

LEASE AGREEMENT FOR PLANT AND MACHINERY

Mr. ABC S/o Mr. [FATHERS NAME], residing at [FULL ADDRESS] is the owner of [XYZ Leased property] hereinafter called as Lessor.

Mr. XYZ S/o Mr. [FATHERS NAME], residing at [FULL ADDRESS] hereinafter called as lessee.

The lessor hereby decides to lease the property to the lessor and the Lessee hereby agrees to take on Lease from Lessor, subject to the terms of this Lease Agreement (hereinafter referred to as the "AGREEMENT") (write brief title of the asset) (hereinafter referred to as the "LEASED PROPERTY")

PERIOD: The Lessee shall take the Leased property for its use on lease for certain period to commence the business. The period of the lease may be extended for such period and on such terms and conditions as may be agreed upon by and between the parties hereto.

RENTAL: In consideration of the above, the Lessee shall pay to the lessor, Lease rent of Rs. **(AMOUNT IN WORDS AND NUMBER)** for the entire period of the Lease. Such rent shall be payable by the Lessee to the Lessor's bank account (insert the name of bankers) for and on behalf of the Lessor within seven days of the same.

WARRANTIES: The Lessee has selected the leased property after the physical inspection and on his own judgement prior to the purchase thereof by the Lessor and expressly declares that he has not relied upon any statements or demonstrations made by Lessor, makes no express or implied warranties including those of merchantability or fitness for particular use of the Leased property and hereby disclaims the same. The Lessor shall not be answerable for any repairs, service or defects in the Leased property or the operation thereof. However, the Lessor agrees that Lessee shall be entitled to the benefits of the manufacturer's warranties in respect of the Leased property.

TITLE, IDENTIFICATION, OWNERSHIP OF LEASED PROPERTY: Nothing in the deed transfer the right, title or interest in the Leased Property to Lessee by virtue of these presents. Conditioned upon Lessee's compliance with and fulfillment of the term of conditions of this Agreement, the Lessee shall have the right to have and retain possession and use of the Leased property for the full term of the lease including the extended term if agreed

to. Lessor may require plates or makings to be affixed to or placed on the Leased property, indicating Lessor's interests therein (and the interests of its Bankers). Both the parties hereby confirm that their intent is that the Leased property shall at all times continue the property of the Lessor. Lessee also approves and admits not to sell, assign, sublet, pledge, hypothecate or otherwise encumber or suffer a lien upon or against any interest in this Agreement or the Leased property, or to remove except for the purposes of repairs with prior intimation to the Lessor the Leased property

INDEMNITY: Lessee agrees to comply with all laws, regulations, and orders relating to the possession, operation, and use of the Leased property and assumes all risks and liabilities arising from or pertaining to the possession, operation or use of the Leased property. The lessee does hereby agree to indemnify and keep indemnified and hold safe and harmless the Lessor from criminal, civil liabilities as well as the cost, expenses, claim

Lessor hereby covenants that the Leased property is the absolute property of the Lessor and undertakes not to sell or transfer the same to any party except as to hypothecate, mortgage or create a charge in favor of a Bank or Financial Institution.

SURRENDER: Upon completion or earlier termination of the lease as the case may be, Lessee shall deliver to the Lessor the said Leased property at such a place as Lessor may specify in good working condition, normal wear and tear resulting from the proper use of the Leased property and damage by fire not caused by the negligence of the Lessee shall be excepted.

REMEDIES: Upon the happening of any default and at any time thereafter the Lessor would declare all future rentals due and to become due hereunder for the full term of the lease immediately due and payable and on such declaration being made by Lessor, Lessee shall forthwith provide to the Lessor the present value of the said sums due discounted at the rate of 12% per annum and upon Lessee failing to make the said payment within 30 days thereof Lessor may take the action as per his discretion

WAIVER: Any expressed or implied a relinquishment by the Lessor of any default shall not constitute a waiver of any other default by Lessee or a waiver of any of Lessor's right. All the rights and powers of the Lessor in the leased property shall remain in full force, notwithstanding any neglect, restraint or delay in the enforcement thereof, by the Lessee of this

Agreement shall not be deemed as a waiver of any continuing or recurring breach by the Lessee of this Agreement.

NOTICES: All the notices or demands in respect to this agreement whenever required to be given herein shall be given to the parties hereto in writing and by post or by hand delivery at the address mentioned below or to such other addresses as the parties hereto may hereafter substitute by written notice given in the manner prescribed hereinabove.

ARBITRATION: Any disputes, claims, questions or differences arising in relation to this agreement, its construction, validity, performance, breach or any other question shall be referred to the Indian Chamber of Commerce for settlement by Arbitration or Conciliation and the decision of the said Arbitrator shall be final and binding on both the parties.

By execution hereof, the signor hereby certifies that he has read this Agreement, including the Schedule hereto and that he is duly authorized to execute this Agreement on behalf of the Lessee.

IN WITNESS WHEREOF each of the parties hereto has caused this agreement to be executed in duplicate on this..... (date) by its duly authorized officers.

Signed and delivered by

LESSOR

LESSEE

Witnesses have put their signature in presence of abovementioned parties.

WITNESS:

Name:

NAME:

Address:

Address:

Signature:

Signature: