

पश्चिमवङ्ग पश्चिम बंगाल WEST BENGAL

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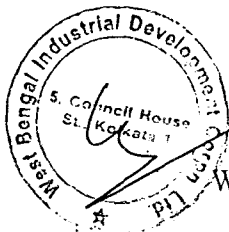
JOINT VENTURE DEVELOPMENT AGREEMENT

BETWEEN

BENGAL AEROTROPOLIS PROJECTS LIMITED

AND

WEST BENGAL INDUSTRIAL DEVELOPMENT CORPORATION LIMITED



WBIDC

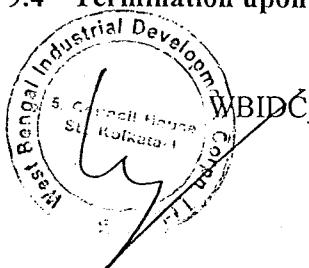
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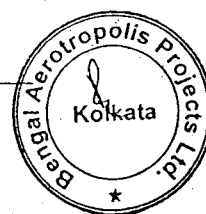
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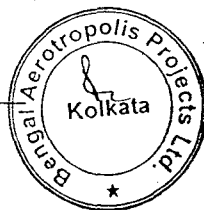


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Between

Bengal Aerotropolis Projects Limited, a company registered under the Companies Act, 1956 having its registered office at Vaibhav, 4F (East Wing), 4 Lee Road, Kolkata 700020 in the state of West Bengal (hereinafter referred to as “**BAPL**” which expression shall, unless it be repugnant to or inconsistent with the context, mean and include its successors and permitted assigns) of the **FIRST PART**;

AND

West Bengal Industrial Development Corporation Limited, a government company incorporated under the Companies Act, 1956, having its office at 5, Council House Street, Kolkata 700001, hereinafter referred to as “**WBIDC**” (which expression shall, unless excluded by or repugnant to the context be deemed to mean and include its executors, administrators, representatives, successors and permitted assigns) of the **SECOND PART**

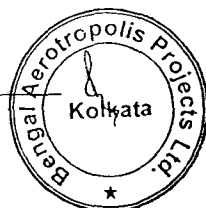
BAPL and WBIDC are hereinafter individually referred to as “**Party**” and collectively as “**Parties**”.



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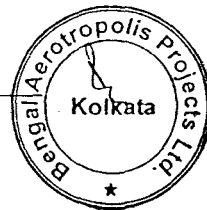
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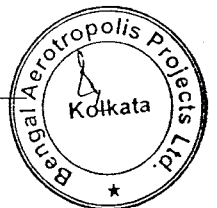
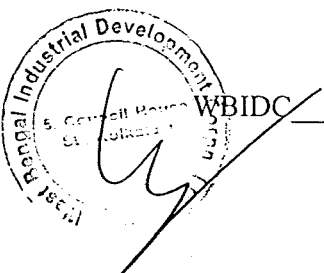
WHEREAS:

- A. BAPL is a company incorporated under the Act, having its registered office at Vaibhav, 4F (East Wing), 4 Lee Road, Kolkata 700020 in the state of West Bengal.
- B. Pragati Social Infrastructure and Development Limited (“PSIDL”) and its Partners more particularly detailed in Schedule III are *inter alia*, the promoters of BAPL. PSIDL, an infrastructure solution company is a joint venture between Housing and Urban Development Corporation Limited (“HUDCO”) and Pragati Growth and Development Limited established pursuant to a joint venture agreement dated March 29, 2005.
- C. PSIDL is engaged in catalyzing infrastructure projects by getting into collaborations and understandings with state governments and their agencies, experts and private sector participants in infrastructure projects.
- D. The Durgapur - Asansol region (“**Prospective Region**”) in Bardhaman district is one of the most centrally located industrial zones in eastern India. In line with the potential of and focus on the Prospective Region, PSIDL has identified opportunity for developing an aerotropolis comprising an airport, an industrial zone including an information technology park and a township in this Prospective Region. PSIDL requires approximately two thousand three hundred (2300) acres of land for implementation of the Project.
- E. The Ministry of Civil Aviation, Government of India had, vide its letter (file no. AV. 20036/002/2007-AAI dated February 14, 2007) addressed to the Chief Secretary, Government of West Bengal, granted preliminary clearance for commissioning of pre-feasibility study for the proposed airport. PSIDL had engaged L&T Ramboll for conducting such pre-feasibility study and had submitted the pre-feasibility report to the Ministry of Civil Aviation. The Ministry of Civil Aviation, Government of India, upon examining the said pre-feasibility report and in consultation with the Airport Authority of India (“AAI”) had, vide its letter (No. AV.20036/002/07-AAI dated July 26, 2007),



issued a "No Objection" for preparation of the Techno Economic Feasibility Report ("TEFR"). The pre feasibility report has already been submitted by PSIDL to the Ministry of Civil Aviation on June 22, 2007.

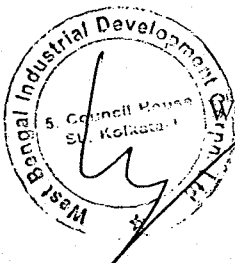
- F. WBIDC is the premier nodal agency of the GoWB responsible for promoting industrial development in the state of West Bengal. PSIDL had therefore entered into a memorandum of understanding dated June 27, 2006 with WBIDC wherein WBIDC has agreed to extend all support as may be required for implementation of the Project to PSIDL.
- G. WBIDC being satisfied that the Project is in consonance with the Land Use and the Development Control Plan, has agreed to purchase the land as identified by PSIDL for the Project and transfer the land by way of lease for a period of 99 to 999 years as the case may be subject to government approvals and as per terms of the lease agreement to be entered into separately, to PSIDL with a further option for automatic renewal in accordance with terms and conditions mentioned hereunder. WBIDC has also agreed to grant, obtain or facilitate as the case may be, obtaining of all permissions and Approvals, as may be required for the successful implementation of the Project.
- H. WBIDC, PSIDL and Asansol Durgapur Development Authority had entered into a Joint Venture Development Agreement dated June 20, 2007 ("JVDA") to jointly implement the Project. However, with the revision in the intention of the parties to the JVDA, WBIDC and PSIDL had entered into a fresh agreement dated December 19, 2007 ("New JVDA") to record their rights and obligations, which supercedes the JVDA. The JVDA has been cancelled by the execution of a cancellation and mutual release agreement dated 11th January 2008.
- I. The New JVDA provides that the Project may be developed by PSIDL either by itself or through its nominees. Pursuant to clause 11.12 of the New JVDA, PSIDL has nominated BAPL for implementation of the Project. PSIDL and WBIDC have agreed that all the rights and obligations of PSIDL under the New JVDA would be novated in favour of BAPL, on the signing of a fresh



joint development agreement between the Parties, reflecting the rights and obligations novated in favour of BAPL.

J. The Parties are therefore executing this Agreement to define the rights responsibilities, obligations and liabilities of each of the Parties inter-se towards the Project and its implementation thereof.

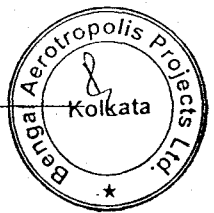
IN CONSIDERATION OF THE MUTUAL PROMISES, COVENANTS AND CONDITIONS HEREINAFTER SET FORTH, THE RECEIPT AND SUFFICIENCY OF WHICH IS HEREBY ACKNOWLEDGED, THE PARTIES HERETO AGREE AS FOLLOWS:



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ARTICLE I: DEFINITIONS & INTERPRETATION

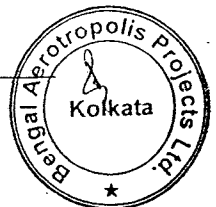
1.1 Certain defined terms

In this Agreement (including the recitals above, the Schedules and the annexure hereto), except where the context otherwise requires, capitalized terms shall have the same meaning as ascribed to in Schedule I.

1.2 Certain rules of interpretation:

In this Agreement:

- (a) the descriptive headings of Sections are inserted solely for convenience of reference and are not intended as complete or accurate descriptions of the contents thereof and shall not be used to interpret the provisions of this Agreement;
- (b) the use of words in the singular or plural, or with a particular gender, shall not limit the scope or exclude the application of any provision of this Agreement to any Person or Persons or circumstances as the context otherwise permits;
- (c) the terms "hereof", "herein", "hereto", "hereunder" or similar expressions used in this Agreement mean and refer to this Agreement and not to any particular section of this Agreement. The terms "Section" or "sub-section" mean and refer to "Section" or "sub-section" of this Agreement so specified;
- (d) the Schedules form an integral part of this Agreement;
- (e) references to any statute or statutory provision shall be construed as references to such statute or statutory provision as respectively amended or re-enacted or as their operation is modified by any other statute or statutory provision, whether before or after the date of this Agreement, and shall include any provisions of which there are re-enactments, whether with or without modification, and shall include



subordinate legislation made under the relevant statute;

(f)

reference to this Agreement or to any other agreement or deed or document or other instruments shall be construed as a reference to the Agreement, any other agreement, deed, document, or other instruments as amended, varied, supplemented, substituted, novated or modified from time to time.



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ARTICLE II: PURPOSE AND SCOPE, PROJECT

2.1 Purpose and Objective

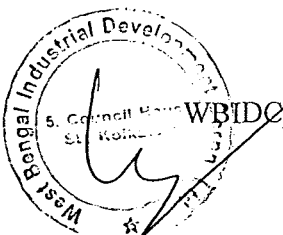
2.1.1 The objective of the Project is to create an industrial, urban and social infrastructure with the airport as its central component by providing an integrated development with forward linkages to industry, trade, education, urban amenities, tourism and other related facilities in an interdependent manner.

2.1.2 WBIDC is the nodal agency for promotion of infrastructure for industry, trade and commerce in the state of West Bengal including the Prospective Region. WBIDC has in order to promote the overall growth of the Prospective Region, agreed to enter into the Agreement and do such things and extend such support to BAPL as may be required for implementation of the Project, in accordance with the terms and conditions of the Agreement.

2.2 Project

2.2.1 The Project shall be implemented by BAPL or its nominee(s)/assign(s) or any other Person nominated by BAPL over 2300 acres (two thousand three hundred acres) approximately and shall comprise the following: -

- a) An airport, and related infrastructure (“**Airport**”) covering an area of approximately 650 acres.
- b) An *industrial park* comprising of integrated facilities for hi-tech enterprises, standard design factories and office park, *logistics hub* and an *information technology park* (“**IT & Industrial Park**”) covering an area of approximately 550 acres.
- c) Institutional area including social infrastructure such as hospital, market, retail and commercial, school, theme park, community centre, etc. (“**Social Infrastructure**”) covering an area of approximately 450 acres.



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d) Housing for high, middle, low income group and economically weaker section of the society ("**Housing**") covering an area of approximately 650 acres.

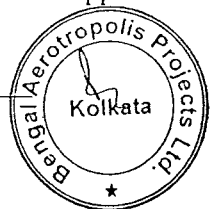
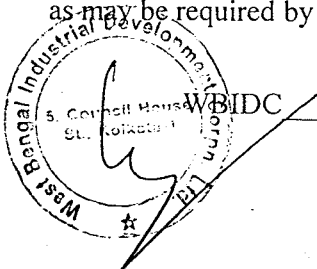
The items mentioned in clause (b) and (c) are defined as "**Supporting Township**".

Each of the Airport, IT& Industrial Park, Social Infrastructure and Housing are hereinafter collectively referred to as "**Project Units**" and individually as "**Project Unit**".

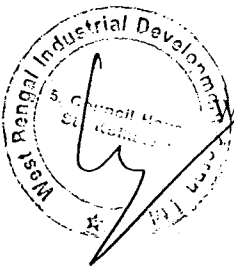
2.2.2 Notwithstanding the approximate acreage mentioned in Section 2.2.1 above, the Parties agree that the above Project Units may be combined and implemented as one or more number of Project Units, in such manner as may be decided by BAPL. Provided however that, there shall not be any reduction in the area of the Airport which shall remain 650 acres although the area may subsequently be enhanced if it is deemed expedient by BAPL in consultation with WBIDC.

2.2.3 The Project shall be developed in accordance with the basic parameters set out in the Project plan as detailed in Schedule II ("**Project Plan**") hereto subject to such modifications as may be stipulated by the relevant Government Authority. The Project Plan shall also provide for water recycling, stipulate norms for maintaining adequate greenery, water bodies, harnessing solar power etc in accordance with the Good Industry Practice.

2.2.4 Within two (2 months from the date of this Agreement, WBIDC shall obtain or facilitate in obtaining, as the case may be, all permissions and Approvals as may be required under the West Bengal Town and Country (Planning and Development) Act, 1979 ("**Country Planning Act**") for development of the Project in accordance with the Project Plan. Provided that, BAPL shall comply with all prerequisites as may be reasonably required under the Country Planning Act and rules framed thereunder to be complied with by BAPL. In case the permissions and Approvals are to be obtained by BAPL under the Country Planning Act WBIDC shall facilitate and provide all such assistance as may be required by BAPL for obtaining such permission or Approvals.

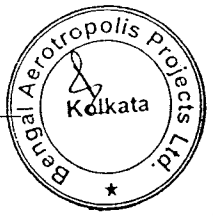


2.2.5 It is agreed between the Parties that the details of the Project, including but not limited to, the area or the Project Units, and the Project Plan as stipulated in Section 2.2.1 and Section 2.2.3 respectively, may undergo such alterations and modifications as may be deemed expedient by BAPL in consultation with WBIDC, in the light of market viability and/or in the interest of the Project. Provided however that, there shall not be any reduction in the area of the Airport which shall remain 650 acres although the area may subsequently be enhanced if it is deemed fit by BAPL in consultation with WBIDC.



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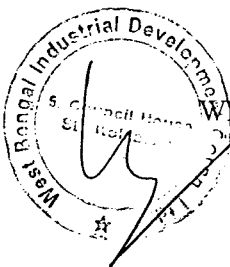


ARTICLE III: PURCHASE AND LEASE OF LAND

3.1 Procedure for purchase and lease of land

3.1.1 WBIDC shall purchase and lease approximately 2300 acres of land ("Project Land") to BAPL with a right to sub lease and also to grant subsequent sub lease in the manner as stipulated hereinbelow:

- (a) BAPL shall identify such parcels of Project Land which are contiguous, as action areas, being 100 acres or more ("Identified Land") to be purchased in the Prospective Region.
- (b) BAPL shall be responsible to conduct a thorough due diligence of the Identified Land.
- (c) Upon identification of the land to be purchased, upon completion of the due diligence process, BAPL shall notify WBIDC and pay the price as may be mutually agreed to be paid for purchase of the Identified Land to WBIDC. The consideration so paid by BAPL shall be deemed to be advance against lease premium. WBIDC shall within two months of such notification and payment or such period as may be practical, to complete the following: -
 - i. Purchase the Identified Land from the land owners through a registered deed of conveyance and obtain vacant and peaceful possession in respect of such Identified Land.
 - ii. WBIDC shall on obtaining peaceful and vacant possession of the Identified Land, shall simultaneously grant possession of such Identified Land to BAPL. BAPL shall be deemed to be a licensee till such time the lease agreement is entered into between the Parties in terms of this Chapter. BAPL shall be entitled to commence preliminary work over the Identified Land on obtaining such possession.

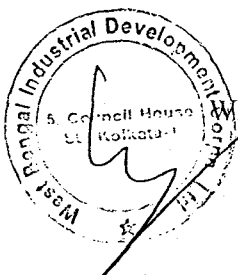


- iii. Make application to obtain the Collector's permission under section 4E of the West Bengal Land Reforms Act, 1955 if applicable.
- iv. Make application to ensure that it is recorded as the legal owner of the relevant parcel of Identified Land in the record of rights.
- v. Make application to obtain approval for change in character or use of the Identified Land under the Land Laws, including but not limited to the West Bengal Land Reforms Act, 1955 and Country Planning Act to enable BAPL to hold and to use the said Identified Land for the purpose contemplated under this Agreement.
- vi. After fulfillment of the obligations under sub section (i) to (v) of Section 3.1.1(c), lease the Identified Land to BAPL through a registered deed of lease.

WBIDC shall take all steps to ensure that the permissions and Approvals mentioned in sub section (iii) to sub-section (v) of Section 3.1.1(c) hereinabove are obtained expeditiously in order to enable BAPL and/or its nominees and/or assigns to implement the Project in accordance with this Agreement.

- (d) WBIDC shall obtain or facilitate in obtaining, as the case may be, permission from the State Government under the relevant Land Laws to acquire land in excess of the ceiling area within three (3) months from the date of obtaining Approval under Section 3.1.1(c). WBIDC shall ensure that such exemption inures to BAPL as also to any other Person who may finally develop the Project.
- (e) WBIDC shall endeavour subject to all relevant statutory approvals as applicable, to facilitate the exemption of stamp duty for the purpose of lease of the Project Land to BAPL is obtained.

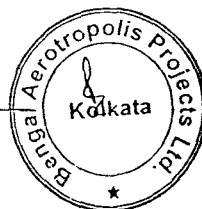
3.1.2 Terms of lease



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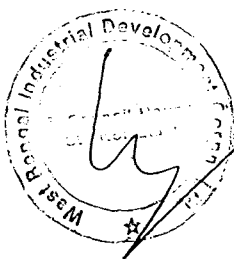
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- a) WBIDC shall grant lease of the Identified Land to BAPL as per the lease agreement to entered ito separatelyfor a period of 99 years with an option for automatic renewal. Provided that, where such Identified Land is to be used to build a Supporting Township, at the request of BAPL, WBIDC shall endeavour, subject to all relevant statutory approvals as applicable, facilitate grant of 999 years lease to the township component of the project instead of 99 years provided that it shall not under any circumstances be considered a contractual obligation of WBIDC.
- b) The annual lease rental for such lease shall be as specified by the WBIDC. BAPL shall be responsible to make payment of all the statutory payments as may be required to be made by WBIDC to the government including land revenue and cess.
- c) Subject to prevailing rules and norms of the government,the lease agreement shall, *inter alia*, grant BAPL the right to sub lease with a further right to grant such right to the sub lessee . The lease agreement shall also grant BAPL the right to grant development rights to any Person for developing the Project Land or any part thereof. The lease agreement shall also grant BAPL or any Person(s) to whom BAPL grants development rights, the right to mortgage or create any other lien over the Project Land and/or the developed units in favour of financial institutions and/or banks and/or any Persons and WBIDC shall grant all assistance for creation of such mortgage or charge in favour of such financial institutions and/or banks and/or other Persons.
- d) BAPL shall use the Project Land only for the purpose of setting up of the Project and in accordance with the terms and conditions of this Agreement and the lease conditions as may be stipulated in the lease agreement.

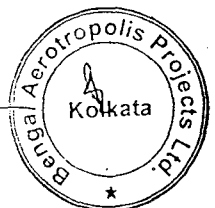
3.1.3 Rehabilitation and Resettlement



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WBIDC shall assist BAPL in the rehabilitation and reinstatement of the families and persons dispossessed on account of purchase of the land, the cost of which shall be borne by BAPL. However, BAPL and its successors and assigns shall be responsible for the rehabilitation and reinstatement of the displaced families. BAPL shall abide by and implement the resettlement and rehabilitation policy of the State Government issued from time to time.

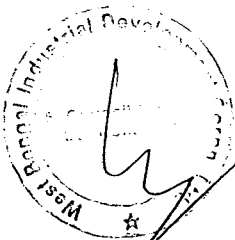
3.1.4 Indemnity & Reimbursement of Cost & Expenses

BAPL shall indemnify WBIDC from and against any and all claims, damages, liabilities, costs, penalties, litigation, proceedings and expenses of any nature which WBIDC may incur or suffer including of any defect in title of the Person from whom WBIDC purchases the Identified Land provided that such purchase has been made in accordance with this Agreement. BAPL shall reimburse to WBIDC all costs and expenses incurred by WBIDC or its agencies in carrying out its obligations and consequential events including but not restricted to tax or duty payments, legal costs etc.

3.1.5 Payment to WBIDC

In consideration of WBIDC purchasing the Project Land, BAPL shall pay WBIDC a sum of Rs. 5.50 crores plus applicable taxes as administrative charges. The payment shall be made in the manner as stipulated herein below:

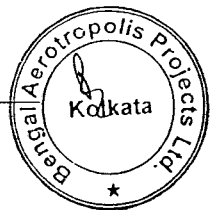
- a. Rs. 90 lacs advance to be paid by BAPL to WBIDC within 30 days from the date of signing of the Agreement which shall be adjusted at the rate of Rs. 4000 per acre on a pro rata basis on grant of lease in accordance with clause 3.1.2(a) hereinabove.
- b. Additional Rs. 20 lacs per 100 acres shall be paid upon notification by BAPL to WBIDC in accordance with Section 3.1.1(c) and 4.2, based on the total area comprising the Identified Land.



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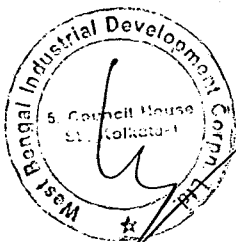
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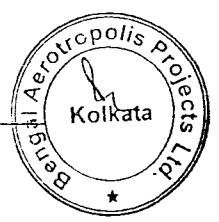
3.2 Taxes, costs and levies

3.2.1 BAPL shall be solely liable for all costs incurred including fees of operators, contractors, architects, lawyers, engineers, consultants, labours, materials and other services that may be required for the successful completion of the Project and for all municipal taxes, cesses etc. that may have to be paid for the development and other connected facilities thereto including construction of access roads, and for other such incidental matters.



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ARTICLE IV: AIRPORT

4.1 Site selection

4.1.1 The site selection for the Airport in consultation with the, Ministry of Civil Aviation and the Airport Authority of India has already been completed. PSIDL has already submitted the Pre Feasibility Report to the Ministry of Civil Aviation on June 22, 2007. In the event the site recommended for the Airport on the basis of the techno economic feasibility study is other than the part earmarked for the Airport as stipulated in Schedule II, but is a part of the Project Plan, the Parties shall jointly modify the Project Plan to such extent as to accommodate the changed circumstances and all other provisions of this Agreement shall remain unchanged.

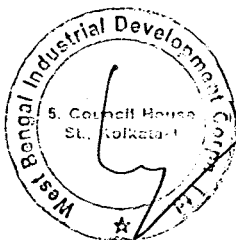
4.2 Additional Land for Airport Development

WBIDC hereby confirms that it shall make best endeavors to make such additional land available to BAPL, not exceeding 350 acres, as may be required by BAPL for expansion and development of the Airport and has been identified by BAPL for such purpose.

4.3 Condition Precedent for development of other Project Units

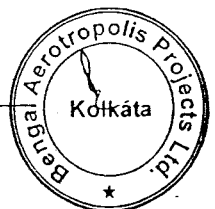
4.3.1 BAPL agrees that achieving the financial closure and obtaining the approval of the Ministry of Civil Aviation/ Director General of Civil Aviation in respect of development of the greenfield Airport shall be a condition precedent to commencement of development of any other Project Units. However, development of housing for economically weaker section and Social Infrastructure components such as theme park may start after financial closure has been achieved, but before the approval of Ministry of Civil Aviation/ Director General of Civil Aviation is obtained.

4.4 Facilitation by WBIDC

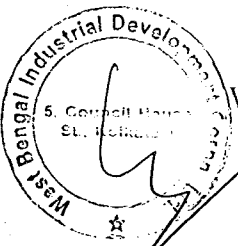


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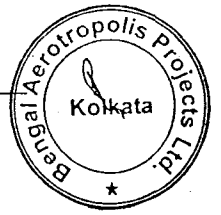
WBIDC confirms that it shall endeavour to remove and/or relocate of all moveable obstacles such as high-voltage power transmission lines, telegraph and telephone lines etc., within the Project Land and its vicinity that are identified in course of the Techno Economic Feasibility Study as representing an obstacle and that require removal and/or relocation for development of the Airport. The cost for such removal/ relocation shall be borne by BAPL.



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BAPL



ARTICLE V: SUPPORTING TOWNSHIP

5.1 Declaration of township

5.1.1 Within two (2) months from the Agreement Date, WBIDC shall obtain or facilitate to obtain, as the case may be, all permissions and Approvals as may be required under the West Bengal Town and Country (Planning and Development) Act, 1979 ("Country Planning Act") for development of the Project in accordance with the Project Plan. Provided that, BAPL shall comply with all prerequisites as may be reasonably required under the Country Planning Act and rules framed thereunder to be complied with by BAPL. In case the permissions and Approvals are to be obtained by BAPL under the Country Planning Act WBIDC shall provide all such assistance as may be required by BAPL for obtaining such permission or Approvals.

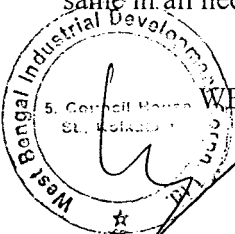
5.1.2 WBIDC shall ensure that the Land Use Development Control Plan and the Development Scheme, if any for the Project area under the West Bengal Town & Country (Planning & Development) Act, 1979, shall specifically state that the area will be used only for the Project and in accordance with the master layout plan to be developed by BAPL.

5.2 Development of Township & Commercial Area

5.2.1 BAPL shall assume overall responsibility for the development and implementation of the Supporting Township.

5.2.2 BAPL shall develop and/or cause the Supporting Township and other facilities to be developed in accordance with the basic parameters set out in the Project Plan.

5.2.3 BAPL shall undertake development in relation to the Supporting Township within a period specified in Section 5.4.1 below and substantially complete the same in all necessary respects.



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BAPL



5.3 Procedure for development

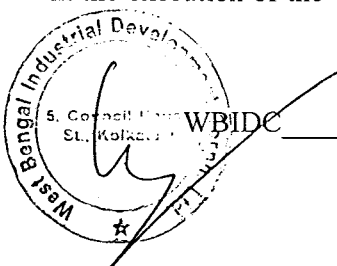
5.3.1 For the purpose of development of the Supporting Township, WBIDC shall as required, assist the Project Plan to be approved by the relevant municipal or panchayat authority and other authorities.

5.3.2 For the purpose of development and operation of the Project Units of the Supporting Township or parts thereof, BAPL shall be entitled to appoint, engage and employ such consultants, independent contractors, operators, sub-contractors, engineers, labourers, caretakers, guards and other staffs and employees etc., at such remuneration and on such terms and conditions as may be deemed necessary by BAPL. Such agencies/employees shall be deemed to be engaged by BAPL and WBIDC shall not in any way be liable or responsible for their salaries, wages, remuneration etc. and other contractual liabilities, consequential losses/damages and shall be kept indemnified in respect hereof.

5.3.3 BAPL shall solely be responsible, either directly or through agencies which BAPL may appoint, to oversee, supervise, manage and administer the progress and day to day work of development of the Supporting Township and shall not violate any municipal and statutory rules and laws and always abide by and observe all the rules and procedures and practices usually followed in carrying out the development of the Supporting Township.

5.3.4 Subject to prevailing rules and norms of the government, BAPL will be entitled to sublease parcels of the Project Land with the right to grant further sublease and shall also be entitled to deliver possession thereof and/or transfer the units of the Supporting Township to any purchaser/sub-lessee and WBIDC shall not interfere with the decision of BAPL in that respect, provided that, BAPL duly performs its obligations under this Agreement. Provided further that, such transfer is in furtherance of the objectives of the Project.

5.3.5 WBIDC shall not be held responsible for any delay, defective development etc. in the execution of the works until and unless the delay can be attributable to



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BAPL



any fault or negligence of WBIDC causing an impediment to the progress of the Supporting Township.

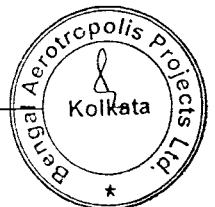
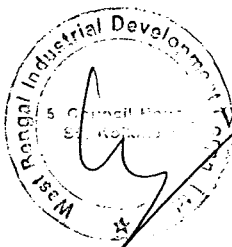
5.3.6 BAPL shall be authorized to do such things as are necessary for raising finance for the execution of the Supporting Township and for that purpose, as lessee of the Project Land, be entitled to create a mortgage or any other lien over the Project Land and/or the constructed units in favour of the financial institution and banks and other Persons and WBIDC shall grant all assistance for creation of such mortgage or charge in favour of financial institution and banks and other Persons.

5.3.7 Notwithstanding anything contained herein, the responsibility of BAPL in respect of the Project shall consist of development of necessary and relevant infrastructure such as roads, power, water drainage, sewage treatment etc. BAPL shall own the Infrastructure Facilities as may be developed by BAPL for the Project and have the right to deal with the same on such terms as it may deem fit. BAPL shall be entitled to appoint any Person as it may deem fit for maintenance of the Infrastructure Facilities, the cost of which shall be passed on to the developer, or the sub-lessee, as the case may be.

5.3.8 BAPL shall be responsible for adequate security at the Project Land at its own cost.

5.4 Completion

5.4.1 BAPL shall endeavour to achieve substantial completion of the Supporting Township within five (5) years from purchase of the entire Project Land required for the Supporting Township unless the said term has been extended by mutual consent of the Parties, which shall however be subject to the approval of the plans and/or parts thereof, and other statutory approvals and sanctions, force majeure and other extrinsic reasons beyond BAPL's control for which the said period shall stand accordingly extended. For the purpose of this Agreement 'completion' shall mean construction of necessary and relevant infrastructure

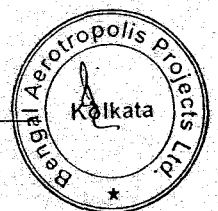


such as roads, power, water drainage and sewage treatment for the Supporting Township.

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BAPL



ARTICLE VI: CONSENTS AND INCENTIVES

6.1 Consents and Approvals

6.1.1 Consents and Approvals for purchase of Land

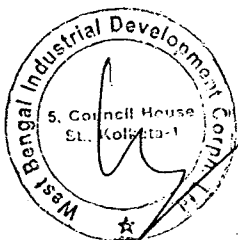
6.1.1.1 WBIDC shall, at the time of granting the lease in favour of BAPL, shall obtain or facilitate in obtaining, as the case may be, all consents, Approvals, permissions and confirmations under various laws, statutes, orders, directions in order to enable BAPL to hold and/or own and/or use the Project Land as contemplated under this Agreement immediately upon obtaining the possession thereof. WBIDC shall endeavour for the procurement of such other Approvals and consents as may be mutually decided between the Parties as required to be obtained by BAPL to be able to hold and/or own and/or use the Project Land as contemplated under this Agreement.

6.1.1.2 Without prejudice to the generality of the aforesaid Section 6.1.1.1, WBIDC shall obtain or facilitate in obtaining, as the case may be, the consents as stipulated in Article III in accordance with the terms mentioned therein.

6.1.1.3 Off-site Infrastructure

WBIDC shall endeavour in providing and/or procuring and/or making available to BAPL in accordance with Good Industry Practice, such off-site infrastructure, which shall include but not be limited to power, water, sewerage, access roads, telecommunication and such other infrastructure as may be required for the successful implementation of the Project. WBIDC shall endeavour to ensure that the said off-site infrastructure is made available upto the periphery of the Project Land. The expenses incurred in making available such offsite infrastructure shall be borne by BAPL.

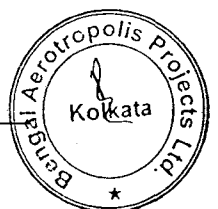
6.1.2 Consents & approvals for Airport



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BAPL



6.1.2.1 WBIDC shall use its best efforts and good offices to facilitate the execution of a concession agreement and/or any other documentation as may be required, between the Government of India and BAPL.

6.1.2.2 WBIDC shall endeavour to facilitate in obtaining all consents, approvals, permissions and confirmations under various laws, statutes, orders, directions in order to enable BAPL to build, operate and develop the Airport as contemplated under this Agreement and in order to ensure that the Government of India executes a concession agreement, if such concession agreement is required to be executed, with BAPL.

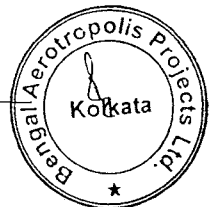
6.1.2.3 Without prejudice to the generality of the aforesaid Section, WBIDC shall endeavour to facilitate in obtaining the following consents with respect to the Airport:-

- i) Environmental clearance from the Ministry of Environment and Forests, Government of India.
- ii) Consent to establish unit under section 25 of the Water (Prevention & Control of Pollution) Act, 1974 and under section 21 of Air (Prevention & Control of Pollution) Act, 1981.
- iii) Consent for discharge of sewage and/or trade effluent under section 25/26 of Water (Prevention and Control of Pollution) Act, 1974.

6.1.2.4 Without prejudice to the generality of Section 6.1.2.2 herein above, WBIDC shall endeavour in obtaining the approval of the Central Government for the Airport project subsequent to the TEFS.

6.1.3 Consents and Approvals for Industrial Park and IT Park.

6.1.3.1 WBIDC shall endeavour in procuring for the Industrial /IT Park to be established by BAPL, all concessions, consents, approvals, exemptions permissions as normally granted by the State Government for Industrial Park/IT Park.



6.1.4 Consents and Approvals for Supporting Township

6.1.4.1 All permissions, Approvals and/or sanctions required for development, erection and completion of the Supporting Township including the obtaining of all utilities and facilities required for the efficient operation of the Supporting Township or as may be reasonably required by BAPL shall be endeavoured by WBIDC.

6.1.4.2 Without prejudice to the generality of the aforesaid Section 6.1.4.1, WBIDC shall obtain or facilitate in obtaining, as the case may be, the Approvals as stipulated in Section 2.2.4.

6.2 Incentives

WBIDC shall endeavor to ensure that the State Government support is obtained on the following lines:

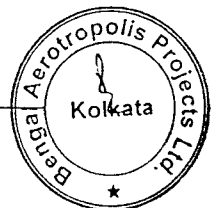
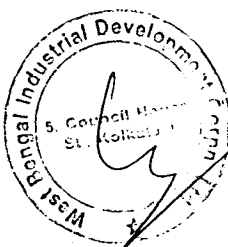
6.2.1 Sanction of master layout plan and other exemptions.

6.2.2 WBIDC shall endeavour in sanctioning of building plans of individual units that are developed as part of the Project in an expeditious manner as long as such buildings/construction comply with the building bye-laws as may be applicable to the Project area.

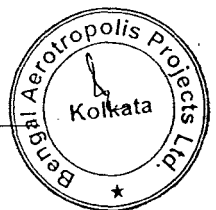
6.2.3 Exemption from electricity duty or taxes on sale, of self generated or purchased electric power for use in the Airport and the industrial units located within the Project area as per incentive policy in vogue

6.2.4 Allow generation, transmission and distribution of power within the Project area subject to the provisions of the Electricity Act, 2003.

6.2.5 Exemption from various state taxes, levies, duties, sales tax, and any other taxes levied by local bodies on goods required for the development, operation and maintenance of the Airport or any industrial unit located within the Project area as per incentive policy in vogue.



- 6.2.6 Exemptions and Approvals as may be required from the State Government or other statutory authorities under various relevant statutes which would be required for effective implementation of the Project.
- 6.2.7 To provide sufficient quantities of Utilities (to the extent that these Utilities are generally provided by the GoWB, its departments or agencies or entities substantially owned or controlled by the GoWB) for the Project on payment basis upto the periphery of the Land.
- 6.2.8 Cleanliness needs to be maintained in and around the area surrounding the airport so as to avoid the presence of birds and animals which may interfere with the smooth operation of the Airport and affect the safety of the aircraft. In the light of the foregoing, WBIDC will liaise as necessary with State Government so that it takes best endeavors through its local bodies to maintain cleanliness in and around the area surrounding the Airport, which is outside the Project area to prevent any kind of interference in, or harm to, the operation of the airport resulting from the presence of birds and animals in such area.
- 6.2.9 Normal and routine policing at the Project for the maintenance of law and order. BAPL shall make available at the Project reasonable office accommodation at its cost to enable GoWB to carry out the said function.



ARTICLE VII: REPRESENTATIONS AND WARRANTIES

7.1 General representations

7.1.1 Each Party represents and warrants to the other Parties that:

- i) it has full power and authority to execute, deliver and perform its obligations under this Agreement;
- ii) it has taken all necessary action to authorize the execution, delivery and performance of this Agreement;
- iii) this Agreement constitutes the legal, valid and binding obligation of it, enforceable against it in accordance with the terms hereof;
- iv) its representations and warranties shall stand true and valid during the tenure of this Agreement and it shall have an obligation to disclose to the other Party as and when any of its representations and warranties ceases to be true and valid.

7.2 BAPL representations

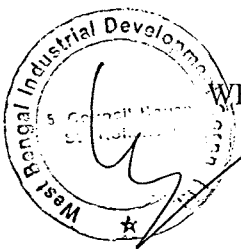
7.2.1 BAPL represents and warrants that:

- i) It shall use the Project Land only for the purpose of the Project.
- ii) It shall implement the Project in conformity with the sanction and Approvals granted by the Governmental Authority.

7.3 WBIDC representations

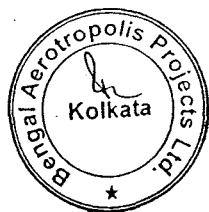
7.3.1 WBIDC represents and warrants that:

- i) WBIDC shall provide all reasonable assistance as may be required for the identification of parcels of the Project Land.
- ii) It shall obtain or grant or facilitate in obtaining, as the case may be the procurement of the Approvals as may be required to be granted or obtained by it under the Agreement.



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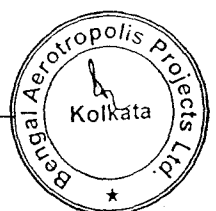
- iii) It shall render all assistance and cooperation as may be required by BAPL for successful implementation of the Project.
- iv) In the event of any action or suit to prevent, prohibit or otherwise challenge the Project by any Government Authority, trade union, environmental group or any other person or organization, which might reasonably be expected to materially and adversely affect the Project, the implementation of the Project or the enjoyment by BAPL of its rights and benefits under the Agreement granted herein, WBIDC shall, if requested by BAPL in writing, on a best effort basis, take such reasonable action as is available to it to challenge and to mitigate such efforts and effects.
- v) The Project Plan is in consonance with the Land Use and Development Control Plan.



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ARTICLE VIII: FORCE MAJEURE

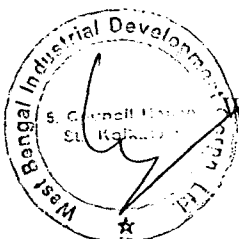
8.1 Force Majeure Event

8.1.1 Force Majeure Event shall mean any event or circumstance or a combination of events and circumstances set out hereunder or the consequence(s) thereof which affect or prevent the Party (WBIDC or BAPL) claiming force majeure (“Affected Party”) from performing its obligations in whole or in part under this Agreement and which event or circumstance (i) is beyond the reasonable control and not arising out of the fault of the Affected Party, and (ii) the Affected Party has been unable to overcome such event or circumstance by the exercise of due diligence and reasonable efforts, skill and care, and (iii) has a Material Adverse Effect.

Such events include:

A. Non Political Events/Other Event of Force Majeure

- i) Acts of God or natural disasters beyond the reasonable control of the Affected Party which could not reasonably have been expected to occur, including but not limited to storm, cyclone, typhoon, hurricane, flood, landslide, drought, lightning, earthquakes, volcanic eruption or exceptionally adverse weather conditions affecting the implementation of the Project.
- ii) Radio active contamination, ionizing radiation.
- iii) Epidemic, famine.
- iv) Strikes, works to rule or go-slows (other than by employees of the Party claiming the same as an event of force majeure or of any shareholders of such Party, or by employees of any direct or indirect Affiliate, parent or subsidiary of any shareholder of such Party).
- v) Any event or circumstances of a nature analogous to any of the foregoing.



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B. Political Events/Event of Governmental Force Majeure

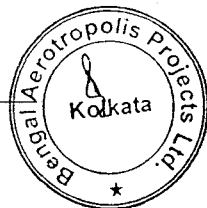
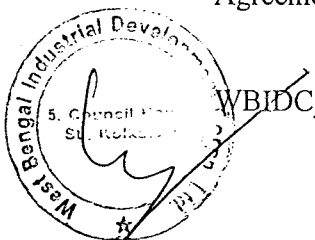
- i) Expropriation or compulsory acquisition by any Government Authority of the Project Land or rights of BAPL; provided the same has not resulted from an act or default of BAPL.
- ii) An act of war (whether declared or undeclared), invasion, armed conflict or act of foreign enemy, blockade, embargo, revolution, riot, insurrection, terrorist or military action, nuclear blast / explosion, sabotage or civil commotion.
- iii) Action or failure to act by a Government Authority, that results in a Governmental Authorization:
 - (a) ceasing to remain in full force and effect otherwise than through a breach of the Governmental Authorization by the Affected Party; or
 - (b) not being issued or renewed upon application having been timely and properly made.

8.2 Notice of Force Majeure Event

8.2.1 The Affected Party shall give notice to the other Parties in writing of the occurrence of any of the Force Majeure Event (“the Notice”) as soon as the same arises or as soon as reasonably practicable and in any event within 7 (seven) days after the Affected Party knew, or ought reasonably to have known, of its occurrence and the adverse effect it has or is likely to have on the performance of its obligations under this Agreement.

8.2.2 The Notice shall, *inter-alia*, include full particulars of:

- i. the nature, time of occurrence and extent of the Force Majeure Event with evidence in respect thereof;
- ii. the duration or estimated duration and the effect or probable effect which such Force Majeure Event has or will have on the Affected Party’s ability to perform its obligations or any of them under this Agreement;



- iii. the measures which the Affected Party has taken or proposes to take, to alleviate the impact of the Force Majeure Event or to mitigate the damage; and
- iv. any other relevant information.

8.2.3 So long as the Affected Party continues to claim to be affected by a Force Majeure Event, it shall provide the other Parties with periodic (fortnightly) written reports containing the information under Section 8.2.2 and such other information as the other Parties may reasonably request.

8.3 Period of Force Majeure

8.3.1 Period of Force Majeure shall mean the period from the time of occurrence specified in the Notice given by the Affected Party in respect of the Force Majeure Event until the expiry of the period during which the Affected Party is excused from performance of its obligations in accordance with Section 8.4.

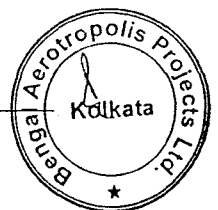
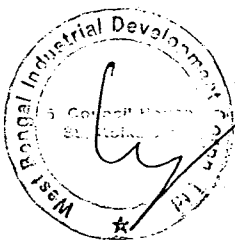
8.4 Performance Excused

8.4.1 The Affected Party, to the extent rendered unable to perform its obligations or part thereof under this Agreement as a consequence of the Force Majeure Event, shall be excused from performance of the obligations provided that the excuse from performance shall be of no greater scope and of no longer duration than is reasonably warranted by the Force Majeure Event.

8.5 Resumption of Performance

8.5.1 During the Period of Force Majeure, the Affected Party shall in consultation with the other Party, make all reasonable efforts to limit or mitigate the effects of the Force Majeure Event on the performance of its obligations under this Agreement.

8.5.2 The Affected Party shall also make efforts to resume performance of its obligations under this Agreement as soon as possible and upon resumption shall notify the other Party of the same in writing. The other Party shall afford all reasonable assistance to the Affected Party in this regard.



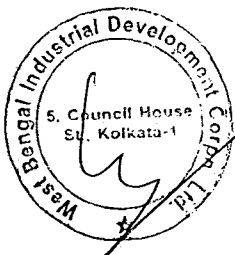
8.6 Costs, Revised Timetable

8.6.1 Each Party shall bear its costs, if any, incurred as a consequence of the Force Majeure Event.

8.6.2 To the extent the performance of the obligations of the Affected Party is affected by the Force Majeure Event, the time period for the performance of the obligations of the Affected Party shall be extended by a similar time period on a day to day basis.

8.7 Consultation and Duty to Mitigate

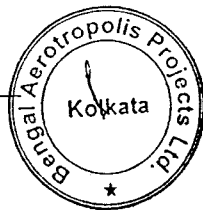
8.7.1 The Parties shall consult with each other to determine the reasonable measures to be implemented to minimise the losses of each Party resulting from the Force Majeure Event.



WBIDC

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ARTICLE IX: EVENTS OF DEFAULT AND TERMINATION

9.1 Event of default by WBIDC

9.1.1 The following events shall be construed as events of default on the part of WBIDC unless such an event has occurred as a consequence of a Force Majeure Event and WBIDC has made diligent efforts to the reasonable satisfaction of BAPL to avoid the Force Majeure Event and the effects thereof (the “WBIDC Event of Default”):

- i) WBIDC fails to purchase the Project Land in accordance with this Agreement, but shall not include any delay caused by injunctive or restraining court order
- ii) WBIDC is in/commits a Material Breach of this Agreement.
- iii) WBIDC fails to obtain or facilitate in obtaining, as the case may be, the Approvals as may be required for setting up the Project. Provided that in the event WBIDC is facilitating such Approvals, BAPL has complied with all requisites as may be reasonably required under law to be complied with by BAPL under law for such Approvals. However, shall not include any delay caused by injunctive or restraining court order
- iv) WBIDC repudiates this Agreement or otherwise takes any action or evidences or conveys an intention not to be bound by this Agreement.
- v) Any act or omission by WBIDC as a consequence whereof, the implementation of the Project is rendered unviable.
- vi) The occurrence of a breach identified as an event of default under any other document as may be entered into by the Parties.

9.2 Event of default by BAPL

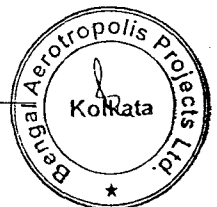
9.2.1 The following events shall be construed as events of default on the part of BAPL unless such an event has occurred as a consequence of a Force Majeure



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BAPL



Event and BAPL has made diligent efforts to the reasonable satisfaction of WBIDC to avoid the Force Majeure Event and the effects thereof (the “BAPL Event of Default”):

- i) If BAPL fails to implement the Project in accordance with the sanctions and Approvals granted by the Governmental Authority.
- ii) BAPL is in/commits a Material Breach of this Agreement or if BAPL fails to accept lease of the Project Land in accordance with the Agreement.
- iii) If BAPL fails to obtain all requisite approvals from the Ministry of Civil Aviation or the Director General of Civil Aviation necessary for development of the Airport within three (3) years from the Agreement Date.
- iv) If BAPL fails to implement and make the Airport commercially operational within five (5) years from the Agreement Date or within three (3) years from the date of lease of Project Land, whichever is later,
- v) If BAPL is adjudged bankrupt or insolvent.
- vi) If BAPL commits a breach under any other document by which it may be bound which has a direct bearing on the Project.
- vii) If BAPL and/or its property goes into liquidation, winding up, receivership, reorganization, compulsory composition or dissolution.

9.3 Termination

9.3.1 Upon the occurrence of WBIDC Event of Default or BAPL Event of Default, the following procedure shall apply:

- i) The Party that is not the subject of such event may give a Default Notice to the other Party, specifying in reasonable detail the WBIDC Event of Default or BAPL Event of Default, as the case may be, giving rise to such Default Notice and demanding remedy thereof



WBIDC

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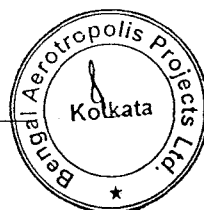
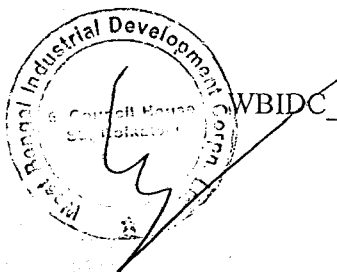
within the **Cure Period**, which shall be a period of not less than 90 days; and

- ii) During the Cure Period, the Parties shall consult as to what steps shall be taken with a view to:
 - a) mitigate the consequences of;
 - b) cure such WBIDC Event of Default or BAPL Event of Default, as the case may be; And
 - c) Extend the Cure Period if warranted.
- iii) At the expiry of the Cure Period, if the applicable WBIDC Event of Default or BAPL Event of Default, as the case may be, has not been cured and the Parties have not agreed to extend the Cure Period, the Party which has given the Default Notice may terminate this Agreement by giving a Termination Notice to the other Party, whereupon this Agreement shall terminate on the date specified for termination in the Termination Notice or such later date as the Parties shall have agreed.

9.4 Termination upon Prolonged Event of Force Majeure

9.4.1 Any Party may terminate this Agreement in the event of a Prolonged Event of Force Majeure (whether an Other Event of Force Majeure or an Event of Governmental Force Majeure).

9.4.2 If a Party has the right to terminate this Agreement pursuant to this Section 9.4, it may give a Termination Notice to the other Parties specifying the date on which the Party giving the Termination Notice proposes to terminate this Agreement, which date shall not be less than sixty (60) days after the date of the Termination Notice. Upon the occurrence of such date, without prejudice to any accrued rights and subject to the satisfaction of any payment or performance obligations under Section 9.5, this Agreement shall terminate unless the Parties have agreed to extend such date.



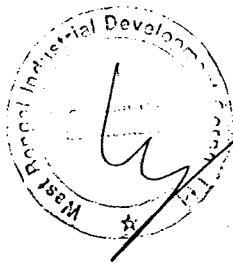
9.5 Consequences of termination

9.5.1 In the event of termination of this Agreement by BAPL due to WBIDC Event of Default, WBIDC shall pay BAPL all sums paid by BAPL to WBIDC, for purchasing the Project Land or part thereof and in respect of which leasehold interest has not been created in favour of BAPL. BAPL may, if it so desires, also be entitled to terminate the lease agreement entered into by it with WBIDC in respect of any parcel of Project Land. In such an event, BAPL shall handover possession of such Project Land or part thereof in respect of which leasehold interest has been created on repayment of lease premium by WBIDC to BAPL.

9.5.2 In the event of termination of this Agreement by WBIDC due to BAPL Event of Default, WBIDC will, resume the land from the BAPL and refund the original cost of the land and structures to be valued by mutually agreed valuers, if any, to BAPL.

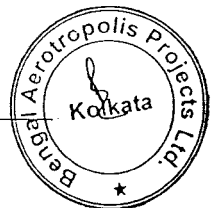
9.5.3 In the event of termination of this Agreement by WBIDC due to BAPL Event of Default as detailed in clause 9.2.1(iv) hereinabove, WBIDC shall have the right but not the obligation ("Call Option") to buy the entire shareholding of PSIDL and its Partners having serial no. 1 to 3 in Schedule III, if any, in BAPL, at par. In the event of exercise of Call Option by WBIDC, WBIDC shall ensure that the cost of such shares is paid to PSIDL and its Partners having serial no. 1 to 3 in Schedule III within three (3) months of exercise of such Call Option by WBIDC.

9.5.4 The termination shall be without prejudice to the rights which the Party may have in law against the Party in default.



WBIDC

BAPL



ARTICLE X: DISPUTE RESOLUTION

10.1 Amicable Settlement

10.1.1 If any dispute or difference or claims of any kind arises between the Parties in connection with construction, interpretation or application of any terms and conditions or any matter or thing in any way connected with or arising out of this Agreement, or the rights, duties or liabilities of any Party under this Agreement, whether before or after the termination of this Agreement, then the Parties shall meet together within seven (7) days from the date of written request made by any Party, in an effort to resolve such dispute, difference or claim by discussion between them.

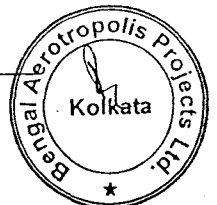
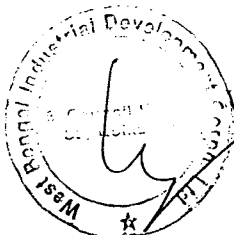
10.2 Arbitration

10.2.1 In the event the dispute or difference or claim, as the case may be, is not resolved by amicable settlement within thirty (30) days from the date of such dispute, the same shall be finally settled by binding arbitration under the Arbitration and Conciliation Act, 1996. The arbitration shall be conducted by a panel of three arbitrators. WBIDC and BAPL shall appoint one arbitrator each. The two arbitrators so appointed shall appoint the third arbitrator. The appointment of arbitrators shall be made by the Parties within 15 days from the date of request made by the Party making a written request to the other party to submit the dispute to arbitration. It is however clarified that in the event any Party fails to appoint an arbitrator, such Party shall be deemed to have waived its right to appoint arbitrator and the sole arbitrator shall be deemed to constitute the arbitral tribunal.

10.2.2 The place of arbitration shall be Kolkata but by agreement of the Parties, the arbitration hearings, if required, can be held elsewhere from time to time.

10.2.3 The award passed by the majority of the arbitrators shall be binding on the Parties.

10.2.4 The fees and expenses of the arbitrators and all other expenses of the arbitration shall be initially borne and paid by the respective Parties subject to

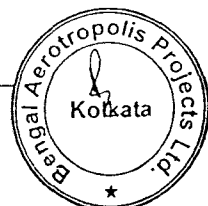


determination by the arbitrators. The arbitrators may provide in the arbitral award for the reimbursement to the prevailing Party of its costs and expense in bringing or defending the arbitration claim, including legal fees and expenses incurred by such Party.

10.2.5 Pending the submission of and/or decision on a dispute, difference or claim or until the arbitral award is published, the Parties shall continue to perform all of their obligations under this Agreement without prejudice to a final adjustment in accordance with such award.

10.3 Waiver of right to appeal

10.3.1 Each of the Parties hereby expressly waives any relevant laws and regulations, decrees or policies having the force of law that would otherwise give a right to appeal against the decision of the arbitration panel, and the Parties agree that no Party shall appeal to any court against the award or decision contained therein.



ARTICLE XI: MISCELLANEOUS

11.1 Jurisdiction

The courts at Kolkata shall have exclusive jurisdiction over all matters arising out of or relating to this Agreement.

11.2 Waiver

Any delay, inability, omission or failure of any Party to exercise any of its rights under this Agreement shall not affect or impair or be deemed to be a waiver of its rights under this Agreement and neither shall it be deemed to affect or impair its rights with respect to any continuing or subsequent default of the other Party of the same or different nature under this Agreement.

11.3 Amendment

No amendment or modification or waiver of any provision of this Agreement nor consent to any departure by any of the Parties there from, shall in any event be valid and effective unless the same is in writing and signed by the Parties or their duly authorized representative especially empowered in this behalf and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which it is given.

11.4 Notices

Unless otherwise stated, notices to be given under this Agreement including but not limited to a notice of waiver of any term, breach of any term of this Agreement and termination of this Agreement, shall be in writing and shall be given by hand delivery, recognized courier, or registered post with acknowledgement due and delivered to the Parties at their respective addresses set forth below:

If to WBIDC

WBIDC

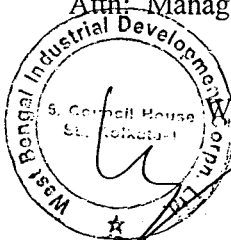
5, Council House Street

Kolkata - 700001

Attn: Managing Director

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BAPL



If to BAPL
Bengal Aerotropolis Projects Limited
Vaibhav, 4F (East Wing)
4, Lee Road
Kolkata – 700020
Attn : Director

or such address as may be duly notified by the respective Parties from time to time, and shall be deemed to have been made or delivered (i) in the case of delivery by hand, when delivered (ii) in case of recognized courier, three Business Days after dispatch by recognized courier and (iii) by registered post, five Business Days after dispatch properly addressed by registered post with postage properly paid. .

In case any Party changes its address, communication numbers, or directed attention as set forth above, it shall notify the other Party in writing prior to the adoption thereof.

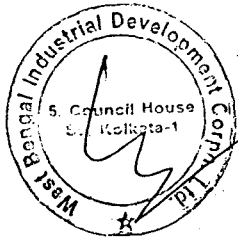
11.5 Severability

11.5.1 If for any reason whatsoever any provision of this Agreement is or becomes invalid, illegal or unenforceable or is declared by any court of competent jurisdiction or any other instrumentality to be invalid, illegal or unenforceable, such invalidity, illegality or unenforceability shall not prejudice or affect the remaining provisions of this Agreement which shall continue in full force and effect.

11.5.2 The Parties will negotiate in good faith with a view to agreeing upon one or more provisions which may be substituted, as nearly as is practicable, in place of such invalid, illegal and unenforceable provision. Provided failure to agree upon any such provisions shall not be subject to the dispute resolution procedure under this Agreement or otherwise.

11.6 Counterparts

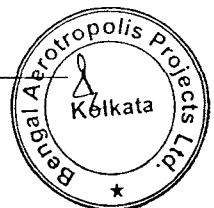
This Agreement may be executed in any number of originals or counterparts, each in the like form and all of which when taken together shall constitute one



WBIDC

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BAPL



and the same document.

11.7 Further Assurances

At all times after the date hereof the Parties shall execute all such documents and do such acts, deeds and things as may reasonably be required for the purpose of giving full effect to this Agreement.

11.8 Remedies Cumulative

The exercise of right by any of the Parties to terminate this Agreement, as provided herein, shall not preclude, such Party from availing any other rights or remedies that may be available to it under law. All remedies available to the Parties shall be cumulative and the exercise or failure thereof of one or more remedies by any Party shall not limit or preclude the exercise of or constitute a waiver of any other remedies by such Party.

11.9 Confidentiality

No Party shall, without the prior written consent of the other Party, at any time divulge or disclose or suffer or permit its servants or agents to divulge or disclose to any Person or use for any purpose unconnected with the Project any information which is by its nature or is marked as "proprietary material" or "confidential", concerning the other (including any information concerning the contents of this Agreement) except to its officers, directors, employers, agents, representatives and professional advisors or as may be required by any law, rule, regulation or any judicial process; provided, however, that a Party, with the written consent of the other Party, may issue press releases containing non-sensitive information in relation to the progress of the Project. This provision shall not apply to information:

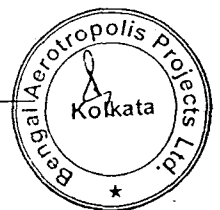
- (a) already in the possession of the receiving Party on a lawful basis before it was received from the other Party in connection with this Agreement and which was not obtained under any obligation of confidentiality;



WBIDC

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BAPL



- (b) obtained from a third party who is free to divulge the same and which was not obtained under any obligation of confidentiality;
- (c) disclosed to the investors and/or lenders under terms of confidentiality;
- (d) which is required to be disclosed by judicial, administrative or stock exchange process, any enquiry, investigation, action, suit, proceeding or claim or otherwise by or under any applicable law or by any Governmental Authority; or
- (e) already in the public domain, otherwise than by breach of this Agreement.

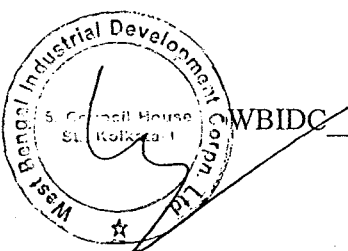
11.10 Survival Sections

The representations, warranties, covenants and provisions contained herein that by their nature survive, shall survive any termination of this Agreement.

11.11 Change in Law

In the event a change in law results in a Material Adverse Effect, BAPL or WBIDC may by notice in writing to the other Party request such modifications to the terms of this Agreement as the requesting Party reasonably believes is necessary to place it in substantially the same legal, commercial and economic position as it was prior to such change in law. BAPL, WBIDC shall thereafter consult in good faith to agree to such modifications and in the event agreement cannot be reached, either of them may refer the matter for determination in accordance with the dispute resolution procedure described under Section 10 of this Agreement. If the change in law

- (a) results in total or partial failure by a Party to fulfil its obligations under this Agreement; and
- (b) satisfies the criteria of an Force Majeure Event as defined in Section 8.1,
then the provisions of Section 9.5 of the Agreement shall apply.



11.12 Assignment and Novation

11.12.1 The Parties shall not assign their rights under this Agreement, save and except to the extent mentioned in Section 11.12.2 below.

11.12.2 Notwithstanding anything contained in this Agreement or elsewhere, BAPL shall be entitled to nominate such Person(s) as it may deem fit or establish Special Purpose Vehicles being a company incorporated under the Act for development of the Project Land or any part thereof. Upon such nomination or establishment of SPV(s) or nomination of Person(s), lease of such parcels of Project Land may be entered into directly by such SPV(s)/Persons and all the rights, liabilities, obligations and conditions as applicable to BAPL under this Agreement shall automatically stand assigned and/or novated in favour of such SPV(s) or such Person(s), as the case may be, without any further deed or action. Any reference to BAPL shall be deemed to mean such special purpose vehicle(s) or Persons. For a period of four [4] years from the Agreement Date or until the date on which the Airport is made commercially operational, whichever is later, PSIDL and its Partners having serial no. 1 to 3 in Schedule III shall not transfer any of their shareholding, if any in BAPL to any Person. Provided however that in the case of Pragati 47 Development Limited, the period of 'four years from Agreement Date' shall be replaced by the words 'four years from the date on which it becomes a shareholder of BAPL.'

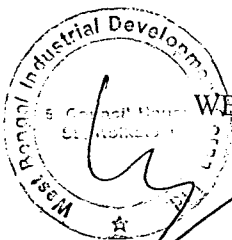
11.12.3 Upon such assignment and/or novation as mentioned above, BAPL shall be relieved of all related obligations and liabilities under this Agreement.

11.13 Deed of Adherence

BAPL shall ensure that PSIDL and the Partners adhere to Section 9.5.2 and Section 11.12.2 by entering into a deed of adherence.

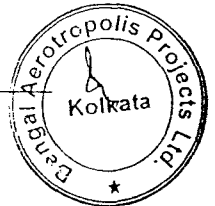
11.14 Supercession

This Agreement supercedes all previous agreements or understanding between the Parties.



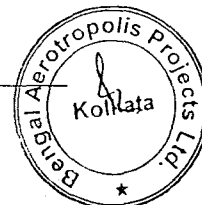
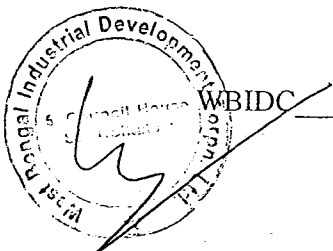
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BAPL



SCHEDULE I: DEFINITION

AAI	Shall have the meaning ascribed to in Recital D.
Act	Shall mean the Companies Act, 1956.
Affected Party	Shall have the meaning ascribed to it in Section 8.1.1.
Affiliates	Shall mean, with respect to any Party, any other company in which any Party holds 50% or more of the equity capital carrying the right to vote.
Airport	Shall have the meaning ascribed to in Section 2.2.1(a).
Applicable Permits	Shall mean any and all permissions, clearances, licenses, authorizations, consents, no-objections, approvals of or from any government authority required in connection with the Project and for undertaking, performing or discharging the obligations or fulfillment of the purposes contemplated by this Agreement.
Approvals	Shall mean any consent, license, statutory approval, filing or registration, permit, sanction, authorization, exemption or waiver of any nature which is required to be obtained under the applicable laws from the Government Authority or any other authority for implementation of the Project or for purchase of the Project Land.
Agreement	Shall mean this Agreement.
Agreement Date	Shall mean January 18, 2008.
BAPL	Shall mean Bengal Aerotropolis Projects Limited and shall be



B. Political Events/Event of Governmental Force Majeure

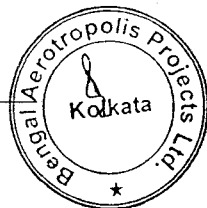
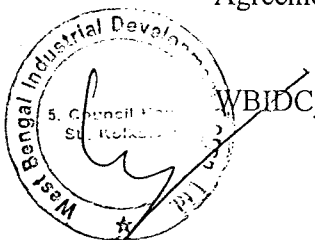
- i) Expropriation or compulsory acquisition by any Government Authority of the Project Land or rights of BAPL; provided the same has not resulted from an act or default of BAPL.
- ii) An act of war (whether declared or undeclared), invasion, armed conflict or act of foreign enemy, blockade, embargo, revolution, riot, insurrection, terrorist or military action, nuclear blast / explosion, sabotage or civil commotion.
- iii) Action or failure to act by a Government Authority, that results in a Governmental Authorization:
 - (a) ceasing to remain in full force and effect otherwise than through a breach of the Governmental Authorization by the Affected Party; or
 - (b) not being issued or renewed upon application having been timely and properly made.

8.2 Notice of Force Majeure Event

8.2.1 The Affected Party shall give notice to the other Parties in writing of the occurrence of any of the Force Majeure Event (“the Notice”) as soon as the same arises or as soon as reasonably practicable and in any event within 7 (seven) days after the Affected Party knew, or ought reasonably to have known, of its occurrence and the adverse effect it has or is likely to have on the performance of its obligations under this Agreement.

8.2.2 The Notice shall, *inter-alia*, include full particulars of:

- i. the nature, time of occurrence and extent of the Force Majeure Event with evidence in respect thereof;
- ii. the duration or estimated duration and the effect or probable effect which such Force Majeure Event has or will have on the Affected Party’s ability to perform its obligations or any of them under this Agreement;



- iii. the measures which the Affected Party has taken or proposes to take, to alleviate the impact of the Force Majeure Event or to mitigate the damage; and
- iv. any other relevant information.

8.2.3 So long as the Affected Party continues to claim to be affected by a Force Majeure Event, it shall provide the other Parties with periodic (fortnightly) written reports containing the information under Section 8.2.2 and such other information as the other Parties may reasonably request.

8.3 Period of Force Majeure

8.3.1 Period of Force Majeure shall mean the period from the time of occurrence specified in the Notice given by the Affected Party in respect of the Force Majeure Event until the expiry of the period during which the Affected Party is excused from performance of its obligations in accordance with Section 8.4.

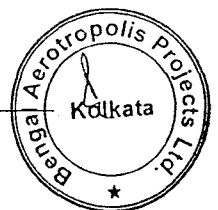
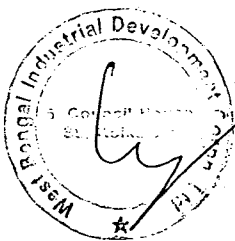
8.4 Performance Excused

8.4.1 The Affected Party, to the extent rendered unable to perform its obligations or part thereof under this Agreement as a consequence of the Force Majeure Event, shall be excused from performance of the obligations provided that the excuse from performance shall be of no greater scope and of no longer duration than is reasonably warranted by the Force Majeure Event.

8.5 Resumption of Performance

8.5.1 During the Period of Force Majeure, the Affected Party shall in consultation with the other Party, make all reasonable efforts to limit or mitigate the effects of the Force Majeure Event on the performance of its obligations under this Agreement.

8.5.2 The Affected Party shall also make efforts to resume performance of its obligations under this Agreement as soon as possible and upon resumption shall notify the other Party of the same in writing. The other Party shall afford all reasonable assistance to the Affected Party in this regard.



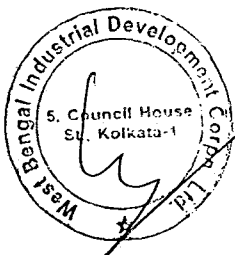
8.6 Costs, Revised Timetable

8.6.1 Each Party shall bear its costs, if any, incurred as a consequence of the Force Majeure Event.

8.6.2 To the extent the performance of the obligations of the Affected Party is affected by the Force Majeure Event, the time period for the performance of the obligations of the Affected Party shall be extended by a similar time period on a day to day basis.

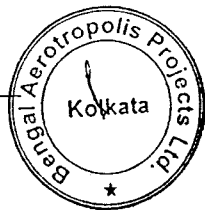
8.7 Consultation and Duty to Mitigate

8.7.1 The Parties shall consult with each other to determine the reasonable measures to be implemented to minimise the losses of each Party resulting from the Force Majeure Event.



WBIDC

BAPL



ARTICLE IX: EVENTS OF DEFAULT AND TERMINATION

9.1 Event of default by WBIDC

9.1.1 The following events shall be construed as events of default on the part of WBIDC unless such an event has occurred as a consequence of a Force Majeure Event and WBIDC has made diligent efforts to the reasonable satisfaction of BAPL to avoid the Force Majeure Event and the effects thereof (the “WBIDC Event of Default”):

- i) WBIDC fails to purchase the Project Land in accordance with this Agreement, but shall not include any delay caused by injunctive or restraining court order
- ii) WBIDC is in/commits a Material Breach of this Agreement.
- iii) WBIDC fails to obtain or facilitate in obtaining, as the case may be, the Approvals as may be required for setting up the Project. Provided that in the event WBIDC is facilitating such Approvals, BAPL has complied with all requisites as may be reasonably required under law to be complied with by BAPL under law for such Approvals. However, shall not include any delay caused by injunctive or restraining court order
- iv) WBIDC repudiates this Agreement or otherwise takes any action or evidences or conveys an intention not to be bound by this Agreement.
- v) Any act or omission by WBIDC as a consequence whereof, the implementation of the Project is rendered unviable.
- vi) The occurrence of a breach identified as an event of default under any other document as may be entered into by the Parties.

9.2 Event of default by BAPL

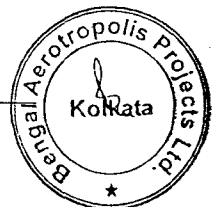
9.2.1 The following events shall be construed as events of default on the part of BAPL unless such an event has occurred as a consequence of a Force Majeure



WBIDC

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BAPL



Event and BAPL has made diligent efforts to the reasonable satisfaction of WBIDC to avoid the Force Majeure Event and the effects thereof (the “BAPL Event of Default”):

- i) If BAPL fails to implement the Project in accordance with the sanctions and Approvals granted by the Governmental Authority.
- ii) BAPL is in/commits a Material Breach of this Agreement or if BAPL fails to accept lease of the Project Land in accordance with the Agreement.
- iii) If BAPL fails to obtain all requisite approvals from the Ministry of Civil Aviation or the Director General of Civil Aviation necessary for development of the Airport within three (3) years from the Agreement Date.
- iv) If BAPL fails to implement and make the Airport commercially operational within five (5) years from the Agreement Date or within three (3) years from the date of lease of Project Land, whichever is later,
- v) If BAPL is adjudged bankrupt or insolvent.
- vi) If BAPL commits a breach under any other document by which it may be bound which has a direct bearing on the Project.
- vii) If BAPL and/or its property goes into liquidation, winding up, receivership, reorganization, compulsory composition or dissolution.

9.3 Termination

9.3.1 Upon the occurrence of WBIDC Event of Default or BAPL Event of Default, the following procedure shall apply:

- i) The Party that is not the subject of such event may give a Default Notice to the other Party, specifying in reasonable detail the WBIDC Event of Default or BAPL Event of Default, as the case may be, giving rise to such Default Notice and demanding remedy thereof



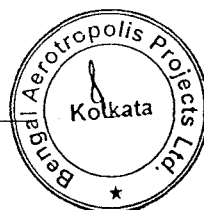
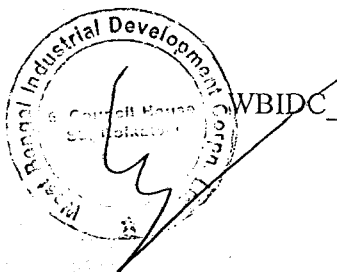
within the **Cure Period**, which shall be a period of not less than 90 days; and

- ii) During the Cure Period, the Parties shall consult as to what steps shall be taken with a view to:
 - a) mitigate the consequences of;
 - b) cure such WBIDC Event of Default or BAPL Event of Default, as the case may be; And
 - c) Extend the Cure Period if warranted.
- iii) At the expiry of the Cure Period, if the applicable WBIDC Event of Default or BAPL Event of Default, as the case may be, has not been cured and the Parties have not agreed to extend the Cure Period, the Party which has given the Default Notice may terminate this Agreement by giving a Termination Notice to the other Party, whereupon this Agreement shall terminate on the date specified for termination in the Termination Notice or such later date as the Parties shall have agreed.

9.4 Termination upon Prolonged Event of Force Majeure

9.4.1 Any Party may terminate this Agreement in the event of a Prolonged Event of Force Majeure (whether an Other Event of Force Majeure or an Event of Governmental Force Majeure).

9.4.2 If a Party has the right to terminate this Agreement pursuant to this Section 9.4, it may give a Termination Notice to the other Parties specifying the date on which the Party giving the Termination Notice proposes to terminate this Agreement, which date shall not be less than sixty (60) days after the date of the Termination Notice. Upon the occurrence of such date, without prejudice to any accrued rights and subject to the satisfaction of any payment or performance obligations under Section 9.5, this Agreement shall terminate unless the Parties have agreed to extend such date.



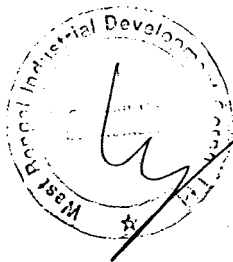
9.5 Consequences of termination

9.5.1 In the event of termination of this Agreement by BAPL due to WBIDC Event of Default, WBIDC shall pay BAPL all sums paid by BAPL to WBIDC, for purchasing the Project Land or part thereof and in respect of which leasehold interest has not been created in favour of BAPL. BAPL may, if it so desires, also be entitled to terminate the lease agreement entered into by it with WBIDC in respect of any parcel of Project Land. In such an event, BAPL shall handover possession of such Project Land or part thereof in respect of which leasehold interest has been created on repayment of lease premium by WBIDC to BAPL.

9.5.2 In the event of termination of this Agreement by WBIDC due to BAPL Event of Default, WBIDC will, resume the land from the BAPL and refund the original cost of the land and structures to be valued by mutually agreed valuers, if any, to BAPL.

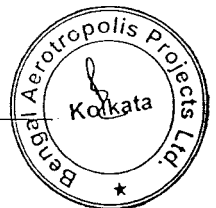
9.5.3 In the event of termination of this Agreement by WBIDC due to BAPL Event of Default as detailed in clause 9.2.1(iv) hereinabove, WBIDC shall have the right but not the obligation ("Call Option") to buy the entire shareholding of PSIDL and its Partners having serial no. 1 to 3 in Schedule III, if any, in BAPL, at par. In the event of exercise of Call Option by WBIDC, WBIDC shall ensure that the cost of such shares is paid to PSIDL and its Partners having serial no. 1 to 3 in Schedule III within three (3) months of exercise of such Call Option by WBIDC.

9.5.4 The termination shall be without prejudice to the rights which the Party may have in law against the Party in default.



WBIDC

BAPL



ARTICLE X: DISPUTE RESOLUTION

10.1 Amicable Settlement

10.1.1 If any dispute or difference or claims of any kind arises between the Parties in connection with construction, interpretation or application of any terms and conditions or any matter or thing in any way connected with or arising out of this Agreement, or the rights, duties or liabilities of any Party under this Agreement, whether before or after the termination of this Agreement, then the Parties shall meet together within seven (7) days from the date of written request made by any Party, in an effort to resolve such dispute, difference or claim by discussion between them.

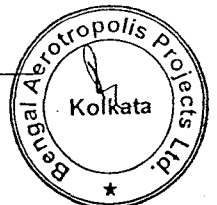
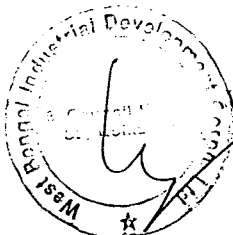
10.2 Arbitration

10.2.1 In the event the dispute or difference or claim, as the case may be, is not resolved by amicable settlement within thirty (30) days from the date of such dispute, the same shall be finally settled by binding arbitration under the Arbitration and Conciliation Act, 1996. The arbitration shall be conducted by a panel of three arbitrators. WBIDC and BAPL shall appoint one arbitrator each. The two arbitrators so appointed shall appoint the third arbitrator. The appointment of arbitrators shall be made by the Parties within 15 days from the date of request made by the Party making a written request to the other party to submit the dispute to arbitration. It is however clarified that in the event any Party fails to appoint an arbitrator, such Party shall be deemed to have waived its right to appoint arbitrator and the sole arbitrator shall be deemed to constitute the arbitral tribunal.

10.2.2 The place of arbitration shall be Kolkata but by agreement of the Parties, the arbitration hearings, if required, can be held elsewhere from time to time.

10.2.3 The award passed by the majority of the arbitrators shall be binding on the Parties.

10.2.4 The fees and expenses of the arbitrators and all other expenses of the arbitration shall be initially borne and paid by the respective Parties subject to



determination by the arbitrators. The arbitrators may provide in the arbitral award for the reimbursement to the prevailing Party of its costs and expense in bringing or defending the arbitration claim, including legal fees and expenses incurred by such Party.

10.2.5 Pending the submission of and/or decision on a dispute, difference or claim or until the arbitral award is published, the Parties shall continue to perform all of their obligations under this Agreement without prejudice to a final adjustment in accordance with such award.

10.3 Waiver of right to appeal

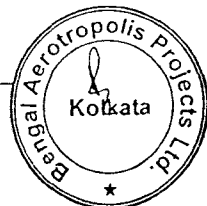
10.3.1 Each of the Parties hereby expressly waives any relevant laws and regulations, decrees or policies having the force of law that would otherwise give a right to appeal against the decision of the arbitration panel, and the Parties agree that no Party shall appeal to any court against the award or decision contained therein.



WBIDC

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ARTICLE XI: MISCELLANEOUS

11.1 Jurisdiction

The courts at Kolkata shall have exclusive jurisdiction over all matters arising out of or relating to this Agreement.

11.2 Waiver

Any delay, inability, omission or failure of any Party to exercise any of its rights under this Agreement shall not affect or impair or be deemed to be a waiver of its rights under this Agreement and neither shall it be deemed to affect or impair its rights with respect to any continuing or subsequent default of the other Party of the same or different nature under this Agreement.

11.3 Amendment

No amendment or modification or waiver of any provision of this Agreement nor consent to any departure by any of the Parties there from, shall in any event be valid and effective unless the same is in writing and signed by the Parties or their duly authorized representative especially empowered in this behalf and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which it is given.

11.4 Notices

Unless otherwise stated, notices to be given under this Agreement including but not limited to a notice of waiver of any term, breach of any term of this Agreement and termination of this Agreement, shall be in writing and shall be given by hand delivery, recognized courier, or registered post with acknowledgement due and delivered to the Parties at their respective addresses set forth below:

If to WBIDC

WBIDC

5, Council House Street

Kolkata - 700001

Attn: Managing Director

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BAPL



If to BAPL
Bengal Aerotropolis Projects Limited
Vaibhav, 4F (East Wing)
4, Lee Road
Kolkata – 700020
Attn : Director

or such address as may be duly notified by the respective Parties from time to time, and shall be deemed to have been made or delivered (i) in the case of delivery by hand, when delivered (ii) in case of recognized courier, three Business Days after dispatch by recognized courier and (iii) by registered post, five Business Days after dispatch properly addressed by registered post with postage properly paid. .

In case any Party changes its address, communication numbers, or directed attention as set forth above, it shall notify the other Party in writing prior to the adoption thereof.

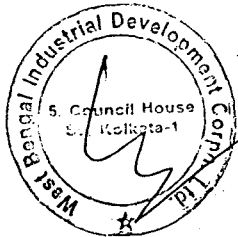
11.5 Severability

11.5.1 If for any reason whatsoever any provision of this Agreement is or becomes invalid, illegal or unenforceable or is declared by any court of competent jurisdiction or any other instrumentality to be invalid, illegal or unenforceable, such invalidity, illegality or unenforceability shall not prejudice or affect the remaining provisions of this Agreement which shall continue in full force and effect.

11.5.2 The Parties will negotiate in good faith with a view to agreeing upon one or more provisions which may be substituted, as nearly as is practicable, in place of such invalid, illegal and unenforceable provision. Provided failure to agree upon any such provisions shall not be subject to the dispute resolution procedure under this Agreement or otherwise.

11.6 Counterparts

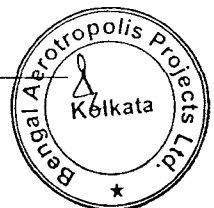
This Agreement may be executed in any number of originals or counterparts, each in the like form and all of which when taken together shall constitute one



WBIDC

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BAPL



and the same document.

11.7 Further Assurances

At all times after the date hereof the Parties shall execute all such documents and do such acts, deeds and things as may reasonably be required for the purpose of giving full effect to this Agreement.

11.8 Remedies Cumulative

The exercise of right by any of the Parties to terminate this Agreement, as provided herein, shall not preclude, such Party from availing any other rights or remedies that may be available to it under law. All remedies available to the Parties shall be cumulative and the exercise or failure thereof of one or more remedies by any Party shall not limit or preclude the exercise of or constitute a waiver of any other remedies by such Party.

11.9 Confidentiality

No Party shall, without the prior written consent of the other Party, at any time divulge or disclose or suffer or permit its servants or agents to divulge or disclose to any Person or use for any purpose unconnected with the Project any information which is by its nature or is marked as "proprietary material" or "confidential", concerning the other (including any information concerning the contents of this Agreement) except to its officers, directors, employers, agents, representatives and professional advisors or as may be required by any law, rule, regulation or any judicial process; provided, however, that a Party, with the written consent of the other Party, may issue press releases containing non-sensitive information in relation to the progress of the Project. This provision shall not apply to information:

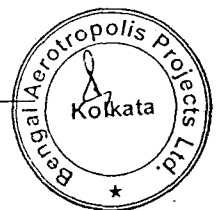
- (a) already in the possession of the receiving Party on a lawful basis before it was received from the other Party in connection with this Agreement and which was not obtained under any obligation of confidentiality;



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- (b) obtained from a third party who is free to divulge the same and which was not obtained under any obligation of confidentiality;
- (c) disclosed to the investors and/or lenders under terms of confidentiality;
- (d) which is required to be disclosed by judicial, administrative or stock exchange process, any enquiry, investigation, action, suit, proceeding or claim or otherwise by or under any applicable law or by any Governmental Authority; or
- (e) already in the public domain, otherwise than by breach of this Agreement.

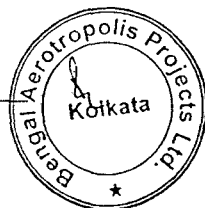
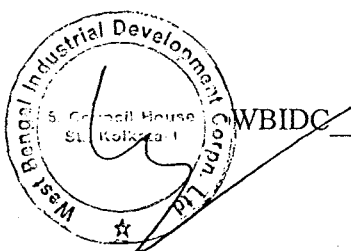
11.10 Survival Sections

The representations, warranties, covenants and provisions contained herein that by their nature survive, shall survive any termination of this Agreement.

11.11 Change in Law

In the event a change in law results in a Material Adverse Effect, BAPL or WBIDC may by notice in writing to the other Party request such modifications to the terms of this Agreement as the requesting Party reasonably believes is necessary to place it in substantially the same legal, commercial and economic position as it was prior to such change in law. BAPL, WBIDC shall thereafter consult in good faith to agree to such modifications and in the event agreement cannot be reached, either of them may refer the matter for determination in accordance with the dispute resolution procedure described under Section 10 of this Agreement. If the change in law

- (a) results in total or partial failure by a Party to fulfil its obligations under this Agreement; and
- (b) satisfies the criteria of an Force Majeure Event as defined in Section 8.1,
then the provisions of Section 9.5 of the Agreement shall apply.



11.12 Assignment and Novation

11.12.1 The Parties shall not assign their rights under this Agreement, save and except to the extent mentioned in Section 11.12.2 below.

11.12.2 Notwithstanding anything contained in this Agreement or elsewhere, BAPL shall be entitled to nominate such Person(s) as it may deem fit or establish Special Purpose Vehicles being a company incorporated under the Act for development of the Project Land or any part thereof. Upon such nomination or establishment of SPV(s) or nomination of Person(s), lease of such parcels of Project Land may be entered into directly by such SPV(s)/Persons and all the rights, liabilities, obligations and conditions as applicable to BAPL under this Agreement shall automatically stand assigned and/or novated in favour of such SPV(s) or such Person(s), as the case may be, without any further deed or action. Any reference to BAPL shall be deemed to mean such special purpose vehicle(s) or Persons. For a period of four [4] years from the Agreement Date or until the date on which the Airport is made commercially operational, whichever is later, PSIDL and its Partners having serial no. 1 to 3 in Schedule III shall not transfer any of their shareholding, if any in BAPL to any Person. Provided however that in the case of Pragati 47 Development Limited, the period of 'four years from Agreement Date' shall be replaced by the words 'four years from the date on which it becomes a shareholder of BAPL.'

11.12.3 Upon such assignment and/or novation as mentioned above, BAPL shall be relieved of all related obligations and liabilities under this Agreement.

11.13 Deed of Adherence

BAPL shall ensure that PSIDL and the Partners adhere to Section 9.5.2 and Section 11.12.2 by entering into a deed of adherence.

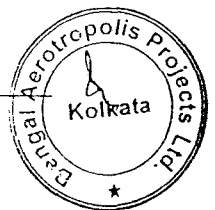
11.14 Supercession

This Agreement supercedes all previous agreements or understanding between the Parties.



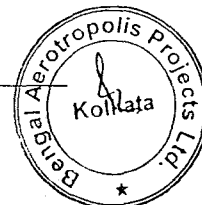
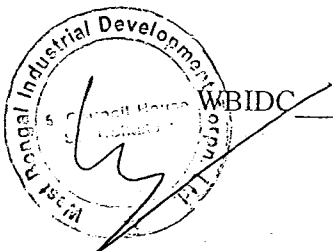
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BAPL



SCHEDULE I: DEFINITION

AAI	Shall have the meaning ascribed to in Recital D.
Act	Shall mean the Companies Act, 1956.
Affected Party	Shall have the meaning ascribed to it in Section 8.1.1.
Affiliates	Shall mean, with respect to any Party, any other company in which any Party holds 50% or more of the equity capital carrying the right to vote.
Airport	Shall have the meaning ascribed to in Section 2.2.1(a).
Applicable Permits	Shall mean any and all permissions, clearances, licenses, authorizations, consents, no-objections, approvals of or from any government authority required in connection with the Project and for undertaking, performing or discharging the obligations or fulfillment of the purposes contemplated by this Agreement.
Approvals	Shall mean any consent, license, statutory approval, filing or registration, permit, sanction, authorization, exemption or waiver of any nature which is required to be obtained under the applicable laws from the Government Authority or any other authority for implementation of the Project or for purchase of the Project Land.
Agreement	Shall mean this Agreement.
Agreement Date	Shall mean January 18, 2008.
BAPL	Shall mean Bengal Aerotropolis Projects Limited and shall be



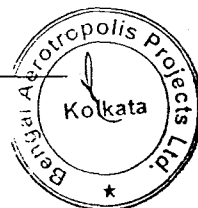
	deemed to include its nominees and in the event of assignment by PSIDL of its rights under Section 11.12, mean its assigns.
Business Day	Shall mean the day, comprising of normal working hours, on which scheduled banks conduct business operations in Kolkata, India.
Collector	Shall mean the Collector under the West Bengal Land Reforms Act, 1955.
Country Planning Act	Shall mean the West Bengal Town and Country (Planning and Development) Act, 1979.
Cure Period	Shall mean the period of ninety days or such extended period as may be mutually agreed by the Parties in accordance with Section 9.3.
Default Notice	Shall mean the notice given on the happening of a WBIDC Event of Default or BAPL Event of Default.
Developer	Shall mean BAPL or its nominee.
Development Scheme	Shall mean the development scheme framed by the development authority under Chapter VIII of the West Bengal Town and Country (Planning and Development) Act, 1979.
Force Majeure Event	Shall mean the events stipulated in Section 8.1.
Good Industry Practice	Shall mean the exercise of that degree of skill, diligence and prudence and those practices, methods, specifications and standards of engineering, procurement, construction, equipment, safety, operation and performance, as may change from time to time and which would reasonably and ordinarily be expected to be used by a skilled and experienced contractor and/or operator, in a project of the type and size similar to the Project.



WBIDC

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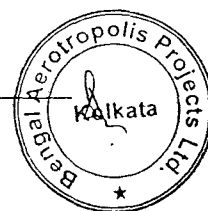
Government Authority	Shall mean any governmental department, commission, board, bureau, agency, regulatory authority, instrumentality, court or other juridical or administrative body, central, state, provincial or local authority having jurisdiction over the matter or matters in question.
Governmental Authorization	Shall mean all authorizations, consents, decrees, permits, waivers, privileges, approvals from and filings with all Government Authority necessary for implementation and operation of the Project in accordance with the Project Plan and Project agreements, and include Approvals.
GoWB	Shall mean Government of West Bengal.
Identified Land	Shall have the same meaning as ascribed to it in Section 3.1.1(a).
Infrastructure Facilities	Shall mean water supply and sewerage network, roads, canals, pipes, pumps, tanks, power connection and all other utilities as may be created for development of the Project.
Land Laws	Shall mean the West Bengal Land Reforms Act, 1955, West Bengal Estate Acquisition Act, 1953, Urban Land (Ceiling and Regulation) Act, 1976, West Bengal Town and Country (Planning and Development) Act, 1979 and rules framed under such enactments and shall include all other laws as may be relevant in connection with purchase, transfer and use of land for the Project.
Land Use and Development Control Plan	Shall have the meaning ascribed to in the West Bengal Town and Country (Planning and Development) Act, 1979.
Material Adverse Effect	Shall mean circumstances which may or do (i) render any right vested in a Party by the terms of this Agreement ineffective or (ii) adversely affect or restrict or frustrate the ability of any Party to observe and perform in a timely manner its obligations under this



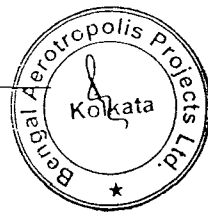
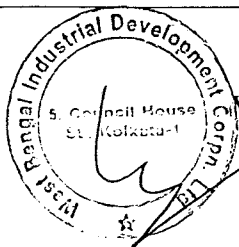
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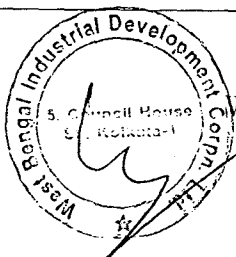
BAPL



	Agreement or the legality, validity, binding nature or enforceability of this Agreement.
Material Breach	Shall mean a breach of the obligations, terms and conditions of this Agreement or covenants by a Party, which materially and substantially affects the performance of the transaction contemplated by this Agreement and which has a Material Adverse Effect.
Notice	Shall have the meaning ascribed to in Section 8.2.1.
Partners	Shall mean the Persons who shall be investing in the Project, and/or such other parties as may be mutually agreed between PSIDL and WBIDC
Persons	Shall mean any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, government authority or trust or any other entity or organization.
Project	Shall have the same meaning as ascribed to it in Section 2.2.
Project Land	Shall mean the land detailed in the Project Plan or such other land as may be agreed between the Parties upon which the Project is proposed to be implemented.
Project Units	Shall mean each of the Airport, the Industrial Park, Logistic Hub, IT Park and the Supporting Township as stipulated in Section 2.2.1.
Prolonged Event of Force Majeure	Means any Event of Force Majeure (whether an Other Event of Force Majeure or a Governmental Event of Force Majeure) (i)



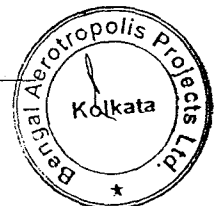
	which effectively prevents WBIDC or BAPL from performing any of its obligations under this Agreement for a continuous period of six months or 180 days; or (ii) of which it is clear and unambiguous from the circumstances that it will prevent WBIDC or BAPL from performing any of its obligations under this Agreement for a continuous period of at least 180 days.
Project Plan	Shall have the meaning ascribed to in Section 2.2.3.
Prospective Region	Shall mean the Asansol Durgapur region as stipulated in Recital C.
PSIDL	Shall mean Pragati Social Infrastructure and Development Limited.
PSIDL Event of Default	Shall mean the events of default committed by PSIDL and as stipulated in Section 9.2.1.
Section	Shall mean a section in this Agreement.
Special Purpose Vehicle or SPV(s)	Shall mean a company incorporated under the Act by BAPL for the purpose of development of the Project Units or the components therein
State Government	Shall mean the State Government of West Bengal.
Supporting Township	Shall have the meaning ascribed to in Section 2.2.1.
Termination Notice	Shall mean the notice given by one Party to the other for terminating this Agreement under the provisions herein.
TEFS	Shall mean Techno Economic Feasibility Study.
Utilities	Shall collectively mean water, electricity and infrastructure for sewage disposal and solid waste management.



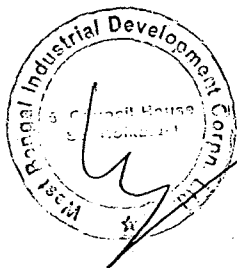
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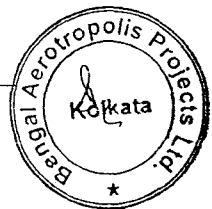
WBIDC	West Bengal Industrial Development Corporation Limited.
WBIDC Event of Default	Shall mean the events of default committed by WBIDC and as stipulated in Section 9.1.1.



WBIDC

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BAPL



SCHEDULE II: PROJECT PLAN

Project Plan

The total land parcel identified on the right hand side of National Highway – 2, as one travels from Durgapur towards Asansol, under Andal Block of Durgapur Subdivision measures well in excess of 3500 acres . Durgapur is approximately 9 km to the East and Asansol is approximately 31 kms North-West of the proposed project site. The total identified land parcel falls within a part and/or whole of Mouzas – *Andal, Dubchururia, Tamla, Dakshinkhand, Mahira, Khandra, Gopalmath, Arati, Patsaora, Banguri and Amlouka*. Approximately 2300 acres, out of this total land area, will be earmarked and used for the purpose of the AEROTROPOLIS.

The nearest railhead is at Andal and the station is at a distance of 6.5 km from the site. The Durgapur rail station is at a distance of 13.5 km.

The National Highway – 2, linking Kolkata with Delhi, bounds the entire length of the site on the South. The highway linking Andal with Ukhra runs along the entire Western flank of the site.

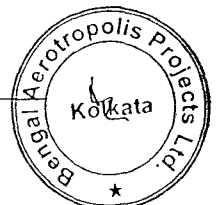
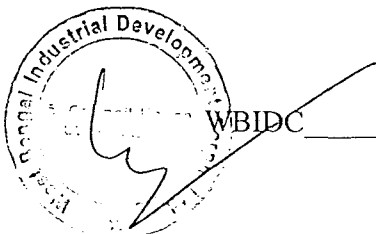
The AEROTROPOLIS shall comprise the following Project Units:

AIRPORT

The proposed new Airport would provide contemporary and modern facilities. The Airport will be positioned as a Cargo Hub in addition to acting as a Feeder point for passenger traffic. Due to its strategic geographical linkages with South East Asia, the Airport would also be positioned as an MRO Hub. A flying school would be evaluated for augmenting the demand for trained and qualified personnel.

IT & INDUSTRIAL PARK

Information Technology



The primary catalysts for rapid growth of IT in the state are the intrinsic strengths and competitive advantages of West Bengal in terms of the lowest cost of operation, lowest attrition rate, large English speaking talent pool and one of the best power supply & distribution positions within the country.

West Bengal recognises the strategic imperative faced by IT companies to be vertically focused. The state intends to support this over the longer term by helping development of centres of excellence in key industry verticals. Initial focus will be on developing four verticals: financial services and banking, insurance, discrete and process manufacturing and retail and distribution. Besides, the state has a strong creative tradition of different field of entertainment related IT and ITeS activities e.g. animation that will significantly help it in attaining its vision.

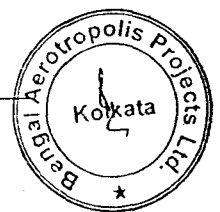
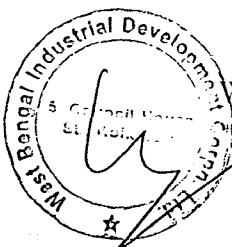
Need for expansion of IT based facilities and setting up new infrastructure is now paramount to the success of this vision. Durgapur is perhaps the only city within West Bengal, after Kolkata, that boasts of multiple Engineering Colleges and a University. These institutions regularly produce large number of qualified english speaking engineers with advanced IT skills. Furthermore, Durgapur has an Earth Station thereby enabling high bandwidth data transfers.

With the aforesaid backdrop it is proposed that a state-of-the-art IT PARK be developed as an integral part of the AEROTROPOLIS at Durgapur. The IT PARK will leverage the existence of high quality of engineering colleges in the eastern zone, and its high quality of life, to attract national and international IT companies to set up their facilities at Durgapur. In doing so, it will act as an engine for growth of local economy by creating a large number professional jobs.

Industrial

The proposed industrial park would comprise multi product units that would dovetail into the socio-economic environment of the area. A state-of-the-art Logistics Hub with storage facilities would be integrated with the Industrial Park.

The park will provide state-of-the-art common infrastructural facilities to all its members in terms of power, effluent & sewage treatment, cold storages, inward and



outbound logistics, transportation, R & D as well as technical and commercial support, thereby leading to higher efficiency and low operational costs. The aim is to effectively leverage the agrarian supply chain, skilled manpower, enormous market potential and logistical advantages offered by the new Airport as well as the immediate hinterland in favour of the park constituents.

Units that could be housed within the park could be the likes of food processing, textile and garment manufacturing companies, leather goods, Fashion accessories, electronics and telecom equipments, auto components companies and other similar units for achieving a very high degree of downstream integration with the existing industrial infrastructure present within the region. Standard Design Factories (SDF) would be provided within the park for providing the necessary impetus to small scale industrial units.

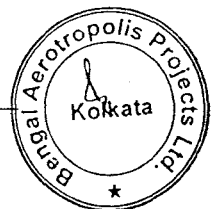
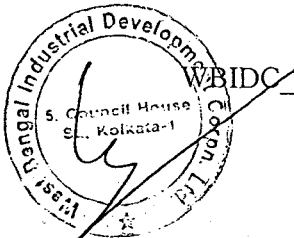
The IT & Industrial Park will collectively spread over an area of approximately 550 acres.

SOCIAL INFRASTRUCTURE

Well planned Social Infrastructure and a strong Central Business District are essential to ensuring the long term viability of AEROTROPOLIS, especially given that it is to be developed as a largely self-sufficient new city. It will also help ensure that the area does not become completely reliant on a manufacturing industry for economic development and employment provision.

The Institutional Precincts close to the CBD will feature a concentration of appropriate Social Infrastructure such as Hospital & Healthcare, Educational and Government Facilities that one can expect in a modern Township like AEROTROPOLIS. The AEROTROPOLIS will also be a suitable location for Schools (both, primary and Secondary education) , Business School, especially a Tourism College, Technical or an Agricultural College that relates to the Airport and IT Park and its location in the hinterland.

A range of tourism support facilities are proposed throughout the Site to include:



Central Park – A Central Park connecting to the commercial centre and providing a large and easily accessible recreational space for all residents and visitors to the AEROTROPOLIS.

Theme Park – A State-of-the-Art Theme Park is proposed along the frontage of the highway at the south of the Site which will become a regional attraction within West Bengal.

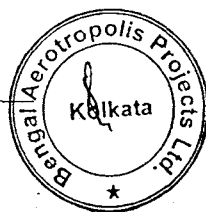
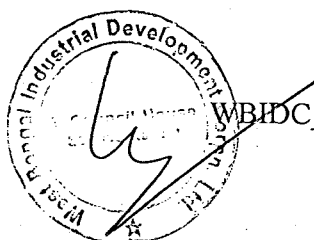
Market, Retail and Commercial – Shopping areas will include open-air markets or bazaars as well as sealed shopping mall type developments including Hyper-Mart formats for wholesale activities. In order to address the growing needs of quality hospitality facilities for professional visitors and tourists alike, an appropriate mix of Hotels will be developed within the project.

The Social Infrastructure within AEROTROPOLIS will be developed over an area of approximately 450 acres.

HOUSING

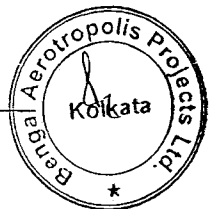
In order to mitigate the existing shortfall of dwelling units as well as meet the demand created by the new Airport, IT, Services and Industrial communities, for contemporary housing and social infrastructure, the preliminary plan envisages creation of contemporary and efficient housing units within the AEROTROPOLIS.

A range of lifestyle communities will be located throughout the Aerotropolis. A portion of the site will be designated as a predominantly high income bungalow and group housing development. Specific neighbourhoods for medium income row-houses and medium rise apartment blocks will be developed. One of the neighbourhoods will be reserved for the Economically Weaker Section (EWS), Low Income Group and Rehabilitation dwelling units. All residential precincts will have a clear hierarchy and will be subdivided into smaller neighbourhood units, each with its own neighbourhood park and neighbourhood facilities (like day care, elementary school, health centre etc) within walking distance.



The City Plan will also ensure large public areas with quality, low-cost eating areas for lower income groups. These areas will be well-lit, with well-provisioned sitting-out areas to encourage all people, including families to remain in the area, giving the town, and neighbourhood centres a vibrant atmosphere at all times of the day.

The Housing Infrastructure within AEROTROPOLIS will be developed over an area of approximately 650 acres.



SCHEDULE III: PARTNERS

The following Companies and/or such other parties as may be mutually agreed with WBIDC will be jointly referred to as Partners:

1. LEND LEASE COMPANY (INDIA) LIMITED

Lend Lease Company (India) Limited, incorporated on the 13th of January 1987, has been a leader in the financial, corporate advisory services & activities related to the realty sectors in Kolkata. The company has a net-worth of Rs. 6.09 crores and a turnover of Rs. 31.90 crores. The group is headed by Shri Utsav Parekh, who is also the Promoter Chairman of SMIFS Capital Markets, a company listed on the Bombay Stock Exchange, having a net worth in excess of Rs. 65 crores. The Groups' Core management comprises:

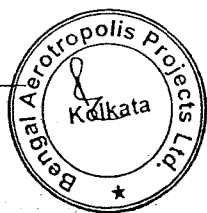
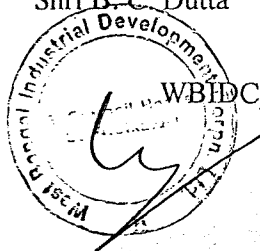
NAME	DESIGNATION	EXPERIENCE
Shri Kishor Shah	Executive Director	27 years
Shri Dipak Shah	Director	35 years
Shri Pradip Kumar Dugar	Sr. Vice President	30 years
Shri Jatin Bhatt	Manager	40 years

2. CITYSTAR INFRASTRUCTURES LIMITED

Citystar Infrastructures Limited is the flagship company of the Citystar Group and is one amongst the very reputed Real Estate Developers in the City of Kolkata headed by Mr. R. R. Modi, a dynamic and versatile financial prime mover. The Group has a net worth of over Rs. 200 Crores. The present market value of free assets/properties owned by the Group is in excess of Rs. 400 Crores. The Group, through its various Companies, is engaged since the last 6-7 years in Development of various Residential and Commercial complexes in and around Kolkata.

The Groups' Core management comprises:

NAME	DESIGNATION	EXPERIENCE
Shri R. R. Modi	Chairman	30
Shri C. R. Modi	Vice Chairman	28
Shri R. P. Bihani	Executive Director	30
Shri Hemant Jain	Director (Project Marketing)	10
Shri B. C. Dutta	General Manager (Projects)	20



Shri S. K. Bhaiya	General Manager (Accounts) & Secretary	09
Shri P. K. Bihani	General Manager (Legal)	18

3. PRAGATI 47 DEVELOPMENT LIMITED

Pragati 47 Development Ltd. commenced business in July 2003. The company is an innovative real estate & infrastructure developer incubating large projects.

It acts as the bridge between the real estate & infrastructure demand, and the resources and expertise lying dormant with governments, private sector and international infrastructure agencies respectively.

Within Pragati, unity of direction and purpose is provided by shared values of integrity, dynamism and high achievement. Pragati taps into many sources of value in the process of infrastructure creation.

Pragati's Shareholder Directors comprises:

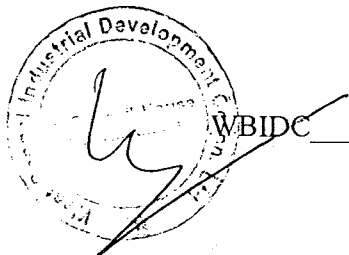
Partha Ghosh: Has experience of 15 years – 8 years as contractor for projects such as Mitsubishi township at Haldia, World Bank project, Export oriented industry etc. and last 7 years as promoter of real estate and infrastructure development projects.

Raj Shekhar Agrawal: Has worked for 24 years as a corporate executive and entrepreneur in diverse industries in India and overseas.

Ranjit Kumar Banerjee: Served with Asian Development Bank for 15 years before retirement.

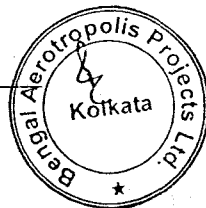
Arun Banerjee: Served with World Bank since 1975 until 2006.

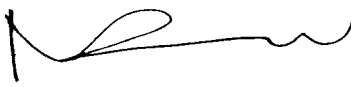
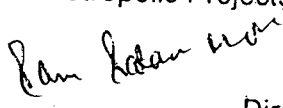
IN WITNESS WHEREOF the Parties have executed and delivered this Agreement by their duly authorized representative on the date first above written:



57

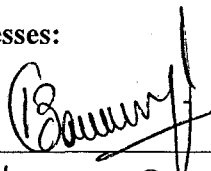
BAPL

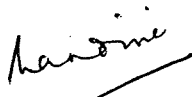


<p>SIGNED ON BEHALF OF WBIDC</p> <p>by the hand of its authorized representative</p> <div style="text-align: center;">  </div> <p>M V RAO, IAS Managing Director W. B. Industrial Development Corporation Ltd. 5, Council House Street, Kolkata-700 001</p> <p>(Signature)</p>	<p>SIGNED ON BEHALF OF BAPL</p> <p>by the hand of its authorized representative</p> <p>Bengal Aerotropolis Projects Ltd.</p> <div style="text-align: center;">  </div> <p>Director</p> <p>(Signature)</p>
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In the presence of

Witnesses:

(i) 
 KAUSHTIK BANERJEE
 BAPL
 4, LEE ROAD
 KOLKATA

(ii) 
MANDINI CHAKRAVORTY, IAS
 Executive Director
 West Bengal Industrial
 Development Corporation Ltd.
 5, Council House Street,
 Kolkata-700 001

Date:

Place: Kolkata

