

LEASE AGREEMENT FOR EQUIPMENTS

LESSOR;

LESSEE;

1. **LEASE:** The Lessor hereby agrees to lease to Lessee and the Lessee hereby agrees to take on Lease from Lessor, subject to the terms of this Lease Agreement (hereinafter referred to as the "AGREEMENT"), list of Assets mentioned in Schedule A (hereinafter referred to as the "EQUIPMENT").
2. **PERIOD:** The Lessee shall take the equipment for its use on lease for the term to commence from [Date of Commencement] and to terminate at the end of [Tenure] months from the date of such commencement. The period of lease may be extended for such period and on such terms and conditions as may be agreed upon by and between the parties hereto.
3. **RENTAL:**
 - 3.1. As security for the prompt and full payment of rent, and the faithful and timely performance of all provisions of this Lease, and any extensions or renewals thereof, Lessee shall deposit with Lessor the security amount of Rs. [Amount]. In the event any default shall be made in the performance of any of Lessee's obligations under this Lease, Lessor shall have the right, but shall not be obligated, to apply said security to the curing of such default. Within 15 days after Lessor mails notice to Lessee that Lessor has applied any portion of the Security Deposit to the curing of any default, Lessee shall restore said Security Deposit to the full amount set forth in this Clause. On the expiration or earlier termination of each Schedule to this Lease, or any extension or renewal thereof, provided Lessee has paid all of the rent herein called for and fully performed all other provisions of this Lease with respect to such schedule, Lessor will return to Lessee any then remaining balance of the Security Deposit without interest.
 - 3.2. In consideration of the above, the Lessee shall pay to the lessor, Lease rent at the rate specified in the Schedule hereunder written for the entire period of the Lease. Such rent shall be payable by the Lessee within seven days of the same becoming due and payable. The lease rent shall be due and payable on the first day of each calendar month, commencing from the calendar month in which the period of lease commences, provided that the lease rent for the calendar month in which the period of lease commences shall become payable on the commencement of the lease period. Lessee will pay on demand as late charges, an amount equal to [Penalty] per month of each instalment of lease rent or part thereof that remains unpaid for a period of more than seven (7) days. It is expressly understood by the parties hereto that time shall be the essence of this Agreement, in so far as it relates to the obligations or commitments of the lessee.
4. **WARRANTIES:** The Lessee has made the selection of the Equipment based upon its

own judgement prior to the purchase thereof by the Lessor and expressly declares that it has not relied upon any statements or representations made by Lessor, makes no express or implied warranties including those of merchantability or fitness for particular use of the Equipment and hereby disclaims the same. The Lessor shall not be responsible for any repairs, service or defects in the Equipment or the operation thereof. However, the Lessor agrees that Lessee shall be entitled to the benefits of the manufacturer's warranties in respect of the Equipment.

5. TITLE, IDENTIFICATION, OWNERSHIP OF EQUIPMENT:

5.1.No right, title or interest in the Equipment shall pass to Lessee by virtue of these presents. Conditioned upon Lessee's compliance with and fulfilment of the term of conditions of this Agreement, the Lessee shall have the right to have and retain possession and use of the Equipment for the full term of lease including the extended term if agreed to.

5.2.Lessor may require plates or markings to be affixed to or placed on the Equipment, indicating Lessor's interests therein. Lessor and Lessee hereby confirm that their intent is that the Equipment shall at all times remain the property of the Lessor.

5.3.Lessee also agrees and undertakes not to sell, assign, sublet, pledge, hypothecate or otherwise encumber or suffer a lien upon or against any interest in this Agreement or the Equipment, or to remove except for the purposes of repairs with prior intimation to the Lessor the Equipment from the factory or office site where originally put to use or allow any third person to use the equipment without the prior consent of the Lessor in writing.

6. The equipment hereunder leased, will be delivered to the location specified by Lessee. Lessor shall not be responsible for any damage incurred to the Equipment during delivery. Lessor will ensure delivery on or before the date of commencement of the rentable, but if for whatever reasons, delivery is not completed by the date, Lessor shall not be liable for any loss suffered by the Lessee thereby.

7. INDEMNITY:

7.1.Lessee agrees to comply with all laws, regulations and orders relating to the possession, operation, and use of the Equipment and assumes all risks and liabilities arising from or pertaining to the possession, operation or use of the Equipment.

7.2. Lessee does hereby agree to indemnify and keep indemnified and hold safe and harmless the Lessor from and covenants and undertakes to defend Lessor against any and all claims, costs, expenses, damages and liabilities whether civil or criminal, of any nature whatsoever, arising from or pertaining to the use, possession, operation or transportation of the Equipment.

7.3.Any fees, taxes or other lawful charges paid by Lessor upon failure of Lessee to

make such payments, shall become immediately due from Lessee to make such payments, shall become immediately due from Lessee to Lessor.

7.4. Lessee further covenants and undertakes to indemnify and keep indemnified the Lessor against loss of Equipment by seizure by any person other than the Lessor for any reason whatsoever, or resulting from any form of legal process initiated by any person other than the Lessor, provided that such indemnity shall not cover such loss as arises out of any neglect or default on the part of the Lessor.

7.5. Lessee further agrees to indemnify and keep indemnified the lessor against all risks and liabilities whether civil or criminal, arising from the possession, use, operation or storage of the Equipment and for injuries or deaths of persons or damage to property arising from the above.

8. **USE, INSPECTION:** Lessee will cause the Equipment to be operated in accordance with Lessor's manuals or instructions, if any, and in so far as applicable by competent and duly qualified personnel only and in accordance with applicable Government regulations, if any, and for business purposes only. Lessor shall have the right from time to time during the normal business hours on any working day to enter upon Lessee's premises or elsewhere after prior notice for the purpose of confirming the existence, condition and proper maintenance of the Equipment.

9. RIGHT OF ACCESS:

9.1. The Lessor shall have the right to enter the premises where the leased equipment is kept for the purposes of inspecting, maintaining, repairing, or retrieving the equipment. This right may be exercised during normal business hours or at other reasonable times upon prior notice to the Lessee.

9.2. If the premises where the equipment is located is rented by the Lessee, the Lessee shall obtain the necessary permissions from the premises' owner and ensure that the owner cooperates with the Lessor's access rights as specified in this agreement.

9.3. The Lessee agrees to facilitate the Lessor's access to the equipment and the premises, including providing any required keys, access codes, or permissions to ensure the Lessor can perform their obligations under this agreement.

10. REPAIRS, LOSS AND DAMAGE:

10.1. During the term of the Lease and any renewal thereof, Lessee, at its own cost and expenses will keep all Equipments in good repair, condition and working order and shall furnish all parts, mechanisms, devices and servicing required thereof. All such parts, mechanisms and devices shall immediately be deemed part of the Equipment for all purposes hereof and shall become the property of the Lessor.

10.2. In the event, any item of Equipment is lost, stolen or destroyed or damaged beyond repair for any reason, Lessee shall promptly pay the Lessor the instalments of lease rentals then remaining unpaid less insurance claims received by Lessor, in

respect of insurance effected in pursuance of this Agreement, whereupon Lessor will transfer to Lessee, without recourse of warranty, all of Lessor's right, title and interest, if any, in such items. If, however, the insurance claim received by the Lessor exceeds the amount of unpaid rentals, the Lessor shall forthwith pay the difference to the Lessee.

11. **INSURANCE:** Lessee shall obtain and maintain for the entire term of this Agreement at its own expense, comprehensive insurance against loss or destruction or damage to the Equipment including without limitations destruction or loss by fire, theft and such other risks or loss as are customarily insured against on the type of Equipment leased hereunder and by businesses in which Lessee is engaged and in such amounts as shall be satisfactory to lessor, provided however that the amount of insurance against loss or destruction or damage to the Equipment shall not be less than the greater of the full replacement value of the Equipment or the instalments of lease rentals then remaining unpaid hereunder plus any renewal options entered into pursuant to this Agreement. Each insurance policy will name Lessee as insured and note Lessor's interests as loss payee. Lessee shall furnish to Lessor a certificate of insurance or other satisfactory evidence that such insurance coverage is in effect.

12. FURTHER ASSURANCE:

12.1. Lessor hereby covenants that the Equipment is the absolute property of the Lessor and undertakes not to sell or transfer the same to any party

12.2. Lessee further irrevocably stipulates that at no time during the period of this lease agreement will the Lessee attempt to capitalise the leased asset on Lessee's balance sheet and Lessee and Lessor irrevocably agree that ownership of the Equipment during the tenure of the lease as specified herein and inclusive of any renewal options that the parties hereto may concur to indisputably vests with the Lessor.

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

14. **EVENTS OF DEFAULT:** An event of default shall occur hereunder if Lessee:

14.1. fails to pay any instalment of lease rentals or part thereof or other payment required hereunder when due and such failure continues for a period of 10 days after written notice is sent from Lessor; or

14.2. fails to perform or observe any other covenant condition or agreement to be performed or observed by it hereunder or breaches any representation or provision contained herein or in any other document furnished to the Lessor in connection herewith and such failure or breach continues unremedied for a period of ten days

(if such breach is capable of being remedied within ten days) after written notice is sent from the Lessor; or

14.3. without Lessor's consent, attempts to remove (except for repairs), sell, transfer, encumber, part with possession or sublet any item of Equipment; or

14.4. shall commit an act of bankruptcy or become insolvent or bankrupt or make an assignment for the benefit of creditors, or consent to the appointment of a Trustee or Receiver or either shall be appointed for Lessee or for substantial part of its property without its consent, or bankruptcy, reorganisation or insolvency proceedings shall be instituted by or against Lessee; or

14.5. shall suffer an adverse material change in the financial condition from the date hereof, and as a result thereof Lessor deems itself or any of its equipment to be insecure; or

14.6. shall be in default under any other agreement at any time executed with Lessor.

15. REMEDIES:

15.1. Upon the occurrence of any default and at any time thereafter the Lessor would declare all future rentals due and to become due hereunder for the full term of the lease immediately due and payable and on such declaration being made by Lessor, Lessee shall forthwith provide to the Lessor the present value of the said sums due.

15.2. Upon notice to Lessee terminate this Agreement and all Schedules executed pursuant hereto and forfeit the amounts paid by Lessee by way of rentals and demand the Lessee to return all equipment to Lessor at Lessor's own risk and expenses in the same condition as delivered, ordinary wear and tear and damage by fire not caused by the negligence of Lessor excepted, at such location as the Lessor may designate and upon failure of Lessee to do so within 14 days from the date of demand, enter upon premises where such Equipment is located and take immediate possession of and remove the same, all without liability to Lessor or its Agent for such entry or for damage to property or otherwise.

16. DISCLAIMER OF WARRANTIES AND CLAIMS; LIMITATION OF REMEDIES.

16.1. LESSOR, NOT BEING THE MANUFACTURER OF THE EQUIPMENT NOR THE MANUFACTURER'S AGENT, MAKES NO EXPRESS OR IMPLIED WARRANTY OF ANY KIND WHATSOEVER WITH RESPECT TO THE EQUIPMENT, INCLUDING, BUT NOT LIMITED TO, THE MERCHANTABILITY OF THE EQUIPMENT OR ITS FITNESS FOR ANY PARTICULAR PURPOSE; THE DESIGN OR CONDITION OF THE EQUIPMENT; THE QUALITY COMPLIANCE OR CAPACITY OF THE EQUIPMENT; THE WORKMANSHIP IN THE EQUIPMENT; COMPLIANCE OF THE EQUIPMENT WITH THE REQUIREMENT OF ANY LAW, RULE, SPECIFICATION OR CONTRACT

PERTAINING THERETO: PATENT INFRINGEMENT; OR LATENT DEFECTS.

- 16.2. LESSEE LEASES THE EQUIPMENT "AS IS" AND WITH ALL FAULTS. Lessee accordingly agrees not to assert any claim whatsoever against Lessor for loss of anticipatory profits or consequential damages. Lessor shall have no obligation to install, erect, test, service, or maintain the Equipment. Lessee shall look to the manufacturer and/or seller for any claims related to the Equipment.
- 16.3. If the Equipment is not properly installed, does not operate as represented or warranted by the supplier or manufacturer, or is unsatisfactory for any reason, regardless of cause or consequence, Lessee's only remedy, if any, shall be against the supplier or manufacturer of the Equipment and not against Lessor.
- 16.4. Lessor hereby acknowledges that any manufacturer's and/or seller's warranties are for the benefit of both Lessor and Lessee. NOTWITHSTANDING THE FOREGOING, LESSEE'S OBLIGATIONS TO PAY THE RENTALS OR OTHERWISE UNDER THIS LEASE SHALL BE AND ARE ABSOLUTE AND UNCONDITIONAL. To the extent permitted by the manufacturer or seller, and provided Lessee is not in default under this Lease, Lessor shall make available to Lessee all manufacturer and/or seller warranties with respect to Equipment.
- 16.5. Lessee specifically acknowledges that the Equipment is leased to Lessee solely for commercial or business purposes and not for personal, family, or household purposes.
17. **WAIVER:** Any expressed or implied waiver by the Lessor of any default shall not constitute a waiver of any other default by Lessee or a waiver of any of Lessor's right. All original rights and powers of the Lessor under this Agreement will remain in full force, notwithstanding any neglect, forbearance or delay in the enforcement thereof, by the Lessee of this Agreement shall not be deemed as waiver of any continuing or recurring breach by the Lessee of this Agreement.
18. **NOTICES:** Any notices or demands required to be given herein shall be given to the parties hereto in writing and by post or by hand delivery at the address herein set forth or to such other addresses as the parties hereto may hereafter substitute by written notice given in the manner prescribed herein above.
19. This Agreement and other contracts executed between the parties hereto pursuant to this Agreement cannot be cancelled or terminated except as expressly provided herein. Lessee hereby agrees that Lessee's obligations to pay all lease rentals and any other amounts owing hereunder shall be absolute and unconditional. This Agreement cannot be amended except in writing and shall be binding upon and to the benefit of the parties hereto their permitted successors and assigns.
20. **ARBITRATION:** All disputes, differences, claims and questions, whatsoever, which shall arise either during the subsistence of this Agreement or afterwards between the parties and/or their respective representatives touching these presents or any clause or

thing herein, contained or otherwise in any way relating to or arising from these presents shall be referred to the arbitration of two Arbitrators, one to be appointed by each party to the dispute and such arbitration shall be in accordance with and subject to the provisions of the Arbitration and Conciliation Act, 1996 or any statutory modification or reenactment thereof for the time being in force.

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

IN WITNESS WHEREOF each of the parties hereto has caused this agreement to be executed induplicate on this [Date] by its duly authorised officers.

Schedule A

- 1. DESCRIPTION OF EQUIPMENT**
- 2. EQUIPMENT LOCATION:**
- 3. RENTAL TERM:**
- 4. RENTAL:**
- 5. SECURITY DEPOSIT:**