल मानक भूमि पट्टा करार. <b>Model Standard land lease agreement for long term leasing of Railway land for cargo related purposes.</b>
Ref:	Board's letter of even No. dated 04.10.2022.

दिनांक **04.10.2022** को बोर्ड का पत्र देखें "भूमि प्रबंधन नीति" पर मास्टर परिपत्र जारी किया गया है। इस नीति के पैरा 7.2 में निहित है कि रेलवे बोर्ड द्वारा कार्गो संबंधित उद्देश्यों हेतु रेल भूमि के लंबी अवधि के पट्टे हेतु मॉडल मानक भूमि पट्टा करार जारी किया जाएगा।

Master Circular on "Policy for Management of Land" has been issued vide Board's letter dated 04.10.2022. Para 7.2 of the Policy stipulates that Model Standard land lease/licensing agreement will be issued by Railway Board.

रेलवे बोर्ड द्वारा क्षेत्रीय रेलों/उत्पादन इकाइयों एवं पक्षों (पट्टेदार/लाइसेंसी) के बीच कार्गो संबंधित उद्देश्यों हेतु रेल भूमि के लंबी अवधि के लिए होने वाले पट्टे हेतु मॉडल मानक भूमि पट्टा करार को अनुमोदित कर दिया गया है। इस प्रलेख को [https://indianrailways.gov.in/railwayboard/view\\_section.jsp?lang=0&id=0,1,304,366,540,983](https://indianrailways.gov.in/railwayboard/view_section.jsp?lang=0&id=0,1,304,366,540,983) (Railway Board Directorates  $\Rightarrow$  Land and Station Development  $\Rightarrow$  Licencing/Lease of Land) पर अपलोड कर दिया गया है।

Accordingly, a Model Standard land lease agreement for long term leasing of Railway land for cargo related purposes, to be executed between the Zonal Railways/PUs and the party (lessee/licensee), has been approved by Railway Board. The document has been uploaded on Indian Railway's website [https://indianrailways.gov.in/railwayboard/view\\_section.jsp?lang=0&id=0,1,304,366,540,983](https://indianrailways.gov.in/railwayboard/view_section.jsp?lang=0&id=0,1,304,366,540,983) (Railway Board Directorates  $\Rightarrow$  Land and Station Development Licencing/Lease of Land)

इसे रेल मंत्रालय के वित्त निदेशालय की सहमति से जारी किया जा रहा है।

This issues with the concurrence of Finance Dte. of Ministry of Railways.

**DA: As above.**

  
02/06/23

(T P Chawla)

Deputy Director/LML-II  
Railway Board

Ph. No. 011-47845518

Email\_ID:tejpal.chawla@gov.in

1st Floor, Room No. 121, Rail Bhawan

DRAFT DOCUMENT  
LONG TERM LEASING  
OF  
RAILWAY LAND

Lease Agreement

Between

(Division, \_\_\_\_\_ Railway)

&

(\_\_\_\_\_) [Party ]<sup>[1]</sup>

(**Note:** Lessee's name to be inserted)

(Dated DD/MM/YYYY)

## Contents

1. Definitions and Interpretation
2. Grant of lease and possession
3. Term
4. Lease Rent
5. Security Deposit
6. Use of Site
7. Termination of Lease Agreement
8. Lessor's representations and warranties
9. Exit Rights
10. Limitations on grant of lease rights on the Site
11. Lessee's representations and warranties
12. Covenants
13. Indemnities and limitation of liability
14. Regulatory approvals for construction
15. Inspection by the Lessor
16. Stamp duty and registration charges
17. Assignment, Mortgage and Sub-Letting
18. Force Majeure
19. Dispute Resolution
20. Governing Law & Jurisdiction
21. Independent Rights
22. Notices
23. General Provisions

## LAND LEASE AGREEMENT

*{Note- This agreement is to be used for the cargo related cases }*

**[To be executed on stamp paper of adequate value]**

**Agreement No**

**dated**

This Land Lease Agreement ("**Lease Agreement** ") is executed on this.....day of .....[•] at .....by and between:

**The President of India**, acting through Sr.DEN { }, \_\_\_\_\_ Division, [Zonal] Railway, Government of India, having its head office at ----- (hereinafter referred to as the "**Lessor**", which expression shall, unless excluded by and/or repugnant to the context mean and include its successor, legal representatives and permitted assigns) being party of the First Part;

AND

\_\_\_\_\_ [The Party] ; [ Govt. entity/PSUs/ a company registered under the Company Act 2013/Others], having its registered office at \_\_\_\_\_ {insert} represented through its \_\_\_\_\_ {insert designation of the authorized signatory} duly authorized vide resolution of its Board of Directors dated \_\_\_\_\_ (hereinafter referred to as the "**Lessee**", which expression shall, unless it be repugnant or contrary to the subject or context thereof, be deemed to mean and include its legal representatives, successors and permitted assigns) being party of the Second Part.

The **Lessor** and the **Lessee** are hereinafter collectively referred to as the "**Parties**" and individually as a "**Party**".

### **WHEREAS:**

1. The Railways have proposed to grant lease of the railway land on a long term basis to entities for establishment of \_\_\_\_\_ [container rail terminals, freight terminals, sidings, other cargo related activities] connected with Railway's working for augmenting additional freight traffic for Railways.
2. The Lessor is the owner of the site described in Annexure-I & II hereunder and now desires to lease the site to the Lessee for the purpose of "Permitted Use" as mentioned in this agreement.
3. The Lessee desires to take the site on lease from the Lessor for the purposes \_\_\_\_\_ [of developing and operating cargo terminal/ cargo related facilities/other purpose] (the "**Project**").

**NOW THEREFORE**, in consideration of the promises and covenants herein set forth and for other good and valuable consideration, the receipt, adequacy and legal sufficiency of which are hereby acknowledged, the Parties mutually agree as hereunder.

## 1. Definitions

### 1.1 Definitions and Interpretation

In this Lease Agreement, the following words and expressions shall unless repugnant to the context or meaning thereof, have the meaning hereinafter respectively assigned to them:

**“Applicable Laws”** shall mean all treaties, covenants, laws, bye-laws, statutes, rules, regulations, orders, ordinances, protocols, codes, guidelines, policies, notices, directions, judgments, rulings, rule of law, decrees or other requirements or official directives, clearances, approvals or similar form of decision of any Government Authority or person acting under any Government Authority and /or of any statutory authority in the Republic of India, whether in effect on the date of signing this Lease Agreement or there after including inter-alia the Railways Act 1989, other applicable laws and rules and regulations notified or to be notified there under.

**“Applicable Permits”** shall mean all clearances, permits, authorizations, consents, and approvals required to be obtained or maintained under the Applicable Laws in connection with the Site and the Project during the subsistence of the Lease Agreement.

**“Bank Guarantee”** shall have the meaning set forth in Clause 5.1 of the Lease Agreement ;

**“Change in Law”** shall mean the occurrence of any of the following after the execution of the Lease Agreement:

- (a) Enactment of any new Applicable Law;
- (b) Modification or repeal or re-enactment of any existing Applicable Law;
- (c) the commencement of any Applicable Law, after the execution of the Lease Agreement ; and
- (d) Any change in the interpretation or application of any Applicable Law .

**“Cure Period”** shall mean a period of 180 days from the date the defaulting Party receives the Event of Default (EOD) Notice from the non-defaulting Party under Clause 7.5. Provided that, the cure period in event of default in payment of Annual Lease Rent shall begin running from the date of default in payment of Lease Rent;

**“Encumbrance”** shall mean any mortgage, right of way, license, pledge, equitable interest, prior assignment, conditional sales contract, hypothecation, right of others, claim, security interest, title retention agreement, voting trust agreement, interest, option, lien, charge, easement, or other similar condition, commitment, restriction or limitation of any nature whatsoever, including any restriction on use, voting,

transfer, receipt of income or exercise of any other attribute of ownership, whether or not registered and howsoever arising, including by statute or common law;

**"EOD Notice"** shall have the meaning set forth in Clause 7.5 of the Lease Agreement ;

**"Force Majeure"** shall have the meaning set forth in Clause 18.1 of the Lease Agreement ;

**"Lease Rent"** shall have the meaning set forth in Clause 4.1 of the Lease Agreement ;

**"Material Adverse Effect"** shall mean and include an individual circumstance or a series of circumstances when seen collectively which may or do (i) render ineffective any material right vested in a Party by the terms of the Lease Agreement, or (ii) materially adversely affects or restricts or frustrates the ability of any Party to observe and perform in a timely manner its obligations under this Lease Agreement or the legality, validity, binding nature or enforceability of the same.

**"Permitted Use"** shall have the meaning set forth in Clause 6.1 of the Lease Agreement ;

**"Project"** shall have the meaning set forth in Recital of the Lease Agreement ;

**"Railway"** shall mean the 'Railway or Railway Administration' as defined in the Railways Act, 1989 and shall also include Railways, as defined therein, where the context so demands.

**"Site"** shall have the meaning set forth in Clause 2.2 of the Lease Agreement ;

**"Security Deposit"** shall have the meaning set forth in Clause 5.1 of the Lease Agreement ;

**"Taxes"** shall mean all applicable taxes by whatever name called (including but not limited to service tax, goods and service tax etc. and any fresh taxes), duties, levies, fees, cess etc., whether levied at present or in future, but does not include income tax payable by the Party concerned;

**"Term"** shall have the meaning set forth in Clause 3.1 of the Lease Agreement ;

**"Termination Notice"** shall have the meaning set forth in Clause 7.5 of the Lease Agreement .

## 1.2 Interpretations

In this Lease Agreement, except to the extent that the context requires otherwise:

- (a) the descriptive headings of clauses are inserted solely for convenience of reference and shall have no legal effect and are not intended as complete or accurate descriptions of content thereof and shall not be used to interpret the provisions of this Lease Agreement ;
- (b) the use of words in the singular or plural, or with a particular gender, shall not limit the scope or exclude the application of any provision of this Lease Agreement to any person(s) or circumstances except as the context otherwise requires;
- (c) the terms "hereof", "herein", "hereto", "hereunder" or similar expressions used in this Lease Agreement mean and refer to this Lease Agreement and not to any particular Clause of this Lease Agreement. The terms Clause mean and refer to the Clause of this Lease Agreement ;
- (d) any reference to "writing" includes printing, typing, lithography and other means of reproducing words in a permanently visible form;
- (e) reference to the word "include" or "including" shall be construed to mean include without limitation and shall be followed by "without limitation" or "but not limited to" whether or not they are followed by such phrases;
- (f) the Annexures to this Lease Agreement forms part of this Lease Agreement and will be of full force and effect as though it is expressly set out in the body of this Lease Agreement ; unless the context otherwise requires, any period of time referred to shall be deemed to expire on the last day of such period;
- (g) reference to any legislation or law or to any provision thereof shall include references to any such Applicable Law as it may, after the execution date of this Lease Agreement , from time to time, be amended, supplemented or re-enacted, and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.
- (h) any approval, consent, permit or NOC (means "No Objection Certificate") required to be obtained under or pursuant to the Lease Agreement , shall, unless specifically agreed to by the Parties, be required to be obtained in writing;
- (i) capitalised terms utilised herein but not defined shall, unless repugnant to the context thereof, have the meaning ascribed thereto in the Lease Agreement ;
- (j) Any reference to 'month' shall mean a reference to a calendar month as per the Gregorian calendar;
- (k) The rule of interpretation which requires that an agreement be interpreted against the person or Party drafting it shall have no application in the case of this Lease Agreement ;

- (l) Any reference to any period commencing "from" a specified day or date and "till" or "until" a specified day or date shall include both such days or dates;
- (m) Any obligation not to do something shall be deemed to include an obligation not to suffer, permit or cause that thing to be done. An obligation to do something shall be deemed to include an obligation to cause that thing to be done;
- (n) A right conferred by this Lease Agreement to do any act or thing shall be capable of being exercised from time to time;
- (o) The damages payable by either party under this lease agreement are mutually agreed genuine pre-estimated loss likely to be suffered or incurred by the Party entitled to receive the same and are not by way of Penalty;

## **2. Grant of Lease and possessions**

**2.1** The provisions of this Lease Agreement shall take effect and become binding on the Parties on the date of signing of this Lease Agreement.

**2.2** In consideration of the Lease Rent, the Lessor grants on lease to the Lessee and the Lessee agrees to accept the lease from the Lessor, free from Encumbrances and/or encroachments, of all that piece and parcel of land as per the description and plan given in the Annexure-I & II respectively (the "Site") and to hold, possess, use and enjoy the Site and/or any part thereof, in accordance with "the permitted use" mentioned in provisions of this Lease Agreement.

**2.3** The Lessor hereby grants and transfers physical possession of the Site on as is where is basis in terms of this Lease Agreement. For the purposes of this Lease Agreement, the Lessee shall be deemed to have inspected the Site and satisfied itself of the nature and physical conditions of the Site. The Lessee shall also be deemed to have satisfied itself regarding the feasibility of development of the Project on the site including with the right title and ownership of the Lessor. The Lessee shall have no recourse against the Lessor if the Site is found deficient in any manner at a later stage.

## **3. Term**

**3.1** The lease granted in pursuance of this Lease Agreement shall be for a period of \_\_\_\_\_[maximum 35 (thirty five)] years from the date of execution of the Lease Agreement (the "Term") unless the Lease Agreement is determined prematurely or renewed in accordance with provisions of this Lease Agreement or in the event land is leased for cargo related purposes under GCT policy, this land lease agreement will be co-terminus with GCT agreement.

**3.2** The Lessee shall not derive any right, title or interest in the said Site which shall remain the property of the Railways at all times except as provided in the Lease Agreement. The Lessee will have leasehold and

possessory rights for the Term on the Site which shall be enjoyed and exercised in accordance with "the permitted use" mentioned in provisions of the Lease Agreement and subject to the regular and timely payment of Lease Rent.

**3.3** Unless the lease is renewed by the Parties, the Lease Agreement shall expire at the conclusion of the Term of the lease.

**3.4** Notwithstanding anything contained in the Lease Agreement, the renewal of Term of Lease Agreement shall be on mutually agreeable terms and conditions between the parties, provided that the land is not required by the Lessor for its own purpose and will be subjected to fulfillment of terms and conditioned of this Lease Agreement including payment of all dues and lease rent.

#### **4. Lease Rent**

**4.1** Upon execution of the Lease Agreement and in consideration of the Lessor leasing the Site to the Lessee and granting the rights, set forth in this Lease Agreement, the Lessee shall pay to the Lessor in advance an annual lease rent/ entire payable amount on present value basis with discounting of future cash flows at rate of 7% per annum ("Lease Rent") and Taxes, as applicable as per annexure -III. Further, if the site includes existing railway building and useful or of interest to lessee then cost of building will also be suitably incorporated in Lease rent.

**4.2** In the event of availing option of annual lease rent, the Lease Rent payable by the Lessee for each financial year shall be due on 1<sup>st</sup> April. The Lease Rent shall be payable in advance on or before the 10<sup>th</sup> April of each financial year. Also, Lease Rent of the first financial year in full or part thereof, as the case may be, has been paid simultaneously with the execution of the Lease Agreement vide DD no. \_\_\_\_\_ dated \_\_\_\_\_ issued by \_\_\_\_\_ Bank.

**4.3** The Lessor shall also provide GST number to the Lessee.

**4.4** If the Lessee fails to pay the Lease Rent as aforesaid, the Lessee shall be liable to pay interest (Compounded annually) for the period of delay calculated at a rate equal to 1% (one per cent) ("**Interest**") per month. It is clarified for the avoidance of doubt that in situations where the period of delay is either more or less than a month, the pro-rata for actual days of delay shall be considered and the month as used herein shall be 30 days.

#### **5. Security Deposit**

**5.1** The Lessee has deposited an amount equivalent to annual Lease Rent of one years as interest free refundable security deposit (the "**Security Deposit**") prior to signing of the Lease Agreement by way of an unconditional and irrevocable bank guarantee in a mutually agreed form and issued by a Scheduled Commercial Bank (Insert Name of Bank) dated \_\_\_\_\_ bearing no. \_\_\_\_\_ ("**Bank Guarantee**") / cash / cheque dated \_\_\_\_\_ drawn on \_\_\_\_\_ bank bearing no. \_\_\_\_\_, or / fixed deposit bearing no. \_\_\_\_\_ issued by \_\_\_\_\_ bank dated \_\_\_\_\_]. The validity of Security

Deposit in the form of Bank Guarantee would be for minimum 18 months & it will be in form of revolving Bank Guarantee. At the time of payment of annual lease rent, the fresh Security Deposit (BG), as per latest annual lease rent, would be deposited & the earlier submitted Bank Guarantee would be released. In case the SD is deposited in the form other than BG the additional amount as per the latest annual lease rent for one year needs to be submitted. The Security Deposit is a security against any default in timely payment of Lease Rent or for breach of any other obligation of the Lessee under the Lease Agreement during the Term. The Bank Guarantee deposited by the Lessee shall remain valid and effective and be maintained in full force until the expiry of the term of the agreement. The Security Deposit/Bank Guarantee shall be applicable in case of annual lease payments only.

**5.2** Subject to Clause 7.2(iii), 7.6 and 7.7, the Security Deposit shall be returned to the Lessee within 30 days of the handover of Site by the Lessee to the Lessor on the expiry or early termination of Lease Agreement (as the case may be) and after clearance/ payment of all dues by the Lessee. If any dues, including Lease Rent etc, are payable by the Lessee under the terms of this Lease Agreement then the Lessor has a right to deduct the same from the Security Deposit. Further, in the event such dues are in excess of the Security Deposit the Lessor shall have the right to call upon (by written notice) the Lessee to replenish the shortfall in the Security Deposit within (60) sixty days of receipt of such notice.

**5.3** No interest shall be payable by the Lessor on the Security Deposit. However, if any interest accrues on the instrument payable by the issuing authority, the same shall be passed on to the Lessee.

## **6. Permitted Use of Site**

During the Term, the Lessee shall use the Site only for the purpose of the Project and other connected purposes and no other purpose whatsoever ("**Permitted Use**").

## **7. Termination prior to expiry of Term**

**7.1** This Lease Agreement may be terminated prior to the expiry of the Term, either by mutual agreement between the Parties in writing or through Termination Notice by a Party under Clause 7.5 due to other Party's Event of Default (Clause 7.3 & 7.4) or in accordance with the provision of Clause 9 (*Exit Rights*) or Clause 18 (*Force Majeure*).

**7.2** On early termination of the Lease Agreement **due to Lessee's default under clause 7.3** in terms of this Lease Agreement as mentioned in Clause 7.1 above:

(i) the Site, shall automatically revert to the Lessor free from all encumbrances without the Lessor being required to pay any consideration in respect thereof and the Lessee shall hand over the Site in accordance with the provisions of Clause 7.7 of this Lease Agreement ;

(ii) Recovery of any part of unpaid Lease Rent & Taxes and any other amounts due and payable to the Lessor from the Lessee till the date of termination or handing over of site whichever is later ;

(iii) Forfeiture of Security Deposit by the Lessor to the Lessee

(iv) Pro-rata refund of Lease Rent paid in advance by the Lessee;

(v) Provision of NOC by the Lessor as may be required by the Lessee for dismantling or removing the Lessee's assets on the Site; and

(vi) Action for remove/disposal of movable fixtures/ equipment as well as fixed assets erected by them at their own expenses as detailed under clause 7.7.

**7.3 Lessee's Event of Default:** Each of the following event(s) or circumstance(s), to the extent not caused by Force Majeure event or Lessor's Event of Default under Clause 7.4, shall be considered, as Lessee's Event of Default :

(a) Final order for liquidation or winding up has been pronounced by a court of competent jurisdiction;

(b) Application for voluntary liquidation or winding up has been instituted by the Lessee;

(c) The Lessee is adjudged bankrupt or insolvent, or if a trustee or receiver is appointed for the Lessee or for the whole or material part of its assets that has a material bearing on the Lease Agreement

(d) The Lessee does or permits to do any act, matter, agreement or thing in violation of Applicable Law and/or Applicable Permits which results in a Material Adverse Effect with respect to the Lease Agreement ;

(e) Failure of the Lessee to pay Lease Rent to the Lessor in accordance with the provisions of the Lease Agreement;

(f) Failure by the Lessee to perform any of the covenants, conditions, or obligations imposed on it by this Lease Agreement (other than the obligation to pay Lease Rent) which results in a Material Adverse Effect with respect to the Lease Agreement;

(g) The Lessee transfers or assigns its rights or obligations under this Lease Agreement or any part thereof or creation of any Encumbrance on the Site otherwise than as permitted under the Lease Agreement;

(h) Use of the Site for any purpose other than the Permitted Use;

(i) Voluntary abandonment by the Lessee of its operations at the Site or usage of the Railway network for the Project, without prior intimation to the Lessor for a continuous period of 180 (one hundred and eighty) days or more.

(j) The Lessee during the Term of the Lease Agreement amends its Memorandum of Association and/or Articles of Association in such a way that it conflicts with the terms and conditions of the Lease Agreement .

**7.4 Lessor's Event of Default:** - Each of the following events or circumstances, to the extent not caused by a Force Majeure event or Lessee's Event of Default under Clause 7.3, shall be considered, as Lessor's Event of Default:

(i) The Lessor fails to provide to the Lessee the right of way to the Site in terms of the Lease Agreement for more than twelve months.

**7.4.1** The lessor shall refund full security money in terms of clause 5.2 and refund lease charges deposited with the lessor by lessee without any further financial liability on lessor.

**7.5 Notice of Termination:**

(i) Without prejudice to non-defaulting Party's rights under the Lease Agreement or under the Applicable Laws, the non-defaulting Party shall have the right to issue a notice for Event of Default ("**EOD Notice**") to the defaulting Party upon the occurrence of either a Lessee's Event of Default or Lessor's Event of Default (as the case may be).

(ii) The defaulting Party shall have the right to rectify or cure the breach within the Cure Period.

(iii) If the breach is not rectified by the defaulting Party within the Cure Period, the non-defaulting Party shall have the right to terminate the Lease Agreement by the issuance of a notice of termination ("**Termination Notice**").

(iv) The Lease Agreement shall stand automatically terminated without any further notice after 30 days of receipt of the Termination Notice by the defaulting Party. Notwithstanding the above, it is clarified that no Cure Period shall be provided where a default detailed in Clause 7.3(b & c) occurs, and the Lessor has the right to issue a Termination Notice under this Clause in respect of such default without issuing an EOD Notice.

(v) In the event at any time after the date hereof, any event or circumstance comes to the attention of either Party that constitutes an Event of Default then such Party shall immediately notify the other Party of the same. Such notification shall not be construed to have the effect of (i) waiver of any rights of the non-defaulting party in respect of such Event of Default; or (ii) adversely affecting the performance of any related obligation of either Party under this Lease Agreement. Provided however that such non-defaulting Party's right to issue EOD Notice shall extinguish after expiration of 365 days of the occurrence of the Lessor's Event of Default or Lessee's Event of Default, as the case may be, unless such default is of a continuing nature.

**7.6** Without prejudice to the Lessor's rights under Applicable Law, upon termination due to Lessee's Event of Default the Lessor shall be entitled to recover any amounts due from the Lessee including any unpaid Lease Rent due and payable at the time of termination. In addition to above, the Lessor shall also have the right to adjust any such amounts including unpaid Lease Rent against the Security Deposit.

**7.7** Upon termination of this lease agreement in accordance with the provision hereof, the lessee shall remove/dispose the movable fixtures/equipment as well as fixed assets erected by them at their own expenses and handover peaceful and vacant possession of the Site to the Lessor within sixty (60) days from the date of Termination Notice or such extended period as allowed by the Lessor on written request from the Lessee. For this duration, the Lessee shall have an uninterrupted license/permission to access the Site provided that Annual Rent has been paid by the Lessee for this period. In case of failure of the Lessee in pulling down and removing the installations, buildings and other works from the Site within the aforesaid period, the Lessor will be entitled to take over the movable fixtures/equipment as well as fixed assets on the site as per their utilities with no cost to Lessee, however, in absence of any utility of such assets (movable/immovable) to Lessor, actual expenses incurred by the Lessor in removing/disposing the assets shall be recoverable from the Lessee security deposit etc.

**7.8** No liability (accrued or contingent) of the Lessee in relation to the Project on account of the Lessee's actions or inactions prior to expiry of Term or earlier termination of the Lease Agreement, shall be assumed or transferred to the Lessor.

**7.9** If the Lease Agreement is terminated for any reason by the Lessor, the Lessor shall be entitled to Lease Rent only till the date of termination or date of handover of Site by the Lessee, whichever is later, and the excess amount, if any, already paid by the Lessee towards Lease Rent shall be refunded on pro-rata basis by the Lessor to the Lessee within 30 days of the handover of Site.

**7.10** For GCT Cases: In case of difference in interpretation or difference/dispute in any clause under this land lease agreement and Main GCT agreement, the provisions of GCT agreement will prevail.

## **8. Lessor's representations and warranties**

The Lessor hereby represents and warrants that:

- (a) The Lessor is the sole and absolute owner of the Site and has the necessary power and authority to execute, deliver and perform its obligations under this Lease Agreement;
- (b) There is no subsisting claim, suit, litigation, or any other such proceedings, restricting or challenging the title, possession, demarcation or boundaries of the Site;

- (c) Subject to the timely payment of the Lease Rent and adherence to the covenants and conditions of the Lease Agreement, the Lessee shall be entitled to possess, hold, use and enjoy the Site and every part thereof during the Term free from all Encumbrances;
- (d) Upon execution of the Lease Agreement and subject to the terms thereof, it shall deliver, or cause to be delivered, to the Lessee, possession of the Site on "as is where is basis";
- (e) The Lessor shall not create any Encumbrances on the Site or otherwise part with or alienate any of its rights, title or interest in or to the Site which adversely affects Lessee's use and enjoyment of the Site in terms of the Lease Agreement.

## 9. Exit Rights

**9.1 Lessor's Exit Right:** Notwithstanding anything to the contrary, if the Site is required for Railway's own developmental works (new line, multi-tracking, traffic facility works and station development works), the Lessor shall have the right to (a) terminate the Lease Agreement, or (b) take back a part/complete Site. In either of the aforementioned situations (a) and (b), the Lessor shall be required to provide a twenty-four (24) months or as per GCT policy whichever is less prior written notice to the Lessee.

Pursuant to receipt of such notice, notwithstanding anything mentioned in Clause 4.2 (advance rent) the future rents shall be paid by the Lessee only till the expiry of the said 24 months period or as per GCT policy whichever is less. The rights under this Clause may be exercised by the Lessor, subject to the following:

- i. Lease Rent shall be paid by the Lessee to the Lessor on a proportionate basis for the Term during which the Lease shall subsist ; and in the event rent had been paid upfront, excess part of Lease Rent for unutilized period of Term shall be refunded without any interest there in ;
- ii. In the event the Lessor takes back part of the Site, the Lease Rent will be reduced proportionality; and in the event rent had been paid upfront, excess amount will be refunded proportionately based on area taken back for unutilized Term of lease but without any interest thereof;
  - iii. In the event of the Lessor takes back the Site before expiry of Term of Lease Agreement, Lessor will pay the compensation payment to lessee as per valuation of the investment made by the party in the project. The valuation of investment made will be done either by Government agencies or mutually agreed Government approved valuers.
  - iv. In the event the Lessor intends to take back part of the Site and the Lessee refuses such proposal/ request on account the resultant part of the Site becomes inaccessible, unusable or not suitable for use of the Lessee, full Site shall be taken back by the Lessor.

**9.2 Lessee's Exit Right:** Notwithstanding anything to the contrary, the Lessee shall have the right to (a) exit the Lease Agreement, or (b) return any part of the Site. In either of the aforementioned situations (a) and (b), the Lessee shall be required to provide twelve (12) months written notice to the Lessor. The rights under this Clause may be exercised by the Lessee subject to the following:

(i) The Lessee shall continue to pay the Lease Rent in full for this period of twelve (12) months or handing over of site whichever is later.

(ii) In the event the Lessee returns part of the Site, mutually agreed to by lessor wherein lessor feels that it can be of some use to it, the annual Lease Rent will be adjusted proportionately to the amount of area retained by the Lessee after 12 months of handing over of such part of the Site.

(iii) The Lessee may at any time during the notice period forego to continue in the Site and exit the Lease Agreement forthwith by paying pro-rata advance rent for the remainder of the notice period.

(iv) The rights under this Clause may be exercised by the Lessee subject to that the Lessee shall not be entitled for refund of any part of Lease Rent.

(v) In any event, the Lessee shall hand over possession of the Site or part thereof to the Lessor on or before the end of the notice period.

(vi) In the event of the Lessee exit the Lease Agreement or return more than 50% of the Site, the Lessee shall pay one year Lease Rent, as compensation for the loss of rent, to the Lessor except when the remaining lease period is less than one year where only rent for balance period is to be given. Nothing in this clause shall be construed to limit the rights of the Lessor from claiming any compensation in respect of any loss that may have occurred to the Lessor due the premature exit of the Lessee from the Lease Agreement.

**9.3** In the event of proposed return of part(s) of the Site by the Lessee, the Lessor shall have the right to refuse such proposal/ request of the Lessee in case such part(s) of the Site become inaccessible, unusable or not suitable for any future leasing/ licensing by the Railway and the Lessee shall be liable to pay the Lease Rent without any reduction on a proportional basis.

**9.4** In the event, the Lessee exercises its right to return the Site (or any part thereof) it shall give a notice period of 12 months and remove/dispose the movable fixtures/ equipment as well as fixed assets erected by them at their own expenses within the notice period. In case of failure of the Lessee in pulling down and removing the installations, buildings and other works from the Site within the aforesaid period, the Lessor will be entitled to take over the movable fixtures/ equipment as well as fixed assets on the site as per their utilities with no cost to Lessee, however, in absence of any utility of such assets (movable/immovable) to Lessor, actual expenses incurred by the Lessor in removing/disposing the assets shall be recoverable from the Lessee security deposit etc.

## **10. Limitations on grant of lease rights on the Site**

**10.1** The Parties expressly agree that subject to the provisions of the Lease Agreement, the right of way and the leasehold rights are being granted to the Lessee exclusively for the Permitted Use relating to the Project mentioned in this Lease Agreement. It is clarified that (i) the Lessee shall not sell or alienate the Site in any manner or otherwise dispose of or remove except for the purpose of the Lease Agreement including the Project, the sand, stone, clay, ballast, earth, rock or other substances or materials which may be obtained from any excavation made for the purpose of the Project, or any building, or produced upon the Site; and (ii) the Lessee shall not use the Site or any part thereof or permit same to be used for worship or religious or educational purpose or for any other purpose other than Permitted Use.

**10.2** The Parties recognize and agree that nothing contained in the Lease Agreement shall be constructed to constitute a transfer of the title of the Site. The Lessee shall not, at any time during the Term, assert any ownership rights over the Site and that the lease rights shall be incapable of conversion into freehold rights.

**10.3** Without prejudice to the foregoing, the Lessee agrees, confirms and undertakes that it shall not sell, license, sub-license, lease, sub-lease, assign, underlet or sub-let or part with the possession of the Site or any part thereof or any interest therein, except to the extent specifically permitted under the Lease Agreement

**10.4** It is expressly agreed understood and recorded between the Parties that:

- (i) mining rights cannot, and do not, form part of the rights granted hereunder and the Lessee hereby acknowledges that it does not, and shall not have (a) any mining rights in the Site under the Lease Agreement or any interest in the underlying mineral, if any; and (b) any right over minerals such as gold, silver, oil and other minerals of any description found in the Site.
- (ii) any archaeological discoveries shall belong to and vest in the Government and the Lessee shall promptly report the discovery thereof to Railway and the appropriate Government authority and follow such authority's instruction for safe removal thereof. It is agreed that the Lessor will coordinate with authorities to ensure minimal disruption to the business of the Lessee for carrying out aforesaid instructions for safe removal. It is further clarified that the Lessee shall not have any right over any precious stones, coins, treasures, relics, antiquities and other similar things found in the Site.

**10.5** It is expressly agreed between the Parties that Lessor reserves for itself, subject to the provisions of this Lease Agreement, the right to grant any easements over or rights of access or rights of way on, over, under, through or across the Site for the purpose of supply of electricity, gas, telecommunication cables, water, sewerage, drainage or any other services and utilities; or, the purpose of transport or other services to the public.

**10.6** The Lessee shall be deemed to have inspected the Site and be aware of the existing boundary wall(s), buildings, constructions, immovable assets, structures, installations, trees, shrubs, electric poles, etc., if any, on the Site, which is being offered on an "as is where is basis". The Lessee shall be fully responsible for arranging any further Applicable Permits related to the Site and the Project and the Lessor shall not be responsible for any failure or delay in obtaining such Applicable Permits. The Lessee hereby admits, agrees and acknowledges that the Lessor has not made any representation to the Lessee or given any warranty of any nature whatsoever to the Lessee in respect of the Site including in respect of its topography, soil/soil strata, usefulness, utility etc. or the fulfilment of criteria or conditions for obtaining Applicable Permits by the Lessee for implementing the Project on the Site.

**10.7 Deemed Knowledge and Disclaimer:** The Lessee shall not have any right whether express or implied to bring any claim against, or to recover any compensation or other amount from the Lessor in respect of the Project other than for those matters in respect of which express provision is made in the Lease Agreement .

## **11. Lessee's representations and warranties**

The Lessee hereby represents and warrants that:

- (a) It has full power and authority to execute, deliver and perform its obligations under the Lease Agreement and to carry out the Project;
- (b) It has taken all necessary corporate and other actions under Applicable Laws and its Memorandum and Articles of Association to authorize the execution, delivery and performance of its obligations under the Lease Agreement;
- (c) This Lease Agreement has been duly authorized, executed, and delivered by it after fulfilling all legal formalities and constitutes its legal, valid and binding obligation;

## **12. Covenants**

**12.1** The Lessor undertakes to be bound by the following covenants during the Term:

- (a) The Lessor shall allow the Lessee ingress and egress right to and from the Site for the Project during the Term from the agreed locations, without any hindrance;
- (b) Upon execution of the Lease Agreement , the Lessor shall provide the Lessee with any consent or no objection of the Lessor and Railway in obtaining power, water, telephone and such other facilities that the Lessee may require to use and enjoy the Site effectively for the Project. Such consent or no objection shall be provided by the Lessor within a reasonable time, and no later than 30 (thirty days) from the date of the request made by the Lessee.

**12.2** The Lessee undertakes to be bound by the following covenants during the Term:

(a) During the Term of the Lease Agreement, it shall undertake the development of the Site, and other works which in its reasonable opinion may be required in relation to the Permitted Use and obtain necessary approvals/clearances from the appropriate authorities for the same;

(b) Subject to Clause 12.1(b), the Lessee shall be solely responsible for seeking connections at its own cost and expense and ensuring the supply of all utilities such as water, electricity etc. incidental to the implementation of the Project from the appropriate authorities at its own cost and expense.;

(c) It shall obtain and maintain/ renew all Applicable Permits that may be required under the Applicable Laws;

(d) It shall not create any Encumbrance on the Site, except as permitted in this Lease Agreement ;

(e) It shall keep and maintain the Site and the buildings and structures thereon in good and habitable condition at all times, and shall ensure that the Site shall be free of encroachments at all times;

(f) It shall undertake the Project during the Term with due regard to Applicable Law and it shall take all necessary care to keep the Site neat and clean and in sanitary conditions;

(g) It shall duly comply with Applicable Law related to labour, workmen and other staff employed for the Project;

(h) It shall obtain and maintain in force during the Term, all insurance in accordance with the provisions of the Lease Agreement and Good Industry Practice;

(i) Passage, walk-ways, or water bodies, if any on the Site, may be blocked, cut through, altered, or diverted by the Lessee as per Applicable Laws. In case of any violation of Applicable Laws by the Lessee in this regard, if any fine or penalty is levied on the Lessor/Railways then the same shall be recoverable from the Lessee;

(j) Where any government authority having competent jurisdiction orders the Lessee to pull down, rebuild, replace or repair any part or parts of construction conducted on the Site as being in violation of Applicable Permits or Applicable Law, and such order has not been stayed or otherwise set-aside, the Lessee shall remove such part of construction within reasonable timelines as may be directed by such government authority.

(k) The Lessee undertakes that it shall notify the Lessor of any breach by the Lessee of any Applicable Permits notified by an appropriate authority through written notice resulting in Material Adverse Effect acquired in relation to the Site.

(l) The Lessee shall pay all Taxes in respect of the Site which may be levied at any time during the Term of the Lease Agreement. In case any Taxes due to be paid by the Lessee but the Lessee fails to pay, the Lessor shall be entitled, but not be obliged to pay the same and will be entitled to receive such amounts paid by the Lessor from the Lessee along with interest at a rate of 12% (twelve percent) per annum.;

### **13. Indemnities**

**13.1** The Lessee and Lessor shall fully indemnify, defend and hold harmless each other, respective indemnified Party's officers, servants, agents, against any and all losses, suits, proceedings, actions, demands, claims and liabilities, which may be incurred or suffered by the indemnified Party and which may arise of or as a result of any of the following cause:

(a) any breach by a Party of any of its obligations, covenants, agreements, representations or warranties set forth in this Lease Agreement ;

(b) any loss of property, damage to property, personal injury or death occasioned to or suffered by any person, to the extent that the damage to or loss of property or the personal injury or death is caused willfully or negligently by a party;

(c) any breach, violation or non-compliance by a Party of any Applicable Laws and/or Applicable Permits with respect to the exercise of its rights and obligations with respect to the Site; and

**13.2** Notwithstanding anything to the contrary contained herein, in no event shall the Lessor, its officers, employees or agents be liable to indemnify the Lessee for any matter arising out of or in connection with the Lease Agreement in respect of any indirect or consequential loss, including for any loss of profit, suffered by the Lessee.

**13.3** Either Party shall have the power and right to pay or to defend or compromise any claim of threatened legal proceedings or in anticipation of legal proceedings being instituted consequent on the action or default of the other Party, to take such steps as may be considered necessary or desirable to ward off or mitigate the effect of such proceedings, charging to such other Party, as aforesaid, any reasonable sum or sums of money which may be paid and any reasonable expenses whether for reinstatement or otherwise which may be incurred and the propriety of any such payment, defence or compromise.

**13.4** It is expressly understood by the Parties that Clause 13 shall survive the termination or expiry hereof.

### **14. Regulatory approvals for construction**

**14.1** The Lessee agrees and covenants that the Lessee shall undertake construction of buildings and/or structures related with the operation of the Project at the Site only after obtaining all Applicable Permits as are

necessary for such constructions. The Lessee further agrees that the Lessee shall at all times comply with the conditions of such Applicable Permits.

**14.2** The Lessor shall not in any way liable for the approval/ permits or for non-receipt thereof for any reason whatsoever nor for any loss or damage arising in consequence of such delay or non-receipt

## **15. Inspection by the Lessor**

**15.1** The Lessee agrees that during the Term of the Lease Agreement, the Lessor and its authorised persons/officers shall have the right, by giving a prior notice of twenty four (24) hours to the Lessee, to enter upon and inspect the Site, all works and convenience of the Lessee thereon whether completed or in course of construction.

**15.2** The Lessee undertakes that it shall notify the Lessor of any material breach by the Lessee of any Applicable Permits acquired in relation to the Site.

## **16. Stamp duty and registration charges**

Subject to the exemption or waiver, if any, granted by the government or any other authority, the Parties agree that all stamp duties, registration charges and all other local/statutory charges payable in respect of the lease contemplated herein, and it's all associated activities, shall be to the account of and borne by the Lessee. The Lessee shall be solely responsible to take all necessary actions to ensure that the Lease Agreement is adequately stamped and duly registered with the relevant authority and the Lessor shall provide support to the Lessee, in this regard.

## **17. Assignment, Mortgage and Sub-Letting**

Notwithstanding anything contained otherwise in the Lease Agreement, the Lessee shall not have the right to mortgage or encumber its interest over the Site in favour of third party lenders. The Lessee shall not assign, sub-let, sub-lease, license, the Site (or any part thereof) or its interest as a Lessee or grant any concession within the Site to any third party or part with possession or use of any part of the Site.

## **18. Force Majeure**

**18.1** Neither Party shall be liable to the other for non-performance of its respective obligations under this Lease Agreement on account of any event of force majeure as referred in Clause 18.2 ("Force Majeure") and Change of Law shall not be considered as a Force Majeure event.

**18.2 Force Majeure event:** Force Majeure event means the following events and/ or circumstances to the extent that they or their consequences satisfy the requirements set forth in Clause 18.3 :

(i) war (whether declared or undeclared), invasion, armed conflict or act of foreign enemy in each case involving or directly affecting the Site;

- (ii) revolution, riot, insurrection or other civil commotion, act of terrorism or sabotage in each case involving or directly affecting the Site;
- (iii) nuclear explosion, radioactive or chemical contamination or ionizing radiation directly affecting the Site and/or the assets, unless the source or cause of the explosion, contamination, radiation or hazardous thing is brought to or near the Site by the Lessee or any affiliate of the Lessee or any contractor of the Lessee or any of their respective employees, servants or agents;
- (iv) strikes, working to rule, go-slows and/or lockouts which is not restricted to the Lessee are in each case widespread, nationwide and affects the Site;
- (v) any effect of the natural elements, including lightning, fire, earthquake, unprecedented rains, tidal wave, flood, storm, cyclone, typhoon or tornado, within the Site or near vicinity;
- (vi) explosion (other than a nuclear explosion or an explosion resulting from an act of war) within the Site or near vicinity;
- (vii) epidemic, pandemic,
- (viii) any event or circumstances of a nature analogous to any events set forth in sub-Clause (i) and (vii) above

**18.3** In the Lease Agreement, no event or circumstance and/or no combination of events and circumstances shall be treated as a Force Majeure event unless, among other conditions that may be imposed by law, it satisfies all the following conditions: -

- (i) materially and adversely affects the performance of an obligation under the Lease Agreement ;
- (ii) are beyond the reasonable control of the affected Party;
- (iii) such Party could not have prevented or reasonably overcome with the exercise of Good Industry Practice or reasonable skill and care; and
- (iv) do not result from the negligence or misconduct of such Party or the failure of such Party to perform its obligations hereunder.

**18.4** As soon as reasonably practicable and in any case within 30 (thirty) days of the date of occurrence of a Force Majeure event or the date of knowledge thereof, either Party shall notify other Party of the same setting out, *inter alia* (a) the nature of the Force Majeure event and the estimated period for which the Force Majeure event is likely to continue; (b) the nature of and to the extent to which, the performance of any of its obligations under this Lease Agreement will be affected by the Force Majeure event; (c) the measures which the other Party has taken or proposes to take to alleviate/mitigate the impact of the Force Majeure event and to resume performance of such of its obligations affected thereby.

**18.5** Where the event of Force Majeure exists for a continuous period of 12 (twelve) months from the date of the notice referred to in Clause 18.4, the Parties shall mutually decide on the course of action to be adopted, which may include the determination of this Lease Agreement. If Parties cannot mutually agree, then Lessee will have a right to terminate the Lease Agreement post 12 (twelve) months from the date of notice in Clause 18.4, with a notice of 30 (thirty) days.

**18.6** Notwithstanding anything to the contrary in this Lease Agreement, if the Lease Agreement is determined in accordance with Force Majeure event, neither Party shall be liable to pay any compensation to the other for such termination.

## **19. Dispute Resolution**

**19.1** A 'dispute' shall mean, any dispute and differences or controversy, of any nature whatsoever, howsoever arising under or out of or in connection with the Lease Agreement between the parties, and so notified in writing by one party to another.

**19.2** The parties shall, at first instance, use their respective reasonable endeavor to settle the Dispute amicably between themselves through negotiation for a period of 60 days' from the receipt of notice by responding Party under this clause.

**19.3** Any Dispute which the Parties are unable to resolve through negotiation or amicable settlement, within 60 (sixty) days (or such longer period as the Parties may agree) of notice by one Party to the other of existence of a Dispute, shall be resolved in accordance with the provisions of this Lease Agreement .

**19.4** A standing committee of three JAS/SG officers of Engineering, Finance and user department of concerned railway division shall examine all the issues and submit recommendations to the DRM whose decision shall be final and binding on all the parties.

## **20. Governing Law & Jurisdiction**

This Lease Agreement is governed by and shall be construed in accordance with the laws of India. In case of any dispute and difference arises, the Court of the place where Lease Agreement has been executed shall have the exclusive jurisdiction to try such litigation.

## **21. Independent Rights**

Each of the rights of the Parties is independent, cumulative and without prejudice to all other rights available to them, and the exercise or non-exercise of any such rights shall not prejudice or constitute a waiver of any other right of the Party, whether under this Lease Agreement or otherwise. Provided that where different rights are created as a result of or on account of a single cause of action, where a Party has achieved complete remedy by pursuing one course of action, such Party shall not be entitled to pursue another course of action to seek further remedies for the same cause of

action. Furthermore, all causes of action available to any Party in respect to one single subject matter of dispute may also be raised in one single legal proceeding.

## **22. Notices**

Any notice or other communication to be given by any Party to the other Party under or in connection with the matters contemplated by this Lease Agreement shall be in writing and shall:

- a. in the case of the Lessee, be given by registered acknowledgement due or by air-mail or by facsimile or e-mail and by letter delivered by hand to the address given and marked for attention of the person set out below or to such other person as the Lessee may from time to time designate by notice to the Lessor;

Attention:

Designation:

Address:

Fax No:

Email:

- (b) in the case of the Lessor; be given by registered acknowledgement due or by air-mail or facsimile or e-mail and by letter delivered by hand to the address given below and be addressed to the Lessor with a copy delivered to the Lessor's Representative or such other person as the Lessor may from time to time designate by notice to the Lessee;

Attention:

Designation:

Address:

Fax No:

Email:

- (c) any notice or communication by a Party to the other Party, given in accordance herewith, shall be deemed to have been delivered when in the normal course of post, it ought to have been delivered and in all other cases, it shall be deemed to have been delivered on the actual date and time of delivery; provided that in the case of facsimile or e-mail, it shall be deemed to have been delivered on the working day following the date of its delivery.

## **23. General Provisions**

**23.1** This Lease Agreement together with the Annexures constitutes the entire agreement between the Parties with respect to the subject matter and the transaction envisaged in this Lease Agreement and shall supersede any prior written or oral agreements between the Parties.

## **23.2 Waiver**

(a) Waiver, including partial or conditional waiver, by either Party of any default by the other Party in the observance and performance of any provision of or obligations under this Lease Agreement :

(i) shall not operate or be construed as a waiver of any other or subsequent default hereof or of other provisions of or obligations under this Lease Agreement ;

(ii) shall not be effective unless it is in writing and executed by a duly authorised representative of the Party; and

(iii) shall not affect the validity or enforceability of this Lease Agreement in any manner.

(b) Neither the failure by either Party to insist on any occasion upon the performance of the terms, conditions and provisions of this Lease Agreement or any obligation there under nor time or other indulgence granted by a Party to the other Party shall be treated or deemed as waiver of such breach or acceptance of any variation or the relinquishment of any such right hereunder.

**23.3 Amendments:** No amendment or waiver of any provision of the Lease Agreement, nor consent to any departure by any of the Parties there from, shall, in any event, be effective unless the same shall be in writing and signed by the Parties hereto and then such amendment, waiver or consent shall be effective only in the specific instance and for the specific purpose for which it is given.

**23.4 Language:** All notices, certificates, correspondence or other communications under or in connection with the Lease Agreement , any other documents shall be in English.

**23.5 Counterparts:** This Lease Agreement is made in 2 (two) original copies, each having the same contents and the Parties have read and thoroughly understand the contents hereof and have hereby affixed their respective signatures and seals before witnesses. All counterparts shall constitute the same Lease Agreement .

## **23.6 Severability**

If for any reason whatsoever, any provision of this Lease Agreement is or becomes invalid, illegal or unenforceable or is declared by any court of competent jurisdiction or any other instrumentality to be invalid, illegal or unenforceable, the validity, legality or enforceability of the remaining provisions shall not be affected in any manner, and the Parties will negotiate in good faith with a view to agreeing to one or more provisions which may be substituted for such invalid, unenforceable or illegal provisions, as nearly as is practicable to such invalid, illegal or unenforceable provision. Failure to agree upon any such provisions shall not be subject to the dispute resolution procedure set forth under this Lease Agreement or otherwise.

### **23.7 Specific Performance**

Parties agree that, to the extent permitted under applicable laws, and notwithstanding any other right or remedy available hereunder, the rights and obligations of the Parties herein shall be subject to the right of specific performance and the affected party shall be entitled to immediate and permanent injunctive relief, specific performance or any other equitable relief from a competent court. The breach of the provisions hereof will cause immediate irreparable harm to the adversely affected party for which compensation in terms of damages shall not be an adequate remedy. Without prejudice thereof, the affected party shall be entitled to any other right or remedy under at law or in equity, including without limitation recovery of damages from the defaulting party.

### **23.8 Expenses**

Subject to Clause 16, each Party shall pay its own costs and expenses (including, without limitation, the fees and expenses of its agents, authorised representatives, advisors, counsel and accountants) necessary for the negotiation, preparation, execution, delivery, the performance of and compliance with this Lease Agreement .

### **23.9 Expiry and Vesting Provisions**

In case of expiry of the Term or termination under Clause 9.1 and Clause 9.2, the process of transfer and vesting shall start at least 01 (one) year prior to expiry of the Term or from the date of Termination Notice (as the case may be) with a joint survey by the Lessor and the Lessee of all the assets and utilities, and structures on the Site. In case the Lessor decides against extending the lease for a further term, the Lessee shall ensure vacation the Site at least a fortnight prior to the expiry of the Term and the Site shall be transferred to the Lessor free from Encumbrances.

### **23.4 Renewal of Agreement**

On expiry of lease agreement, further renewal upto 35 years or as agreed upon by lessor and lessee whichever is less can be done based on mutual agreement between railway and party. Market value of the land prevalent at the time of renewal shall be considered for deciding the lease charges.

IN WITNESS WHEREOF THE PARTIES HAVE EXECUTED AND DELIVERED THIS LEASE AGREEMENT AS OF THE DAY, MONTH AND YEAR FIRST ABOVE WRITTEN.

<p><b>SIGNED, SEALED AND DELIVERED</b></p> <p>For and on behalf of THE PRESIDENT OF INDIA by:</p> <p>(Signature)</p> <p>(Name)</p> <p>(Designation)</p> <p>In the presence of;</p> <p>1.</p> <p>2.</p>	<p><b>SIGNED, SEALED AND DELIVERED</b></p> <p>For and on behalf of LESSEE by:</p> <p>(Signature)</p> <p>(Name)</p> <p>(Designation)</p> <p>In the presence of;</p> <p>1.</p> <p>2.</p>
--	--

**Annexure-I**

**Site Description & Inventory**

1. The details of the Site is as below:-

<b>Land Area</b>	_____ sq.m.
<b>The Site is bounded by:-</b>	
<b>North:</b>	
<b>East:</b>	
<b>West:</b>	
<b>South:</b>	

2. **Site inventory:-** The Site has the following inventory in, on and around it:

## **Annexure-II**

### **Site Plan**

Site Plan of Land included in the memorandum showing the adjoining land, railway siding, transmission lines etc. is enclosed herewith.

## Annexure-III

### Lease Rent

i. **In case of annual rent**

Lessee accept and agrees to pay Lease Rent for the lease rights on an area of land \_\_\_\_\_[ ] sqm as per break up given below:-

Area of Site : \_\_\_\_\_sqm

Market Value of Site:- Rs. \_\_\_\_\_

**Lease Rent** = ----- % of Market value of Site with annual escalation of -----%

ii. **In case of upfront payment**

**Lease Rent** = ----- % of Market value of Site with annual escalation of -----% on present value basis with discounting of future cash flows at rate of 7% per annum for 35 years

[1] This document is specifically framed for PARTY and may be used for other cases. Accordingly, provisions pertaining to PARTY have been kept in square bracket “[ ]” and should be removed/modified for other cases.

[2] In case the entity is not a company under the Company Act 2013, such entities shall have to get registered as a company under the Company Act 2013 before signing the Lease Agreement.

[3] This should be confirmed by finance before signing the Lease Agreement.