

PROJECT DEVELOPMENT AGREEMENT

Executed Between

Maharashtra Industrial Development Corporation (MIDC)

**'Udyog Sarathi', Mahakali Caves Road,
Andheri (East), Mumbai - 400 093**

And

IRB Sindhudurg Airport Private Limited (ISAPL)

**IRB Complex, Chandivli Farm, Chandivli Village,
Andheri (East), Mumbai – 400 072**

For

**DEVELOPMENT OF GREENFIELD AIRPORT IN
SINDHUDURG DISTRICT, MAHARASHTRA , INDIA**

On

25th September 2009

**Project Development Agreement for
Development of Airport in Sindhudurg District,
Maharashtra, India**

Between

Maharashtra Industrial Development Corporation (MIDC)

And

IRB Sindhudurg Airport Private Limited (ISAPL)

25th September 2009



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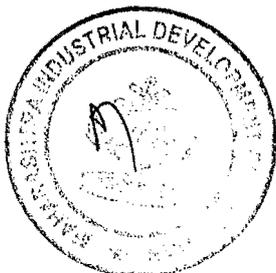
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Preamble

THIS AGREEMENT is made in Mumbai on 25th September 2009 BETWEEN:

MAHARASHTRA INDUSTRIAL DEVELOPMENT CORPORATION LIMITED, a statutory body established under the Maharashtra Industrial Development Act, 1961 having its head office at 'Udyog Sarathi', Mahakali Caves Road, Andheri (E) Mumbai 400 093, (hereinafter referred to as "MIDC" which expression shall unless repugnant to the context or meaning thereof include its administrators, successors and assigns) of One Part; and

AND

IRB SINDHUDURG AIRPORT PRIVATE LIMITED, a company incorporated with limited liability under the Indian Companies Act, 1956, having its registered office at IRB Complex, Chandivali Farm, Chandivali Village, Andheri (East) Mumbai 400072, Maharashtra (hereinafter referred to as "ISAPL" which expression shall include its successors and permitted assigns) of the Other Part.

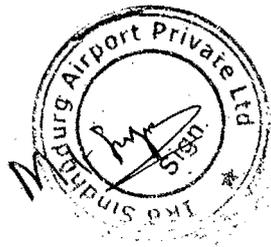
BOI Shareholding Ltd.
Ground Floor, Rotunda Bldg
A.D. Nagar, Fort
Mumbai - 400 001

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INDIA STAMP DUTY MAHARASHTRA

FOR BOI SHAREHOLDING LTD.

DBEPAK VEDPATAK
Authorized Signatory



WHEREAS:

- A. Maharashtra Industrial Development Corporation Limited (MIDC) being the leading industrial development body in the State of Maharashtra has developed industrial estates all over the State of Maharashtra. MIDC is the Special Planning Authority (SPA) for Site. As such MIDC, decided to undertake development of a Greenfield airport in Sindhudurg district on design, build, finance and operate basis (the "Project"). Accordingly, MIDC has identified around 260 hectares (about 642 acres) of land between village Chippi-Vadi and village Parule located around 23 km of district headquarters, Kudal for the Project.
- B. MIDC had invited applications by its Request for Qualification (the "Request for Qualification" or "RFQ") for pre-qualification and short listing of bidders for the purpose of designing, engineering, financing, procurement, construction, operation and maintenance of the Project and shortlisted certain bidders including, inter alia, the Successful Bidder.
- C. MIDC had prescribed the commercial terms and conditions, and invited bids (the "Request for Proposals" or "RFP") from the bidders shortlisted pursuant to the RFQ for undertaking the Project.
- D. After evaluation of the bids received, MIDC accepted the Bid of the Successful Bidder and a Letter of Award bearing No. MIDC/Jt CEO (IT)/Sindhudurg Airport/401/09 dated 03.08.2009 was issued to the Successful Bidder, which has been duly acknowledged by the Successful Bidder vide letter dated 6th August 2009.
- E. IRB SINDHUDURG AIRPORT PRIVATE LIMITED ("ISAPL") has been established with the participation of IRB Infrastructure Developers Limited who has agreed to participate as a shareholder in ISAPL, for designing, engineering, financing, procurement, construction, operation and maintenance of a Greenfield Airport in Sindhudurg District in the State of Maharashtra.
- F. In the context of a Project being undertaken, it is critical that the terms and conditions on which such a Project is being implemented are set out and hence the parties are entering into this Project Development Agreement to reflect the terms and conditions thereof.
- G. MIDC acknowledges that ISAPL has paid to MIDC a sum of Rs. 10,35,05,200.50 (Rupees Ten crores thirty five lakhs five thousand two hundred and fifty paise only) which is 50% of the Total Land Premium by way of a pay order no. 408646 dated 27.08.2009 drawn on Canara Bank.
- H. Simultaneously with the execution of this Agreement, Successful Bidder in compliance to the conditions set out in the Request of Proposal document, has paid a non-refundable amount of Rs. 3,22,78,192 (Rs. Three Crores Twenty Two lakhs, Seventy Eight thousand, One hundred and Ninety Two only) inclusive of service tax [@10%], education cess [@ 2% of Service tax] and secondary education cess [@ 1% of Service tax] as Project Development Expenses. The amount of Rs. 3,22,78,192 is paid in two parts as Rs. 47,03,192 (Rs. Forty Seven lakhs, Three thousand, One hundred & Ninety Two only) to MIDC and Rs. 2,75,75,000 (Rs. Two Crores Seventy Five lakhs and Seventy Five thousand only) to India Infrastructure Initiative.
- I. Successful Bidder in compliance to the conditions set out in the Request for Proposal document has submitted a Technical Proposal.



F. The parties recognise and acknowledge that in matters of Airport infrastructure and civil aviation, GoI has a major role and responsibility in determining the framework for the aviation sector.

NOW IT IS HEREBY AGREED as follows:



**Part I:
Definitions and Interpretation**



ARTICLE 1

1 Definitions and Interpretation

1.1 Definitions

In this Agreement, except to the extent that the context otherwise requires:

"AAI" means the Airports Authority of India.

"AAI Act" means the Airports Authority of India Act 1994.

"Airport Activities" means the provision, at or in relation to the Airport, of the activities set out at **Schedule 3, Part 1** as amended from time to time, pursuant to ICAO guidelines, provided that any activities that are not materially similar to those contemplated in **Schedule 3, Part 1** shall require the mutual agreement of the Parties.

"Affected Party" shall have the meaning set forth in Article 17.1.

"Agreement" or "Project Development Agreement" or "PDA" means this Agreement, its Recitals, the schedules, attachments hereto and any amendment thereto made in accordance with the provisions contained in this Agreement;

"Airport" means the green-field Airport comprising the Initial Phase, to be constructed and operated by ISAPL in Sindhudurg District in the State of Maharashtra and includes all its buildings, equipment, facilities and systems and including, where the circumstances so require, any Expansion thereof, as per the Master Plan to be annexed hereto as **Attachment-1**.

"Applicable Permits" means all clearances, licenses, permits, authorisations, no objection certificates, consents, approvals and exemptions required to be obtained or maintained under the Applicable laws in connection with the development, operation and maintenance of the Project during the subsistence of this Agreement.

"Airport Completion Date" means the date on which the MIDC issues the Completion Certificate.

"Airport Completion Target Date" means the date falling eighteen (18) months from the Effective Date.

"Applicable Laws" means all laws, brought in to force and effect by GOI, State Government or MIDC including rules, regulations and notifications made thereunder, and judgements, decrees, injunctions, writs and orders of any court of record, applicable to this Agreement and the exercise, performance and discharge of the respective rights and obligation of the parties hereunder, as may be in force and effect during the subsistence of this Agreement.

"Arbitration Act" means the Arbitration and Conciliation Act, 1996 and shall include modification to or any re-enactment thereof as in force from time to time.



"Associate" or "Affiliate" means in relation to either Party, a person who controls, is controlled by or is under the common control with such Party (as used in this definition.)the expression "control" means with respect to a person which is a company or corporation, the ownership, directly or indirectly, of more than 50% (fifty percent) of the voting shares of such person, and with respect to a person which is not a company or corporation, the power to direct the management and policies of such person, whether by operation of law or by contract or otherwise);

"Approvals" means all authorisations, consents, approvals, notifications and permissions and any license, permit, ruling, exemption or other authorization of whatsoever nature which is required to be granted by, or any registration or filing with, any authority under Applicable Law for or in respect of this Agreement including for performance of any obligation or exercise of any right by a Party herein but excluding a Clearance.

"BCAS" means the Bureau of Civil Aviation Security.

"Bid" means the documents in their entirety comprised in the bid submitted by the Successful Bidder in response to the Request for Qualification and Request for Proposals and in accordance with the provisions thereof;

"Bid Security" means the security of a sum of Rs. 25 Lakhs (Rupees Twenty Five Lakhs) furnished by the Successful Bidder to MIDC along with its Bid in accordance with the Request for Proposal and which remains in force until substituted by the Performance Security.

"Book Value" shall mean the capital expenditure incurred on the Project as per the books of the ISAPL net of depreciation charged on the basis of straight line method and amortized equally over the operations period, duly verified and certified by an independent Chartered Engineer who is the member of the Institute of Engineers India.

"Chicago Convention" means the Chicago Convention 1944, as amended and/or supplemented from time to time; and references to an "Annex" to the Chicago Convention shall mean such Annex as amended and/or supplemented from time to time.

"Clearance" means the written consent, licence, approval, permit, ruling, exemption, no objection certificate or other authorisation or permission of whatsoever nature which is required to be obtained from and/or granted by GoI/GoM/MIDC required from time to time in connection with the Project, including those set out in Schedule 1 attached hereto.

"CNS/ATM Agreement" means the agreement entered into or to be entered into between ISAPL and AAI in respect of the provision by AAI to ISAPL of communication, navigation, surveillance/air traffic management services.

"Completion Certificate" shall mean the certificate to be issued by the MIDC on the request of ISAPL verifying the compliance of the construction of Initial Phase as per requirements specified in Schedule 2 and the Development Control Rules of MIDC.

"Cure Period" means the period specified in this Agreement for curing any breach of default any provision of this agreement by the Party responsible for such breach or default and shall:



1. commence from the date on which the notice is delivered by one Party to the other Party asking the latter to cure the breach or default specified in such notice;
2. not relieve any Party from liability to pay damages or compensation under the provisions of this agreement; and
3. not in any way be extended by any period of suspension under this Agreement;

provided that if the cure of any breach by the ISAPL requires any reasonable actions by the ISAPL that must be approved by Relevant Authority to accord their approval.

"Debt" means the aggregate of the following:

- a. the principal amount of the debt provided by the Lenders under the Financing Agreements for financing the Project ;
- b. all accrued interest, financing fees and charges payable under the Financing Agreements on, or in respect of, the debt referred to in Sub-clause (a) above;
- c. any subordinated debt which is disbursed by other lenders for financing the Project;

provided that if all or any part of the Debt is convertible into Equity at the option of Lenders and/or the ISAPL, it shall for the purposes of this Agreement be deemed to be Debt even after such conversion and the principal thereof shall be dealt with as if such conversion had not been undertaken.

"DGCA" means the Director General of Civil Aviation, Government of India.

"Dispute Resolution Procedure" means the procedure set out in Article 20.

"Domestic Airport" means an Airport serving any commercially operated aircraft flying to the relevant Airport from a point of origin, or flying from the relevant Airport to a point of destination, both inside India.

"Effective Date" has the meaning set out in Article 4.4.

"Encumbrance" means, in relation to the Project, any encumbrance such as mortgage, charge, pledge, lien, hypothecation, security interest, assignment, privilege or priority of any kind having the effect of security or other such obligations, and shall include physical encumbrance and any designation of loss payees or beneficiaries or any similar arrangement under any insurance policy pertaining to the Project, where applicable herein.

"Equity" means the paid up equity share capital of the ISAPL for meeting the equity component of the cost of Project, and for the purposes of this Agreement shall include convertible instruments or other similar forms of capital, which shall compulsorily convert into equity share capital of the ISAPL, and any interest-free funds advanced by any shareholder of the ISAPL for meeting such equity component.

"Expansion" means the expansion of the facilities at the Airport from time to time as per the Master Plan to be annexed hereto as Attachment-1.



"Financing Agreement" means the Agreements executed by ISAPL in respect of financial assistance to be provided by the Senior Lenders by way of loans, guarantees, subscription to non convertible debentures and other debt instruments, security agreements and other documents relating to the financing (including refinancing) of the Project cost, and includes amendments or modification made with Article 5.2.2.

"Force Majeure" has the meaning set out in **Schedule 4**.

"GoI" means the Government of India and any of its duly authorized agency, authority, department, inspectorate, ministry or person (whether autonomous or not) under the direct control and direction of the Ministry of Civil Aviation.

"GoM" means the Government of the State of Maharashtra and any of its duly authorized agency, authority, department, inspectorate, minister, ministry or person (whether autonomous or not) under the direct control and direction of GoM.

"Good Industry Practice" means the exercise of that degree of skill, diligence and prudence which would reasonably and ordinarily be expected from a skilled and experienced operator engaged in the same type of undertaking and (in the case of ISAPL) applying the standards generally adopted by Airport operators in the construction of the Airport adhering to the practices generally followed by such utilities (except as regards terms and conditions of employment of operating personnel) in the operation and maintenance of the Airport, and except insofar as inconsistent with any Applicable Law or the construction, operation, and maintenance of the systems or equipment to be operated and maintained by AAI pursuant to the CNS/ATM Agreement.

"Government Instrumentality" means any department, division or sub-division of the Government and includes any commission, board, authority, agency or municipal and other local authority or statutory body including panchayat under the control of GOI or GoM, as the case may be, and having jurisdiction over all or any part of the Project or the performance of all or any of the services or obligations of ISAPL under or pursuant to this Agreement.

"ICAO" means the International Civil Aviation Organisation formed by the Chicago Convention or any successor thereof.

"Independent Engineer" means the independent engineer appointed by the Lenders under the terms of the Financing Agreements.

"Independent Regulatory Authority" or **"IRA"** means the Airports Economic Regulatory Authority or any other regulatory authority set up or would be set up to regulate any aspect of Airport Activities set up (i) by way of an executive order provided the functioning of the IRA is not within the control of MIDC, or (ii) by an Act of Parliament or an ordinance or any rules made there under.

"Initial Phase" means the design, financing, construction, completion and commissioning of the facilities described in **Schedule 2**.

"International Airport" means an airport serving any commercially operated aircraft flying to a relevant airport in India from a point of origin outside India, or flying from a relevant airport in India to a point of destination outside India.



"Land Premium" means an amount of Rs. 7,96,193.85/- (Rupees Seven lakh ninety six thousand one hundred and ninety three and eighty five paise only) per hectare for the Site, offered by the Successful Bidder and accepted by MIDC.

"Land Lease Deed" means the document and/or instrument to be entered into pursuant to which MIDC will grant to ISAPL leasehold rights and interests in the Site. The draft Land Lease Deed annexed hereto as Attachment 2.

"Lenders" means the banks, financial institutions, multilateral lending agencies, trusts, funds and agents or trustees of debenture holders, including their successors and assignees, who have agreed to guarantee or provide finance to the ISAPL under any of the Financing Agreements for meeting all or any part of the Project cost and who hold parri passu charge on the assents, rights, title and interests of the ISAPL.

"Master Plan" means the master plan for the Airport prepared by ISAPL and approved by the Relevant Authority.

"Material Adverse Effect" means a material adverse effect of any act or event on the ability of either party to perform any of its obligations under and in accordance with the provisions of this Agreement and which act or event causes a material financial burden or loss to either party.

"MIDC" means the corporation constituted under Maharashtra Industrial Development Act, 1961 [Mah, III of 1962].

"ISAPL Default Event" shall have the meaning given to it in 17.3.1.

"Non-Airport Activities" means the provision, at or in relation to the Airport, of the services permitted under Schedule 3, Part 2.

"Party" means either MIDC or ISAPL (as the context may require) and its successor and permitted assigns in terms of this Agreement and **"Parties"** shall be construed accordingly.

"Performance Security" shall have the meaning set forth in Clause 9.1

"Person" includes (and as the context requires) any natural and/or juridical entity (including Govt /GoM /MIDC).

"Private Promoters" means IRB Infrastructure Developers Limited and such other party as may from time to time be so agreed pursuant to the shareholders agreement.

"Project or Airport Project" means the design, financing, construction, completion, commissioning, maintenance, operation, management and development of the Airport.

"Project Agreements" means collectively this Agreement, contracts for engineering, procurement, construction, operation, maintenance and any other agreements or contracts (other than Financing Agreements) entered into or may hereafter be entered into by the ISAPL in connection with matters relating to, arising out of or incidental the Project.

"Project Assets" means all physical and other assets relating to and forming part of the site including:



- (a) rights over the site in the form of lease, right of way or otherwise;
- (b) tangible assets such as civil works and equipment including foundations embankments, pavements, interchanges, bridges, drainage works, electrical systems, communication systems, fee collection systems, rest areas, relief centres, maintenance depots and administrative offices;
- (c) Project facilities situated on the Site;
- (d) building and immovable fixtures or structures forming part of Non Airport Activities;
- (e) all rights of ISAPL under the Project Agreements;
- (f) Financial assets, such as receivables Security deposits etc;
- (g) Insurance proceeds and
- (h) Applicable Permits and authorisation relating to or in respect of the Project;

"Project Completion Schedule" means the progressive Project Milestones set forth in Schedule 12 for completion of the Airport on or before the Airport Completion Target Date.

"Project Milestones" means the project milestones set forth in Schedule 12.

"Proposal Due Date" shall mean 30th June, 2009, 1:00 PM.

"Relevant Authority" includes the GOI, GOM, MIDC, AAI, DGCA, BCAS, Department of Immigration of the Ministry of Home Affairs, Department of Customs of the Ministry of Finance or any other subdivision or instrumentality thereof or any other authority empowered by the Applicable Laws.

"Reserved Activities" means those functions and activities that are to be carried out at the Airport by any Relevant Authority pursuant to and including those set out at Articles 11.3, and 11.5.

"Safety Requirement" shall have the meaning set forth in Article 13

"Security" includes any mortgage, pledge, lien, security interest or other charge or encumbrance and any other agreement or arrangement having substantially the same economic effect.

"Service Provider Right" means any privilege, right, franchise, lease or other right or sub-right granted by ISAPL or by any Service Provider Right Holder pursuant to Article 3.1.

"Service Provider Right Holder" means any Person holding from time to time any Service Provider Right.

"Site" means the land in which ISAPL has or shall have a leasehold interest pursuant to the Land Lease Deed, and measuring approximately 260 hectares (642 acres) in area, on, under and over which the Airport is to be constructed.



"SPV" means IRB Sindhudurg Airport Private Limited.

"SPA" or "Special Planning Authority" shall mean MIDC for the purpose of Site.

"Specifications" means the specifications for the construction of the Airport as set forth in Schedule 2.

"Standards" means the performance standards for the operation and maintenance of the Airport as set out in Schedule 9.

"Successful Bidder" means IRB Infrastructure Developers Limited.

"Tax" or "Taxes" shall mean any and all taxes, levies, imposts, duties, charges, deductions or withholdings that are, or that are to be, imposed, levied, collected, withheld or assessed, together with any and all interest, penalties, claims or other liabilities arising under or relating thereto.

"Termination" means the expiry or Termination of this Agreement.

"Total Land Premium" means an amount of Rs. 20,70,10,401/- (Rupees Twenty crores seventy lakhs ten thousand four hundred and one only) payable by the ISAPL to MIDC in accordance with the terms of this Agreement which is computed as the product of Land Premium and area in hectares of the Site.

"Transfer Date" shall be the date on which ISAPL transfers legal and beneficial ownership and hands over possession of the Airport to MIDC or its nominees in accordance with Article 17.5

"Works" means the works required for, or to be carried out or executed in or in relation to or in connection with, the design, construction, completion, commissioning and/or development of the Initial Phase and/or any Expansion.

1.2 Interpretation

In this Agreement, except to the extent that the context requires otherwise:

- 1.2.1 Any reference to an Act of Parliament or any Section of, or Schedule to, or other provision of, an Act of Parliament shall be construed, at the particular time, as including a reference to any modification, extension or re-enactment thereof then in force and to all rules, orders or regulations then in force and made under or deriving validity from the relevant Act or provision;
- 1.2.2 Reference to a "judgment" includes any order, injunction, determination, decree or other judicial or arbitral tribunal measure in the Indian jurisdiction which is final and binding;
- 1.2.3 A reference to a "law" includes common law, the Constitution of India and any decree, judgment, legislation, direction, order, ordinance, regulation, by-law, statute, Act, notification, circular, guideline, rule, statutory instrument or other legislative measure, with which ISAPL is required to comply by law (and "lawful" and "unlawful" shall be construed accordingly);



- 1.2.4 References in the singular shall include references in the plural and vice versa;
- 1.2.5 A reference to a "day" means a calendar day;
- 1.2.6 References to any date, period or Project Milestone shall mean and include such date, period or Project Milestone as may be extended pursuant to this Agreement;
- 1.2.7 References to a particular Article, paragraph, sub-paragraph, Schedule or Attachment shall, except where the context otherwise requires, be a reference to that Article, paragraph, sub-paragraph, Schedule or Attachment in or to this Agreement;
- 1.2.8 The headings are inserted for convenience and are to be ignored for the purposes of construction;
- 1.2.9 Terms defined in the Schedules hereto shall have the meanings ascribed thereto in the Schedules when used elsewhere in this Agreement;
- 1.2.10 The Schedules to this Agreement form part of this Agreement and will be in full force and effect as though they were expressly set out in the body of this Agreement;
- 1.2.11 Any reference to any agreement, deed, instrument, licence code or other document of any description shall be construed, at the particular time, as a reference to that agreement, deed, instrument, licence code or other document as the same may then have been amended, varied, supplemented, modified, suspended or novated;
- 1.2.12 The words "written" and "in writing" includes a facsimile transmission and any means of reproducing words in a tangible and permanently visible form with confirmation of the transmission;
- 1.2.13 The words "include" and "including" are to be construed without limitation; and shall be deemed to be followed "without limitation" or "but not limited to" whether or not they are followed by such phrases;
- 1.2.14 Reference to "construction" include, unless the context otherwise requires, investigation, design, developing, engineering, procurement, delivery, transportation, installation, processing, fabrication, testing, commissioning and other activities incidental to the construction, and "construct" shall be construed accordingly;
- 1.2.15 Reference to "development" include, unless the context otherwise requires, construction, renovation, refurbishment, augmentation, upgradation and other activities incidental thereto, and "develop" shall be construed accordingly;
- 1.2.16 In case of any ambiguity or discrepancy between the Articles and the Schedules, the Articles shall prevail.



Part II
Recognition of Rights



ARTICLE 2

2 Scope of the Project

2.1 Scope of the Project

The scope of the Project (the "Scope of the Project") shall mean:

- a. The development and construction of the Airport on the Site in accordance with the provisions of this Agreement;
- b. The operation and maintenance of the Airport and performance of the Airport Activities and Non-Airport Activities in accordance with the provisions of this Agreement; and
- c. The performance and fulfilment of all other obligations of ISAPL in accordance with the provisions of this Agreement and matters incidental thereto or necessary for the performance of any or all obligations of the ISAPL under this Agreement.

ARTICLE 3

3 Rights of Parties

3.1 Recognition of Rights

Subject to Applicable Laws and in accordance with the provisions of this Agreement, MIDC recognises that ISAPL may carry out:

- a. Any activity or business related or ancillary to the activities, which ISAPL considers desirable or appropriate to be carried on or engaged in connection for developing, maintaining, and operating the Airport (including any infrastructure service considered by ISAPL to be reasonably necessary for such activities);
- b. Any activity or business in connection with or related to the arrival, departure and/or handling of aircraft, passengers, baggage, cargo and/or mail at the Airport; and
- c. Any activity or business in connection with or related to the development of the Site or operation of the Airport to generate revenues including the development of commercial ventures such as hotels, restaurants, conference venues, meeting facilities, business centres, trade fairs, real estate, theme parks, amusement arcades, golf courses and other sports and/or entertainment facilities, banks and exchanges and shopping malls.

For the purpose of exercising its rights pursuant to this Article, ISAPL may, subject to and in accordance with the terms of this Agreement, at any time, grant Service Provider Rights (including the right of the Service Provider Right Holders to grant sub-rights) to any Person, on such terms and conditions as ISAPL may determine are reasonably appropriate. This shall be subject to the same being within the framework of this Agreement and not being contrary to the terms and conditions of this Agreement. Provided that, if and to the extent required by any Applicable Law related to security clearance in the interest of national security, such Service Provider Right Holders shall have obtained the necessary and requisite security clearance.



The grant by ISAPL of a Service Provider Right shall not relieve ISAPL of any of its responsibilities, duties and obligations under this Agreement.

3.2 Payment of Land Premium

The Parties agree that, ISAPL shall, in consideration of recognition of rights pursuant to Article 3.1 has paid 50% of the Total Land Premium to MIDC on signing of this Agreement and the remaining amount of Rs. 10,35,05,200.50 (Rupees Ten crores thirty five lakhs five thousand two hundred and fifty paise only) being 50% of the Total Land Premium shall be paid to MIDC on the date of handover of possession of Site by MIDC to ISAPL in accordance with Article 4.1 (a) of this Agreement.

Before handover of the Site to ISAPL, if the extent of the Site area is in variance to the area indicated in this Agreement, the remaining Total Land Premium payable to MIDC by the ISAPL, shall be appropriately adjusted in proportion to the exact area of the Site.

Provided that such variance shall not reduce the area of the Site by more than 2% of the area indicated in the RFP Document plus additional area (if any, beyond 11 hectares accounted for) for the diversion of roads.

ARTICLE 4

4 Conditions Precedent

4.1 Conditions Precedent to Project

The provisions of this Agreement (other than those contained in Articles 1, 4, 18, 20 and 22 inclusive which are, accordingly, binding on the Parties as from the date of this Agreement) shall take effect and become binding on the Parties from the date upon which the condition precedent set out in this Article are satisfied in full by the respective Parties:

- (a) Conditions Precedent required to be satisfied by MIDC shall be deemed to have been fulfilled when the MIDC, subject to Article 4.3.2, within eighteen (18) months from the date of this Agreement shall have handed over the Site free from Encumbrance to ISAPL after shifting utilities (electricity lines, water pipes and telephone cables) from within the Site and diverting the roads crossing within the Site to an appropriate location or alignment.
- (b) Conditions Precedent required to be satisfied by ISAPL shall be deemed to have been fulfilled when ISAPL, subject to Article 4.3.2, within eighteen (18) months from the date of this Agreement shall have
 - (i) received the requisite clearances from MoCA/ DGCA/ AAI for the Project;
 - (ii) received the requisite clearances from Ministry of Environment and Forest;
 - (iii) prepared Master Plan and got approval for the same from the Relevant Authority;
 - (iv) provided Performance Security to MIDC;



- (v) delivered to MIDC from Successful Bidder confirmation, in original, of the correctness of their representations and warranties set forth in Sub-clauses (k), (l) and (m) of clause 7.1 of this Agreement;
- (vi) delivered to MIDC a legal opinion from the legal counsel of the ISAPL with respect to the authority of the ISAPL to enter into this Agreement and the enforceability of the provisions thereof; and
- (vii) delivered to MIDC a Master Plan approved by the Relevant Authority and development plan providing details on schedule for construction, intermediate construction milestone, details of activities both related to Airport Activities and Non Airport Activities to be undertaken in the Site ("Development Plan"). The Development Plan so prepared shall be in compliance with the Project Completion Schedule provided in Schedule 12.

4.2 Obligations to Satisfy Conditions Precedent

- 4.2.1 ISAPL shall use all reasonable endeavours to procure the satisfaction in full of the conditions precedent set out in Article 4.1(b) above.
- 4.2.2 MIDC shall use all reasonable endeavours to procure the satisfaction in full of the conditions precedent set out in Article 4.1(a) above.

4.3 Non-fulfilment of Conditions Precedent

4.3.1 Termination on Non-fulfilment

If the conditions precedent set out in Article 4.1 have not been satisfied in full or not been waived by the date falling eighteen (18) months from the date of this Agreement, ISAPL or MIDC shall, subject to Article 4.3.2, have the right to terminate this Agreement by giving twenty-one (21) days notice in writing to the Party which has failed to fulfil the Condition Precedent and upon expiry of such notice this Agreement shall stand terminated.

4.3.2 Extension of Time for Fulfilment

At any time prior to the date specified in Article 4.3.1, the Parties shall, by mutual agreement in writing, have the right to extend the date for satisfaction or waiver of the conditions precedent by such period as the Parties may agree.

4.4 Effective Date

This Agreement shall be effective on the date on which the Conditions Precedent are met by the Parties or when the Conditions Precedent are waived by the Parties.

4.5 Payment for Non-fulfilment of Condition Precedent

Upon termination of this Agreement due to non-fulfilment of Condition Precedent by ISAPL, the MIDC shall be entitled to retain the amount of Rs. 2,50,00,000 (Rs. Two crores and fifty lakhs) which is equal to Performance Security. MIDC shall appropriate such amount by forfeiting Bid Security or the Performance Security, as the case may be, and



the balance amount if any, shall be appropriated from the amount received towards the Total Land Premium from ISAPL.

Provided that, in the event where the payment to MIDC under this clause is not met in the manner stipulated above, such differential amount shall be paid by the ISAPL.

Upon termination of this Agreement due to non-fulfilment of Condition Precedent by MIDC, the MIDC shall return to ISAPL, the Bid Security or the Performance Security as the case may be and the amount received as Total Land Premium without any interest thereon. In addition to above, MIDC shall also pay ISAPL an amount equal to Project Development Expenses paid by the Successful Bidder to MIDC & India Infrastructure Initiative.

ARTICLE 5

5 OBLIGATIONS OF THE ISAPL

5.1 Obligations of ISAPL

- 5.1.1 Subject to and on the terms and conditions of this Agreement, ISAPL shall at its cost and expense procure finance for and design, engineer, construct, operate and maintain the Project and observe, fulfil, comply with and perform all its obligation set out in this Agreement or arising hereunder.
- 5.1.2 ISAPL shall comply with all Applicable Laws and Applicable Permits (including renewals as required) in the performance of its obligations under this Agreement. The ISAPL shall be liable to renew and transfer in its own name all Applicable Permits already issued to MIDC in respect of the Project, as and when required.
- 5.1.3 Subject to Clauses 5.1.1 and 5.1.2, ISAPL shall discharge its obligations in accordance with Good Industry Practice and as a reasonable and prudent person.
- 5.1.4 ISAPL shall, at its own cost and expense, in addition to and not in derogation of its obligations elsewhere set out in this Agreement:
- a) make, or cause to be made, necessary applications to the relevant Government Instrumentalities with such particulars and details, as may be required for obtaining all Applicable Permits (other than those set forth in Clause 4.1(b)) and obtain and keep in force and effect such Applicable Permits in conformity with the Applicable Laws;
 - b) deliver to MIDC a copy of all the documents/applications/plans etc including Master Plan submitted to the Relevant Authority within 15 days of such submission;
 - c) procure regulatory approvals and permissions necessary for construction of buildings or structures within the Site from MIDC;
 - d) ensure that the building and structure within the Site at all times conform to the regulations under Development Control Rules of MIDC and that the Floor Space Index (FSI) are within the limit specified therein.
 - e) procure, as required, the appropriate proprietary rights, licences, agreements and permissions for materials, methods, processes and systems used or incorporated into



the Airport Project ;

- f) perform and fulfil its obligations under the Financing Agreements;
- g) make reasonable efforts to maintain harmony and good industrial relations among the personnel employed by it or its Contractors in connection with the performance of its obligations under this Agreement;
- h) ensure and procure that its Contractors comply with all Applicable Permits and Applicable Laws in the performance by them of any of ISAPL obligations under this Agreement;
- i) not do or omit to do any act, deed or thing which may in any manner be violative of any of the provisions of this Agreement;
- j) support, cooperate with and facilitate MIDC in the implementation and operation of the Project in accordance with the provisions of this Agreement; and
- k) transfer the Project to MIDC upon Termination of this Agreement, in accordance with the provisions hereof.

5.1.5 The ISAPL shall construct the Airport in accordance with the Project Completion Schedule set forth in Schedule 12. In the event that the ISAPL fails to achieve any Project Milestone except the achievement of Airport Completion Date for which Clause 10.5 is applicable, within a period of 90 (ninety) days from the date set forth for such milestone in Schedule 12, unless such failure has occurred due to Force Majeure or for reasons solely attributable to MIDC, it shall pay Damages to the MIDC of a sum calculated at the rate of 0.1% (zero point one per cent) of the amount of Performance Security for each day of delay until such milestone is achieved; Provided that if any or all Project Milestones or the Airport Completion Date are extended in accordance with the provisions of this Agreement, the dates set forth in Schedule 12 shall be deemed to be modified accordingly and the provisions of this Agreement shall apply as if Schedule 12 has been amended as above; Provided further that in the event Airport Completion Date is achieved on or before the Airport Completion Target Date, the Damages paid under this Clause 5.1.5 shall be refunded by the MIDC to the ISAPL, but without any interest thereon. For the avoidance of doubt, it is agreed that recovery of Damages under this Clause 5.1.5 shall be without prejudice to the other rights of the MIDC under this Agreement, including the right of Termination thereof.

5.1.6 ISAPL shall make best efforts to promote and market the Airport to the airline companies and shall make endeavour to commence commercial operation of the Airport at the earliest after the achievement of Airport Completion Date.

5.2 Obligations relating to Project Agreements

It is expressly agreed that ISAPL shall, at all times, be responsible and liable for all its obligations under this Agreement notwithstanding anything contained in the Project Agreements or any other agreement, and no default under any Project Agreement or Agreement shall excuse the ISAPL from its obligations or liability hereunder.



5.3 Change in Ownership

5.3.1 The ISAPL shall not undertake or permit any Change in Ownership, except as provided in this Agreement and in accordance with Applicable Law.

5.3.2 Notwithstanding anything to the contrary contained in this Agreement, ISAPL agrees and acknowledges that:

- (i) all acquisitions of Equity by an acquirer, either by himself or with any person acting in concert, directly or indirectly, including by transfer of the direct or indirect legal or beneficial ownership or control of any Equity, in aggregate of not less than 15% (fifteen per cent) of the total Equity of ISAPL;
- (ii) acquisition of any control directly or indirectly of the Board of Directors of the ISAPL by any person either by himself or together with any person or persons acting in concert with him shall be subject to prior approval of MIDC from national security and public interest perspective, the decision of MIDC in this behalf being final, conclusive and binding on ISAPL, and undertakes that it shall not give effect to any such acquisition of Equity or control of the Board of Directors of the ISAPL without such prior approval of MIDC. For the avoidance of doubt, it is expressly agreed that approval of MIDC hereunder shall be limited to national security and public interest perspective, and MIDC shall endeavour to convey its decision thereon expeditiously. It is also agreed that MIDC shall not be liable in any manner on account of grant or otherwise of such approval and that such approval or denial thereof shall not in any manner absolve ISAPL from any liability or obligation under this Agreement;

For the purposes of this Clause 5.3.2:

- a) the expression "acquirer", "control" and "person acting in concert" shall have the meaning ascribed thereto in the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 1997 or any statutory re-enactment thereof as in force as on the date of acquisition of Equity, or the control of the Board of Directors, as the case may be, of ISAPL;
- b) the indirect transfer or control of legal or beneficial ownership of Equity shall mean transfer of the direct or indirect beneficial ownership or control of any company or companies whether in India or abroad which results in the acquirer acquiring control over the shares or voting rights of shares of ISAPL; and
- c) power to appoint, whether by contract or by virtue of control or acquisition of shares of any company holding directly or through one or more companies (whether situate in India or abroad) the Equity of the ISAPL, not less than half of the directors on the Board of Directors of ISAPL or of any company, directly or indirectly whether situate in India or abroad, having ultimate control of not less than 15% (fifteen per cent) of the Equity of ISAPL shall constitute acquisition of control, directly or indirectly, of the Board of Directors of the ISAPL.

5.4 Employment of foreign nationals



The ISAPL acknowledges, agrees and undertakes that employment of foreign personnel by the ISAPL and/or its contractors and their subcontractors shall be subject to grant of requisite regulatory permits and approvals including employment/residential visas and work permits, if any required, and the obligation to apply for and obtain the same shall and will always be of the ISAPL and, notwithstanding anything to the contrary contained in this Agreement, refusal of or inability to obtain any such permits and approvals by the ISAPL or any of its contractors or sub-contractors shall not constitute Force Majeure Event, and shall not in any manner excuse the ISAPL from the performance and discharge of its obligations and liabilities under this Agreement.

5.5 Employment of trained personnel

The ISAPL shall ensure that the personnel engaged by it in the performance of its obligations under this Agreement are at all times properly trained for their respective functions.

5.6 Security Clearance

Notwithstanding anything to the contrary contained herein, the employees, staff and personnel of ISAPL or any of its contractors and subcontractors shall always be subject to security clearance required under Applicable Law and only such persons that have a valid security clearance shall be permitted on the site. For the avoidance of doubt, it is agreed that refusal of or inability to obtain any such permits and approvals by ISAPL or any of its contractors or subcontractors shall not constitute Force Majeure Event, and shall not in any manner excuse ISAPL from the performance and discharge of its obligations and liabilities under this Agreement. It is further agreed that the restriction herein shall not apply to the site forming part of Non-Airport Activities.

5.7 Facilities for physically challenged and elderly persons

ISAPL shall in conformity with the guidelines issued from time to time by the Ministry of Social Justice and Empowerment, or a substitute thereof procure a barrier free environment for the physically challenged and elderly persons using the Airport.

5.8 Representation of Local Culture

ISAPL shall in the implementation of the Project and particularly in finalising the design for terminal building, to the extent possible, depict the local culture prevailing in the area.

5.9 Branding of Project

The Project or any part thereof shall not be branded in any manner to advertise, display or reflect the name or identity of the ISAPL or its shareholders save and except as may be necessary in the normal course of business. For avoidance of doubt, it is agreed that the ISAPL may display its own name at a spot where other public notices are displayed for the users. It is further agreed that the Airport shall be known, promoted, displayed and advertised by the name of "Sindhudurg Airport".

ARTICLE 6

6 Obligations of MIDC



6.1 Obligations of MIDC

- 6.1.1 MIDC shall, at its own cost and expense undertake, comply with and perform all its obligations set out in this Agreement and shall not instruct any statutory body under the direct control and direction of MIDC to take any action that would constitute a breach of this Agreement if such body were party to this Agreement in place of MIDC.
- 6.1.2 Upon application made there for by ISAPL or its shareholders or their respective contractors, servants or agents and subject to full compliance and sustenance by such parties with Applicable Law, MIDC shall endeavour that all Clearances to be granted by it or that are within its direct control and as are required for or in connection with the Project, are granted by it within a period ending on the later of (i) the end of the relevant statutory period (if any), and (ii) forty-five (45) days after the relevant application duly completed having been submitted. MIDC shall assist ISAPL in obtaining any Clearances required for the Project from Gol or GoM.
- 6.1.3 MIDC shall, at its own cost and expense, provide water connectivity initially having capacity to supply 1,00,000 (one lakh) litres of water per day upto the boundary of Site within 6 (six) months from the Effective Date and shall supply water to ISAPL as per the MIDC rates.

ISAPL may request MIDC to enhance the capacity of the water connectivity at any time after completion of five years from the Airport Completion Date. On receipt of such request, MIDC shall in consultation with the ISAPL finalise the details of enhanced water supply connectivity and shall make necessary arrangements accordingly to provide for such enhanced water supply connectivity at its own cost and expenses within 24 months thereof.

- 6.1.4 MIDC shall facilitate and assist ISAPL in obtaining the Applicable Permits necessary for implementation of the Project.

6.2 Support

- 6.2.1 MIDC acknowledges and supports the implementation of the Project;
- 6.2.2 MIDC will not revoke (i) the decision to appoint the Private Promoters as promoter partners in ISAPL and to award the Project to the Private Promoters or (ii) this Agreement other than as permitted under this Agreement or in accordance with the Applicable Law.
- 6.2.3 In recognition of the investment to be made by the shareholders, from time to time, of ISAPL and the Lenders and subject to material compliance by such shareholders and the Lenders with all Applicable Law, MIDC will not take any steps or action in contradiction of this Agreement which results in or would result in such shareholders or the Lenders being deprived or substantially deprived of their investment or economic interest in the Project except in accordance with the Applicable Law.

6.3 Issuance of Completion Certificate



6.3.1 MIDC shall, on receipt of a request from the ISAPL, carry out inspection within 30 days thereof, verifying the compliance of the construction of Initial Phase as per the requirements specified in Schedule 2 and as per the Development Control Rules of MIDC. Based on the inspection, the MIDC shall on being satisfied about the compliance of above mentioned requirements, issue a Completion Certificate within 15 days of completion of such inspection in the form and substance as per Schedule 10. In case after due inspection, MIDC is of the opinion that any part of the above said requirement is outstanding and not yet complete, in such an event, MIDC shall issue a notice giving details of the pending works within 15 days of completion of such inspection. Completion Certificate shall thereafter be issued by the MIDC on the satisfactory completion of the pending works by ISAPL.

For avoidance of doubt, it is expressly agreed that, the completion of such pending work by ISAPL shall not result in extension of Airport Completion Target Date for any reason whatsoever.

ARTICLE 7

7. Representations and Warranties.

7.1 Representations and Warranties of ISAPL

7.1.1 The ISAPL represents and warrants to MIDC that:

- (a) it is duly organized and validly existing under the laws of India, and has full power and authority to execute and perform its obligations under this Agreement and to carry out the transactions contemplated hereby;
- (b) it has taken all necessary corporate and other actions under Applicable Laws to authorise the execution and delivery of this Agreement and to validly exercise its rights and perform its obligations under this Agreement;
- (c) it has the financial standing and capacity to undertake the Project in accordance with the terms and this Agreement;
- (d) this Agreement constitutes its legal, valid and binding obligation enforceable against it in accordance with the terms hereof and the obligations of the ISAPL under this Agreement will be legally valid, binding enforceable obligations against the ISAPL in accordance with the terms hereof;
- (e) it is subject to the laws of India, and hereby expressly and irrevocably waives any immunity in any jurisdiction in respect of this Agreement or matters arising thereunder including any obligations, liability or responsibility hereunder;
- (f) the information furnished in the Bid and as updated on or before the date of this Agreement is true and accurate in all respects as on the date of this Agreement;
- (g) the execution, delivery and performance of this Agreement will not conflict with, result in the breach of, constitute a default under, or accelerate performance required by any of the terms of the ISAPL's Memorandum and Articles of Association or any;



- (h) there are no actions, suits, proceedings, or investigations pending or, to the ISAPL's knowledge, threatened against it at law or in equity before any court or before any other judicial, quasi-judicial or other authority, the outcome of which may result in the breach of this Agreement or which individually or in the aggregate may result in any material impairment of its ability to perform any of its obligations under this Agreement;
- (i) It has no knowledge of any violation or default with respect to any other, writ, injunction or decree of any court or any legally binding order of any Government Instrumentality which may result in any Material Adverse Effect on the ISAPL's ability to perform its obligations under this Agreement and no fact or circumstances exists which may give rise to such proceedings that would adversely affect the performance of its obligations under this Agreement;
- (j) It has complied with Applicable Laws in all material respects 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 a Material Adverse Effect on its ability to perform its obligations under this Agreement;
- (k) Successful Bidder and its Associates have the financial standing and resources to fund the required capital and to raise the Debt necessary to undertake and implement the Project in accordance with this Agreement;
- (l) It shall at no time undertake or permit any Change in Ownership except in accordance with the provisions of Clause 5.3.

Successful Bidder shall hold at least 51% of the paid up capital of ISAPL during the period commencing from the date of signing the Project Development Agreement till completion of one (1) year from the date of issue of Completion Certificate and not less than 26% until completion of 5 (five) years from date of issue of Completion Certificate. Accordingly, the Successful Bidder has submitted an undertaking to MIDC.

- (m) Successful Bidder is duly organized and validly existing under the laws of the jurisdiction of its incorporation, and has requested MIDC to enter into this Agreement with the ISAPL pursuant to the Letter of Award, and has agreed to and unconditionally accepted the terms and conditions set forth in this Agreement;
- (n) Rights and interests of ISAPL in the Project shall pass to and vest in MIDC on the Transfer Date free and clear of all liens, claims and Encumbrances, without any further act or deed on the part of the ISAPL or MIDC, and that none of the Project Assets shall be acquired by ISAPL subject to any agreement under which a security interest or other lien or Encumbrance is retained by and person save and except as expressly provided in this Agreement;
- (o) No representation or warranty by ISAPL contained herein or in any other document furnished by it to MIDC or to any Government Instrumentality in relation to Applicable Permits contains or will contain any untrue or misleading statement of material fact or omits or will omit to state a material fact necessary to make such representation or warranty not misleading; and
- (p) No sums, in cash or kind, have been paid or will be paid, by or on behalf of the ISAPL, to any person by way of fees, commission or otherwise for securing the rights



hereunder or entering into this Agreement or for influencing or attempting to influence any officer or employee of MIDC in connection therewith.

7.1.2 In addition ISAPL represents and warrants to MIDC that as at the date of this Agreement:

- i. It is a private limited company limited by shares incorporated under the laws of India and has been properly constituted and is in continuous existence since incorporation;
- ii. It is not engaged in any business other than the business of operating and managing Airports and other ancillary activities;

7.2 Approvals

ISAPL shall at all times obtain and maintain all Clearances and Approvals, including registrations, licenses and permits (including immigration, temporary residence, work and exit permits), which are required by Applicable Law for the performance of the Project.

7.3 Disclaimer

7.3.1 ISAPL acknowledges that prior to the execution of this Agreement, it has, after a complete and careful examination, made an independent evaluation of the Scope of the Project, made a careful physical and technical assessment of the Site and has determined the nature and extent of the difficulties, risks and hazards that are likely to arise or may be faced by it in the course of the performance of its obligations in this Agreement.

7.3.2 ISAPL acknowledges and hereby accepts the difficulties, risks and hazards (including any inadequacies, mistakes or errors in or relating to any of the matters set forth in Article 7.3.1 above) associated with the Scope of the Project and hereby agrees that MIDC shall not be liable for the same in any manner whatsoever to ISAPL. For the avoidance of doubt the difficulties, risks and hazards accepted by ISAPL pursuant to this Article 7.3 shall exclude any obligations for which MIDC is responsible pursuant to the terms of this Agreement.

ARTICLE 8

8 Representations and Warranties of MIDC

8.1 Representations and Warranties

MIDC represents and warrants to ISAPL that:

- a) it has full power and authority to execute, deliver and perform its obligations under this Agreement and to carry out the transactions contemplated herein and that it has taken all actions necessary to execute this Agreement, exercise its rights and perform its obligations, under this Agreement;
- b) it has taken all necessary actions under the Applicable Laws to authorise the execution, delivery and performance of this Agreement;
- c) this Agreement constitutes a legal, valid and binding obligation enforceable against it



in accordance with the terms hereof;

- d) there are no actions, suits or proceedings pending or, to its knowledge, threatened against it at law or in equity before any court or before any other judicial, quasi-judicial or other authority, the outcome of which may result in the default or breach of this Agreement or which individually or in the aggregate may result in any material impairment of its ability to perform its obligations under this Agreement;
- e) 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 Instrumentality which may result in any Material Adverse Effect on the Government's ability to perform its obligations under this Agreement;
- f) it has complied with Applicable Laws in all material respects;
- g) all information provided by it in the tender notice and invitation to bid in connection with the Project is, to the best of its knowledge and belief, true and accurate in all material respects;



Part- III

Development and Operations



ARTICLE 9

9 PERFORMANCE SECURITY

9.1 Performance Security

The ISAPL shall, for the performance of its obligations hereunder shall provide to MIDC not later than the Effective Date, an unconditional guarantee issued by any Nationalized Bank or ICICI Bank or IDBI Bank or Axis Bank or HDFC Bank for a sum equal to **Rs. 2,50,00,000 (Rupees Two crores and Fifty lakhs only)** in the form set out in Schedule 5 (the "Performance Security"). Until such time the Performance Security is provided by the ISAPL pursuant hereto and the same comes into effect, the Bid Security shall remain in force and effect, and upon such provision of the Performance Security pursuant hereto, MIDC shall release the Bid Security to the ISAPL.

9.2 Appropriation of Performance Security

Upon occurrence of ISAPL Default, MIDC shall, without prejudice to its other rights and remedies hereunder or in law, be entitled to encash and appropriate the relevant amounts from the Performance Security as Damages for such ISAPL Default. Upon such encashment and appropriation from the Performance Security, the ISAPL shall, within 15 (fifteen) days thereof, replenish, in case of partial appropriation, to its original level the Performance Security, and in case of appropriation of the entire Performance Security provide a fresh Performance Security, as the case may be, and the ISAPL shall, within the time so granted, replenish or furnish fresh Performance Security as aforesaid failing which MIDC shall be entitled to terminate this Agreement in accordance with Article 17.3. Upon replenishment or furnishing of a fresh Performance Security, as the case may be, as aforesaid, the ISAPL shall be entitled to an additional Cure Period of 60 (sixty) days for remedying the ISAPL Default, and in the event of the ISAPL not curing its default within such Cure Period, MIDC shall be entitled to encash and appropriate such Performance Security as Damages, and to terminate this Agreement in accordance with Article 17.3.

9.3 Release of Performance Security

The Performance Security shall remain in force and effect for a period of 6 (six) months after the date of issue of Completion Certificate.

Article 10

10 Construction of the Airport

10.1 Master Plan

ISAPL shall review the Master Plan every five (5) years. If, on such review, ISAPL considers it necessary to revise the Master Plan to reflect changed circumstances at the Airport, ISAPL shall revise the Master Plan and provide MIDC with a copy of such revised Master Plan.



10.2 Construction and Expansion

ISAPL shall design, procure, construct, complete, test and commission the Initial Phase, and remedy any defects in respect thereof, in accordance with the Master Plan, Good Industry Practice and Applicable Law. ISAPL shall ensure that the Works shall conform to the Specifications and Good Industry Practice.

ISAPL shall, taking into account and subject to increased demand, the availability of funding, the economic and profitable operation of the Airport at that time and the reasonable requirements of users of the Airport, develop and implement detailed proposals for the Expansion of the Airport including enhancing its status from Domestic Airport to an International Airport.

10.3 Independent Engineer

ISAPL shall procure any reports and certificates prepared by the Independent Engineer and submitted to the Lenders pursuant to the terms of the Financing Agreements and any report from any independent engineer appointed pursuant to any future financing shall also be copied to MIDC to enable MIDC to monitor progress of construction and commissioning of the Airport.

10.4 Site and Materials

10.4.1 Organisation of Site

ISAPL will organise the Site during the period of construction with regard to safety precautions, fire protection, security, transportation, delivery of goods, materials, plant and equipment, control of pollution, maintenance of competent personnel and labour and industrial relations and general site services including, without limitation, access to and on the Site, allocation of space for contractors' and sub-contractors' offices and compounds and the restriction of access to the Site to authorised Persons only.

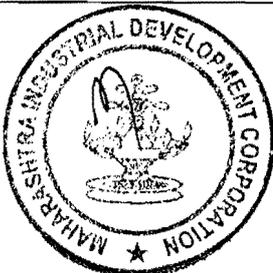
10.4.2 Materials

ISAPL will ensure that the Works will comprise only materials and goods which are of sound and merchantable quality and which are manufactured and prepared in accordance with Applicable Law and that all workmanship shall be in accordance with Applicable Law and with Good Industry Practice applicable at the time of construction and/or installation.

10.4.3 Prior to commencement of construction ISAPL shall undertake to do and perform all such acts, deeds and things as may be necessary or required before commencement of construction under and in accordance with this Agreement, Project Completion Schedule, the Applicable laws and Applicable Permits.

10.4.4 Project Monitoring Committee

During the construction of Airport, in order to oversee the progress of the Project, a committee shall be formed by ISAPL and nominate two of its representatives as members of the committee. MIDC shall nominate two of its officers as members on this committee. ISAPL shall make all arrangements for conducting meeting of the committee at Mumbai once in every three months commencing with the first month following the execution of this



Agreement. ISAPL shall no later than 7 (seven) days after every such meeting, furnish to MIDC a quarterly report on progress.

10.4.5 Delays during construction

If ISAPL does not achieve any of the Project milestone set forth in the Project Completion Schedule and in accordance with construction schedule provided under the Development Plan, and MIDC has reasonably determined that the rate of progress of construction is such that they are not likely to be completed within the time specified in the Project Completion Schedule or in the Development Plan, it shall notify ISAPL to this effect, and ISAPL shall, with in 15 (fifteen) days of such notice, by a communication inform the MIDC in reasonable detail about the steps it proposes to take expedite progress and the period within which it shall achieve completion.

10.4.6 Non Airport Activities

Non Airport Activities are listed out in schedule 3.

(a) Development of Non airport Activities

ISAPL may undertake the development of Non Airport Activities as per the Applicable Law. The development and maintenance of infrastructure such as roads, electric supply, water supply, sewerage and drains in construction of Non Airport activities shall be undertaken or cause to be undertaken by ISAPL at its cost, in accordance with the provisions of this Agreement, Applicable Laws and Good Industry Practice.

(b) Taxes and revenues

- i. All cost and expenses, Taxes, cess, fees and charges relating to Non Airport Activities shall be borne by ISAPL.
- ii. All revenues accruing from Non Airport Activities shall be appropriated by ISAPL in accordance with the provisions of this Agreement and Applicable laws.

(c) Compliance with Applicable Law

ISAPL agrees and undertakes that it shall, in respect of Non Airport Activities, at all times conform to the central, State, local or municipal laws and regulations relating to building , structures, road works, open spaces, electric supply, water supply, sewerage and other like purposes.

(d) Commercial advertisement or display

Subject to Article 5.10, ISAPL may undertake or cause to be undertaken commercial advertising or display as part of Non Airport Activities in compliance with the Applicable Laws and after obtaining Applicable Permits, if any, without causing hindrance to the Airport Activities.



10.5 Airport Completion

ISAPL will ensure that the Airport Completion Date shall occur by the date falling eighteen (18) months from the Effective Date, provided that such date shall be adjusted by reference to any delays arising due to or as a result of:

- a) An event of Force Majeure; and/or
- b) A failure or any delay by MIDC in the performance of its obligations under this Agreement; and/or
- c) Any interruption or intervention by MIDC pursuant to its rights under Article 11.13 of this Agreement; and/or
- d) A failure or any delay by MIDC in the performance of its obligations under the Land Lease Deed; and/or
- e) A failure or any delay by AAI in the performance of its obligations under the CNS/ATM Agreement; and/or
- f) A failure or any delay by any Relevant Authority in the performance of its services.

In the event of ISAPL failing to achieve Airport Completion Date by the date falling eighteen (18) months from the Effective Date for any reason other than the conditions stated above, then ISAPL shall pay to MIDC, as agreed, liquidated damages of an amount of Rs.25,000 (Rupees Twenty Five Thousand) for every day of delay calculated for the period commencing on the date occurring eighteen (18) months from the Effective Date and ending on the earlier of the Airport Completion Date or the date occurring Thirty Six (36) months from the Effective Date.

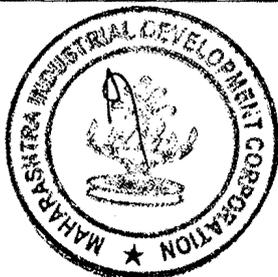
10.6 Licence

Grant of Licence

ISAPL shall apply for DGCA's grant of an Airport licence in its name to enable it to commence commercial operation of the Airport, provided that ISAPL shall have completed construction of the Initial Phase in accordance with the terms of this Agreement and shall have complied with (i) the requirements of Rule 86 and Section A of Schedule V of the Aircraft Rules 1937, (ii) any special directions or guidelines issued by DGCA pursuant to Rule 133A of the Aircraft Rules 1937 and (iii) any other standard requirement of DGCA in connection with the issuance of an Airport licence for a Domestic Airport.

10.7 Non-aviation Uses of Land

The Parties recognize that as per the Master Plan, a certain extent of land available at the Site may be used for developing Non-Airport Activities. The Parties further recognize that these Non-Airport Activities are secondary to the development of the Airport. Therefore ISAPL shall not commence operations of Non-Airport Activities till Airport Completion Date is achieved.



ARTICLE 11

11 Operation and Maintenance

11.1 Airport Operation and Maintenance

ISAPL shall at all times comply with Applicable Law in the operation and maintenance of the Airport including Non Airport Activities and will operate, maintain, keep in good operating repair and condition in accordance with Good Industry Practice and, in accordance with the Standards and renew, replace and upgrade to the extent reasonably necessary, the Airport which for these purposes shall exclude any systems or equipment to be operated by AAI in accordance with the terms of the CNS/ATM Agreement. All maintenance, repair and other works shall be carried out in such a way as to minimise inconvenience to users of the Airport.

11.2 Joint Co-ordination Committee

The Parties wish to develop, maintain and operate the Airport to high standards. The Reserved Activities will be carried out by Gol or under the direction of Gol. In order to assist ISAPL and MIDC achieve their objectives under this Agreement a joint co-ordination committee could be formed, if required, comprising ISAPL, MIDC, and the other Relevant Authorities providing the Reserved Activities. The joint coordination committee shall meet once a month commencing with the first month following the execution of this Agreement provided that the Parties shall not be bound by the decisions of such committee.

11.3 Reserved Activities

The Parties agree that, Gol shall undertake the Reserved Activities in accordance with this Article 11 and shall exercise all rights available to it under Applicable Law requiring the continual provision of essential services to enable continuous flow of passengers, baggage and cargo at the Airport.

11.4 Security

11.4.1. All aviation security at the Airport shall be invariably provided according to Gol's instructions in this regard, on terms stipulated by GOI. Provided further that if the agencies nominated by Gol are not in a position to provide such security services, Gol may request ISAPL to depute security personnel for providing these services. Provided also that Gol and ISAPL may, following mutual discussions, if it is considered appropriate, enter into arrangements to jointly provide aviation security services at the Airport. The fee to be levied on the departing passengers in this regard shall be mutually decided by the parties. This fee shall accrue to Gol and shall meet the costs of deployment of ISAPL's security personnel, if any, deputed to the Airport.

11.4.2. Without prejudice to the other provisions of this Agreement, ISAPL shall comply with such rules and regulations established by BCAS in connection with the security of the Airport provided that ISAPL shall not be so obliged if such rules and regulations are not generally and consistently applied to Airports having the same or similar sensitivity classification.

11.4.3. ISAPL shall be responsible for providing and maintaining all such security equipment as required by BCAS or any other Relevant Authority from time to time (excepting Door



Frame Metal Detector (DFMD), Hand Held Metal Detector (HHMD), X-Ray Scan Machines for screening carry on passenger baggage and Walki-Talkies which shall be procured, installed, operated, maintained and replaced by AAI insofar these equipments relate to Anti-Hijacking and Anti-Sabotage functions).

- 11.4.4. The procedures to be adopted for the security of the Airport building, passengers, persons working at the Airport and other visitors to the Airport, and aircraft, freight and other property at the Airport shall also be prescribed by BCAS. ISAPL shall be obliged to comply with all such procedures and directions as issued by BCAS from time to time.
- 11.4.5. The personnel for undertaking security duty shall be provided by the security agency designated by BCAS, Gol or Relevant Authority.
- 11.4.6. ISAPL shall co-operate fully with the officers of the designated security agencies and other security agencies at all times.
- 11.4.7. ISAPL shall provide the designated security agency with (i) such access and facilities at the Airport and (ii) the space requirements set out in **Schedule 8** to this Agreement, so as to enable the designated security agency to perform its functions under this Agreement.
- 11.4.8. ISAPL shall not be entitled to reduce the space and facilities provided to the designated security agency at the Airport without the consent of the designated Security agency.
- 11.4.9. In the event of any Expansion, modernisation or redevelopment at the Airport which involves the movement or reconfiguration of any space or facilities used by the designated security agency for any of the purposes referred to above, ISAPL shall duly inform the designated security agency and ISAPL and the designated security agency shall discuss and agree any amendments to the space requirements of the designated security agency that may be required as a result of such Expansion, modernisation or redevelopment at the Airport.

11.5 Meteorological Service

- 11.5.1. Meteorological services at the Airport shall be in accordance with the practices established or recommended from time to time pursuant to the Chicago Convention and as per any other rules and regulations framed by MoCA, AAI, or DGCA.
- 11.5.2. ISAPL shall in connection with the provision of meteorological services provide the Relevant Authority with (i) such access and (ii) the space requirements set out in Schedule 8 to this Agreement so as to enable the Relevant Authority to perform its functions under this Agreement.
- 11.5.3. ISAPL shall not be entitled to reduce the space and facilities provided to a Relevant Authority at the Airport without the consent of that Relevant Authority.
- 11.5.4. In the event of any Expansion, modernisation or redevelopment at the Airport which involves the movement or reconfiguration of any space or facilities used by a Relevant Authority for any of the purposes referred to above, ISAPL shall duly inform the Relevant Authority and ISAPL and the Relevant Authority shall discuss and agree any amendments to the space requirements of the Relevant Authority that may be required as a result of such Expansion, modernisation or redevelopment at the Airport.



11.6 VIP Lounge

ISAPL shall provide and maintain at all times at the Airport a VIP Lounge for the use and comfort of VIPs and dignitaries.

11.7 Standards

Nothing in this Article 11 shall be construed as entitling ISAPL to reduce or prejudice the standards in relation to space or facilities required at the Airport under this Project Development Agreement.

11.8 Management of the Airport Business

ISAPL shall, in accordance with Good Industry Practice and Applicable Law and as contemplated by the terms of this Agreement:

- a) Manage and operate the Airport in a competitive, efficient and economic manner as a commercial undertaking;
- b) Without limiting any other obligation or right of ISAPL under this Agreement, provide or secure the provision at the Airport of the Airport Activities; and
- c) Take proper account of the reasonable requirements of users of the Airport.

11.9 General obligations

11.9.1 ISAPL shall, subject to Applicable Law:

- a. Keep the Airport open at all times for the take-off and landing of aircraft unless and so long as ISAPL is unable to do so as a result of a failure by any Relevant Authority to provide a Reserved Activity;
- b. Be responsible for, and promptly pay, all expenses incurred by it in respect of the operation of the Airport including, without limitation, in respect of Tax, insurance and the provision of all services or utilities to or at the Airport such as electricity gas, refuse collection, sewerage, foul water, drainage and telephone. For avoidance of doubt, provision of water connectivity upto the boundary of the Site shall be the responsibility of MIDC. However, ISAPL shall be responsible to provide water connectivity within the Site; and
- c. Felling of trees

MIDC shall assist ISAPL in obtaining the applicable permits for felling of trees to be identified by ISAPL for this purpose if and only if such trees cause Material Adverse Effect on the development, operation or maintenance of the Project. The cost of such felling shall be borne by ISAPL, and in the event of any delay in felling thereof for reasons beyond the control of ISAPL, it shall be excused for failure to perform any of its obligations hereunder if such failure is a direct consequence of delay in the felling of trees. For the avoidance of doubt, the Parties hereto agree that the felled trees shall be deemed to be owned by MIDC and shall be disposed in such manner and subject to such conditions as MIDC may in its sole discretion deem appropriate.



11.10 Slots

ISAPL shall have the final right to allocate slots at the Airport, subject to the same being allocated fairly and not arbitrarily.

11.11 Non-discrimination

MIDC shall use its good offices to put forward ISAPL's case that subject to any law or international treaty obligations as in force from time to time, GoI shall follow a policy of non-discrimination with regard to the classes or descriptions of air traffic that are permitted to use the Airport and subject to reasonable regulations, shall not impose unfair limitations on aircraft movements at the Airport or otherwise restrict the capacity at the Airport.

11.12 Interruption of Operation

At any time after the commencement of the commercial operations of the Initial Phase, if ISAPL ceases or substantially ceases the operation of the Airport for more than forty-eight (48) hours, other than in accordance with its rights under this Agreement, without the written consent of MIDC, at the request of either Party, MIDC will meet with ISAPL to discuss and agree a plan and the appointment of a joint operation and management committee (and the terms and conditions upon which such committee is to be appointed), to procure that operation of the Airport recommences as soon as practicable. If MIDC and ISAPL are unable to agree a plan and appoint a joint operation and management committee within six (6) hours of the expiry of the period referred to above, MIDC shall be entitled to operate the Airport until such time as ISAPL is able to resume operation of the Airport.

11.13 Interruption of Construction or Operation

Except as otherwise provided in this Agreement and/or except in the case of national emergency and/or as provided in any law existing at the date of this Agreement MIDC shall not intervene in or interrupt the design, construction, completion, commissioning, maintenance, financing, operation, management and/or development of the Airport by or on behalf of ISAPL. In case of any other emergency or for reason of public safety, MIDC shall be entitled to intervene in or interrupt the construction or operation of the Airport for a period to be mutually agreed between the Parties.

11.14 Daytime and Night time Operation

Subject to installing appropriate facilities and compliance with all Applicable Law and standards including environmental laws and provided that substantially similar restrictions, if applicable, are placed on all other Domestic Airports, ISAPL shall be entitled to operate the Airport and to permit the take-off and landing of aircraft at any time during both day and night hours.



11.15 Access for Officials

11.15.1 Access

Subject to the provisions of Article 11.15.2 and subject to BCAS' guidelines, ISAPL shall have the right to grant access to all parts of the Site and/or the Airport to such Persons as it shall determine.

11.15.2 Minimum Disruption

To the extent that such access has been granted to Gol and/or AAI, such access and facilities shall be used and exercised by the relevant Persons in such manner so as not to cause any disruption to the construction, commissioning, completion, development, maintenance and operation of the Airport.

ARTICLE 12

12 Monitoring of Operation and Maintenance

12.1 Performance Standards

ISAPL shall maintain the standards of the service level and the security in the Airport as per the guidelines prescribed by AAI, DGCA and BCAS.

Provided, from the date the IRA has power to review, monitor and set standards and penalties and regulate any such related activities at the Airport, ISAPL shall be required to comply with all such regulations framed by IRA.

12.2 Records

Subject to compliance with all Applicable Law, ISAPL shall keep full records in respect of the design, construction, completion, commissioning, maintenance, operation, management and development of the Airport including a maintenance manual and "as built" drawings of all aspects of the Airport and shall make them available for inspection on reasonable notice and during normal business hours to MIDC for the purpose of verification by MIDC of ISAPL's compliance with the terms and conditions hereof and shall furnish copies thereof to MIDC if called for.

ARTICLE 13

13 Safety Requirement

13.1 Safety Requirements

13.1.1 The ISAPL shall comply with the provisions of this Agreement, applicable Laws and Applicable Permits and conform to Good Industry Practice for securing the safety of the users. In particular, the ISAPL shall develop, implement and administer a surveillance and safety programme for providing a safe environment on or about the Airport, and shall comply with the safety requirement set forth in Schedule - 6 (the "Safety Requirement").



13.1.2 ISAPL shall appoint an experienced and qualified firm or organisation (the "Safety Consultant") for carrying out safety audit of the Airport in according with the safety requirements, and shall take all other actions necessary for securing compliance with the safety requirements.

13.1.3 All costs and expenses arising out of or relating to safety requirements shall be borne by the ISAPL.

13.2 First Aid

For providing emergency medical aid, ISAPL shall set up and operate a first aid room (the First Aid Room") at the Airport. The First Aid room shall be equipped with such medical equipment and drugs as may be required attend to minor injuries and medical conditions. The ISAPL shall also arrange for round-the clock ambulance services for victim of accidents on the Project and for users suffering from acute medical conditions. ISAPL shall, at its cost, maintain the First Aid room in accordance with Good Industry Practices.

13.3 Contingency Plans

ISAPL shall formulate and periodically rehearse its contingency plans for dealing with emergencies that may arise out of accidents, fire, terrorism or natural calamities. Such plans shall include evacuation of the Airport, operations of enquiry counters and coordination with MIDC and other civil authorities.



**Part IV:
Financial Provisions**



ARTICLE 14

14 Charges

14.1 Parties having right to impose charges

The ISAPL or the Service Provider Right Holder, subject to Applicable Law, may impose any charge or fee (a) in respect of the provision at the Airport of any facilities and/or services which are included within Airport Activities and (b) in respect of the movement of passenger, or vehicular traffic on the Airport or the Site and (c) in respect of the Non-Airport Activities..

14.2 Payment of Taxes

All Taxes as may be due and payable by ISAPL pursuant to Applicable Law, shall be paid on a priority basis prior to any disbursements by ISAPL to any party including Lenders.

ARTICLE 15

15 Maintenance of Insurance

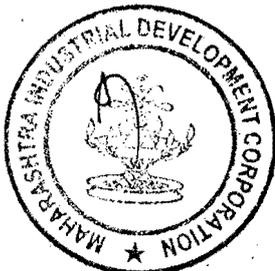
15.1 Insurance during Lease Period

ISAPL shall effect and maintain at its own cost, at all times the insurances set out in Schedule 11, the insurances required under the Financing Agreements and such additional insurances as ISAPL may reasonably considered necessary or prudent in accordance with Good Industry Practice. The ISAPL shall procure that in each insurance policy, MIDC shall be a co-insured.

15.2 Insurance Cover

Without prejudice to the provisions contained in Clause 15.1, the ISAPL shall, during the term of this Agreement, procure and maintain Insurance Cover including but not limited to the following:

- i. Loss, damage or destruction of the Airport, including assets handed over by MIDC to the ISAPL, at replacement value;
- ii. comprehensive third party liability insurance including injury to or death of personnel of MIDC or others who may enter the Site;
- iii. the ISAPL's general liability arising out of the Lease;
- iv. liability to third parties for goods or property damage;
- v. workmen's compensation insurance; and
- vi. any other insurance that may be necessary to protect the ISAPL and its employees, including all Force Majeure Events that are insurable and not otherwise covered in items (i) to (v) above.



15.3 Policies

ISAPL shall furnish to MIDC, at their request, copies of policy certificates & insurance policies in respect of insurances required to be obtained & maintained under Article 15.1 and Article 15.2 and evidence that the insurance premium have been paid in respect of such insurance within 15 days of receiving such a request from MIDC. No insurance shall be cancelled, modified or allowed to expire or lapse until the expiration of at least forty-five (45) days notice of such cancellation, modification or non-renewal has been provided by ISAPL to MIDC.

15.4 Remedy for failure to insure

If the ISAPL shall fail to effect and keep in force all insurance for which it is responsible pursuant hereto, MIDC shall have the option to either keep in force any such insurances, and pay such premia and recover the costs thereof from the ISAPL.

15.5 Waiver of subrogation

All insurance policies in respect of the insurance obtained by the ISAPL pursuant to this Article 15 shall include a waiver of any and all rights subrogation or recovery of the insurers there under against, inter alia, MIDC, and its assigns successors, undertakings and their subsidiaries, affiliates, employees, insurers and underwriters and of any right of the insurers to any set-off or counterclaim or any other deduction, whether by attachment or otherwise, in respect of any liability of any such person insured under any such policy or in any way connected with any loss, liability or obligation covered by such policies of insurance.

15.6 ISAPL's waiver

The ISAPL hereby further releases, assigns and waives any and all rights of subrogation or recovery against, inter alia, MIDC and its assigns, undertakings and their subsidiaries affiliates, employees, successors, insurers and underwriters, which the ISAPL may otherwise have or acquire in or from or in any way connected with any loss, liability or obligation covered by policies of insurance maintained or required to be maintained by the ISAPL pursuant to this Agreement (other than third party liability insurance policies) or because of deductible clauses in or inadequacy of limits of any such policies of insurance.

15.7 Application of Insurance Proceeds

Subject to any agreement with the Lenders, all insurance claims paid to ISAPL shall be applied for reconstruction of the Airport except for insurance proceeds unrelated to physical damage.

ARTICLE 16

16 Accounts and Audit

ISAPL shall maintain books of accounts recording its income and expenditure, receipts and payments, and assets and liabilities, in accordance with Applicable Law. It shall provide to MIDC two (2) copies of its Balance Sheet and Profit and Loss Account along



with a report thereon by its Statutory Auditors till completion of one year from the date of issue of Completion Certificate.



Part V
Force Majeure and Termination



ARTICLE 17

17 Force Majeure and Termination

17.1 Force Majeure

Article 17 shall apply if the performance by any Party (the "Affected Party") of its obligations under this Agreement is prevented, hindered or delayed in whole or in part by reason of Force Majeure.

17.2 Consequences of Force Majeure

17.2.1 Performance Obligation

Subject to comply with Article 17.2.2, neither Party shall be liable for any failure to comply, or delay in complying, with any obligation under or pursuant to this Agreement. The Parties under this Agreement shall not be required to perform their obligations to the extent that the performance of obligation by either Party is prevented, hindered, impeded or delayed in whole or in part by reason of Force Majeure and in particular, but without limitation, the time allowed for the performance of any such obligations (including, without limitation, achieving the Airport Completion Date as required by Article 10.5) shall be extended accordingly.

17.2.2 Notification

As soon as reasonably practicable, but not more than 72 hours, following the date of commencement of any event of Force Majeure, if either Party desires to invoke such event of Force Majeure as a cause for delay or failure in the performance of any obligation hereunder, it shall notify the other Party in writing of such date and the nature and expected duration of such event of Force Majeure. Within a reasonable time following the date of such notice of such event of Force Majeure, the Party having invoked such event of Force Majeure as a cause for such delay shall submit to the other Party sufficient proof of the nature of such delay or failure and its anticipated effect upon the time for performance.

17.2.3 Mitigation

The Affected Party shall take all reasonable steps to prevent, reduce to a minimum and mitigate the effect of the event of Force Majeure.

17.3 Default

17.3.1 ISAPL Default Events

Each of the following events shall constitute a "ISAPL Default Event":

- a. Except as otherwise provided in this Article 17.3.1, if ISAPL is in material breach of the terms of this Agreement and such breach has not, if capable of remedy, been remedied within one hundred and twenty (120) consecutive days from the date upon which ISAPL receives a notice from MIDC specifying that such breach has occurred.



The Parties expressly agree that any transfer of shares in breach of a representation and warranty set out in Article 7.1.1(i) shall constitute a ISAPL Default Event;

- b. ISAPL abandons or manifests intention to abandon the construction or operation of the Airport without the prior written consent of MIDC;
- c. ISAPL has failed to make any payment including the payment of Total Land Premium to MIDC within the period specified in this Agreement;
- d. If Airport Completion Date has not occurred by the date falling twelve (12) months after the Airport Completion Target Date;
- e. If, following commencement of the commercial operation of the Initial Phase, ISAPL ceases to operate (whether by act or omission) for more than fourteen (14) consecutive days or for an aggregate of more than thirty (30) days in any calendar year without the written consent of MIDC;
- f. If the Performance Security has been encashed and appropriated in accordance with Clause 9.2 and the ISAPL fails to replenish or provide fresh Performance Security within a period of 15 (fifteen) days;
- g. Subsequent to the replenishment or furnishing of fresh Performance Security in accordance with Clause 9.2, the ISAPL fails to cure, within a Cure Period of 60 (sixty) days, the ISAPL Default for which whole or part of the Performance Security was appropriated;
- h. An order being made or a resolution being passed for the liquidation, bankruptcy or dissolution of ISAPL which is not, if capable of being so, discharged or, as the case may be, revoked within ninety (90) days thereafter;
- i. If any material representation or warranty given by ISAPL under this Agreement is incorrect;
- j. A breach of any of the Project Agreements by ISAPL has caused a Material Adverse Effect;
- k. ISAPL creates any Encumbrance in breach of this Agreement;
- l. ISAPL repudiates this Agreement or otherwise takes any action or evidences or conveys an intention not to be bound by the agreement;
- m. A Change in Ownership has occurred in breach of the provision of Article 5.3;
- n. There is transfer, pursuant to law either of (i) the rights and /or obligations of ISAPL under any of the Project Agreement, or of (ii) all or part of the assets or undertaking of ISAPL, and such transfer causes a Material Adverse Effect;
- o. An execution levied on any of the assets of ISAPL has caused a Material Adverse Effect;



- p. A resolution for winding up of ISAPL is passed, or any petition for winding up of ISAPL is admitted by a court of competent jurisdiction and a provisional liquidator or receiver is appointed and such order has not been set aside within 90 (ninety) days of the date thereof or ISAPL is ordered to be wound up by court except for the purpose of amalgamation or reconstruction, the entire property, assets and undertaking of ISAPL are transferred to the amalgamated or reconstructed entity and that the amalgamated or reconstructed entity has unconditionally assumed the obligation of ISAPL under this Agreement and the Project agreement and provided that:
- i. the amalgamated or reconstructed entity has the capability and operating experience necessary for the performance of its obligations under this Agreement and the Project Agreements;
 - ii. the amalgamated or reconstructed entity has the financial standing to perform its obligation under this Agreement and the Project Agreements and has credit worthiness at least as good as that of the amalgamated or reconstructed entity has the as the Appointed Date;
 - iii. the amalgamated or reconstructed entity has the financial standing to perform its obligation under this Agreement and the Project Agreements and has a credit worthiness at as good as that of ISAPL as at the Appointed Date; and
 - iv. each of the Project Agreement is in full force and effect;
- q. ISAPL has failed to fulfil any obligation, for which failure Termination has been specified in this Agreement ;
- r. ISAPL commits a material default in complying with any other provision of this Agreement.

Provided that the events outlined in sub-article (a), (d) and (e) above shall not constitute an ISAPL Default Event if they are the result and/or consequence of any of the events specified in the proviso to Article 10.5.

17.3.2 MIDC Default Events

A breach of any of the obligation by MIDC under this Agreement which has caused a Material Adverse Effect shall constitute "MIDC Default Event".

17.4 Consequences of Default

In the event of an ISAPL Default Event occurring, MIDC shall have the right to notify ISAPL that such an event has occurred and (if it is capable of remedy) requiring the remedy of the same within a reasonable period not less than one hundred and twenty (120) days. If, following the end of such period, the breach has not been remedied, then MIDC or any entity designated by it shall be required, to issue a notice to ISAPL terminating this Agreement, and cancelling the Lease under the terms of the Land Lease Deed.



On such termination of the Agreement, MIDC shall retain the Total Land Premium and shall have the right to forfeit the Performance Security, if any. Further, the MIDC shall acquire all of ISAPL's rights, title and interests in and to the Airport in the manner set out in Article 17.5 below.

In the event of an MIDC Default Event occurring, MIDC shall release the Performance Security, if any and shall pay to ISAPL payment equal to 125% of the Book Value. Further, the MIDC shall acquire all of ISAPL's rights, title and interests in and to the Airport in the manner set out in Article 17.5 below.

17.4 Transfer of Airport

17.5.1 On exercise of a right of termination by MIDC under Article 17.4 of this Agreement or on expiry of this Agreement by efflux of time in accordance with this Agreement, Site along with all the assets of Airport and Non-Airport Activities developed by ISAPL thereon ISAPL shall be transferred to MIDC or its nominee on the Transfer Date in accordance with Article 17.4 and clear of any Security and without any encumbrances and liabilities as provided in Article 17.5.3 below. For the avoidance of doubt this shall include but not be limited to:

- i. All immovable, movable and intangible property (including intellectual property, plans, designs and drawings), stocks, materials, vehicles and spares of ISAPL;
- ii. The rights and obligations under or pursuant to all contracts and other arrangements entered into in accordance with the provisions of this Agreement between ISAPL and any Service Provider Right Holder (in consideration of MIDC's assumption of the obligations under or pursuant to the contracts and other arrangements); and
- iii. The rights and obligations under or pursuant to all other contracts entered into by ISAPL (including for the avoidance of doubt insurance contracts, guarantees and warranties) (in consideration of MIDC's assumption of the obligations under or pursuant to such contracts).

17.5.2 Notwithstanding anything contained in Article 17.5.1, prior to any transfer of the Airport, MIDC shall have the right to conduct a due diligence of the contracts and agreements pertaining to Non-Airport Activities, the rights and obligations of which it is assuming and shall not be bound to assume the rights and obligations of contracts that, in the sole opinion of MIDC are unreasonably onerous, and would be considered onerous at the time that the contracts were entered into. MIDC shall conduct the due diligence and identify the contracts and agreements that it is prepared to assume within 45 days of the opening of a data room by ISAPL for these purposes following the exercise of a right of termination by MIDC under Article 17.4.

17.5.3 Notwithstanding anything contained in this Article 17.5, no liability (accrued or contingent) of ISAPL or relating to the Airport arising on account of actions or inactions prior to the Transfer Date shall be assumed or transferred to MIDC or its nominees. MIDC or its nominees shall only be liable for liabilities in relation to the Airport arising subsequent to the Transfer Date.

17.5.4 ISAPL shall, in accordance with Good Industry Practice, ensure that all property, assets, rights and other items referred to in Article 17.5.1, which are vested in or transferred to



MIDC shall be in good working order and in a good state of repair and that the Airport is transferred to MIDC as a going concern in good operating order, but this provision shall be deemed to be satisfied if ISAPL is for the time being complying with its maintenance obligations.

17.6 Pre-termination Obligations

Expiry or termination of this Agreement shall be without prejudice to all rights and obligations then having accrued to MIDC and/or ISAPL (or which may thereafter accrue in respect of any act or omission prior to such expiry or termination) and without prejudice to those provisions which expressly provide for continuing obligations or which are required to give effect to such expiry or termination or the consequences of such expiry or termination.

17.7 Term

17.7.1 Unless terminated earlier in accordance with Article 4.3.1, Article 17.4 or by mutual agreement between the Parties in writing, this Agreement shall continue in full force and effect from its commencement in accordance with Article 4 until completion of 95 years from the date of signing the Land Lease Deed. Whereupon the term of the Agreement be extended for a further period of time as may be considered appropriate by the Parties, provided that the following Articles of this Agreement shall have no further force and effect from the ninety-fifth (95th) anniversary of the date of signing the Land Lease Deed: 6.1.2 (Obligations of MIDC) and 11.15.2 (Minimum Disruption).

In the event of extension of the term of this Agreement as mentioned in above para, the Parties shall commencing from the expiry of the ninetieth (90th) anniversary of the date of signing of Land Lease Deed, initiate dialogue to extend the term of this Agreement on mutually acceptable terms and conditions. If the Parties are unable to agree upon the revised term and conditions of the Airport by the ninety third (93rd) anniversary of the date of signing of Land Lease Deed, then the Agreement shall expire on ninety-fifth (95th) anniversary of the date of signing the Land Lease Deed and MIDC or its nominee shall acquire all of ISAPL's rights, title and interests in and to the Airport in the manner set forth in Article 17.5.

17.8 Other Rights of Termination

The Parties' rights to terminate this Agreement shall be limited to those expressly set out in this Agreement.

17.9 Survival

Articles 17.5 and 22 shall continue to bind the Parties notwithstanding the termination of this Agreement.

17.10 Suspension

Subject to giving prior written notice to MIDC, ISAPL shall be entitled to suspend the construction and/or operation and maintenance of the Airport upon the occurrence of any of the events specified in the proviso to Article 10.5.



**Part VI:
Other Provisions**



ARTICLE 18

18 Assignment and Security

18.1 Assignment and Security

18.1.1 Notwithstanding any change in the law (change in law does not include change in regulatory laws) of India after the Proposal Due Date which might otherwise permit the assignment of this Agreement, no Party may (save as permitted pursuant to Article 18.1.2) assign this Agreement or any right or obligation arising under or pursuant to it or any benefit or interest herein or create or permit to subsist any Security over this Agreement or any right or obligation arising under or pursuant to it or any benefit or interest in it.

18.1.2 For the purposes of providing Security to the Lenders, ISAPL may assign and transfer certain or all of its rights and obligations under this Agreement provided that it shall first notify MIDC of the identity of any Lenders to whom it intends to assign and transfer its rights and obligations under this Agreement in accordance with this Article. MIDC, acting reasonably, shall be entitled, within a period of ten (10) days of such notice to notify ISAPL, after assigning reasons, that it objects to the assignment or transfer to one or more of the Lenders so notified by ISAPL in which event ISAPL shall not be permitted to assign and transfer its rights and obligations under this Agreement to those Lenders so notified by MIDC.

18.1.3 ISAPL covenants that it will not delegate, whether by sub-Lease or otherwise, all of its rights and obligations under this Agreement.

ARTICLE 19

19 Liability and Indemnity

19.1 ISAPL Liability

Subject to Article 17.3 and Article 19.2, as between ISAPL and MIDC (and their respective employees, servants and agents), ISAPL alone will bear any responsibility there may be for any cost, expense, loss, liability or damage suffered or incurred by any user(s) at the Airport or any other Person(s) or otherwise and arising out of or in connection with the design, construction, maintenance and operation of the Airport and Non-Airport Activities without recourse to MIDC (or any of its respective employees, agents and/or servants) to the extent that such cost, expense, loss, liability or damage arises as a result of the negligence of ISAPL (and its employees, servants and agents).

19.2 Exchange of information regarding legal proceedings

MIDC and ISAPL will be obliged to give information to the other party, if any legal proceeding is initiated in any court or tribunal against them relating to this Project Development Agreement.

19.3 Information



MIDC and ISAPL shall promptly, as soon as reasonably practicable after it becomes aware of the same, inform each other of any demand, claim, action or proceeding or anticipated demand, claim, action or proceeding against it, in respect of which it is entitled to be indemnified under Articles 19.1 and 19.2. They shall give reasonable assistance to one another in the defence of any such demand, claim, action or proceeding.

19.4 Liability

The Parties intend that the rights, obligations and liabilities contained in this Agreement shall be an exhaustive description of the rights, obligations and liabilities of the Parties arising out of or in connection with this Agreement. Accordingly, the remedies expressly stated in this Agreement and any document entered into pursuant to it shall be the sole and exclusive remedies of the Parties for liabilities to one another arising out of or in connection with this Agreement, including any representation, warranty or undertaking given in connection with it, notwithstanding any remedy otherwise available at law or in equity.

19.5 Mitigation

ISAPL shall, in accordance with Applicable Law, take all reasonable steps including, to the extent feasible, an increase in the charge to be levied on users of Airport to mitigate the adverse effect of a change in law. Provided that change in regulatory law shall not be considered as change in law for the purpose of this clause.

ARTICLE 20

20 Dispute Resolution

20.1 Negotiation and Conciliation

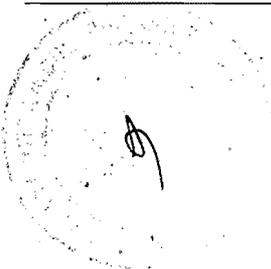
The Parties shall use their respective reasonable endeavours to settle any dispute, difference claim, question or controversy between the Parties arising out of, in connection with or in relation to this Agreement ("Dispute") amicably between them through negotiation.

20.2 Reference to Arbitrator

Subject to anything contained in the relevant IRA legislation regarding the settlement of disputes, any Dispute which the Parties are unable to resolve pursuant to 20.1 within sixty (60) days (or such longer period as the Parties may agree) of the written notification by one Party to the other of the existence of a Dispute shall be finally determined by arbitration in accordance with the Indian Arbitration and Conciliation Act, 1996 by three arbitrators appointed in accordance with the Rules. In case of conflict between Indian Arbitration and Conciliation Act, 1996 and Rules, the provisions of former will prevail.

20.3 Miscellaneous

The venue of arbitration shall be Mumbai, Maharashtra. Each Party shall pay the expenses of the arbitration in accordance with the Rules and the eventual liability for the costs shall be in terms of the arbitral award. No arbitrator shall be the present or former



employee or agent of, or consultant or counsel to either Party or in any way related or closely connected with the Parties. The language of the arbitration shall be English.

20.4 Decision/Award

Any decision or award of an arbitral tribunal appointed pursuant to this Article 20 shall be final and binding upon the Parties. The Parties agree that any arbitration award made may be enforced by the Parties against assets (excluding those in respect of MIDC referred to in the exclusion to Article 22.13) of the relevant Party, wherever those assets are located or may be found, and judgement upon any arbitration award (wherever necessary) may be entered by any court of competent jurisdiction thereof. The Parties expressly submit to the jurisdiction of any such court for the purposes of enforcement of any arbitration award.

ARTICLE 21

21 Redressal of Public Grievances

21.1 Complaints Register

21.1.1 ISAPL shall maintain a public relations office at the Airport where it shall keep a register (the "Complaint Register") with access at all times for recording of complaints by any person (the "Complainant"). Immediately after a complaint is registered, ISAPL shall give a receipt to the Complainant stating the date and complaint number.

21.1.2 The Complaint Register shall be securely bound and each page thereof shall be duly numbered. It shall have appropriate columns including the complaint number, date, name and address of the Complainant, substance of the complaint and the action taken by ISAPL. Information relating to the availability of and access to the Complaint Register shall be prominently displayed by ISAPL at the Airport.

21.2 Redressal of Complaints

Subject to Article 21.3, ISAPL shall inspect the Complaint Register every day and take prompt and reasonable action for redressal of each complaint. The action taken shall be briefly noted in the Complaint Register and a reply stating the particulars thereof shall be sent by ISAPL to the Complainant under a certificate of posting.

21.3 Reserved Activities

To the extent that the complaints made by any Complainant relate to the performance or otherwise of the Reserved Activities, ISAPL shall notify the Relevant Authority, which shall, upon receipt of such notice, take prompt and reasonable action for redressal of each complaint. The action taken shall be briefly noted in the Complaint Register and a reply stating the particulars thereof shall be sent by the Relevant Authority to the Complainant under a certificate of posting.



ARTICLE 22

22 Miscellaneous

22.1 Remedies, Waivers, Amendments and Consents

No failure on the part of MIDC or ISAPL to exercise, and no delay on their part in exercising, any right, power, privilege or remedy under this Agreement will operate as a waiver thereof, nor will any single or partial exercise of any right, power, privilege or remedy preclude any other or further exercise thereof or the exercise of any other right, power, privilege or remedy. Unless specified otherwise, the rights, powers, privileges and remedies provided in this Agreement are cumulative and not exclusive of any other rights, powers, privileges or remedies (whether provided by law or otherwise).

22.2 Amendments, Waivers and Consents

22.2.1 Amendments

Any provision of this Agreement may be amended, supplemented or modified only by an agreement in writing signed by the Parties.

MIDC or ISAPL may at any time request the other to enter into discussions to review the operation of any part of this Agreement and, but without commitment on either Party, to determine whether it should be amended by mutual agreement provided that, unless there is such mutual agreement, the provisions of this Agreement (as then most recently, if at all, amended) shall continue to apply whatever the outcome of any such discussions or review and whether or not any such discussions or review take place.

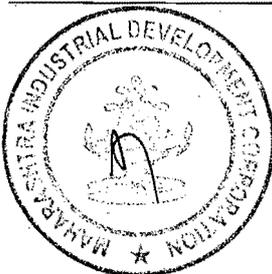
Notwithstanding the terms of any other provision of this Agreement, it shall not be a breach of this Agreement if any amendment, supplement or modification to any provision of this Agreement requires ratification by law.

22.2.2 Waivers and Consents

Any provision or breach of any provision of this Agreement may be waived before or after it occurs only if evidenced by an agreement in writing signed by the Parties.

Any consent under or pursuant to any provision of this Agreement must also be in writing and given prior to the event, action or omission for which it is sought.

Any such waiver or consent may be given subject to any conditions thought fit by the Person(s) giving it and shall be effective only in the instance and for the purpose for which it is given.



22.2.3 Amendment on ISAPL Listing

ISAPL may at an appropriate stage during the term of this Agreement consider the possibility of having an IPO.

Prior to any such IPO, the Parties shall agree any amendments to this Agreement as may be required by the relevant Stock Exchange authority and shall make public any relevant information as may be required by the relevant Stock Exchange authority.

22.3 Entire Agreement

This Agreement and the documents to be entered into pursuant to it constitute the entire agreement between the Parties with respect to the subject matter of this Agreement and supersede any prior written or oral agreement between them with respect to such subject matter.

22.4 Further Assurance

22.4.1 Each Party shall, use all reasonable endeavours to procure that any relevant third party shall, execute such documents and do such acts and things as the requesting Party may reasonably require for the purpose of giving to the requesting Party the full benefit of all the provisions of this Agreement. Provided it is without any detriment to the requested Party and at the cost and risks of the requesting Party.

22.4.2 MIDC shall, upon a request from the Lenders, enter into a direct agreement with the Lenders substantially in the form attached as Schedule 7 to this Agreement whereby, amongst other things, MIDC agrees to give prior notice of any intention it may have to exercise its rights under the Agreement, to allow such Lenders the right to cure a default on the part of ISAPL, and/or to allow such Lenders under certain circumstances to substitute themselves or appoint a third party substitute to carry out the obligations and enjoy the benefits of ISAPL under the Agreement.

22.5 Partial Invalidity

22.5.1 If at any time any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will, in any way, be affected or impaired and the legality, validity and enforceability of the remainder of this Agreement shall not be affected.

22.5.2 The Parties will negotiate in good faith with a view to agreeing one or more provisions, which may be substituted for any such invalid, illegal or unenforceable provision and which are satisfactory to MIDC and produce as nearly as is practicable in all the circumstances the appropriate balance of the commercial interests of the Parties.

22.6 No Partnership

Neither this Agreement nor any other agreement or arrangement of which does not form part, nor the performance by the Parties of their respective obligations under any such agreement or arrangement, shall constitute a partnership between the Parties. No Party



shall have any authority (unless expressly conferred in writing by virtue of this Agreement or otherwise and not revoked) to bind any other Party as its agent or otherwise.

22.7 Time is of the Essence

Time shall be of the essence of this Agreement, both as regards the dates, periods or times of day mentioned and as regards any dates, periods or times of day which may be substituted for them in accordance with this Agreement.

22.8 Computation of Time

Times referred to in this Agreement are times in Mumbai, Maharashtra. In computing any period of time prescribed or allowed under this Agreement, the day of the act, event or default from which the designated period of time begins to run shall be included. If the last day of the period so computed is not a business day, then the period shall run until the end of the next business day.

22.9 Notices

22.9.1 Communications in Writing

Any communication to be made under or in connection with this Agreement shall be made in writing and, unless otherwise stated, may be made by fax or registered letter.

22.9.2 Addresses

The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with this Agreement is as follows:

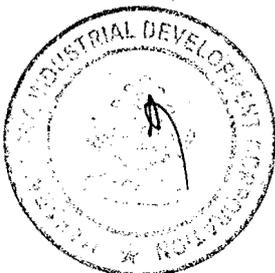
MIDC:

Maharashtra Industrial Development Corporation Limited (MIDC)
'Udyog Sarathi', Mahakali Caves Road,
Andheri (E), Mumbai 400 093
Fax: 022 26870699
Attention : The Joint Chief Executive Officer (IT)

ISAPL:

IRB Sindhudurg Airport Private Limited
IRB Complex, Chandivali Farm, Chandivali Village,
Andheri (East), Mumbai-400072
Fax: 022 66751024
Attention: Vinod Kumar Menon

Or any substitute address, fax number or department or officer as the Party may notify to the other Party, by not less than five (5) Business Days' notice.



22.10 Deemed Delivery

Subject as otherwise provided in this Agreement, any communication under or pursuant to this Agreement shall be deemed to be received by the recipient (if sent by fax with confirmation of transmission or telex and, in the case of telex, with answerback received) on the next working day in the place to which it is sent or (in any other case) when left at the address required by Article 22.9.2 or within ten (10) such working days after being sent by registered post (by airmail if to another country) postage prepaid and addressed to that address. For these purposes, working days are days other than Saturdays, Sundays and bank holidays.

22.11 Governing Language

The language which governs the interpretation of this Agreement is the English language. All notices required to be given by either Party to the other and all other communications and documentation which is in any way relevant to this Agreement and which is relevant to the execution, implementation and termination of this Agreement, including but not restricted to any dispute resolution proceedings, shall be in the English language.

22.12 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of India.

22.13 Waiver of Sovereign Immunity

MIDC unconditionally and irrevocably:

- a) Agrees that the execution, delivery and performance by it of this Agreement and those agreements and other documents comprising the Security to which it is a party constitute private and commercial acts rather than public or governmental acts;
- b) Agrees that, should any proceedings be brought against it or its assets in relation to this Agreement or any transaction contemplated by this Agreement, no sovereign immunity from such proceedings shall be claimed by or on behalf of itself or with respect to its assets.

22.14 Default Interest

Any amounts due and payable under the terms of this Agreement and not paid on their due date shall bear interest at the State Bank of India Medium Term Prime Lending Rate plus two per cent (2%).



In witness whereof MIDC and ISAPL have signed this Agreement through their authorised representatives, as above stated, as of the date first hereinabove mentioned.

Signed and Sealed

For and on behalf of MIDC (through its authorised signatory) by:

Signature: 

Name: Ambadas Laxman Gavhat
Designation: Officer on Special duty (Finance)

Officer on Special Duty (Finance)
MIDC, Mumbai-93



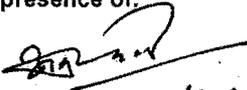
For and on behalf of IRB Sindhudurg Airport Private Limited (through its authorised signatory) by:

Signature: 

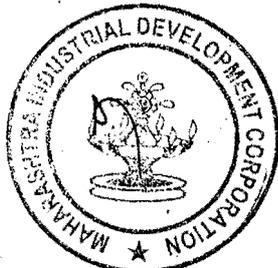
Name: M. L. GUPTA

Designation: DIRECTOR

In the presence of:

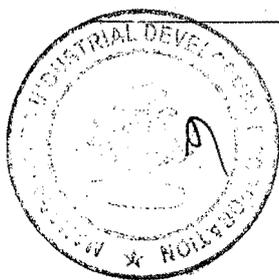
(1) 
Shri A.R. Kalyan Area Manager
MIDC Andheri (E), Mumbai

(2) 
25/09/09 VINOD KUMAR MENON
Sr. V.P., IRB Infrastructure Developer Ltd,
Andheri (E), Mumbai



Schedule 1: Project Clearances by Government of India

S.No	Clearance Required
1	<u>Government of India</u>
1.1	Approval for the Project
2	<u>Ministry of Civil Aviation</u>
2.1	Clearance to establish the new Airport
3	<u>Director General of Civil Aviation</u>
3.1	Final approval for the site
3.2	License to operate the new Airport
4	<u>Ministry of Defence</u>
4.1	NOC to establish the new Airport
5	<u>Ministry of Environment and Forest</u>
5.1	Environment clearance
5.2	Approval for use of the forest land for non forest purposes (if any)
6	<u>Department of explosives</u>
	NOC for location of the aviation fuel depot (if any)



Schedule 2: Description and Specifications of the Initial Phase of the Airport

1. Location

The airport location has been selected taking into consideration the availability of reasonably flat land capable of locating a runway length necessary to accommodate operations of Category "C" type of aircraft.

The location of the airport site is between the villages of Chippi Vadi and Parule located 23 km west of Kudal, the district headquarters of Sindhudurg in the State of Maharashtra.

The land identified for the airport and its surroundings is undulating and the entire terrain comprises of laterite rock. No cultivation is possible.

The total area of land acquired for the airport is about 260 hectares (about 642 acres).

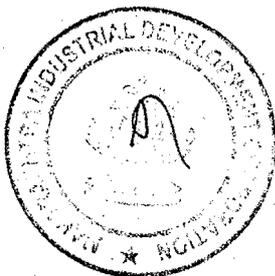
2. Master Plan

An Airport Master Plan should be prepared to meet the projected traffic growth for the next 30 years. Airport shall be initially planned for an Aerodrome Reference Code 4C (Eg. B737, A320) and the subsequent expansion shall be as per the business plan and the traffic scenario.

3. The planning and design of this Airport shall conform to the National Civil Aviation Regulations and ICAO Standards and Recommended Practices (ICAO SARPs- Annex 14 Volume 1).

4. Critical Design Aircraft for the Airport Facilities

Our Domestic Airports operate a range of aircrafts including A 320 series, B 737 series, ATR 72 and ATR 42. The characteristics of these aircraft are as follows:



Aircraft Type	Wing Span m	Tail Height m	ICAO ARC	Max Take-off Mass kg	Range Nm	Fuel Capacity Litres	Aerodrome Reference Field Length
ATR 42	24.57	7.59	3C	16700	530	5700	1100 m
ATR 72	27.17	7.65	3C	22670	715	6400	1223 m
B 737-400	34.30	11.15	4C	68050	1650	23800	2350 m
B 737-800	34.30	12.50	4C	79400	3000	26000	2350 m
A 319	34.10	11.91	4C	64000	3000	23900	2150 m
A 320-200	34.10	11.91	4C	75500	2600	23900	2150 m
A 321	34.10	12.09	4C	83000	2800	23700	2250 m
CRJ200 ER (50 PAX)	21.21	6.22	3C	23133	1345	7210	1770 m
CRJ700 ER (70 PAX)	23.20	7.57	3C	34019	1732	9800	1676 m
EMBRAER 170-100 LR (70 PAX)	26.00	9.85	3C	37200	2000	11625	1590 m

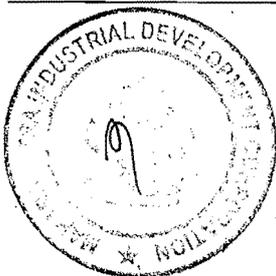


Table - Aircraft Characteristics

Critical design aircraft for Phase I (Initial Phase) shall be to cater to Aerodrome Reference Code (ARC) Code 4C (Eg. B737, A320). Developer based on its business plan and traffic scenario may develop the next phase of the Airport, including to those meeting the international status.

5. Runway

i. Runway Orientation

The orientation of the runway works out to as 09-27 (87° – 267° magnetic). This orientation has been fixed on basis of data from a station located some 96 Kms. from the airport site.

ii. Runway Length Requirement

In the Initial Phase, the length of the Runway shall be about 3,170 meters or shall be designed to cater the requirements of Aerodrome Reference Code (ARC) Code 4C (Eg. B737 or A320 type of aircrafts).

Based on the traffic and market scenario, the said length of the Runway shall be further increased to length not less than 3500 meters.

The runway shall include stopways on both the ends.

6. Runway Width

As per ICAO Annex 14 Vol. 1, the required width of runway for ARC 4C is 45m.

7. Taxiway

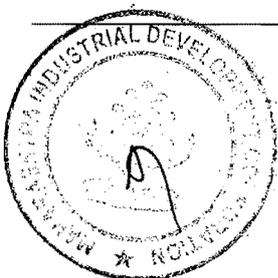
A parallel taxiway track of about half the runway length is required.

The longitudinal and transverse profile, slope changes, sight distance, distance between slope changes, pavement markings, signage and surface accuracy shall be in accordance with the Standards and Recommended Practices stipulated in ICAO Annex 14.

8. Apron

An Apron area with at least 5 parking bays may be required. Final apron area shall be as per the approved Master Plan. Sufficient space around for the movement of ground support vehicles shall be also be considered.

Out of these 5 parking bays, 2 parking bays shall be dedicated for Indian Air Force and shall as per the requirements and specifications of Ministry of Defence. The rest of the three parking bays shall be Category C stands.



It may be economical to construct the rigid pavement apron with a strength required for A320, B737 series aircraft as its design life is 30 years. The following table provides guidance on the PCN required for A320 and B 737 series:

		ACN							
Aircraft Type/ Main Wheel Configuration	MTOW	Flexible Pavement				Rigid Pavement			
	OWE (kg)	Sub grade CBR%				Sub grade k in MN/m3			
		High	Med	Low	V Low	High	Med	Low	V Low
		15	10	6	3	150	80	40	20
A 319-100	74400	39	40	45	50	44	46	49	51
	38200	18	18	20	23	20	20	22	24
A 320-200	72500	37	39	44	50	40	43	45	48
	40200	19	19	21	25	20	21	23	24
A 321-200	87700	49	52	58	63	56	59	62	64 *
	46100	23	24	26	30	26	28	29	31
B 737-400	67000	38	40	45	49	43	45	47	49
	35000	18	18	20	23	20	21	22	23
B 737-800	77700	44	46	51	56	51	53	56	57
	40600	21	21	23	26	24	25	26	27

9. Isolation Bay

The isolated bay shall be required to be constructed in accordance with ICAO norms.

10. Navigational Aids

DVOR



A Doppler Very High Frequency Omni Directional Radio Range with a co-located DME (Distance Measuring Equipment) is required at the airport at a location with 310 m clearance all around. Accordingly a location would need to be identified in the approved Master Plan at the highest elevation possible.

ILS

To provide for precision approach, 'Category I ILS' shall be provided.

11. Communication Aids

VHF-RT (Air to Ground) capable of operations of at least 7 channels / frequencies to cover the standard control areas shall require to be provided. In addition, equipment for Ground-to-Ground Communication shall also be required.

Other standard communication equipment comprising of the following would also be required as part of normal requirements at an airport.

- Automatic Message Switching Station (AMSS)
- Aeronautical Fixed Telecommunication Network (AFTN)
- ATS-Direct Speech Circuit (ATS-DS)
- Voice Logging System
- PABX Exchange

12. Air Traffic Control Facilities

The Air Traffic Control facilities shall be provided by AAI within the building constructed by the ISAPL. The required equipment in the Control Tower and the Technical Block shall be the responsibility of the Airports Authority of India. However, final requirements shall be mutually decided between AAI and Developer.

13. Visual Aids

Approach Lights

Category I approach lights are required to be provided on Runway 27 whereas simple approach lights shall be provided on Runway 09.

PAPI

Precision Approach Path Indicators (PAPI) shall be provided on both ends of the runway.



Night Landing Facilities

Airport shall be equipped to handle night landing facility. For the night operations, runway lighting system consisting of threshold, edge, end lights and approach lights shall be provided.

Taxiway and apron lighting shall also be provided for the night operations.

Airfield Lighting

The airfield lighting shall comprise of the following:

- Runway Edge Lights
- Runway End Lights
- Runway Threshold Lights
- Runway Centre Line Lights
- Touch Down Zone Lights
- Taxiway Edge Lights
- Apron High Masts
- Apron Edge Lights etc.

14. Passenger Terminal

The terminal building shall be sufficient to cater to the estimated traffic as per the Master Plan. The terminal building shall be designed with a possibility of adding one more floor at a later date if required. Initially no aerobridge facility is initially envisaged.

The architecture of the terminal building should match with the local architecture and building should have superior finishing standards befitting a public building.

The terminal building shall be designed in such a way that the building can be expanded when required without disturbing the airport operations.

The terminal equipment would include:

- Security screening as required by the security agency
- Public Address system
- Fire alarm, smoke detectors and fire extinguishers
- Suitable arrangements for baggage handling



- Counters for immigration, customs
- Passenger seating/public furniture
- Signs/ pictographs
- Baggage trolleys
- Check-in counters

A separate VIP lounge, with adequate area and facilities, shall be provided.

15. Air Traffic Control Tower

The air traffic control tower shall be of suitable height so as to have an unobstructed view of all operational areas and the approaches. The control tower cabin should be able to accommodate the required equipment necessary for the level of operations at this airport and should be provided with non-reflective, anti-glare glazing. Finishing specification shall be as required by the ATS provider.

The control tower can be a part of the terminal building or constructed as a separate structure close to the terminal building.

The control tower shall be designed for the ATC service provider's requirement when made available.

16. Rescue and Fire Fighting Services

The services would need to be provided for critical aircrafts as per standards laid down by ICAO.

Appropriate Rapid Intervention Vehicles (RIVs) and Crash Fire Tenders (CFTs) would need to be provided.

17. Airport Security

The airport security shall conform to the norms set out by the Bureau of Civil Aviation Security (BCAS). Normally it is the responsibility of the airport operator to provide operational area security and the BCAS shall provide the terminal building security control.

A security wall or security fence separating the land side and air side facilities shall be constructed according to BCAS specifications. In addition a boundary fence/wall shall also be constructed to protect the Airport property.

18. Airside Service Roads

Airside service roads shall be provided to connect the terminal, fire station and the runway.

This should be capable of accepting the airport ground vehicles and fire fighting vehicles under all weather conditions.



The airport perimeter road provided along the airport security wall and other airside inspection roads shall be as per Good Industry Practice.

19. Water Supply

A potable water connection shall be arranged at the Airport boundary. Adequate storage facility and pumping arrangement should be provided. From there, the water shall be distributed to the various facilities as required. Water required for fire-fighting shall also be arranged.

The ISAPL shall also create rain harvesting facility.

20. Sewage Disposal

The sewerage and storm-water drainage are designed as separate systems. The sewerage system shall include a collection network, treatment and disposal of effluent.

21. Storm Water Drainage

A suitable drainage system shall be planned for the airside and landside and the rain water shall be discharged into natural water courses nearby.

22. Telecommunication

Telecommunication system shall be provided as required. This may consist of a telephone network and wireless communication.

23. Electrical

The Developer would be required to make its own arrangements of sourcing the required power supply for the proposed development. The required power supply would be fed through a sub station located within the airport area which could draw HT Bulk Supply from Maharashtra State Electricity Board (MSEB).

The power requirement at the airport shall be assessed for a reasonable period in advance and arranged from the local electricity department. Necessary substation and distribution network shall be planned and provided. Emergency power supply and standby generators required for essential navigational aids shall be provided as required.

24. Sub station building

A sub-station building of required area shall be provided to accommodate the power supply equipment such as transformers, switch boards etc. and standby generators. The specification for the building shall be as per the local electricity department's standards.

25. External Area Lighting

Road lighting shall be provided for the main access road, secondary access road and other access to ATC, residential buildings etc.



26. Air-Conditioning And Ventilation System

The system is required for the facilities including the following:

- ❖ ATC tower cabin
- ❖ Passenger terminal building
- ❖ Ventilation system for Toilets

27. Terminal Parking

The location for car parks should be convenient for passengers and visitors to the airport. Separate zones for pick-up and drop off shall be earmarked. Parking for private cars, taxis, staff car, staff vehicles, VIP cars and VVIP cars shall also be provided.

28. Maintenance Building and Workshop

Maintenance facilities may be required at a later date for airport vehicles, electrical & mechanical equipment and for other uses. The maintenance facility should include storage space for materials and spare parts. A space shall be earmarked for this facility in the Master Plan.

29. Airport Access Road

The main access road upto the Terminal Building from the nearest approach road shall be constructed as a two lane carriage way with one lane for each direction, including shoulders.

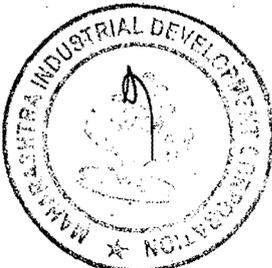
Road lighting shall be provided for the main access road, secondary access road and other access to ATC, residential buildings etc.

30. Environmental Management

Environmental Management Programme shall be established at appropriate stage as per our National Environment Act and local authority regulations. Environmental clearance shall be obtained from the Relevant Authority, if required.

31. Land Use

The Airport Land shall be used primarily for the airport facilities and requirements and any surplus land available may be used strictly in accordance with the approved land use plan. Any development within the airport land or in the vicinity of the airport by ISAPL shall be in compliance with norms prescribed by ICAO.



32. Airport Operational Standards

The Airport is expected to be operated to meet certain minimum standards in the following areas:

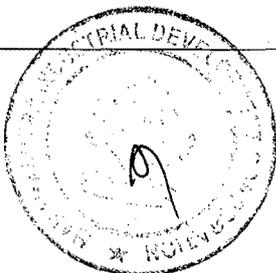
- Efficient and safe aircraft operations
- User-friendly systems and services
- Courtesy of airport staff
- Healthy environment
- Cleanliness
- Basic amenities for the passengers, visitors and staff



Schedule 3: Part 1 - Airport Activities

Airport Activities include the following services, facilities and equipment:

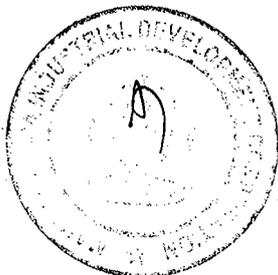
- ❖ Aerodrome control services
- ❖ Airfield
- ❖ Airfield lighting
- ❖ Air navigation services relating to the Airport
- ❖ Airside and perimeter security including access control and patrolling
- ❖ Airside and landside access roads and forecourts including writing, traffic signals, signage and monitoring
- ❖ Apron and aircraft parking area
- ❖ Apron control and allocation of aircraft stands
- ❖ Arrivals concourses and meeting areas
- ❖ Baggage systems including outbound and reclaim
- ❖ Bird scaring
- ❖ Check-in concourses
- ❖ Cleaning, Heating, Lighting and Air Conditioning public areas
- ❖ Emergency services
- ❖ Facilities for the disabled and other special needs people
- ❖ Fire service
- ❖ Flight information and public-address systems
- ❖ Foul and surface water drainage
- ❖ Guidance systems and marshalling
- ❖ Information desks and staffing
- ❖ Landscaping and horticulture



- ❖ Lifts, escalators and passenger conveyors
- ❖ Lost property
- ❖ Meteorological Services / AIS
- ❖ Noise insulation and sound proofing
- ❖ Passenger and hand baggage search
- ❖ Piers and gate rooms
- ❖ Policing and general security
- ❖ Runways
- ❖ Signage
- ❖ Staff search
- ❖ Taxiways
- ❖ Toilets and nursing mothers rooms
- ❖ Waste and refuse treatment and disposal
- ❖ X-Ray service for carry on and checked-in luggage
- ❖ Aircraft cleaning services
- ❖ Aircraft fuelling services
- ❖ Airline Lounges
- ❖ Vehicle parking
- ❖ Cargo handling
- ❖ Flight catering services
- ❖ Freight consolidators/forwarders or agents
- ❖ General aviation ground handling
- ❖ General aviation terminals
- ❖ General retail shops – ISAPL to make investment for providing basic infrastructure facilities only
- ❖ Ground handling services



- ❖ Ground handling equipment
- ❖ Hangars
- ❖ Hotel reservation services – ISAPL to make investment for providing basic infrastructure facilities only
- ❖ Infrastructure for the Airport complex like roads, drains, water supply etc.
- ❖ Porter service
- ❖ Public telephones – ISAPL to make investment for providing basic infrastructure facilities only
- ❖ Restaurants, bars and other refreshment facilities – ISAPL to make investment for providing basic infrastructure facilities only
- ❖ Special Assistance Services
- ❖ Tourist information services – ISAPL to make investment for providing basic infrastructure facilities only
- ❖ Travel agency – ISAPL to make investment for providing basic infrastructure facilities only
- ❖ Trolley service
- ❖ Utilities (including electricity, gas and telecommunications)
- ❖ Vehicle fuelling services – ISAPL to undertake these only if such services are in relation to Airport and/or aircraft
- ❖ Vehicle rental – ISAPL to make investment for providing basic infrastructure facilities only
- ❖ Vending machines – ISAPL to make investment for providing basic infrastructure facilities only
- ❖ VIP/Special lounges
- ❖ Warehouses



Schedule 3: Part 2 – Non-Airport Activities

ISAPL may develop any Non-Airport Activities as per their requirement in compliance with the all Applicable Laws including rules and regulations of DGCA, Government of Maharashtra, MIDC and the local authorities.

Non-Airport Activities include the following services, facilities and equipment:

- ❖ Airport transport services (Hôtels, etc.)
- ❖ Business Parks
- ❖ Hi-Tech Parks
- ❖ Hotels
- ❖ Industrial Parks
- ❖ Special Economic Zones
- ❖ Golf Course
- ❖ Country Club
- ❖ Food Silos
- ❖ Independent Power Producing plants
- ❖ Production centres like manufacturing factories.
- ❖ Flight Training Schools/ Flying Clubs / Civil Aviation Academy
- ❖ Any other activities with prior approval of MIDC



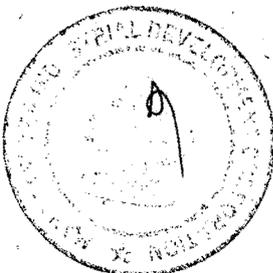
Schedule 4: Definition of Force Majeure

In this Agreement, "Force Majeure" means any act, event or circumstance or a combination of acts, events and circumstances, referred to below, which are beyond the reasonable control of the Affected Party and not brought about at the instance of the Party claiming to be affected by such event(s), and which the Affected Party could not have prevented by Good Industry Practice or by the exercise of reasonable skill and care in relation to the construction of any facilities, and which, or any consequences of which actually prevent, hinder or delay in whole or in part the performance by any Party of its obligations under this Agreement.

"Force Majeure" includes the following events and circumstances to the extent that they, or their consequences, satisfy the above requirements:

Acts, events or circumstances of the following types:

- (i) Strikes, lock-outs of national level or state level or other industrial action or labour disputes involving any Party or its contractors, or their respective sub-contractors, servants or agents, in any such case employed on the execution of work within India or the supply of goods or services within India;
- (ii) Lightning, earthquake, tempest, cyclone, hurricane, whirlwind, storm, flood, washout, land slide, soil erosion, subsidence, drought or lack of water, and other unusual or extreme adverse weather or environmental conditions or actions of the elements, meteorites or objects falling from aircraft or other aerial devices, the occurrence of pressure waves caused by aircraft or other aerial devices travelling at supersonic speeds, fire or explosion, chemical or radioactive contamination or ionising radiation (excluding circumstances where the source or cause of the explosion or contamination or radiation is brought or has been brought onto or near the Site by the Affected Party or those employed or engaged by the Affected Party unless it is or was essential for the construction or operation of any part of the Airport);
- (iii) Any accidental loss of or damage to cargo in the course of transit by any means and intended for incorporation into the Airport, occurring prior to the commencement of commercial operation of the Initial Phase;
- (iv) Loss of or serious accidental damage to the Airport;
- (v) The occurrence of a crash, explosion, fire or other disaster involving an aircraft during landing, parking, servicing (including the supply of fuel) or taking-off;
- (vi) Epidemic;
- (vii) Act of war (whether declared or undeclared), invasion, armed conflict or act of foreign enemy, blockade, embargo, revolution, riot, bombs or civil commotion;
- (viii) Sabotage, terrorism or the imminent threat of such acts;
- (ix) Act of God; or



- (x) Any act, event or circumstance of a nature analogous to the foregoing;
- (xi) Provided that none of the following matters or their consequences shall be capable of constituting or causing Force Majeure:
- a) Failure or inability to make any payment; or
 - b) The effect of market conditions unless such market conditions were themselves caused by or was a result of a Force Majeure event.
 - c) And further provided that an act, event or circumstance referred to above which primarily affects a third party or third parties (including without limitation, the construction, contractor or operator(s) of the Airport or an affiliate of a Party) which prevents, impedes or delays a Party in the performance of its obligations, shall constitute Force Majeure hereunder as to such Party as appropriate if and to the extent that it is of a kind or character that, if it had happened to the Party wishing to rely on this Article, would have come within the definition of Force Majeure under this Schedule 4.



Schedule 5: Performance Security

(Bank Guarantee Proforma)

WHEREAS:

- (A) IRB Sindhudurg Airport Private Limited ("ISAPL") and the Maharashtra Industrial Development Corporation ("MIDC") have entered into a Project Development Agreement dated 25th September, 2009 (the "Agreement") whereby MIDC has agreed to ISAPL undertaking the development, operation and maintenance of the Airport and Non Airport Activities in Sindhudurg District, State of Maharashtra on design, build, finance and operate basis under Private Public Participation framework subject to and in accordance with the provisions of the Agreement.
- (B) The Agreement requires the ISAPL to furnish a Performance Security to MIDC in a sum of Rs. 2,50,00,000 (Rupees Two crores and Fifty lakhs only) (the "Guarantee Amount") as security for due and faithful performance or its obligations, under and in accordance with the Agreement, during the period of the.
- (C) We, _____ through our Branch at _____ (the "Bank") have agreed to furnish this Bank Guarantee by way of Performance Security.

NOW, THEREFORE, the Bank hereby, unconditionally and irrevocably, guarantees and all firms as follows:

1. The Bank hereby unconditionally and irrevocably guarantees the due and faithful performance of the ISAPL's obligations during the period of the PDA, under and in accordance with the Agreement, and agrees and undertakes to pay to MIDC, upon its mere written demand from time to time and without any demur, reservation, recourse, contest or protest, and without any reference to the ISAPL, such sum or sums up to an aggregate sum of the Guarantee Amount as MIDC shall claim without MIDC being required to prove or to show grounds or reasons for its demand and/or for the sum specified therein. A letter from MIDC under the hand of an Officer not below the rank of Chief Executive Officer that the ISAPL has committed default in the due and faithful performance of all or any of its obligations under and in accordance with the Agreement shall be conclusive, final and binding on the Bank. The Bank further agrees that MIDC shall be the sole judge as to whether the ISAPL is in default in due and faithful performance of its obligations during the period of the PDA and its decision that the ISAPL is in default shall be final, and binding on the Bank, notwithstanding any differences between MIDC and the ISAPL or any dispute between them pending before any court, tribunal, arbitrators or any other authority or body or by the discharge of the ISAPL for any reason whatsoever.
2. In order to give effect to this Guarantee, MIDC shall be entitled to act as if the Bank were the principal debtor and any change in the constitution of the ISAPL and/or the Bank whether by their absorption with any other body or corporation or otherwise shall not in any way or manner affect the liability or obligation of the Bank under this Guarantee.
3. It shall not be necessary, and the Bank hereby waives any necessity, for MIDC to proceed against the ISAPL before presenting to the Bank its demand under this Guarantee.

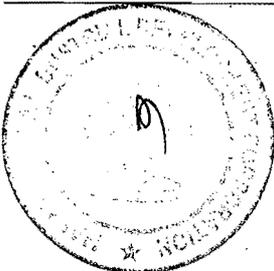


4. MIDC shall have the liberty, without affecting in any manner the liability of the Bank under this Guarantee, to vary at any time, the terms and conditions of the Agreement or to extend the time or period for the compliance with, fulfilment and/or performance of all or any of the obligations of the ISAPL contained in the Agreement or to postpone for any time and from time to time any of the rights and powers exercisable by MIDC against the ISAPL and either to enforce or forbear from enforcing any of the terms and conditions contained in the Agreement and/or the securities available to MIDC, and the Bank shall not be released from its liability and obligation under these presents by any exercise by MIDC of the liberty with reference to the matters aforesaid or by reason of time being given to the ISAPL or any other forbearance, indulgence, act or omission on the part of MIDC or of any other matter or thing whatsoever which under any law relating to sureties and guarantors would but for this provision have the effect of releasing the Bank from its liability and obligation under this Guarantee and the Bank hereby waives all of its rights under any such law.
5. This Guarantee is in addition to and not in substitution of any other guarantee or security now or which may hereafter be held by MIDC in respect of or relating to the Agreement or for the fulfilment, compliance and/or performance of all or any of the obligations of the ISAPL under the Agreement.
6. Notwithstanding anything contained hereinbefore, the liability of the Bank under this guarantee is restricted to the Guarantee Amount and this Guarantee will remain in force for the period specified in paragraph 8 below and unless a demand or claim in writing is made by MIDC on the Bank under this Guarantee, not later than 6 (six) months from the date of expiry of this Guarantee, all rights of MIDC under this Guarantee shall be forfeited and the Bank shall be relieved from its liabilities hereunder.
7. The Performance Security shall cease to be in force and effect after the period of 6 months of date of issue of Completion Certificate.
8. The Bank undertakes not to revoke this Guarantee during its currency except with the previous express consent of MIDC in writing and declares that it has the power to issue this Guarantee and the undersigned has full powers to do so on behalf of the Bank.
9. Any notice by way of request, demand or otherwise hereunder may be sent by post addressed to the Bank at its above referred Branch, which shall be deemed to have been duly authorised to receive such notice and to effect payment thereof forthwith, and if sent by post it shall be deemed to have been given at the time when it ought to have been delivered in due course of post and in proving such notice, when given by post, it shall be sufficient to prove that the envelope containing the notice was posted and a certificate signed by an officer of MIDC that the envelope was so posted shall be conclusive.
10. This Guarantee shall come into force with immediate effect and shall remain in force and effect for a period of one year or until it is released earlier by MIDC pursuant to the provisions of the Agreement.

Signed and sealed this ____ day of _____, 20____ at _____.

SIGNED, SEALED

AND DELIVERED For



and on behalf of the

BANK by:

(Signature)

(Name)

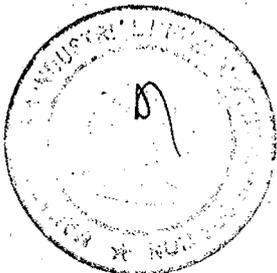
(Designation)

(Code Number)

(Address)

NOTES:

- (i) The bank guarantee should contain the name, designation and code number of the officer(s) signing the guarantee.
- (ii) The address, telephone number and other details of the Head Office of the Bank as well as of issuing Branch should be mentioned on the covering letter of issuing Branch.



Schedule – 6: Safety Requirements

1. Guiding principles

- 1.1 Safety Requirements aim at reduction in injuries, loss of life and damage to Airport property resulting from accidents on the Airport, irrespective of the person(s) at fault.
- 1.2 Users of the Airport include passengers, visitors, vehicles or other persons involved in, or associated with accidents.
- 1.3 Safety Requirements apply to all phases of construction, operation and maintenance with emphasis on identification of factors associated with accidents, consideration of the same, and implementation of appropriate remedial measures.
- 1.4 Safety Requirements include measures associated with traffic management and regulation such as signs, pavement marking, traffic control devices, enforcement and emergency response.

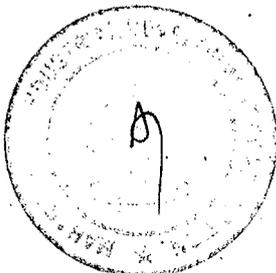
2. Obligations of the ISAPL

The ISAPL shall abide by the following insofar as they relate to safety of the Users:

- (a) Applicable Laws and Applicable Permits;
- (b) Applicable Manuals for Safety in Airport Design and Operation;
- (c) relevant Standards/Guidelines relating to operation of Airport;
- (d) provisions of this Agreement; and
- (e) Good Industry Practice.

3. Safety measures during Agreement Period

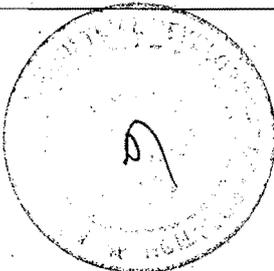
- 3.1 The ISAPL shall develop, implement and administer a surveillance and safety programme for users, including correction of safety violations and deficiencies and all other actions necessary to provide a safe environment in accordance with this Agreement.
- 3.2 The ISAPL shall provide and maintain fire alarms, fire extinguishers and other fire-fighting equipment in conformity with Applicable Laws and Good Industry Practice. The ISAPL shall avoid use of materials which are inflammable, or which emit smoke and harmful gases while burning.
- 3.3 The ISAPL shall procure that emergency exit and escape routes are clearly marked by signs and arrows in the correct direction and are accessible without any obstructions.
- 3.4 The ISAPL shall keep a copy of every material record with respect to any accident occurring on the Airport, including copies, if any, of FIRs recorded by the Police. The information so collected shall be summarised in the form prescribed by MIDC for this purpose. The ISAPL shall also record the exact location of each accident on a Site map.



The aforesaid data shall be submitted to MIDC before 31st (thirty first) May of each year. at the conclusion of every quarter.

4. Costs and expenses

Costs and expenses incurred in connection with the Safety Requirements set forth herein, including the cost of works and services, safety audit, and costs incidental thereto, shall be met by the ISAPL



Schedule 7: Form of MIDC Direct Agreement

Udyog Sarathi, Mahakali Caves Road,
Andheri (E), Mumbai 400 093

Dear Mr.:

We refer to the Project Development Agreement (the "Project Development Agreement") dated [●] between the MIDC and IRB Sindhudurg Airport Private Limited (ISAPL) (the "Company").

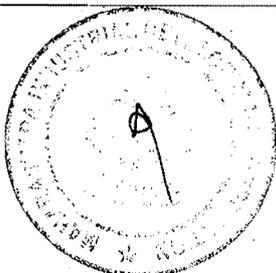
As contemplated in the Project Development Agreement, the Company proposes to enter into the Financing Agreements (as defined in the Project Development Agreement and copies of which have been delivered to you), pursuant to which the Secured Parties (as defined below) have agreed to provide financing to the Company for the development of a Greenfield Airport in Sindhudurg district, State of Maharashtra.

As security for such financing, we hereby notify you that pursuant to the mortgage (the "Mortgage") to be entered into in favour of [name of the Lenders] security interest in all of the assets of the Company (the "Collateral"), including, *inter-alia*, the Project Development Agreement.

The Lenders are herein called the "Secured Parties".

The Company requests that, by signing and returning the enclosed copy of this acknowledgment and consent (the Agreement), the MIDC confirm and agree, for the benefit of the Secured Parties, the following:

- (a) MIDC
 - (i) Acknowledges receipt of a copy of the Mortgage,
 - (ii) Consents to the assignment (and to the extent not capable of assignment under the Mortgage, the charge) under the Mortgage for the benefit of the Secured Parties of all of the Company's right, title and interest in the Project Development Agreement as security for the obligations due to the Secured Parties,
 - (iii) Agrees that such assignments (or charge as the case may be) do not or will not contravene or violate the Project Development Agreement and
 - (iv) Agrees that its execution and delivery of this Agreement constitutes its proper written consent to such assignment (or charge as the case may be) and prospective assignment as provided for in Article 18.1 of the Project Development Agreement.
- (b) The MIDC agrees that:
 - (i) If the Lenders have elected to exercise its rights pursuant to the security interests granted by the Company to have itself or its designee substituted for the Company under the Project Development Agreement, then at the request of the Lenders and with the prior written consent of the MIDC, such Lenders or their designee shall be substituted for the Company.



- (ii) if the Lenders shall sell or otherwise dispose of all or any part of the Collateral pursuant to the exercise of remedies under the security interests granted by the Company (whether by foreclosure or otherwise), the purchaser shall, at the request of the Lenders and with the prior written consent of the MIDC, which consent shall not be unreasonably withheld, be substituted for the Company under the Project Development Agreement, and in either case, the substituted party will succeed to all residuary rights, title and interest of the Company with respect to such Collateral sold or disposed of under the Project Development Agreement and may perform and shall be entitled to the benefits of the Project Development Agreement as if it were the Company under the Project Development Agreement.
- (c) The MIDC agrees that it will pay monies due to the Company under the Project Development Agreement (save for any monies due and payable to the Company pursuant to Article 17.4 of the Project Development Agreement which shall be paid directly to the Company) exclusively for deposit directly and in immediately available funds to such account in Mumbai as the Lenders may from time to time direct (and the Company hereby authorises and directs the MIDC to make such payments as aforesaid). In the event of exercise by the Lenders or its designee of its rights pursuant to the security interests granted by the Company, the MIDC will comply with any and all written instructions received from the Lenders to pay monies due from the MIDC under the Project Development Agreement (save for any monies due and payable to the Company pursuant to Article 17.4 of the Project Development Agreement which shall be paid directly to the Company) directly to or to the order of the Lenders in lieu of paying such monies to the account designated in the previous sentence (all other terms and conditions of such payments shall remain as provided in the previous sentence) and in full satisfaction of its obligations to pay these amounts to the Company.
- (d) The MIDC agrees that it will recognise the Lenders as the true and lawful attorney of the Company pursuant to the Mortgage.
- (e) The MIDC agrees that it shall notify the Lenders immediately after the occurrence of any event which entitles the MIDC to exercise its rights to acquire all of ISAPL's rights, title and interests in and to the Airport pursuant to Article 17.4 of the Project Development Agreement (a "Notice").
- (f) The MIDC agrees that it shall not terminate the Project Development Agreement, suspend performance of its obligations there under, or exercise its rights to acquire all of ISAPL's rights, title and interests in and to the Airport without issuing a Notice to the Lenders.
- (g) The MIDC agrees that the Lenders shall be entitled at any time to take or procure the taking of action consistent with the terms of the Project Development Agreement as may be necessary to remedy the event, which has given rise to the Notice. [In the event that the Lenders procure the remedy of the event, which has given rise to a Notice, the MIDC shall not be allowed to exercise its rights to acquire all of ISAPL's rights, title and interests in and to the Airport by reason of such event.]
- (h) This Agreement shall be governed by and construed in accordance with the laws of India.
- (i) Any dispute or difference arising out of or in connection with this Agreement, shall regardless of the nature thereof, be referred to dispute resolution pursuant to the provisions of Article 20 of the Project Development Agreement, which provisions are



incorporated herein by reference and made a part hereof as if such provisions were fully set forth herein.

- (j) The provisions of Article 22 (Waiver of Sovereign Immunity) of the Project Development Agreement shall apply to this Agreement and are incorporated herein by reference and made a part thereof as if such provisions were fully set forth herein.
- (k) This Agreement will terminate without further action by any party hereto on the date on which there is no outstanding debt owed to the Lenders in respect of the Initial Phase and shall be co-terminus upon termination of the Project Development Agreement & the Land Lease Deed.
- (l) This Agreement shall become effective on the date of Financial Close (as defined in the Financing Agreements) as provided for in the Financing Agreements.

Yours faithfully,

ISAPL

By _____

Name:

Title:

The MIDC hereby acknowledges and agrees to be bound by the foregoing terms of this Agreement as of this [•] day of [•].

By _____

Name:

Title:

Acknowledged, accepted and agreed as of the date this Agreement is executed by the MIDC.

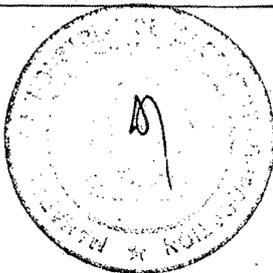
[•], as Lenders.

By _____

Name:

Title:

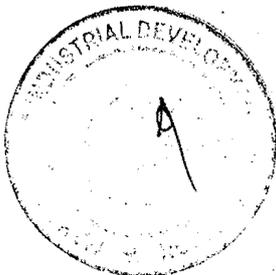
Schedule 8: Space to be provided for Reserved Activities



1. Security: [--- sq.m]

2. Meteorological: [--- sq.m]

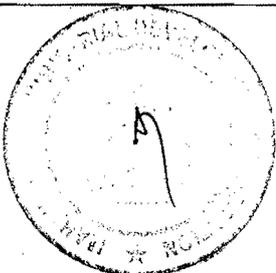
Note: The figures are to be finalised and provided by ISAPL during the preparation of the Master Plan.



Schedule 9: Standards

The following criteria shall be considered in accordance with Article 12.

- (i) Flight information display;
- (ii) Availability of baggage carts;
- (iii) Courtesy of Airport staff;
- (iv) Restaurant and eating facilities;
- (v) Shopping facilities
- (vi) Washrooms;
- (vii) Waiting areas/lounges;
- (viii) Baggage delivery service;
- (ix) Ground transportation to/from city;
- (x) Parking facilities;
- (xi) Sense of security; and
- (xii) Ambience of Airport.
- (xiii) Any other criteria considered relevant by ISAPL

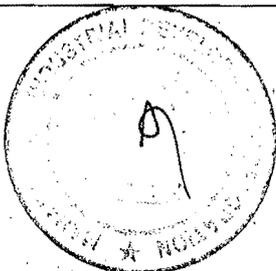


Schedule 10: Completion Certificate

We refer to the Project Development Agreement dated [] between the MIDC and IRB Sindhudurg Airport Private Limited (the "Project Development Agreement"). All terms defined in the Project Development Agreement shall have the same meaning herein.

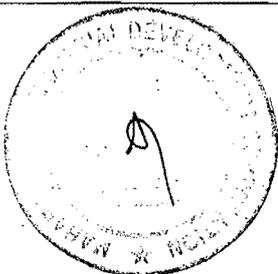
MIDC hereby issue this Completion Certificate in accordance with the requirements of Clause 6.3 of the Project Development Agreement and confirm that the Airport complies with the Specifications set out in Schedule 2 to the Project Development Agreement.

Dated.....



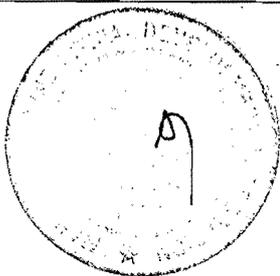
Schedule 11: Insurance

- (a) Construction phase: ISAPL and/or the EPC Contractors will take out appropriate insurance policies to cover loss or damage to the civil works and equipment (Contractors' All Risks policy, Erection All Risks Policy, Marine cargo policy), third party liability and a workmen's compensation policy.
- (b) Operation phase: ISAPL will take out appropriate insurance policies to cover loss or damage to its property, third party liability and a workmen's compensation policy.



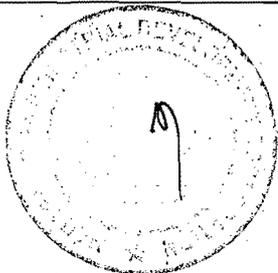
Schedule 12: Project Completion Schedule

S.No	Activity	Time from Effective Date
1	Commencement of construction of Airport	2 months
2	25% of financial progress of Project	6 months
3	40% of financial progress of Project	10 months
4	60% of financial progress of Project	14 months
5	Airport Completion Date	18 months

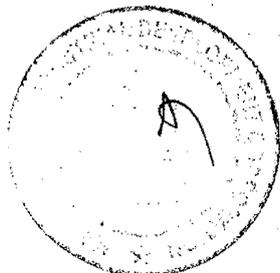


Attachment 1: Master Plan

To be attached by ISAPL as approved by Relevant Authority



Attachment 2: Draft Lease Agreement



This Land Lease Deed ("Deed") is executed on this _____ day of _____, 2009 by and between:

Maharashtra Industrial Development Corporation Limited, a Corporation constituted under the Maharashtra Industrial Development Act, 1961 (Mah.III of 1962) and having its Principal Office at 'Udyog Sarathi', Mahakali Caves Road, Andheri (E) Mumbai 400 093 and acting through _____ (hereinafter referred to as "the Lessor" or "MIDC" which expression shall, unless the context does not so admit include its successors and permitted assigns) of the ONE PART; and

IRB SINDHUDURG AIRPORT PRIVATE LIMITED, a company incorporated under the Companies Act, 1956, having its registered office at IRB Complex, Chandivali Farm, Chandivali Village, Andheri (East), Mumbai-400072 (hereinafter referred to as the "Lessee" or "ISAPL" which expression shall, unless the context does not so admit, include its successors and permitted assigns) of the OTHER PART.

Each being referred to as a "Party" and jointly as the "Parties"

WHEREAS

- A. MIDC has granted ISAPL, the right to develop and manage the Greenfield airport in an area of about 260 hectares (642 acres) in Sindhudurg District in the State of Maharashtra (hereinafter 'the Site' more fully shown in the site plan attached at Schedule 'A') through Project Development Agreement entered on 25th September, 2009.
- B. MIDC has also ordered that the aforesaid Site may be made available to the M/s ISAPL on lease basis initially for a period of 95 years from the date of execution of this Agreement. The ISAPL has agreed to accept the lease of the Site, on and subject to the terms, conditions and provisions set forth hereinafter.

NOW THEREFORE, in consideration of the premises and the mutual covenants, promises, assurances, representations and provisions set forth herein, the Parties hereto agree as follows:

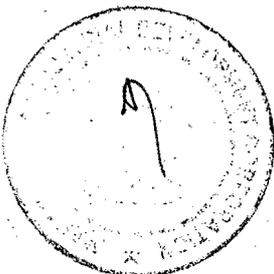
1. DEFINITIONS AND INTERPRETATION

1.1. Definitions

In this Deed (including the recitals hereof and the Schedules hereto), the following words and expressions shall have, where the context so permits, the meaning assigned to them respectively below:

"**Activities**" shall mean Airport Activities and Non-Airport Activities as defined in the Project Development Agreement.

"**Airport**" means the Greenfield airport comprising of the Initial Phase to be constructed and operated by the ISAPL in Sindhudurg District in the State of Maharashtra and includes all its buildings, equipment, facilities and systems and including, where the circumstances so require, any Expansion thereof.



"CNS/ATM Agreement" means the agreement entered into or to be entered into between the ISAPL and the AAI in respect of the provision by the AAI to the ISAPL of communication navigation surveillance/air traffic management services.

"Encumbrance" means any encumbrance such as an easement, right of way, license, mortgage, charge, lien, hypothecation, pre-emptive right or security interest whether or not registered and howsoever arising, including by statute or common law.

"Expansion" means the expansion of the airport facilities from time to time.

"Financing Agreements" means any of (i) the ISAPL's agreements with Lenders for making available to the ISAPL of Debt and (ii) the security documents, direct agreements and other ancillary undertakings in favour of Lenders required pursuant to the agreements referred to in (i) above.

"Initial Phase" shall have the same meaning as in the Project Development Agreement.

"Lease" refers to the lease/sub lease granted under Clause 2.1.

"Lease Rent" shall have the meaning assigned to it in Clause 5.1.

"Lenders" means the banks, financial institutions, multilateral lending agencies, trusts, funds and agents or trustees of debenture holders, including their successors and assignees, who have agreed to guarantee or provide finance to the ISAPL under any of the Financing Agreements for meeting all or any part of the Project cost and who hold parri passu charge on the assents, rights, title and interests of the ISAPL.

"Master Plan" shall have the meaning given to it in the Project Development Agreement.

"Outgoings" shall mean all property tax, land revenues, levies, cesses and other payments/dues in respect of the Site.

"Party" shall mean either MIDC or the ISAPL, and **"Parties"** shall mean MIDC and the ISAPL.

"Project" means the design, financing, construction, completion, commissioning, maintenance, operation, management and development of the Airport,

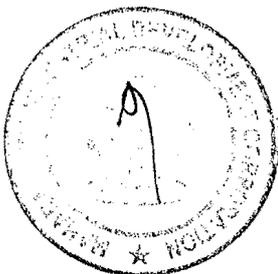
"Project Development Agreement or PDA" means the agreement entered into between MIDC and the ISAPL on 25th September, 2009 for the purpose of Project.

"Service Provider Right" means any privilege, right, franchise, lease or other right or sub-right granted by the ISAPL or by any Service Provider Right Holder pursuant to the Project Development Agreement.

"Service Provider Right Holder" means any Person holding from time to time any Service provider Right;

"Site" shall have the meaning assigned to it in Clause 2.1;

"Term" shall have the meaning assigned to it in Clause 3;



1.2. Definitions in Project Development Agreement

Words and expressions used in this Deed (in capitalized letters or the first letter in capital letter) and not defined herein, but defined in the Project Development Agreement shall have, where the context so permits, the meanings assigned to them in the Project Development Agreement.

This Deed together with the Schedules and other agreements including the Project Development Agreement referred to herein constitute the entire agreement of the Parties. The provisions in the Project Development Agreement including its Schedules shall also be applicable along with the provisions of this Deed.

2. GRANT OF LEASE AND POSSESSION

2.1. In consideration to the Total Land Premium of Rs 20,70,10,401 (Rupees Twenty Crores seventy lakhs ten thousand four hundred and one only), having been paid by the Lessee to the Lessor, which the Lessor hereby admits and acknowledges, the Lessor hereby grants on lease to the ISAPL, and the ISAPL accepts the lease from MIDC, free from Encumbrances and/or encroachments, of all that piece and parcel of land situated in Villages Chippi-Vadi and Parule, admeasuring about 642 acres in Sindhudurg District in the State of Maharashtra and more particularly described and identified (including the survey/khata numbers thereof) in Schedule A hereto ("Site") together with all and singular rights, liberties, privileges, easements, benefits, rights of way, paths, passages whatsoever in or appurtenant to the Site or any part thereof, and to hold, possess, use and enjoy the Site and/or any part thereof, in accordance with the provisions of this Deed and Project Development Agreement.

2.2. The ISAPL confirms that it has been put in physical vacant possession of the Site to the ISAPL on [Mention Date/ the date of execution hereof]

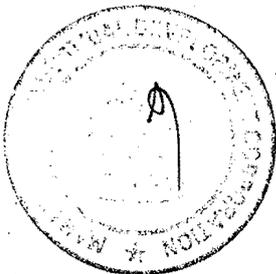
3. TERM

3.1. Unless this Deed is terminated prematurely in accordance with the provisions hereof, this Deed shall have a term of 95 years computed from the date of execution of this Agreement, subject nevertheless to the proviso that the same shall be co-terminus with termination of the Project Development Agreement (the "Term"). Accordingly, upon the full term expiration of the Project Development Agreement this Deed shall terminate automatically.

4. Exit Clause

4.1. This Deed may be terminated earlier by mutual agreement between the Parties in writing without any consequent cost or financial liability and on such termination, the ISAPL shall hand over vacant and peaceful possession of the Site to MIDC in accordance with the terms of Project Development Agreement, without any Encumbrances.

5. LEASE RENT



- 5.1. In consideration of MIDC leasing the Site to the ISAPL and granting the rights, privileges and benefits set forth in this Deed, the ISAPL shall pay Lease Rent of Rs.1000 only (Rupees One thousand only) ("Lease Rent").
- 5.2. The Lease Rent shall be payable in advance at the beginning of each year into such account as designated by MIDC from time to time. Non-payment of the Lease Rent for two (2) consecutive years shall be deemed to be a material breach of this Deed for the purposes of Clause 8.1.

6. MIDC'S OBLIGATIONS AND COVENANTS

6.1. Possession, use and enjoyment

MIDC agrees, undertakes and warrants that subject to the terms hereof, the ISAPL shall be entitled, to possess, hold, use and enjoy the Site and every part thereof during the Term of the Lease.

6.2. Encumbrances

MIDC agrees and covenants with the ISAPL that MIDC shall not create any Encumbrances on the Site or otherwise part with or alienate any of its rights, title or interest in or to the Site except as provided in Clause 6.3 hereof.

6.3. Transfer of Leasehold Rights by ISAPL

In the event of ISAPL transferring its leasehold rights over the Site to any other entity for the remaining lease period, such transfer shall be subject to the prior written approval of the MIDC, prevailing transfer guidelines of MIDC, Lock-in conditions as provided in Project Development Agreement and the Applicable Law. In the event of such transfer of leasehold rights to an entity, such entity shall agree and adhere to the provisions of Project Development Agreement and this Deed by signing a Deed of Adherence in the format agreeable to MIDC.

Further for calculating the transfer fee to be paid to MIDC for transfer under this clause, the amount paid as upfront Total Land Premium by Lessee under Project Development Agreement shall be taken as the basic premium and the same shall be increased by 5% every year, in order to derive the current premium.

7. ISAPL'S OBLIGATIONS AND COVENANTS

7.1. Use of Site

The ISAPL shall use the Site for the implementation of the Project in accordance with the Project Development Agreement and Master Plan and shall ensure that any Service Provider Right Holder uses the Site only for the Activities and in accordance with the Master Plan and Project Development Agreement. The ISAPL will not any time do, cause or permit any nuisance in or upon the Site and in particular shall not use or permit the Site to be used for any industry set out in the "Schedule B" hereunder written for any purpose which may be offensive by reason of emission of odour, liquid, effluvia, dust, smoke, gas, noise, vibrations or fire-hazards, and shall duly comply with the directions which may from time to time be issued by the Maharashtra Pollution Control Board with utmost promptitude.



for the purpose of preventing any air pollution by reason of any such emission of odour, liquid-effluvia dust, smoke, gas or otherwise howsoever.

7.2. Lease Rent

The ISAPL shall regularly pay the Lease Rent reserved herein and shall observe and fulfil each of its obligations and covenants set forth herein.

7.3. Indemnity

The ISAPL shall indemnify MIDC against any and all claims for damages which may be caused in consequence of the implementation of Project and also against any and all payments whatsoever which during the period of implementation of the Project may become payable or be demanded from the ISAPL in respect of the said Project or of anything done under the authority herein contained.

7.4. Inspection by MIDC

The ISAPL hereby authorizes MIDC and its authorized agents the right to enter upon and inspect the Site at all reasonable hours on any working day and at any time during emergency.

7.5. Stamp Duty & Registration Charges

Stamp duties and registration charges payable in respect of the lease contemplated herein shall be to the account of and borne by the ISAPL.

7.6. No Encumbrance

The ISAPL undertakes not to create any Encumbrances on the Site, except as permitted in this Deed, the Project Development Agreement, the CNS/ATM Agreement, the Financing Agreements or as may be required by the terms of any regulatory approval or permission or pursuant to any law.

7.7. Outgoings during the Term of the Lease

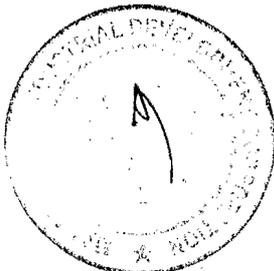
The ISAPL shall pay and discharge all Outgoings for the Term of the Lease.

7.8. Implementation of the Project according to building regulations

The ISAPL shall ensure that the building and structure within the Site at all times conform to the regulations under Development Control Rules of MIDC and that the Floor Space Index (FSI) are within the limit specified therein

8. TERMINATION

8.1. Any material breach of this Deed by the ISAPL will be deemed a 'ISAPL Default Event' under the Project Development Agreement and will be dealt with accordingly as per the terms of the Project Development Agreement.



8.2. Any material breach of this Deed by MIDC will be deemed a 'MIDC Default Event' under the Project Development Agreement and will be dealt with accordingly as per the terms of the Project Development Agreement.

8.3. In case of termination of this Deed the Site shall stand transferred to MIDC in accordance with the provisions set out in Clause 17.5 of the Project Development Agreement..

9. SUB-LEASE AND LICENCE OF THE SITE

ISAPL may sub-lease or grant licences to Service Provider Right Holders for carrying out the Activities. Notwithstanding anything contained in the Transfer Guidelines of MIDC applicable from time to time, MIDC shall not levy any sub-letting charges for sub-leasing or sub-letting by the ISAPL in favour of the Service Provider Right Holder.

10. ASSIGNMENT

10.1. Neither Party shall, without the other Party's prior written consent, transfer, assign or grant any form of security over any of their obligations or rights under this Deed provided:

I. The ISAPL may without MIDC's prior consent create any mortgage or charge over the Site in favour of the Lenders acting on their behalf or assign this Deed to the Lenders by way of security for the Project;

II. Any Service Provider Right Holder granted an interest in the Site by the ISAPL pursuant to the terms of this Deed may without MIDC's prior consent create any mortgage or charge over such interest in favour of any financial institutions providing funds to such Service Provider Right Holder in respect of their activities at the Site.

III. Any such mortgage or charge as mentioned in 10. 1 (I) and 10.1 (II) above, shall be subject to written intimation to MIDC.

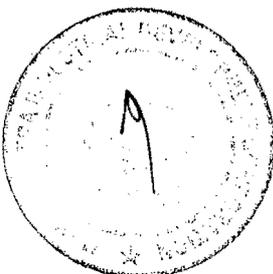
10.2. ISAPL shall have right to create mortgage to raise finances for the purposes other than for implementing the Project, subject to the following conditions;

I. All the mortgage for any other purposes shall be only to the extent of the Total Land Premium paid by the ISAPL with the prior permission of MIDC and such permission shall not be disallowed by MIDC unless in the opinion of the MIDC the provisions of the Deed or the objectives of the Deed are materially affected; and

II. In case of termination of lease, the mortgaged property without any encumbrance, lien, hypothecation shall vest with MIDC.

11. DISPUTE RESOLUTION

If any dispute or difference of any kind whatsoever (a "Dispute") shall arise between the Parties, the dispute resolution mechanism in the Project Development Agreement shall apply.



12. GOVERNING LAW

This Deed is governed by and shall be construed in accordance with the Laws of the Republic of India.

13. GENERAL PROVISIONS

13.1. Entire Agreement

This Deed together with the Schedules and other agreements including the Project Development Agreement referred to herein constitute the entire agreement of the Parties with respect to the subject matter and the transaction envisaged in this Deed and supersedes all previous agreements, understandings, correspondences and documents relating to the subject matter and the transaction envisaged herein.

13.2. Waiver

Neither Party shall be deemed to have waived any right under this Deed, unless such Party shall have delivered to the other Party a written waiver signed by an authorized officer of such waiving Party. No delay or omission in the exercise of any power or remedy shall be construed to be a waiver of any default or acquiescence therein.

13.3. Invalidity

If any provision(s) of this Deed are declared to be invalid, unenforceable or illegal by a competent arbitral tribunal or court, such invalidity, unenforceability or illegality shall not prejudice or affect the remaining provision(s) of this Deed which shall continue in full force and effect.

13.4. Amendments

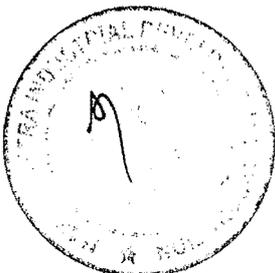
No amendments, supplements, modifications or waivers of this Deed or the terms or provisions hereof shall be valid unless evidenced in writing and signed by duly authorized representatives of both Parties.

13.5. Counterparts

This Deed shall be executed by the parties in two (2) counterparts by the Parties and each fully executed counterpart shall be deemed an original.

13.6. Notices

- a. All notices, demands or other communications required to be given or made hereunder shall be in English language, in writing and delivered personally or sent by prepaid registered post or facsimile transmission addressed to the intended recipient thereof at its address or facsimile number given below or to such address or facsimile number as any Party may from time to time notify to the other Party;



In case of MAHARASHTRA INDUSTRIAL DEVELOPMENT CORPORATION to:

Maharashtra Industrial Development Corporation Limited (MIDC)
‘Udyog Sarathi’, Mahakali Caves Road,
Andheri (E), Mumbai 400 093
Fax:022 26870699
Attention : The Joint Chief Executive Officer (IT)

In case of the IRB SINDHUDURG AIRPORT PRIVATE LIMITED to:

IRB Sindhudurg Airport Private Limited
IRB Complex, Chandivali Farm, Chandivali Village,
Andheri (East), Mumbai-400072
Fax: 022 66751024
Attention: Vinod Kumar Menon

- b. Notices shall be effective when received by the intended recipient. Any such notice, demand or communication shall be deemed to have been duly served if given or made by facsimile transmission, immediately on receipt of the successful transmission report by the sender, or if given personally, on delivery thereof to the address of the recipient, or if given by registered post, 5(five) days after posting the same by registered post.
- c. Either Party may change any of the details set out in this Clause 13.6 by giving notice of the change to the other Party.

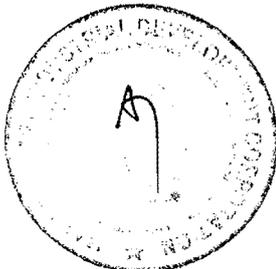
IN WITNESS WHEREOF the Parties hereto have signed this Deed on the date and year first written above.

Signed for and on behalf of MIDC (Lessor)

In the presence of

Signature of witness _____

Signature of authorized representative



Name and address of witness

Name of authorized representative

Signed for and on behalf of

_____(the Lessee)

By a duly authorized representative

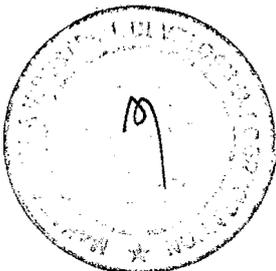
In the presence of:

Signature of witness

Signature of authorized representative

Name and address of witness

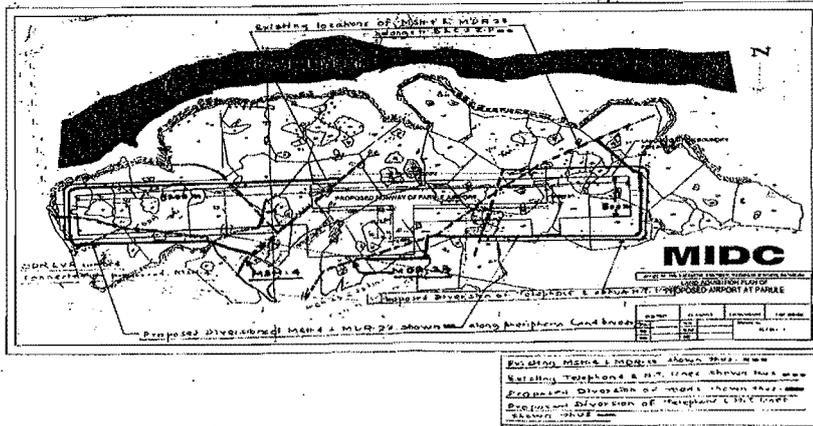
Name of authorized representative



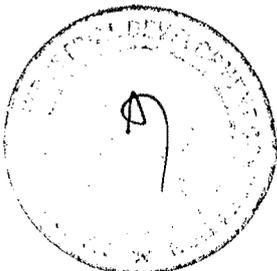
SCHEDULE A

Description of the Site

The site is located 23 km west of Kudal between village Chippi-Vadi and village Parule MIDC has acquired about 260 hectares of land at the site.



The entire terrain of the land, in possession and outside the acquired area, comprises laterite rock. There is no vegetation or farming possible in large extents of area due to the hard strata of rock.



SCHEDULE B

(List of Obnoxious Industries)

1. Fertilizer, manufacture from organic materials, provided however, that these provisions shall not apply to the manufacture of fertilizers from previously processed materials which have no noxious odours or fumes and which do not produce noxious odour or fumes in the compounding or manufacturing thereof.
2. Sulphurous, sulfuric, picric, nitric, hydrochloric or other acid manufacture or their use or storage, except as accessory to a permitted industry.
3. Ammonia Manufacture.
4. Incineration, reduction or dumping of offal, dead animal, garbage or refuse on a commercial basis.
5. Tar distillation or manufacture.
6. Cement manufacture.
7. Chlorine manufacture
8. Bleaching powder manufacture.
9. Gelatins or glue manufacture or processes involving recovery from fish or animal offal.
10. Manufacture or storage of explosives or fire works.
11. Fat rendering
12. Fat, tallow's, grease or lard refining or manufacture
13. Manufacture of explosive or inflammable products or Pyroxylin.
14. Pyroxylin manufacture.
15. Dye-stuff and pigment manufacture
16. Turpentine, paints, varnish or size manufacture or refining.
17. Garbage, offal or dead animals reductions, dumping or incineration
18. Stock-yard or slaughter of animals or fowls.
19. Tallow, grease or lard manufacture.
20. Tanning, curing or storage of rawhides or skins.



- 21. Wool pulling or scouring.
- 22. Yeast plant.
- 23. Paper and paper products.
- 24. Charcoal.
- 25. Manufacture of Viscose Rayon.

In general those use which may be obnoxious or offensive by reason of emission of odour, liquid-effluvia, dust, smoke, gas, noise, vibrations or fire-hazards.



IRB SINDHUDURG AIRPORT PRIVATE LIMITED

*Regd Off: IRB Complex, Chandivali Farm, Chandivali Village,
Andheri (East), Mumbai - 400 072.*

ISAPL/SA/09/ 489

21st September, 2009.

Chief Executive Officer
Maharashtra Industrial Development Corporation
Udyog Sarathi, Mahakali Caves Road,
Andheri (East),
Mumbai - 400093

Kind Attn: Mr. Nirmalkumar Deshmukh, Jt. CEO (IT), MIDC.

Sub : Development of Greenfield Airport at Sindhudurg District, Maharashtra.- Signing of Project Development Agreement.

Ref : Board Resolution dated 16th September, 2009

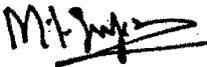
Dear Sir,

Dear Sir,

The Special Purpose Vehicle namely, "IRB Sindhudurg Airport Private Limited" has been incorporated by IRB Infrastructure Developers Limited and registered with the Registrar of Companies under Companies Act, 1956. This Company has been constituted to enter into Project Development Agreement with MIDC and subsequently fulfill the obligations under the Agreement. The Legal Opinion from our Legal Counsel, M/s Govind Desai Associates is enclosed herewith. Board resolution dated 16th September, 2009 is also enclosed resolving that the undersigned is empowered to sign the Project Development Agreement.

As such, we propose to sign the Project Development Agreement for the above referred Project on Friday, 25th September, 2009 at 15.00 hours. You are requested to confirm the same.

For IRB Sindhudurg Airport Private Limited



M.L. Gupta
Director

Encl : As above

cc: Jt. CEO(IT), MIDC, Andheri

MIDC - DJMS

Jt. CEO (IT) / ym

Date: 22/09/09

Govind Desai Associates

Advocates & Solicitors



1, Nichi Nivas, Gr. Fl., Pitamber Lane, Off. Gabriel Rd., Mahim, Mumbai 400 016. Tel.: +91 22 2446 5585/5599. Fax: +91 22 2446 5990.

18th September, 2009
GD/VRW/314/09

To,

Maharashtra Industrial Development Corporation,
'Udyog Sarathi', Mahakali Caves Road, Andheri (E),
Mumbai – 400 093

Sub: Concession Agreement to be executed between The Maharashtra Industrial Development Corporation ("the Authority") and IRB Sindhudurg Airport Private Limited ("Concessionaire") for the purpose of designing, engineering, financing, procurement, construction, operation and maintenance of a Greenfield Airport at Sindhudurg District in the state of Maharashtra ("the Project")

Dear Sirs,

We refer to the Concession Agreement dated [insert date] ("the Concession Agreement") referred to in the captioned subject matter.

As per the provisions of Article 4:1 (b) (vi) of the Concession Agreement, the Concessionaire has to deliver a legal opinion that it is duly organised and authorised to enter into the Concession Agreement with the Maharashtra Industrial Development Corporation and the provisions of the Concession Agreement are enforceable.

In order to give our Opinion that the Concessionaire is duly organised and authorised to enter into the Concession Agreement and that the terms of the Concession Agreement are enforceable we have examined the following documents namely:

- (1) Memorandum and Articles of Association of IRB Sindhudurg Airport Private Limited
- (2) Incorporation certificate issued by the Assistant Registrar of Companies dated 14th September, 2009 bearing Corporate Identity Number U 45200MH2009PTC195740
- (3) certifying that IRB Sindhudurg Airport Private Limited is incorporated under the Companies Act 1956 and the Company is private limited.
- (4) The Concession Agreement

The Assistant Registrar of Companies has issued in the name of IRB Sindhudurg Airport Private Limited an Incorporation Certificate dated 14th September, 2009 bearing Corporate Identity Number U 45200MH2009PTC195740 certifying that IRB Sindhudurg Airport Private Limited is incorporated under the Companies Act 1956 and the Company is private limited.

The main object of the Concessionaire as set out in its Memorandum of Association is as under:

"To carry on the business of building, construction, design, development, engineering, financing, procurement, operation and maintenance of a Greenfield Airport at Sindhudurg District in the state of Maharashtra, and to carry out other allied commercial or related work or activities thereto, in accordance with or pursuant to the scope, rights, obligations, terms and conditions as may be prescribed or imposed by or under the Project Development Agreement and Land Lease Deed entered into with MAHARASHTRA INDUSTRIAL DEVELOPMENT CORPORATION ("MIDC")."

On the basis of the documents examined by us we hereby certify that the Concessionaire has been duly organized and incorporated as a private limited company under the Companies Act 1956 and is fully empowered and authorised under its Memorandum and Articles of Association to enter into Concession Agreement with MIDC for the purpose of designing, engineering, financing, procurement, construction, operation and maintenance of a Greenfield Airport at Sindhudurg District in the state of Maharashtra and to perform its obligations under the Concession Agreement and we are of the opinion that the terms of the Concession Agreement are enforceable.

Yours faithfully,

For Govind Desai Associates

Gunanath Desai

Gunanath Desai

Partner

IRB SINDHUDURG AIRPORT PRIVATE LIMITED
*Regd Off: IRB Complex, Chandivli Farm, Chandivli Village,
Andheri (East), Mumbai- 400 072.*

**CERTIFIED TRUE COPY OF RESOLUTION PASSED BY CIRCULATION BY THE
DIRECTORS OF IRB SINDHUDURG AIRPORT PRIVATE LIMITED ON 16TH
SEPTEMBER, 2009**

**EXECUTION OF PROJECT DEVELOPMENT AGREEMENT (PDA) WITH
MAHARASHTRA INDUSTRIAL DEVELOPMENT CORPORATION ('MIDC')**

“RESOLVED THAT the Board be and is hereby confirm that IRB SINDHUDURG AIRPORT PRIVATE LIMITED (SPV) has been constituted by IRB Infrastructure Developers Ltd to execute the Project Development Agreement (PDA) with Maharashtra Industrial Development Corporation (MIDC) to undertake Development of Greenfield Airport in Sindhudurg District, Maharashtra on Design, Build, Finance and Operate basis in terms of Letter of Award dated 03/08/2009

RESOLVED FURTHER THAT to pursue the Company's main business object, the Company do undertake & execute Project Development Agreement with MIDC.

RESOLVED FURTHER THAT Mr. M. L. Gupta, Director of the Company be and is hereby authorized to execute all necessary documents including Project Development Agreement with the Competent Authorities and to do all such acts, deeds and things as may be necessary or incidental, to give effect to this resolution.”

CERTIFIED TRUE COPY

For IRB Sindhudurg Airport Pvt. Ltd.



Director

IRB complex, Chandivli Farm, Chandivli Village, Andheri (E), Mumbai-400 072
Tel: 91-22-6640 4220 • Fax: 91-22-6675 1024 • e-mail: info@irb.co.in • www.irb.co.in



IRB/BD/SA/09/ 483

18th September, 2009.

Chief Executive Officer
Maharashtra Industrial Development Corporation
Udyog Sarathi, Mahakali Caves Road,
Andheri (East),
Mumbai – 400093

Kind Attn: Mr. Nirmalkumar Deshmukh, Jt. CEO (IT), MIDC.

Sub : Development of Greenfield Airport at Sindhudurg District, Maharashtra.- SPV Incorporation for Signing of Project Development Agreement.

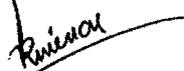
Ref : (i) Your letter no. MIDC/Jt.CEO(IT)/Sindhudurg Airport/401 dated 3rd August 2009.
(ii) Your Letter no MIDC/Jt.CEO(IT)/Sindhu.Airport/427/2009 dated 26th August 2009

Dear Sir,

Further to your Letter of Award for the above Project and extension of time given for signing the Project Development Agreement, we are pleased to inform you that we have formed a Special Purpose Vehicle (SPV) named "IRB Sindhudurg Airport Private Limited", duly registered with the Registrar Of Companies under the Companies Act, 1956. Copies of the Certificate of Incorporation, along with the Memorandum of Association and Articles of Association are enclosed herewith for your records. We are also enclosing a soft copy of the Draft Agreement for vetting by your good office and proposing a date for signing of the Agreement.

We have already made the payment towards 50 % of the Total Land Premium in accordance with point 3(c) of your letter of award. Please inform us regarding the recipient/s of the Project Development expenses so that we can make the payment accordingly at the time of signing the Agreement.

For IRB Infrastructure Developers Limited


V.K. Menon
Authorized Signatory

Encl : As above

Cc: Jt. CEO(IT), MIDC, Andheri

MIDC - DJMS

Jt. CEO (IT) / y
Date: 18/09/09

MEMORANDUM OF ASSOCIATION

AND

ARTICLES OF ASSOCIATION

OF

**IRB SINDHUDURG AIRPORT
PRIVATE LIMITED**



प्रारूप 1
पंजीकरण प्रमाण-पत्र

कॉर्पोरेट पहचान संख्या : U45200MH2009PTC195740

2009 - 2010

मैं एतद्वारा सत्यापित करता हूँ कि मैसर्स

IRB SINDHUDURG AIRPORT PRIVATE LIMITED

का पंजीकरण, कम्पनी अधिनियम 1956 (1956 का 1) के अंतर्गत आज किया जाता है और यह कम्पनी प्राइवेट लिमिटेड है।

यह निगमन-पत्र आज दिनांक चौदह सितम्बर दो हजार नौ को मेरे हस्ताक्षर से मुंबई में जारी किया जाता है।

Form 1
Certificate of Incorporation

Corporate Identity Number : U45200MH2009PTC195740

2009 - 2010

I hereby certify that IRB SINDHUDURG AIRPORT PRIVATE LIMITED is this day incorporated under the Companies Act, 1956 (No. 1 of 1956) and that the company is private limited.

Given under my hand at Mumbai this Fourteenth day of September Two Thousand Nine.

(VIJAYA NAGORAO KHANDARE)

सहायक कम्पनी रजिस्ट्रार / Assistant Registrar of Companies

महाराष्ट्र, मुंबई
Maharashtra, Mumbai

कम्पनी रजिस्ट्रार के कार्यालय अभिलेख में उपलब्ध पत्राचार का पता :

Mailing Address as per record available in Registrar of Companies office:

IRB SINDHUDURG AIRPORT PRIVATE LIMITED

IRB COMPLEX, CHANDIVALI FARM., CHANDIVALI VILLAGE, ANDHERI (EAST),

MUMBAI - 400072,

Maharashtra, INDIA

THE COMPANIES ACT, 1956
COMPANY LIMITED BY SHARES
MEMORANDUM OF ASSOCIATION
OF
IRB SINDHUDURG AIRPORT PRIVATE LIMITED

- I. The name of the Company is **IRB SINDHUDURG AIRPORT PRIVATE LIMITED.**
- II. The Registered Office of the Company will be situated in the state of Maharashtra i.e. within the jurisdiction of Registrar of Companies, Maharashtra at Mumbai.
- III. The objects for which the Company is established are :-
 - A. **MAIN OBJECTS OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION :**
 1. To carry on the business of building, construction; design, development, engineering, financing, procurement, operation and maintenance of a Greenfield Airport at Sindhurg District in the state of Maharashtra, and to carry out other allied commercial or related work or activities thereto, in accordance with or pursuant to the scope, rights, obligations, terms and conditions as may be prescribed or imposed by or under the Project Development Agreement and Land Lease Deed entered or to be entered into with MAHARASHTRA INDUSTRIAL DEVELOPMENT CORPORATION ("MIDC").

B. OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECTS :

2. To pay out of the funds of the Company all costs, charges and expenses of and incidental to the promotion, formation, registration, advertisement and establishment of this Company and the issue and the subscription of the shares or procurement of loan or working capital or otherwise.
3. To procure the recognition to the Company in any country, state or place outside India, and to establish and maintain local registers at any branch or place of business in any part of the world.
4. To pay to promoters such remuneration and fees and otherwise recompense them for their time and for the services rendered by them.
5. To form, establish, promote, assist, acquire, subsidise or concur in establishing or promoting any company, companies or firms, for the purpose of acquiring all or any of the properties, rights and liabilities of the Company, and to place or guarantee the placing, subscribe for or, otherwise acquire all or any of part of the shares and/or business capable of being conducted so as directly or indirectly to benefit the Company, and further to pay for the preliminary, formation or incorporation expenses in respect of the same.
6. To acquire by concession, grant, purchase, lease, license or otherwise, either absolutely or conditionally, and, either alone or jointly with others, any tract or tracts of country, lands, buildings, machinery, plant, utensils, works, conveniences and other moveable and immoveable property of any description and any patents, trademarks, concessions, privileges, and other rights, for the objects and businesses of the Company, and to construct, maintain and alter any buildings and works thereupon necessary or convenient for the purposes of the Company, and to pay and/or satisfy the consideration, for such tract or tracts of country, lands, buildings, estates, works, property or rights or any other property and rights purchased or acquired by or for the Company, by shares, stock, debentures, debenture stocks, bonds, other securities of the Company, or otherwise and to manage, develop, sell, let on lease or for hire, or otherwise dispose off or turn to account the same at such time or times and, in such manner and, for such consideration, as may be deemed proper or expedient.
7. To sell, improve, manage, develop, let on hire, lease, mortgage, enfranchise, abandon, dispose off; turn to account, or otherwise deal with all or any part of the properties, undertakings, privileges

and rights of the Company, either absolutely or conditionally, and in such manner and upon such terms and conditions in all respect, as may be thought fit, and to accept payment or satisfaction for the same in cash or otherwise.

8. To purchase, or otherwise acquire, take over, merge, whether as a going concern or otherwise, and undertake all or any part of the businesses, properties and/or liabilities of any person, firm or company carrying on or proposing to carry on any business, which the Company is authorised to carry on, or possess the property or other assets, whether tangible or otherwise, suitable for the purposes of the Company, or which can be carried on in conjunction therewith, and to subsidise, settle out or assist any such person, firm or company financially or otherwise, and, in particular by issuing and allotting or subscribing for shares, stocks, debentures, debenture stocks or other securities of this company or such other firm or company, as the case may be.
9. To operate branch of a business, which this Company is authorised to carry on, by means or through the agency of any firm or subsidiary or group company or companies and, to do all such acts, deeds or things necessary or required to give effect to such transactions, in the interests of the Company.
10. To establish and maintain agencies at any place or places in India or other parts of the world for the conduct of the business or businesses of the Company.
11. Subject to the provisions of the Companies Act, 1956, and any other applicable laws, for the time being, in force, to issue debentures, debenture stock, shares, stock, bonds, obligations and securities of every kind, nature and description, and to frame, constitute and secure the same, as may seem expedient, with the fullest power to make the same transferable by delivery, or by instrument of transfer or otherwise, and either perpetual or terminable, and either redeemable or otherwise, and to charge or secure the same by trust, deed or otherwise, on the undertaking of the Company, or upon any specific property and rights, present and future, of the Company or otherwise.
12. To incur debts and obligations for the conduct of any or all of the businesses of the Company, and to purchase or hire goods, material or materials or machinery on credit or otherwise, for any business or purpose of this Company, and give credit to any person, firm or company, on such terms and conditions, as may seem expedient, and to guarantee the performance of any contract or obligation and the payment of money and further to give guarantee and indemnities, for any other person, firm or company.

13. Subject to the Directions, as may, from time to time, be issued, whether by the Reserve Bank of India, or under the Companies Act, 1956, to borrow, raise or secure the payment of money, or to receive money on deposit other than public deposits, at interest or otherwise, for any of the purposes of the Company and, at such time and, from time to time, and, in such manner, as may be thought fit and, in particular, by the issue of debentures, or debenture-stocks convertible into shares of this or any other company or perpetual annuities, and as security for any such money so borrowed raised or received for any such debentures or debenture stocks so issued to mortgage, pledge or charge the whole or any part of the properties, assets, revenue and/or profits of the Company, present or future, including its uncalled capital, by special assignments or otherwise, or to transfer or convey the same absolutely or in trust, and to give the lenders powers of sale and other powers, as may seem expedient, and to purchase, redeem, or pay-off any such securities, and also by a similar mortgage, charge or lien to secure and guarantee the performance by this Company or any other person, firm or company, as the case may be, provided that the Company shall not carry on banking business as defined in the Banking Regulation Act, 1949.
14. To enter into partnership or into any arrangements for sharing or pooling of profits, amalgamation, Joint Venture, union of interest, reciprocal concession or co-operation, collaboration, trade agreements, with any person, firm or company, whether in India or elsewhere.
15. To enter into any agreement or arrangement with any Government, or authorities, whether municipal, local or otherwise, or any person, firm or company, that may seem conducive to the any of the objects of the Company, and to obtain, from any such Government, authority, person or company, any rights, privileges, charters, contracts, licenses and concessions, which the Company may think it desirable to obtain, and to carry out, exercise and comply with any such agreements, arrangements, rights, privileges, charters, contracts, licenses and concessions to exercise, dispose off or otherwise turn to account any such rights, privileges and concessions.
16. To lend, invest or otherwise employ or deal with money belonging to or entrusted to the Company in securities and shares or other moveable or immoveable properties, with or without security, upon such terms, and, in such manner, as may be thought proper, and, from time to time, to vary such transactions and investments in such manner as the Directors may think fit, subject to the provisions of the Companies Act, 1956, and any other Law, for the time being, in force.

17. To draw, make, accept, endorse, discount, execute and issue, negotiate, assign and otherwise deal with cheques, drafts, bills of exchange, promissory notes, hundies, debentures, bonds, bills of lading, railway receipts, warrants and all other negotiable or transferable instruments, and to undertake financial obligations, transactions and operations, of all kinds, which the Company is authorised to undertake or transact, in relation to and in furtherance of the objects of the Company.
18. To open, run or maintain banking account or accounts with any bank or bankers and to carry on the banking business transactions of the Company.
19. To employ experts to investigate and examine into the conditions, prospects, value, charter and circumstances of any business concerns and undertakings, and of any assets, property or rights.
20. To appoint any directors or managers of any subsidiary company or of any other company in which this Company is or may be deemed to be interested or concerned.
21. To take part in the management, supervision and control of the business or operations of any other company or undertaking, having similar or compatible objects and for that purpose to appoint and remunerate any directors, trustees, accountants or other experts.
22. Subject to the provisions of the Companies Act, 1956, to make and/or receive donations, gifts or income to or from such person, institutions or trusts, whether of cash or any other assets, as may be thought directly or indirectly to benefit the Company or any of the objects of the Company or otherwise expedient, and also to remunerate any person or corporation introducing or assisting in the introduction, in any manner, the business to the Company, and to aid, pecuniarily or otherwise, any association, body or movement.
23. To create depreciation fund, reserve fund, sinking fund, insurance fund, educational fund or, any other special fund on reserves, whether for depreciation or for repairing, improving, extending or maintaining any of the properties of the Company or for redemption of debentures or redeemable preference shares or for any other purposes conducive to the interests of the Company.
24. To place, to reserve or to distribute as bonus shares among the members or otherwise, and to apply, as the Company may, from time to time, think fit, any money received by way of premium on shares or debentures issued at premium by the Company and any money received in respect of forfeited shares and moneys arising

from the sale by the Company or forfeited shares, subject to the provisions of the Companies Act, 1956.

25. To provide for the welfare of directors, ex-directors, employees or ex-employees of the Company or its predecessors in business and the wives, widows, and families or the dependents or connections of such persons by building or contributing to, the buildings, quarters, houses or dwellings, or by grants of money, pensions, gratuities, allowances, bonuses, profit sharing, bonuses, benefits, gifts, donations, or any other payments, or by creating and, from time to time, subscribing or contributing to provident and other funds or schemes, societies, trusts, associations, institutions or conveniences, and by providing, subscribing or contributing towards places of instruction, recreation, hospitals and dispensaries, medical and other attendance and assistance, as the Company shall think fit, or making payments to or towards the insurance of any such persons as aforesaid.
26. To undertake and execute any trust, the undertaking of which may seem to the Company desirable, either gratuitously or otherwise.
27. To establish, provide, maintain and conduct or otherwise subsidise research laboratories and experimental workshops for scientific and technical research and experiments, and to undertake and carry on with all scientific and technical researches, experiments and tests of all kinds and in all their branches, those may be considered likely to assist any of the business which the Company is authorised to carry on.
28. To acquire, preserve and disseminate useful information in connection with trade, commerce and industry, which the Company is, for the time being, in, and to carry out or undertake any investigation, inquiries, services, analysis or otherwise, as may be considered proper.
29. To apply for, purchase or otherwise acquire and protect, prolong and renew, whether in India or elsewhere any patents, patent rights, d'invention, licenses, protections, concessions and the like, conferring any exclusive or limited right to any invention, secrets, or other information which may seem capable of being used for any of purposes of the Company or the acquisition of which may seem directly or indirectly to benefit the Company, and to use, exercise, develop, undertake or grant licenses or privileges, in respect of or otherwise turn to account, any patents, property, rights, inventions, secrets, know-how or information so acquired and to spend money in experimenting upon, testing, improving or

seeking to improve the patents, property, rights, inventions, secrets or information so acquired or proposed to be acquired by the Company.

30. Subject to the provisions of the Companies Act, 1956, to adopt such means of making known the business and/or products of the Company or of any company, in which this Company is interested, as may seem expedient, and, in particular, by advertising in the press, by circulars, by purchase and exhibition of works of an art or interest, by publication of books, papers and periodicals and by granting prizes, gifts, rewards and donations.
31. To hold conferences, workshops or seminars for the promotion of business of the Company or any other person, firm or company, in which this company may be interested or concerned.
32. To acquire, register and secure membership, seat or privilege, either in name of the Company or its nominee, in and of any association, exchange, market, club or other institution, whether in India or any part of the world, for furtherance of business of the Company.
33. To contribute or to sponsor or assist any political party, any person, organisation or body corporate, for the political purposes which, in the opinion of the Directors, is beneficial to the Company and, is not prohibited by any law, order or regulation, for the time being, in force.
34. To insure the property, rights, interests, benefits and profits of the Company with any other company or person, against losses, costs, expenses, damages, risks and liabilities of all kinds which may affect this Company.
35. To institute, conduct, defend or compound any legal proceedings by or against, as the case may be, the Company, its officers or otherwise, concerning the affairs of the Company, and to pay, satisfy or compromise any claims made against the Company or any of its officers, notwithstanding that the claim may not be valid at law.
36. To refer or agree to refer any claim, demand, dispute or any other question, by or against the Company, or in which the Company is interested or concerned, to arbitration, in India or at any place outside India, and to observe and perform, and to do all acts, deeds, matters and things to carry out the enforcement of the awards.
37. In the event of winding up, to distribute any of the properties of the Company amongst the members, in specie or kind, subject to the provisions of the Companies Act, 1956.

C. OTHER OBJECTS :

38. To act as agents and manufacturers' representatives, and to undertake and perform contracts and/or sub-contracts and also to act in any of the business of the Company through or by means of agents, sub-brokers, sub-contractors or others.
39. To carry on the business of merchants and traders, whether wholesale, retail or on commission basis, of or in relation to things, goods, materials, effects, products, provisions, produce, articles, commodity and novelties of personal and household use and consumption.
40. To act as advisors and consultants on all matters including finance, administration, industry, technology, marketing, product development, production, operations, sales, strategic planning, public relations, advertising and sales promotion, import and export, corporate affairs, law, accountancy, secretarial and management, capital and project.
41. To carry on the business as assessors, appraisers, surveyors, actuaries and valuers in respect of all classes of property, both real and personal.
42. To do the business of advertising, publicity and media agency and advertise the sale of their products and services through various medias, of whatsoever nature, kind and description, in India and abroad and to render consultancy services with regard to public relations, advertising, publicity, and marketing methods and techniques.
43. To undertake custody and warehousing and to provide storage, warehousing and custodial facilities.
44. To undertake and carry on business of engineers, in all their branches.
45. To purchase, erect, acquire, equip, run, operate, manage or, in any other manner and in all its aspects, deal in Hotels, Resorts, Holiday Homes, Clubs or Bars and Restaurants, including all the conveniences, amenities, benefits and facilities adjunct or relating, whether directly or indirectly, thereto, in India or in any other part of the world.

46. To establish, run, let on hire, petrol and diesel pumps and also to deal in articles, ancillaries and products of and required to automobile industry and transport industry, of any nature, kind, and description.
47. To carry on the business of undertaking turnkey projects and work contracts for the construction of units, whether industrial or commercial, and installations of plant, machinery and equipment.
48. To carry on all kinds of cold storage and refrigeration business including the business of manufacturers of and dealers in all kinds of ice making, refrigeration and cold storage apparatus, machineries used in connection with the ice and cold storage trade.
49. To carry on the business of manufacturers of and dealers in all kinds of ice including dry ice, liquid carbon dioxide, ice cream and all kinds of frozen victuals including frozen fruits and vegetable and aerated and mineral water.
50. To carry on the business of manufacturers of and dealers in machinery and plant and of every description and kind and in particular machine tools and implements, and to manufacture, produce, repair, alter, convert, recondition, prepare for sale, buy, sell, hire, import, export, give in lease, let out on hire, trade and deal in machine tools and implements, other machinery, plant, equipment, article, apparatus, appliances, components, parts, accessories, fittings and things in any stage or degree of manufacture, process or refinement thereof.
51. To carry on the business of Investment Company and to invest in, acquire and hold and otherwise deal in shares, stocks, units, debentures, debenture-stock, bonds, obligations and any other securities issued or guaranteed by any company, government, or any other person constituted under the Law or carrying on business in India or elsewhere.
52. To carry on all or any of the businesses of builders and contractors, architects; interior desinors, vastu design consultants, decorators, wood carvers, merchants and dealers in stone, sand, lime, brick, timber, hardware, and other building requisites, job-masters and licensed victualers, and to carry on the business of manufacture and sale of fittings, panels, door, windows or staircase fittings, domestic or industrial furniture, grills, gates, or any other fabricated material used in construction of buildings, made from steel, aluminum, wood, sponge, plastic, rubber or of any other materials.

53. To carry on the business of civil engineers and contractors, estimators, town planners and developers.
54. To carry on the business of infrastructure development in respect of the work of design, engineering, finance, construction, operation and maintenance of roads, highways, tunnels, bridges, dams, canals and other such constructions including collection and retention of the fee.

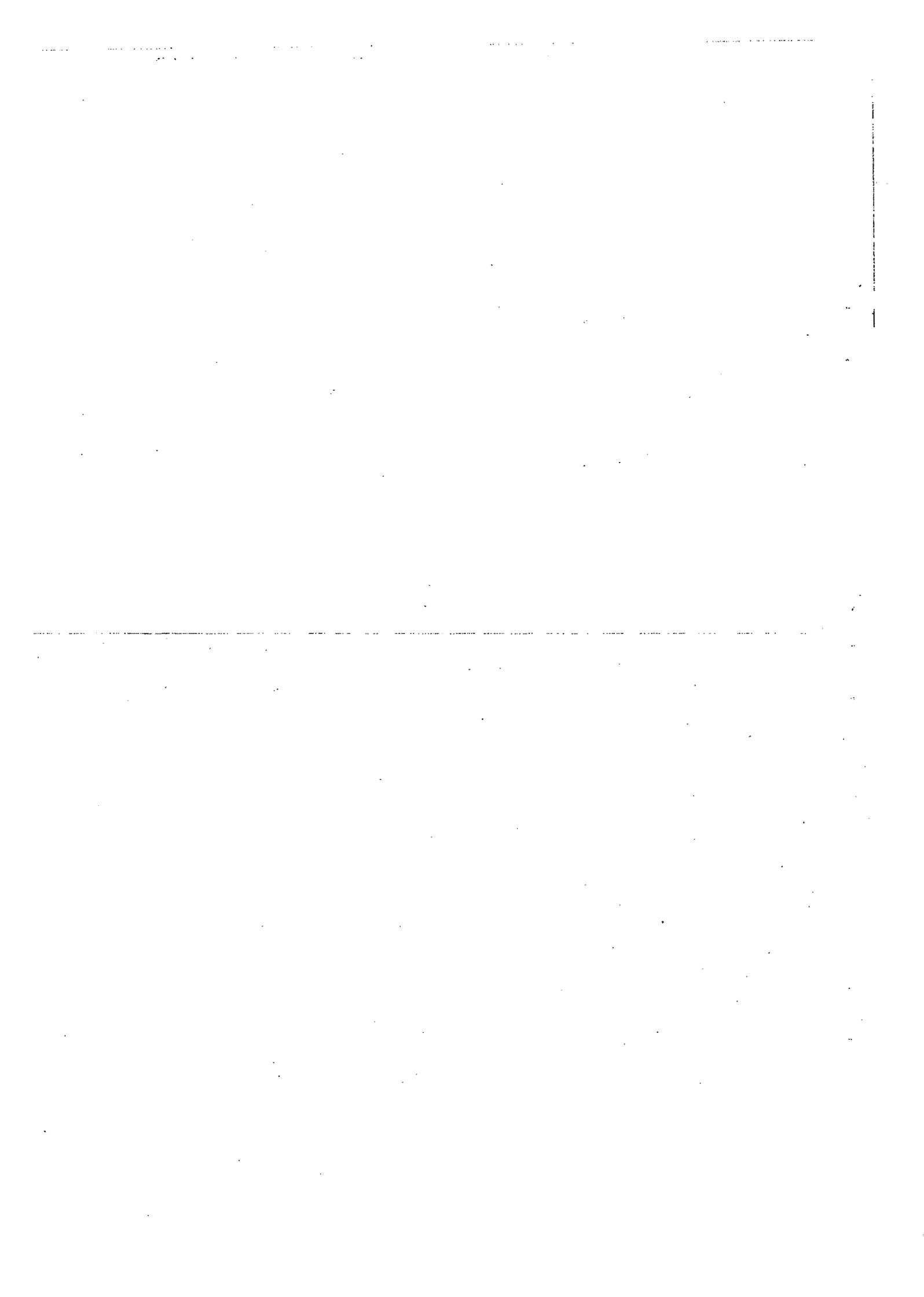
IV. The liability of the members is limited.

- V. a) The Authorised Share Capital of the Company is Rs.1,00,00,000/- (Rupees One Crore Only), divided into 10,00,000 (Ten Lakh) equity shares of Rs.10/- (Rupees Ten Only) each.
- b) The paid-up share capital of the Company shall be, at any point of time, minimum of Rs. 1,00,000/- (Rupees One Lakh Only).

We the several persons, whose names, addresses and descriptions are subscribed hereunder are desirous of being formed into a Company in pursuance of this Memorandum of Association, and we respectively agree to take the number of shares in the capital of the Company set opposite to our respective names.

Names, Addersses, Descriptions and Occupations of Subscribers	Number of Equity Shares taken by each Subscriber	Signature of Subscribers	Name, Address and Description of Witness
<p>1. IRB INFRASTRUCTURE DEVELOPERS LIMITED 3rd Floor, IRB Complex, Chandivali Farm, Chandivali Village, Andheri (East), Mumbai - 400 072. Signed for and on behalf of the Company by or under the hand of MR. VIRENDRA DATTATRAYA MHAISKAR, S/o. DATTATRAYA MHAISKAR Chairman & Managing Director of the Company, vide resolution passed on 14th August, 2009. Occupation : Business</p>	<p>9999 (NineThousand Nine Hundred Ninety Nine)</p>	<p>Sd/-</p>	<p>Witness to Serial Nos. 1 & 2 Sd/- SINDHU GOVINDANKUTTY NAIR D/o. Mr. Govindankutty Nair B-10, Lav Kush Co-op. Hsg. Society Ltd., Ramdham Sankul, Ramkrishna Nagar, Chinchpada, Kalyan (E), PAN 421 306. Practising Company Secretary</p>
<p>2. VIRENDRA DATTATRAYA MHAISKAR S/o. DATTATRAYA MHAISKAR IRB COMPLEX, CHANDIVILI FARM, SAKI VIHAR ROAD, ANDHERI EAST, MUMBAI - 400 072. BUSINESS</p>	<p>1 (One)</p>	<p>Sd/-</p>	
	<p>10,000 (TENTHOUSAND)</p>		

Place : Mumbai, Date : 20th Day of August, 2009.



THE COMPANIES ACT, 1956

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

IRB SINDHUDURG AIRPORT

PRIVATE LIMITED

INTERPRETATION

1. The regulations contained in Table-A in the schedule 1 to the Companies Act, 1956, (Hereinafter referred to as "Table A") shall apply to this Company, in so far as those are applicable to a private company, and save and in so far as they are not expressly or impliedly excluded or modified by the regulations contained hereinbelow.

Table A to apply

**EXCLUSION OF CERTAIN
REGULATIONS OF TABLE-A**

2. (a) The Regulations 5, 21, 26, 27, 28 and 48(2) of Table A shall not apply to this Company.
- (b) The Proviso to Regulation 13(1) in Table A shall not apply to this Company.

Exclusion of certain
Regulations of
Table A and of the
Act

DEFINITIONS

3. In the interpretation of these Articles, the following expressions shall have the following meaning, unless repugnant to the subject of context :

Definitions

- (i) "the Company" or "this Company" means IRB SINDHUDURG AIRPORT PRIVATE LIMITED.

- (ii) "the Act" means the Companies Act, 1956, or any statutory or re-enactment thereof, for the time being, in force, and includes any other applicable law, relating to companies, for the time being, in force.
- (iii) "these presents" means and includes the Memorandum of Association and the Articles of Association of the Company, and the Regulations of the Company, for the time being, in force.
- (iv) "these Articles" means the Articles of Association of the Company, as altered, from time to time, in the manner prescribed under the Act.
- (v) "alter" and "alteration" shall include the making of additions and deletions.
- (vi) "auditors" means those officers appointed as such, for the time being, of the Company.
- (vii) "the Board" or "the Board of Directors" or "the Directors" means a meeting of the directors duly called and constituted or, as the case may be, the directors assembled at a Board or a requisite number of directors entitled to pass a circular resolution in accordance with these Articles.
- (viii) "capital" means the share capital, for the time being, raised or authorised to be raised for the purposes of the Company.
- (ix) "debenture" includes debenture stock.
- (x) "dividend" includes interim dividend as well as bonus.
- (xi) "the Managing Director" means the managing director or managing directors, for the time being, of the Company, and includes Whole-time Director or Executive Director, where the context admits or requires so.
- (xii) "month" means calendar month.
- (xiii) "office" means the Registered Office, for the time being, of the Company.

- (xiv) "seal" means the Common Seal, for the time being, of the Company.
- (xv) "share" means a share in the share capital of the Company, and includes Stock, except where a distinction between stock and share is express or implied.
- (xvi) "shareholders" or "members" means the duly registered holders, for the time being, of shares or stock of the Company, and includes the subscribers to the Memorandum of Association of the Company.
- (xvii) Words importing "persons" shall, where the context admits or requires, include trusts, companies, partnerships, firms, associations, corporations, etc. as well as individuals.
- (xviii) Words importing "singular number" shall include, where the context admits or requires, the plural number, and vice-a-versa.
- (xix) Words importing "masculine genders" shall include, where the context admits or requires, feminine genders and vice-a-versa.
- (xx) "written" and "in writing" shall include printing, lithography, or a combination of both, and any other mode or modes of representing or reproducing words in visible form.
- (xxi) "year" means a calendar year, and "financial year" shall have the same meaning assigned thereto by Section 2(17) of the Act.
- (xxii) Subject as aforesaid, and except where the subject or context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act, for the time being, in force.
- (xxiii) Further, the headings given in these Articles shall not affect the construction hereof.

PRIVATE COMPANY

Company to be
a private company

4. The Company is a Private Company, within the meaning of Section 3(1)(iii) of the Act, and accordingly :

- (a) The number of members of the company (exclusive of persons who are in the employment of the Company and persons who, having been formerly in the employment of the Company, were members of the Company while in that employment of the Company, and have continued to be members of the Company after the employment ceased) shall not exceed 50 (Fifty), but where two or more persons hold one or more shares in the Company jointly, they shall, for the purpose of this paragraph, be treated as a single member.
- (b) Any invitation to the public to subscribe for any shares in, or debentures of, the Company is hereby expressly prohibited,
- (c) The right to transfer shares of the Company is restricted in the manner hereinafter prescribed, and
- (d) any invitation or acceptance of deposits from persons, other than its members, directors or their relatives, is hereby expressly prohibited.

SHARE CAPITAL

Authorised Capital
of the Company
and alteration of
Capital

5. (a) The Authorised Share Capital of the Company shall be such amount, divided into such number of shares of such denomination and/or classes, as stated in the Clause V of the Memorandum of Association of this Company, with an express right to increase, reduce or vary, from time to time, the capital, as and when considered necessary.

Paid-up Share
Capital

- (b) The paid-up share capital of the Company shall be, at any time, an amount not less than Rs.1,00,000/- (Rupees One Lakh Only).
- (c) The shares shall be under the control of the Board, who may issue, allot or otherwise dispose of the same to such persons, whether on the basis of their applications or otherwise, on such terms and conditions and at such time, as the Board think fit, and with the fullest power to give to any persons the option to call for any shares, either at par

or at a premium, and for such consideration, as the Board think fit. The Board shall have absolute power to divide the shares in the Capital of the company, for the time being, into several classes and attach thereto, at their discretion, respectively such preferential, guaranteed, qualified or special rights, privileges, conditions or restrictions as to dividends, capital, distribution of assets, voting or otherwise, and to vary, modify or abrogate such rights, privileges or restrictions in such manner, as may be permitted by the Act, or as provided under the Articles of Association of the Company, for the time being, or as the Board otherwise think fit.

- (d) Subject to the applicable provisions of the Act, the Company shall have the power to issue preference shares, which are, at the option of the Company, to be redeemed, and the resolution authorising such issue shall prescribe the manner, terms and conditions of redemption or otherwise. Preference Shares
- (e) Subject to the applicable provisions, if any, of the Act, the Company may accept the money, paid on application, in respect of subscription to shares in the Company, by any person, whether a member or otherwise, on his or their own will and discretion. However, such money shall be returned, to the extent applicable, if the Board refuses to allot the shares, whether wholly or in part, as applied for, to such person. The Interest, on the money so refunded, on the refusal, may be paid, at such rate, as the Board think it fit and proper, for the period, during which such money was held, as share application money, by the Company.
- (f) The Company shall be entitled to purchase its own shares or other specified securities to the extent, and further, in such manner as provided in Section 77, 77A and 77AA of the Companies Act, 1956. However, the Company shall not, directly or indirectly, purchase its own shares or other specified securities in the manner and/or circumstances cited in Section 77B of the Act.

TRANSFER AND TRANSMISSION OF SHARES

6. The Company shall keep a book to be called the 'Register of Transfers' and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any shares in, or the debentures, if any, of the Company. Register of
Transfers

Refusal to Transfer

7. Subject to the applicable provisions of the Act or other relevant laws, if any, for the time being, in force, the Board may decline to register any transfer of shares and shall not be bound to give any reason for such refusal. This Article shall also apply in the case of transferee, who is already a shareholder of the Company. Without prejudice to the generality of the aforesaid power, the Board may refuse to register any transfer of share:

- (i) where the Company has a lien on a share; or
- (ii) in the case of share not fully paid up, where it is not proved to their satisfaction that the proposed transferee is a responsible person; or
- (iii) where the Directors are of the opinion that the proposed transferee (not being already a member) is not a desirable person to admit to membership; or
- (iv) where the result of such registration would be to make the number of members exceed the limit as fixed by these presents.

8. Notwithstanding the restrictions herein contained excepting the circumstances specified in (i) in the preceeding article, any share may be transferred by a member to another member and to his spouse and to a child or other issue, lineal ascendants and descendants, mother, brother, sister, daughter, son, brother's wife, sister's husband, wife's brother, son's wife, daughter's husband, nephews or nieces of himself and any share of a deceased may be transferred by his legal representatives to any of the above persons, and the shares of any member may be transferred to the trustees of any deed of settlement or will be executed by the member in respect thereof, provided such trustees be any such relative of such member and shares standing in the name of the trustees of such settlement or will of any member, may be transferred, upon any such change of trustees to the trustees, for the time being, of such settlement or will provided such trustees be any such relative of the member as aforesaid.

Right of
Pre-emption

9. Except as hereinabove provided, no shares in the Company shall be transferred unless and until rights of pre-emption, as hereinafter conferred, shall have been exhausted, unless the other shareholders have tendered their express consent, in writing, to any such proposed transfer of shares in the company. Where such consents, whether express or implied in the circumstances or context, of all other shareholders have duly been delivered to the Company or the Board thereof, for the time being, the procedure or conditions cited in Articles from (10) upto and including Article (13) hereinunder need not be complied with.

10. Any member, who intends to transfer his shares (hereinafter called "the Vendor") shall give notice, in writing, to the Board of his intention to do so. That notice shall constitute the Board of his agent for sale of the said shares at a price to be agreed upon by the Vendor and the Board or, in the event of disagreement, at a price, which the Auditors, for the time being, of the Company, shall certify, in writing, to be fair value thereof. While certifying the fair value as such, the Auditors shall be acting as experts and not as arbitrators, and accordingly the provisions of the relevant Indian Arbitration Act shall not apply.
11. Subject to the provisions of the preceding article, upon the price being fixed or settled, the Managing Director or Directors, who are attending the duties of the Company, shall, at first instance, be entitled to purchase the said shares at such price. In the event of refusal by them to purchase the said shares or any part thereof as aforesaid, the Board shall give a notice to all members of the Company of the number and price of the shares to be sold or transferred and invite each of them to state, in writing, within 30 days from the date of the said notice whether he is willing to purchase any, and, if so, maximum number of the subject shares.
12. At the expiration of 30 days, the Board shall allocate the said shares to or amongst the member or members, who has/have expressed his or their willingness to purchase, and, if more than one, so far as may be possible pro-rata according to the number of shares already held by them respectively. Upon such allocation being made, vendor shall be bound, on payment of the said price, to transfer the shares to the purchaser or purchasers, and, if he makes default in doing so, the Board may receive and give a good discharge for the purchase money, on behalf of the vendor, and enter the name of the purchaser or purchasers in the Register of Members as holder of the said shares purchased by him or them.
13. In the event of the shares not being sold as aforesaid, the vendor may sell and transfer, his shares at a price, not being lower than that fixed up or settled by the Board, to any person, subject to the approval by the Directors, in view of and only to the extent of the restrictions contained in Section 3(1)(iii)(a) of the Act.
14. Subject to the provisions, with respect to nomination of shares and debentures, as provided hereinbelow, any person, becoming entitled to a share in consequence of death or insolvency of a member, shall, upon such evidence being produced, as may, from time to time, be required by the Directors, has the right, either to be registered as a member in respect of the share or instead of being registered himself, to make such transfer of the share as the deceased

or insolvent person could have made, but the Directors shall, in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by the deceased or insolvent person before the death or insolvency.

15. (1) Every holder of shares in the Company may, at any time, nominate, in the prescribed manner, a person to whom his shares in the Company, shall vest in the event of his death.
 - (2) Where the shares in the Company are held by more than one person jointly, the joint-holders may together nominate, in the prescribed manner, a person to whom all the rights in the shares in the Company shall vest in the event of death of all joint holders.
 - (3) Notwithstanding anything contained in these Articles or any other law, for the time being, in force, or in any disposition, whether testamentary or otherwise, in respect of such shares in the Company, where a nomination made in the prescribed manner purports to confer on any person the right to vest the shares in the Company, the nominee shall, on the death of the shareholders of the Company or, as the case may be, on the death of the joint holders, become entitled to all the rights in the shares of the Company or, as the case may be, all the joint holders, in relation to such shares in the Company, to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner.
 - (4) In the case of fully paid up shares in the Company, where the nominee is a minor, it shall be lawful for the holder of the shares, to make the nomination to appoint in the prescribed manner any person, being a guardian, to become entitled to shares in the Company, in the event of his death, during the minority.
16. (1) Any person who becomes a nominee by virtue of the provisions of the preceding Article, upon the production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either —
 - (a) to be registered himself as holder of the share(s);
or
 - (b) to make such transfer of the share(s) as the deceased shareholder could have made.

- (2) If the person being a nominee, so becoming entitled, elects to be registered as holder of the share(s), himself, he shall deliver or send to the Company a notice in writing signed by him stating the he so elects and such notice shall be accompanied with the death certificate of the deceased shareholder.
- (3) All the limitations, restrictions and provisions of the Act relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death of the member had not occurred and the notice or transfer has been signed by that shareholder.
- (4) A person, being a nominee, becoming entitled to a share by reason of the death of the holder, shall be entitled to the same dividends and other advantages which he would be entitled if he were the registered holder of the share except that he shall not, before being registered a member in respect of his share be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share(s) and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the share(s) or until the requirements of the notice have been complied with.

17. The provisions relating to nomination/nominee, contained in the preceding Articles, in respect of the Company's shares/shareholders, shall apply mutandis to the Company's debentures/debenture holders.

Nothing contained in these Articles shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

18. (a) An application for the registration of the transfer of shares may be made either by the transferor or the transferee, provided that where such application is made by the transferor, no registration shall, in the case of partly paid up shares, be effected, unless the Company gives notice of the application to the transferee, and subject to the provision of sub-clause (f) hereof, the company shall, unless an

objection is raised by the transferee within 4 (Four) weeks from the date of the notice, enter in its Register of members the name of the transferee, in the same manner and subject to the same conditions as if the application for registration was made by the transferee.

- (b) For the purpose of sub-clause (a), the notice to the transferee shall be deemed to have been duly given, if sent by pre-paid post, to the transferee at the address given in the instrument of transfer and shall be deemed to have been delivered in the ordinary course of post.
 - (c) It shall not be lawful for the Company to register a transfer of any shares, unless proper instrument of transfer, duly stamped and executed by the transferor(s) and the transferee(s), has been delivered to the Company, along with the share certificate(s), or otherwise there has been provided, to the satisfaction of the Directors of the Company, a proof of loss of the same, in which case, the Directors may register the transfer on such terms as to indemnify and/or otherwise, as they may think fit and proper.
 - (d) If the Company refuses to register the transfer of any shares, the Company shall, within two months from the date on which the instrument of transfer was lodged with the Company, send to the transferee and the transferor the notice of refusal.
 - (e) Nothing in clause (c) hereinabove shall prejudice any power of the Company to register, as a shareholder, any person to whom the right to any shares has been transmitted by the operation of the Act or any other law, for the time being, in force.
 - (f) Nothing in this Article shall prejudice any power of the Board of Directors of the Company to refuse to register the transfer of any shares. The instrument of transfer shall, after registration, be retained by the Company and shall remain in the custody. All instruments of transfer, which the Directors may decline to register, shall, on demand, be returned to the persons depositing the same.
19. No person shall exercise any rights or privileges of shareholders until he shall have paid all sums, whether in respect of calls or otherwise, for the time being, due in respect of the shares held by him, or due in any other manner whatsoever, to the Company.

20. The transfer books and register of members and register of debenture holders may be closed during such time or times not exceeding, in whole, a period of 45 (Forty Five) days, in each year, as the Directors may think fit, and in such manner that such a period does not exceed 30 (Thirty) days at a time. Share provisions
to apply to
debentures
21. Whenever any member of the Company, who is employed by the Company, in any capacity other than a Director, resigns or shall be dismissed or otherwise ceases to be in the employment of the Company, he shall, on such resignation, dismissal or cessation, be deemed to have given notice to the Board of his intention to sell the shares, at such price as may be decided by the Auditors, for the time being, of the Company, and thereupon the foregoing provisions shall, mutatis mutandis, apply to the transfer of shares by such member, provided that, in any such case, the Board shall be free to commence the procedure, so laid hereinabove, at any time, after the date of resignation, dismissal or cessation of the employee from the employment of the Company. In such case, the instrument of transfer may be executed by any director of the Company, as authorised by the Board in that behalf, for and on behalf of such member and the said instrument shall be, in that case, be deemed, for all purposes, signed, executed and delivered by the member himself.
22. The Company shall incur no liability or responsibility whatsoever, in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner hereof, as shown or appearing in the Register of Members, to the prejudice of persons having or claiming any equitable right, title or interest or, be under any liability whatsoever for refusing or neglecting to do so, though it may have been entered or referred to in some books of the Company but the Company shall, nevertheless, be at liability to regard and attend to any such notice and give effect thereto if the Board shall so think fit.
23. The provisions with respect to the shares under these Articles, shall, mutatis mutandis, apply to the transfer or transmission, whether by operation of law or otherwise, of the debentures of the Company.

LIEN

24. The Company shall have a first and paramount lien upon all shares, not being fully paid up, registered in the name of any member, either alone or jointly with any other person or persons and, upon the proceeds of sale thereof, for the debts, liabilities and engagements, whether solely or jointly with any other person, to or with the Company, whether the period for the payment,

fulfillment or discharge thereof, shall have actually arrived or not, and such lien shall extend to all dividends, from time to time, declared on shares.

25. The Company may sell, in such manner as the Directors think fit, any shares on which the Company has a lien, but no sale be made, unless such amount, in respect of which the lien exists, is presently payable, and not until the expiration of 14 (Fourteen) days, after a notice, in writing, stating and demanding payment of such part of the amount, in respect of the lien, as is presently payable, has been given to the registered holder(s), for the time being, of the shares or the person or persons entitled whether or otherwise by reason of the death or insolvency of the former.

DIRECTORS

26. Until otherwise determined by the Company in General Meeting, the number of the directors [excluding the alternate director(s), as provided for in the Clause (d) of the succeeding article, and such other directors, if any, appointed by the Government or any other statutory authority or authorities] shall not be less than two and more than twelve.

First Directors

27. (a) The First Directors of the Company shall be :

1. **MR. VIRENDRA DATTATRAYA MHAISKAR**
2. **MRS. DEEPALI VIRENDRA MHAISKAR**

and the above directors shall not be liable to retire by rotation and shall be regarded as permanent directors, subject to the applicable provisions under the Act. The Directors, as otherwise appointed by the Company, in general meeting, shall also not be liable to retire by rotation, unless the terms of appointment state so.

Additional
Directors

- (b) The Board of Directors of the Company may, from time to time, appoint such number of Directors, as may be expedient, as additional directors, on part time or full time basis, on such terms and conditions, as the Board may determine, and such additional directors shall hold office up to the conclusion of the next Annual General Meeting of the shareholders of the Company.

- (c) Subject to the provisions of the Act, the Directors shall have power, at any time, to appoint any person as a director to fill a casual vacancy, provided such appointment be done in the meeting of the Board in which the fact of arisal of a vacancy is first noted by the Board, failing of which there shall be deemed cancellation of the said vacancy on the Board, and the strength of the Board shall so be reckoned with. Any director, appointed to fill a casual vacancy, shall hold office only upto to the date, which the director, in whose place he is appointed, would have held office had it not been vacated. Director in Casual
Vacancy
- (d) The Board of Directors may appoint an alternate director to act for the director (hereinafter called "the Original Director"), as recommended by the Original Director, during the absence of the latter for a period of not less than three months from the State in which the Office of the Company is, for the time being, situated. Alternate director, as appointed under this Article, shall vacate office, if an when the Original Director returns to the State aforesaid. However, no further resolution of the Board shall be necessary to once again appoint the same person as an alternate director to act for the Original Director, if the latter again leaves after a very short stay in the state as referred to hereinabove, and in that case, the same person shall be deemed to have been appointed as an Alternate Director as such, provided that the requirements with regard to the filing of the Notice of appointment or re-appointment as such, under the Companies Act, 1956, have been complied with. Alternate Directors
- (e) The Board of Directors may, from time to time, appoint one or more of their body or any other person or persons as Managing Director or Joint Managing Director or Whole-time Director of the Company, by whatever name or designation as such, either for a fixed term or otherwise for such period as the Board think fit, and on such terms and conditions as they deem fit, and delegate such powers to him or them, as may be thought proper and necessary by the Board, and may, from time to time, remove any or all of them from the office and appoint another or others in his or their places. Managing Director
- (f) The Board may appoint a Manager or Secretary on such terms, at such remuneration and upon such conditions, as they think fit, and any manager or secretary so appointed may be removed by the Board. Manager or
Secretary

- Qualification Shares
28. A director need not hold any shares, in the capital of the Company, to qualify him to be a director of the Company.
- Remuneration of Directors
29. (a) Unless the terms of appointment state to the contrary and as agreed by the Managing Director or Whole-time Director, he shall be paid remuneration either by way of a monthly or periodical payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other, or by way of perquisites or benefits, of whatsoever nature, kind or description, subject to the provisions of the Act.
- (b) Subject to the provisions of the Act, a Director, who is neither in the whole-time employment nor a Managing Director, may be, at the decision of the Company in general meeting, paid remuneration :
- (i) by way of annual payment, and/or
- (ii) by way of commission, if the Company, by a resolution, authorises such Payment, and/or
- (iii) by way of perquisites or benefits, of whatsoever nature.
- Sitting Fee
- (c) The fee payable to a director, excluding a managing or whole-time or working director, for attending a meeting of the Board or committee thereof shall be such sum as the Board of Directors of the Company, or, in the case of disagreement among themselves, the Company in general meeting, may, from time to time, expressly determine, by way of a resolution duly passed at the meeting, whether of the Board or the general meeting of the equity shareholders of the Company, subject to the provisions, if any, applicable under the Act.
30. If any director be called upon to perform extra services or special exertions or efforts, which expression shall include work done by a director as member of any committee formed by the Directors, the Board may remunerate such director, for such special exertions or efforts, either by way of a fixed sum or otherwise, as may be determined by the Board, and such remuneration may be either in addition to or in substitution for his remuneration hereinabove provided, and such remuneration paid to him shall be deemed to be remuneration of a director as such.

31. Save as otherwise expressly provided in the Act, a resolution, passed without holding any meeting of Directors, or of a committee of directors as formed under these Articles, and signed by all the directors or members of such committee as aforesaid, for the time being, in India, be as valid and effectual as a resolution passed at a meeting of the Board, as duly called and held in accordance with the provisions of these Articles. Circular Resolution

Provided further that, in the case of any urgent matter(s), and further in the interests of the Company, the resolution, as circulated in draft, together with the necessary papers, if any, to all directors and members of the committee, as the case may be, (not being less in number than the quorum fixed for a meeting of the Board or the committee, as the case may be) then in India, and to all other directors or members, at their usual addresses in India, and as approved by such directors, as are then in India, or by a majority of such of them as are entitled to vote on the resolution, be as valid and effectual as a resolution passed at a meeting of the Board, as duly called and held in accordance with the provisions of these Articles, and that such decision taken by the majority of such directors or members of the Committee of Directors be read, noted and confirmed at the immediately next meeting of the Board.

In the case of equality of votes on the resolution so deemed to be circulated, the Chairman of the immediately preceding meeting of the Board shall have a second or casting vote.

32. The Board of Directors may, at any time, and from time to time, by power of attorney, appoint any person or persons, to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or mandatorily exercisable by the Directors under these presents) and for such period and subject to such conditions as the Directors may, from time to time, think fit and any such appointment, if the Directors think fit, be made, only in the interests of the Company, in favour of any other Company or the members, directors, nominees or managers of any such company or firm or otherwise, in favour of any fluctuating body or persons whether nominated directly or indirectly by the Directors and any such power of attorney may contain any such powers for the protection or convenience of persons dealing with such Attorneys, as the Directors may think fit, and may contain powers enabling any such delegates or Attorneys, as aforesaid, to sub-delegate all or any of the powers, authorities and discretions, for the time being, vested in them.
33. (a) The Board shall approve and adopt and then provide for the safe custody of seal of the Company. Custody of the Seal

Affixing of the
Seal

- (b) The seal of the Company shall not be affixed to any instrument, except by the authority or resolution of the Board or of a committee of the Board authorised by it in that behalf, and, except in the presence of at least one director or Secretary or other official of the Company, as the Board may appoint for the purpose, and the Director or the Secretary or such other officer of the Company shall sign every instrument to or upon which the seal of the Company is so affixed in his presence.

Provided that in the case of issue of certificates, with respect to the shares or debentures, in or of the Company, the seal shall be affixed in such manner, as may, from time to time, be provided under the Act or by the Rules made, for the time being, by the Central Government in that behalf.

POWERS AND DUTIES OF DIRECTORS

34. (a) The management and control of the business of the Company shall be or deemed to be vested in the Directors, who may exercise all such powers, and do all such acts, deeds and things, as may be exercised or done by the Company, and are not expressly directed or required by the Act, to be exercised or done by the Company in general meeting, but subject, nevertheless, to the provisions of the Act and to any regulations, from time to time, made by the Company in general meeting provided that no regulations so made by the Company shall invalidate any prior act of the Directors, which would have been valid, had such regulations not been made.

Interested Director
may vote

- (b) Notwithstanding anything to the contrary contained in these presents, any director shall be entitled to take part in the discussion of and vote on, any contract or arrangement entered or to be entered into, on behalf of the Company, in spite of his being in any way, whether directly or indirectly, concerned or interested in any such contract or arrangement, and his presence shall be counted for the purpose of forming a quorum at the time of any such discussion or vote, as the case may be, and if he does vote, his vote shall be valid and effective for all purposes and in all respects.
- (c) Subject to the provisions of Section 3(1)(iii)(d) and other applicable provisions of the Act, the Board may, from time to time, raise or borrow, by way of deposits or loans, any sum of money for and on behalf of the Company, from shareholders, directors and their relatives or friends or other persons, banks, financial institutions, etc.

- (d) The Board may, from time to time, secure the payment of such borrowings or loans borrowed, availed or taken by the Company or otherwise from any other company, firm or person, upon such terms and conditions as they think fit, in the interests of the Company, and, in particular, by the issue of debentures or bonds of the Company or by mortgage or charge of or over any or all the properties or undertakings of the Company and/or of uncalled capital or goodwill of the Company.
35. (a) So long as any money be owing by the Company to any finance corporation or to any finance or investment company or body (hereinafter collectively referred to as "the Corporation"), the Board may authorise the Corporation to appoint, from time to time, any person or persons, as director or directors of the Company (hereinafter referred to as "Nominee Director") and such Nominee Director shall not be liable to retire by rotation and need not hold or possess any shares to qualify him for the office of a director. Nominee Director
- (b) The Corporation may, at any time and from time to time, remove any such Nominee Director so appointed by it, and may, at the time of such removal and also in the case of his death or resignation, appoint any other person as a Nominee Director in his place. Such removal or appointment shall be made, in writing, signed by the Chairman of the Corporation or any person authorised by the Board of Directors of the Corporation, and shall be delivered to the Company, at the registered office of the company.
- (c) If it is provided by any Trust Deed, securities or otherwise, in connection with any issue of debentures or bonds of the Company, that any person or persons shall have a power to nominate a director of the Company in the case of any and every such issue of debentures or otherwise, the said person or persons may exercise such powers, from time to time, and appoint a director (hereinafter referred to as "Debenture Director") accordingly, any director so appointed may be removed from the office at any time by the person or persons on whom, for the time being, is vested the power under which he was appointed and another director may be appointed in his place. A Debenture Director shall not be liable to retire by rotation and also shall not be bound to hold any qualification shares. Debenture Director

MEETINGS

- | | | | |
|-----------------------------|-----|-----|---|
| Length of Notice of Meeting | 36. | (a) | At least 7 (Seven) days' notice of every General Meeting, whether Annual or Extraordinary and by whatsoever name called, exclusive of the both days (i.e. the day on which the notice is served and that of the meeting), specifying the date, place and hour of the meeting and the general nature, in brief or otherwise, of the business to be transacted thereat, shall be given to such persons, as shall be, under the Act, entitled to receive the notice from the Company as well as the directors (if not already shareholders of the Company) of the Company. Provided, however, a meeting may be called at shorter notice, if the members holding not less than 51% (Fifty one percent) of the paid-up capital or voting power, as the case may be, of the Company, so agree, in writing, in whatever form and manner. |
| Section 173 not to apply | | (b) | The provisions of sections 171 and 173 of the Act shall not apply with respect to general meetings of the Company. |

DIVIDEND

- | | | | |
|-------------------------|-----|-----|--|
| Declaration of Dividend | 37. | (a) | The Company may, in general meeting, declare dividend but no dividend shall exceed the amount, if any, as may be recommended by the Board. |
| | | (b) | Subject to the provisions of the Act, the profits of the Company, subject to any special rights or privileges thereto created or authorised to be created by these Articles or under the Act, in pursuance of the terms of issue of those shares, and generally subject to the provisions of these Articles, shall be divisible among the members in proportion to the amount called upon the shares held by them. |
| Interim Dividend | | (c) | The Board may, from time to time, pay to the members such interim dividend as they think fit and justifiable. However, they shall be responsible to comply with the requirements under the Act. |
| | | (d) | The Company shall pay dividend in proportion to the amount paid-up or credited as paid-up on each share. |
| | | (e) | The Board may, if it thinks fit, receive from any members, willing to advance the same, all or any part of the amounts of his respective shares beyond the sums actually called up, and upon the moneys so paid in advance, or upon so much thereof as, from time to time, and at any time |

thereafter, exceeds the amount or calls then made and due in respect of the shares on account of which such advances are made, the Company may pay or allow interest at such rate as may be approved by the Board, provided that at any time after the payment of such money so paid in advance, it shall be lawful for the Board to repay, from time to time, such member so much of such money as shall then exceed the amount of the calls made upon such shares, unless there be an express agreement to the contrary, and after such repayment such member shall be liable to pay and such shares shall be charged with the payment of all further calls as if no such advance had been made. The member so making advance payment shall not, however, be entitled to dividend or to participate in profits of the Company or to any voting rights, in respect of the monies so paid by him, until the same would, but for such payment, become presently payable.

CAPITALISATION

38. Subject to the provisions of the Act -

- (1) any general meeting may, upon the recommendation of the Directors, resolve that any moneys, balances, investments or other assets, forming part of the undistributed profits of the Company (including profits or surplus moneys arising from realisation of any capital assets of the Company) or standing to the credit of the Reserve Fund or any other fund of the Company, Profit & Loss Account or Capital Redemption Reserve or in the hands of the Company available for dividend, or representing the premiums received on the issue of shares and standing to the credit of the share premium account be capitalised and distributed amongst such of the shareholders as would be entitled to receive the same, in accordance with the respective rights and interests and in proportion to the amount paid or credited as paid-up, on the footing that they become entitled thereto as capital and that all or any part of such capitalised funds be applied subject to the provisions contained in Clause (b) hereof, on behalf of such shareholders, in full or in part towards -
 - (i) to pay, either at par or at such premium, as it may be decided, any unissued shares, debentures, debenture stock, bonds or other obligations of the Company, which shall be issued, allotted, distributed and credited as fully paid-up to and amongst such members, in such proportion, or

- (ii) by crediting shares of the Company which may have been issued and are not fully paid up in proportion to the amount paid or credited as paid thereon, respectively, with the whole or any part of the sums remaining unpaid thereon, and the Directors shall give effect to such resolution and apply such proportion of the profits or Reserve Fund or any other Fund as may be required for the purpose of making payment in full or part for the shares, debentures, debenture stock, bonds or other obligations of the Company so distributed or, as the case may be, for the purpose of paying in whole or in the shares which may have been issued and are not fully paid up, or
- (iii) paying up partly in the manner specified in the Clause (i) hereinabove and partly in the manner stated in the Clause (ii) hereinabove

provided that no such distribution or payment shall be made unless recommended by the Directors and, if so recommended, such distribution and payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalised sum.

- (2) for the purpose of giving effect to any such resolution, the Directors may settle any difficulty, which may arise in regard to the distribution or payment as aforesaid, as they think expedient, and, in particular, they may issue fractional certificates and generally may make such arrangement for the acceptance, allotment and sale of such shares, debentures, debenture-stocks, bonds, or other obligations and fractional certificates or otherwise, as they may think fit, and may make cash payments to any holders of shares on the footing of the value so fixed in order to adjust rights and may further vest any shares, debentures, debenture-stocks, bonds or other obligations in trustees, upon such trust for adjusting such rights, as may seem expedient to the Directors. In the cases, where some of the shares of the Company are partly paid, only such capitalisation may be effected by the distribution of further shares, in respect of the fully paid shares, by crediting the partly paid shares with the whole or part of the unpaid liability thereon, but so that as between the holders of fully paid shares and partly paid shares the sum so applied in the payment of such

further shares and in the extinguishment or diminution of the liability on the partly paid shares shall be so applied pro-rata in proportion to the amounts then already paid or credited as paid on the existing fully paid and partly paid shares respectively. When deemed requisite, a proper contract shall be executed, in accordance with the Act, and where the Board may appoint any persons so as to sign such contract, for and on behalf of the holders of the shares of the Company, such appointment shall be effective.

GENERAL AUTHORITY

39. Where, in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorised by the provisions of its Articles of Association, then, and in that case, these regulations hereby authorise and empower the Company or the Board of Directors, to have such right, privilege or authority and to carry out or perform such transactions and acts, as should have otherwise been permitted by the Act, without there being any specific regulation of such rights, privileges, authorities, acts and transactions.

INDEMNITY

40. (a) Subject to the provisions of the Act, every director, manager and any other officer or any other person, whether or not being an officer of the Company, employed by the Company, or the Auditors of the Company or any other servant of the Company (hereinafter all collectively referred to as "the said person") shall be indemnified by the Company, and it shall be the duty of the Board to pay out of the funds of the Company all costs, charges, expenses, interest, damages and losses which the said person may incur or become liable to by the reason of any contract entered into or any act or thing done by him as such the said person, or, in any way, in the discharge of his duties, including expenses, and, in particular, but without prejudice to the generality of the foregoing provisions, against all liabilities incurred by the said person such as director, manager, officer or servant, in defending any proceedings, in which judgment is given in his favour or in which he is acquitted or in connection with any application under Section 633 of the Act in which relief is granted by the Court.

- (b) Subject to the provisions of the Act, no Director, Manager or other officer of the Company shall be liable for the acts, receipts, neglects of any other Director, Manager or officer, or for joining in any receipt or other act for conformity or for any loss or expense happening to the Company through the insufficiency or deficiency of the title to any property acquired by order of the Board or for and on behalf of the Company, or for insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested or for any loss or damage arising from the bankruptcy or insolvency or tortuous act of any person with whom any moneys, securities or effects shall be deposited or for any loss occasioned by error of judgment, omission, default or oversight, on his part, or for any other loss, damage or misfortune whatever, which shall happen in the performance of the duties of his office or in relation thereto, unless and otherwise the same happens through his own dishonesty, gross negligence or out of his malafide or like intentions.

WINDING UP

41. If the Company shall be wound up, and the assets available for distribution among the members as such shall be insufficient to repay the whole of the paid-up capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the members in proportion to the capital paid-up or which ought to have been paid-up at the commencement of the winding up, on the shares held by them respectively, and if in a winding-up, the assets available for the distribution among the members shall be more than sufficient to repay the whole of the paid-up capital of the Company at the commencement of the winding up, the excess shall be distributed amongst the members in proportion to the capital paid-up or ought to have been paid-up at the commencement of the winding up, on the shares held by them respectively. However, this article is without prejudice to the rights of the holders of shares issued or allotted upon special terms and conditions.

SECRECY

42. (a) No member or any other person, not being a director, shall be entitled to visit or inspect any property, premises or works of the Company, without the prior permission of the Board, or to require discovery of or any information respecting any details of the Company, trading, manufacturing processes or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process, technology

or any other matter, which may relate to the conduct of the business of the Company, and which, in the opinion of the Board, it would be inexpedient, in the interests of the company, to disclose.

- (b) Every Director, Manager, Officer, Auditor, Treasurer, Trustee, Member of any committee, Agent, Servant, Accountant or any other person employed, hired, associated or retained in the business of the Company shall pledge himself to observe strict secrecy, respecting all transactions or business of the Company with the customers or any other person and the state of accounts with individuals or persons, and in matters relating thereto, and shall pledge himself not to reveal any of the matters or technical information, which may come to his knowledge in the discharge of his duties, except when required so to do by the Board or by any meeting of the members, or by a Court of Law, or by any person to whom the matters relate and, except so far as may be necessary, in order to comply with any of the provisions of the Act, the law or statutes generally, and further of or under these presents.

We the several persons, whose names, addresses and descriptions are subscribed hereunder are desirous of being formed into a Company in pursuance to these Articles of Association.

Signature, Names, Addressses, Descriptions and Occupations of Subscribers	Signature of Subscriber	Signature, Name, Address, Description and Occupation of Witness
<p>1. IRB INFRASTRUCTURE DEVELOPERS LIMITED 3rd Floor, IRB Complex, Chandivali Farm, Chandivali Village, Andheri (East), Mumbai - 400 072. Signed for and on behalf of the Company by or under the hand of MR. VIRENDRA DATTATRAYA MHAISKAR, S/o. MR. DATTATRAYA MHAISKAR Chairman & Managing Director of the Company, vide resolution passed on 14th August, 2009. Occupation : Business</p> <p>2. VIRENDRA DATTATRAYA MHAISKAR S/o. DATTATRAYA MHAISKAR IRB COMPLEX, CHANDIVILI FARM, SAKI VIHAR ROAD, ANDHERI EAST, MUMBAI - 400 072. BUSINESS</p>	<p>Sd/-</p> <p>Sd/-</p>	<p>Witness to Serial Nos. 1 & 2 Sd/- SINDHU GOVINDANKUTTY NAIR D/o. Mr. Govindankurty Nair B-10, Lav Kush Co-op. Hsg. Society Ltd., Ramdham Sankul, Ramkrishna Nagar, Chinchpada, Kalyan (E), PAN 421 306. Practising Company Secretary</p>

Place : Mumbai, Date : 20th Day of August, 2009.

IRB complex, Chandivli Farm, Chandivli Village, Andheri (E), Mumbai-400 072
Tel: 91-22-6640 4220 • Fax: 91-22-6675 1024 • e-mail: info@irb.co.in • www.irb.co.in



31st August, 2009.

Chief Executive Officer
Maharashtra Industrial Development Corporation
Udyog Sarathi, Mahakali Caves Road,
Andheri (East),
Mumbai – 400093

Kind Attn: Mr. Nirmalkumar Deshmukh, Jt. CEO (IT), MIDC.

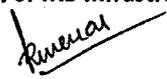
Sub : Development of Greenfield Airport at Sindhudurg District, Maharashtra.- Payment of 50% Of the Total Land Premium.

Ref : (i) Your letter no. MIDC/Jt.CEO(IT)/Sindhudurg Airport/401 dated 3rd August 2009.
(ii) Your Letter no MIDC/Jt.CEO(IT)/Sindhu.Airport/427/2009 dated 26th August 2009

Dear Sir,

We thank your good office for granting us extension of time for signing of the Project Development Agreement by 30 days vide your letter cited (ii). As per your advice vide the same letter, we hereby enclose a pay order no 408646 dated 27.08.2009 drawn on Canara Bank, Corporate Service Branch, Mumbai for Rs. 10,35,05,200.50 (Rupees Ten Crore, Thirty-Five Lakh, Five Thousand, Two Hundred, and Paise Fifty only) towards 50 % of the Total Land Premium in accordance with point 3(c) of your letter of award.

For IRB Infrastructure Developers Limited


V.K. Menon
Authorized Signatory

Encl : As above

Cc: Jt. CEO(IT), MIDC, Andheri

MIDC - DJMS

Jt. CEO (IT) / 

Date: 31/08/09

MAHARASHTRA INDUSTRIAL DEVELOPMENT CORPORATION

(A Government of Maharashtra Undertaking)



॥ महाराष्ट्र राज्य शासन ॥
MIDC

No. MIDC/Jt.CEO(IT)/Sindhu. Airport /4 27/2009

Date : 26.08.2009

To,

M/s. IRB Infrastructure Developers Ltd.,
IRB Complex, Chandivali Farm,
Chandivali Village, Andheri (E),
Mumbai - 400 072.

Kind Attn: Sh. V.K Menon

Sub : Letter of Award for Development of
Green Field Airport in Sindhudurg Dist.
Request for signing of Project Development Agreement.

Ref : Your letter dated 22.08.2009

Dear Sir,

Kindly refer your above cited letter. You have requested to give some more time to form SPV and then to sign the Project Development Agreement. Your request is accepted to the extent of 20 days.

But, the payment as mentioned in the Letter of Award to the extent of 50 % be made to MIDC within the stipulated time limit. You are further requested to register the SPV with Registrar of Companies as early as possible so as to execute the Project Development Agreement and then start the work.

Yours

Nirbhay 26/8/09
(Nirmalharan F. Deshmukh)
Jt. Chief Executive Officer (IT),
MIDC, Mumbai-93.

IRB complex, Chandivli Farm, Chandivli Village, Andheri (E), Mumbai-400 072
Tel: 91-22-6640 4220 • Fax: 91-22-6675 1024 • e-mail: info@irb.co.in • www.irb.co.in



22nd August, 2009.

Chief Executive Officer
Maharashtra Industrial Development Corporation
Udyog Sarathi, Mahakali Caves Road,
Andheri (East),
Mumbai – 400093

Kind Attn: Mr. Nirmalkumar Deshmukh, Jt. CEO (IT), MIDC.

Sub : Development of Greenfield Airport at Sindhudurg District, Maharashtra. – Request for extension of time for signing of Project Development Agreement.

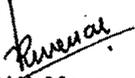
Ref : Your letter no. MIDC/Jt.CEO(IT)/Sindhudurg Airport/401 dated 3rd August 2009.

Dear Sir,

We are in receipt of your above referred Letter of Award. In accordance with Point no. 3 (a) and 3 (c) of your LOA, we have to set up a special purpose company duly incorporated under the Companies Act 1956 and sign the Project Development Agreement within 30 days of date of LOA ie. by 1st September 2009. We have moved the papers accordingly to the Registrar of Companies and have obtained approval for name of our SPV as "IRB Sindhudurg Airport Pvt. Ltd" (Copy enclosed). The subsequent formalities for registration and incorporation of the Company are in progress. But, in view of the intervening festive season and procedural delays, the process of incorporation would take another 30 – 40 days. As such, we request your good office to extend the time for signing of the Project Development Agreement to 1st October 2009. However, the payment of 50% of the Total Land Premium and Project Development Expenses as per terms of the RFP will be submitted before 1st September, 2009.

In the meantime, we shall be sending you the Draft Project Development Agreement early next week for your scrutiny and consent.

For IRB Infrastructure Developers Limited


V.R. Menon
Authorized Signatory

Encl: As above

Cc: Jt. CEO(IT), MIDC, Andheri

IRB complex, Chandivli Farm, Chandivli Village, Andheri (E), Mumbai-400 072
Tel: 91-22-6640 4220 • Fax: 91-22-6675 1024 • e-mail: info@irb.co.in • www.irb.co.in



6th August, 2009.

Chief Executive Officer
Maharashtra Industrial Development Corporation
Udyog Sarathi, Mahakall Caves Road,
Andheri (East),
Mumbai - 400093

Sub : Development of Greenfield Airport at Sindhudurg District, Maharashtra. - Letter of Award (LOA).

Ref : Your letter no. MIDC/Jt.CEO(IT)/Sindhudurg Airport/401 dated 3rd August 2009.

Dear Sir,

We are in receipt of your above referred Letter of Award. In accordance with the Contract Clause no. 3.3.5 of your RFP document, we hereby confirm our acknowledgement and acceptance to your Letter of Award for the above referred Project. The duplicate copy of the LOA duly signed by us is enclosed herewith as a token of our acceptance.

For IRB Infrastructure Developers Limited

Amended 6/8/2009
V.K. Menon
Authorized Signatory



Encl : Duplicate Copy of LOA Duly signed.

c.c. Jt. CEO (IT) MIDC.

MIDC - DMS

Jt. CEO (IT) MIDC
7/08/09

MAHARASHTRA INDUSTRIAL DEVELOPMENT CORPORATION

(A Government of Maharashtra Undertaking)



No.MIDC/Jt.CEO(IT)/Shindudurg Airport/401/

Date : 3/8/09

// उद्योग सफल समृद्धि : //
MIDC

To,
M/s. IRB Infrastructure Developers Ltd.
IRB Complex, Chandivali Farm,
Chandivali Village, Andheri (E),
Mumbai- 400072

Kind Attn: Mr. V. K. Menon, Senior General Manager

Subject: Letter of Award for the Development of Greenfield Airport
in Sindhudurg District, Maharashtra

1. We refer to your Bid dated ~~19/05/2009~~ in response to our Request for Proposal (RFP) for the Development of Greenfield Airport in Sindhudurg, Maharashtra on Design Build Finance Operate basis ("the Project").
2. We are pleased to inform that your financial Bid of land premium per hectare of Rs. 7,96,193.85 (Rs. Seven Lakhs Ninety Six Thousand One Hundred Ninety Three and Eighty Five Paise only) has been accepted and you have been declared as the Selected Bidder for the said Project.

The Total Land Premium payable to MIDC which is computed as the product of land premium per hectare x area in hectares of the Site i.e. 260.00 Ha. approximate & subject to final measurement. is Rs. 20,70,10,401/- (Rs. Twenty crores seventy lakhs ten thousand four hundred and one only).

3. Please note that acceptance of your Bid is subject to the following terms and conditions:
 - (a) In terms of Clause 1.1.2 of the RFP; you are required to set up a special purpose company duly incorporated under the Companies Act 1956. The constitution of such company should comply with the conditions of shareholder commitments mentioned in the RFP.
 - (b) Execution of the Project Development Agreement (PDA) between Maharashtra Industrial Development Corporation (MIDC) and the special purpose company to be set up by the Selected Bidder in accordance with the conditions set out in the RFP.

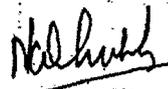
(c) In terms of the RFP and PDA, you are required to pay 50% of the Total Land Premium i.e. Rs. 10,35,05,200.50 (Rupees Ten Crores Thirty five lakhs five thousand two hundred and fifty paise only) to MIDC (at time of PDA) by Demand Draft in favour of CAO, MIDC, Mumbai, within 30 days from the date of this letter on receipt of said amount, PDA will be executed.

(d) In terms of Clause 3.6 of the RFP, you are required to pay Project Development Expenses at the time of signing of the PDA, by means of a demand draft from a Nationalised/Scheduled Bank for a non refundable and irrevocable amount of Rs. 2,92,64,000/- (Rs. Two Crores Ninety Two lakhs and Sixty Four thousand only) plus applicable service tax, education cess etc in favour of CAO, MIDC payable at Mumbai.

Kindly note, that this communication by itself does not create any right or contractual relationship with MIDC. Any such right or relationship shall come into effect only on your fulfilling the above said conditions and execution of the PDA.

Please acknowledge this letter within 7 days of receipt of this letter and indicate a suitable date for execution of the PDA which shall in no case, be later than 30 (thirty) days from the date of this Letter of Award.

O/c signed by CEO


31819
Chief Executive Officer
MIDC, Mumbai-93

Copy to :

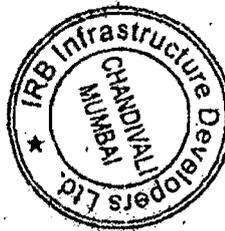
1. The Principal Secretary (Industries), Industries Energy & Labour Dept. Mantralaya, Mumbai- 32.
2. The Secretary (Civil Aviation), General Administration Department , Mantralaya, Mumbai- 32.

Copy fives to :

1. The Chief Engineer, MIDC, Andheri (E), Mumbai - 93 for information.
2. The Chief Account Officer, MIDC, Andheri (E), Mumbai - 93 for information.
3. The Chief Planner, MIDC, Andheri (E), Mumbai - 93 for information.
4. The General Manager (Legal), MIDC, Andheri (E), Mumbai - 93 for information.
5. The Supertending Engineer, MIDC, Mahad Division, Mahad for information.
6. Regional Officer, MIDC, Ratnagiri, Region, Ratnagiri for information.
7. Executive Engineer, MIDC, Ratnagiri, Division, Ratnagiri for information.

Acknowledged & Accepted.
Mumbai 6/8/2009

(V. K. Menon)
Authorized signatory



N/3

क्र.मओविम/विधी व कामकाज/ 2602

दिनांक :- 12 5 SEP 2009

विषय :- सिंधुदूर्ग विमानतळ.

Project Development Agreement कार्यान्वित
करणेबाबत..

सिंधुदूर्ग विमानतळासाठी मे.आय.आर.बी., सिंधुदूर्ग एअरपोर्ट प्रा.लि. व मओविम यांचे दरम्यान Project Development Agreement कार्यान्वित करावयाची असून सदर Agreement वर स्वाक्षरी करणेसाठी श्री.अ.ल. गव्हाळ, विशेष कार्य अधिकारी (वित्त) यांना महामंडळाचे वतीने प्राधिकृत करणेत यावे, असा प्रस्ताव मा.सह मु.का.अ. यांनी मा.मु.का.अ. यांचे मान्यतेसाठी दिला आहे. सदर प्रस्तावाबाबत अभिप्राय देणेसाठी टिप्पणी मा.मु.का.अ. यांनी विधी विभागाकडे पाठविली आहे. | N/1

याबाबत नमूद करावेसे वाटते की, महामंडळाचे सर्व प्रादेशिक अधिका-यांना क्र.१४७५, दि.१८.०८.७७ च्या ठरावानुसार लिज व अनुषंगाने येणारी करारपत्रे यावर स्वाक्षरी करणेचे अधिकार प्रदान करणेत आले आहेत. विशेष कार्य अधिकारी (वित्त) हे पद प्रादेशिक अधिका-यापेक्षा वरच्या दर्जाचे असल्याने मा.सह मु.का.अ. यांनी शिफारस केलेप्रमाणे श्री.गव्हाळ, विशेष कार्य अधिकारी (वित्त) यांना उपरोक्त करारनाम्यावर स्वाक्षरी करणेची मान्यता मा.मु.का.अ. यांनी द्यावी, असा प्रस्ताव आहे. | 4/1

वरील प्रस्ताव मान्यतेसाठी सविनय सादर.

व्य.(विधी) 25/9/09

स.क्षे.व्य. 25/9/09

म.व्य.(विधी) (रमेश)

मा.मु.का.अ. 

Sept 25, 2009

MIDC - DJMS
CEO/ 2602
Date: 25/09/09

सह मु.का.अ. (मा.ल.)

25/9/09
OSD (F)

Dy. Secretary Shri A.D. Ghatge	Adminl.	Authorised to authenticate by his signature all permissions, orders, decisions and notices and to execute on behalf of the Corporation Agreements to Lease and the Leases and all other incidental documents.	925
32. Dy. Secretary 940 MIDC	Admn.	Declared as Controlling Officer for himself and the Staff working under him in respect of the following:- 1) to sanction all leave applications and temporary advances; 2) to countersign travelling allowance and Salary bills.	dt.19.8.73
33. Land Survey Officer/Estt. Officer	Admn.	Powers to sanction all leave applications & Temporary advances (their own leave applications and temporary advances being sanctioned by the immediate higher authority);	956 dt.28.9.73
34. Dy. C.E.O./ Chief Accounts Officer	Finan cial	Authorised any 2 Officers out of the CEO, Dy. CEO and CAO be authorised to sign the cheques upto Rs.10/- lakhs.	1295 dt/22.7.76
35. Dy. Secretary, 1944 Division of dt.28.10.76 Corporation Matters.	Admn.	Authorise to authenticate by his signature all permissions, orders, decisions and notices and to execute on behalf of the Corporation the Agreements to Lease and the Leases and all incidental documents.	
36. Regional Off- cers, Pune & Nagpur and A'had	-do-	<ol style="list-style-type: none"> 1) to allot land upto 2 acres; 2) to allot built-up sheds to needy entrepreneurs according to the usual policies of the Corporation. 3) to authenticate by their signatures all permissions, orders, decisions and notices and to execute on behalf of the Corp. the Agreement to Lease; 4) to take steps for recovery of all dues of the Corpn. and to issue recovery certificates to the revenue authorities under Section 51 of the Act read with Sec.16; and 5) to exercise all powers of Controlling Officer for themselves and the staff working under them which the heads of Office in the Corpn. have been exercising. <p>The Regional Officers shall send to the CEO every month a statement of allotments of plots and sheds made by them with all complete particulars.</p>	1425- dt.9.5.77
37. do	do	Authorised to authenticate by their signature all permissions, orders, decisions and notices and to execute on behalf of the Corporation the Agreements to Lease and the Leases and all other incidental documents.	1475 dt.18.8.77
28. Dy. Chief Accounts Officer	Finan-	Authorised to sign individually cheques upto Rs.50,000/- and jointly with any one of them upto a limit of Rs.2/- lakhs.	1490 dt.18.8.77
29. Chief Accounts Officer & Dy. C.E.O.	-do-	Authorised to sign individually cheques upto Rs.5/- lakhs and jointly with any one of them cheques in excess of Rs.5/- lakhs.	