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[A suggested format for Development Agreement for a Hotel Plot](#)

This Agreement Development for Hotel Plot is made at _____ on this _____ day of _____ (hereinafter referred to as the 'Agreement').

BETWEEN

(Hereinafter referred to as 'Owner' which expression shall, unless repugnant to the context or meaning thereof include and be deemed to include its successors and assigns) of the First Part;

AND

(Hereinafter referred to as 'the Developer' which expression shall, unless repugnant to the context or meaning thereof include and be deemed to include its successors and assigns) of the Second Part;

AND

(Hereinafter referred to as 'lessee ' (which expression shall unless repugnant to the context or meaning thereof include its successors and assigns) of the Third Part;

'lessee ', Developer and 'Owner' are hereinafter individually referred to as the 'Party' and collectively as the 'Parties'.

WHEREAS

A) The Owner is in lawful possession of the property by virtue of the allotment/sale deed vide which the said land was purchased by him. The Developer has entered into a development agreement pursuant to which the property is being developed for commercial purposes.

B) Whereas has approached the parties for taking the said land, structure on lease for establishing and running of its own brand on the following terms and conditions:

NOW THEREFORE THIS AGREEMENT TO LEASE WITNESSETH and it is hereby agreed by and between the Parties as under:

1. DEFINITIONS AND INTERPRETATION:

1.1 Definitions

In this Agreement, unless repugnant to or inconsistent with the context or meaning thereof, the following terms, when capitalized, shall have the meanings assigned herein when used in this Agreement. When not capitalized, such words shall be attributed to their ordinary meaning: "Brand name" shall mean the brand name as given by him to his forthcoming project on the leased premises.

Commencement date shall mean the date of commencement of commercial operations of the after the Owner and the Developer obtains all requisite permissions/approval/ licenses including completion cum occupation certificate for the building and at least 50% of the total commercial area of the Land as allocated by the authority is constructed and become operational.

Competitor means a person or entity which is in the business. "Conditions Precedent" shall have the meaning ascribed to it under Clause 6. "Essential Portion" shall have the meaning ascribed to it under Clause 17.3 (e).

"Extension Period" shall have the meaning ascribed to it under Clause 6.5.

"Extended Term" shall have the meaning ascribed to it under Clause 7.3.

"Franchise Agreement" shall have the meaning ascribed to it under Recital B of the Agreement.

"Force Majeure" shall have the meaning ascribed to it under Clause 16.

"Hotel" Shall mean and include the substructure and superstructure of a fully furnished with the earmarked area constructed, developed, furnished, decorated by the Developer, from within and exterior as per design and specifications prescribed by.

"Lock-in Period" shall have the meaning ascribed to it under Clause 7.2.

"Intellectual Property Rights" shall have the meaning ascribed to it under Clause 23.1.

"Land " shall have the meaning ascribed to it under Recital A.

"LOI" shall have the meaning ascribed to it under Recital H of the Agreement.

"Lease" shall have the meaning ascribed to it under Clause 2.

"Lease Deed" shall have the meaning ascribed to it under Clause 5.1.

"Lease Rentals" shall have the meaning ascribed to it under Clause 9.2.

"Liquidated Damages" shall have the meaning ascribed to it under Clause 6.5.

"Operations" shall mean the commercial operation of the at its full capacity with all equipment installed therein to be used for the purposes of the, including but not limited to the furniture, fixtures and equipment, other related facilities installed or affixed with any and all additions, modifications, alterations and extensions thereto as may be required/affected by lessee from time to time, for the purpose of receiving guests and rendering services of standards comparable to others.

"Property" shall have the meaning ascribed to it under Recital G of the Agreement.

“Security Deposit” shall have the meaning ascribed to it under Clause 9.1.

“Term of the Lease Deed” shall have the meaning ascribed to it under Clause 7.3.

1.2 Interpretation

In this Agreement, unless the context otherwise requires:

- (a) Headings are inserted for convenience only and shall not affect the construction of this Agreement;
- (b) Words importing a gender include all genders;
- (c) Words denoting singular include the plural and vice versa;
- (d) Reference to a person includes a natural person, body corporate, unincorporated association, Governmental or Municipal entity and reference to a party means a Party to this Agreement and includes that Party's successors, legal/personal representatives and permitted assigns.
- (e) Reference to any statute, ordinance or other laws includes all regulations and other instruments and all consolidations amendments re-enactments or replacements for the time being in force;
- (f) References to any document (including this Agreement) are references to that document as amended, consolidated, supplemented, novated or replaced from time to time;
- (g) References in this Agreement to Clauses, Recitals, Schedules and Annexures are references to clauses, recitals, schedules and annexure to this Agreement. The Recitals, Schedules and Annexures to this Agreement shall be deemed to form part of this Agreement;
- (h) It is expressly agreed and acknowledged by and between the Parties that where specific obligations have to be performed/undertaken by either Party then time shall be the essence of this Agreement unless the time period is extended by mutual agreement of the Parties in writing.

2. LEASE

Unless terminated as specifically provided under the provisions of this Agreement, the Owner and the Developer and the Developer hereby unequivocally and irrevocably agrees to grant and demise unto lessee under the Lease Deed to be executed between the Parties, the proportionate leasehold rights in the Land and super structure thereon of the when constructed, furnished and handed over to lessee along with all furniture, fixtures, fittings and equipment, free from all encumbrances, costs, charges, claims, demands and any other liabilities whatsoever and to hold and enjoy, without any interruption, the same for the Term (as defined in Clause 7 of the Agreement) together with the right to run, conduct, operate and manage the same without any hindrance from any person claiming under or in trust with the Owner and the Developer or any third party whatsoever and for that purpose authorize lessee to do all such acts, deeds, things,

matters as are necessary and may be required by lessee and lessee hereby agrees to accept the proportionate leasehold rights in the Property and super structure thereon of the for the Term of the Lease Deed together with the right of managing, conducting, running, and operating the along with all the Related Facilities, amenities and concessionaires free from all encumbrances, interruptions, costs, charges, claims, demands and any other liabilities whatsoever (the 'Lease').

3. CONSTRUCTION

3.1 The Owner and the Developer undertakes to construct, develop and furnish the (as defined herein) at its own cost as per the plans, specifications, instructions and advice received from lessee and shall be liable to get the plan sanctioned from appropriate authorities, carry out the construction and complete them as per the applicable laws, building bylaws etc. and in accordance with the good engineering practices within a period of eighteen (18) months from the date of signing of this Agreement to Lease. The scope of work relating to set up of shall be signed by lessee with the Owner and the Developer with the assistance of project teams of both the parties which shall form part of this agreement as Annexure A. The Owner and the Developer shall notify any change/deviations that may be required by the appropriate authorities for sanction of plan and make the appropriate changes after taking prior written approval from lessee. The Owner and the Developer hereby understands and agrees that lessee shall not be liable in any manner for any deviations, unauthorized or defective construction of the and related facilities of the and the Owner and the Developer shall be solely responsible for any penal action that may be taken by the authority and or for curing the defects in the building that may pose hindrance in the smooth operation of the and shall also be liable to compensate loss sustained by lessee in this regard.

3.2 The Owner and the Developer shall bear the entire cost of its provisions. The Owner and the Developer shall also bear all the other expenses made for procurement of licenses and permissions/approvals required for lawful occupation of the and also be responsible for arranging finance to meet the project cost of the and make timely payments of all financing obligations undertaken under the financing agreement(s) in connection with them. However, all operation related permissions, License Fee, etc shall be borne & paid by themselves.

3.3 representative may visit the property as required by the Owner and the Developer at their cost and expenses from time to time and the Owner and the Developer shall provide to lessee the construction details and obtain information/details concerning planning or construction on short notice. The Owner and the Developer shall coordinate all its activities with lessee through the Project Manager/ PMC appointed by the Owner and the Developer.

3.4 Lessee shall have access to any part to assess that the works are being performed in accordance with the approved Plans, requirements, as well as to review the proper execution of work as per Hotel Brands. Notwithstanding the foregoing, the responsibility for construction, inspection, testing, reporting of progress and meeting of schedule dates shall entirely remain with Owner and the Developer. The Owner and the Developer undertakes to promptly take appropriate steps to rectify deviations, defects and defaults as and when that may come to Parties notice.

4. HANDING OVER OF THE SITE

4.1 On completion of the, to the satisfaction of lessee, the Owner and the Developer shall hand over the physical, peaceful, exclusive and unobstructed possession of the along with proportionate leasehold right in the Land, free from all encumbrances and charges to lessee. The handing over to the lessee may be in stages as agreed between the Parties to enable lessee to align the functionality of during its pre-operational period.

4.2 The Owner and the Developer expressly agree that they shall be responsible for obtaining all approvals, licenses, permissions, sanctions, no-objections etc. required for the construction of the on the Land and any delay in timelines of obtaining the same thereby resulting in delay in the starting of Operations of the shall not be attributable to lessee and be taken into consideration for the commencement of the lease rent.

5. PROVISION OF SERVICES/AMENITIES

5.1 The Owner and the Developer shall make provisions of all services/ amenities as required for the running of the hotel and shall maintain the same in good working conditions.

5.2 The Owner and the Developer or its appointed agency shall, at its own cost, properly maintain and upkeep the building, it's aesthetic akin to them and guards the area and access to which is common with another part of the building so that business and reputation of the is not affected in any manner. The Owner and the Developer acknowledges and accepts that this obligation on his part is essential and is one of the pre-requisites to take the premises on lease by the lessee from the Owner and the Developer to operate them. In case, the Owner and the Developer fails to fulfil this obligation, lessee shall, without prejudice to its other rights, be entitled, at its discretion but not obligated to, to assign this part of Owner's obligation to third party on payment, with prior notice to the Owner and the Developer and deduct the amount so paid from the lease rent.

6. CONDITIONS PRECEDENT

The respective obligations of the Owner and the Developer and lessee under this Agreement are subject to the satisfaction in full of the following conditions precedent:

6.1 The Owner and the Developer has represented that the Owner it has a clear, valid, legal, marketable and unencumbered title of the Land free from all encumbrances, charges, claims of any nature whatsoever and that the Owner and the Developer is in physical, vacant, peaceful and unobstructed possession of the Land. In case of any defect in the rights, title and interests of the Land come to the notice, the Owner and the Developer shall promptly take steps to rectify the same. The Owner and the Developer shall provide title documents, legal due diligence report, Land Tax receipts, non-encumbrance certificate, Property card or any other documents showing proof of Ownership of the Land in the revenue records of the Government to lessee including all other documents as may be required by lessee for the purpose of legal due diligence.

The Owner and the Developer indemnify and keep harmless lessee of any consequences and liabilities that may arise of the arrangement/ Joint Development agreement entered between the Owner and the Developer and lessee shall have no concern about the same whatsoever except to the extent of protecting its interest for lease of the as agreed herein. The Owner and the Developer guarantee that they shall take action as may be necessary to protect the interest of lessee under the Agreement to Lease and make good the loss sustained by lessee in this regard.

6.2 The Owner and the Developer has paid all dues to the government upto date and shall continue to pay the same as they may fall due. The Owner and the Developer shall provide the receipts of payments for the ground rent, instalments, tax etc. as the case may be.

The Owner and the Developer have the full capacity, infrastructure and means to enter into this Agreement. The Owner and the Developer shall promptly take appropriate steps to as may be required to facilitate setting up of under the Agreement.

6.3 All the approvals necessary for the construction and completion of the shall be the sole responsibility of the Owner and the Developer and the Owner and the Developer shall bear the full costs of the same. The Owner and the Developer shall get the plan of the Property sanctioned within _____ days of signing the Agreement to Lease. The Owner and the Developer shall construct the as laid down in Clause 3 and handover the same to lessee as per Clause 4. It is expressly provided that the Owner and the Developer shall construct the within 18 months from the date of execution of Agreement to Lease with a grace period of six months on account of contingencies.

6.4 The Owner and the Developer shall not, directly or indirectly, negotiate, deal or enter with any third party or do anything which may in any way adversely affect the present arrangement /Agreement between the Parties hereto.

6.5 The Owner and the Developer hereby expressly agree and undertake to execute and register the Lease Deed in favour of lessee in respect of the along with proportionate leasehold rights in the Land on or before the commencement of commercial operation of the on receiving lessee request (Lease Deed). The Owner and the Developer shall also get the Property mutated in the relevant records of the Authorities after completion.

6.6 The Owner and the Developer undertake to fulfill all the obligations as set out herein immediately upon execution of this Agreement.

6.8 Time shall be of the essence in the performance of the obligations set out herein.

7. TERM

7.1 Unless terminated as specifically provided under the provisions of the Lease Deed and subject to the provisions of Clause 16.2, the Lease shall be for a term of 30 years from the Commencement Date.

7.2 The entire period of 30 years shall be considered as lock-in-period.

7.3 The Agreement may be renewed on mutual terms after the expiry of the lease period.

8. TRANSFER OF RIGHTS, TITLE AND INTERESTS OF THE LAND AND BUILDING

8.1 It is expressly agreed and understood by and between the Parties herein, that anytime during the Initial Term of this Agreement or the Extended Term, the Owner and/or the Developer being desirous of selling, transferring and/or disposing them in parts or whole in any manner, along with proportionate leasehold rights, title and interests in the land, lessee shall have the right of first refusal to buy the same at the price not more than its market value which shall be determined by an independent hospitality valuation consultant. Lessee shall exercise the option within 90 days from the date of receipt of a written offer made by the Owner and the Developer.

8.2 It is expressly provided that in the event of refusal and/or deemed refusal by lessee to purchase the along with proportionate rights, title and interests in the land as set out above, the Owner and the Developer and the Developer may sell the along with proportionate rights, title and interests to third party other than Root s Competitor in accordance with the terms of Government Lease within 90 days only if the third party simultaneous to the sale, executes and register a Deed of Adherence to the Lease Deed and assumes all obligations in this regard. Such sale to a third party shall be at a price and on the terms not more favorable than those offered to lessee. In case of failure to sale the along with proportionate rights, title and interests in the land within 90 days of the refusal by lessee, the Owner and the Developer shall be liable to re-offer it to lessee in the same manner as above.

8.3 In case the Owner and the Developer and the developer change the controlling share in the, lessee without prejudice shall have rights to terminate the agreement at its sole discretion and the provisions of clause _____ shall become effective.

9. LEASE RENTALS AND SECURITY DEPOSIT

9.1 Security Deposit

Simultaneous to the execution of this Agreement and production of all necessary government approvals for commencing construction of the, lessee shall pay a refundable interest free security deposit of Rs. _____/- (Rupees _____ only) equivalent to three months lease rentals.

9.2 Lease Rent

It is agreed by and between the Parties that lessee shall, subject to the provisions of Clause 16 (Force Majeure Clause) and suspension of operations of the as per the provisions contained herein, the shall pay an amount of Rs. _____ as the lease rent to the owner on per month basis.

9.3 Unless otherwise specified in this Agreement to Lease, all the payments including the Security deposit and the lease rent shall be paid to the Developer. The Owner and the Developer hereby acknowledge and discharge lessee on payment being made by lessee. It is also clarified that the obligations/liabilities of the Owner and the Developer as defined hereunder shall be joint and several and the Owner shall not claim an exemption for the preference made by lessee and/or

discharge on account of payment being made to the Developer by lessee in accordance with the terms hereof stated by the Owner and the Developer due to arrangement inter is made between them.

10. NAME

10.1 The shall name it's according to its company's requirements and the Owner and the Developer shall have no right, title or interest in the brand name in any manner.

10.2 On termination, the Owner and the Developer shall also forthwith cease to use any stationery, crockery, cutlery, linen and/or any other articles/materials in the on which either the name and/or the logo of Brand name.

11. REPRESENTATIONS, DECLARATIONS, COVENANTS AND UNDERTAKINGS BY THE OWNER AND THE DEVELOPER

11.1 The Owner and the Developer represent, declare, covenant, warrant and undertake as specifically set out below:

- a. That the Owner has a clear, free, legal and marketable title to the Land and undertakes to retain with itself the Ownership of the Property during the Term of the Agreement/Lease Deed and declares that the Property is free from all encumbrances, claims, encroachments, demands, costs etc. of any nature whatsoever and there is no impediment to construct and set up as envisaged herein.
- b. That they shall fulfil all the Conditions Precedent as set out in the Agreement.
- c. That they shall commence and carry out the construction of them as per the plans prepared by the lessee and sanctioned by the concerned authorities and the construction shall be within the time period set out herein and to the complete satisfaction of lessee.
- d. That they have not received any claim or notice or attachment order, or acquisition or requisition notice in respect of the Property and there are no suits, litigations, demands of any nature pending before any authority, statutory or otherwise, or before any court of law. If at any time in future, any material fact which is not disclosed by the Owner and the Developer is found out by lessee, the lessee will have the undisputed right to terminate this Agreement/Lease Deed forthwith. Lessee, on such termination, shall have recourse to such remedies as are available to a lessee under the law and as agreed to by the Parties under this Agreement/Lease Deed including a claim for damages.
- e. That there are no circumstances and/or events to the knowledge of the Owner and the Developer which could in any manner adversely impact the Lease proposed to be granted to lessee herein and lessee ability to enjoy and operate the freely.
- f. That lessee shall have full right and authority to run, conduct, operate, manage and/or to renovate, modernize expand and develop them in accordance with the provisions of this

Agreement/Lease Deed and for this purpose do all the necessary acts, things and deeds and advertise and promote the in manner it may think fit without any interference of whatever during the Term of Lease Deed.

g. They have not entered into any agreement whatsoever regarding construction, running, conducting, operating, managing, or developing of the hotel with any third party whomsoever.

h. That they have not and shall not commit or do any act or deed which may harm the interest of lessee during or beyond this Agreement / and the Term of the Lease Deed.

i. That they shall be liable to pay and discharge all property taxes, cess or any other taxes levied or livable, whether present or in future, by any authority, statutory or otherwise, in respect of the Property. All taxes and duties pertaining to the operation of shall be borne by lessee only.

j. That it shall keep lessee and/or LESSEE indemnified in accordance with the provisions of this Agreement and the Lease Deed, as applicable.

k. That there are no civil and/or criminal cases or other litigations filed by or against it or pending before any court, tribunal, revenue authorities, tax authorities or administrative authorities or any other judicial or quasi-judicial authorities nor are there any pending arbitration proceedings, notices for acquisition/requisition or notices for any other purposes affecting the Property.

l. That the Property and to be constructed thereon or any of the assets therein shall not be encumbered in any manner whatsoever by them with the prior written intimation to lessee provided the Lender acknowledges and accepts the rights and interest of a lessee in the Property/and this Agreement to Lease.

m. That lessee shall be entitled to exercise all rights granted under this Agreement and the Lease Deed and for implementing this Agreement and the Lease Deed, and The Owner will not do any act of commission or omission that will in any way jeopardize and/or affect such rights and facilities.

n. That lessee shall have the right to license and/or permit the use of any area/premises in the.

o. That whatever permissions or approvals those are required to be obtained for the purpose of entering into and fulfilling their obligations under this Agreement and the Lease Deed from any person or authorities or lending institutions or banks will be applied for, obtained and kept in force by the Owner.

p. That whatever permissions, licenses and/or approvals that are required to be obtained for the purpose of implementing the terms of this Agreement and the Lease Deed from any person/s or authorities will be duly applied for, obtained and kept in force during the Term of this Agreement and the Lease Deed by the Owner.

q. That they shall pay and discharge all liabilities of whatever nature arising in respect of the Property arising at any time during the Term of this Agreement and the Lease Deed.

r. That lessee is hereby authorized and shall have the right, power and authority to enter into any agreement, contract, and arrangement as it may think fit, necessary and expedient in furtherance of the intentions of the Parties hereto and for the proper implementation of the terms of this Agreement and the Lease Deed.

s. That they shall, when called upon to do so by the lessee, enter into such other agreements with the lessee as may be necessary for giving proper effect to or for smoother implementation of the terms of the Agreement and Lease Deed.

t. That they shall during the validity of this Agreement and thereafter during the Terms of lease maintain and keep insured the under construction Bare Shell structure of the against all events of Force Majeure and such other risks and casualties as shall be customarily insured against with respect to under construction Bare Shell of s of similar character for the full replacement value thereof with responsible and reputed insurance companies.

u. That they shall during the validity of Term of lease maintain and keep the Bare Shell in structurally sound conditions.

v. That they shall do all such acts, deeds and things and sign necessary required papers, documents etc. necessary for giving effect to this Agreement including the registration if any.

w. That they shall not interfere in the development, operation, management and running of them.

x. That they shall obtain at their cost and keep valid during the Term of the Agreement and Terms of the Lease Deed, the necessary licenses, permits, authorizations, approvals from competent authorities including the No Objection Certificates as required in law, to Develop, build, renovate, operate and manage the Property and the space being given to lessee on lease for the purpose of. Further, such consent shall be unconditional or subject to conditions, which do not prejudice Owner and lessee rights, the enjoyment of its benefits or performance of their obligations under this Agreement and the Lease Deed and shall be in full force and effect throughout the Term of this Agreement and the Lease Deed.

z. That lessee may at its discretion take such action and or make such payments/expenses on behalf of the Owner if the inaction or the non-payment or delay in payment by the Owner is likely to affect the implementation of the terms of this Agreement and the Lease Deed. Such payments or expenses shall be recovered by it from the Owner and the Developer along with interest at the Bank Rate by deducting it from the Lease Rent payable to the Owner and/or taking any other appropriate steps available at law for recovering the said amount.

aa. The Owner and the Developer expressly agree and undertake to fulfil the Conditions Precedents set out in Clause 6 within ninety (90) days from the date of execution of this Agreement and execute and register the Lease Deed in favour of the lessee as per Clause 36.

bb. The Owner and the Developer shall also ensure that lessee occupies and enjoy them without any hindrance.

11.2 Covenants

Lessee agrees and undertakes to the Owner as under:

- a. shall obtain and keep in force all the necessary approvals/ sanctions/ permissions/ licenses from the statutory authorities within its scope to run and operate the business.
- b. That it shall not commit or do any act or deed whereby the building of the damaged.
- c. That it shall insure and keep insured the furniture, fixtures, equipment, assets etc. in the manner herein provided.
- d. That it shall bear, pay and discharge all the fees levied or demanded or payable to the Government Authorities concerned in respect of this business after the commencement of operations of the. All property and land-related taxes, cess and levies shall be exclusively borne and paid by the Owner.
- e. That it shall be liable to pay the Lease Rent as set out in this Agreement.

13. OPERATIONS

Shall during the Term manage and exclusively operate them without any kind of interference by the Owner or any person in any manner whatsoever.

14. EXPANSION AND DEVELOPMENT OF PROPERTY

In case any time, the Owner and the Developer decides to further develop and expand the property as per future scope, the same be done without affecting the, its operation and guests etc.

15. INSURANCE

15.1 The Parties agree and acknowledge that the Owner shall bear the cost and ensure the whole building consisting of the at all times during this Agreement against all risk, including, loss or damage to the under-construction Bare Shell structure of the and its contents from events of Force Majeure and such other risks and casualties as shall be customarily insured against with respect to s of similar character for the full replacement value thereof with responsible and reputed insurance companies in accordance with the applicable insurance laws.

15.2 Lessee shall ensure that all the assets lying at the like the furniture, fixtures, equipment etc. used for the purpose of the business of the are fully insured from time to time against all risk, including, loss or damage to the and its contents from events of Force Majeure and such other risks and casualties as shall be customarily insured in its name against with respect to s of similar

character for the full replacement value thereof with responsible and reputed insurance companies.

15.3 The Parties shall respectively utilize the amounts realized from the insurance company for the purpose of reconstructing and/or repairing and/or restoring and/or replacing the damaged and/ or destroyed and/or unusable assets of the to enable lessee to commence operation/running of the and will, within reasonable time, take necessary steps in that respect.

16. FORCE MAJEURE

16.1. None of the Parties shall be liable to the other Party or be deemed to be in breach of this Agreement by reason of any delay in performing, or any failure to perform, any of its own obligations in relation to the contract if the delay to failure is due to any Force Majeure. "Force Majeure" is an event caused beyond the Parties reasonable control. The following shall be regarded as causes beyond the Parties reasonable control.

16.2. In the event of acts of God, war, war like conditions, blockade, embargoes, insurrection, mobilization, Governmental directions and people or intervention of Civil, Naval or Military authorities or any other agencies of government, civil commotion, riots, sabotage, plagues or other epidemics quarantine, fire, floods, typhoon, draught, hurricanes, tidal waves, landslides, earthquakes, lightning explosions, prolonged failure of energy or change in law, court order (in respect of facts other than the title and other representations and warranties as made by the Owner to lessee), revocation of approvals, consents, cancellation of the grant of No-objection certificates, licenses granted by the government or the appropriate authority for reasons not attributable to the Parties, change of laws, action and/or order by statutory and/or government authority, and such other circumstances affecting the development of the severe damage and/or destruction of the, major repairs resulting in shutting down of the for more than thirty (30) days or any other cause beyond control of the Owner and lessee, emergency or any such actions the beyond of the Parties. The Owner and Lessee shall not be liable for any delay in discharge of their obligations or any other fault in the performance of this Agreement arising therefrom.

16.3. The Parties hereby agree and undertake that this Agreement and/or the Lease Deed (as may be applicable) shall be correspondingly extended for the period the Force Majeure Events continues (Extended period) and the other Party shall not claim any liquidation, damages or lodge any other claim in respect of loss incurred by reason of delay.

16.4 In Order for a Party taking benefit of the provisions of Force Majeure in this Clause 16, a Party claiming Force Majeure relief shall:

(i) give immediate notice to the other Party of the event said to constitute Force Majeure, and the obligations whose performance could be delayed, reduced, or prevented thereby, and as soon as practicable information about the circumstances of such event, in as much detail as is then reasonably available, and the steps and time believed necessary to mitigate and remedy the Force Majeure situation.

(ii) Supplement and update the above Notices on a weekly basis during such claimed Force Majeure period;

(iii) Give or procure access, at the request, expense, and risk of the other Party and at reasonable times for a reasonable number of the other Party's representatives, to examine the scene of the event which gave rise to the Force Majeure claim; and

(iv) Proceed with diligence and at its own expense to take such steps as would be taken in accordance with prudent utility practice to mitigate and remedy the failure as soon as possible.

16.5. Prior to resumption of normal performance, the Parties shall continue to perform their obligations pursuant to this Agreement, to the extent not prevented by such Force Majeure event. Within three (3) days starting on the day the Force Majeure Event ends, the Affected Party shall notify the other party in writings that the Force Majeure Event has ended and resume performance of its obligations under this Agreement.

16.6. In case of the force majeure conditions continue for more than 180 days, the Parties shall rework and take action which shall be equitable and give effect to the Agreement in the nearest possible manner.

17. TERMINATION

17.1. This Agreement shall come to a natural end on the execution and registration of the Lease Deed by the Owner in favour of a lessee in respect of them.

17.2 The Lease Agreement shall automatically stand terminated on expiry of the lease period in accordance with the provisions contained therein.

17.3 Grounds of termination by

(a) Shall have the right to terminate this Agreement forthwith on the non-fulfilling of any of the Conditions Precedent or breach of any warranties and covenants by the Owner in accordance with the provisions stated herein.

(b) Lessee shall have the right to terminate this Agreement forthwith on the breach of any Intellectual Property Rights of the lessee and/or LESSEE and the provisions of Clause 18 shall become operative from the date of such termination.

(c) Failure to perform

If at any time during the Term of the Agreement, the Owner fail to perform their obligations under this Agreement and/or commits breach of its representations and/or warranties and/or undertakings and/or covenants and/or obligations under this Agreement, Lessee shall have, exclusively at its own option, the right to give written notice to the Owner setting forth the breach of obligations under this Agreement and calling upon same to be cured within thirty (30) days failing which lessee entirely at its own option, if it thinks fit and appropriate, may terminate

the this Agreement or the Lease Deed giving at least a thirty (30) days notice. In the event the termination notice is given, the Agreement shall terminate and provisions of Clause 18 of the Agreement shall become operative from such date specified in the termination notice and the rights of the Parties hereunder shall cease upon the date so specified in such further notice unless within fifteen (15) days from the date of the termination notice either Party shall have invoked arbitration provision as provided for in the Agreement.

(d) Destruction, total or material, of the

(i) In case the hotel is damaged or destroyed for any reason other than attributable to lessee, the Owner shall take prompt steps to restore the building in good working condition. In case of failure to do so by the owner, lessee shall have the right, without limiting any other rights which it may have herein, to terminate the Agreement by giving thirty (30) days written notice to the Owner. On termination, the provisions of Clause 18 of the Agreement shall become operative.

(ii) Notwithstanding anything contained herein, lessee shall have an option to keep the Agreement in suspension during the period of repairs, rebuilding or replacement of the and the period so taken up in repairs, rebuilding or replacement shall be deducted for the purpose of computation of the term of this Agreement, as specified hereof which will be extended by the period equal to the period of such suspension.

(iii) It is expressly acknowledged and agreed to by and between the Parties that the Owner shall not be entitled to any Lease Rentals during the period of suspension of Operations of the. (e) Acquisition, etc.

In the event of the and/or any essential portion (as hereinafter defined) of the Property and/or the being taken by acquisition or requisition by central/state authorities, lessee shall have the right to terminate this Agreement without prejudice to their other rights contained herein by giving thirty (30) days written notice to the Owner and the provisions of Clause 18 shall become operative. For the purpose of this clause, an essential portion of the hotel shall be deemed to have been taken when the remaining portions cannot, in lessee sole opinion, be efficiently operated for purposes during the Term for which such essential portion has been taken.

17.4 Grounds of termination by either Party

a. After the lock-in period from the Commencement Date, either party may terminate the Agreement by serving upon the other Party twelve (12) months advance notice in writing informing the other Party its desire to terminate this Agreement without assigning any reason whatsoever. In such an event of termination, neither party shall be entitled to any compensation and only the accounts would be settled in the manner provided in this Agreement.

b. In case, a receiver or similar officer is appointed or court proceedings are issued for such an appointment to be made in respect of all or any material part of any Party's assets and such appointee or the Party against whom such proceedings are initiated, does not provide satisfactory security for the obligations of that Party hereunder within twenty one (21) days after receipt of a written notice from the other Parties requesting such security.

17.5 Grounds of termination by the Owner

The Owner may terminate this Agreement only in the event the Lease Rentals payable hereunder by lessee to the Owner is in arrears for a period of three (3) calendar months after the same having become due and payable. However prior to any such termination, the Owner shall give to the lessee a thirty (30) days notice in writing and on the lessee failing to pay the same within the stipulated thirty (30) days from the receipt of such notice, the Owner shall be entitled to terminate this Agreement and the provisions of Clause 18 shall become operative only after recovering the Lease rent for the unexpired period of Lock-in-Period. In case of delay in payment of rent, the Owner is entitled to an interest @12% p.a.

18 CONSEQUENCES OF TERMINATION

18.1 In the event of termination of this Agreement, other than attributable to the lessee, the Owner and the developer shall repay to the lessee the Security deposit within ten (10) days of such termination. In the event the owner fails to repay the Security deposit to the lessee within the aforesaid period of ten (10) days, the Owner shall pay the same to the lessee with interest at one percent (1.0%) p.m. till the date of actual payment. It is expressly agreed and acknowledged by the Owner that in the event of termination of this Agreement due to the Owner not fulfilling its obligations or reasons attributable to the Owner, liquidated damages payable under Clause 6.7 of this Agreement shall also be paid to the lessee in a manner set out therein. The Parties undertake to comply with the Confidentiality Obligations as set out in the provisions of Clause 30.

18.2 The Owner shall not use and/or replicate the Concept of LESSEE /lessee in respect of the or any other of the Owner or any other party whatsoever including signage, backdrop, colour scheme, technical know-how, brand features, concept, design etc. except for the building structure and other related issues.

19. WAIVER

The failure of either Party to insist upon a strict performance of any of the terms and conditions of the Agreement or to exercise any option, right or remedy herein contained, shall not be construed as a waiver or as a relinquishment for the future of such term, provision, option, right or remedy but the same shall continue and remain in full force and effect. No waiver by either party of any term or provision hereof shall be deemed to have been made unless expressed in writing and signed by such Party.

20. EXCLUSIVITY

20.1. The Owner shall not enter into any agreement, which will affect the Property and the construction, development, management and operation of them without the prior written approval of lessee.

20.2 Owner acknowledges that as the lessee will incur huge costs and expenses in respect of operating the Owner represent and undertake that during the Term they shall not enter into any agreement or arrangement with any other person with regard to lease premises.

21. PARTIAL INVALIDITY

If any provision of the Agreement is declared by any judicial or any competent authority to be void, voidable, illegal or otherwise unenforceable, the Parties shall replace that provision with a provision which is valid and enforceable and most nearly gives effect to the original intent of unenforceable provision or by mutual agreement of the Parties it may be severed from the Agreement and the remaining provision of the Agreement shall remain in full force and effect.

22. INDEMNIFICATION

22.1. The Owner and the Developer shall indemnify LESSEE and/or lessee for any loss, damage, claim, costs, action, all suits and proceedings, costs, charges and expenses, losses or damages suffered due to misrepresentation, misuse, any breach or negligence or willful misconduct or non-observance thereof by the Owner and the Developer and/or their employees/personnel of the terms of this Agreement, and breach of any Intellectual Property Rights vested in LESSEE and/or lessee including the rights in the reservation system software allowed by LESSEE for use to lessee in respect of the by the Owner and the Developer under the Agreement.

22.2. The Owner and the Developer hereby jointly and severally covenants, undertakes, and agrees to indemnify and keep indemnified and otherwise save harmless, lessee and/or LESSEE, their agents, employees and representatives from and against all losses, damages, claims and demands which lessee and/or LESSEE, their directors, employees, representatives and agents may suffer or incur, as well as, all actions, suits and proceedings which they may face and all costs, charges and expenses relating thereto, arising out of:

- (a) any breach, violation or non-compliance on the part of the Owner or its employees or agents, of any statutory provisions including any rules, regulations, bye-laws and lawful directions of public authorities;
- (b) any execution, attachment or like proceedings being initiated against the Owner which directly affects or concerns the Property and/or the or any rights or obligations of the Parties under the Agreement;
- (c) failure or neglect on the part of the Owner to fulfil or perform any of its obligations and undertakings under the Agreement;
- (d) any action or inaction on the part of the Owner or its employees or agents;
- (e) breach of any representations and/or warranties given by the Owner to the lessee under the Agreement;

(f) any action, suit etc. brought against LESSEE and/or lessee in connection with the title and/or Ownership of the Property and/or in respect to any claim and/or any change and/or any encumbrance in relation to the Property and/or for any reason attributable to the Owner;

(g) any litigation pending in respect of the Property and/or the constructed thereon.

22.3. The Parties further acknowledge and agree that notwithstanding anything to the contrary contained herein, lessee and LESSEE shall not be liable under any circumstances, whether in contract or in tort, for any loss or damage including, without limitation, claims on the grounds of loss of profits, loss of reputation, loss of alternative business opportunities or loss due to third party claims suffered by the Owner and/or any persons as permitted under this Agreement/Lease Deed that may claim under them .

22.4. The Owner and the Developer hereby jointly and severally covenant and agree to indemnify lessee and LESSEE against any claim from any third party, including costs and expenses incidental thereto, by reason of any action taken or omitted to be taken by the Owner or its employees, agents or representatives pursuant to the Agreement.

22.5. The Owner and the Developer hereby jointly and severally covenant that it shall obtain and keep in force all the necessary approvals, licenses, sanctions, permissions and no objection certificates required to be obtained from the requisite Government bodies/authorities necessary for the business of construction of the Bare Shell of the and undertakes to indemnify lessee for any loss, damage, claim, costs, action, all suits and proceedings, costs, charges and expenses suffered due to non-receipt or non renewal of any of the required approvals, licenses, sanctions, permissions and no objection certificates.

22.6 INDEMNIFICATION BY lessee

1. Lessee hereby covenants and agrees to indemnify the Owner against any damages to which resulted due to gross negligence of lessee/ its employee etc.

23 INTELLECTUAL PROPERTY RIGHTS

23.1. It is expressly agreed and clarified that he is the owner of the systems, trademarks, trade name, brand name, logos etc. of the 's' and all intellectual property rights ('Intellectual Property Rights') vests solely in it absolutely retains all rights, title and interest in the aforesaid Intellectual Property Rights and reservation system software and that nothing contained in the Agreement shall be construed as giving to the Owner or any permitted transferee, permitted assignee or successor of the Owner, or any person, firm or corporation claiming by or through the Owner, any title, interest, assignment or Ownership of any nature whatsoever on the Intellectual Property Rights and the reservation system software. The Owner hereby acknowledges and declares that all the Intellectual Property Rights vests solely in LESSEE and it does not have any right, interest, claim whatsoever thereto except to the extent lessee may use any information pertaining to the Intellectual Property Rights which LESSEE may permit lessee to use during the Term as an operator in respect of them .

23.2. The Owner and/or the Developer shall not, without prior written consent, use any of Intellectual Property Rights owned and/or developed by LESSEE and licensed to the lessee for use and not claim any right, title or interest in respect of the same.

23.3. If this right of LESSEE is contested or disputed by the Owner and/or the Developer, lessee shall have the unilateral and absolute right at its sole discretion to terminate the Agreement with immediate effect in the event the Owner directly or indirectly acts and/or does anything which in any manner adversely affects LESSEEs Intellectual Property Rights. In the event of any breach of the covenants contained in the Agreement, in addition to relief by injunction and any other right or remedy at law or equity, lessee / LESSEE shall be entitled to damages. It is expressly provided that without prejudice to the rights under the Agreement, this provision shall be deemed to survive the expiration or sooner termination of the Agreement.

23.4 The Owner and/or the Developer shall notify LESSEE/lessee promptly in writing the knowledge of use or registration of any of the Intellectual Property Rights or the copyright which would appear to infringe or impair LESSEEs. Further, the Owner and /or the Developer shall extend all necessary co-operation in any investigation or legal proceeding or action that LESSEE may deem desirable to protect its rights.

24. NOTICE

All communications and notices to be given by either Party to the other in connection with right and obligations of both parties under or pertaining to the Lease Agreement shall be sent by Registered Post, or by hand delivery and if given either by courier service, telegram, telephone/telefax or verbally, they shall be confirmed by registered letter and addressed as follows:

To Owner:

To Developer:

To lessee :

Either Party may change individuals designated to receive notices or addresses or in such an event, advance notice shall be given to the other Party by means of a written notice of any such change.

26. LIMITATION OF LIABILITY

No Party shall be liable, financially or otherwise, to the other party except as expressly provided in this Agreement.

28. SETTLEMENT OF DISPUTES/ARBITRATION

28.1. All disputes that may arise out of the Agreement shall be settled only according to arbitration under the Indian Arbitration and Conciliation Act, 1996 as may be amended from time to time by three (3) arbitrators, two (2) of whom shall be nominated, one (1) by lessee and one (1) by the Owner and the Developer. If within thirty (30) days of the receipt of a Party's

notification of the nomination of an arbitrator, the other Party has not notified the first Party of the arbitrator it has nominated, the first Party may apply for the appointment of the second arbitrator by the Chief Justice of Delhi High Court (acting as a nominating body and not as an arbitrator). The third arbitrator (who will act as chairman) will be nominated by the two (2) existing arbitrators.

If the two (2) existing arbitrators fail to agree on the nomination of the third arbitrator, the Chief Justice of Mumbai High Court (acting as a nominating body and not as an arbitrator) will nominate a third arbitrator.

28.2. Except for injunctive reliefs and relief for specific performance, it is expressly stated that the Courts of Mumbai shall have the exclusive jurisdiction with respect to matters relating to the arbitration including the enforcement of awards. The language of the arbitration shall be English. Provided however that the foregoing shall not limit the rights of either Party to bring proceedings in any applicable jurisdiction to enforce or enter judgments upon such awards.

28.3. Awards relating to any dispute shall be final, conclusive and binding on the Parties to such dispute as from the date they are made. The Parties agree and undertake to carry out any decision or award of the arbitrator relating to such dispute without delay, and further agree that there will be no appeal and/or challenge in any Court of Law or other judicial authority.

29. GOVERNING LAW

The Agreement shall be governed by the laws of India.

30. CONFIDENTIALITY

30.1. The Parties agree that they shall keep completely confidential and shall not publish or otherwise divulge to any third Party, any information of a proprietary nature furnished to it by the other Party, without the prior written consent of the disclosing Party in each instance, except to the extent that it is necessary to divulge such information under any rule or regulation or required under government directive. Nothing in this Clause shall prevent disclosure or use of information which is or becomes public knowledge without the fault of the receiving Party or information already known to the receiving Party or received from a third Party having the right to convey it. Upon termination of the Agreement for any reason whatsoever, each Party shall return to the other Party all confidential information, and all papers, drawings, designs, including the designs pertaining to the Bare Shell, , business plans, financial information (as may be applicable) floppies, discs and all other materials on which any such confidential information may have been stored (other than one (1) copy retained for legal records), provided to that Party by the other Party during the subsistence of the Agreement. Provided, however, that neither Party shall be prevented from complying with any duty of disclosure it may have pursuant to applicable laws or governmental orders or regulations. Each Party shall destroy/delete any information which may have been stored on its hard discs in its computers and which information is governed by this Clause.

30.2. Moreover, each Party may disclose such confidential information only to its agents and employees who need to know, provided that such agents and employees are fully informed of the confidential nature of the information, the covenant to maintain such confidentiality and are directed to comply with the said covenant. Upon the expiry or earlier termination of this Agreement, each Party shall promptly deliver up to the communicating party all papers, floppies, discs and all other materials on which any such confidential information may have been stored.

31. AMENDMENT

This Agreement shall not be altered, modified or amended except in writing duly signed by or on behalf of the Parties.

32. SURVIVAL

Cancellation, expiration or earlier termination of the Agreement shall not relieve the Parties of their obligations with regard to the provisions relating to the Representations, Warranties and Undertakings, Indemnification, Intellectual Property Rights, Confidentiality, Settlement of Dispute and Arbitration, Limitation of Liability, Consequences of Termination and all payments payable by the Owner and the Developer to lessee under the terms of this Agreement.

33. REMEDIES

The Owner and the Developer acknowledge that any violation of the terms of the Agreement would result in damages to the lessee, which could not be adequately compensated by monetary award alone. In the event of any violation by the Owner and the Developer of the terms of the Agreement and in addition to all other remedies available at law and at equity, lessee shall be entitled as a matter of right to apply to a court of competent equitable jurisdiction for relief, specific performance, waiver, restraining order, injunction, decree, damages or other remedy as may be appropriate to ensure compliance by the Owner and the Developer with the terms of the Agreement.

35. NON-ASSIGNABILITY

Owner shall not sell, transfer, assign, encumber or create any third party rights whatsoever in the Property and the to be constructed thereon except as provided under the Agreement and only on such third party executing a Deed of Adherence to this Agreement or the Lease Agreement (as may be applicable) in favour of and to the satisfaction of lessee, undertaking all the obligations and covenants of the Owner and the Developer under the Agreement.

36. EXECUTION AND REGISTRATION OF LEASE DEED

36.1. The Owner and the Developer further expressly agree and undertake to execute and register a Lease Deed ('Lease Deed') in favour of the lessee in respect of any time after handing over the bare shell and before the commencement of commercial operation of the on receiving lessee request.

36.2. All expenses towards stamp duty and registration charges payable on this Agreement shall be borne and paid by lessee and the Owner/ Developer equally.

IN WITNESS WHEREOF the Parties hereto have set and subscribed their respective seals (where applicable) and hands to this Agreement the day and year first hereinabove written, Signed and delivered by)

Owner

Developer

1. _____

2. _____