



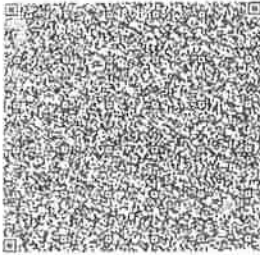
सत्यमेव जयते

## INDIA NON JUDICIAL

Government of National Capital Territory of Delhi

### e-Stamp

Certificate No.	: IN-DL70572396735290N
Certificate Issued Date	: 19-Feb-2015 05:55 PM
Account Reference	: IMPACC (IV)/ dl700603/ DELHI/ DL-DLH
Unique Doc. Reference	: SUBIN-DL70060338047157202490N
Purchased by	: BHUSHAN STEEL LIMITED
Description of Document	: Article 5 General Agreement
Property Description	: Not Applicable
Consideration Price (Rs.)	: 0 (Zero)
First Party	: BHUSHAN STEEL LIMITED
Second Party	: Not Applicable
Stamp Duty Paid By	: BHUSHAN STEEL LIMITED
Stamp Duty Amount(Rs.)	: 200 (Two Hundred only)



Please write or type below this line

This stamp paper forms an integral part  
of Lease Agreement as attached herein  
and duly executed between Brace Iron  
& Steel Pvt. Ltd and M/s Bhushan Steel Ltd.

For Brace Iron & Steel Private Limited

Authorised Signatory


For BHUSHAN STEEL LIMITED



Authorised Signatory

For Brace Iron & Steel Private Limited

## LEASE AGREEMENT

  
THIS LEASE AGREEMENT (Lease Agreement) is made and executed at New Delhi on this the 26th day of February, 2015.

### BY AND AMONGST

**BRACE IRON & STEEL PRIVATE LIMITED**, a company duly incorporated and validly existing under the provisions of the Companies Act, 1956 and having its registered office at D-2, Floor, Southern Park, Saket Place, Saket, New Delhi 110017 (hereinafter referred to as Lessor, which expression shall, unless repugnant to the context and meaning hereof, be deemed to mean and include its successors and permitted assigns).

### AND

**BHUSHAN STEEL LIMITED**, a company duly incorporated and validly existing under the provisions of the Companies Act, 1956 and having its registered office at Bhushan Centre, Ground Floor, Hyatt Regency Complex, Bhikaji Cama Place, New Delhi- 110066 (hereinafter referred to as the Lessee, which expression shall, unless repugnant to the context and meaning hereof, be deemed to mean and include its successors and permitted assigns).

The Lessor and the Lessee are hereinafter individually referred to as **Party** and collectively as **Parties**.

### WHEREAS:

- A. The Lessor is the owner in possession of the equipments listed in Schedule I hereto (Equipments). The Lessor is engaged in the business of leasing of assets, on an operating lease basis.
- B. The Lessee is engaged in the business of manufacturing steel and steel products at various facilities, including at its steel manufacturing plant located at Meramandali, Odisha (Business). For the purpose of carrying out its Business, the Lessee has approached the Lessor for taking on lease the Equipments on an operating lease basis.
- C. The Lessor has considered the request of the Lessee as above and agreed to lease the Equipments to the Lessee for carrying on its Business on an operating lease basis.

### NOW, THEREFORE, THIS LEASE AGREEMENT WITNESSETH AS UNDER:

#### 1. DEFINITIONS AND INTERPRETATION

- 1.1 In this Lease Agreement, unless repugnant to the context, the following terms shall have the following meanings:

**Applicable Laws** means all applicable statutes, enactments, laws, ordinances, bye-laws, rules, regulations, guidelines, notifications, notices, and/or judgments, decrees, injunctions, writs or orders of any court, statutory or regulatory authority, tribunal, board or stock exchange as may be in force and effect during the subsistence of this Lease Agreement and as may be applicable to each of the Parties respectively.

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**Approval** means and includes any permit, license, consent, grant, certificate, authorization, decision, direction, determination, instruction or approval, in accordance with Applicable Laws, obtained or required to be obtained from any judicial, quasi judicial or government authority, body, department, agency or instrumentality (whether statutory or otherwise) having authority or jurisdiction over the Equipments or on matters governing the use thereof for the purpose of this Lease Agreement.

**Certificate** shall have the meaning assigned to it under Clause 12.2 of this Lease Agreement.

**Defaulting Party** shall have the meaning assigned to it under Clause 12.2 of this Lease Agreement.

**Dispute** shall have the meaning assigned to it under Clause 11.1 of this Lease Agreement.

**Dispute Meeting** shall have the meaning assigned to it under Clause 11.1 of this Lease Agreement.

**Dispute Notice** shall have the meaning assigned to it under Clause 11.1 of this Lease Agreement.

**Effective Date** means the date of execution of this Agreement.

**Force Majeure** shall have the meaning assigned to it under Clause 8.3 of this Lease Agreement.

**Handover Date** shall have the meaning assigned to it under Clause 3.1 of this Lease Agreement.

**Losses** shall mean all losses, diminutions, loss of revenue, liabilities, damages and claims (including third party claims), and all related costs, taxes and expenses (including reasonable legal fees and disbursements and costs of investigation, litigation, settlement, judgement, interest and penalties)

**Lease** shall have the meaning assigned to it under Clause 2.1 of this Lease Agreement.

**Lease Term** shall have the meaning assigned to it under Clause 4.1 of this Lease Agreement.


**Lease Commencement Date** shall have the meaning assigned to it under Clause 4.1 of this Lease Agreement.

**Lessor's Designated Bank Account** means the bank account of the Lessor bearing no. 34502995786, opened in the C A Group Br, New Delhi, 11<sup>th</sup> & 12<sup>th</sup> Floor, Jawahar Vyapar Bhawan branch of State Bank of India.

**Lessor Secured Lenders** means the secured lenders of the Lessor who have financed the acquisition of the Equipments, but does not include the Lessor's other investors, debenture holders, shareholders, parent/ group companies/ entities, related parties, its directors, or other key managerial personnel.

**Non-defaulting Party** shall have the meaning assigned to it under Clause 12.2 of this Lease Agreement.

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**Renewal Term** shall have the meaning assigned to it under Clause 4.2 of this Lease Agreement.

**Rent Commencement Date** shall have the meaning assigned to it under Clause 5.2 of this Lease Agreement.


**Rent** shall have the meaning assigned to it under Clause 5.1 of this Lease Agreement.

- 1.2 In this Lease Agreement, unless the context requires otherwise, the following rules of interpretation shall apply:
- (a) References to any statute or statutory provision or order or regulation made there under shall include that statute, provision, order or regulation as amended, modified, re-enacted or replaced from time to time whether before or after the date hereof.
  - (b) References to persons shall include body corporate(s), unincorporated association(s), partnership(s) and any organisation or entity having legal capacity.
  - (c) Headings to Clauses are for information only and shall not form part of the operative provisions of this Lease Agreement and shall not be taken into consideration in its interpretation or construction.
  - (d) References to Recitals, Clauses, Schedules or Annexes are, unless the context otherwise requires, references to recitals, clauses, Schedules or annexes of this Lease Agreement.
  - (e) Any reference to a document includes the document as modified from time to time and any document replacing or superseding it.
  - (f) Unless the context otherwise requires, reference to one gender includes a reference to the other and neuter, words importing the singular include the plural and vice versa.
  - (g) References to the words "include" or "including" shall be construed as being suffixed by the term "without limitation".
  - (h) Any reference to the word 'year' means 12 (twelve) months.
  - (i) The words 'in writing' include any communication sent by registered letter, reputed courier, and/or facsimile transmission.
  - (j) The currency amounts are stated in Indian Rupees unless otherwise specified.
  - (k) Any reference to a business day means Monday to Friday except bank holidays or public holidays and if something is to be done on a day which is not a business day then that thing must be done on the next or following business day.

## 2. GRANT OF LEASE

- 2.1 Subject to the provisions of the Lease Agreement and in consideration of the Rent to be paid by the Lessee as set out in this Lease Agreement, the Lessor on and with effect from the Effective Date grants, demises and leases unto the Lessee, the Equipments, on an operating lease basis, in the manner provided in this Lease Agreement (**Lease**). From the Effective Date, the Lessee shall have the exclusive right to use and enjoyment of and uninterrupted

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access to Equipments for its Business during the Lease Term, subject to the terms and conditions of this Lease Agreement.

### 3. HANDOVER DATE AND USE OF EQUIPMENTS

- 3.1 A duly authorized representative of the Lessor, shall hand over the possession of the Equipments to the Lessee on the Effective Date (**Handover Date**).
- 3.2 The Lessee shall, subject to the terms and conditions of this Lease Agreement, use the Equipments for its Business in a manner consistent with prudent industry practices.

### 4. LEASE TERM

- 4.1 The Lease for the Equipments shall commence from the Handover Date (**Lease Commencement Date**) and shall, subject to Clause 9, continue to be in full force and effect between the Parties for a period of 10 (ten) years from the Lease Commencement Date (**Lease Term**).
- 4.2 Upon expiry of the Lease Term, the Lessee shall have the option to renew the lease term of the Equipments for subsequent periods of 5 years each (**Renewal Term**). The lease rent for the Renewal Term shall be as agreed between the Lessor and the Lessee but shall not be higher than the last Rent paid under this Lease Agreement. The Lessee shall intimate any revision in the rent for the Renewal Term to its lenders.

In the event that the Lessee wishes to exercise its option of renewal under this Clause 4.2, it shall provide a notice in writing to the Lessor, not later than 3 (three) months prior to the expiry of the Lease Term and where such notice is provided, the Lessor shall renew the Lease for the Equipments for the Renewal Term on the same terms and conditions set out in the Lease Agreement. The Parties shall execute a fresh lease agreement incorporating the same terms and conditions, subject to any revision in the rent as contemplated herein. Such fresh lease agreement shall be executed on or before the expiry of the Lease Term and shall become effective from the day immediately following such expiry. The right of renewal can be exercised by the Lessee with respect to all the Equipments or part thereof. For the avoidance of doubt, it is clarified that if the Lessee has provided the notice to the Lessor for renewal of the Lease, then in such case this Agreement shall continue to operate until the fresh lease agreement is executed between the Parties.

### 5. RENT

- 5.1 In consideration of the Lease being granted, the Lessee shall pay to the Lessor a monthly rent (net of all taxes and tax deduction at source), details of which are set out at Schedule 2 hereof, in arrears on or before 2 (two) business days prior to the last date of each month (**Rent**).

The Lessor and the Lessee may mutually decide to increase or decrease the prevalent Rent (and/or other payables) at any time during the subsistence of this Lease Deed. Further, the Parties acknowledge that the above Rent is based on, among others, a benchmark rate (based on the cost of financing the purchase of the Equipments by the Lessor) that has been agreed between the Parties prior to the date of execution of this Lease Agreement. In the event the benchmark rate changes or the Parties agree to change the benchmark rate/apply some other benchmark, the Rent payable may increase or decrease accordingly.

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For any revision of the Rent in accordance with the above, the Party proposing to revise the Rent shall provide a notice to the other Party. Within 5 business days of such other Party receiving the notice, the Parties shall meet and decide on the revised Rent if acceptable to both the Parties.

It is clarified that in the event the Lessor claims credit from the tax authorities for the tax deducted at source and deposited by the Lessee on the Rent, the amount representing such credit will be refunded by the Lessor to the Lessee. The Lessee may choose to set-off such amounts against future Rent payments to the Lessor.

- 5.2 Notwithstanding anything contained in this Lease Agreement, the Lessee shall be liable to pay the Rent to the Lessor in accordance with the terms hereof with effect from the Handover Date (**Rent Commencement Date**), and the Rent and other amounts payable by the Lessee in accordance with the terms hereof shall always be paid in/ to the credit of the Lessor's Designated Bank Account.
- 5.3 The Lessor shall, during the Lease Term, furnish to the Lessee no later than the 7<sup>th</sup> day of each month succeeding the month for which the Rent has been paid, an invoice for the previous month containing the details of the monthly Rent and other amounts payable/paid in respect of the Equipments as specified in this Lease Agreement.

## 6. REPRESENTATIONS, OBLIGATIONS AND RIGHTS

### 6.1 The Lessor represents, warrants, covenants and undertakes that:

- (i) It is the sole and absolute owner of the Equipments. The Lessor's title to the Equipments has been acquired in accordance with all Applicable Laws and does not infringe the rights of any third parties and that the Lessor shall take all steps necessary to ensure that its title and right to the Equipments (including the right to Lease) shall not be prejudiced by any act or omission of the Lessor;
- (ii) It has the absolute right to grant the Equipments on Lease to the Lessee;
- (iii) The execution of this Lease Agreement is not prohibited by the constituent documents of the Lessor nor will its execution contravene provisions of any Applicable Laws or agreement or document to which it is a party;
- (iv) It has not (a) alienated, exchanged, leased, tenanted the Equipments, or (b) hypothecated, mortgaged, created any other prior/ other charges, right, title, interest or lien in or upon or otherwise encumbered and /or parted with possession of Equipments (except in favour of Lessor Secured Lenders).
- (v) There are no legal proceedings or threat of legal proceedings or other impediments with respect to the Equipments that restrict Lessor's rights over the Equipments;
- (vi) All the corporate Approvals required for the execution of this Lease Agreement have been obtained by the Lessor.
- (vii) The Lessor shall maintain the Equipments in good working condition in accordance with best industry practices and shall undertake routine maintenance of and repairs of any damage caused to the Equipments, as and when necessary or intimated by the Lessee.

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- (viii) The Lessor shall be responsible for obtaining and maintaining comprehensive insurance coverage including third party coverage for the Equipments and shall make timely payments of all insurance premia.

In the event any of the Lessor's representations or warranties cease to be true and correct at any time during the Lease Term then notwithstanding any rights that may arise to the Lessee pursuant to Clause 9, the Lessor shall immediately notify the Lessee of the representation(s) and warranty(ies) which have ceased to be true and adopt immediate corrective actions in relation thereto.

6.2 (A) The Lessee makes the following representations and warranties:

- (a) It shall obtain before the Handover Date, all requisite statutory permissions and Approval, if any, required to take the Equipments on lease from the Lessor.
- (b) It has full power and authority to enter into this Lease Agreement.
- (c) The execution of this Lease Agreement is not prohibited by its constituent documents nor will its execution contravene provisions of any Applicable Law or agreement or document to which it is a party.
- (d) All the corporate Approvals required for the execution of this Lease Agreement have been obtained.

In the event that any of the Lessee's representations and warranties cease to be true and correct at any time during the Lease Term, then notwithstanding any rights that may arise to the Lessor pursuant to Clause 9, the Lessee shall immediately notify the Lessor of the representation(s) and warranty(ies) which have ceased to be true and adopt immediate corrective action(s) in relation thereto.

(B) The Lessee covenants the following:

- (a) The Lessee shall not create or cause to create any lien or encumbrance on the Equipments (except as provided under Clause 15.7 hereof) without the prior written consent of the Lessor.
- (b) The Lessee represents, warrants and covenants that subject to the any approval and/or NOC required from its lender(s), the existing insurance policy(ies) obtained in respect of the Equipments shall be kept effective and claims may be made under such policy(ies) until the time that such policy(ies) and/or benefits thereunder are transferred/ endorsed by the Lessee in favour of the Lessor or until such time the Lessor obtains fresh insurance policy(ies) in respect of the Equipments.

6.3 Use and enjoyment

- (a) The Lessee shall, subject to making timely payments and compliance with the terms and conditions of the Lease Agreement, have quiet, peaceful use, enjoyment and possession of the Equipments without any interference from or disturbance by the Lessor, its representatives or any person claiming under the Lessor.
- (b) The Lessee's employees, authorised representatives, visitors, agents, contractors,


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vendors etc. shall have the right of unrestricted use of and access to the Equipments.

- (c) The Lessee has the right to use the Equipments in conjunction or association with such other assets of the Lessee as may be required by the Lessee for more efficient use and utilization of the Equipments or as may be required in relation to the Lessee's Business.

**7. LESSOR'S RIGHT OF INSPECTION**

- 7.1 The Lessor through its designated representative(s) shall have the right to inspect the Equipments during the normal business hours on any business day after providing the Lessee at least 2 (two) business days' prior written notice, at its own cost.

**8. GENERAL**

**8.1 Costs**

Save as expressly otherwise provided in this Lease Agreement, each of the Parties shall bear their own legal, accountancy and other costs, charges and expenses connected with the negotiation, preparation and performance of the terms, covenants and conditions of this Lease Agreement and any other agreement incidental to or referred to in this Lease Agreement.

**8.2 Taxation**

All indirect taxes, levies, cesses, duties, octroi, etc. if applicable and payable in respect of the Lease of the Equipments shall be paid and borne by the Lessor in accordance with Applicable Laws.

All payments made by the Lessee to the Lessor under this Lease Agreement shall be subject to tax deduction(s), if applicable, in accordance with Applicable Laws.

**8.3 Force Majeure**

If the Equipments or any part thereof be incapable of use by the Lessee for its Business, by being destroyed or damaged by fire; earthquake; tempest; flood; lightning; atmospheric disturbance; or any other act of God; riots; strike or lock-downs, terrorism; violence of any army or mob or enemies of the country or by any other irresistible force; circumstances beyond the reasonable control of either Party; or the orders of any statutory authority (each event, Force Majeure), and such Force Majeure event continues for a period of 30 (thirty) days, the Lessee shall have the option to terminate the Lease by providing a 30 (thirty) days' prior notice in writing to the Lessor.

**9. TERMINATION**

**9.1 Termination by the Lessee**

The Lessee shall have the right to terminate this Lease Agreement:

- (a) Upon breach by the Lessor of any representations, warranties, covenants, understanding or obligation as set forth in this Lease Agreement, where such breach is incapable of remedy or if can be remedied is not remedied for a period of 60 (sixty) days after receipt of the Lessee's written notice in respect thereof; or

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- (b) In accordance with Clause 8.3 (Force Majeure); or
- (c) If the Lessor: (i) is adjudged insolvent, or (ii) commences voluntary winding up or liquidation or any similar proceedings or is subjected to the appointment of a provisional liquidator (whose appointment is not stayed within a period of 30 days) or the appointment of an official liquidator, or (iii) enters into a composition with its creditors or ceases to carry on a substantial part of its business except for the purposes of and followed by a reconstruction, amalgamation, reorganization, merger or consolidation required or approved by Applicable Law or otherwise.

## 9.2 Termination by the Lessor

If:

- (a) The Lessee commits a material breach of an essential term of this Lease Agreement; or
- (b) The Lessee fails to make payment of the Rent when due and payable,

the Lessor shall have the right to terminate the Lease Agreement and resume possession of the Equipments if the Lessee has not remedied the breach upon being provided a 90 (ninety) day written notice by the Lessor. Notwithstanding the foregoing, the Lessor shall be entitled to terminate this Lease Agreement in accordance with this Clause 9.2 only if all amounts due from, payable by, and/or which remain unpaid by, the Lessor to the Lessee under this Lease Agreement or under any other agreement or document executed between the Lessor and the Lessee have been so paid.

## 9.3 Consequences of termination

In case of any termination of the Lease, the Lessee shall surrender/ handover the peaceful and physical possession of the Equipments to the Lessor and shall further provide necessary co-operation and/or access rights to the Lessor for taking over the possession of the Equipments.

## 10. GOVERNING LAW AND JURISDICTION

This Lease Agreement shall be governed by the laws of India. Subject to Clause 11, the courts at Delhi shall have exclusive jurisdiction in relation to any dispute arising out of this Lease Agreement.

## 11. DISPUTE RESOLUTION

### 11.1 Mutual Settlement

In the event of any dispute, controversy or difference between the Parties arising out of or relating to this Lease Agreement (including a dispute relating to the validity or existence of this Lease Agreement and any non-contractual obligations arising out of or in connection with this Lease Agreement) (a **Dispute**), the representatives of the Parties shall, within 10 (ten) business days of service of a written notice from any Party to any other Party (the **Dispute Notice**) hold a meeting (the **Dispute Meeting**) in an effort to resolve the Dispute in good faith.

### 11.2 Arbitration Procedure

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If a Dispute is not resolved within 20 (twenty) business days after the service of a Dispute Notice, whether or not a Dispute Meeting has been held, any Party to the Dispute shall be entitled to refer the Dispute to arbitration by a notice to the other Party (Notice of Arbitration) and the Dispute will be finally resolved in the manner set out in this Clause 11. The pendency of a Dispute in any arbitration proceeding shall not affect the performance of the obligations (which are not the subject matter of this Dispute) under this Lease Agreement.

### 11.3 Appointment of Arbitrators

If a Dispute is referred to arbitration by any Party, then such Dispute shall be resolved by a panel of three arbitrators. The Lessor and the Lessee shall each appoint 1 (one) arbitrator. The third arbitrator, who shall act as chairman of the arbitration panel, shall be nominated by the 2 (two) arbitrators so nominated by the Parties.

### 11.4 Venue, Language and Rules of Arbitration

The seat of the arbitration shall be Delhi and the arbitration shall be conducted under, and in accordance with, the Arbitration and Conciliation Act, 1996. The language of the arbitration shall be English.

### 11.5 Award; Apportionment of Costs

The arbitration award of the arbitrator(s) shall be final and binding on the Parties and shall be enforceable in accordance with its terms. The arbitrator(s) shall state reasons for their findings in writing. The Parties agree to be bound thereby and to act accordingly. The costs of arbitration and the manner of bearing such costs shall be determined by the arbitrators.

## 12. INDEMNIFICATION

12.1 Each Party agrees to indemnify, defend and hold harmless the other Party and its respective officers, directors, employees, agents, representatives, against all Losses arising from, in connection with any of the following:

- (a) breach by such Party of any of its representation or warranty; or
- (b) breach by such Party of any of its covenants, obligations, or undertakings contained in this Lease Agreement.

12.2 For claiming indemnification under Clause 12.1 (except with respect to a indemnification against a third party claim), within 30 business days of a Party becoming aware of any Losses (Non-defaulting Party), the Non-defaulting Party shall deliver to the other Party (Defaulting Party) a certificate (Certificate) which states that the Non-defaulting Party has paid or incurred Losses or expects that it will incur Losses for which it is entitled to indemnification under Clause 12.1 and will specify the basis for such Losses or anticipated Losses, as the case may be and the computation of the amount to which the Non-defaulting Party claims to be entitled under Clause 12.1. Claims for Losses specified in any Certificate to which the Defaulting Party does not object in writing within 10 business days of receipt of the Certificate, and claims for Losses the validity and amount of which shall have been the subject of a final determination, or which have been settled with the consent of the Defaulting Party shall be treated as agreed claims and the Defaulting Party must pay to the Non-defaulting Party an amount equal to such agreed claims by wire transfer, in

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immediately available funds within 10 business days of any amounts being deemed or determined as agreed claims, to the bank account designated by the Non-defaulting Party.

### 12.3 Third Party Claims

- (a) For claiming indemnification under Clause 12.1 with respect to any third party claim, the Non-defaulting Party shall notify the Defaulting Party in writing as soon as reasonably practicable after being informed that facts exist which may result in a third party claim.
- (b) The Non-defaulting Party shall have the right, but not the obligation, to contest, defend and litigate (and to retain legal advisors of its choice in connection therewith) the third party claims arising out of any matter in respect of which it is entitled to be indemnified under this Lease Agreement, provided that the Defaulting Party shall be entitled, at its option, to assume and control the defence of the third party claims, if it gives notice of its intention to do so to the Non-defaulting Party.
- (c) If the Defaulting Party elects to assume such control, the Non-Defaulting Party shall co-operate with the Defaulting Party and its legal advisors and shall have the right to participate in the negotiation, settlement or defence of such third party claims at its own expense. If the Defaulting Party does not so elect or, having elected to assume such control, thereafter fails to proceed with the settlement or defence of any such third party claims, the Non-defaulting Party shall be entitled to assume control of defense of the third party claim, and all the costs and expenses incurred by the Non-defaulting Party with respect to such defense shall also be subject to indemnity. In such case, the Defaulting Party shall co-operate where necessary with Non-defaulting Party and its counsel in connection with the defense of such third party claims and the Defaulting Party shall be bound by the results obtained by the Non-defaulting Party with respect to such third party claims.

### 13. RELATIONSHIP

- 13.1 No provision of this Lease Agreement shall be deemed to constitute a partnership or joint venture between the Parties.
- 13.2 No provision of this Lease Agreement shall constitute either Party as the legal representative or agent of the other, nor shall either Party have the right or authority to assume, create or incur any liability or any obligation of any kind, express or implied, against, or in the name of, or on behalf of any other Party.
- 13.3 No person employed by either Party for the performance of its obligations under this Lease Agreement shall be deemed to be an employee of the other Party. Each Party shall be responsible for the payment of all salaries, employment benefits, etc. with respect to all persons who are engaged by it for the performance of any obligations under this Lease Agreement and such person shall not be entitled to any salary benefit or any other claim whatsoever from or against the other Party.

### 13A. CONFIDENTIALITY

- 13A.1 From time to time prior to and during the term of this Lease Agreement, a Party may receive, from the other Party, such other Party's or such other Party's affiliate's confidential or proprietary information or any other information belonging to the other Party (in each case, the **Confidential Information**). With respect to all such Confidential Information, however obtained, each Party shall:

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- (a) maintain the secrecy and confidentiality of all such information;
- (b) not disclose any such information directly or indirectly, by any means, to any person or entity, except to its directors and other personnel engaged in the management who need to know such information to perform their responsibilities;
- (c) not file any patent/copyright or any other intellectual property registration application in respect of any such information; and
- (d) not use any such information for any purpose other than the implementation of this Lease Agreement.

It is clarified that the terms and conditions of this Lease Agreement and or any related documents executed or exchanged between the Parties shall be considered and deemed to be Confidential Information.

13A.2 The provisions of Clause 13A.1 shall not apply to information that:

- (a) can be shown to have been known by the receiving Party prior to disclosure by the disclosing Party;
- (b) is or becomes public knowledge otherwise than through the receiving Party's breach of this Lease Agreement;
- (c) was obtained by the receiving Party from a third party having no obligation of confidentiality with respect to such information; and
- (d) is required to be disclosed by Applicable Laws or to any lender or such Party, provided that if a Party is so required to disclose any confidential information, the relevant Party shall promptly notify the other Party, where practicable and lawful to do so, before the disclosure occurs and shall co-operate with the other Party regarding the timing and content of such disclosure or any action which the other Parties may reasonably elect to take to challenge the validity of such requirement. Notwithstanding the foregoing, the obligation of a Party to notify other Party shall not be applicable to a Party for disclosures and filings required under the terms of any listing agreement executed by it with (or other regulations of) the stock exchanges where its securities are listed or for the disclosures in the annual accounts required by Applicable Laws or the accounting standards.

13A.3 Each Party shall be responsible to ensure that its directors and other personnel who may receive such confidential information, comply with the obligations set out in this Clause 13A.

13A.4 The obligations of each Party under this Clause shall survive the termination of this Lease Agreement.

#### 14. NOTICE

14.1 Any notice or other communication to be given under this Lease Agreement must be in

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writing (which includes fax, but not any other form of electronic communication) and must be delivered or sent by post or fax to the Party to whom it is to be given at its address appearing below (along with a copy of such notice or communication by electronic email to e-mail addresses provided below):

- (i) to the Lessor at:  
Name & Designation: Dr. R. Mandal  
Address: Brace Iron & Steel Pvt. Ltd, D-2, 5<sup>th</sup> Floor, Southern Park, Saket Place,  
Saket, New Delhi- 110017

E-mail: Braceiron@gmail.com  
Phone No.:  
Fax No.:

- (ii) to the Lessee at:

Name & Designation: Nitin Johari, Director (Finance)  
Address: Bhushan Centre, Ground Floor, Hyatt Regency Complex, Bhikaji Cama  
Place, New Delhi-110066  
E-mail: bs1@bhushansteel.com  
Phone No.: 011-71194000  
Fax No.: 011-46518611

, or at any such other address or fax number of which the relevant Party shall have given notice for this purpose to the other Party under this Clause 14. Any notice or other communication sent by post shall be sent by prepaid registered/speed post or reputed courier.

- 14.2 Any notice or other communication shall be deemed to have been given:

- (a) if delivered, on the date of such delivery;
- (b) if sent by post/courier, on the fourth business day after it was put into the post/courier; or
- (c) if sent by fax, on the date of transmission, if transmitted before 5.00 p.m. (local time at the country of destination) on any business day, and in any other case on the business day following the date of transmission.

- 14.3 In proving the giving of a notice or other communication, it shall be sufficient to prove that delivery was made or that the envelope containing the communication was properly addressed and posted by prepaid registered/speed post, or reputed courier, or that the fax was properly addressed and transmitted, as the case may be.

- 14.4 This Clause 14 shall not apply in relation to the service of any notice or other documents to be served in relation to any proceedings under this Lease Agreement, if Applicable Laws require service of such notice or other document in a different manner.

## 15. MISCELLANEOUS

### 15.1 Waiver

For Brace Iron & Steel Private Limited

  
Authorized Signatory

For BHUSHAN STEEL LIMITED



  
Authorized Signatory

15.1.1 The failure of any Party to enforce, in any one or more instances, performance of any of the terms, covenants or conditions of this Lease Agreement shall not be construed as a waiver or a relinquishment of any right or claim granted or arising hereunder or of the future performance of any such term, covenant, or condition, and such failure shall in no way affect the validity of this Lease Agreement or the rights and obligations of the Parties. The Parties acknowledge that a waiver of any term or provision hereof can only be given by a written notice issued by the relevant Party.

15.1.2 Any express waiver by either Party of any default by the other Party shall not constitute a waiver of any other default by the defaulting Party or a waiver of any of the non defaulting Party's right.

#### 15.2 Entire Agreement

This Lease Agreement constitutes the entire agreement between the Parties and revokes and supersedes all previous agreements between the Parties, if any, concerning the matters covered herein whether written oral or implied.

#### 15.3 Severability

Any provision of this Lease Agreement which is prohibited, unenforceable or is declared or found to be illegal, unenforceable or void shall be ineffective only to the extent of such prohibition or unenforceability without invalidating the remainder of such provision or the remaining provisions of this Lease Agreement. If any such prohibition or unenforceability substantially affects or alters the commercial terms and conditions of this Lease Agreement, the Parties shall negotiate in good faith to amend and modify the provisions and terms of this Lease Agreement as may be necessary or desirable in the circumstances to achieve, as closely as possible, the same commercial terms, covenants and conditions as were there in this Lease Agreement prior to such prohibition or unenforceability.

#### 15.4 Authority

Each Party to this Lease Agreement represents that it possesses full power and authority to enter into this Lease Agreement and to perform its respective obligations hereunder and that the legal representative of each Party who is the signatory is fully authorised to sign this Lease Agreement.

#### 15.5 Survival

The provisions of Clause 1 (Definitions and Interpretation), 9.3 (Consequences of Termination), 10 (Governing Law and Jurisdiction), 11 (Dispute Resolution), 12 (Indemnification), 13A (Confidentiality) and 14 (Notice), and such other Clauses which by their nature are to survive any termination, shall survive the termination or expiry of this Lease Agreement.

#### 15.6 Counterparts

This Lease Agreement may be executed in any number of counterparts, all of which, taken together, shall constitute one and the same instrument, and any Party (including any duly authorised representative of a Party) may enter into this Lease Agreement by executing a counterpart. The delivery of signed counterparts by facsimile transmission or electronic mail in "portable document format" (".pdf") shall be as effective as signing and delivering the

For Brace Iron & Steel Private Limited

Authorised Signatory

For BHUSHAN STEEL LIMITED



Authorised Signatory

document in person.

#### 15.7 Assignment

Neither Party shall assign or transfer the whole or any part of the Lease Agreement or any benefit, interest, obligation or liability in or under this Lease Agreement without the prior written consent of the other Party. Notwithstanding the foregoing, the Lessor may assign any benefit or rights hereunder to the Lessor Secured Lenders, and the Lessee has a right to create charge/ security/ encumbrance over its rights hereunder in favour of its lenders.

In the event the Lessor sells, mortgages, transfers, alienates, bequeaths, gifts or otherwise disposes of its right, title or interest in the Equipments or any part thereof and the incidental rights attached thereto at any time during the Lease Term:

- (a) The Lessor shall give not less than 60 days prior written notice to the Lessee of the proposed sale, mortgage, transfer, etc.; and
- (b) The Lessor shall obtain in writing an acceptance from the proposed buyer/transferee recognizing, acknowledging and accepting the terms and conditions of, and the rights of the Lessee over the Equipments under, this Lease Agreement and such buyer/transferee shall confirm that it/they shall not interfere with the peaceful possession, use and enjoyment of the Equipments by the Lessee in accordance with the terms of this Lease Agreement.

#### 15.8 Amendments

No modification or amendment of any of the provisions of this Lease Agreement shall be effective unless made in writing specifically referring to this Lease Agreement and duly signed by the Parties.

**IN WITNESS WHEREOF, THIS LEASE AGREEMENT IS EXECUTED BY THE PARTIES HERETO ON THE DAY, MONTH & YEAR FIRST ABOVE WRITTEN:**

*for and on behalf of the Lessor*

**BRACE IRON & STEEL PRIVATE LIMITED**  
For Brace Iron & Steel Private Limited

Name: Yogesh Gupta  
(Authorised Signatory)

Authorised Signatory

For BHUSHAN STEEL LIMITED



Authorised Signatory

*for and on behalf of the Lessee*

**BHUSHAN STEEL LIMITED**

Name: Nitin Johri, Director (Finance)

(Authorised Signatory)

*[A large, long, curved handwritten signature or scribble spans diagonally across the page.]*

For BHUSHAN STEEL LIMITED



*[Handwritten signature]*  
Authorised Signatory



**SCHEDULE 1**  
**LIST OF EQUIPMENTS**

EQUIPMENT RELATING TO PRODUCTION OF OXYGEN, NITROGEN, AND ARGON IN GASEOUS AND LIQUID FORM ([340 TPD (OXYGEN), 405 TPD (OXYGEN), 1120 TPD (OXYGEN), AND 1200 TPD (OXYGEN)])

S.NO	DESCRIPTION OF EQUIPMENTS	RELATING TO
1	Main air compressor	1200 TPD
2	Main air compressor -Motor	1200 TPD
3	DCAC/Chilled Water pumps	1200 TPD
4	Air water exchanger	1200 TPD
5	Main heat exchanger	1200 TPD
6	Refrigeration unit	1200 TPD
7	Adsorbbers -Radial type with Alumina & Molecular sieve	1200 TPD
8	Regeneration heater	1200 TPD
9	Distillation Columns/COLD BOX(SS Cold box with Perlite insulation)	1200TPD
10	Expansion turbines with booster compressors (ET01/ET02)	1200 TPD
11	LOX/LAR Process pumps	1200 TPD
12	Nitrogen compressors	1200 TPD
13	Nitrogen compressors-Motors	1200 TPD
14	Liquid waste disposal system	1200 TPD
15	Cooling Tower	1200 TPD &1120TPD
16	Cooling Water pumps /Motors	1200 TPD &1120TPD
17	Liquid Oxygen Storage Tank -5000Ts (Capacity)	1200 TPD &1120TPD
18	Liquid Nitrogen Storage tank -2000Ts (Capacity)	1200 TPD &1120TPD
19	Liquid Argon Storage tank -700Ts	1200 TPD &1120TPD
20	Liquid Oxygen Vaporiser (for conversion of liquid to gas) - 66000Nm <sup>3</sup> /hr	1200 TPD &1120TPD
21	Liquid Nitrogen Vaporiser (for conversion of liquid to gas) - 24000Nm <sup>3</sup> /hr	1200 TPD &1120TPD
22	Liquid Argon Vaporiser (for conversion of liquid to gas)- 2500Nm <sup>3</sup> /hr	1200 TPD &1120TPD
23	Liquid Oxygen back up pumps X 3 Nos.	1200 TPD &1120TPD
24	Liquid Nitrogen back up pumps X 3 Nos.	1200 TPD &1120TPD
25	Liquid Argon back up pumps X 2 Nos.	1200 TPD &1120TPD
26	Gaseous Oxygen Pressure Reducing Stations	1200 TPD &1120TPD

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27	Nitrogen Pressure Reducing Stations	1200 TPD & 1120TPD
28	Argon Pressure Reducing Stations	1200 TPD & 1120TPD
29	Main air compressor	1120 TPD
30	Main air compressor -Motor	1120 TPD
31	Booster Air compressor	1120 TPD
32	Booster Air compressor-Motor	1120 TPD
33	Adsorbbers - with Alumina & Molecular sieve	1120 TPD
34	Direct contact after cooler	1120 TPD
35	Evaporative cooler	1120 TPD
36	Regeneration heater	1120 TPD
37	Distillation Columns/COLD BOX(Aluminium Cold box with Perlite insulation)	1120 TPD
38	Main heat exchangers	1120 TPD
39	High pressure LOX run tank	1120 TPD
40	High pressure Liquid Nitrogen run tank	1120 TPD
41	Expansion Turbine /Generator	1120 TPD
42	Liquid Nitrogen/Liquid Argon Process pumps	1120 TPD
43	Waste disposal system	1120 TPD
44	Inter Plant Piping Pressure Reducing Station System	Common facility
45	Main air compressor	405 TPD
46	Main air compressor-Motors	405 TPD
47	Booster air compressor	405 TPD
48	Booster air compressor-Motors	405 TPD
49	Main heat exchanger	405 TPD
50	Adsorber vessels	405 TPD
51	Expansion turbine with booster compressor	405 TPD
52	Distillation columns(SS Cold box with Perlite insulation)	405 TPD
53	LOX Process Pumps	405 TPD
54	LOX Storage tank -1000KL	405 TPD
55	Chiller	405TPD
56	GOX.PRS	405TPD
57	Nitrogen Compressor	405TPD
58	Cooling water pump	405TPD
59	LIN Storage tank-51KL	405 TPD
60	LIN Storage tank-21KL	405 TPD
61	LAR Storage tank-41KL	405 TPD
62	Main air compressor	340 TPD
63	Main air compressor-Motors	340 TPD
64	Adsorber vessels	340 TPD
65	Direct contact after cooler	340 TPD
66	Evaporative cooler	340 TPD
67	Main heat exchanger	340 TPD

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68	Distillation columns(SS Cold box with Perlite insulation)	340 TPD
69	Expansion Turbine	340 TPD
70	Tanker filling pumps	340 TPD & 405 TPD
71	Oxygen Compressor	340TPD
72	Nitrogen Compressor	340TPD
73	Cooling water pump	340TPD
74	Cooling Tower	405TPD & 340TPD
75	Cooling Water pumps	405TPD & 340TPD
76	Chiller	340TPD
77	Gaseous Oxygen Pressure Reducing Station	340TPD
78	Buffer vessel-250KL (Gaseous Oxygen)	Common facility
79	Buffer vessel-250KL (Gaseous Oxygen)	Common facility
80	Buffer vessel-250KL (Gaseous Nitrogen)	Common facility
81	Buffer vessel-250KL (Gaseous Nitrogen)	Common facility
82	Buffer vessel-100KL (Gaseous Argon)	Common facility
83	Buffer vessel-100KL (Gaseous Oxygen)	Common facility
84	Other related allied equipment (such as Ducts, Pipes, Cables (Power and Optical), Transformers, MCB Panels, Power Distribution Equipment, Lubrication Systems, DCS and PLC Systems, Control Valves, Manual Valves and Safety Valves, Pressure Reducing Stations, Product Compressors, Air Compressors, Pumps, Analyzers, Air Conditioning Equipments, DG Sets, Air Filtration Systems, Heaters)	
85	Ancillary Installation Equipment	

For Brace Iron & Steel Private Limited

  
Authorised Signatory

For BHUSHAN STEEL LIMITED  
  
Authorised Signatory

**SCHEDULE 2**  
**RENT PAYMENT DETAILS**


The monthly Rent to be paid by the Lessee shall be as follows:

- (a) Rs. 150,000,000 (Rupees Fifteen Crores only) (net of all taxes and tax deduction at source) for the period commencing on the Rent Commencement Date and ending on 31 March 2020; and
- (b) Rs. 180,000,000 (Rupees Eighteen Crores only) (net of all taxes and tax deduction at source) for the remaining duration of the Lease Term,

provided that the Parties may revise the monthly Rent as agreed between them from time to time.

Notwithstanding the foregoing: (i) for the first month of the Lease Term, in addition to the Rent payable for that month, the Lessee shall also pay an amount of Rs. 15,00,00,000/= (Rupees Fifteen Crore only) as one month's advance Rent. This shall be adjusted by the Lessor only against the Rent payable for the last month of the Lease Term or against any other amounts as may be agreed in writing by the Lessee, and (ii) if the Lease Commencement Date is a day other than the first date of the month, then the Rent payable for that month shall be pro-rata to the number of remaining days of that month.

For Brace Iron & Steel Private Limited

  
Authorised Signatory

For BHUSHAN STEEL LIMITED



  
Authorised Signatory