

# **CHENNAI METRO RAIL LIMITED**



**Draft License Agreement for Licensing of  
Built-up Shops/ Office Spaces at Seven Metro Stations, Ekkattuthangal, St.Thomas  
Mount, Little Mount, Guindy, Nanganallur Road, Meenambakkam and Chennai Airport  
along Corridor- I & II.**

**(BD/RSS/DLA/02)**

**FEBRUARY-2017**

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**ARTICLE: 1**

**DRAFT LICENSE AGREEMENT**

**Agreement No \_\_\_\_\_ of Year \_\_\_\_\_**

**THIS AGREEMENT** is executed on this \_\_\_\_\_ day of \_\_\_\_\_ 2017 at Chennai

**BY AND BETWEEN**

The Chennai Metro Rail Ltd. incorporated under the Companies Act-1956 having its administrative office at Admin Building, CMRL Depot, Ponammallae High Road, Koyambedu, Chennai – 600107, India, represented by \_\_\_\_\_(Designation) hereinafter referred to as the “**Licensor**” or “**CMRL**” (which expression shall unless repugnant to the context mean and include it’s successors and assigns) of the **First Party**

**AND**

M/s. \_\_\_\_\_, having its registered office at and represented by \_\_\_\_\_(PROPREITOR / COMPANY / CONSORTIUM) ,hereinafter called “**Licensee**” (which expression shall unless repugnant to the context or meaning thereof include the successors and assigns) of the **Second party**.

**WHEREAS**

**CMRL, with a view to augment its revenues through non-operating revenue, had invited Open Bid from the interested parties. Based on the bids on Request for Proposal (RFP) from Bidders, successful bidder (called as Licensee) has been selected for assigning Licensing of Built-up Shops/ Office Spaces at Seven Metro Stations, Ekkattuthangal, St.Thomas Mount, Little Mount, Guindy, Nanganallur Road, Meenambakkam and Chennai Airport along Corridor- I & II , on “as is where is basis”.**

- a) CMRL has agreed to provide to the Licensee, commercial utilisation and Licensing Rights of Built-up-Shops/ Office Spaces (pre identified by CMRL) on “as is where is basis”, herein after referred to as Shops/ office Spaces, on payment of License Fee and

other charges to CMRL on the terms and conditions hereunder contained in this License Agreement.

- b) Licensee shall develop, manage, operate, and maintain, market the shops / office spaces allotted to them at CMRL stations as specified in this Agreement at its own cost.

**NOW THEREFORE**, in lieu of the mutual promise and consideration set out herein CMRL and the Licensee (hereinafter collectively called “**Parties**”) witness and hereby agree as follows:

A. The several documents forming this Agreement are to be read as mutually explanatory to one another and, unless otherwise expressly provided elsewhere in this Agreement, in the event of any conflict, discrepancy or ambiguity between them, the priority of documents shall be in the order:

- i. This Agreement
- ii. Letter of Acceptance No. \_\_\_\_\_ dated \_\_\_\_\_
- iii. The written clarifications and addenda issued to the Bidders
- iv. Request for Proposal (BD/RSS/RFP/02) including the Draft License Agreement (BD/RSS/DLA/02)
- v. Any other document of CMRL and Licensee forming part of the Bidding Process.

B. The Licensee hereby covenants as follows: -

- i. Licensee hereby assumes responsibility for Built-up Shops/ Office Spaces of CMRL at Ekkattuthangal, St.Thomas Mount, Little Mount, Guindy, Nanganallur Road, Meenambakkam and Chennai Airport as specified in Annexure-I. Licensee shall be responsible for manage, operate, maintain, market the Shops/ Office Spaces as specified in this Agreement at its own cost. All the shop sites/office spaces and formats proposed by the Licensee are subject to approval by CMRL with regard to operational feasibility, aesthetics, safety and security concerns.
- ii. Licensee irrevocably agrees to make all payments including License Fee as per this Agreement as and when due, without delay or demur, without waiting for any

formal advice from CMRL in this regard.

- iii. The Licensee confirms having examined the potential locations inside Ekkattuthangal, St.Thomas Mount, Little Mount, Guindy, Nanganallur Road, Meenambakkam and Chennai Airport Metro Stations in detail and fully understands and comprehends the technical requirements of the Shops/ Office Spaces. The Licensee also confirms full satisfaction as to the business viability of licensing the Shops/ Office Spaces inside the Metro Stations and hereby voluntarily and unequivocally agrees not to seek any claim, damages, compensation or any other consideration, whatsoever on this account. Licensee also confirms having made independent assessment of present and future market potential and no future claim what so ever regarding change in market circumstances shall be used by it as an alibi or excuse for non-payment of License Fee and other amounts due to CMRL under this License Agreement.

C. That CMRL and LICENSEE represent and warrant that they are empowered, authorized and able to make this agreement.

**ARTICLE: 2**  
**DEFINITIONS**

- a) **“Agreement”** means the License Agreement to be executed between CMRL and the Selected Bidder in the format approved by CMRL and includes any amendments, annexure hereto made in accordance with the provisions hereof.
- b) **“Applicable Laws”** means all laws, brought into force and effect by Govt. of India, State Governments, local bodies and statutory agencies and rules/ regulations/ notifications issued by them from time to time. It also include judgments, decrees, injunctions, writs and orders of any court or judicial authority as may be in force and effected from time to time.
- c) **“Applicable Permits”** means all clearances, permits, authorizations, consents and approvals required to be obtained or maintained under Applicable Law, in connection with the “Shops/ Office Spaces” and the contract during the subsistence of this Agreement.
- d) **“Bidder”** means any entity which is a registered sole proprietorship firm, a partnership firm or a company having registered office in India, or a combination of above in the form of Joint Venture (JV) or consortium etc.
- e) **“As is where is basis”** means LICENSEE shall be licensed the said Shops/ Office Spaces, equipment’s, installations, fittings and fixtures on ‘as is where is basis’ and the LICENSEE shall not make any additions or alterations in the licensed space, installations including electric installations and wiring without the prior permission of CMRL in writing and when permitted by the LICENSOR the said additions and alterations shall be carried out by the LICENSEE at their own cost. They shall not be entitled to any compensation for any additions carried out by them in the licensed Shops/ Office Spaces rather LICENSEE shall be required to hand over the licensed Shops/ Office Spaces in original condition at the end of license period.
- f) **“Bid”** means the documents in their entirety comprised in the bid, including all clarifications, addenda and revisions issued by CMRL to the Bidders, the Proposal submitted by the successful Bidder (Licensee) in response to the Bid Notice in

accordance with the provisions thereof.

- g) **“Bidder”** is the Bidder who is fulfilling the criteria laid down in Request for Proposal (RFP).
- h) **“EMD”** means the refundable amount to be submitted by the Bidder (Bidders) along with RFP documents to CMRL.
- i) **“Shops/ Office Spaces”** means built-up Shops/ Office Spaces namely the Specified Area in Metro Station for commercial development as detailed in the Annexure-I given on license basis by CMRL to the licensee under and in accordance with this License Agreement.
- j) **“License”** means the permission granted by CMRL to the Selected Bidder for commercial activity (excluding banned list of usage of premises) inside built-up Shops/ Office Spaces at specified locations at Metro Stations, for a license fee based on the terms and conditions of the License Agreement.
- k) **“Termination”** means termination of this Agreement by efflux of time or sooner determination in accordance with the provisions of this License Agreement.
- l) **“Termination Date”** means the end of the License period or date of sooner determination of the License period in accordance with the terms of this Agreement whichever is earlier

## **ARTICLE: 3**

### **GRANT OF LICENSE**

3.1 Commencement of License fees will be 120 days from the date of issue of notice to take over/ handing over.

3.2 CMRL reserves its right to withdraw a few stations or locations approved from the License Rights. The Licensee hereby voluntarily and unequivocally agrees not to seek any claim, damages, compensation or any other consideration, whatsoever on this account. The Licensee shall vacate the premises of such stations within a period of 30 days from such intimation. The tenure of the license period shall be co-terminus with this license agreement.

3.3 There is a total area of 2266 Sq Mtrs (Approximately) which are being offered for licensing rights as detailed in Annexure-1. The vacant built-up Shops/ Office Spaces as mentioned in Annexure-1, shall be handed over on “as is where is basis” within 15 days from the date of receipt of full payment as stipulated in Letter of Acceptance.

3.4 Measurement of actual area of Built up Shops/ Office Spaces: Actual area of built up Shops/ Office Spaces shall be the area of built up space worked out based on outer dimensions of the covered area excluding the area covered by the walls & columns (including finishing), vent shafts, utility ducts, public toilets, common corridors and passages, staircases and balconies which are not being used for commercial activities.

- a) Measurement of actual area of Bare Space: Actual area of bare space shall be the area of clear space available in open/ semi-covered space. In case of any differences, the determination of CMRL is final and binding.

### **TENURE OF LICENSE**

3.5 Tenure of License Agreement shall be 10 (Ten) years, unless otherwise terminated by CMRL or surrendered by the Licensee.

3.6 The tenure of License Agreement shall commence from the date of commencement of license fees as per clause 3.1 above. The License Period of the Shops/ Office Spaces handed over subsequently shall be co-terminus with the Tenure of License Agreement



irrespective of date of actual handing over.

- 3.7 The licensee shall have option to exit from the License Agreement only after an issue of six months prior notice to CMRL. In this case, interest free Security Deposit of the Licensee shall be refunded after adjusting the dues, if any, to be payable by the Licensee.
- 3.8 If the licensee exits the License Agreement before without giving six months prior notice to CMRL the interest free Security Deposit shall be forfeited in favour of CMRL besides recovering other dues including License fee.
- 3.9 No partial surrender of built-up-Shops/ Office Spaces/ individual shop which has been handed over to the Licensee by CMRL shall be permissible during the currency of the License Agreement.
- 3.10 At the end of 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 premises with all the furniture and other assets permanently attached to any part of the premises under this Agreement, shall revert to CMRL without any obligation to CMRL to pay or adjust any consideration or other payment to the Licensee.

#### **LICENSE FEE**

3.11 The license fee per month per sqm area of built-up Shops/ Office Space shall be as quoted by the Licensee in Bid Form. The rates of License fee and conditions for other licensed spaces based on technical feasibility shall be derived as follows:

- a) The rate applicable for additional Bare Space shall be 50% of the rate applicable for built up Shops/ Office Space as on that date if the bare space is used only for parking and utilities purpose.
- b) Mezzanine floor, if required by the Licensee for commercial activities, may be permitted by CMRL subject to availability/feasibility. The License fee for mezzanine floor area shall be 100% of the rate applicable for built up Shops/ Office Space as on that date.

- d) If the Licensee modifies the built up Shops/ Office Spaces by making additions & alteration to the handed over built area, the License fee of modified built up shop shall be charged for its modified area.

3.12 Along with License Fees, Licensee shall also pay other dues i.e. statutory dues / liabilities, electricity and water consumption charges, damage/penal charges, pending arrears, etc. as applicable from time to time. Licensee has to pay other, Quarterly maintenance fee of Rs.125/ Sq Mtrs of actual area licensed as Common area maintenance charges to the Licensor and same shall be increased by 20% on compounding basis after completion of every three years.

3.13 The license fee shall be paid to CMRL on quarterly basis in advance to CMRL by the 7 days of end of previous quarter without expecting any specific demand notice from CMRL. This has also been illustrated below for better understanding of licensee –

- The Billing quarter - 1<sup>st</sup> April - 30<sup>th</sup> June
- Period for the issue of invoice -- 1<sup>st</sup> February -- 15<sup>th</sup> February
- Last Date of payment of Dues to CMRL - 25<sup>th</sup> March

3.14 The account shall be regularly reconciled by CMRL finance department on half yearly basis.

3.15 The Licensee agrees voluntarily and unequivocally to make all payments to CMRL as may be due before the due date, without waiting for any formal advice from CMRL. In the events of non-receipt of any invoice, the Licensee agrees to collect the same from the office of authorize representative of the Licensor.

3.16 Licensee shall periodically advise the details of payment deposited with CMRL. In the case of non-submission of such details, initially Third Party dues i.e. statutory dues/ liabilities shall be settled (mandatory liabilities of CMRL), then others dues/ liabilities like electricity, other utility charges, etc., and lastly License fee shall be accounted for.

3.17 The license fees shall be increased by 20% on compounding basis after completion of every three years.

3.19 If the Licensee fails to pay or partly pay the license fee and other dues required to be paid as per terms and condition of License Agreement by the due date, a 30 days' cure notice shall be issued to pay the outstanding license fee and other dues along with an interest of 24% (Twenty Four percent) per annum on compoundable quarterly basis on the amount of License Fee and other dues outstanding after the due date and falling in arrears. Interest shall be continue to be accrued on annual compounding basis until all the payable amount of License Fee and other dues are finally squared up. Such interest shall be charged on outstanding dues for the actual day(s) of delay in payment.

- a) If the Licensee failing to deposit the outstanding License Fee and other dues within 15days' cure notice, CMRL shall issue a termination notice to make payment of outstanding License Fee and other dues within next 15 days.
- b) In the event of Licensee failing to deposit the outstanding License Fee and other dues within 15 days from the date of issue of termination notice, CMRL shall disconnect all utilities provided to the Licensee.
- c) In the event of Licensee failing to deposit the dues within 15 days from the date of issue of termination notice, it shall constitute Material Breach of Contract and Licensee's Event of Default under this Agreement and shall entitle CMRL to terminate the License Agreement as per provisions stipulated in Article-8 of the License Agreement. After such termination, CMRL shall forfeit Interest Free Security Deposit by the Licensee and recover CMRL dues without prejudice to take such other action available to CMRL under this Agreement and as per Law.

### **INTEREST FREE SECURITY DEPOSIT**

3.20 Licensee shall pay Interest Free Security Deposit to CMRL which is one year of first year license fee for the due and faithful performance of its obligations set forth in this Agreement.

3.21 Interest free Security Deposit for built up Shops/ Office Spaces handed over subsequently shall be deposited by the licensee within 15 days of issue of letter for taking over notice

of CMRL.

3.22 The interest free Security Deposit shall be paid in the form of Demand Draft.

3.23 In case of successful completion of the full term of the License period i.e. 10 years from commencement date of License Agreement or after surrender of License agreement as per clause 3.7 above, Interest Free Security Deposit shall be refunded without accruing any interest on it and after adjusting the outstanding dues subjected to fulfillment of all handover requirements by the Licensee up to the satisfaction of CMRL.

3.24 CMRL shall reserve the right for deduction of CMRL dues from Licensee's Interest Free Security Deposit at any stage of agreement i.e. currency/

- a) Completion/termination/surrender, against - any amount imposed as a penalty and adjustment for all losses/damages suffered by CMRL for any nonconformity with the Agreement terms & condition by the Licensee.
- b) Any amount which CMRL becomes liable to the Government/Third party due to any default of the Licensee or any of his servant/ agent.
- c) Any payment/ fine made under the order/judgment of any court/consumer forum or law enforcing agency or any person working on his behalf.
- d) Any other outstanding CMRL's dues as per License Agreement.

3.25 Once an amount is debited from the interest free Security Deposit, the Licensee shall replenish the Security Deposit to the extent the amount is debited, within 15 days period failing which it shall be treated as a Licensee's event of default.

#### **TAXES AND OTHER STATUTORY DUES**

3.26 The property tax applicable, if any, on the property of CMRL shall be borne by CMRL (to be checked with Finance Department)

3.27 Service tax, as applicable time to time, shall be borne by Licensee.

3.28 All other statutory taxes, statutory dues, local levies, as applicable shall be charged extra and shall have to be remitted along with the License Fees for onward remittance to the Government. The Licensee indemnifies CMRL from any claims that may arise

from the statutory authorities in connection with this License for the License period if the same is raised by the concerned authorities in future.

3.29 Payment of all stamp duties required to execute License Agreement shall be borne by Licensee.

## ARTICLE: 4

### **MAINTENANCE AND OPERATION OF SHOPS/ OFFICE SPACES**

#### **4.1 Augmentation of Built-up-Shops/ Office Spaces:**

Considering the terms & conditions and license period of this Agreement, the Licensee can renovate the partitions, interior design works along with utilities like power supply, water supply, toilets, drainage system, HVAC, fire protection system, telecommunication system, etc. of built up shop area provided that :

- a) The modification duly adheres to the provision of all Applicable Laws including and in particular the prevalent CMDA Laws and specified guideline/ requirements of other competent authorities.
- b) As far as possible, the License shall not alter the exterior of Station building. If it is essentially required by the Licensee, he shall obtain prior approval of CMRL whose decision shall be final and unconditionally binding to the Licensee.
- c) The design and construction work strictly conform to relevant Standard Building Codes and good industry practice.
- d) It shall be the Licensee's sole responsibility to obtain all necessary clearance/ approval/ sanction from CMRL and other competent authorities for modifications, FSI changes, fire protection system, etc. CMRL shall only provide assistance wherever possible on the best effort basis without any legal and binding obligations to facilitate the process.
- e) Licensee has to get approval from Tamilnadu Fire Services for fire protection system plan to be provided in the retail spaces. Underground water tank of Fifty (50) thousand to 1(one) lakh litre capacity and the other equipment's including booster pump for firefighting are available at station.
- f) License shall ensure that no structural damage is caused to the existing building and other permanent structure as a result of his activities.
- g) Licensee shall be responsible for safety, soundness and durability of the work undertaken by the Licensee including other structures forming part thereof.

- h) The facilities and works being undertaken or installed, shall not in any manner affect, hinder or interfere with the free movement of the CMRL's employees, commuters and visitors. No surplus construction machinery and material, including any hazardous material and wastes shall be left at any place in the site or the station.
- i) No material is stored or kept outside the site or in common area meant for movement of persons. The Licensee shall be responsible for all damage to the common areas of the complex like flooring, lift cars etc., during the process of alteration. Any special cleaning or drain clearance necessary as a result of the alteration works will be taken care by Licensees.
- j) The Licensee shall strictly comply with the safety procedure, measurement, and guidelines. If it is noticed at any stage that licensee has compromised with the safety procedure, measurements, guidelines and quality of materials laid down, a penalty up to Rs.1,00,000/- (Rupees one lakh) per instance shall be imposed on the Licensee.
- j) Any additional costs required to be incurred by CMRL in connection with the augmentation work such as deployment of extra security staff, etc. shall be charged from the Licensee. The Licensee shall also have to bear the damage and service charges. However, before incurring any such expenditure, the Licensee shall be briefed on the requirements by CMRL.
- k) Licensee shall borne all risk & cost and consequences of this augmentation work in built up Shops/ Office Spaces area.
- l) On completion of augmentation work, the Licensee shall furnish "As Built Drawings" of the premises including details of modified services along with all permissions/ approvals taken from the concerned departments.

#### **4.2 Maintenance & Repairs:**

- a) Licensee shall bear the cost of minor day-to-day repairs, annual refurbishing and routine special repairs to space comprising of built up Shops/ Office Spaces, bare space, circulation areas, access way, pavements, Foundation Park, utilities, services, etc. linked with this agreement and required because of normal wear & tear

with the efflux of time or due to planning/ constructional defects remained during augmentation of premises.

- b) Any major repairs in existing structure due to its constructional defects shall be the responsibility of CMRL. If the major repair is not carried out within reasonable time by CMRL as per his obligations, the Licensee shall have the right to get the needful done up to the satisfaction of CMRL with prior written consent from CMRL. The Licensee shall submit the estimate for this major repair to CMRL and after obtaining its approval, he shall deduct the cost incurred on major repair from the amount payable to CMRL.
- c) The said premises, which have been handed over to the Licensee under this agreement, shall be kept in good condition and maintained properly by the Licensee at his own cost.
- d) In case of any dispute as to whether repair is minor one or major one warranting CMRL liability, the decision of CMRL will be final and binding on Licensee.

#### **4.3 Operation of Shops/ Office Spaces:**

- a) Licensee shall ensure proper storage of the packaged products ensuring that there is no contamination or decay of products or raw materials.
- b) Licensee shall ensure that fire detection and suppression measures installed inside his premises are kept in good working condition at all times.
- c) The Licensee voluntarily and unequivocally agrees to provide un-fettered access to the fire officer & other officials of CMRL for inspection at any time and agrees voluntarily and unequivocally to abide by and comply with all instructions as may be indicated by the fire officer & other officials. Noncompliance may be treated as breach of contract and license shall be terminated.
- d) Licensee shall ensure that all electrical wiring, power outlets and gadgets are used and maintained properly, for guarding against short circuits / fires. The instructions in this regard by the CMRL electrical inspector/authorized representative must be complied with. Any cost/s associated with implementation of such instruction shall be borne solely by the Licensee.



- e) The Licensee voluntarily and unequivocally agrees not to seek any claims, damages, compensation or any other consideration whatsoever on account of implementing the instruction issued by CMRL fire officer, electrical inspector, Security officer or their authorized representatives from time to time.
- f) Licensee shall keep and maintain the licensed space in neat, clean condition and in safe and sound manner during the License Period. Any defective, weak or corroded structure should be replaced immediately with new proper structure after due certification from reputed agency. In case of any incident / injury caused due to error/ omission attributable on the part of Licensee, the Licensee shall be responsible for all compensation.
- g) Licensee and its employees or other persons involved in the execution of the work shall not in any way impinge on the safety and security of metro operations, passenger safety, commuter's convenience, safety of metro properties and its assets. In case of serious accident caused due to negligence of the Licensee or Licensee's staff/employee, resulting in injury, death to commuters or CMRL employees or loss to CMRL property, it shall constitute Material Breach of Contract and considered Licensee Event of Default that shall entitle CMRL to terminate the License Agreement with 30 days written notice.
- h) Access to stations shall be regulated by the office of the Chief General Manager (Operations) and the Licensee is required to take necessary permissions in this regard from the office of Chief General Manager (Operations) as per extant policy of CMRL. It is clarified that the permission to the Licensee shall not be unduly denied.
- i) Entry and access in paid area by the workmen of the Licensee shall be through smart card and its cost shall be borne by the Licensee. Entry Permission/ Identity Cards shall be issued by CMRL but these ID cards shall not be applicable for making journey in trains and entry/ exit to paid areas of Stations.
- j) The Licensee shall ensure safety and security of the allotted Shops/ Office Spaces CMRL shall not take any responsibility.
- k) Joint inspection of each Shop & office Space shall be conducted by CMRL officials and Licensee, at least fortnightly. Discrepancy noticed or instructions issued by

CMRL shall be rectified / complied by the Licensee within a period of 7 days, failing which CMRL reserves the right to impose fine up to Rs.25,000/- per instance of irregularity per week.

- l) Deliberate or willful non-compliance of CMRL written instructions for a period of 90 days shall constitute Material breach and Licensee Event of Default that shall entitle CMRL to forfeit Security Deposit and or terminate the License Agreement after giving 30 days' notice to the Licensee. Such termination of the License Agreement and forfeiture of the interest free Security Deposit by CMRL shall be without prejudice to any other damages, rights or remedies applicable under law in its favour.
- m) The overall control and supervision of the premises shall remain vested with CMRL who shall have the right to inspect the whole or part of the licensed premises as and when considered necessary, with respect to its bonafide use and in connection with fulfillment of the other terms and conditions of the license agreement.
- n) CMRL shall reserves the right to enter the licensed premises to repair and replace the fixtures provided by CMRL. If any fixtures or utility relating to operation of the MRTS (Metro) is running through the area licensed, proper protection as advised by CMRL shall be done by Licensee.
- o) Encroachment: The Licensee shall strictly not encroach upon common areas/circulating areas or any other space, and restrict his operation to within the area licensed. In case, the Licensee encroaches upon the common area, circulating area or any other space then a fine/ compensation @ Rs.500/- on the first occasion, Rs.2,000/- on the second occasion and Rs.3,000/- after second occasion shall be imposed by CMRL. Thereafter CMRL reserves the right to revoke the license for breach of contract.
- p) Further, CMRL can impose the fine on Licensee up to Rs.5,000/- per offence per week on the following offenses:

|      |   |
|------|---|
| i.   | Any staff of Licensee found in drunken condition/ indulging in bad conduct. |
| ii.  | Any staff of the Licensee found creating nuisance on duty.                  |
| iii. | Improper maintenance & defacement of the Metro Property.                    |
| iv.  | Dishonor of drafts and Cheques given by Licensee in favour of CMRL.         |

|       |   |
|-------|---|
| v.    | Misbehavior with staff and commuters of CMRL.   |
| vi.   | Not following safety and security norms as may be indicated by authorized representative of CMRL.   |
| vii.  | Any staff of the Licensee found without uniform and ID Card and/or found creating nuisance on duty. |
| viii. | Not following the instructions issued by CMRL authorities from time to time.                        |

- q) The option to impose fine, penalty, etc., under this License Agreement shall be exercised by CMRL official not below the rank of Dy. HOD.
- r) On operational ground/ administrative exigency, the CMRL may ask the Licensee to vacate any licensed space of Built up Shops/ Office Spaces, or part thereof. Thereupon, the Licensor shall refund the interest free Security Deposit on pro-rata basis & license fees shall be reduced for the remaining area. The Licensee unequivocally and voluntarily agrees not to seek any claim, compensation or any other consideration on this account on whatsoever reason.

## ARTICLE: 5

### **RIGHTS AND OBLIGATIONS**

#### 5.1 Licensee's Obligations:

The Licensee's Responsibilities and Duties shall include the following, in addition to and without prejudice to other obligations under this Agreement:

- a) to obtain due permits, necessary approvals, clearances and sanctions from the competent authorities for all commercial activities or infrastructure facilities including interior decoration, power, water supply, drainage & sewerage, fire fighting, telecommunication, etc.;
- b) to operate and maintain the Licensed Area at all times in conformity with this Agreement;
- c) to furnish "As Built Drawings" of the premises within 30 days of completion of construction work.
- d) to ensure that no structural damage is caused to the existing buildings and other permanent structures at the station as a result of his activities or any of its agents, contractors, etc.;
- e) to take all reasonable steps to protect the environment (both on and off the Licensed Shops/ Office Spaces) 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;
- f) to duly supervise, monitor and control the activities of contractors, agents, etc., if any, under their respective License Agreements as may be necessary;
- g) to take all responsible precautions for the prevention of accidents on or about the site and provide all reasonable assistance and emergency medical aid to accident victims;
- h) not to permit any person, claiming through or under the Licensee, to create or place any encumbrance or security interest over all or any part of License Shops/ Office Spaces or the Licensed Shop's & Assets, or on any rights of the Licensee therein or under this Agreement, save and except as expressly permitted in this Agreement;

- i) to keep the Licensed Shops/ Office Spaces free from all unnecessary obstruction during execution of works 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, Commuters or CMRL's activities.
- j) at all times, to afford access to the Licensed Shops/ Office spaces to the authorized representatives of CMRL, other persons duly authorized by any Governmental Agency having jurisdiction over the business of Licensed Shops/ Office Spaces, to inspect the Licensed Shops/ Office Spaces and to investigate any matter within their authority and upon reasonable notice; and
- k) to comply with the divestment requirements and hand over the Licensed Shops/ Office Spaces to CMRL upon Termination of the Agreement;

5.2 The Licensee shall be solely and primarily responsible to CMRL for observance of all the provisions of this License Agreement on behalf of the Licensee, its employees and representatives and further on behalf of the their employees and agents and any person acting under or for and on behalf of the Licensee or the contractor (s) appointed for the Licensed Shops/ Office Spaces as fully as if they were the acts or defaults of the Licensee, its agents or employees.

5.3 The Licensee shall comply with all rules and regulations under the Metro Railways (Operations and Maintenance) Act 2002 & its amendments.

5.4 No tenancy/sub-tenancy is being created by CMRL in favour of Licensee under or in pursuance of this Agreement and it is distinctly & clearly understood, agreed and declared by/ between the parties hereto that:

- a) The Licensee shall not have or claim any interest in the said Shops/ Office Spaces/premises as a tenant/sub-tenant or otherwise.
- b) The rights, which Licensee shall have in relation to the said premises, are only those set out in this Agreement.
- c) The relationship between CMRL and Licensee under and/or in pursuance of this Agreement is as between Principal and Principal. Consequently, neither party shall be entitled to represent the other and/or make any commitment on behalf of and/or

with traders or any other party. Furthermore, no relationship in the nature of Partnership or Association of persons is hereby being created or intended to be created between CMRL on the one hand and Licensee on the other hand in connection with and/or relating business to be operated by Licensee at the said premises.

### **5.5 CMRL's Infrastructure Facilities**

Licensee shall apply for electricity connection, Air-conditioning, Water & Drainage, other amenities/ proposals etc. individually for all the licensed Shops/ Office Spaces along with requisite documents for the following services available in at station.

a) Electricity:

The power supply connection released for commercial activity shall be from Electrical Loads available from CMRL power network. However, if additional electrical load is required by the Licensee, the same may be arranged by CMRL, if feasible. Common point will be provided for power supply from which internal distribution to be carried out by the Licensee.

The Licensee shall indicate the estimated power/load requirement including air-conditioning/ refrigeration load along with the electricity load distribution plan as part of the preliminary plan submissions. Air-conditioning/ refrigeration within the said premises shall be provided by the Licensee at his own cost after obtaining necessary approvals from CMRL.

However, if the Licensee requires to provide other than Split ACs such as VRV, Central Plant, etc., the same shall be provided with prior approval of CMRL.

b) Fire Protection System:

CMRL has obtained approval from Tamilnadu Fire Services for existing integrated fire protection system for whole infrastructure of Station including area of licensed Built up Shops/ Office Spaces. Underground water tank of 1 (one) lakh litre capacity and the other equipments including booster pump for fire safety are also available at station.

Any augmentation to existing fire protection system, if required due to renovation of licensed Shops/ Office Spaces/space, shall be done by the licensee at his own risk & cost as per relevant BIS Code of Practice and norms of CMRL & Tamilnadu Fire

Services.

c) Civil Utilities:

At present, a toilet available at the station for CMRL staff can be used by retail users. However the toilets inside the allotted space can be built by the Licensee subject to Technical Feasibility and approval from CMRL. If any augmentation to the existing civil utilities such as toilets, drainage, sewer and water supply system, roads, etc. is required, it shall be done by the Licensee at his own cost if feasible and with prior approval from CMRL.

To meet out the additional requirement of water, the licensee may develop independent Rain Water Harvesting System and reuse the collected water. However, whole cost of development of Rain Water Harvesting System shall be borne by the Licensee.

CMRL Water charges as on date, if provided, shall be charged at the prevailing commercial rates with Service tax extra (if applicable at any instance of time).

d) Solid Waste:

The Licensee shall have to make arrangements for disposal of solid waste, which shall be got removed from the premises on a daily basis to ensure perfect cleanliness as per Corporation of Chennai Norms. The Licensee shall have to make arrangements for the solid waste to be separated into glass, plastic and food waste and for the food waste to be treated in a shredder to be converted into a paste. The waste shall need to be expelled into a common dump or waste area provided/ indicated by CMRL. If solid waste is found disposed of on CMRL land or premises a penalty/fine of Rs.2000/- shall be imposed by CMRL for each occasion.

e) Parking:

No separate space is been identified for retail users. Existing parking for commuters will be used by them.

f) Telephone:

CMRL may give permission for installation of cables for telephone/ tele-communication equipment subject to technical feasibility. The instrument, cables and connection shall be obtained by the Licensee from the telephone company at his own cost. CMRL reserves the right not to give such permission.

g) Other Services:

Reasonable security services for the station building, cleaning, trash removal and washing of the station building premises, adequate lighting in the common areas and exterior lighting outside the station building will be provided by CMRL. In the event that any one of the services provided by CMRL be interrupted or suspended by reason of accident, repair, alterations, strikes, lockout, and except as hereinafter provided, CMRL shall not be liable to the Licensee therefore provided however that CMRL shall use its best efforts to restore such services within a reasonable period.

h) Toilet:

Licensee can use the common staff toilet available in the CMRL metro stations.



## ARTICLE: 6

### **INDEMNITY AND INSURANCE**

- 6.1 The Licensee hereby undertakes to indemnify and hold CMRL harmless against all costs, damages, liabilities, expenses arising out of any third party claims relating to non-completion of the Fit-out; quality of the Fit-out and the construction/ construction activities entered into between the Licensee and end user.
- 6.2 The Licensee hereby undertakes to indemnify CMRL 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 including operation of all facets of commercial activities and against all claims, proceedings, damages, costs charges and expenses whatsoever in respect thereof or in relation thereto.
- 6.3 The Licensee hereby undertakes that CMRL shall not be liable for or in respect of any damages or compensation payable to any workman or other person in the employment of Licensee or any of his contractors. The Licensee shall indemnify and keep indemnified CMRL against all such damages and compensation; all claims proceedings, damages, costs, charges and expenses whatsoever in respect thereof or in relation thereto.
- 6.4 The licensee must strictly comply with all the provisions of The EPF Act 1952, The ESI Act, Minimum Wages Act 1948, Labour Laws & regulation in force including but not limited to the Contract Labour (Regulation & Abolition) Act-1976 including any subsequent amendment thereof and the rules made there under as per prevalent Government orders and ensure timely payment and compliance under these Acts. Failure to comply these acts shall attract penalty as per provisions. Licensee shall indemnify CMRL Administration for any loss and damages suffered due to violation of its provision.
- 6.5 The Licensee hereby indemnifies CMRL against any loss, damage or liabilities arising as a result of any act of omission or commission on part of Licensee or on part of its personnel or in respect of non-observance of any statutory requirements or legal dues of

any nature.

- 6.6 The Licensee hereby undertakes to discharge all statutory obligations and liabilities in connection with employment of its personnel in the said premises. Licensee hereby indemnifies CMRL against any liability arising in connection with the employment of its personnel in the said premises by Licensor. Licensee hereby undertakes to carry out police verification of its employees and submit the copy of same to Property Development Wing of CMRL in accordance with CMRL's policies regulations prevalent at that time.
- 6.7 The Licensee shall indemnify CMRL from any claims that may arise from the statutory authorities against any statutory taxes, statutory dues, local levies, etc. in connection with this License.
- 6.8 The Licensee shall indemnify CMRL from any damage charges to be incurred if the licensed Shops/ Office Spaces are not been handed over to CMRL in good condition as required under this agreement.
- 6.9 The Licensee shall indemnify CMRL from any serious accident caused due to negligence of the Licensee or Licensee's staff/employee, resulting in injury, death to commuters or CMRL employees or loss to CMRL property.
- 6.10 The Licensee shall be liable for and shall indemnify, protect, defend and hold harmless CMRL, CMRL's officers, employees and agents from and against any and all demands, claims, suits and causes of action and any and all liability, costs, expenses, settlements and judgments arising out of the failure of the Licensee to discharge its obligations under this clause and to comply with the provisions of Applicable laws and Applicable Permits.
- 6.11 The Licensee shall indemnify and keep indemnified CMRL for any losses/ penalties on this account levied by any judicial/statutory authorities/courts, in case, the Licensee misused all liabilities for mis-user charges and mis-user proceedings.
- 6.12 Insurance and Waiver of Liability: The Licensee shall bear the cost, throughout the term of the License, for a comprehensive general liability insurance covering injury to or death of any person(s) while working in CMRL premises, including death or injury caused by the sole negligence of the Licensee or the Licensee's failure to perform its

obligations under the agreement. Upon CMRL's request, the Licensee shall submit to CMRL, suitable evidence of policies is in effect. In the event of the default i.e. avoiding the insurance cover, the Licensee agrees and undertakes to indemnify and hold the licensor harmless against any and all liabilities. Losses, damages, claims, expenses suffered by the licensor as a result of such default by the Licensor.

## ARTICLE: 7

### **FORCE MAJEURE**

7.1 Neither CMRL nor Licensee shall be liable for any inability to fulfill their commitments and obligations hereunder occasioned in whole or in part by Force Majeure, any of the following events resulting in material adverse effect, shall constitute force majeure events:

- a) Earthquake, Flood, Inundation, Landslide.
- b) Storm, Tempest, Hurricane, Cyclone, Lighting, Thunder or other extreme atmospheric disturbances.
- c) Fire caused by reasons not attributable to the Licensor.
- d) Acts of terrorism
- e) War, hostilities (Whether war be declared or not), invasion, act of foreign enemy, rebellion, riots, weapon conflict or military action or civil war.
- f) Strikes or boycotts, other than those involving the Licensor, its contractors, or their employees, agents etc, and
- g) Any other similar things beyond the control of the party, except court order/ court judgment.

7.2 Occurrence of any Force Majeure shall be notified to the other party within 15 days of such. If any Force Majeure continues for a period of three months, the party notifying the Force Majeure condition may be entitled to, though not being obliged, to terminate this agreement by giving a notice of one week to the other party and interest free Security Deposit shall be refunded by CMRL to the Licensee after adjusting outstanding dues, if any.

7.3 The License fee for the portion affected due to Force Majeure shall be exempted for the affected period.

## ARTICLE: 8

### **BREACHES/ SURRENDER/ TERMINATION OF LICENSE AGREEMENT**

#### **Surrender of License Agreement:**

8.1 No partial surrender of built-up-Shops/ Office Spaces/ individual shop or part which has been handed over to the Licensee by CMRL shall be permissible during the currency of the License Agreement.

8.2 The Licensee shall have option to surrender the license agreement hereby created provided that -

- a) The Licensee successfully completes initial five years lock in period.
- b) There is no arrear pending with the Licensee on the date of issue of surrender notice.
- c) CMRL receives a six months advance notice, in writing, from Licensee for its intention to surrender the license agreement.
- d) Licensee continues to pay all dues as per schedule to CMRL till the date of premature closure of License Agreement.
- e) Licensee hand over vacant and peaceful possession of the all Licensed Shops/ Office Spaces, to CMRL, free from all encumbrances and in original conditions free of cost within 30 (thirty) days from the termination of License agreement.

If Licensee satisfies the above said conditions of surrender of License Agreement, CMRL shall terminate the Agreement and refund interest free Security Deposit after recovering/adjusting any outstanding amount on the part of Licensee.

8.3 If the licensee surrenders License Agreement without giving six months prior notice to CMRL the interest free Security Deposit shall be forfeited by CMRL besides recovering other dues including License Fee.

#### **Breach of License Agreement/ Licensee's Events of Default**

8.4 Following shall be considered as Material Breach of the License Agreement by Licensee resulting in Licensee's Events of Default:

- a) If the Licensee has failed to perform or discharge any of its obligations in

- accordance with the provisions of License Agreement, unless such event has occurred because of a Force Majeure Event, or due to reasons solely attributable to CMRL without any contributory factor of the Licensee.
- b) If the Licensee fails to pay License Fee, utility charges, penalty or Damage herein specified or any other due to be paid by the Licensee to CMRL by the stipulated date.
  - c) If the Licensee makes any of the following changes in Ownership:
    - i. Change in ownership of Licensee by sale, merger or acquisition and if the new entity owning the Licensee is unable to demonstrate its ability to satisfactorily fulfill obligations of the Licensee to the satisfaction of CMRL.
    - ii. Any dilution in the equity stake of the JV/Consortium by the Licensee in the first five years of the License Period.
    - iii. Any dilution in the equity stake of the JV/Consortium after five years of the License Period without prior permission of CMRL.
    - iv. Dilution of stake of Lead Member in the JV/Consortium below 51% at any time during the License Period.
  - d) If the Licensee during pendency of the License Agreement becomes insolvent or is put under receivership by a competent court.
  - e) If the Licensee is in persistent non-compliance of the written instructions of a CMRL officials.
  - f) If the Licensee or any of its representatives cause an incident or accident that results in injury or death to CMRL employees/ commuters or loss to CMRL property.
  - g) If the Licensee is in violation of any of the other Clauses of License Agreement and after three written notice (unless otherwise specifically mentioned therein) from CMRL fails to cure the Default to the satisfaction of CMRL.
  - h) If any representation made or warranties given by the Licensee under this Agreement is found to be false or misleading.

- i) If the Licensee engaging or knowingly has allowed any of its employees, agents 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.
- j) If the Licensee has created any encumbrance, charges or lien in favour of any person or agency, over the Licensed Shops/ Office Spaces, save and except as otherwise expressly permitted under this Agreement.
- k) If a resolution for voluntary winding up has been passed by the shareholders of the Licensee.
- l) If 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 Court of competent jurisdiction, except for the purpose of amalgamation or reconstruction with the prior consent of CMRL, 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.
- m) If the Licensee has abandoned the Licensed Shop(s)/ office spaces.
- n) If the licensee violates banned usage as per list given in Annexure-II.

#### **Termination of License Agreement by CMRL**

8.5 Provided that in the event of application of clauses 8.4 (a) and (b) above, CMRL 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 within the cure period, the event shall not be considered as a Licensee Event of Default. In case the licensee fails to remedies the default to the satisfaction of the CMRL within the cure period, then CMRL shall be within its rights to disconnect the utility services & terminate the License Agreement. The Licensee voluntarily agrees not to seek any claim, compensation, damages or any other consideration whatsoever on any ground in this regard.

8.6 On operational ground or any other Administrative Exigencies: CMRL reserve the

rights to terminate the License Agreement by giving six month advance notice in such exigency. The License agreement shall stand terminated and the interest free Security Deposit shall be refunded after adjusting outstanding dues, if any. The Licensee voluntarily agrees not to seek any claim, compensation, damages or any other consideration whatsoever on any ground in this regard. Licensee shall remove his belongings from CMRL premises within 30 days of issue of termination letter, failing which these belongings shall become property of CMRL. CMRL shall be free to use/ dispose-off these belongings in whatever manner as deemed fit. Licensee shall have no claim, compensation or consideration on any account of these belongings.

8.7 Termination for Force Majeure: The License Agreement may be terminated for Force Majeure Reasons as specified in Article-7.

**Other Terms & Conditions:**

8.8 On termination of License Agreement:

- a) All agreements entered by the Licensee, shall stand terminated with immediate effect ;
- b) the interest free Security Deposit and advance license fees paid by the date of termination shall be forfeited and all utilities shall be disconnected with immediate effect and
- c) a notice of vacation shall be issued to the Licensee to vacate the premises within 30 days.

8.9 Within 30 days grace period from the date of termination of License Agreement, the Licensee shall handover the premises to the Station Manager/ Station Controller or his authorised representative as per last development plan with normal wear & tears. The Licensee shall not remove any facility, equipment, fixture, etc. if these are integral part of the development plan of the premises and removal of these items can damage the structure or utilities. However, the Licensee can remove movable assets without causing damage to the structure. The Licensee agrees voluntarily and un-equivocally not to seek any claim, damages, compensation or any other consideration whatsoever on this account. If the premise is not handed over in good condition as required under this clause, CMRL reserves the right to deduct/ recover damage charges.



8.10 If the Licensee fails to vacate the premises as per clause 8.9 above, CMRL shall be free to take any of the following action as deemed fit to him.

- a) CMRL shall levy demurrage/ penal charges at the rate of three times of License Fees prevailing on the date of termination of License Agreement.
- b) CMRL shall take over the possession of the property and all the belongings/ inventory/ property/ installations/ fittings/ goods etc. shall be evacuated and vested in CMRL at zero/nil value. The Licensee hereby voluntarily and unequivocally agrees not to seek any claim, damages, compensation or any other consideration thereafter in future on this account.

8.11 After vacating the premises, the Licensee shall submit a vacation certificate from the Station Manager/ Station Controller or its authorized representative in proof of Licensee having vacated the site. Licensee's statement regarding vacation, without a vacation certificate from the Station Manager/ Station Controllers or its authorized representative, shall not be accepted.

8.12 The termination of this Agreement shall not relieve either party from its obligation to pay any sums then owing to the other party nor from the obligation to perform or discharge any liability that had been incurred prior thereto. The Licensee shall be liable to pay all dues outstanding to CMRL including electricity, chiller and other utility charges under this agreement without prejudice to rights and remedies applicable under the law. The final settlement shall take place after submission of vacation certificate from the Station Manager/ Station Controller or his authorized representative subsequent to termination of License Agreement.

8.13 Rights of CMRL on Termination: CMRL shall not have any obligation whatsoever including but not limited to obligations as to compensation for loss of employment, continuance or regularisation of employment, absorption or re-employment on any ground, in relation to any person in the employment of or engaged by the Licensee in connection with the Licensed Shops/ Office Spaces.

8.14 CMRL's Right to Re-market the said Licensed Shops/ Office Spaces on Termination:

- a) CMRL shall have right to re-market the said Licensed Shops/ Office Spaces on termination of this Agreement for whatsoever reasons.

b) CMRL if it deems necessary shall also have the right to seal or lock the said Licensed Shops/ Office Spaces upon termination.

## ARTICLE: 9

### **DISPUTE RESOLUTION**

#### 9.1 Arbitration

Any and all disputes or differences between LICENSOR and the LICENSEE arising out of or in connection with the License shall, so far as it is possible, be settled amicably through consultation and negotiation in good faith undertaken under the general supervision and direction provided by the Managing Director of LICENSOR;

- a) If the negotiations undertaken pursuant to non-payment of License Fee or breach of contract, do not resolve the dispute to the reasonable satisfaction of Parties, within 45 (forty five) days then the dispute shall be submitted to final and binding arbitration at the request of either of the Parties upon written notice to that effect to the other Party.
- b) Such arbitration shall be held in accordance with the Arbitration and Conciliation Act, 1996, and shall be held at Chennai. All proceedings of such arbitration shall be in the English language;
- c) A Panel of Arbitrators will be nominated by Director of the LICENSOR on receipt of such request from either party, after signing of the Agreement. Matters to be arbitrated upon shall be referred to a Sole Arbitrator if the total value of the claim is upto Rs. 50 lakhs and to a panel of three Arbitrators, if total value of the claim is more than Rs. 50 Lakhs. LICENSOR shall provide three Arbitrators which may also include officers of the LICENSOR not less than the rank of CGM, unconnected with the subject contract for the claims up to Rs. 50 Lakhs and a Panel of five Arbitrators which may also include officers of the LICENSOR not less than the rank of CGM, unconnected with the subject contract for claims of more than Rs. 50 lakhs. The LICENSEE shall not be entitled to raise any objection to any such arbitrator on the ground that the arbitrator is an officer of the LICENSOR. The LICENSEE shall have to choose the Arbitrator from this panel of three Arbitrators in case of Sole Arbitrator. In case of Three Arbitrators, the LICENSEE shall choose one Arbitrator and the LICENSOR shall choose one Arbitrator each from this panel of five Arbitrators and the two Arbitrators so chosen will choose the third Arbitrator from this panel only”.
- d) Arbitration awards rendered shall be final and binding. The successful party may seek to enforce the award in an appropriate jurisdiction.

e) During the pendency of the arbitration, LICENSOR and the LICENSEE shall perform their respective obligations in respect of the License.

9.3 During the pendency of arbitration / conciliation proceedings, the Licensee shall continue to perform and make due payments due to CMRL as per License agreement.

9.4 Jurisdiction of Courts: The Court at Chennai shall have the exclusive jurisdiction to try all disputes between the parties arising out of this agreement.

## **ARTICLE: 10**

### **REPRESENTATIONS AND WARRANTIES**

10.1 The Licensee represents and warrants to CMRL that

- a) It is duly organized, validly existing and in good standing under the laws of India;
- b) It has full power and authority to execute, deliver and perform its obligations under this Agreement and to carry out the transactions contemplated hereby;
- c) 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;
- d) It has the financial standing and capacity to undertake the commercial utilization of Licensed Shops/ Office Spaces;
- e) This Agreement constitutes its legal, valid and binding obligation enforceable against it in accordance with the terms hereof;
- f) The execution, delivery and performance of this Agreement shall 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;
- g) 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;
- h) 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;
- i) 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;

- j) No representation or warranty by the Licensee contained herein or in any other document furnished by the Licensee to CMRL or to any Government authority in relation to Applicable Permits contains or shall contain any untrue statement of material fact or omits or shall omit to state a material fact necessary to make such representation or warranty not misleading;
- k) 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 shall not be liable for the same in any manner whatsoever to the Licensee.
- l) The Licensee shall make its own arrangements in engagement of its staff and labour and shall at no point represent to or claim that the staff, labour is being recruited for and on behalf of CMRL. The Licensee shall at all times comply and represent to the staff and labour employed/ engaged by them the requirement for complying with Applicable Laws and applicable Permits, particularly in relation to safety and environmental regulations.

10.2 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 of the same.

10.3 CMRL covenants:

- a) CMRL covenants and represents that it has good and marketable title to the said premise, free and clear of all liens, claims, mortgages or deeds of trust affecting the Licensee's possession of the Licensed Premises, Licensee's use of the premises, or the rights granted to the Licensee hereunder.
- b) CMRL covenants and represents that it has full and complete authority to enter into a license agreement under all terms, conditions and provisions set forth in the agreement, and so long as the Licensee keeps and substantially performs each and every term, provision and condition contained in the agreement, the Licensee shall peacefully and quietly enjoy the premises without hindrance or

disturbance by CMRL or by any other person(s) claiming by, through or under or in trust for CMRL.

- c) On paying the License fee, Licensee hereby reserved and observing & performing the several covenants and stipulations on its part and the conditions herein contained, shall peacefully hold and enjoy the Licensed Shops/ Office Spaces throughout the said term without any interruptions by the CMRL or by any person claiming by, through, under or in trust for CMRL.
- d) CMRL shall provide, if required for seeking any permission pertaining to commercial activities from any Government Agency, necessary documents pertaining to CMRL properties.

## **ARTICLE: 11**

### **MISCELLANEOUS**

- 11.1 All penalty amounts stipulated in the License Agreement shall become double after completion of every 5 (Five) years from the date of commencement of License Agreement on compounding basis.
- 11.2 Licensee shall comply with the laws of land including Public Premises Eviction Act, 1971, Tamilnadu Pollution Control Board guidelines, building guidelines, fire norms etc. CMRL shall not be held liable for any change/modification in these laws which adversely affect this agreement. Licensee shall have no right/ claim in this regard, whatsoever the reason may be.
- 11.3 Licensee shall bear all salaries, wages, bonuses, payroll taxes or accruals including gratuity, superannuating, pension and provident fund contributions, contributions to worker's compensations funds and employees state insurance and other taxes and charges and all fringe and employee benefits including statutory contributions due in respect of such personnel employed/deployed by the Licensee. These personnel shall at no point of time be construed to be employees of CMRL and the Licensee shall be solely responsible for compliance with all labour laws which shall include all liabilities of the Provident Fund Act, ESI Act, Employees compensation Act, Minimum Wages Act and other Labour Welfare Act in respect of its personnel. The Licensee shall indemnify CMRL from any claims that may arise in connection with above.
- 11.4 Employees conduct: The Licensee shall ensure that all persons employed by Licensee behave in an orderly and disciplined manner and that the said employees are prohibited from carrying on any unlawful, unfair activities or demonstrations. The Licensee shall, within 45 days of handing over of the stations, submit the details/Bio data of personnel, it intends to employ/deploy for carrying out the implementation and operations of the retail space. The personnel deployed shall be decent, courteous and without any adverse or criminal background. In this connection, Licensee shall be required to furnish declaration to CMRL with respect to all his personnel deployed. Further within 45 days of issue of LOA, Licensee shall submit police verification report in respect of all its personnel (to be deployed for the work of media



installation) shall be furnished by the Licensee to CMRL. All the Licensee's personnel shall be required to possess ID card issued by CMRL while working in CMRL's premises as per prevailing procedure for the purpose of valid access into the premises only. Access inside the stations in paid areas shall be through smart cards as per prevailing applicable charges, in addition to the valid ID cards.

11.5 Misuse: The Licensee shall use the licensed space under the agreement only for those services provided therein as permissible under CMRL (O&M) administration, except activities and banned items listed at Annexure-II of this agreement and shall not use the same for any other purposes. In case, the Licensee carries on any business or uses the said premises for any other purposes the license shall deemed to have been misused and CMRL (Licensor) shall immediately terminate the said agreement. All liabilities for misuse charges and misuse proceedings; if so initiated shall be that of the Licensee only. The Licensee shall indemnify and keep indemnified CMRL for any losses/penalties on this account levied by any judicial/statutory authorities/courts.

11.6 Signage:

- a) The Licensee shall have the right to put up only one signage of suitable size for displaying its generic name of each Shop. The signage may be illuminated or non-illuminated at the Licensee's option, however it shall need to confirm to all governmental laws, regulations or ordinance relevant thereto.
- b) The Licensee shall need to obtain a written approval from CMRL before putting up any form of signage and CMRL reserves the right to refuse or to suggest an alternation to the same. The signage shape and location etc are subject to architectural controls to be issued by CMRL.
- c) Placement of Signage without the permission of CMRL or placement in non approved locations shall attract a penalty of Rs. 5000/- per signage on the first occasion and Rs.50,000/- per signage on the second occasion. In case of persistence default, CMRL reserve the right to terminate the agreement with forfeiture of the (interest free) Security Deposit and advance license fees paid in its favour.
- d) No advertisement in any format shall be permitted in/ on the Licensed Shops/ Office Spaces.

11.7 Notices: CMRL and Licensee voluntarily and unequivocally agrees -

a) That any notice to be served upon CMRL shall be sufficiently served and given if delivered to-

**“Joint General Manager”/Operations,  
Admin Building, CMRL Depot,  
Poonamallee High Road,  
Koyambedu,  
Chennai- 600 107”**

b) That any notice which may be required to be served upon the Licensee shall be served and given if delivery by Registered AD/Speed Post/Courier at the Address given on the First page of the License Agreement or delivered in person to the authorized representative of Licensor.

c) That any notice or correspondence under the terms of this License shall be in writing by registered post/ Speed Post/ Courier or delivered personally. All activities including day to day management, billing, cancellation/termination/surrender etc. shall be carried out from the office of the Joint General Manager-Operations or by his duly authorized representative. All Notice shall be addressed as follows:

d) No instruction/ notice of any party if not communicated in writing, shall be entertained by the other party.

In Witness whereof the parties hereto have caused this agreement to be signed in their respective hands as of the day and year first before written.

.....-2017

.....- 2017( )

FOR AND ON BEHALF OF  
CHENNAI METRO RAIL LIMITED

Authorized Signatory  
FOR AND ON BEHALF OF LICENSEE

**Annexure-I**

**Details of Built-up Shops/ Office Spaces offered at Ekkattuthangal, St.Thomas Mount, Little Mount, Guindy, Nanganallur Road, Meenambakkam and Chennai Airport for licensing.**

| S.No | Station Name    | BD Area Code | Level       | Area (in Sq Mtrs) |
|------|-----------------|--------------|-------------|-------------------|
| 1    | St.Thomas Mount | SMM-RS-01    | Street      | 48                |
|      |                 | SMM-RC-01    | Concourse   | 76                |
|      |                 | SMM-RC-02    | Concourse   | 60                |
| 2    | Little Mount    | SLM-RLB-01   | Link Bridge | 60                |
| 3    | Guindy          | SGU-RC-01    | Concourse   | 120               |
| 4    | Nanaganallur    | SOT-RS-01    | Street      | 39                |
|      |                 | SOT-RS-02    | Street      | 33                |
|      |                 | SOT-RC-01    | Concourse   | 36                |
| 5    | Meenambakkam    | SME-RP-01    | Platform    | 73                |
| 6    | Airport         | SCA-RS-01    | Street      | 1250              |
|      |                 | SCA-RC-01    | Concourse   | 121               |
|      |                 | SCA-RC-02    | Concourse   | 56                |
|      |                 | SCA-RC-03    | Concourse   | 95                |
|      |                 | SCA-RC-04    | Concourse   | 71                |
| 7    | Ekkattuthangal  | SSI-RS-01    | Street      | 40                |
|      |                 | SSI-RS-02    | Street      | 88                |

**Note-1:** Areas indicated above are approximate. Actual area measured at the time of handing over of the area shall be final. If there is any variation in area the License Fees shall be charged for actual area handed over.

**Note-2:** All Shops/ Office Spaces offered on license basis are on “as is where is basis”.

**Note-3:** All Shops/ Office Spaces can be utilized for any activity except the activities specified in banned list as per Annexure-II.

**LIST OF USAGES BANNED/ NEGATIVE LIST**

1. Any product / Service the sale of which is unlawful /illegal or deemed unlawful under any Indian act or legislation.
2. Any product the storage and sale of which may lead to or be considered as a fire hazard; such as fire crackers, industrial explosives, chemicals etc.
3. Sale of open liquor and alcohol based drinks or beverages.
4. Sale of tobacco and tobacco products.
5. Use of plastic bags/ Articles is prohibited.
6. Gas and Coal based cooking strictly prohibited.
7. Advertisement at any location and in any format.

**Rules and Guidelines for Release of Electric Power (at Ekkattuthangal, St.Thomas Mount, Little Mount, Guindy, Nanganallur Road, Meenambakkam and Chennai Airport)**

1. Electric power required for commercial activity within footprint of metro station is required to be sourced from existing available source of CMRL at stations. Availing power supply from outside agencies in CMRL is not permitted. The disbursement of power at different stations shall be dealt with individually under separate connections.
2. The power supply connection released for commercial activity shall be from the available CMRL power network, which is reliable having adequate redundancy.
3. Licensee may provide split ACs at his own cost conforming to detailed specifications attached at Annexure-III (A). However, if the Licensee requires to provide any other type of AC system such as VRV, Central Plant, etc., the same shall be provided with prior approval of CMRL.
  - a) Electric Power available at low voltage switch gear room in one of the feeder at Main Panel. Internal distribution with metering arrangement to be done Licensee with approval from CMRL.
  - b) CMRL provides power supply and the actual consumption charges to be paid to CMRL based on rates prescribed by the TANGEDCO on time to time basis.
4. Supplying and laying including end termination of suitable size (rating suitable for allowable electric load) LT FRLS cable (from source to nearest point) as per standard specifications.
5. At the end of the contract (pre-mature surrender/termination, natural completion, etc.) all cable, electric meter, connected software, etc. shall be sole property of CMRL. The Licensee voluntarily and unequivocally agrees not to seek any claim, damage, compensation or any other consideration whatsoever on account of time and costs associated, in making provision of electricity.
6. Power Supply will be given after ensuring all safety compliance and completion of electrical and fire safety works in leased premises in all respect.
7. During tenure of temporary power supply Rs.500/- per week per KW or part thereof shall be charged over and above applicable tariffs.

**Specification of Air Conditioner**

Split type air conditioners conforming to IS:1391(Part-2)-1992 with amendment No.1 fitted with hermetically sealed air compressor operating on refrigerant R-22 suitable for wall mounting and conforming to following specifications. Split AC shall be preferably five star rated. Approved makes are Hitachi / O-general / Daikin / Carrier.

**General Technical Requirements**

1. Air conditioners shall be suitable for 230V, 50 Hz single phase AC supply, capable of performing the functions as Cooling, Dehumidifying, Air circulating and Filtering.
2. The air conditioners shall be fitted with hermetically sealed type suction cooled reciprocating or discharge cooled rotary compressor (as applicable), compressor unit operating on Refrigerant R-22 with suitable rated capacitor start electric motor. It shall be equipped with overload protection. These shall be mounted on resilient mountings for quiet operation. The compressor shall conform to IS:10617 part (1)-1983 (amendment 1 &2). Rotary compressor shall be covered by manufacturers test certificate.
3. The air conditioners shall be complete with automatic temperature control and cut - in and cut-out etc. for temperature range 16 degrees to 30 deg. C. The differential of the thermostat for cut-in and cut-out shall not be greater than +/- 1.75 deg. C. The Air conditioners may either be provided with adjustable step less type mechanical thermostat or electronic thermostat as per IS:11338:1985.
4. The filter pads provided shall be washable.
5. The cabinet of the evaporator unit and condensing unit shall be made from galvanized steel sheet of 1.0mm thick with galvanized coating thickness of 120 gm / sq. mtr and shall be provided with stiffness for robust construction and shall have rounded corners, steel parts/front panel etc. shall have stove-enameled finish preceded by undercoat of anticorrosive primer paint phosphating and through

- cleaning of the surface. Alternate methods of corrosion protection like plastic powder coating, electrostatic paintings are also acceptable in lieu of stove enameled finish.
6. Overall power factor of the unit shall be at least 0.85 at capacity rating test conditions.
  7. Maximum power consumption of the split air conditioners shall be at capacity rating test conditions.
  - 8 Galvanized sheet shall conform to IS:277/2003.
  - 9 Standard evaluation of cooling capacity shall be done by connecting indoor and outdoor units with piping of 5 mtrs. length with six bends of standard radius. Connecting copper tubing shall have dimensions suitable for the compressors offered with model.
  10. Refrigerant used shall be Freon-22.
  11. Inbuilt protection in IDU against electrical faults shall be provided. Compressor current shall not flow through Indoor units.
  12. The indoor units made of ABS/HIPS shall be of flame retardant and impact resistant life. ABS/HIPS indoor unit cabinet shall pass inflammability test requirement for Grade V-O as per UL-94. For impact resistance the unit duly packed, when dropped from a height of 1 Mtr. shall show no damage.
  13. Display shall be LED/LCD and provided on indoor unit or on Handset or on both. These displays shall be selectable.
  14. Remote control (Cordless) shall be provided with one On/Off timer, selecting Fan speed (Three speeds) and setting up of temperature.
  15. Outdoor units noise level to be within 70+/-5db at 1 meters distance.
  16. Layout plan of locating outdoor and indoor AC units with interconnecting copper pipes to be submitted to CMRL for approval.
  17. Proper barricading of Outdoor units should be provided so that it will not cause any

inconvenience to commuters.

18. Responsibility of safeguarding indoor, outdoor units with copper refrigerant pipes lies with Licensee and CMRL is not responsible for any damage/ theft of the same.

19. The condensate drains from various indoor units to be properly interconnected to reach the station main drain such that it doesn't litter around station premises.

20. The Licensee to make good of the walls while breaking for any installation of copper/ drain pipes.

21. Installation of pipes, Insulation and cables beyond 6Mtrs, if required:

- i. Suction line copper pipe of 0.70mm thickness.
- ii. Liquid line copper pipe of 0.70mm thickness.
- iii. Expanded polyethylene foam or other suitable insulation tubing for suction line copper pipe.
- iv. Drain pipe (15mm dia flexible PVC pipe).
- v. Suitable capacity 2 core PVC insulated copper wire 2.5mm to electrically connect both the units with each other.

22. Installation: Location of ODU is to be finalized after approval from CMRL. The installation at site shall comprise the following work:

- i. Mounting/Fitting indoor & outdoor units at the respective locations.
- ii. (Laying refrigerant piping and connecting both the units after drilling hole/holes in the wall, if required. The thickness of the copper tubing shall not be less than 0.70mm.
- iii. Insulating the suction pipe with expanded polyethylene foam 5mm tubing or other suitable.
- iv. Laying 15mm drain pipe to throw out the condensate water being formed in the indoor unit and connecting it to station drain.
- v. Leak testing the entire system.
- vi. Charging Refrigerant gas in the unit.
- vii. Suitable electric wiring between indoor and outdoor, up to switch AT location of indoor unit. Switch/Socket/Plug is also included.



**SPECIFICATIONS FOR ELECTRICAL WORKS**

1. Licensee is required to prepare all the plans/drawings for Electrical & Fire work to be carried by them and obtain prior approval of CMRL before execution. The work is required to be executed as per IE rules and through a licensed Sub Contractor. All costs associated with provision of electricity will be borne solely by the Licensee. The Licensee hereby voluntarily and unequivocally agrees not to seek any claim, damages, compensation or any other consideration whatsoever on account of time and cost associated in making provision of electricity.
2. For Elevated station load up to 10 KVA shall be given in single phase & in case of underground stations load up to 5KVA shall be given. Load above this shall only be given in three phase. Licensee is required to balance load at his end so that no unbalancing occurs at CMRL end.
3. Cables up to 6 Sq.mm. will be of Copper conductor and above 6 Sq.mm. Aluminum conductors may be used. However in case of underground station, use of Aluminum conductor cable is not allowed. Cables for single phase shall be three core, with one core as earth. For three phase load four core cables along with separate 2 nos. of 8 SWG GI wires shall be used for earthing. For underground stations, 2 separate earth wire of 8 SWG copper conductors shall be used.
4. For elevated stations all wires shall be FRLS. Cables shall be armoured, XLPE, FRLS. In case of Underground stations all wires and cables shall be armoured, XLPE FRLSZH and conform to NFPA-70, BS-6724 and BS-6724.
5. The meter box along with MCB & ELCB will be metallic and without any holes. DP MCB & ELCB is required for single phase supply. TPN MCB and ELCB is required in case of three phase. ELCB, cables, MCB rating for main connection shall be as per table- E-1.
6. Use of any PVC material is not permitted in the underground stations.
7. Licensee will provide their proposed protection philosophy with proper discrimination with upstream breaker and seek approval from CMRL.
8. Specification for all materials / works must follow the standards, codes and specifications as used by CMRL in the E&M works. If any item/ equipment/ work is not covered in standards, codes and specifications of CMRL, then the same has to be procured / installed from reputed manufacturer/ make in line with relevant IS/IEC standard with prior approval of CMRL.
9. In case, the Licensee draws power more than the sanctioned load, electricity connection may be disconnected. The electricity connection will be restored on first occasion only when Licensee pays necessary penalty as per TANGEDCO norms and

removes excess load. On the subsequent occasion, CMRL reserves the rights to revoke the license and forfeited the interest free security deposit.

- 10 Only Galvanized Cable tray, Conduit, Cable Ladder shall be allowed.
- 11 Internal wiring of luminaries (Light Fittings) and Signage in signage's panel shall also be FRLSZH in case of UG stations.
- 12 All Plastic accessories used in luminaries shall be non-flammable material, meeting all the NFPA requirements, preferable by UV and shall be suitable for application at UG station conforming to UL – 94 standards on flammability of material.

### Fire Safety Requirements

**Bare Space:** This category includes ATMs, Retails Outlet provided as bare space for a maximum area of 100 Sq m. Under this category, only fire Extinguishers are required is detailed in below in Table-1

**Table -1**

Type & Specification: BIS approved stored pressure extinguisher as per IS 15683:2006 and of type 'A', 'BC' or 'ABC' conforming to risk protection as per IS 2190:1992. (Kg and Liters can be converted in same ratio i.e. 5Kg = 9 Liters)

Extinguishing medium inside extinguishers must be of their respective approved IS specification and of capacity:-

AREA

| Up to 10 sq. m.                        | Above 10 sq. m. and below 50 sq. m.    | Above 50 sq. m. and below 100 sq. m.                                   |
|--|--|--|
| One Fire Extinguisher of 2 KG capacity | One Fire extinguisher of 4 KG capacity | Two Fire extinguishers, one of 5 KG and another of 9 Liters Water Type |

The existing shops up to an area of 250 sqm. are integrated design part of a Metro Station. In addition to other Fire Safety measures each shop is to be provided with Fire Extinguisher as per Table-1.

For Shops of area above 100 sqm. and less than 250 sqm, fire Extinguishers of capacity 10 KG and another of 18 Liters Water, these should be distributed in at least four units at two places remote to each other.

For bigger spaces, licensee is required to obtain details of recommended suppression and detection system from CMRL in the beginning.

**Penalties**

Operation Wing of CMRL can impose a penalty which shall be intimated to the Licensee/ authorized representative of Licensee by the operation wing clearly mentioning the cause of action/nature/instance of default. One week time shall be given to the Licensee to submit his reply to Operation wing. If Licensee does not submit his reply within one week or his reply is not satisfactory, Operation Wing shall intimate to the office of Finance to initiate action of levying penalty which shall be final and binding to the Licensee. The penalty at any occasion shall be imposed by the officer of rank Dy. HOD or above.