

DEED OF LEASE
(FOR A TERM IN PERPETUITY)

THIS DEED OF LEASE is made at ... this ... day of... between Mr. A of ... hereinafter called 'the Lessor' of the One Part AND Mr. B of... hereinafter called 'the Lessee' of the Other Part

WHEREAS the Lessor is absolutely seized and possessed of or otherwise well and sufficiently entitled to a large piece of land situate at... and described In the Schedule hereunder written.

AND WHEREAS the Lessee has approached the Lessor and requested him to grant to him a lease of the said land in perpetuity as he wants to develop the same by constructing Industrial sheds thereon and establish an Industrial Estate.

AND WHEREAS the Lessor has agreed to grant to the Lessee a lease in respect of the said land for a term in perpetuity in the manner hereinafter appearing.

NOW THIS DEED WITNESSETH AS FOLLOWS:

1. In pursuance of the said agreement and in consideration of the rent hereby reserved and of the terms and conditions, covenants and agreements herein contained and on the part of the Lessee to be observed and performed the Lessor doth hereby demise unto the Lessee all that the said piece of land situate at ... In the Registration Sub - District of ... and District of ... and described in the schedule hereunder written (hereinafter for the sake of brevity referred to as 'the demised Land') to hold the demised land unto the Lessee and his heirs, executors,

administrators and assigns for a term in perpetuity commencing from the 1st day of... but subject to the earlier determination of this demise as hereinafter provided and yielding and paying therefor during the said term the yearly ground rent of Rs. ... free and clear of all deductions and strictly in advance on or before the 5th day of each and every calendar year, the first of such yearly ground rent shall be paid on the 5th day of the month of ... and the subsequent rent to be paid on or before the 5th day of that month in each and every succeeding year regularly.

2. The Lessee hereby for himself, his heirs, executors, administrators and assigns and to the intent that the obligations herein contained shall continue throughout the term hereby created covenants with the Lessor as follows :-

(a) To pay the ground lease rent hereby reserved on the days and in the manner aforesaid clear of all deductions. If the Lease rent is not paid on the due dates, the Lessee shall pay interest thereon at the rate of ... % per annum from the due date till payment, though the payment of interest shall not entitle the Lessee to make default in payment of rent on due dates or dis-entitle the Lessor to exercise his other rights under these Presents or in law.

(b) To bear, pay and discharge the existing and future rates, taxes, and assessment duties, cess, impositions, outgoing and burdens whatsoever which may at any time or from time to time during the term hereby created be imposed or charged upon the demised land and the buildings or structures that may be standing thereon and hereafter to be erected and for the time being standing on the demised land

and payable either by the owners, occupiers or tenants thereof and to keep the Lessor and his estate and effects indemnified against all such payments.

- (c) To keep the buildings and structures on the demised land in good and tenantable repairs in the same way as the Lessor would be liable to do under the law as the owner of the demised land and the buildings and structures thereon.
- (d) Not to sell or dispose of any earth, gravel or sand from the demised land and not to excavate the same except so far as may be necessary for the execution of construction work of any building or structures.
- (e) To use or permit to be used the said land and the buildings and structures to be constructed thereon for industrial purposes only as may be permitted by the authorities from time to time.

3. The Lessee will be at liberty to prepare a layout of the said demised land and divide the same into separate industrial plots, with the sanction of the local authority concerned and to construct industrial sheds thereon suitable for carrying on small scale industries. The Lessee shall also be at liberty to sub-demise the said plots or any one or more of them and/or the sheds constructed thereon on such terms as the Lessee may think fit provided that such subleases shall not be for a period of more than... years at a time and they shall be subject to the terms, covenants and conditions of this demise. All such sheds shall be in accordance with the plans sanctioned by the Municipal or any other local authority competent to do so.

4. The Lessee will be entitled to assign this lease in respect of the said demised land or any part or parts thereof with the previous consent of the Lessor In writing and which consent may be granted by the Lessor on such terms as he may think fit including the term of paying premium for each assignment, If It Is allowed by law, but such consent shall not be unnecessarily or unreasonably withheld.

5. The Lessor doth hereby covenant with the Lessee that –

(a) the Lessor now has in himself good right, full power and absolute authority to demise unto the Lessee the demised land in the manner herein appearing;

(b) that on the Lessee, paying the said yearly ground rent on the due dates thereof and in the manner herein provided and observing and performing the covenants, conditions and stipulations herein contained and on his part to be observed and performed, shall and may peaceably and quietly hold, possess and enjoy the demised land together with the buildings and structures standing thereon during the term hereby created without any eviction, Interruption, disturbance, claim and demand whatsoever by the Lessor or any person or persons lawfully or equitably claiming by, from. under or In trust for him.

6. It is hereby agreed and declared that these presents are on the express condition that if the said yearly ground lease rent or any part thereof payable in the manner hereinbefore mentioned shall be In arrears for the space of three months after the same shall have become due and payable on any of the said days wherein the same ought to be paid as aforesaid whether the same shall or shall not he legally demanded or if any of the covenants and stipulations herein contained and on the part of the Lessee to be observed and performed shall not

be so observed and performed by the Lessee or any person claiming under him or If the Lessee shall raise an objection to the amount of the yearly ground lease rent hereby fixed for any reason whatsoever then and in such an event It shall be lawful for the Lessor or any person claiming under him or any person or persons duly authorised by him In that behalf at any time hereafter to enter Into and upon the land and premises and the buildings and structures to be constructed thereon or any part or parts thereof In the name of the whole and the same to have. possess and enjoy and thereupon this demise shall absolutely determine but without prejudice to the right of action of the Lessor In respect of any breach of Any of the covenants by the Lessee herein contained PROVIDED ALWAYS that no re-entry shall be made under the foregoing power for breach of the covenants and stipulations herein contained and on the part of the Lessee to be observed and performed (save and except t c covenant for payment of rent) unless and until the Lessor shall have given to the Lessee a notice in writing specifying the covenants and conditions or stipulations which require to be complied with or carried out and the Lessee shall have failed to comply with or carry out the same within one month from the date of the receipt of such notice.

7. AND IT IS HEREBY EXPRESSLY AGREED AND DECLARED BETWEEN THE PARTIES AS FOLLOWS:-

- (a) On the determination of this deed and the demise granted under the provisions hereof all the buildings and structures standing on the demised land shall be removed or caused to be removed by the Lessee, his heirs, executors, administrators and assigns or subleases within three months from the date of such determination failing which those which will not be so removed shall automatically stand forfeited to the Lessor without payment of any compensation therefor by the Lessor to the Lessee or to his assigns or subleases.

- (b) The personal liability of the Lessee to pay the yearly lease rent will be absolute and will not be affected by the Lessee granting by sub-demise any portion of the demised land or any shed or structure thereon and notwithstanding the consent given to sub-lease or to the assignment of the demised land or any portion thereof. the said liability will continue unabated.
- (c) That at any time or times during subsistence of this demise the Lessee shall have the option to purchase the reversion In respect of the demised land or any part or parts thereof on the payment to the Lessor of the market price therefor then prevailing and the Lessor shall in respect of the demised land or any portion therefor so purchased, execute a deed or conveyance and/or conveyances In respect thereof in favour of the Lessee and/or his nominee or nominees and that at the time of execution of each such conveyance the Lessor shall make out a marketable title in respect of the portion so to be purchased. Provided further that. the stamp and registration charges In respect of such conveyance shall be borne and paid by the Lessee alone. Provided further that, in the event of purchase of the reversion in respect of any portion of the demised premises the rent hereby agreed to be paid shall be proportionately reduced. In the event of any disagreement between the Lessor and Lessee regarding the market price of the demised land or any portion thereof the same shall be decided by arbitration of two arbitrators one to be appointed by each party and the arbitration will be governed by the Arbitration Act, 1940.

IN WITNESS WHEREOF the Lessor and the Lessee have put their respective hands on the original and duplicate thereof the day and year first hereinabove written.

THE SCHEDULE ABOVE REFERRED TO

Signed and delivered by the withinnamed Lessor Mr... in the presence of ...

Signed and delivered by the withinnamed Lessee Mr... in the presence of ...