

VOLUME-II
DRAFT DEVELOPMENT AND MANAGEMENT
AGREEMENT

This Development and Management Agreement ("**Agreement**") is entered into on this ____ day of _____ 2017 at Vijayawada, Andhra Pradesh, India.

BETWEEN

Andhra Pradesh Industrial Infrastructure Corporation Limited, a Company registered under the Companies Act 1956, having its registered Office at 4th Floor, Parisrama Bhavan, Fateh Maidan Road, Basheerbagh, Hyderabad - 500004 and having its corporate office at 59A-20/3/2A, 1st Floor, Sri Siva Complex, Fun times Club Road, Teachers Colony, Vijayawada - 520008, represented by its Vice Chairman and Managing Director, hereinafter referred to as "**APIIC**" or "**Lessor**", which term unless the context otherwise require shall mean and include all its successors in office and assignees, on the one part,

AND

_____, a company incorporated under the Companies Act, 2013 and having its registered office at _____, represented by its _____ [insert designation of authorized representative and signatory], _____ [insert name of authorised representative and signatory], hereinafter referred to as the "**Project Company**" or "**Developer**" or "**Lessee**", which expression shall, where the context so admits, include its successors, executors and permitted assigns, on the second part.

APIIC and the Developer are hereinafter individually referred to as a "**Party**" and collectively as the "**Parties**".

WHEREAS

- A. Andhra Pradesh Industrial Infrastructure Corporation Limited, a fully owned undertaking of Government of Andhra Pradesh, is a progressive organization responsible for development of Industrial Infrastructure offered an extent of 6.5 Acre of vacant land situated at Plot No. 37, 38 & 39 of the Electronics Manufacturing Cluster at Vikruthamala (V), Yerpedu (M) of Chittoor District of Andhra Pradesh (hereinafter referred to as "Project Site"), through an Advertisement published in daily Newspaper for development of Factory Premises on Design, Build, Finance, Operate & Transfer (DBFOT) basis under Public Private Partnership (PPP) mode (hereinafter referred to as "Project").
- B. Pursuant to evaluation of the Proposals that were received, APIIC accepted the Proposal submitted by _____ [Selected Bidder] and a Letter of Award (LoA) bearing number _____ dated _____ was issued to the [Selected Bidder]. APIIC acknowledges that _____ [Selected Bidder] has signed and returned the duplicate copy of the LoA in acknowledgement thereof vide their letter bearing number _____ dated _____.
- C. _____ [Selected Bidder (Bidding Entity/ Bidding Consortium)] has promoted the Developer ("**Special Purpose Vehicle**" or "**SPV**") in accordance with the terms of RFP and has requested APIIC through a letter bearing number ____ dated ____ to accept the Developer as the entity which shall undertake and perform the obligations and exercise the rights of the Selected Bidder under the LoA, including the obligation to enter into this Agreement pursuant to the LoA for implementing the Project.
- D. APIIC acknowledges that the Developer has submitted the following to APIIC:

- 1) an amount of Rs. _____ (Rupees _____ only) being the Annual Development Premium for the first year of the Lease Period by means of a bank draft dated _____, bearing number _____ on _____ [name of bank].
 - 2) a Development-cum-Construction Guarantee for an amount equal to Rs. 50 lakh (Rupees fifty lakh only).
- E. APIIC, in pursuance of the Bid Documents (Request for Proposal), LoA, the Lease Deed and the correspondence APIIC had with the Developer now agreed to execute this Development and Management Agreement.

NOW THEREFORE THIS AGREEMENT WITNESSETH AND IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:

1. ARTICLE 1: DEFINITIONS

1.1 Definitions

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

"Accounting Year" means the financial year commencing from 1st April of any calendar year and ending on 31st March of the next calendar year.

"Agreement" means this agreement including Schedules hereto and any amendments thereto made in accordance with the provisions of this Agreement.

"Annual Development Premium" or "ADP" means the amount quoted by the Selected Bidder for the first year of Lease Period as part of its Financial Proposal and accepted by APIIC.

"Applicable Laws" means all laws, promulgated or brought into force and effect by GoI or GoAP including regulations and rules made thereunder, and judgements, decrees, injunctions, writs and orders of any court of record, as may be in force and effect during the subsistence of this Agreement.

"Applicable Permits" means all clearances, permits, authorisations, consents, approvals, NOCs, Sanctions etc., under or pursuant to any laws, rules, regulations, instructions of the GoI, GoAP, any local authority or body, or any other government agency required to be obtained and maintained by the Developer, in order to implement the Project and to provide and maintain the Project Facility in accordance with this Agreement.

"Arbitration Act" means the Arbitration and Conciliation Act, 1996 and shall include modifications to or any re-enactment thereof as in force from time to time.

"**COD**" means the commercial operations date of the Project which shall be the date on which the Project Co-ordinator has issued the Completion Certificate or the Provisional Certificate upon completion of construction of the Project and which shall be subject to the provisions of this Agreement.

"**Commencement Date**" means the date of this Agreement or the date on which the physical possession of the Project Site is delivered by APIIC to the Developer, whichever is later.

"**Completion Certificate**" means the certificate issued by the Project Co-ordinator pursuant to this Agreement.

"**Construction Works**" means all works and things necessary to achieve commercial operation of the Project in accordance with this Agreement.

"**Cure Period**" means the period specified in this Agreement for curing any breach or default of any provision of this Agreement by the Party responsible for such breach or default.

"**Developer**" the party on the second part who shall be responsible for discharging its responsibilities and obligations under this agreement and shall include its successors and permitted assigns expressly approved by APIIC.

"**Development-cum-Construction Guarantee**" means the Guarantee furnished to APIIC to successfully commence and complete the development and construction of the Project and all its facilities.

"**Dispute**" shall have the meaning ascribed thereto in Article 14.

"**Dispute Resolution Procedure**" means the procedure for resolution of Dispute set forth in Article 14.

"**Emergency**" means a condition or situation that is likely to endanger the security of the individuals or about the Project including users thereof or which can poses an immediate threat of material damage to any of the Project Assets.

"**Equity**" means the sum expressed in Rupees representing the equity, share capital of the Developer and shall include the funds advanced by any member of the Consortium or by any of its shareholders to the Developer for meeting equity component of the Total Project Cost.

"**Encumbrance**" means any encumbrance such as mortgage, charge, pledge, lien, hypothecation, security interest, assignment, privilege or priority of any kind having the effect of security or other such obligations, and shall include without limitation any designation of

loss payees or beneficiaries or any similar arrangement under any insurance policy pertaining to the Project, physical encumbrances and encroachments on the Project Site.

"Fee" means the fee chargeable for persons using the Project Facility.

"Financing Documents" means the documents executed by the Developer in respect of financial assistance (including refinancing) for the Project to be provided by the Lenders by way of loans, advances, subscription to debentures and other debt instruments and guarantees, risk participation, take-out financing or any other form of credit enhancement and shall include loan agreements, guarantee agreements, subscription agreements, notes and any documents providing security for such financial assistance, and includes amendments or modifications made thereto.

"Financial Close" means the date on which the Financing Documents providing for funding by the Lenders have become effective and the Developer has immediate access to such funding under the Financing Documents.

"Force Majeure Event" shall have meaning ascribed thereto in Article 11.1.

"Gov" means the Government of India.

"GoAP" means the Government of Andhra Pradesh.

"Good Industry Practice" means those practices, methods, techniques, standards, skills, diligence and prudence which are generally and reasonably expected of and accepted internationally from a reasonably skilled and experienced operator engaged in the same type of undertaking as envisaged under this Agreement, and would mean good engineering practices in design, engineering, construction and project management and which would be expected to result in the performance of its obligations by the Developer and in the operation and maintenance of the Project in accordance with this Agreement, Applicable laws, Applicable Permits, reliability, safety, environment protection, economy and efficiency.

"Government Agency" means APIIC, or any state government or central government, government department, commission, board, body, bureau, agency, authority, instrumentality, central, state, or local, having jurisdiction over the Developer, the Project Assets or any portion thereof, or the performance of all or any of the services of obligations of the Developer under or pursuant to this Agreement.

"Implementation Period" means the period beginning from the Commencement Date and ending on the COD

"Lease" means the Lease to use the land, as shown in the Site Plan vide Schedule "A" by the Developer under the terms set forth in the Lease Deed.

"Lease Deed" means the deed to be executed between APIIC and Developer, in the format set out at Schedule "B", to lease the Project Site in accordance with the relevant provisions of this Agreement.

"Lease Period" means the period of lease specified in the Lease Deed.

"Lenders" means financial institutions, banks, funds, trusts or trustees of the holders of debentures or other securities their successors and assigns, who provide financial assistance to the Developer under any of the Financing Documents.

"Material Adverse Effect" means material adverse effect on (a) the ability of the Developer to exercise any of its rights or perform/discharge any of its duties/obligations under and in accordance with the provisions of this Agreement and/or (b) the legality, validity, binding nature or enforceability of this Agreement.

"Material Breach" means a breach by either Party of any of its obligations under this Agreement which is likely to have a Material Adverse Effect on the Project and which such Party shall have failed to cure within the Cure Period.

"Non-Political Event" shall have the meaning ascribed thereto in Article 11.2.

"O&M" means the operation and maintenance of the Project during Operations Period including but not limited to functions of maintenance, collection and retention of Fees and performance of other services incidental thereto.

"Operations Period" means the period commencing from COD and ending at the expiry of the Lease Period.

"Person" means any individual, company, corporation, partnership, joint venture, trust, unincorporated organisation, government or Government Agency or any other legal entity.

"Political Event" shall have the meaning ascribed thereto in Article 11.3.

"Project Agreements" means collectively this Agreement, the Lease Deed, any contract for the design, engineering, procurement and construction of the Project, O&M Contract and any other material contract entered into or may hereafter be entered into by the Developer in connection with the Project.

"Project Assets" means all moveable and immovable assets relating /to and forming part of the Project.

"Project Completion" shall have the meaning ascribed thereto in Article 7.2.

"Project Coordinator" means the Officer/ Agency appointed pursuant to Article 6.1.

"Project Implementation Schedule" means the progressive Project milestones set forth in Schedule "C" for the implementation of the Project.

"Project Facility" means collectively the facilities on the Project Site to be constructed, built, installed, erected or provided and maintained by the Developer, as specified in Schedule "D".

"Project Site" means the real estate particulars whereof are set out in Lease Deed on which the Project is to be implemented and the Project Facility is to be provided in accordance with this Agreement, as shown in Schedule "A".

"Provisional Certificate" shall have the meaning ascribed to it in Article 7.3.

"Rs. " or "Rupees" refers to the lawful currency of Republic of India.

"Scheduled Project Completion Date" shall have the meaning set forth in Article 7.2.

"Specifications and Standards" means the specifications and standards relating to the quality and other requirements for the Project, as set forth in Schedule "F".

"Statutory Auditors" means a reputed firm of Chartered Accountants duly licensed to practice in India acting as statutory auditors of the Developer.

"Termination" means termination of this Agreement and the Lease pursuant to a Termination Notice or otherwise in accordance with the provisions of this Agreement but shall not, unless the context otherwise requires, include the expiry of this Agreement/Lease due to afflux of the Lease Period in the normal course.

"Termination Date" means the date on which Termination occurs which shall be the date on which Termination Notice has been delivered or deemed to have been delivered by a Party issuing the same to the other Party in accordance to the provisions of this Agreement.

"Termination Notice" means a communication in writing by Registered Post or by any other means of delivery by a Party to the other Party regarding Termination in accordance with the applicable provisions of this Agreement.

"Termination Payment" means the amount payable by either Party, as the case may be, under this Agreement upon Termination.

"Total Project Cost" means the total project cost as set forth in Financing Documents.

1.2 Project Definition

1.2.1 The definition of the Project as referred in this Agreement shall mean and include:

- (a) List of utilities and common facilities as listed in Schedule "D" for development of the Project
- (b) The design, construction, commissioning, operation and maintenance and transfer of the Project
- (c) The Design, Construction & Maintenance of other buildings, support structures, roads, approaches or facilities, utilities such as power, water etc., which would be necessary to be part of the Project so as to completely utilise the land and make the functioning of the Project efficient, safe and convenient to the public and successful.
- (d) Approaches, landscaping, cross drainage, traffic flow management that would be necessary for public access and utilities

1.2.2 The above shall constitute the Project as a whole and any reference to the term "Project" shall comprise all or any of the activities listed above as the context requires.

1.2.3 If any of the Schedules as specified in this Agreement are incomplete or partly complete and partly incomplete or are not included in the Agreement for reasons of non-availability at the point of signing the Agreement, the same shall, after approval by APIIC be made part of the Agreement as and when ready.

2. ARTICLE 2: PROJECT SITE AND PAYMENTS

2.1 Grant of Lease

Subject to and in accordance with the terms and conditions set forth in this Agreement, APIIC hereby grants and authorises the Developer to develop, construct, operate and maintain the Project/ Project Facility and to exercise and/ or enjoy the rights, powers, privileges, authorisations and, entitlements as set forth in the Lease Deed and this Agreement. The period of grant of Lease is 20 (twenty) years as set forth in the Lease Deed. This Agreement is co-terminus with that of the Lease Deed.

2.2 Annual Development Premium (ADP)

The Developer has paid an amount of Rs. _____ (Rupees _____ only) being the Annual Development Premium (ADP) for the first year of the Lease Period by means of a bank draft dated _____, bearing number _____ on _____ [name of bank]. The ADP for subsequent years shall be made by the Developer on every anniversary of the Commencement Date. The amount of ADP for subsequent years shall be increased by 5% (five percent) over the previous year's amount.

3. ARTICLE 3: DEVELOPMENT-CUM-CONSTRUCTION GUARANTEE

3.1 Developments-cum-Construction Guarantee

The Developer shall, for due and punctual performance of its obligations during the development and construction Period, deliver to APIIC, a bank guarantee for a sum of Rs. 50 Lakh (Rupees fifty lakh only) in terms of LoA here before mentioned. APIIC shall have the right to revoke this bank guarantee consequent to any default on the part of the Developer during the validity period of the Guarantee. The Development-cum-Construction Guarantee shall remain valid till the start of commercial operations i.e. Commercial Operation Date (COD).

3.2 Fresh Development-cum-Construction Guarantee

In the event of the encashment of the Development-cum-Construction Guarantee by APIIC, pursuant to an Event of Default by the Developer, more fully described in Article 12, the Developer shall within 60 (sixty) days furnish to APIIC another fresh Development-cum-Construction Guarantee of the same amount failing which APIIC shall be entitled to terminate this Agreement in accordance with the provisions of Article 12. The provisions set forth in Article 3.1 and 3.2 shall apply mutatis mutandis to such fresh Guarantees.

3.3 Renewal of Guarantee

It shall be the responsibility of the Developer to get the Guarantee renewed in case of extension granted by APIIC for non-achievement of COD within the Scheduled Project Completion Date.

4. ARTICLE 4: Collection of Charges and Fee by Developer

4.1 Levy and Collection of Charges and Fee from the users of the Project facility

Subject to the provisions of this Agreement, the Developer shall during Operations Period be entitled to levy, demand and collect the fee or user charges or any other sums by whatever name called from the users of all or any Project facilities including through sub-contracting the operation of facility (ies).

5. ARTICLE 5: OBLIGATIONS AND UNDERTAKINGS

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

5.1 General Obligations of the Developer

The Developer shall at its own cost and expense:

- a) follow all the terms and conditions of the this Agreement;
- b) construct, operate and maintain the Project Assets/ Project Facility (ies) in accordance with the provisions of this Agreement, Good Industry Practice and Applicable Laws
- c) obtain all Applicable Permits, sanctions, NOCs, etc., in conformity with the Applicable Laws and be in compliance with thereof at all times for development, construction, operation and maintenance of the Project Facilities and Project Assets during the Lease Period including but not restricted to:

- a. Clearances from the Pollution Control Board, if required
- b. Clearances from Municipal / Civic Bodies/ Urban Development Authorities
- c. Other statutory approvals/ clearances that may be necessary
- d) procure and maintain, in full force and effect, as necessary, appropriate proprietary rights, Leases, agreements and permissions for materials, methods, processes and systems used in or incorporated into the Project;
- e) ensure and procure that each Project Agreement contains provisions that would entitle APIIC or its nominee to step into such agreement at APIIC's discretion, in place and substitution of the Developer in the event of Termination pursuant to the provisions of this Agreement;
- f) provide all assistance to the Project Co-ordinator as it may reasonably require for due performance of its duties and services under this Agreement;
- g) provide to APIIC reports on a regular basis during the Implementation Period and the Operations Period in accordance with the provisions of this Agreement;
- h) make efforts to maintain harmony and good industrial relations among the personnel employed in connection with the performance of the Developer's obligations under this Agreement;
- i) not to place or create, nor to permit any Contractor or other person claiming through or under the Developer to create or place, any Encumbrance over all or any part of the Project Assets, or on any rights of the Developer therein, save and except as expressly set forth in this Agreement;
- j) be responsible for safety, soundness and durability of the Project Facility including all structures forming part thereof and their compliance with the Specifications and Standards;
- k) ensure that the Project Site remains free from all encroachments and take all steps necessary to remove encroachments, if any;
- l) make payment to any Government Agency, if required, for provision of such services as are not provided in the normal course or are available only on payment;
- m) operate and maintain the Project at all times during the Operations Period in conformity with this Agreement including but not limited to the Specifications and Standards, and Good Industry Practice;
- n) keep the Project Site in a neat and clean condition and in conformity with the Applicable Laws and Applicable Permits;
- o) not to use the Project Site for any other purpose(s) other than for development and operation and maintenance of the Project Assets and Facilities unless and otherwise approved in writing by APIIC;
- p) not change the individual shareholding of the members in the Project Company from what is specified in Schedule "E";
- q) _____ [*Name of the Lead Developer*] (hereinafter referred as Lead Developer) shall maintain a minimum equity holding of 26% (twenty six percent) in the Project Company till termination of the Agreement ("Lock-in-Period"). During such Lock-in-Period, the stake of such Lead Developer shall also not be less than that of any other Member of the Project Company.

- r) Unless explicitly approved by APIIC, the combined shareholding of all the original Members of the Project Company shall not be less than 76% (seventy six percent) during Lock-in-Period.
- s) The Technical Member of the Project Company shall be required to hold an equity stake not less than 16% (sixteen percent) of the proposed equity of the Project Company as per Schedule "E" and continue its membership in the consortium at least till the fifth anniversary of Commercial Operation Date.

5.2 Other Obligations of the Developer during Implementation Period

- a) The Developer shall, before commencement of construction of the Project, within 45 (forty five) days of issuance of LoA or within 15 (fifteen) days of this Agreement, whichever is later, submit a Detailed Project Report (DPR) to APIIC. Covering details, inter alia:
 - i. with due regard to Scheduled Project Completion Date, its design, engineering and construction with a detailed layout, elevation plans and time schedules for completion of development and construction of the Project, cost and revenue estimates with all justifications for the operational period;
 - ii. requisite organisation chart and designating and appointing suitable officers/ representatives as it may deem appropriate to supervise the Project and to deal with the Project Co-ordinator and APIIC and to be responsible for all necessary exchange of information required pursuant to this Agreement;
 - iii. an undertaking to do and perform all such acts, deeds and things as may be necessary or required to adhere to the Project Implementation Schedule and to achieve Project Completion under and in accordance with this Agreement;
 - iv. In case APIIC do not solicit any clarifications/ modifications to the DPR submitted by the Developer within 15 (fifteen) days of such submissions, the DPR shall be deemed to have been approved. APIIC reserves the right to suggest modifications to the Project technical and architectural specifications which may result in a change in the Project Cost up to a maximum of 10% (ten percent) as compared to the one estimated in the DPR.
 - v. The approval of DPR by APIIC is from the point of Project scope and structure, facilities, operations and maintenance as per RFP and specific approval for the layout plan and designs need to be obtained from the concerned authorities.
- b) The Developer shall, at all times, afford access to the Project Site, to the authorised representatives of APIIC, the Project Co-ordinator and officer of any Government Agency having jurisdiction over the Project, including those concerned with safety, security or environmental protection to inspect the Project and to investigate any matter within their authority and upon reasonable notice. The Developer shall provide to such persons reasonable assistance necessary to carry out their respective duties and functions.
- c) The Developer shall apply for and obtain all necessary clearances and/ or approvals for the construction required from any government agency. The Developer shall be responsible for ensuring that any existing utility on, under or above the Project Site is kept in continuous satisfactory use, if necessary, by the use of suitable temporary or permanent diversions.
- d) Any other obligations and responsibilities under this agreement.

5.3 Obligations of APIIC

APIIC shall:

- a) conform with all the terms and conditions of the Lease Deed;
- b) hand over the physical possession of Project Site free from any Encumbrance together with necessary right of way to the Developer along with this agreement or within 1 (one) month from the date of this Agreement;
- c) grant or where appropriate provide necessary assistance to the Developer in securing Applicable Permits;
- d) grant in a timely manner all such approvals, permissions and authorisations which the Developer may require or is obliged to seek from APIIC in connection with implementation of the Project and the performance of the Developer's obligations under this Agreement
- e) ensure peaceful use of the Project Site by the Developer under and in accordance with the provisions of this Agreement without any hindrance from APIIC or persons claiming through or under it;
- f) upon written request from the Developer, assist the Developer in obtaining access to all necessary infrastructure facilities, land filling and utilities, including water, electricity and telecommunication facilities if such extension of assistance is within its authority;
- g) observe and comply with all its other obligations set forth in this Agreement

6. ARTICLE 6: PROJECT CO-ORDINATOR

6.1 Appointment of Project Co-ordinator

- a) APIIC may within 30 (thirty) days from the date hereof appoint a Project Co-ordinator, to undertake, perform, carry out the duties, responsibilities, services and activities set forth in Schedule "G" and elsewhere in this Agreement. During the Implementation Period, APIIC or its coordinator concern itself only with inspections, in order to assess on-site progress and adherence to various contracted quality standards and time schedules.
- b) APIIC shall communicate in writing the appointment of the Project Co-ordinator to the Developer. The tenure and the scope of work and the reports to be submitted by the Project Co-ordinator shall be as set out in Schedule "G".
- c) The Project Co-ordinator shall submit to APIIC reports at least once in every month or more frequently as the situation may warrant on the progress of implementation of the Project. Such reports of the Project Co-ordinator shall include but not be limited to the matters and things set forth in said Schedule "G".

6.2 Termination and Fresh Appointment

If APIIC or the Developer have reason to believe that the Project Coordinator is not discharging his duties in a fair, appropriate and diligent manner, APIIC may terminate the appointment of the Project Co-ordinator and appoint another Project Co-ordinator in accordance with the preceding sub - articles (a) and (b) of Article 6.1 above.

7. ARTICLE 7: PROJECT IMPLEMENTATION AND OPERATIONS

7.1 Monitoring and Supervision during Implementation

- a) During the Implementation Period, the Developer shall furnish to APIIC quarterly reports on actual progress of the Construction and furnish any other relevant information as may be required by APIIC.
- b) For the purposes of determining that Construction Works are being undertaken in accordance with Specifications and Standards and Good Industry Practice and for quality assurance, the Developer shall carry out such tests of the Project Facility with due diligence.
- c) If the Project Co-ordinator reasonably determines that the rate of progress of the construction of the Project is such that the Project Completion is not feasible on or before the Scheduled Project Completion Date, it shall so notify the Developer and APIIC. Thereupon, the Developer shall within 15 (fifteen) days thereof notify APIIC and the Project Co-ordinator about the steps it proposes to take to expedite progress and the period within which it shall achieve COD.
- d) Upon recommendation of the Project Co-ordinator, APIIC may, by written notice, require the Developer to suspend forthwith the whole or any part of the Construction Works if in the reasonable opinion of APIIC such work is being carried on in a manner which threatens the safety of the Construction Works or the users of the Project.
- e) The Developer shall upon, instructions of APIIC pursuant to sub-article (d) above suspend the Construction Works or any part thereof as the case may be, for such time and in such manner as may be specified by APIIC and the costs if any incurred by APIIC during such suspension to properly protect and secure the Construction Works or such part thereof as is necessary in the opinion of APIIC ("Preservation Costs"), shall be borne by the Developer.
- f) If APIIC issues any instructions requiring suspension of Construction Works for any reason other than default or breach of this Agreement by the Developer, then the Project Implementation Schedule and the Scheduled Project Completion Date shall be extended by the period of suspension.
- g) The Developer shall ensure that the quality of all items used in construction of the Project are as per industry best practices and are consistent with the requirements indicated in RFP and as per the detailed specification approved by APIIC and also provide to APIIC all necessary information to monitor the quality of the Project.

7.2 Project Completion

- a) The Project shall be deemed to be complete and open to public only when the Completion Certificate is issued by the Project Co-ordinator in accordance with the provisions of this Article (the "Project Completion").
- b) The Developer guarantees that the Project Completion shall be achieved in accordance with the provisions of this Agreement on a date not later than 9 (nine) months from the Commencement Date ("the Scheduled Project Completion Date").
- c) Any delay in construction exceeding the Scheduled Project Completion date would be liable for the levy of penalties, for whatever reasons other than the delays attributable to APIIC or Force Majeure. The Developer shall pay a penalty of Rs. 15,000 (Rupees fifteen thousand only) per day for every day of delay, provided that such liquidated damages do

not exceed in aggregate Rs 13.5 Lakh (Rupees thirteen lakh fifty thousand only) provided further that nothing contained in this sub-article shall be deemed or construed to authorise any delay in achieving Project Completion and not detrimental to the right of APIIC to Terminate the Agreement.

- d) If the COD does not occur within 90 (ninety) days from the Scheduled Project Completion Date, APIIC shall subject to the provisions of this Agreement relating to excuse from performance of the Developer's obligations hereunder, be entitled to Terminate this Agreement in accordance with the provisions of Article 12.2.

7.3 Tests of the Project Facility

- a) At least 15 (fifteen) days prior to the likely completion of the Project, the Developer shall notify the Project Co-ordinator and APIIC of the same and shall give notice to them of its intent to conduct Tests. The Developer shall give the Project Co-ordinator and APIIC at least 10 (ten) days prior notice of the actual date on which it intends to commence the Tests and at least 7 (seven) days prior notice of the commencement date of any subsequent Tests.
- b) Upon the Project Co-ordinator determining the Tests to be successful, it shall forthwith issue to the Developer a "Completion Certificate " to the effect that the Project in all its aspects as per the DPR and this agreement is completed and tests carried by the Developer are satisfactory and the Project is fit for commencement of operations on regular basis and specify the various facilities and assets and the total cost incurred thereon.
- c) The Project Co-ordinator may at the request of the Developer issue a provisional certificate of completion ("Provisional Certificate") if the Tests are successful and all substantial parts of Project can be legally, safely and reliably opened commercial operation though certain works or things forming part thereof are not yet complete. In such an event, Provisional Certificate shall have appended thereto, a list of outstanding items signed jointly by the Project Co-ordinator and the Developer. These outstanding items shall be completed by the Developer within 90 (ninety) days of the date of issue of such Provisional Certificate. Upon completion of all these outstanding items to the satisfaction of the Project Co-ordinator, it shall issue the Completion Certificate to the Developer with a copy marked to APIIC.
- d) If the Project Co-ordinator certifies that it is unable to issue the Completion Certificate or Provisional Certificate because of events or circumstances which excuse the performance of the Developer's obligations in accordance with this Agreement and as a consequence thereof the Tests could not be held or had to be suspended, the Developer shall re-schedule the Tests and hold the same as soon as reasonably practicable.
- e) The Developer shall bear all the expenses relating to Tests under this Agreement
- f) Upon issue of the Provisional Certificate and if APIIC is satisfied that the Developer may commence operations with the facilities since provided and that no danger will cause to the person and property of the users of the facilities or the Project, may permit the Developer to commence the operations on the condition that the remaining facilities shall be completed within a period of not more than 90 (ninety) days.

7.4 Operations and Maintenance

- a) On the Commercial Operation Date, the Developer shall deliver to APIIC, a revolving bank guarantee from a scheduled bank acceptable to APIIC, for a sum equal to the value of the Annual Development Premium due for the subsequent year of the Lease Period. The Bank Guarantee would be in force for 12 (twelve) month and upon certification by an officer designated by APIIC that performance of the Developer has been as per the Agreement, the Bank Guarantee would be renewed for the next 12 (twelve) months of operation based on the amount of Annual Development Premium payable in the next year of the Lease Period.
- b) The Developer shall operate and maintain the Project/ Project Facility by itself, or through a Contractor and if required, expand, add new attractions, modify, repair or otherwise make improvements to the Project/ Project Facility to comply with accepted Indian/ International Specifications and Standards, Good Industry Practice, Applicable Laws and Applicable Permits and manufacturer's guidelines and instructions with respect to park equipment. More specifically, the Developer shall be responsible for:
 - i. conducting all commercial activities including charging, and collecting of user Fee;
 - ii. undertaking routine maintenance including prompt repairs of equipment, and structures.
 - iii. preventing with the assistance of concerned law enforcement agencies where necessary, any unauthorised entry to and exit from the Project;
 - iv. preventing with the assistance of the concerned law enforcement agencies where necessary, any encroachments on the Project/ Project Site and preserving the right of way of the Project;
 - v. adherence to the Safety Standards as set out in applicable laws.

7.5 Monitoring and Supervision during Operations and Execution

- a) The Developer shall undertake periodic inspection of the Project in accordance with good industry practice and shall submit reports of such inspection to APIIC.
- b) All works under or in course of execution/executed in pursuance of this Agreement shall at all times be open to the inspection and supervision by the authorised representatives of APIIC. The Developer shall at all the times, during the usual working hours and at all other times at which reasonable notice of the intention of the representatives of APIIC to visit the work shall have been given to the Developer, have a responsible agent/representative present at the Project for that purpose.

8. ARTICLE 8: FINANCING ARRANGEMENT

8.1 Financing Arrangement

- a) The Developer has complete responsibility for mobilizing resources for implementing the Project. The Developer shall be free to structure the financing and finalize the means and terms of finance for the Project.
- b) APIIC and/ or its instrumentalities/ agencies/ funds will not be making any monetary contribution to the Project. Responsibility of financing the Project Facility would rest with the Developer.

- c) The Developer shall at its cost, expenses and risk make such financing arrangement as would be necessary to finance the Project and to meet its obligations under this Agreement in a timely manner, including the equity contribution by the members in the Project Company as given in Schedule "E".

8.2 Raising of Loans and Financing and assignment of Lease Rights

- a) Developer shall be entitled to raise loans and/ or financial facilities from recognised financial institutions or banks, as it may deem fit for development and completion of the Project and for its operation and maintenance. The Developer is free to structure the financing and finalise the means and terms of finance for the Project. For this purpose Developer may, if required by such banks and/ or financial institutions, assign all or any part of the lease hold rights in or of the said Project and mortgage, charge, hypothecate or otherwise encumber all or any of the other assets of the Developer in or pertaining to the said Project, as and when required; provided however, that the Developer shall obtain the prior consent of APIIC. APIIC shall consent to the Assignment or Mortgage by the Developer of its interest including leasehold rights and obligations under this Agreement to the Financial Institutions/ Banks in connection with the availing of required funds for the development, construction, operation and maintenance of the Project.
- b) In the event of the Developer obtaining loans or financial facilities from banks or financial institutions against assignment of the Lease hold rights of the Project in favour of such bank/ financial institutions, Developer shall ensure that it shall be a condition of the assignment: that in the event of enforcement of any security, assigned in favour of the lender, such banks or financial institutions ("the Lender") shall prior to enforcement of the security as aforesaid, forward to APIIC a copy of the notice of default addressed to the Developer and make good any default by the Developer.
- i. APIIC shall have an option, but not be obliged, to pay over the amount in default or the outstanding amount as the case may be to the Lender, terminate the Lease and repossess Site with the said Project thereon.
 - ii. The Lender shall notify APIIC of its intention to enforce the security and in the event of APIIC not choosing to pay the amount in default and/ or the outstanding amount to the Lender, the Lender may appoint a third party to take over the Project. In the event of the Lender appointing a third party, such third party shall be acceptable to APIIC and such third party shall agree in writing to abide by the terms, conditions and covenants of this Agreement and shall guarantee to APIIC, all payments whether overdue or otherwise, without prejudice to the rights of APIIC in respect of such over dues, to APIIC, for the said Project.
 - iii. In any event the Lender shall not agree for change of use of the said Site, or request or require APIIC to change the use under any circumstances.
- c) In the event of the Developer employing the funds borrowed from the Lenders to finance the Project, the provisions relating to Lenders including those relating to Financial Close shall apply.
- d) The Developer shall within 90 (ninety) days from the date hereof shall submit to APIIC one set of Financing Documents evidencing Financial Close.

8.3 Amendments to Financing Documents

For the avoidance of doubt the Parties agree that no amendment made to the Financing Documents without express consent of APIIC shall have the effect of enlarging in any manner, the obligation of APIIC in respect of Termination Payment under this Agreement.

9. ARTICLE 9: INSURANCES AND RISKS

9.1 Insurance during the Implementation Period

The Developer shall, at its cost and expense, purchase and maintain during the Implementation Period such insurances as are necessary, including but not limited to the following:

- a) builders' all risk insurance;
- b) comprehensive third party liability insurance including injury or death to personnel or Persons who may enter the Project Site;
- c) workmen's compensation insurance;
- d) any other insurance that may be necessary to protect the Developer, its employees and its assets (against loss, damage or destruction at replacement value) including all Force Majeure Events that are insurable and not otherwise covered in items (a) to (c).

9.2 Insurance during the Operations Period

The Developer shall, at its cost and expense, purchase and maintain during the Operations Period insurance to cover against:

- a) loss, damage or destruction of the Project Facility, at replacement value;
- b) liability to third parties; and
- c) any other insurance that may be necessary to protect the Developer and its employees, including all Force Majeure Events that are insurable and not otherwise covered in items (a) to (b).

9.3 Insurance Companies

The Developer shall insure all insurable assets comprised in the Project Assets and/or the Project Facility through Indian insurance companies or through foreign insurance companies as approved by the Government of India or any agency or body as appointed by it, to the extent that insurances are necessary to be effected through them.

9.4 Evidence of Insurance Cover

The Developer shall, from time to time, provide to APIIC copies of all insurance policies (or appropriate endorsements, certifications or other satisfactory evidence of insurance) obtained by the Developer in accordance with this Agreement.

9.5 Validity of the Insurance Cover

The Developer shall pay the premium payable on such insurance policy(ies) so as to keep the policy(ies) in force and valid throughout the Lease Period.

9.6 Construction Risk

All the risks associated with the construction of the facilities, like cost and time overruns and quality risks, would be borne by the Developer.

9.7 Market Risk

APIIC would only be approving the specified use of the commercial premise and would not be responsible for the revenues generated from marketing the Project Facility.

10. ARTICLE 10: CHANGE IN LAW

In the event of change of law affects and leads to any of the material rights and obligations of the Developer and consequently leading to material breach of any of the provisions of this Agreement and Lease Deed by the Developer, then only either at the instance of APIIC or at the instance of the Developer, the agreement may be terminated subject to the provisions of the Agreement. Therefore change in law under the normal circumstances shall not be a ground for termination. The decision of APIIC in this regard shall be final.

However, prior to such request for termination, the parties shall consult each in good faith for a period of 180 (one hundred and eighty) days to mitigate the material adverse impact of the Change in Law. In case during this period, the commercial operation is halted, then the Agreement period shall be extended by such period.

In the event the parties are unable to agree to changes to the agreement to mitigate the impact of the Change in Law during the 180 (one hundred and eighty) day period, either party may refer the matter to dispute resolution in which case the Termination Notice shall stand suspended until such matter has been resolved.

Change in law shall not include any change in the tax laws or change in law which solely has an economic impact on the Developer.

On termination of this Agreement the Developer shall handover to APIIC the Site along with all immovable structures and fixtures without any delay and APIIC shall be liable to pay compensation thereof.

11. ARTICLE 11: FORCE MAJEURE

11.1 Force Majeure Event (FM)

As used in this Agreement, a Force Majeure Event shall mean occurrence in India of any or all of Non-Political Event, and/ or Political Event as defined in Article 11.2, and 11.3 respectively which prevent the Party claiming Force Majeure (the "Affected Party") from performing its obligations under this Agreement and which act or event:

- i. is beyond the reasonable control and not arising out of the fault of the Affected Party;
- ii. the Affected Party has been unable to overcome such act or event by the exercise of due diligence and reasonable efforts, skill and care; and

- iii. has a Material Adverse Effect on the Project.

11.2 Non Political Event

For purposes of Article 11.1 herein above, Non-Political Event shall mean one or more of the following acts or events:

- i. act of God, epidemic, extremely adverse weather conditions, lightning, earthquake, landslide, cyclone, flood, volcanic eruption, chemical or radioactive contamination or ionising radiation, fire or explosion (to the extent of contamination or radiation or fire or explosion originating from a source external to the Project Site);
- ii. strikes or boycotts (other than those involving the Developer, Contractors or their respective employees/ representatives, or attributable to any act or omission of any of them) interrupting operations of the Project Facilities for a continuous period of 15 (fifteen) days and an aggregate period exceeding 60 (sixty) days in an Accounting Year, and not being an Political Event set forth in Article 11.3;
- iii. any failure or delay of a Contractor but only to the extent caused by another Non-Political Event and which does not result in any offsetting compensation being payable to the Developer by or on behalf of such Contractor;
- iv. any judgement or order of any court of competent jurisdiction or statutory authority made against the Developer in any proceedings for reasons other than (i) failure of the Developer to comply with any Applicable Law or Applicable Permit, or (ii) on account of breach of any Applicable Law or Applicable Permit or of any contract, or (iii) enforcement of this Agreement, or iv) exercise of any of its rights under this Agreement by APIIC;
- v. the discovery of geological conditions, toxic contamination or archaeological remains on the Project Site that could not reasonably have been expected to be discovered through a site inspection; or
- vi. any event or circumstances of a nature analogous to any of the foregoing.

11.3 Political Event

For purposes of Article 11.1, herein above, Political Event shall mean one or more of the following acts or events by or on account of GOI, APIIC or any other Government Agency:

- i. an act of war (whether declared or undeclared), invasion, armed conflict or act of foreign enemy, blockade, embargo, riot, insurrection, terrorist or military action, civil commotion or politically motivated sabotage;
- ii. industry-wide or state-wide strikes or industrial action for a continuous period of 15 (fifteen) days and exceeding an aggregate period of 60 (sixty) days in an Accounting Year;
- iii. any civil commotion, boycott or political agitation which prevents operation of the Project Facilities by the Developer for an aggregate period exceeding 60 (sixty) days in an Accounting Year;
- iv. any failure or delay of a Contractor to the extent caused by any Political Event and which does not result in any offsetting compensation being payable to the Developer by or on behalf of such Contractor;

- v. compulsory acquisition in national interest or expropriation of Project Site or rights of the Developer;
- vi. unlawful or unauthorised or without jurisdiction revocation of, or refusal to renew or grant without valid cause, any clearance, licence, permit, authorisation, no objection certificate, consent, approval or exemption required by the Developer or any of the Contractors to perform their respective obligations under this Agreement and the Project Agreements. Provided that, such delay, modification, denial, refusal or revocation did not result from the Developer 's or any Contractor's inability or failure to comply with any condition relating to grant, maintenance or renewal of such clearance, licence, authorisation, no objection certificate, exemption, consent, approval or permit;
- vii. any event or circumstance of a nature analogous to any of the foregoing.

11.4 Effects of Force Majeure Event

Upon occurrence of any Force Majeure Event either during the Implementation Period or Operations Period, the following shall apply:

- a) There shall be no Termination of this Agreement except as provided in Article 11.5 hereinafter;
- b) Where the Force Majeure Event occurs before COD, the dates set forth in the Project Implementation Schedule and the Lease Period shall be extended by the period during which such Force Majeure Event shall subsist;
- c) Where a Force Majeure Event occurs after COD, the Developer shall continue to make all reasonable efforts to operate the Project, but if it is unable or prevented from doing so, the Lease Period shall, having due regard to the extent of the impact thereof as determined by APIIC, be extended by the period for which collection of Fee/ charges remains affected on account thereof and that during such period payment of ADP by the Developer shall be waived by APIIC.
- d) The Developer shall have to pay all dues to APIIC pertaining to the period prior to occurrence of FM event.

11.5 Termination

The right to terminate the Agreement would be exercisable by the affected party in case the Force Majeure event continues beyond a period of 180 (one hundred and eighty) days with an advance notice to the other party. In case APIIC terminate the agreement, APIIC is liable for payment of the compensation to the Developer to the extent of their investment.

11.6 Liability for other losses, damages etc.

Save and except as expressly provided in this Article 11, neither party hereto shall be liable in any manner whatsoever to the other Party in respect of any loss, damage, cost, expense, claims, demands proceedings relating to or arising out of occurrence or existence of Force Majeure Event or exercise of any right pursuant to this Article.

11.7 Duty to Report

The Affected Party shall discharge the following obligations in relation to reporting the occurrence of a Force Majeure Event to the other Party:

- a) The Affected Party shall not claim any relief for or in respect of a Force Majeure Event unless it shall have notified the other Party in writing of the occurrence of the Force Majeure Event as soon as reasonably practicable, and in any event within 7 (seven) days after the Affected Party knew, or ought reasonably to have known, of its occurrence and the probable material affect that the Force Majeure Event is likely to have on the performance of its obligations under this Agreement.
- b) Any notice pursuant to this Article shall include full particulars of:
 - i. the nature and extent of each Force Majeure Event which is the subject of any claim for relief under this Article with evidence in support thereof;
 - ii. the estimated duration and the effect or probable effect which such Force Majeure Event is having or will have on the Affected Party's performance of its obligations under this Agreement;
 - iii. the measures which the Affected Party is taking, or proposes to take, to alleviate the impact of such Force Majeure Event; and
 - iv. any other information relevant to the Affected Party's claim.
- c) For so long as the Affected Party continues to claim to be affected by such Force Majeure Event, it shall provide the other Party with regular (and not less than weekly) written reports containing information as required by this Article and such other information as the other Party may reasonably request the Affected Party to provide.

11.8 Excuse from performance of obligations

If the Affected Party is rendered wholly or partially unable to perform its obligations under this Agreement because of a Force Majeure Event, it shall be excused from performance of such of its obligations to the extent it is unable to perform on account of such Force Majeure Event provided that:

- a) the suspension of performance shall be of no greater scope and of no longer duration than is reasonably required by the Force Majeure Event;
- b) the Affected Party shall make all reasonable efforts to mitigate or limit damage to the other Party arising out of or as a result of the existence or occurrence of such Force Majeure Event and to cure the same with due diligence;
- c) when the Affected Party is able to resume performance of its obligations under this Agreement, it shall give to the other Party written notice to that effect and shall promptly resume performance of its obligations hereunder; and
- d) the affected party will be given sufficient time to resume, reconstruct the damaged facility and upon such resumption of duties shall be the payments for Annual Development Premium shall resume.

11.9 Termination for Force Majeure Events

- a) Either party to this agreement may issue a notice of termination of Development and Management Agreement if an FM event has continued for more than 180 (one hundred

and eighty) days from the date of occurrence despite the mitigation efforts to mitigate the impact of the FM events(s) and as provided above.

- b) The termination may occur at the behest of the Developer or APIIC as a result of Force Majeure Events as set forth here before. Any proceeds of insurance that may be claimed will be retained by the Developer and the possession of the Project is handed over to APIIC without claiming any compensation/damages.

12. ARTICLE 12: EVENTS OF DEFAULT AND TERMINATION

12.1 Event of Default

Event of Default means the Developer Event of Default or APIIC Event of Default or both as the context may admit or require.

a) Developer Event of Default

Any of the following events shall constitute an event of default by the Developer ("Developer Event of Default") unless such event has occurred as a result of APIIC Event of Default or a Force Majeure Event;

- (1) The Developer repudiates this Agreement or otherwise evidences an intention not to be bound by this Agreement as well the Lease Deed;
- (2) The Developer fails to commence the Construction Works within the stipulated period;
- (3) The Developer fails to achieve COD within 90 (ninety) from the Scheduled Project Completion Date;
- (4) Any representation made or warranties given by the Developer under this Agreement is found to be false or misleading;
- (5) Developer creates any encumbrance on the Project Site, Project Facility in favour of any person unless as specified in the Agreement terms;
- (6) A resolution is passed by the shareholders of the Developer for the voluntary winding up of the Project Company;
- (7) A default has occurred under any of the Financing Documents, and any of the Lenders has recalled its substantial part of the financial assistance and demanded payment of the amounts outstanding under the Financing Documents or any of them as applicable, provided that, APIIC shall provide a reasonable opportunity to the Developer before taking any action;
- (8) The Developer suspends or abandons, without any reasonable cause, the operations of the Project without the prior consent of APIIC, provided that the Developer shall be deemed not to have suspended/ abandoned operation if such suspension/ abandonment was (i) as a result of Force Majeure Event and is only for the period such Force Majeure is continuing, or (ii) is on account of a breach of its obligations under this Agreement by APIIC (iii) is for the renovation, repair or extension, addition of the Project Facility.
- (9) An attachment is being executed on its substantial assets causing a Material Adverse Effect on the Project and such attachment continues for a period exceeding 180 (one hundred and eighty) days.
- (10) The Developer has delayed all or any kind of payments under the Agreements.

b) APIIC Event of Default

Any of the following events shall constitute each event of default by APIIC (“APIIC Event of Default”), unless such event has occurred as a result of Developer Event of Default or due to a Force Majeure Event:

- (1) APIIC is in breach of this Agreement and/ or the Lease Deed and has failed to cure such breach within 60 (sixty) days of receipt of notice in that behalf from the Developer;
- (2) APIIC repudiates this Agreement or otherwise evidences an intention not to be bound by this Agreement.
- (3) APIIC has by an act of commission or omission created circumstances that have a Material Adverse Effect on the performance of its obligations by the Developer and, has failed to cure the same within 60 (sixty) days of notice thereof by the Developer.

12.2 Termination due to Event of Default

a) Termination for Developer Event of Default

- (1) Without prejudice to any other right or remedy which APIIC may have in respect thereof under this Agreement, upon the occurrence of a Developer Event of Default, APIIC shall be entitled to terminate this Agreement in the manner as set out below:
 - i. If APIIC decides to terminate this Agreement pursuant to Article 12.2 (a) (1), it shall in the first instance issue Preliminary Notice to the Developer. Within 30 (thirty) days of receipt of the Preliminary Notice, the Developer shall submit to APIIC in sufficient detail, the manner in which it proposes to cure the underlying Event of Default (the “**Developer's Proposal to Rectify**”). In case of non-submission of the Developer's Proposal to Rectify within the said period of 30 (thirty) days, APIIC shall be entitled to terminate this Agreement by issue of Termination Notice.
 - ii. If the Developer's Proposal to Rectify is submitted within the period stipulated herein, the Developer shall have further period of 60 (sixty) days (“**Cure Period**”) to remedy/ cure the underlying Event of Default. If, the Developer fails to remedy/ cure the underlying Event of Default within such further period allowed, APIIC shall be entitled to terminate this Agreement, by issue of Termination Notice.
- (2) The following shall apply in respect of cure of any of the defaults and/ or breaches of this Agreement:
 - i. The Cure Period provided in this Agreement shall not relieve the Developer from liability for all payments due to APIIC.
 - ii. The Cure Period shall not in any way be extended by any period of suspension under this Agreement except for reasonable causes;
 - iii. If the cure of any breach by the Developer requires any reasonable action by Developer that must be approved by APIIC, then the applicable Cure Period shall be extended including the period taken by APIIC to accord the required approval.

- (3) Upon Termination by APIIC on account of occurrence of a Developer Event of Default, APIIC shall have no obligation to compensate the Developer but the Developer will be entitled for any proceeds of insurance that may be claimed or are pending and shall be allowed to take away all moveable assets. The Development-cum-Construction Guarantee or O&M Guarantee, if subsisting, shall be invoked by APIIC.

b) Termination for APIIC Events of Default

- (1) Without prejudice to any other right or remedy which Developer may have in respect thereof under this Agreement, upon the occurrence of a APIIC Event of Default, the Developer shall be entitled to terminate this Agreement in the manner as set out below:
- i. If the Developer decides to terminate this Agreement pursuant to Article 12.2 (b) (1), it shall in the first instance issue Preliminary Notice to APIIC. Within 30 (thirty) days of receipt of the Preliminary Notice, APIIC shall submit to the Developer in sufficient detail, the manner in which it proposes to cure the underlying Event of Default (the **“APIIC’s Proposal to Rectify”**). In case of non-submission of the APIIC’s Proposal to Rectify within the said period of 30 (thirty) days, the Developer shall be entitled to terminate this Agreement by issue of Termination Notice.
 - ii. If the APIIC’s Proposal to Rectify is submitted within the period stipulated herein, APIIC shall have further period of 60 (sixty) days (**“Cure Period”**) to remedy/ cure the underlying Event of Default. If, APIIC fails to remedy/ cure the underlying Event of Default within such further period allowed, the Developer shall be entitled to terminate this Agreement, by issue of Termination Notice.
- (2) Upon Termination of this Agreement by the Developer due to an APIIC Event of Default, the Developer shall be entitled to receive from APIIC, by way of Termination Payment a sum equal to:
- a. If the Termination of this Agreement is prior to the Project COD, due to repudiation of the Agreement by APIIC, the Developer shall be entitled to receive from APIIC by way of Termination Payment an amount equal to the aggregate of replacement value of the Project Facility established by the Developer upto that point of time, including the preoperative costs to the Project as may be determined by an independent surveyor/ Chartered Engineer/ Chartered Accountant so appointed by the mutual consent of the Parties. The Development-cum-Construction Guarantee, if subsisting, shall be released by APIIC.
 - b. If the Termination of this Agreement is after the Project COD on account of repudiation of this Agreement by APIIC, the Developer shall be entitled to receive from APIIC by way of Termination Payment an amount equal to the aggregate of replacement value of the Project Facility and value of all intangible assets as may be duly determined and certified by an independent surveyor/Chartered Engineer/ Chartered Accountant appointed by mutual consent of the Parties. At the time of such determinations, the age of the structures, equipment, balance life of the structure/ equipment and the then state of repair of the structure and equipment should be considered. The O&M Guarantee, if subsisting, shall be released by APIIC.

- c. However APIIC shall not proceed to tender/ make arrangements for a fresh award for the similar project or any other facility on the Project Site to any third party before making full payments to the Developer.
- d. The charges for the independent surveyor/ chartered engineer/ chartered accountant, so incurred shall be borne by the respective Party, whosoever shall be in the event of default.

12.3 Rights of APIIC for Termination prior to expiry of term

Upon Termination of this Agreement for any reason whatsoever other than FM events and Developer's default, APIIC shall have the power and authority to take possession and control of Project Assets subject to the rights, title and interest of the mortgage/ charge holder in whose favour mortgage or charge has been created forthwith;

12.4 Termination Payments

The Termination Payment pursuant to Article 11 and Article 12, as the case may be, shall be payable to the Developer by APIIC within 60 (sixty) days of demand being made by the Developer. The amount payable shall be as determined by the Surveyor/ Chartered engineer/ Chartered Accountant mutually appointed by the both Parties. While evaluating the cost payable, the replacement value shall be worked out keeping in view the age of structures, if any, in a manner as described in Article 12.2.b.

12.5 Mode of Payment

Notwithstanding any instructions to the contrary issued or any dispute raised by the Developer, the Termination Payment, and all other payments that would become payable by APIIC under any of the provisions of this Agreement shall, so long as the Debt Due is remaining outstanding, be made only by way of credit directly to a bank account designated therefor by the Lenders and communicated to APIIC and Developer in writing. Any payment so made shall to the extent of such payment constitute a valid discharge to APIIC of its obligations towards the Developer with regard to the Termination Payment and payment of any other monies due thereunder.

12.6 Rights of APIIC on Termination

Upon Termination of this Agreement for any reason whatsoever, APIIC shall upon making the Termination Payment, if any, to the Developer have the power and authority to:

- a) enter upon and take possession and control of the Project Facilities and Project Site forthwith;
- b) prohibit the Developer and any person claiming through or under the Developer from entering upon/ dealing with the Project Facilities and Project Site.

Notwithstanding anything contained in this Agreement, APIIC shall not, as a consequence of Termination or otherwise, have any obligation whatsoever including but not limited to obligations as to compensation for loss of employment, continuance or regularisation of employment, absorption or re-employment on any ground, in relation to any person in the employment of or engaged by the Developer in connection with the Project, and the transfer of the Project Site and Project Facilities by the Developer to APIIC shall be free from any such obligation.

12.7 Accrued Rights of Parties

Notwithstanding anything to the contrary contained in this Agreement, Termination pursuant to any of the provisions of this Agreement shall be without prejudice to accrued rights of either Party including its right to claim and recover money damages and other rights and remedies which it may have in law or contract. The rights and obligations of either Party under this Agreement, including without limitation those relating to the Termination Payment, shall survive the Termination but only to the extent such survival is necessary for giving effect to such rights and obligations. All the rights under any sub-contract entered by the Developer with any Party/ Agency shall terminate with effect from the date of the Termination of this Agreement.

13. ARTICLE 13: HANDOVER AND DEFECT LIABILITY PERIOD

13.1 Handing Over of the Project Assets

Upon the expiry of the Lease by efflux of time and in the normal course, the Developer shall at the end of the Lease Period, hand over the said Project Site and all immovable assets to APIIC without claiming any compensation or a consideration.

13.2 Joint Inspection and Removal of Deficiency

The handing over process shall be initiated at least 6 (six) months before the actual date of expiry of the Lease Period by a joint inspection by APIIC and the Developer. APIIC shall, within 15 (fifteen) days of such inspection prepare and furnish to the Developer a list of works/ jobs/ additions/ alterations, if any, to be carried out to bring the Project to the reasonable level of service condition at least 2 (two) months prior to the date of expiry of the Lease Period. In case the Developer fails to carry out the above works, within the stipulated time period APIIC shall be at liberty to have these works executed by any other Person at the risk and cost of the Developer and any cost incurred by APIIC in this regard shall be reimbursed by the Developer to APIIC within 7 (seven) days of receipt of demand. Any delay in such payments shall entail a payment of interest at the rate of 16% (sixteen percent) per annum.

14. Article 14: DISPUTE RESOLUTION

14.1 Dispute resolution

Any dispute, difference or controversy of whatever nature howsoever arising under or out of or in relation to this Agreement (including its interpretation) between the Parties, and so notified in writing by either Party to the other Party (the "**Dispute**") shall, in the first instance, be attempted to be resolved amicably in accordance with the conciliation procedure set forth in Article 14.2. The Parties agree to use their best efforts for resolving all Disputes arising under or in respect of this Agreement promptly, equitably and in good faith, and further agree to provide each other with reasonable access during normal business hours to all non-privileged records, information and data pertaining to any Dispute.

14.2 Conciliation

In the event of any Dispute between the Parties, either Party may call upon any third party mutually agreed by the Parties to mediate and assist the Parties in arriving at an amicable settlement thereof. Failing mediation by such third party or without the intervention of such third party, either Party may require such Dispute to be referred to the Conciliatory Board as prescribed under the Andhra Pradesh Infrastructure Development Enabling Act, 2001 and the Chairman of the Board of Directors of the Developer for amicable settlement, and upon such reference, the said persons shall meet no later than 7 (seven) days from the date of reference to discuss and attempt to amicably resolve the Dispute. If such meeting does not take place within the 7 (seven) day period or the Dispute is not amicably settled within 15 (fifteen) days of the meeting or the Dispute is not resolved as evidenced by the signing of written terms of settlement within 30 (thirty) days of the notice in writing referred to in Article 14.1 or such longer period as may be mutually agreed by the Parties, either Party may refer the Dispute to arbitration in accordance with the provisions of Article 14.3.

14.3 Arbitration

14.3.1 Any Dispute which is not resolved amicably by conciliation, as provided in Article 14.2, shall be finally decided by reference to arbitration by a Board of Arbitrators appointed in accordance with Article 14.3.2. Such arbitration shall be held in accordance with the Rules of Arbitration of the International Centre for Alternative Dispute Resolution, New Delhi (the "Rules"), or such other rules as may be mutually agreed by the Parties, and shall be subject to the provisions of the Arbitration Act. The venue of such arbitration shall be Hyderabad/Vijayawada, and the language of arbitration proceedings shall be English.

14.3.2 There shall be a Board of three arbitrators, of whom each Party shall select one, and the third arbitrator shall be appointed by the two arbitrators so selected and in the event of disagreement between the two arbitrators, the appointment shall be made in accordance with the Rules.

14.3.3 The arbitrators shall make a reasoned award (the "Award"). Any Award made in any arbitration held pursuant to this Article 14 shall be final and binding on the Parties as from the date it is made, and the Developer and APIIC agree and undertake to carry out such Award without delay.

14.3.4 The Developer and APIIC agree that an Award may be enforced against the Developer and/or APIIC, as the case may be, and their respective assets wherever situated.

14.3.5 This Agreement and the rights and obligations of the Parties shall remain in full force and effect, pending the Award in any arbitration proceedings hereunder.

14.4 Adjudication by Regulatory Authority or Commission

In the event of constitution of a statutory Regulatory Authority or Commission with powers to adjudicate upon disputes between the Developer and APIIC, all Disputes arising after such constitution shall, instead of reference to arbitration under Article 14.3, be adjudicated upon by such Regulatory Authority or Commission in accordance with the Applicable Law and all

references to Dispute Resolution procedure shall be construed accordingly. For the avoidance of doubt, the Parties hereto agree that the adjudication hereunder shall not be final and binding until an appeal against such adjudication has been decided by an appellate tribunal or High Court, as the case may be, or no such appeal has been preferred within the time specified in the Applicable Law.

15. ARTICLE 15: REPRESENTATIONS AND WARRANTIES, DISCLAIMER

15.1 Representations and Warranties of the Developer

The Developer represents and warrants APIIC that:

- i. it is duly organised, validly existing and in good standing under the laws of India;
- ii. it has full power and authority to execute, deliver and perform its obligations under this Agreement and to carry out the transactions contemplated hereby;
- iii. it has taken all necessary sanctions corporate and other action under Applicable Laws and its constitutional documents to authorise the execution, delivery and performance of this Agreement;
- iv. it has the financial standing and capacity to undertake the Project;
- v. this Agreement constitutes its legal, valid and binding obligation enforceable against it in accordance with the terms hereof;
- vi. it is subject to civil and commercial laws of India with respect to this Agreement and it hereby expressly and irrevocably waives any immunity in any jurisdiction in respect thereof;
- vii. the execution, delivery and performance of this Agreement will not conflict with, result in the breach of, constitute a default under or accelerate performance required by any of the terms of the Developer's Memorandum and Articles of Association or any member of the Consortium or any Applicable Laws or any covenant, agreement, understanding, decree or order to which it is a party or by which it or any of its properties or assets is bound or affected;
- viii. there are no actions, suits, proceedings, or investigations pending or, to the Developer's knowledge, threatened against it at law or in equity before any court or before any other judicial, quasi-judicial or other authority, the outcome of which may result in the breach of or constitute a default of the Developer under this Agreement or which individually or in the aggregate may result in any Material Adverse Effect;
- ix. it has no knowledge of any violation or default with respect to any order, writ, injunction or any decree of any court or any legally binding order of any Government Agency which may result in any Material Adverse Effect or impairment of the Developer's ability to perform its obligations and duties under this Agreement;
- x. it has complied with all Applicable Laws and has not been subject to any fines, penalties, injunctive relief or any other Civil or criminal liabilities which in the aggregate have or may have Material Adverse Effect;
- xi. subject to receipt by the Developer from APIIC of the Termination Payment and any other amount due under any of the provisions of this Agreement, in the manner and to the extent provided for under the applicable provisions of this Agreement all rights and interests of the Developer in and to the Project Assets shall pass to and vest in

APIIC on the Termination Date free and clear of all Encumbrances without any further act or deed on the part of the Developer or APIIC;

- xii. no representation or warranty by the Developer contained herein or in any other document furnished by it to APIIC or to any Government Agency in relation to Applicable Permits contains or will contain any untrue statement of material fact or omits or will omit to state a material fact necessary to make such representation or warranty not misleading; and
- xiii. no sums, in cash or kind, have been paid or will be paid, by or on behalf of the Developer, to any person by way of fees, commission or otherwise for securing the Lease or entering into of this Agreement or for influencing or attempting to influence any officer or employee of APIIC in connection therewith.

15.2 Disclaimer

- (a) Without prejudice to any express provision contained in this Agreement, the Developer acknowledges that prior to the execution of this Agreement, the Developer has after a complete and careful examination made an independent evaluation of the demand estimates, Specifications and Standards, Project, and has determined to the Developer's satisfaction the nature and extent of such difficulties, risks and hazards as are likely to arise or may be faced by the Developer in the course of performance of its obligations hereunder.
- (b) The Developer further acknowledges and hereby accepts the risk of inadequacy, mistake or error in or relating to any of the matters set forth in Sub-Article (a) above and hereby confirms that APIIC shall not be liable for the same in any manner whatsoever to the Developer.

15.3 Representations and Warranties of APIIC

APIIC represents and warrants to the Developer that:

- i. APIIC has full power and authority to grant the Lease;
- ii. APIIC has taken all necessary action to authorise the execution, delivery and performance of this Agreement;
- iii. this Agreement constitutes its legal, valid and binding obligation enforceable against it in accordance with the terms hereof.

16. ARTICLE 16: COLLECTIVE AND SEVERAL RESPONSIBILITY OF THE DEVELOPER

For the purpose of discharging their obligations and responsibilities under this agreement all the Parties shall collectively and severally be responsible for consequence of default.

17. ARTICLE 17: MISCELLANEOUS

17.1 Non - Assignability

The Developer shall not, except as otherwise provided in the Development and Management Agreement, directly or indirectly sell, transfer or assign sublet or otherwise part with the

possession of the Project Site with the whole or part of their respective interest and/ or benefits or obligations under this Agreement or any part thereof to any person or any party in whatsoever manner.

17.2 Liability and Indemnity

(a) General Indemnity

- i. The Developer shall indemnify, defend and hold APIIC harmless against any and all proceedings, actions and, third party claims arising out of a breach by Developer of any of its obligations under this Agreement except to the extent that any such claim has arisen due to APIIC Event of Default.
 - ii. APIIC will, indemnify, defend and hold harmless the Developer against any and all proceedings, actions, third party claims for loss, damage and expense of whatever kind and nature arising out of defect in title and/ or the rights of APIIC and/ or arising of a breach by APIIC, its officers, servants and agents of any obligations of APIIC under this Agreement except to the extent that any such claim has arisen due to Developer Event of Default.
- (b) Without limiting the generality of this Article 17.2 the Developer shall fully indemnify, save harmless and defend APIIC including its officers servants, agents and subsidiaries from and against any and all loss and damages arising out of or with respect to (a) failure of the, Developer to comply with Applicable Laws and Applicable Permits, (b) payments of taxes relating to the Developer's Contractors, suppliers and representatives income or other taxes required to be paid by the Developer without reimbursement hereunder, or (c) non-payment of amounts due as a result of materials or services furnished to the Developer or any of its Contractors which are payable by the Developer or any of its Contractors.
- (c) Without limiting the generality of the provisions of this Article 17.2, the Developer shall fully indemnify, save harmless and defend APIIC from and against any and all damages which APIIC may hereafter suffer, or pay by reason of any demands, claims, suits or proceedings arising out of claims of infringement of any domestic or foreign patent rights, copyrights or other intellectual property, proprietary or confidentiality rights with respect to any materials, information, design or process used by the Developer or by the Developer's Contractors in performing the Developer's obligations or in any way incorporated in or related to the Project.

17.3 Governing Law and Jurisdiction

This Agreement shall be construed and interpreted in accordance with and governed by the laws of India and the Courts at Hyderabad/Vijayawada shall have jurisdiction over all matters arising out of or relating to this Agreement.

17.4 Waiver

- (a) Waiver by either Party of any default by the other Party in the observance and performance of any provision of or obligations or under this Agreement:
- i. shall not operate or be construed as a waiver of any other or subsequent default hereof or of other provisions or obligations under this Agreement;
 - ii. shall not be effective unless it is in writing and executed by a duly authorised representative of such Party; and

- iii. shall not affect the validity or enforceability of this 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 Agreement or any obligation thereunder 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.

17.5 Survival

Termination of this Agreement (a) shall not relieve the Developer or APIIC of any obligations hereunder which expressly or by implication survives Termination hereof, and (b) except as otherwise provided in any provision of this Agreement expressly limiting the liability of either Party, shall not relieve either Party of any obligations or liabilities for loss or damage to the other Party arising out of or caused by acts or omissions of such Party prior to the effectiveness of such Termination or arising out of such Termination.

17.6 Amendments/ Modifications

This Agreement and the Schedules together constitute a complete and exclusive statement of the terms of the Agreement between the Parties on the subject hereof and no amendment or modification hereto shall be valid and effective unless agreed to by all the Parties hereto and evidenced in writing,

17.7 Notices

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

If to APIIC:	If to the Developer:
To	To
Vice Chairman and Managing Director	Designation: _____
APIIC Limited,	Address: _____
59A-20/3/2A, 1st Floor, Sri Siva Complex,	_____
Funtimes Club Road, Teachers Colony,	_____
Vijayawada – 520008	_____
Fax: _____	Fax: _____
Email: _____	Email: _____

Or such address, telex number, or facsimile number as may be duly notified by the respective Parties from time to time, and shall be deemed to have been made or delivered (i) in the case of any communication made by letter, when delivered by hand, by recognised international courier or by mail (registered, return receipt requested) at that address and (ii) in the case of

any communication made by telex or facsimile, when transmitted properly addressed to such telex number or facsimile number.

17.8 Severability

If for any reason whatever any provision of this 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 or nullified in any manner and continues to in force uninterrupted and binding on both the parties.

17.9 No Partnership

Nothing contained in this Agreement shall be construed or interpreted as constituting a partnership between the Parties. Neither Party shall have any authority to bind the other in any manner whatsoever.

17.10 Language

All notices required to be given under this Agreement and all communications; documentation and proceedings which are in any way relevant to this Agreement shall be in writing and in English language.

17.11 Exclusion of Implied Warranties etc.

This Agreement expressly excludes any warranty, condition or other undertaking implied at law or by custom or otherwise arising out of any other agreement between the Parties or any representation by any Party not contained in a binding legal agreement executed by the Parties.

17.12 Counterparts

This Agreement may be executed in two counterparts on non-judicial papers of Rs 100/-, each of which when executed and delivered shall constitute an original of this Agreement.

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

Signed, Sealed and Delivered
For and on behalf of APIIC
Of the first part

Signature

Signed, Sealed and Delivered
For and on behalf of the Developer
Of the first part

Signature

Development of Factory Premises on 6.5 Acre Land Parcel at Electronics Manufacturing Cluster at Vikruthamala, Tirupati, Chittoor District, Andhra Pradesh on DBFOT basis under PPP mode

Name

Name

Designation

Designation

Seal:

Seal:

In the presence of

In the presence of

1. _____

1. _____

2. _____

2. _____

18. SCHEDULE "A": DESCRIPTION OF THE SITE & THE SITE PLAN

19. SCHEDULE "B": DRAFT LEASE DEED

This deed of lease made and executed on this ____ day of _____ 2017 at Vijayawada, Andhra Pradesh, India.

BY AND BETWEEN

Andhra Pradesh Industrial Infrastructure Corporation Limited, a Company registered under the Companies Act 1956, having its registered Office at 4th Floor, Parisrama Bhavan, Fateh Maidan Road, Basheerbagh, Hyderabad - 500004 and having its corporate office at 59A-20/3/2A, 1st Floor, Sri Siva Complex, Fun times Club Road, Teachers Colony, Vijayawada - 520008, represented by its Vice Chairman and Managing Director, hereinafter referred to as "**APIIC**" or the "**Lessor**" which term unless the context otherwise require shall mean and include all its successors in office and assignees.

AND

_____, a company incorporated under the Companies Act, 2013 and having its registered office at _____, represented by its _____ [insert designation of authorized representative and signatory], _____ [insert name of authorised representative and signatory], hereinafter referred to as the "**Project Company**" or "**Developer**" or "**Lessee**", which expression shall, where the context so admits, include its successors, executors and permitted assigns, on the second part.

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

WHEREAS

The 'Lessee' is a Special Purpose Vehicle for development of Factory Premises on Design, Build, Finance, Operate & Transfer (DBFOT) basis under Public Private Partnership (PPP) mode (hereinafter referred to as "Project").

The 'Lessor' has agreed to allot the land to the 'Lessee' at Plot No. 37, 38 & 39 of the Electronics Manufacturing Cluster at Vikruthamala (V), Yerpedu (M) of Chittoor District of Andhra Pradesh to an extent of 6.5 acre (hereinafter referred to as "Project Site" or "Scheduled Property" more fully described hereunder and for better clarity delineated on the plan hereunto annexed) on long term lease basis subject to the following terms and conditions detailed hereunder.

NOW – THIS LEASE DEED WITNESSETH AS UNDER:

That in consideration of the Lease Rent or Annual Development Premium (ADP) and the covenants herein reserved the 'Lessor' doth hereby demise unto the 'Lessee' the Scheduled Property with all

rights, interests, easements thereto to hold and enjoy the said property on lease subject to the terms and conditions hereinafter set out and it is hereby agreed by and between the parties as follows:

1. The 'Lessor' agrees to lease the Scheduled Property to the 'Lessee' for a period of 20 (twenty) years from the date of this deed.
2. The 'Lessee' has paid an amount of Rs. _____ (Rupees _____ only) by means of a bank draft dated _____, bearing number _____ on _____ [name of bank] towards the Lease Rent or ADP for the first year, the receipt of which is hereby acknowledged by the 'Lessor'. The Lease Rent or ADP for subsequent years shall be made by the 'Lessee' Bidder on every anniversary of the Commencement Date as defined in the Development and Management Agreement (DMA) executed by both the Parties. The amount of ADP for subsequent years shall be increased by 5% (five percent) over the previous year's amount.
3. The 'Lessor' shall hand over the vacant possession of the Scheduled Property free of any encumbrances to the 'Lessee'.
4. The 'Lessee' shall use the Scheduled Property only for the purpose of developing the Project as per terms and conditions of the DMA. The 'Lessee' shall not use the Scheduled Property for any other purposes without obtaining written permission of the 'Lessor' and shall always be bound by such other terms and conditions as may be stipulated by the 'Lessor' from time to time. Further, the 'Lessee' shall surrender to the 'Lessor' any portion of the land that is not used for the purpose of which it is allotted.
5. That the 'Lessee' shall not sub-let, under-let, sell, mortgage or otherwise deal with or part with the possession of the Scheduled Property or create any right or interest therein or in respect thereto without the prior written consent of the 'Lessor'.
6. The 'Lessee' shall be responsible for the preparation of plans and obtain the necessary approval from the competent authorities as may be required before starting the construction of the buildings on the Scheduled Property.
7. The 'Lessee' shall pay all charges for electricity supply, water supply or such other utility supply to the concerned competent authorities or corporations.
8. That the 'Lessor' is competent to enforce compliance with all the rules and regulations under the Law as applicable and the 'Lessee' shall be responsible for complying with the same at its cost with all the instructions issued by the 'Lessor' from time to time.
9. The 'Lessee' shall use and occupy the Scheduled Property without causing any nuisance, damage, loss, injury, annoyance, inconvenience to the occupants of the area as a whole and its environs.
10. The 'Lessee' shall comply all the time with applicable laws and environmental standards stipulated by the statutory authorities and be aware of any new modifications in the standards/notifications etc.
11. The 'Lessee' should make all arrangements for proper disposal of garbage/waste at regular intervals and keep the Scheduled Property as clean and hygienic.
12. The 'Lessee' shall adhere to the provisions for Water (prevention and Control of Pollution), Act 1974, the Air (Prevention and Control of Pollution), Act 1981, the Environment (Protection) Act 1986, the Public liability (Insurance), Act 1991 and EIA notification 2006 including amendments and rules made thereafter.
13. The 'Lessee' shall comply with the conditions stipulated by the Andhra Pradesh Pollution Control Board (APPCB), Ministry of Environment and Forests (MoEF) and the Environmental Clearance in relation to the construction, establishment and operation of the CETP.

14. The 'Lessee' shall ensure that the construction spoils including bituminous material and other hazardous materials must not be allowed to contaminate watercourses and the dump sites for such material must be secured so that they should not leach into the ground water.
15. The 'Lessee' shall monitor the emissions, effluents, wastes, stack emissions and their ambient air quality and water quality within the Scheduled Property periodically after commissioning of the Project.
16. The 'Lessee' shall provide drainage system for storm water collection within the Scheduled Property. The 'Lessee' shall provide rainwater harvesting pits within the Scheduled Property for harvesting rain water. Before reaching of the roof/surface run off to the pit, pre-treatment must be done to remove the suspended matter, oil and grease. The excess storm water should be discharged into the common storm water drainage of the Scheduled Property.
17. The 'Lessee' shall permit any bona fide visit or visitors authorized by the "Lessor" or any other person authorized by the "Lessor" in respect of the Scheduled Property and the buildings thereon at any reasonable time.
18. The 'Lessee' shall handover the Scheduled Property along with all immovable assets to the 'Lessor' on the expiry of the said term of lease or earlier on determination of the lease as the case may be in as-is condition.
19. The 'Lessee' shall pay all applicable taxes, rates, charges and other out-goings in respect of the Scheduled Property.
20. The 'Lessee' shall insure the building and other installations built and installed in the Scheduled Property against fire, flood, cyclone, earthquake, riot and keep the policy in safe custody of the 'Lessee'. The 'Lessee' shall provide proper fire, safety and hazard management facility within the Scheduled Property. A first-aid room shall be provided in the Scheduled Property both during construction and operation of the Project.
21. AND it is hereby further agreed that and declared between the Parties as follows:
 - a. That in case the 'Lessee' commits serious breach of the lease conditions, the 'Lessor' without issuing the notice of termination can re-enter the Scheduled Property and resume the possession of the same and the decision of the 'Lessor' in this regard shall be final. And it is hereby declared that the 'Lessor' shall have the fullest liberty to postpone for any time from time to time any action open to them under any powers exercisable by them against the 'Lessee' either to enforce or forbear to enforce any of the conditions or covenants in this Lease Deed.
 - b. The costs and expenses incidental to the preparation, execution and registration of this deed shall be borne by the 'Lessee'.
 - c. The Lease Rent or ADP stipulated under this Lease Deed or any part thereof shall remain unpaid after the same becomes due or if the 'Lessee' goes into liquidation voluntarily or otherwise or if there be any attachment on the Scheduled Property or if the 'Lessee' commits breach of any of the covenants or conditions contained in this deed or any part thereof it shall be lawful for the 'Lessor' to enter upon the Scheduled Property or any part thereof to resume the possession of the Scheduled Property and to forfeit the security deposit or guarantees paid by the 'Lessee' without prejudice to the rights of the 'Lessor' in respect of any breach of 'Lessee's' covenants as mentioned above. And the 'Lessor' in such an eventuality may execute and register a cancellation deed unilaterally for cancellation of this Lease Deed.
 - d. Any outstanding amount under this Lease Deed is chargeable with interest at the rate of 16% per annum.

Development of Factory Premises on 6.5 Acre Land Parcel at Electronics Manufacturing Cluster at Vikruthamala, Tirupati, Chittoor District, Andhra Pradesh on DBFOT basis under PPP mode

- e. Any notice required to be made or given to the 'Lessee' or the 'Lessor' hereunder shall be deemed to have sufficiently made or given if sent by registered post addressed to respective parties at the following addresses or any other address communicated in writing by the Parties:

The 'Lessor' - Vice Chairman and Managing Director
Andhra Pradesh Industrial Infrastructure Corporation,
59A-20/3/2A, 1st Floor, Sri Siva Complex,
Fun times Club Road, Teachers Colony,
Vijayawada – 520008

The 'Lessee' - _____,

SCHEDULE OF PROPERTY

Open land situated in survey no. _____ at Plot No. 37, 38 & 39 of the Electronics Manufacturing Cluster at Vikruthamala (V), Yerpedu (M) of Chittoor District of Andhra Pradesh with an extent of 6.5 acre and bounded by:

North : _____
South : _____
East : _____
West : _____

IN WITNESS whereof the parties here unto have put their respective signatures to this Lease Deed at the place and the date hereinabove first mentioned in the presence of the following:

Witnesses:

1. Lessor

2. Lessee

20. SCHEDULE "C": PROJECT IMPLEMENTATION SCHEDULE

21. SCHEDULE "D": PROJECT COST AND PROJECT FACILITIES

22. SCHEDULE "E": EQUITY CONTRIBUTION

23. SCHEDULE "F": SPECIFICATIONS AND STANDARDS

The Developer shall ensure that the facilities shall conform, in all respects, to highest and latest standards of engineering, design and workmanship and be capable of performing in continuous operation in a manner acceptable to Project Co-ordinator and APIIC. Applicable specifications / standards are mentioned in the table below:

Component	Specification / Standards
Plumbing and sanitary facilities	National Building Code & Hand Book of Water Supply & Drainage
RCC structures	IS 456: 2000 using limit state method
Reinforced Concrete	Minimum grade - M25
Reinforcement bars	High yield strength deformed bars of grade Fe-415/Fe-500 conforming to relevant IS codes
Steel structure design	IS 800 – 1984
Structural steel	IS-2062
Tubular section	IS-4923
Internal Road / Pedestrian Path Works	As per the relevant industrial standards
Building Works and Electrical System	Central Public Works Department Specifications (CPWD) Bureau of Indian Standards (BIS) National Building Codes (NBC)
Water quality	Indian Standards for drinking Water (IS: 10500)
Parking	Municipal Building Bye-Laws
Minimum toilet block with all the facilities	National Building Code. Separate toilets for Men, Women and physically handicapped
Sanitation requirements	Applicable Byelaws
Fire Protection System (FPS)	National Building Code of India (NBC)
Security Measures	As per the applicable local law
Emergency Management Plan	In consultation with Police, Fire, Medical Department etc.

Any other standards proposed by the Developer and approved by Project Co-ordinator and APIIC shall be adopted unless otherwise specified in this Schedule.

24. SCHEDULE "G": PROJECT CORDINATOR AND RESPONSIBILITIES

1. OBJECTIVES

The Project Co-ordinator shall be required to:

- i. Act independently on behalf of both APIIC and the Developer to review and monitor all activities associated with design, construction, operation and maintenance to ensure compliance with provisions of the Development and Management Agreement and Lease Deed.
- ii. Visit, inspect, and report to APIIC on various aspects of the Project and carry out all such activities as are provided in the Agreements. Without prejudice to this, the scope of services of the Project Co-ordinator shall be as specified in para 2 to 4 hereunder.

The Project Co-ordinator shall have no authority to relieve the Developer of any of its duties or to impose additional obligations other than that expressly provided in the Agreements.

2. SCOPE OF SERVICES

2.1 Pre-implementation Period

- i. Review the Detailed Project Report prepared by the Developer.
- ii. Review the Project Implementation Schedule submitted by the Developer.

2.2 Implementation Period

- i. Ensure that the construction work is carried out in accordance with the Specifications and Standards and Good Industry Practice.
- ii. Identify delays in completion and recommend to APIIC and the Developer the remedial measures to expedite the progress.
- iii. Review the safety measures provided by the Developer.
- iv. Issue Provisional Completion Certificate or the Completion Certificate, as the case may be, in accordance with the provisions of the Agreements.

2.3 General

Determine and recommend changes to the Project Implementation Schedule, Scheduled Project Completion Date and the Lease Period in accordance with the Development and Management Agreement and Lease Deed.

3. INTERACTION WITH APIIC

The Project Co-ordinator shall interact with APIIC on a regular basis.

4. REPORTING REQUIREMENTS

The Project Coordinator shall prepare and submit to APIIC 3 (three) copies and to the Developer 2 (two) copies each of the following reports:

- (a) Implementation Period – Monthly Progress Report
- (b) Various other reports as provided in the Agreements such as Completion Report.

5. PERIOD OF SERVICES

The period of services shall be the Implementation Period