



ఆంధ్రప్రదేశ్ ఆంధ్ర ప్రదేశ్ ANDHRA PRADESH

BC 774263

Sl. No. 1000... Date 10/7/13... Case No.

Sold to... Nirav... Modi...

100-1000... Prasad... Modi... Resi...

For whom... Fortune... (India) Pvt. Ltd. (Vendor) ...

SUDHA

LICENCED STAMP VENDOR
LIC No. 1000/10004
REV. No. 1000/10004
H.No. 1000/10004, Sec. 1000/10004
Phone: 1000/10004

AGREEMENT

This Agreement is made and executed at Secunderabad on 10th day of July 2013 by and between:

M/s. Vishwajit Castings & Engineering Works a proprietary firm owned by M & M Associates having its office at 5-4-187/3 & 4, II Floor, Soham Mansion, M.G. Road, Secunderabad - 500 003, represented by its authorized representative Shri Soham Modi S/o. Shri. Satish Modi.

(HEREINAFTER referred to as the First Party, which term shall mean and include all their heirs, successors, legal representatives, administrators, assigns, etc).

AND

M/s. Fortune Automobiles (India) Pvt. Ltd having its registered office at 183/184, Rashtrapati Road, Secunderabad - 500 003 represented by its Director Shri. Nirav P. Modi S/o. Late. Shri. Pramod Chandra Modi.

(HEREINAFTER referred to as the Second Party, which term shall mean and include all their legal heirs, successors, legal representatives, administrators, assigns, etc).

For Vishwajit Castings & Engineering Works

Proprietor

Director

WHEREAS:

- A. Whereas the First Party is the long term lease holder of about 1,600 sq yds of land along with structures of about 10,000 sft, bearing plot no. 26/2 and Premises No. 1-7-1054 situated at Azamabad Industrial area, Hyderabad (hereafter referred to as the Said Premises) by virtue of agreement of lease dated 10.9.1981. The said lease deed was executed by Government of Andhra Pradesh /Industries Department in favour of the First Party.
- B. The Second Party is in the business of sales and service of automobiles and has several dealerships in its name or in the name of its associates. The Second Party has been in the said business for several years and has built a good reputation in the twin cities. The Second Party has gained substantial technical expertise in the service, maintenance and repair of automobiles.
- C. The First Party has approached the Second Party to provide it technical expertise and know how to set up an industrial facility for service, repair and maintenance of automobiles. The First Party has offered to use the Said Premises to set up the business of service, maintenance and repair of automobiles.
- D. The Second Party has agreed to the proposal of the First Party to set up a industrial facility to service, maintain and repair automobiles. The Second Party has agreed to make improvements to the buildings and provide the requisite machinery at its cost, along with technical expertise and personnel, provided the First Party agrees to run the facility on a day to day basis by providing and managing the required staff/labour.
- E. The parties herein have reached an understanding to set up an industry in the Said Premises on the following terms and conditions:

NOW THEREFORE THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. The Second Party shall at its risk and cost make all the capital expenditure including renovation of buildings, setting up additional structures, provide required machinery, etc., to enable the First Party to effectively run the proposed industry.
2. The First Party shall be responsible for the day to day management of the said industry by providing required manpower for running the industry. Further the First Party shall bear all the costs like repair and maintenance of machinery, buildings, structures, electricity and water charges, security charges, salary of manpower/labour provided, etc.
3. The Second Party shall at its cost provide the required spares to the First Party for repair and maintenance of automobiles sent by the Second Party to the First Party for servicing, repairs and maintenance.
4. For their services provided by the First Party to the Second Party, the Second Party shall pay the First Party charges for servicing, maintenance, repairs and stocking of automobiles as per rates given in Appendix -A. The said rates shall be subject to change from time to time on mutual agreement.
5. The First Party shall be responsible for payment of wages, salaries, ESI, PF and other statutory liabilities for the staff employed by it. However, the Second Party shall depute the required technical staff at its own cost to ensure that services provided as per standards set by the Second Party. The First Party shall be responsible for providing all other staff/labour that may be required to run the operations smoothly and as per the advice of the Second Party.

6. The First Party shall periodically raise invoices for service charges and the Second Party shall pay the charges within 7 days of receiving the invoice. It is clearly understood between the parties that the services provided by the First Party to the Second Party are in the nature of job work and the Second Party shall bear the cost of VAT, service tax, etc., and make payments after deducting the applicable TDS.
7. Either party can terminate this agreement by giving an advance notice of 12 months. On such termination the Second Party shall be entitled to remove all fixtures, fittings, machinery, equipment, etc., belonging to it. However, the Second Party shall not be entitled to remove buildings or structures constructed by it and instead the First Party shall pay the Second Party depreciated value of such additions/alterations on a mutually agreed valuation.
8. This agreement shall be valid for a period of 9 years from this date of this agreement and shall be renewed for further periods on mutual agreement. It is explicitly understood by both the parties that this agreement is a long term arrangement and both parties shall endeavor to ensure that any differences are mutually and amicably resolved.
9. Both parties agreed to sign all necessary application, documents, forms, etc., for affecting this agreement. Both parties shall be entitled to seek registrations for trade license, VAT, service tax, income tax, labour license, professional tax, etc., on the address of the said premises.
10. The Said Premises shall only be used for the activities contemplated under this agreement and not for any other unauthorized or illegal activity.
11. The Second Party shall not claim any lease hold or tenancy rights in the said premises and all activities in the premises shall be strictly in accordance with the terms of the lease deed.
12. It is mutually agreed between both the parties that the Said Premises shall be used exclusively for providing services to the customers of the Second Party and its associates and the First Party shall not be entitled to offer its services to any third party during the subsistence of this agreement.
13. The Second Party shall be entitled to display its signage prominently along with signage of its principals.
14. That in case of any dispute between the parties, the matter shall be resolved by arbitration under the provisions of Arbitration and Conciliation Act, 1996. The place of arbitration shall be at Secunderabad and the proceedings shall be in English. The place of legal jurisdiction shall be at Secunderabad.

IN WITNESS whereof this agreement is signed and executed by the parties in presence of the following witnesses on the date first above mentioned, at Hyderabad.

WITNESSES:

1.

G. K. Anwar Ali

2.

M. Hanish Anwar

For Viswajit Casting & Engineering Works

First Party.

Proprietor

For Fortune Automobiles (India) Pvt. Ltd.

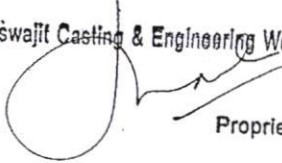
Second Party. Director

Appendix - A

Charges payable by the Second party to the First party for the services rendered as follows:-

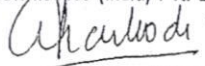
1. Rs. 500/- per accident repair car.
2. Rs. 100/- per car for general service.

For Viswajit Casting & Engineering Works



Proprietor

For Fortune Automobiles (India) Pvt. Ltd.



Director