

DRAFT LICENSE AGREEMENT

**FOR DEVELOPMENT OF PROPERTY ADMEASURING 5,794
SQM LOCATED AT KATHIPARA FLYOVER [REVISED]**

CHENNAI METRO RAIL LIMITED



CMRL/BD/PD-04/KATHIPARA/2017/488/01/REVISED

MARCH 2018

CHENNAI METRO RAIL LIMITED

Admin Building, CMRL Depot, Poonamallee High Road, Koyambedu, Chennai,

Tamil Nadu 600107

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[On non-judicial stamp paper of appropriate value to be purchased in the name of the executants]

DRAFT LICENSE AGREEMENT

This License Agreement hereinafter referred to as ('Agreement') is made and executed at Chennai on this _____ year

BY AND BETWEEN

Chennai Metro Rail Limited, a company incorporated under the Companies Act, 1956, having its registered office at Admin Building, CMRL Depot, Poonamallee High Road, Koyambedu, Chennai – 600107, India (hereinafter referred to as "CMRL/Licensor" which expression shall, unless it be repugnant to the subject or context thereof, include its successors and permitted assigns) of the ONE PART;

AND

M/s _____ Ltd., a company incorporated under the provisions of the Companies Act, 1956/2013 as applicable, having its registered office at _____ (hereinafter referred to as the "Licensee" which expression shall unless repugnant to the context include the successors and permitted assigns) of the Other Part

OR

M/s _____, a Partnership firm, registered under the Indian Partnership Act, 1932 carrying on its business under the name and style as hereinbefore mentioned and having its principal office at _____ (mention full address) and having Registration No. _____ dt. _____ (hereinafter referred to as the "Licensee" which expression shall unless repugnant to the context include the successors and permitted assigns) of the Other Part.

OR

M/s _____, a Partnership firm, registered under the Limited Liability Partnership Act, 2008 carrying on its business under the name and style as hereinbefore mentioned and having its principal office at _____ (mention full address) and having Registration No. _____ dt. _____ (hereinafter referred to as the "Licensee" which expression shall unless repugnant to the context include the successors and permitted assigns) of the Other Part.

OR

M/s _____, a proprietary firm carrying on its business under the name and style as hereinbefore mentioned and having its principal office at _____ (mention full address) (hereinafter referred to as the "Licensee" which expression shall unless repugnant to the context

include the successors and permitted assigns) of the Other Part.

In case Selected Bidder is a Consortium it is required to incorporate a Special Purpose Company (SPC).

(CMRL/Licensor and the Licensee are hereinafter also individually referred to as a 'Party' and collectively as 'Parties').

WHEREAS:

- a) CMRL/LICENSOR has been established with the principal object of planning, designing, developing, constructing, maintaining, operating and financing mass transit and other urban transport and people mover system of all types and descriptions in Chennai.
- b) Pursuant to the above land parcel admeasuring 5,794 sq.m as more specifically described in Schedule A hereto (hereinafter called the “Project Site”), the same has been allotted to CMRL/LICENSOR for its utilization for Property development. The plot area available for property development is 5,794 sq.m
- c) In pursuance of the above, CMRL / LICENSOR has decided to grant License rights to the selected Bidder in respect of the land admeasuring 5,794 sq.m more fully described in Schedule – A, for the purpose of Property development of the same in return for Quarterly License fee as specified in this Agreement and as provided in Schedule B. The Licensee to utilize the said land parcel for the purposes of property development making use of available ground coverage and FSI as permitted under Development Regulations/ the policy of CMDA.
- d) Accordingly, CMRL/LICENSOR invited Bids for the Project in a competitive basis through the Bid notice dated _____ and after evaluation of the Bids received, CMRL has accepted the Bid of the Selected Bidder herein and has issued it/them a Letter of Acceptance (‘LOA’) bearing No. _____ dated _____, requiring, inter alia, the Selected Bidder to make payment of License Fee & Security Deposit, the details of which mentioned in the Schedule B to this Agreement.
- e) The Licensee has represented that it has the requisite skill, financial, managerial & technical expertise and experience to undertake the Project. The Licensee further represents and warrants that it/they has/have duly fulfilled all the terms and conditions necessary for the execution of this Agreement as per the terms contained in the Bid Document and are in a position to implement the Project as envisaged in the RFP and this Agreement;
- f) The Licensee has submitted the requisite License Fee as per the Payment Schedule mentioned at Schedule [B] to this Agreement.

- g) Pursuant to acceptance of the Licensee's Bid and submission of the License Fee, the CMRL/LICENSOR has agreed to enter into this License Agreement with the Licensee for execution of the Project subject to and on the terms and conditions set forth hereinafter for development of the Project Site.

NOW THEREFORE, IN LIEU OF THE MUTUAL PROMISE AND CONSIDERATION SET OUT HEREIN THE PARTIES HEREBY AGREE AS UNDER:

ARTICLE 1: DEFINITIONS AND INTERPRETATION

1.1.DEFINITIONS

In this Agreement (including the recitals above, Annexure and Schedules attached hereto), the following words and expressions shall, unless repugnant to the context or meaning thereof, have the meaning hereinafter respectively ascribed to them hereunder:

“Agreement” means this Agreement, along with all Annexures and Schedules hereto, as amended from time to time in accordance with the provisions hereof;

“Applicable Law” means all acts, rules and regulations in force and in effect as of the date hereof and which may be promulgated or brought into force and effect hereinafter in India including judgments, decrees, injunctions, writs of or orders of any Authority / Tribunal /Court as may be in force and effect during the subsistence of this Agreement applicable to the Project and the Parties hereto;

“Applicable Permits” means all licenses, clearances, permits, authorizations, consents, no objection certificate (“NOC”) and approvals that are required to be obtained or maintained under Applicable Law, in connection with the “Project” during the subsistence of this Agreement and includes all applicable statutory, environmental or regulatory Licenses, authorization, permits, licenses, consents, approvals, registrations and franchises from concerned authorities;

“Bid/Bid Documents” means the documents in their entirety comprised in the bid, including all clarifications, addenda and revisions issued by CMRL / LICENSOR to the bidders, the bid submitted by the Licensee and in accordance with the provisions thereof. The words “Bid” and “Tender” are used synonymously;

“Commencement Date” means the date of signing of this Agreement. This date is fixed for the purpose of this agreement. Commencement Date shall not be extended and escalation of rental etc. shall be counted from the commencement date as mentioned in the RFP/this Agreement.

“Change in Law” means the occurrence of any of the following after the following after the date of signing this Agreement:

- a) the enactment of any new Indian law;
- b) the repeal, modification or re-enactment of any existing Applicable Law;
- c) any change in the rate of any Tax
- d) any order by any authority, tribunals, any court etc.,

Provided that Change in Law shall not include:

- a) Coming into effect after the date of signing this Agreement of any provision of a statute which is already in place as of the date of signing this Agreement; or
- b) Any new law or any change in existing law under the active consideration of or in the contemplation of any Government as of the date of signing this Agreement, which is a matter of public knowledge.

“Construction/s” means all buildings, property units, commercial units, infrastructure including all utilities superstructures and constructions of any nature whatsoever created by the Licensee on the Project Site;

“Completion Certificate” shall mean the certificate to be issued by the competent authority by certifying completion of the Project in entirety and receipt of all requisite approvals for the same.

“Completion Date” shall mean the date on which all required approvals including Completion Certificate have been obtained by the Licensee from CMDA.

“Consideration” shall mean and include the payments to be made by the Licensee to CMRL”

“Damages” shall mean the damages payable by either Party to the other of them, as set forth in this Agreement, are mutually agreed genuine pre estimated loss and damage likely to be suffered and incurred by the Party entitled to receive the same and are not by way of penalty.

“Drawings” shall mean the maps, drawings, plans and tracings or prints thereof annexed to the Bid forms or approved subsequently by CMRL/LICENSOR or competent local authorities.

“Development Plan” shall mean the plan to be prepared and submitted by the Licensee to the CMRL/LICENSOR giving a stage wise description of the construction, development, operation, maintenance and Project Utilities of the Project.

“Emergency” means a condition or situation that is likely to endanger the security of the individuals working for the Project or which poses an immediate threat of material damage to any of the Project Facilities.

“Governmental Agency” means Central or State Government or any ministry, department, commission, board, authority, instrumentality or agency, under the control of Central or State Government or any other local or municipal bodies or institutions having jurisdiction over all or any part of the Project or the performance of all or any of the services or obligations of the Concessionaire under or pursuant to this Agreement.

“Force Majeure or ‘Force Majeure Event’ means an act, event, condition or occurrence as specified in agreement

“License Period” means a period of Fifteen years beginning from the Commencement Date or till the License rights subsist with CMRL/LICENSOR in terms of the allotment of the Project Site to CMRL/LICENSOR, whichever is earlier;

“Licensed Space(s)” or “Licensed Area” means the specified areas within the Project Site for commercial development given on License by CMRL / LICENSOR to the Licensee under and in accordance with this Agreement.

“Quarterly License Fee” shall mean a Quarterly rent in exchange for use of a property.

“Advance License Fee” shall mean 12-months Deposit collected at time of commencement of License.

“Parties” means the parties to this Agreement and "Party" means either of them, as the context may admit or require;

“Person” means any individual, body corporate, association of individuals or bodies corporate, society, or such entity as is capable of having rights and obligations under Applicable Law; and shall include successors and assigns.

“Permits” shall mean and include all applicable statutory, environmental or regulatory leases, authorization, permits, consents, approvals, registrations and franchises from the relevant authorities.

“Project” means the development and construction of the property units along with the accompanying access-ways, landscape green areas, utilities and services, telecom, necessary infrastructure, in accordance with the Layout Plan approved by CMRL/LICENSOR;

“Project Agreements” means agreements entered into by the Licensee in relation to the execution and operation of the Project including but not limited to this Agreement and agreements with sub-contractor, Sub- Licensees etc.

“Project Facility” means the built-up area and facilities (water, fire safety, electricity and other infrastructure etc.), and includes all the amenities and facilities situated on the Project Site to be developed by the Licensee.;

“Project Licensee” shall mean the Licensee of the property development project who have been selected by CMRL/LICENSOR for execution of property development project for a given License period in terms of this Agreement.

“Project Manager” shall mean an experienced and competent engineer nominated by the Licensee as the Project Manager for supervision of the Project.

“Project Site” shall have the meaning ascribed to it in Recital D above;

“Property Units” means the units to be developed and constructed by the Licensee as part of the Project;

“RFP Document” shall mean the request for proposal for property development at Kathipara Flyover

“Security Deposit” shall mean the security to be furnished by the Licensee as provided in Article 3 hereafter.

“Specifications” shall mean the specifications for materials and works as per industry practice prevalent for use of the Project.

“Sub- Licensee” means persons or entities with whom the Licensee has executed Sub License Agreement (as required under this Agreement) allowing the use of the Licensed Space(s) on the terms and conditions as stated herein.

“Tax” means and includes all taxes (including GST on services as applicable from time to time), fees, cesses, levies that may be payable by the Licensee under the Applicable Laws to the Government or any of its agencies.

“Termination” means termination of this Agreement by efflux of time or sooner determination in accordance with the provisions of this Agreement.

“Termination Date” means the end of the License Period of 15 (Fifteen) years from the Commencement Date or date of sooner determination in accordance with the terms of this Agreement whichever is earlier.

1.2.INTERPRETATION

1.2.1 In this Agreement, unless the context otherwise requires,

- a) references to any legislation or any provision thereof shall include amendment or re-enactment or consolidation of such legislation or any provision thereof so far as such amendment or re-enactment or consolidation applies or is capable of applying to any transaction entered into hereunder;
- b) references to laws of India or Indian law or regulation having the force of law shall include the laws, acts, ordinances, rules, regulations, bye laws or notifications which have the force of law in the territory of India and as from time to time may be amended, modified, supplemented, extended or re-enacted;
- c) references to a **“person”** and words denoting a natural person shall be construed as a reference to any individual, firm, company, corporation, society, trust, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) of two or more of the above and shall include successors and assigns;
- d) the table of contents, headings or sub-headings in this Agreement are for convenience of reference only and shall not be used in, and shall not affect, the construction or interpretation of this Agreement;
- e) the words **“include”** and **“including”** are to be construed without limitation and shall be deemed to be followed by **“without limitation”** or **“but not limited to”** whether or not they are followed by such phrases;
- f) references to **“development”** include, unless the context otherwise requires, renovation, refurbishing, augmentation, up gradation and other activities incidental thereto, and **“develop”** shall be construed accordingly;
- g) any reference to any period of time shall mean a reference to that according to Indian Standard Time;
- h) any reference to day shall mean a reference to a calendar day;
- i) references to a **“business day”** shall be construed as a reference to a day (other than a Sunday) on which banks in Chennai are generally open for business;
- j) any reference to month shall mean a reference to a calendar month as per the Gregorian calendar;
- k) references to any date or period shall mean and include such date or period as may be extended pursuant to this Agreement;

- l) any reference to any period commencing “**from**” a specified day or date and “**till**” or “**until**” a specified day or date shall include both such days or dates; provided that if the last day of any period computed under this Agreement is not a business day, then the period shall run until the end of the next business day;
- m) the words importing singular shall include plural and vice versa;
- n) references to any gender shall include the other and the neutral gender;
- o) save and except as otherwise provided in this Agreement, any reference, at any time, to any agreement, deed, instrument, License or document of any description shall be construed as reference to that agreement, deed, instrument or other document as amended, varied, supplemented, modified or suspended at the time of such reference; provided that this Sub-clause shall not operate so as to increase liabilities or obligations of CMRL/LICENSOR hereunder or pursuant hereto in any manner whatsoever;
- p) any agreement, consent, approval, authorization, notice, communication, information or report required under or pursuant to this Agreement from or by any Party shall be valid and effective only if it is in writing under the hand of a duly authorized representative of such Party in this behalf and not otherwise;
- q) the Schedules and Recitals to this Agreement form an integral part of this Agreement and will be in full force and effect as though they were expressly set out in the body of this Agreement;
- r) references to Recitals, Articles, Clauses, Sub-clauses or Schedules in this Agreement shall, except where the context otherwise requires, mean references to Recitals, Articles, Clauses, Sub-clauses and Schedules of or to this Agreement, and references to a Paragraph shall, subject to any contrary indication, be construed as a reference to a Paragraph of this Agreement or of the Schedule in which such reference appears; and
- s) time shall be of the essence in the performance of the Parties’ respective obligations. If any time period specified herein is extended, such extended time shall also be of the essence.
- t) Any word or expression used in this Agreement shall, unless otherwise defined or construed in this Agreement, bear its ordinary English meaning and, for these purposes, the General Clauses Act 1897 shall not apply.

1.3.LAW

The contract shall be governed under the provisions of Indian Contract Act.

ARTICLE 2: GRANT OF LICENSE OF PROPERTY

2.1. LICENSED SITE

- 2.1.1 Subject to and in accordance with the terms and conditions set forth in this Agreement, and in particular subject to the due fulfillment of all the obligations assumed towards CMRL by the Licensee, CMRL hereby grants and authorizes the Licensee to the following (the “Specified Purpose”):
- a) To have access to Licensed Space(s) during the License Period, develop, finance, commission, operate, manage and maintain the Licensed Space(s) during the License Period at the cost and risk of the Licensee. Any development made by the Licensee on the Licensed Space(s) shall be deemed to be the property of CMRL and all the rights of the Licensee in the Licensed Space(s) shall relinquish in the favor of CMRL
- 2.1.2 Actual area shall be measured jointly at the time of providing access to the Licensed Site(s) / subject Site and in case there is any variation in the area, the License Fee shall be adjusted on pro-rata basis.
- 2.1.3 The licensee shall utilize the site for property development. The site cannot be left in its current condition nor can it be used as a parking facility.

2.2. LICENSE PERIOD

- 2.2.1 The access to the Site shall be granted to the Selected Bidder immediately from the date of execution of the Leave and License Agreement (commencement date) which shall be executed within a period of 15 days from the payment of Security Deposit by the Selected Bidder to the CMRL (hereinafter referred to as “Commencement Date”).
- 2.2.2 The License granted under the License Agreement shall be valid for a period of 15 (Fifteen) years from the Commencement Date or earlier if the license Agreement is terminated by the CMRL at their sole discretion. On termination of License, the Licensed Area and all structures developed on the site will transfer to the possession of CMRL.
- 2.2.3 At the end of the License Period or sooner determination of this Agreement for any reason whatsoever all rights given under this License Agreement shall cease to have effect and the Licensed Area with all the furniture and fixtures and other assets permanently attached to the Licensed Area shall revert to CMRL without any obligation on part of CMRL to pay or adjust any consideration or other payment to the Licensee. No claim, compensation or damages will be entertained by CMRL on this account. CMRL shall renew the License at their own discretion and may allow the sub- Licensee / end user(s) to continue on mutually negotiable terms and conditions.

- 2.2.4 For the purpose of clarification, at the end of the License Period, on any ground whatsoever, the CMRL shall have the absolute right to run the Project Site on their own, or re-License to any third party or to manage it in any other manner as they may deem fit in their sole discretion.
- 2.2.5 If at any time the Licensee wishes to exit the License agreement, they shall do so with all right and ownership of the developed structure passing on to CMRL with immediate effect. A notice period of 6 months will have to be given for premature termination of the License.
- 2.2.6 CMRL has the right to prematurely end the License if the Licensee/ sub - Licensee / both do not follow the terms of this contract

2.3. RIGHT TO SUB-LICENSE

- 2.3.1 The Licensee (considering Bidder as Developer) shall be entitled to sub-Let the built-up structure to any person or entity (the “Sub-Licensee”) with an intimation and approval by CMRL, after adding the necessary structures and utility services. The Sub-Licensee’s right shall be subject to the Licensee’s right over the Licensed premises. The Sub- Licensee shall not have any independent right over the Licensed premises.
- 2.3.2 The Sub-License shall however be for the use of the Site, during the subsistence of the License Period only with a clear stipulation that all such sub-License granted shall terminate simultaneously with the termination of the License Agreement, including on sooner determination of the License Period for any reason whatsoever. All contracts, agreements or arrangements with Sub-Licensee shall specifically stipulate this covenant of termination of the rights of the Sub-Licensee, and further that such Sub-Licensee shall not have any claim or seek any compensation from CMRL for such termination.
- 2.3.3 The Licensee shall prepare a draft standard format of the Sub-License agreement, which will be required to be signed by the Sub-License for use of the subject Site. Prior written approval of CMRL shall be obtained by the Licensee in respect of such standard draft. CMRL may specify certain covenants to be incorporated in the sub-License agreement to protect their interests. Only after such covenants are incorporated in the sub-License agreement, the Licensee will be entitled to enter into Sub-License agreement and shall be required to submit copies of each such Sub Licenses to CMRL for verification and record. In case of any deviation from the above-mentioned standard draft sub-License agreements, the Licensee shall obtain the prior written consent and approval of the CMRL before entering into an agreement with a Sub-Licensee. CMRL reserves the sole right not to give consent /approval to such a request and no compensation or claim will be entertained in this regard.

2.3.4 At any point of time, the Licensee shall not enter or cause any of its Sub- Licensee to enter into any sub-License agreement with any person or entity for transfer of its rights which would adversely affect the interests of CMRL or is not available to the Licensee in the first place. Any such act of the Licensee or Sub-Licensee shall render the Leave and license Agreement liable for termination at the sole cost and expense of the Licensee.

2.4. APPROVALS AND STATUTORY CLEARANCES

2.5.1 All communication in all matters regarding the approvals related to the subject property shall be forwarded to **General Manager [P&BD], Chennai Metro Rail Limited.**

2.5.2 The Licensee is required to share with CMRL all approved plans and permissions before start of construction. The proposed development on the property should be approved by CMRL before commencement of construction

2.5.3 The Licensee will have to take statutory clearance/approval from CMRL and other concerned government agencies for removal of existing trees, structures, if any, from the subject property.

2.5.4 The Licensee shall be required to adhere to all building regulations and safety norms for any proposed development on the subject property. Maintaining the structural safety and integrity shall be the sole responsibility of the Licensee. The Licensee shall also ensure that the proposed property development is neither an impediment for smooth flow of traffic nor a safety hazard for the metro rail structures and for commuters. The Licensee shall also ensure that all metro rail structures, station utilities and facilities falling within the Subject Site, if any, will be kept accessible and the Licensee shall not interfere or tamper with those installations at any time. The Licensee shall put up the built-up area exactly in line with the approved plan by the authorities concerned and any deviation will lead to automatic cancellation of the License agreement and on such event CMRL shall forfeit the deposits with CMRL.

2.5.5 Notwithstanding anything mentioned above, the Licensee is required to adhere to the provisions of the prevailing master plan and the building bye-laws of the authorities having jurisdiction over the Project Site for the development works to be undertaken.

2.5.6 Licensee will submit the plans and drawings to CMRL for clearance so as to enable them to submit these plans further to other statutory bodies for approvals.

2.5.7 The Licensee shall obtain all clearances and sanctions in the name of the licensor i.e., CMRL as required from the competent authorities for building sub-plans, utilities, firefighting, etc. It is to be clearly understood that all such clearances are to be obtained by the Licensee. Requisite approvals from local authorities will be required to be taken by Licensee, in the name of the Licensor (CMRL).

- 2.5.8 Procuring all the permissions/ licenses etc. required from the statutory/ regulatory/ civic authorities concerned, to be able to use the Licensed Site(s) for desired commercial purposes/ business, will be sole responsibility of the Licensee. CMRL shall not be responsible for any such procurement and shall not entertain any claims in this regard. The licensee would have to prepare all documents as may require by the civic/statutory agencies and submit them.
- 2.5.9 The Licensee shall make fire-fighting arrangements of his own for the entire site. Such fire-fighting arrangements should conform to the National Building Code, Tamil Nadu Building Bye- laws and Tamil Nadu Fire Safety (Fire Prevention) Rules throughout the concession period.
- 2.5.10 If during the License period, any loss of property and/or life takes place, the loss and account of the same shall be borne entirely by the Licensee/ licensee and CMRL shall not be liable for any such claims. The Licensee / licensee would be responsible for the payments arising out of any third-party claims. It is the Licensee's / developer's obligation to procure adequate insurance for meeting such liabilities at his own cost.
- 2.5.11 The Licensee shall at all times adhere to all provisions of The Metro Railway Operation and Maintenance Act, 2002 and amendments thereto and shall also comply with all notices and circulars issued by CMRL in this regard.

2.5. ASSIGNABILITY & ENCUMBRANCES

- 2.6.1 Except for sub- licensing with the consent of CMRL the use of the Licensed Site(s) as per the terms of this RFP, the Licensee shall not assign any of its rights, or interest in this License Agreement in favor of any company/person(s) at any time and for any reasons whatsoever.
- 2.6.2 The concessionaire may, subject to the first and paramount charge of CMRL over the receivables from the sub-licensees and other users of the built-up space and facilities, for the payment of the amounts becoming due to CMRL, create second or further charge over the receivables as the security to recognized Financial Institution(s)/Banks for financial assistance and funding of the Project.
- 2.6.3 Under no circumstance shall the building or facilities constructed or installed at the Licensed Site(s) be mortgaged, charged or otherwise any lien (including negative lien), charge or encumbrance be created or agreed to be created in favor of any person, including the Lenders / Financial Institution(s) / Banks etc.
- 2.6.4 Further, it is clarified that the Licensee will be completely responsible for any loss of life or property in case of an emergency and/or due to the non-functioning of any system, including but not limited to the fire safety system that is exclusively under scope and control of Licensee. The CMRL shall not be responsible for any loss of life and property in

premises due to any reason including but not limited to malfunctioning of the fire system in case of any fire emergency within the Licensed site.

ARTICLE 3: CONSIDERATION TO CMRL

3.1. PAYMENTS TO CMRL

3.1.1 In consideration of the rights, privileges and interests granted by CMRL to the Licensee in terms of this Agreement, the Licensee will pay the following amounts to CMRL in addition to the due performance of all other obligations, responsibilities and liabilities assumed by the Licensee under this Agreement:

a) Annual License Fee (as Bid Variable to be quoted by bidder)

In addition to any outstanding dues over the Licensee, he shall make advance payments for **License Fee on quarterly basis** to CMRL at the rate quoted in the Financial Bid within 7 days of commencement of respective quarter. All the taxes including the GST, as applicable from time to time shall also be paid by the Licensee in addition to the amount of the quoted rate of the License Fee.

b) GST as applicable will be borne solely by the Licensee.

c) All other statutory taxes, statutory dues, local levies, stamp duty as applicable shall be charged extra from the Licensee. Property tax of the Licensed area shall be paid by Licensor/CMRL directly to the respective authority at applicable rates. The Licensee shall indemnify CMRL from any claims that may arise from the statutory authorities relating to this License Agreement.

3.1.2 The Quarterly License Fee referred to above shall be escalated @ 5% every year from the date of commencement.

3.1.3 Any delay in payments in the preceding Clauses shall attract penalty of interest @ 24% per annum on the amount outstanding (calculated on a per day basis), till the time the respective payments have been received by CMRL. The delays beyond 60 days of the due dates for the payment of the respective Quarterly License Fee shall be treated as 'Licensee Events of Default'. In such an eventuality, the CMRL retains the right to en-cash the Security Deposit and claim damages from the Licensee and even terminate the License Agreement.

3.1.4 In the event of default of Licensee in making payments of Quarterly License fee, GST or any other dues towards CMRL in prescribed time, CMRL shall have the rights including but not limited to restrict the access of Licensee in Licensed premises and recover all dues along with interest.

3.1.5 All costs, charges and expenses including stamp duty relating to license as well as preparations and completion of Leave and license deed shall be borne by the Tenderer.

3.2. INTEREST FREE SECURITY DEPOSIT

- 3.2.1. The Licensee shall submit an interest free Security Deposit to the CMRL for a sum equivalent to **INR 25,07,11,709**, (Rupees Twenty five crore seven lakh eleven Thousand seven hundred and nine only) for the said Licensed Space(s) with a validity of three years. Further, security deposit shall also be submitted for advance license fee of any additional areas. This Security Deposit shall be submitted within 30 days of issue of the LOA. The Security Deposit shall be in the form of Bank Guarantee in favor of “Chennai Metro Rail limited”, drawn on any Public-Sector Bank and payable at Chennai. The Bank Guarantee for Security Deposit shall be renewed after every three years for a sum equivalent to one year’s recurring fee (License fee + maintenance if any + utility area if any) of applicable License Fee for that year (i.e. License fee + maintenance fee if any) with a validity of three years.
- 3.2.2. The Security Deposit would however be forfeited in case of any ‘Event of Default’ as described in the Draft Leave and License Agreement and/or in accordance with terms specified elsewhere in the Bid Document.
- 3.2.3. Upon the CMRL/LICENSOR being of the view that the Licensee has committed any breach or default of this Agreement, CMRL/LICENSOR shall, without prejudice to its other rights and remedies hereunder or in law, be entitled to en-cash and appropriate the relevant amounts from the Security Deposit as loss/damages for such breach or default. Upon such encashment and appropriation from the Security Deposit, the Licensee shall, within 30 (thirty) days thereof, replenish, in case of partial appropriation, to its original level the Security Deposit, and in case of appropriation of the entire Security Deposit provide a new Security Deposit, as the case may be, and the Licensee shall, within the time so granted, replenish or furnish fresh Security Deposit as aforesaid failing which CMRL/LICENSOR shall be entitled to terminate this Agreement and forfeit the remaining amounts of the Security Deposit, if any.
- 3.2.4. The Licensee agrees and undertakes to keep the Security Deposit valid on roll over basis throughout the License Period till the end of the License Period plus 180 days thereafter. The Security Deposit shall not carry interest. The Security Deposit /Security Deposit shall not carry any interest.
- 3.2.5. The said Security Deposit shall be returned by CMRL/LICENSOR after the expiry of the License Period without any interest subject to fulfillment of all handing over obligations/r requirements by the Licensee, to the satisfaction of CMRL/LICENSOR and further subject to deductions/adjustment for all damages/losses suffered by CMRL /LICENSOR.
- 3.2.6. If the Licensee defaults in any quarterly license Fee for more than 60 (sixty) days from the due date as per the provisions of this Agreement, CMRL/LICENSOR shall be entitled to en- cash the Security Deposit without being liable in any manner whatsoever to the Licensee and to appropriate the Security Deposit as ‘damages’, without prejudice to other rights and claims of the CMRL/LICENSOR in which case the Licensee shall replenish the

Security Deposit to the original value or submit a new Bank Guarantee for the original value i.e. equivalent to 100% of one year License

- 3.2.7. In case after submission of the revised Security Deposit, the Licensee defaults second time in recurring payment, CMRL/LICENSOR shall be entitled to terminate this Agreement in accordance with the provisions of Article 8, without being liable in any manner whatsoever to the Licensee and to appropriate the Security Deposit as predetermined 'damages'.

ARTICLE 4: LICENSED SPACE DEVELOPMENTS AND OPERATIONS

4.1. LAYOUT PLAN AND SITE LIMITATIONS

4.1.1. Within 45 days after execution of this Agreement, the Licensee shall submit to CMRL /LICENSOR for its approval, a Layout Plan for the Project, which shall be in conformity with the following conditions:

- a) The Licensee must provide for the full parking requirement for the development work scheduled to be undertaken by him.
- b) If the Licensee's proposal in any way affects facilities other amenities, utility etc. the Licensee will have to rehabilitate/repair/reconstruct the same at its own cost and risk, to the complete satisfaction of CMRL/LICENSOR.
- c) The Licensee is required to plan for the parking requirement of its development as per the prevailing development contracts.
- d) The Layout Plan and the development of the Project Site in pursuance of the same shall be strictly in accordance with the developmental rules of CMDA or the concerned authorities and applicable building and municipal laws, applicable bye-laws or regulations as prescribed by the statutory authorities.
- e) CMRL/LICENSOR reserves its right to reject any Layout Plan submitted by the Licensee on any account whatsoever including without limitation, on account of the fact that the same does not adhere to the stipulations specified.
- f) Licensee shall complete the Project in accordance with the Layout Plan as approved by CMRL/LICENSOR.

4.2. UTILITIES AND SERVICES

4.2.1. The Licensee shall also make its own arrangement for providing all infrastructure (water, electricity, fire safety etc.), at its costs utilities and sewerage facilities required in proportion to the allotted area at its costs

4.2.2. The Licensee would be required to make its own arrangements at its cost for obtaining necessary approvals, permits, clearances, no objection certificates and sanctions from the competent authorities for all utilities such as water, electricity, sewerage, sanitation, fire safety etc. and as per applicable bye-laws and standards.

4.3. SITE SAFETY AND SECURITY MEASURES

- 4.3.1. The Licensee is required to make its own arrangement for firefighting which shall conform to the IS Code of Practice / fire services norms of the state of Tamil Nadu and all other applicable statutory bodies.
- 4.3.2. The Licensee shall comply with all safety regulations as applicable, in its design, access arrangements and operations on Project Site.
- 4.3.3. The Licensee shall be responsible at its cost, for procurement, transport, receiving, unloading and safe keeping of all plant and machinery, equipment, materials and other things required for the construction and operation and maintenance of the facilities.
- 4.3.4. Unless otherwise stated in this Agreement:
 - a) The Licensee shall ensure not to allow any unauthorized person to enter into the Project Site except authorized person.
 - b) The authorized persons during the construction phase shall be limited to the employees of the Licensee, employees of subcontractors of the Licensee, and employees and persons
 - c) authorized by CMRL /LICENSOR.
- 4.3.5. Employees/staff of the Licensee shall not be deemed or construed to be the employees of CMRL / LICENSOR. The Licensee undertakes that its employees/staff shall make no claim against the CMRL/LICENSOR for any reason whatsoever, throughout the License Period. Further, the Licensee also agrees that the CMRL/LICENSOR shall not be liable for any accident/injury or claims of the workers /employees employed by it or by its contractor/sub-contractors during the execution of the development works, under this Agreement, throughout the License Period.
- 4.3.6. If during the License Period, any loss of property and/or loss of life takes place, the Licensee is only responsible for the same and liable for payment of damages/compensation etc. and CMRL/LICENSOR shall not be liable for any such claims. The Licensee would be responsible not only for the payments arising out of any third-party claims. The Licensee is advised to procure necessary insurance for meeting such liabilities at its own cost and a copy of the same shall be submitted to the Licensor for verification.
- 4.3.7. The Licensee shall be solely liable for the above-mentioned obligations/responsibilities. In case any liability, on account of Licensee's failure to comply with the above, falls on CMRL/LICENSOR, the Licensee shall fully indemnify CMRL/LICENSOR and holds Licensor indemnified against non-compliance of any such obligations/loss/damages etc.
- 4.3.8. The Licensee shall prepare necessary safety Policy as per the industrial practice and as per the safety rules and regulations as applicable GOTN and submit a copy of the same to the

Licensee within ____ days from the date of execution of this Agreement.

- 4.3.9. The Licensee shall carry out all routine checks and maintenance or repair works with adequate advance notice in such a planned manner at regular intervals that there shall be minimal disruption of the operations of the nearby area and the CMRL/LICENSOR's station/property.
- 4.3.10. CMRL /LICENSOR may inspect the Project Site and Project Facilities at any time for its own assessment of the compliance by the Licensee with its maintenance obligations under this Agreement. The Licensee shall extend all reasonable assistance to the CMRL/LICENSOR representatives during such inspection visits.

4.4. USE OF THE PROJECT SITE AND PEACEFUL POSSESSION

- 4.4.1. The Licensee, subject to complying with the Terms and Conditions of this Agreement, shall have the use of the Site during the License Period in accordance with the terms of this Agreement and limited for the purposes mentioned in SECTION above. The Licensee shall not use the site or the Project Facility for any other purpose.
- 4.4.2. The Licensee shall confine its operations to the Project Site. The Licensee shall take all necessary precautions to keep persons and equipment within such areas, and to keep and prohibit them from encroaching, damaging or degrading or affecting adversely the neighboring / CMRL/LICENSOR areas or otherwise cause any interference to the employees, representatives and agents of CMRL/LICENSOR.
- 4.4.3. If there is a non-compliance of the above observed by CMRL/LICENSOR, CMRL/LICENSOR shall will issue a notice to rectify the non-compliance within a stipulated time. If the non- compliance is not rectified within the stipulated time, an appropriate fine for each infringement, will be imposed by CMRL/LICENSOR, along with additional time for rectification of such infringement.
- 4.4.4. The Licensee is required to introduce and observe at all times, appropriate measures for safety, security and orderliness on the premises granted to the Concessionaire/Licensee. The Licensee shall also submit necessary safety Policy which will be submitted to CMRL/LICENSOR for verification.

4.5. OTHER OBLIGATIONS

- 4.5.1. It is clarified that the Licensee shall be solely responsible for the development, maintenance and operations of the Project and there shall be no obligation on CMRL/LICENSOR in this regard. Accordingly, all responsibilities relating to the Project including without limitation, obtaining the requisite approvals/ sanctions for the Project from concerned local bodies etc., in strict compliance with all construction and municipal laws in relation to the Project, constructing, providing and maintaining necessary utilities and amenities including sewerage, sanitation, electricity and water connection, firefighting and health safety, other civic amenities and obtaining necessary permissions from appropriate authorities for the same, construction and quality of the Project, safety of site equipment & machinery, staff and laborers etc. shall be to the sole and exclusive liability/ responsibility of the Licensee.
- 4.5.2. CMRL/LICENSOR may agree without any liability thereof to assist the Licensee in obtaining the required approval/permits. In the event of delay or failure in obtaining the required approval/permits, the Licensee shall not be deemed absolved of its own responsibility and CMRL/LICENSOR shall not in any way be liable for the approval/permits or for non-receipt thereof for any reason whatsoever nor for any loss or damage arising in consequence of such delay or non-receipt.
- 4.5.3. The Licensee shall take all reasonable steps to protect the environment (both on and off the Project Site) and to limit damage and nuisance to people and property resulting from construction and operations, within guidelines specified as per Applicable Laws and Applicable Permits.
- 4.5.4. The Licensee shall make reasonable efforts to maintain harmony and good industrial relations among the personnel employed in connection with the performance of the Licensee's obligations under this Agreement.
- 4.5.5. The Licensee shall take all reasonable precautions for the prevention of accidents on or about the Project and provide all reasonable assistance and emergency medical aid to accident victims.
- 4.5.6. Licensee shall during execution of works, keep the Project Site free from all unnecessary obstruction, and store the equipment or surplus materials dispose of such equipment or surplus materials in a manner that causes least inconvenience to the metro station and commuters or otherwise to CMRL/LICENSOR's activities.
- 4.5.7. The Licensee shall within 30 (thirty) days of achieving 'completion' of the said development in the Project Site remove from the Project Site all surplus construction machinery and materials, including, without limitation, hazardous materials and wastes, and keep the Project Site in a neat and clean condition, and in conformity with the Applicable Laws; except that the Licensee shall be entitled to retain on any Project Site, until the expiry of the License Period, such equipment, materials and temporary works as

- required by it for the purpose of fulfilling its obligations under this Agreement in respect of operation and maintenance of the Project.
- 4.5.8. Licensee shall provide unfettered access to the authorized representative of CMRL / LICENSOR and its operation staff for the purpose of maintenance / inspection, if applicable, inside the specified area at all times during the License Period.
- 4.5.9. Operational structures existing in the area, if any, will not be disturbed by Licensee. The setbacks should be planned in such a way that the existing structures should not be disturbed till the alternative one, if any, is not commissioned.
- 4.5.10. The Licensee will have to take statutory clearance from CMRL and other concerned government agencies for removal of existing trees, if any, from the site.
- 4.5.11. The shifting of the existing operational structures and utilities, if found during excavation or otherwise, on the subject site shall be done by the Licensee within 6-month period under the supervision of CMRL.
- 4.5.12. During the construction activities, the Licensee shall strictly follow the guidelines issued by CMRL and CMRL's manuals on Safety, Health and Environment and Safety, Health and Occupational Hazard on construction sites (OHSAS Manual).
- 4.5.13. Licensee shall ensure the quality of the work and submit Audit Report on Quality of Construction and Material before and after commencing the construction work.
- 4.5.14. Licensee shall design the proposed Property development building for design life of 30 years or higher.
- 4.5.15. The Licensee shall complete the construction of facility on the subject site within a period of 6 months from the time of commencement of License.
- 4.5.16. Licensee shall also indemnify CMRL against any damages / claims due to any loss of life or property due to construction / operation of the property development project.
- 4.5.17. Licensee shall strictly adhere to the extant bye laws, rules issued by the local authority during entire License period.
- 4.5.18. Licensee shall study the Traffic Impact Assessment of the project and provide the amenities / service area / parking etc. to cater the additional demand generated due to commissioning of the Project.
- 4.5.19. The Licensee will have to satisfy himself for business prospects, development parameters and applicable norms, and certify that he has made site visit and conversant to the site proposed for property development before undertaking the bid submission process in the subject area. No compensation, claim for damages will be entertained by CMRL in this regard. The Licensee shall develop the project facilities and thereafter operate and maintain

them throughout the License Period. The act of granting permission to develop the Project Facility at the Site and to License the use of the Project Facility or any part thereof shall not vest or create any proprietary interest in the Project Facility or any part thereof including any permanent fixtures, fittings, etc. installed in the structure of the Project Facility in favor of the Licensee or any Sub-Licensee.

- 4.5.20. The subject site at Kathipara Flyover shall be Licensed to the Licensee for Property development only.
- 4.5.21. The Licensee must note that they would be required to follow the FAR regulations, Ground Coverage regulations, minimum parking requirement, and other statutory rules/ regulations as per the Master Plan of Chennai and other prevalent applicable regulations.
- 4.5.22. The CMRL will have right to inspection of property at any time during the term of the License.

4.6. INSURANCE

- 4.6.1 The Licensee shall ensure full insurance cover as per the standard practice in the industry, covering all the applicable risks in respect of the Project and the Constructions throughout the License Period.
- 4.6.2 The Licensee shall ensure the timely payment of the premium of the policies taken by it, at its own cost. The Licensee will submit the copies of the insurance policy as well as the receipt of the payment of premium for the said Policy to CMRL/LICENSOR. In case the Licensee fails to take any such insurance/renew insurance policy, the Licensor shall reserve its right but not obligated to renew the said Policy at the cost of the Licensee and said Premium of the said Policy shall directly be credited to the Licensor Account and the Licensee agreed for the same.

4.7. TREASURES / FOSSILS PROJECT BACKGROUND

- 4.7.1 In the event of discovery by the Licensee or its employees during the progress of the work of any treasure, fossils, minerals or any articles of value or interest, the Licensee shall give immediate intimation of such treasure or things to the CMRL/LICENSOR and the same shall become the property of the CMRL/LICENSOR.

The Licensee shall not claim any right, title or interest on such things at any time.

4.8. EXTENSION OF DATE OF COMMENCEMENT / LICENSE PERIOD

- 4.8.1 If in event of, the progress of work being delayed by any act or neglect of CMRL or its employees or by other contractor / Licensee employed by CMRL or in executing the works on which Licensee's performance necessarily depends or by reason of proceeding taken or threatened by or dispute with adjoining or to neighboring owners or public authority arising otherwise through the Licensee's own default etc., then upon happening of any such event Licensee shall immediately bring it to the notice of CMRL within 30 days of happening of such an event and accordingly either Commencement Date or License Period individually or in combination may be extended suitably, as in the opinion of CMRL are reasonable having regard to the nature and period of delay and the type and quantum of works affected thereby.
- 4.8.2 Apart from above, the Licensee shall not be eligible for any other relief/ compensation for works so carried forward to the extended period of time. In addition, Licensee shall also make constantly its best endeavors to bring down or make good the delay and shall do all that may be reasonably required to the satisfaction of CMRL to proceed with the works.
- 4.8.3 Any failure or delay by CMRL to provide the Licensee possession of the Licensed Site(s), or to give the necessary permission or necessary drawings or instructions or any other delay caused by the CMRL due to any other cause whatsoever, then such failure or delay shall in no way affect or vitiate the License Agreement or alter the character thereof or entitle the Licensee to any damages or compensation.
- 4.8.4 Nevertheless, in the event of the delay being due to reasons being attributable to Licensee, or its failure to complete its obligations within specified time as per the License Agreement, for the reasons other than the reasons attributable to CMRL, Licensee shall not be entitled for any extension of date of Commencement Date or License Period whatsoever.
- 4.8.5 In case of extension of period by CMRL/LICENSOR, the escalation of rental will be applicable from the Commencement Date only

ARTICLE 5: REPRESENTATION AND WARRANTIES

5.1. REPRESENTATIONS AND WARRANTIES OF THE LICENSEE

The Licensee (in the case of Consortium each member) represents and warrants to CMRL/LICENSOR that:

- (i) It is duly organized, 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 corporate and other action under Applicable Laws and its constitutional documents to authorize 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) The Licensee agrees and acknowledges that is fully understood and agreed with all terms and conditions of RFP and this Agreement. 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 Licensee Memorandum and Articles of Association or any Applicable Law or any covenant, agreement, understanding, decree or order to which the Licensee is a party or by which Licensee or any of its properties or assets are bound or affected;
- (vii) There are no actions, suits, proceedings or investigations pending or to the Licensee's knowledge threatened against the Licensee at law or in equity before any court or before any other judicial, quasi-judicial or other authority, the outcome of which may constitute the Licensee Event of Default or which individually or in the aggregate may result in Material Adverse Effect;
- (viii) 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 authority which may result in Material Adverse Effect; It has complied with all Applicable Law 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;
- (ix) No representation or warranty by the Licensee contained herein or in any other document furnished by the Licensee to CMRL/LICENSOR or to any government authority 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

- (x) The Licensee also acknowledges and hereby accepts the risk of inadequacy, mistake or error in or relating to any of the matters set forth above and hereby confirms that CMRL/LICENSOR shall not be liable for the same in any manner whatsoever to The Licensee.
- (xi) The Licensee shall make its own arrangements in engagement of its staff and labor and shall at no point represent to or claim that the staff, labor are being recruited for and on behalf of CMRL / LICENSOR. The Licensee shall at all times comply and represent to the staff and labor employed / engaged by them the requirement for complying with
- (xii) Applicable Laws and applicable Permits, particularly in relation to safety and environmental regulations.
- (xiii) The Licensee has not been black listed by any Authorities in the last 5 years commencing from 01st April, 2012 to 31st May, 2017 for not completing the Projects/ defect in construction etc.,

5.2. OBLIGATION TO NOTIFY CHANGE

In the event that any of the representations or warranties made/given by the Licensee ceases to be true or stands changed, it shall promptly notify CMRL/LICENSOR of the same.

ARTICLE 6: RESTRICTION AND CHANGES IN LICENSEE AND SPECIAL PURPOSE COMPANY

- 6.1.** In case the Licensee is an SPC incorporated as per the requirements of the RFP, the members of Consortium shall be required to maintain 100% of the equity of the SPC throughout the subsistence of the License Agreement. There shall be no change in the shareholding structure of the SPC during the License Period without prior written approval of CMRL/LICENSOR.
- 6.2.** The members of Consortium of the SPC shall be responsible and liable jointly and severally, for due performance of all the obligations and responsibilities assumed by the SPC under this Agreement.
- 6.3.** The Lead Member shall hold not less than 51% (fifty-one per cent) of the equity of the SPC during the subsistence of the License Agreement and that each member of the Consortium whose technical and financial capacity was evaluated for the purposes of award of the Project shall hold at least 26% (twenty-six per cent) of such Equity during the subsistence of the License Agreement. Replacement of the Lead Member shall not be allowed at any time during the subsistence of the License Agreement. Any deviation from the above shareholding structure shall expressly be with the prior written consent of CMRL/LICENSOR. Further, any change proposed in the equity shareholding pattern of the Consortium in the Special Purpose Company during the License Period, within the prescribed limits shall be subject to prior written permission of CMRL/LICENSOR.

ARTICLE 7: INDEMNITY

- 7.1.** The Licensee hereby undertakes to indemnify and hold CMRL/LICENSOR harmless against all costs, damages, liabilities, expenses arising out of any third-party claims relating to non-completion of Project; quality of the Project and the Construction / construction activities, sale/ agreement to sell entered between the Licensee and end user.
- 7.2.** The Licensee hereby undertakes to indemnify CMRL/LICENSOR against all losses and claims in respect of death or injury to any person or loss or damage to any property which may arise out of or in consequence of the execution and completion of works and remedying defects therein, and against all claims, proceedings, damages, costs, charges and expenses whatsoever in respect thereof or in relation thereto.
- 7.3.** The Licensee hereby undertakes that CMRL/LICENSOR shall not be liable for or in respect of any damages or compensation payable to any workman or other person in the employment of the Licensee or any of its contractors/sub-contractors. The Licensee shall indemnify and keep indemnified CMRL/LICENSOR against all such damages and compensation; all claims proceedings, damages, costs, charges, and expenses whatsoever in respect thereof or in relation thereto.
- 7.4.** The Licensee hereby undertakes to indemnify, defend, save and hold harmless the CMRL /LICENSOR and its employees, servants, agents, etc. (the “**CMRL/LICENSOR Indemnified Persons**”) against any and all suits, proceedings, actions, demands and claims from or **Sub-Licensees** for any loss, damage, cost and expense of whatever kind and nature, whether arising out of any breach by the Licensee of any of its obligations under this Agreement or any related agreement or on account of any defect or deficiency in the provision of services by the Licensee to any Property Purchasers and /or Sub-Licensees or from any negligence of the Licensee under contract or tort or on any other ground whatsoever.
- 7.5. Survival on Termination**
- The provisions of this SECTION shall survive Termination.

ARTICLE 8: LICENSE TERM AND LICENSE TERMINATION

This Agreement shall continue to operate and be binding on the Parties for the License Period of 15 years commencing from the Commencement Date, unless terminated earlier.

8.1. TERMINATION BY CMRL/LICENSOR

CMRL/LICENSOR, in its sole discretion, may terminate this Agreement due to any of the following events of default by the Licensee (hereinafter called the “**Licensee Event of Default**”):

- (i) The Licensee has failed to perform or discharge any of its obligations in accordance with the provisions of this Agreement, unless such event has occurred because of a Force Majeure Event, or due to reasons solely attributable to CMRL/LICENSOR without any contributory factor of the Licensee;
- (ii) If at any time during the License Period, any payment, assessment, charge, lien, penalty or damage herein specified to be paid by the Licensee to CMRL/LICENSOR, or any part thereof, shall be in arrears and unpaid for a continuous period of 180 days;
- (iii) The Licensee has failed to submit Security Deposit for renewed amount six months before the date of the expiry of existing Security Deposit.
- (iv) Any representation made or warranties given by the Licensee under this Agreement is found to be false or misleading;
- (v) The Licensee has engaged or knowingly has allowed any of its employees, Sub Licensee, agents, contractor or representative to engage in any activity prohibited by law or which constitutes a breach of or an offence under any law, in the course of any activity undertaken pursuant to this Agreement;
- (vi) The Licensee has been adjudged as bankrupt or become insolvent;
- (vii) The Licensee has created any encumbrance, charges or lien in favor of any person or agency, over the Licensed Area, save and except as otherwise expressly permitted under this Agreement;
- (viii) A resolution for voluntary winding up has been passed by the shareholders of the Licensee;
- (ix) Any petition for winding up of the Licensee has been admitted and liquidator or provisional liquidator has been appointed or the Licensee has been ordered to be wound up by NCLT of competent jurisdiction, except for the purpose of amalgamation or reconstruction with the prior written consent of CMRL/LICENSOR, provided that, as part of such amalgamation or reconstruction and the amalgamated or reconstructed entity has

unconditionally assumed all surviving obligations of the Licensee under this Agreement;

- (x) The Licensee has abandoned the Project;
- (xi) The shareholding pattern of the SPC (being the Licensee) has been changed without obtaining prior written consent of CMRL/LICENSOR.
- (xii) In case the Licensee or its Sub Licensee had entered into any further Sub License
- (xiii) Agreement without the prior written consent of CMRL/LICENSOR; Provided that CMRL /LICENSOR shall give to the Licensee 30 days' time to cure the default prior to considering the events specified therein as Licensee's events of default and in the event the Licensee remedies the default to the satisfaction of the CMRL/LICENSOR within 30days, the event will not be considered as a Licensee Event of Default.

In the event of default, above, the Licensor shall be entitled to terminate this Agreement at any point of time in its sole discretion by giving 30 days' notice period to the Licensee. This Agreement shall thereafter automatically stand terminated notwithstanding any further action by either Party. The Licensee shall incorporate these termination clauses in the agreement of sub-License as well. All such sub-License agreements will automatically stand terminated once this agreement is terminated.

8.2. CONSEQUENCES OF TERMINATION

8.2.1 Without prejudice to any other consequences or requirements under this Agreement or under any law, the following consequences shall follow upon Termination:

- (i) The Licensee or Sub-Licensee shall cease to have any access to the Licensed Space(s). However, CMRL/LICENSOR at its own discretion may allow the Sub Licensees/ end users to continue to have access on mutually negotiable terms & conditions.
- (ii) Surrender all its rights on the Licensed Space(s). Transfer all its rights, titles and interest in or over the assets comprised in the Licensed Space(s) which are required to be transferred to CMRL/LICENSOR in accordance with this Agreement and execute such deeds and documents as may be necessary for the purpose and complete all legal or other formalities required in this regard.
- (iii) The Licensed Space(s) shall have been renewed and cured of all defects and Deficiencies as necessary so that the Licensed Space(s) is in accordance with the specifications & standards as per the terms of this Agreement.
- (iv) Hand over to CMRL / L ICENSOR all documents including as-built drawings, approvals, no objection letters / certificates, manuals and records relating to development, operation and maintenance of the Licensed Space(s) in original and a certificate from his statutory auditors certifying zero financial encumbrance on the Licensed Space(s);

- (v) At its cost remove from the Licensed Space(s) all such moveable assets, which are not taken over by or transferred to the CMRL/LICENSOR.
- (vi) At its own cost, immediately terminate the Sub-Licensing Agreements entered into with Sub-Licensees, without any liability on CMRL/LICENSOR. However, CMRL/LICENSOR may in its discretion, instruct the Licensee to assign the Sub-Licensing Agreement in favor of the CMRL/LICENSOR, if the CMRL/LICENSOR considers appropriate to continue to provide access to the Sub-Licensee on the Licensed Space(s).
- (vii) The Licensee shall, at its cost, transfer to CMRL/LICENSOR all such Applicable Permits, which the CMRL/LICENSOR may require and which can be legally transferred.

8.2.2 It is hereby agreed between the Parties that the Licensee or the Sub-Licensee or any other person acting through or under them shall not remove any of the facilities at Licensed Space(s) including all equipment and other fixtures attached to the Licensed Space(s) and shall remove only movables which can be removed without causing any damage to the structure of the Licensed Area.

8.2.3 Both Parties shall at least 6 (six) months prior to the expiry of the normal License Period of 15 (Fifteen) years or sooner determination as the case may be, promptly agree upon the modalities and take all necessary steps to complete the aforesaid consequences of Termination. A separate agreement/ understanding will be entered between the Licensor and the Licensee within ___ days from the date of execution of this Agreement, the terms and conditions of transfer of all assets/facilities in favor of the Licensee.

8.2.4 Each Party shall pay the other Party the various payments due as on the date of Termination in accordance with this Agreement.

8.2.5 The Parties shall perform/discharge their respective obligations to be performed or discharged under the provisions of this Agreement on the Termination in entirety, and unless otherwise provided in this Agreement, the cost involved in transfer contemplated shall be shared by the respective Parties.

8.3. RIGHTS OF CMRL/LICENSOR ON TERMINATION

Notwithstanding anything contained in this Agreement, CMRL/LICENSOR shall not, as a consequence of Termination or otherwise, have any obligation whatsoever including but not limited to obligations as to termination/compensation for loss of employment, continuance or regularization of employment, absorption or re-employment on any ground, in relation to any person in the employment of or engaged by the Licensee and/or Sub-Licensee in connection with the Licensed Space(s).

In cases of termination of License agreement due to default of Licensee, CMRL/LICENSOR shall have the exclusive rights to disconnect water supply, electricity,

sewerage connection to the Licensed area and also start process for eviction of Licensee from CMRL/LICENSOR property.

8.4. RIGHT TO RE-MARKET THE SAID LICENSED SPACE(S) ON TERMINATION

Notwithstanding anything contained in this Agreement, CMRL/LICENSOR shall have the right to re-market the Licensed Space(s) on Termination of this Agreement for any reasons whatsoever.

ARTICLE 9: GOVERNING LAW, DISPUTE RESOLUTION & ARBITRATION

9. Dispute Resolution:

9.1 Negotiation and Amicable Settlement: In the event of any dispute in connection with or arising out of this Agreement between the parties (“Disputes”), the parties shall firstly attempt to amicably resolve such disputes through the highest level of negotiations and discussions.

9.2. Adjudication:

9.2.1 If any dispute between the parties is not resolved through negotiations and amicable settlement, either party shall give notice in writing to the other party of its intention to refer such dispute to Adjudication.

9.2.2 The sole-member Adjudicator shall be nominated by the Managing Director of the Licensor (CMRL) at his discretion. He may also be an officer of CMRL, not below the rank of General Manager, but one who has not dealt with the subject contract or disputed matter. The remuneration of the Adjudicator shall be fixed by the Managing Director of CMRL and shall be shared by both the parties. The Adjudicator shall reach a decision within 30 days or such period as agreed between the parties from the date of reference of the dispute.

9.2.3 If either party is dissatisfied with the Adjudicator’s decision, then the party, on or before 30 days on receipt of such decision, shall notify the other party of its dissatisfaction, and its intention to refer the dispute to Arbitration, failing which the decision of the Adjudicator shall be final.

9.3. Arbitration: 9.1 Negotiation and Amicable Settlement: In the event of any dispute in connection with or arising out of this Agreement between the parties (“Disputes”), the parties shall firstly attempt to amicably resolve such disputes through the highest level of negotiations and discussions.

9.2. Adjudication:

9.2.1 If any dispute between the parties is not resolved through negotiations and amicable settlement, either party shall give notice in writing to the other party of its intention to refer such dispute to Adjudication.

9.2.2 The sole-member Adjudicator shall be nominated by the Managing Director of the Licensor (CMRL) at his discretion. He may also be an officer of CMRL, not below the rank of General Manager, but one who has not dealt with the subject contract or disputed matter. The remuneration of the Adjudicator shall be fixed by the Managing Director of CMRL and shall be shared by both the parties. The Adjudicator shall reach a decision within 30 days or

such period as agreed between the parties from the date of reference of the dispute.

9.2.3 If either party is dissatisfied with the Adjudicator's decision, then the party, on or before 30 days on receipt of such decision, shall notify the other party of its dissatisfaction, and its intention to refer the dispute to Arbitration, failing which the decision of the Adjudicator shall be final.

9.3. Arbitration: The dispute so referred shall be settled by Arbitration and the parties agree on the following procedure for appointing the Arbitrator / Arbitrators:

9.3.1 In case the value of the disputed claim and counter claim is Rs.5 crore or less:

The dispute shall be referred to a sole-member Arbitral Tribunal. Such sole-member shall be nominated by the party seeking arbitration from the List of Arbitrators, maintained by the Licensor, consisting of independent persons to be nominated as Arbitrators, who shall meet with the requirement relating to the independence or impartiality of arbitrators referred to in the Fifth and Seventh schedules, read with Section 12, sub-sections (1) (a), (b) and (5) of the Arbitration and Conciliation Act, 1996 as amended by the Arbitration and Conciliation (Amendment) Act 2015.

9.3.2 If the party seeking Arbitration is the Licensee, such proposal shall be addressed to the Licensor and the Licensor shall, within fifteen days from the date of receipt of such proposal, send the list of Arbitrators maintained by the Licensor, referred in clause 9.3.1 above, to the Licensee. The Licensee shall nominate an arbitrator from the list within fifteen days from the date of receipt of the list from the Licensor. If the party seeking Arbitration is the Licensor, it shall forward such proposal to the Licensee along with the nomination of an Arbitrator from the list referred to in clause 9.3.1 above.

9.3.3 If either party fails to nominate the arbitrator within the prescribed time limit, as mentioned above, then such other party, after the expiry of the prescribed time limit, has the right to nominate the Arbitrator from the said list on behalf of the party failing to nominate.

9.3.4 In case the value of the disputed claim and counter claim is more than Rs.5 crore:

The dispute shall be referred to an Arbitral Tribunal comprising of three members. Either party may propose to the other party for referring the dispute to Arbitration. If the proposal is initiated by the Licensee, such proposal shall be addressed to the Licensor and the Licensor shall, within fifteen days from the date of receipt of such proposal, send the list of Arbitrators maintained by the Licensor, referred to in clause 9.3.1 above, to the Licensee. The Licensee

shall nominate an arbitrator from the list within fifteen days from the date of receipt of the list from the Licensor. The Licensor (CMRL) shall nominate its Arbitrator from the said list within 15 days thereafter.

9.3.5 If the proposal for referring the dispute to Arbitration is made by the Licensor to the Licensee, it shall forward such proposal to the Licensee along with the nomination of its Arbitrator from the said list. The Licensee shall, within fifteen days of receipt of the list from the Licensor, nominate its arbitrator from the list.

9.3.6 If either party fails to nominate its Arbitrator within the prescribed time limit as mentioned above, after the nomination by the other party, then such other party, after the expiry of the prescribed time limit, has the right to nominate the arbitrator from the said list, on behalf of the party failing to nominate.

9.3.7 The two arbitrators nominated by the licensee and the licensor as above, shall appoint the Presiding Arbitrator from the list referred in clause 9.3.1 above, by mutual consultation among themselves, within 15 days of the appointment of the second Arbitrator.

9.3.8 If no consensus is reached within 15 days regarding the appointment of the Presiding Arbitrator, either party may apply to the Designated Court referred to in the Arbitration and Conciliation Act, 1996 as amended by the Arbitration and Conciliation (Amendment) Act 2015 for the appointment of the Presiding Arbitrator.

9.4. The parties agree that the selection and nomination of Arbitrators from the list should be based on the nature and subject matter of dispute to be adjudicated upon, that is, the nominated Arbitrators shall have sufficient knowledge and experience to decide upon the disputed matter. In case of three-member Arbitral Tribunal, it shall also be ensured by the nominating parties / Arbitrators, as the case may be, that at least one member of the Tribunal shall be a legal professional with a minimum of 20 years of experience.

9.5. In the event of an arbitrator dying, neglecting or refusing to act or resigning or being unable to act for any reason, it shall be lawful to appoint another arbitrator in place of the outgoing arbitrator in the manner aforesaid.

9.6. Subject to aforesaid, the Arbitration and Conciliation Act 1996, as amended from time to time and the rules thereunder and any statutory modifications thereof for the time being in force shall be deemed to apply to the arbitration proceedings under this clause.

9.7. During the pendency of arbitration / conciliation proceedings, the Licensee shall

continue to perform and make payments due to CMRL as per the License agreement.

9.8. The venue of the arbitration shall be Chennai. The cost of Arbitration including the fees of the Arbitrator shall be borne equally by both the parties.

9.9. Jurisdiction of Courts: The Courts at Chennai shall have exclusive jurisdiction to adjudicate any claim, dispute or matters arising out of this Agreement.

ARTICLE 10: MISCELLANEOUS

10.1. WAIVER

- 9.1.1 Waiver by either Party of any default by the other Party in the observance and performance of any provision of or obligations under this Agreement: 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; shall not be effective unless it is in writing and executed by a duly authorized representative of such Party; and shall not affect the validity or enforceability of this Agreement in any manner.
- 9.1.2 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 hereunder nor time or other indulgence granted by a Party to the other Party shall be treated or deemed as waiver/breach of any terms, conditions or provisions of this Agreement.

10.2. FORCE MAJEURE

9.2.1 Force Majeure Event

Any of the following events resulting in material adverse effect on the execution of the Project despite all efforts and prudence by the Licensee, shall constitute a Force Majeure Event

- (i) Earthquake, flood, inundation, landslide;
- (ii) Storm, tempest, hurricane, cyclone, lightning, thunder or other extreme atmospheric disturbances;
- (iii) Fire caused by reasons not attributable to the Licensee;
- (iv) Acts of terrorism;
- (v) War, hostilities (whether war be declared or not), invasion, act of foreign enemy, rebellion, riots, weapon conflict or military action or civil war;
- (vi) Strikes or boycotts, other than those involving either of the Licensee, its subcontractors or their employees, agents, etc.; and
- (vii) Any other similar events beyond the control of the Party.

9.2.2 Notice of Force Majeure Event

As soon as practicable and in any case within 3 days of the date of occurrence of

a Force Majeure Event or from the date of knowledge thereof, whichever is earlier, the Party which is rendered wholly or partially unable to perform any of its obligations under this Agreement because of a Force Majeure Event (the “**Affected Party**”) shall notify the other party of the same, setting out, inter alia, the following in reasonable details:

- (i) The nature and extent of the Force Majeure Event;
- (ii) The estimated Force Majeure Period;
- (iii) The nature of and the extent to which, performance of any of its obligations under this Agreement is affected by the Force Majeure Event;
- (iv) The measures which the Affected Party has taken or proposes to take to alleviate/mitigate the impact of the Force Majeure Event and to resume performance of such of its obligations affected thereby; and
- (v) Any other relevant information concerning the Force Majeure Event, and /or the rights and obligations of the Parties under this Agreement.

9.2.3 Performance of Obligations

The Affected Party shall be excused from performance of such obligations to the extent it is unable to perform the same on account of such Force Majeure Event provided that:

- (i) Due notice of the Force Majeure Event has been given to the other party as required by the preceding SECTION 11.2.2;
- (ii) The excuse from performance shall be of no greater scope and of no longer duration than is necessitated by the Force Majeure Event;
- (iii) There shall be no termination of this Agreement on account of Force Majeure except as provided in SECTION 11.2.4;
- (iv) Where the Licensee is the affected party, the various deadlines set forth in this Agreement and the License Period shall be extended by the period for which such Force Majeure Event subsists;
- (v) 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, the non-issue of such notice being no excuse for any delay for resuming such performance;
- (vi) The Affected Party shall continue to perform such obligations which are not

affected by the Force Majeure Event and which are capable of being performed in accordance with this Agreement; and

Any insurance proceeds received by the Licensee shall be entirely applied/ appropriated to repair, replace or restore the assets damaged on account of the Force Majeure Event, in accordance with Good Industry Practice, unless otherwise agreed to by CMRL/LICENSOR.

9.2.4 Cost for remedying Force Majeure Event

Upon occurrence of a Force Majeure Event, the Licensee shall as soon as possible, take all necessary actions to cure the Force Majeure Event at its own cost and expense. Termination due to a Force Majeure Event If a Force Majeure Event subsists for a period of ___ days or more within a continuous period of 365 (three hundred sixty-five) days, either Party may in its sole discretion terminate this Agreement by giving 30 (thirty) days termination notice in writing to the other Party without being liable in any manner whatsoever.

10.3. SEVERABILITY

In the event of any one or more of the provisions contained in this Agreement being waived, modified or altered, none of the other provisions hereof shall in any way be affected or impaired thereby. If any of the provisions of this Agreement become invalid, illegal or unenforceable in any respects under any Applicable Law, the validity, legality and enforceability of the remaining provisions shall not in any way, be affected or impaired. Where the provisions of such Applicable Law may be waived they are hereby waived by the Parties to the full extent permitted so that this Agreement shall be deemed to be valid and binding and enforceable in accordance with its terms. If any provisions of this Agreement become invalid, the Parties agree to substitute for such invalid provision a new provision that serves the purpose of the invalid provision to the furthest possible extent.

10.4. AMENDMENTS

This Agreement and the Schedules together constitute a complete and exclusive understanding 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.

10.5. EMPLOYEES OF LICENSEE / CONCESSIONAIRE

The employees/ staff of the concessionaire shall not be deemed or construed to be the employees of CMRL/LICENSOR. The Licensee understands and undertakes that the employees/staff shall make no claim against CMRL/LICENSOR for reason whatsoever.

IN WITNESS WHEREOF the Parties hereto have caused this Agreement to be executed in 4 (Four) counterparts by their duly authorized representatives as of the date and year first above written.

For and on behalf of CMRL/LICENSOR

Authorized Signatory

Witness 1: _____

Witness 2: _____

For and on behalf of [LICENSEE]

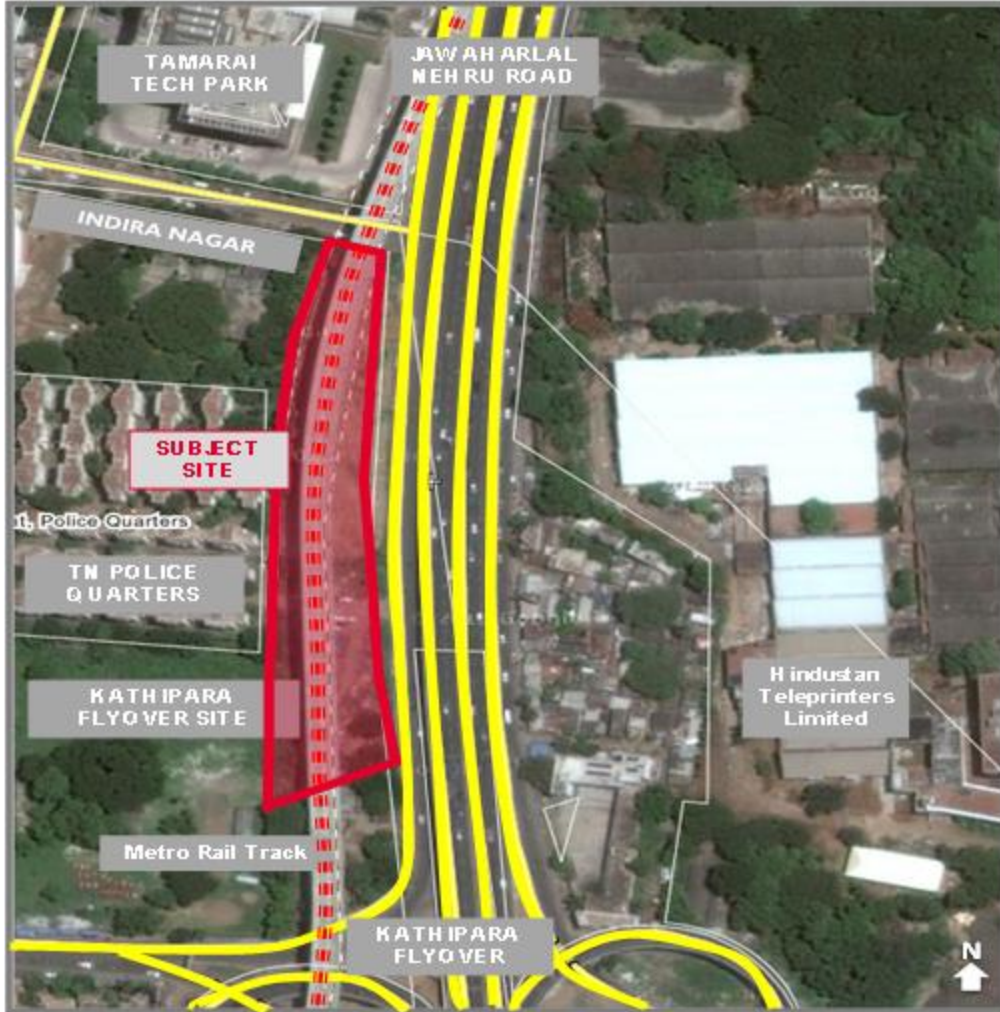
Authorized Signatory

Witness 1: _____

Witness 2: _____

SCHEDULE A

Plans/Drawings of the Licensed Space(s) / Project Sites



SCHEDULE B

SECURITY DEPOSIT

FORMAT OF BANK GUARANTEE

(To be issued by a Scheduled Commercial Bank in India, on non-judicial stamp paper of appropriate value)

BANK GUARANTEE NO. _____ **dated** _____

This Deed of Guarantee made on this day of(month & year) by M/s _____, a financial institution incorporated under the _____ Act and having its registered office at _____ and Corporate office at _____ and Branch/Zonal office at _____ (Name and address of Bank) (hereinafter referred to as “**the Bank**” or “**the Guarantor**”, which expression shall, unless it be repugnant to the subject or context thereof, include its successors and permitted assigns)) of the one part

IN FAVOUR OF

Chennai Metro Rail Limited (hereinafter called “**CMRL**”, which expression shall, unless it be repugnant to the subject or context thereof, include its successors and permitted assigns), having its registered office at CMRL Depot, Poonamallee High Road, Koyambedu, Chennai – 600107 of the other part;

Whereas CMRL has accepted the Bid of M/s..... (hereinafter referred to as **the “Licensee”**, which expression shall, unless it be repugnant to the subject or context thereof, include its successors and permitted assigns) having its registered office at..... for the work of..... (Name of work).

And Whereas the Licensee under the terms of License Agreement is required to furnish an unconditional irrevocable Bank Guarantee for an amount of **Rs. _____/- (Rupees _____ only)** as Security Deposit and has thus requested the Bank to issue the said Bank Guarantee in favor of the CMRL.

And Whereas, accordingly the Bank has agreed to guarantee to CMRL the obligations of the Licensee under the terms of the License Agreement, on the terms and conditions stated herein.

NOW THIS GUARANTEE HEREBY WITNESS:

- 1) The Bank, as primary obligor, on receipt of a written demand from CMRL, shall pay on the same day to CMRL the aforementioned amount of Security Deposit or part thereof, without demur, reservation, contest, recourse whatsoever and without need for ascribing any reason to the demand and without any reference to the Licensee. Any such demand made by CMRL shall be conclusive, final and binding on the Bank and the Bank shall pay the amount so demanded without demur notwithstanding any dispute/disputes raised by the Licensee in any suit or proceedings pending before any court Tribunal or Arbitrator/s relating thereto and the liability of the Bank under this Guarantee shall be absolute and unequivocal.
- 2) This Guarantee shall be valid upto dd/mm/yyyy till the entire License Period and shall not be revoked by the Bank at any time without CMRL's prior consent in writing. Further the Bank shall be liable to pay the guaranteed amount or part thereof under this guarantee only and only if CMRL serves upon the Bank a written claim or demand on or before dd/mm/yyyy.
- 3) This Guarantee is unconditional and irrevocable till such time CMRL discharges this guarantee by issuing a letter to the Bank in this behalf.
- 4) The Bank undertakes to pay the amount mentioned herein as principal debtor and not a surety and the CMRL at its option, shall be entitled to enforce this guarantee during its currency against the Bank, as a principal debtor in the first instance, without proceeding against the Licensee and notwithstanding any security or other guarantee that the CMRL may have in relation to the Licensee's liabilities.
- 5) The Bank shall not be relieved from its obligations under this Bank Guarantee on account of any variations in the terms and conditions of the License Agreement or by extension of time granted to the Licensee or due to any postponement / non-exercise / delayed exercise of any of its rights by CMRL against the Licensee or omission on the part of CMRL or any indulgence by CMRL to the Licensee to give such matter or thing whatsoever, which under the law relating to sureties would, but for this provision, have effect of so relieving the Bank.
- 6) The expression "Licensee", " Bank" and "CMRL" hereinbefore used shall include their respective successors and assigns. Also, the Guarantee shall not be affected by any change in the constitution of the Licensee or of the Bank.
- 7) Notwithstanding anything contained herein:
 - a) The Bank liability under this bank guarantee shall not exceed Rs..... (Rupees in words).
 - b) This Bank guarantee shall be valid upto dd/mm/yy
 - c) The Bank is liable to pay the guaranteed amount or part thereof only and only if the CMRL serves upon the Bank a written claim or demand on or before dd/mm/yy. (1 year)

IN WITNESS WHEREOF

I/We of the Bank have signed and sealed this guarantee on the..... day of..... month and year being herewith duly authorized.

For and on behalf of the _____ Bank.

Signature of Authorized Bank Official:

Name _____

Designation _____

Stamp/Seal of the Bank: _____

Signed, sealed and delivered for and on behalf
of the Bank by the above named

In the presence of:

Signature _____

Name _____

Address _____

Signature _____

Name _____

Address _____

Notes:

1. The stamp papers of appropriate value shall be purchased in the name of the Bank, who issues the 'Bank Guarantee'.
2. The 'Bank Guarantee' shall be from the Scheduled Commercial Bank based in India, acceptable to Employer.