

LEASE DEED

This indenture made this 20th day of July 1990, between the H.P. State Electronics Development Corporation, Shimla (through its Company Secretary as authorised by Managing Director hereinafter called the lessor, which includes his/her successors in office) of the one part and M/S. Himachal Futuristic Communications Limited through their authorised Officer, herein called the lessee, which expression shall include his/her heirs, administrators, executors and legal representatives successor-in-interest assigns of the other part,

2. Whereas the lessee has applied to the lessor for the grant of a lease of an Industrial Building with land attached thereto situated in Electronic Estate Chambaghat, Distt. Solan fully described hereunder and belonging to the lessor, and the lessor has to the faith of the statements and has agreed to demise and allot the Industrial Building to the lessee and in the manners appearing.

3. Now this lease deed witnesseth that in consideration of payment of Rs. 5,70,000/- as estimated premium price of the building besides Rs. 1/- as ground rent which the lessee hereby agrees to pay in the manner hereinafter contained, the lessor doth hereby demise with the lessee Industrial Building and land attached thereto, being the Industrial Building situated in the Electronics Estate, Chambaghat, Solan containing by measurement an area of 7683.00 sq. ft. for building No. 7 and is more particularly described in the schedule

Contd....2/-

[Signature]

Company Secretary
H.P. State Electronics Dev. Corp
Shimla

For Himachal Futuristic
Communications Ltd.,
[Signature]

Managing Director

Himachal Futuristic
Communications Ltd.,
Chambaghat,
Solan (H.P.)

For Himachal Futuristic
Communications Ltd.,
[Signature]
Managing Director



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herunder written and with boundaries thereof has been delineated on the plan annexed to these presents and thereon coloured (hereinafter to be Industrial Building together with all right easement and appurtenance to hold the premises hereby demised unto the lessee from 26th day of April 1989 for a period of 93 years from the date of allotment viz. 26-4-1989 and ending 25-4-2082 yielding and paying thereof the rent as hereinafter mentioned.

*For Himachal Pradesh
State Electronics Dev. Corp.
Shimla (H.P.)*

The lessee for himself, his heirs, executors, administrators and assigns covenants with the lessor in the following manner i.e. to say :-

i) The lessee shall be liable to pay to the lessor the premium price in as many instalments and with such interest as may be directed by H.P. State Electronics Development Corporation in writing separately. A sum of Rs. 5,70,000 has already been paid by the lessee to lessor in this behalf.

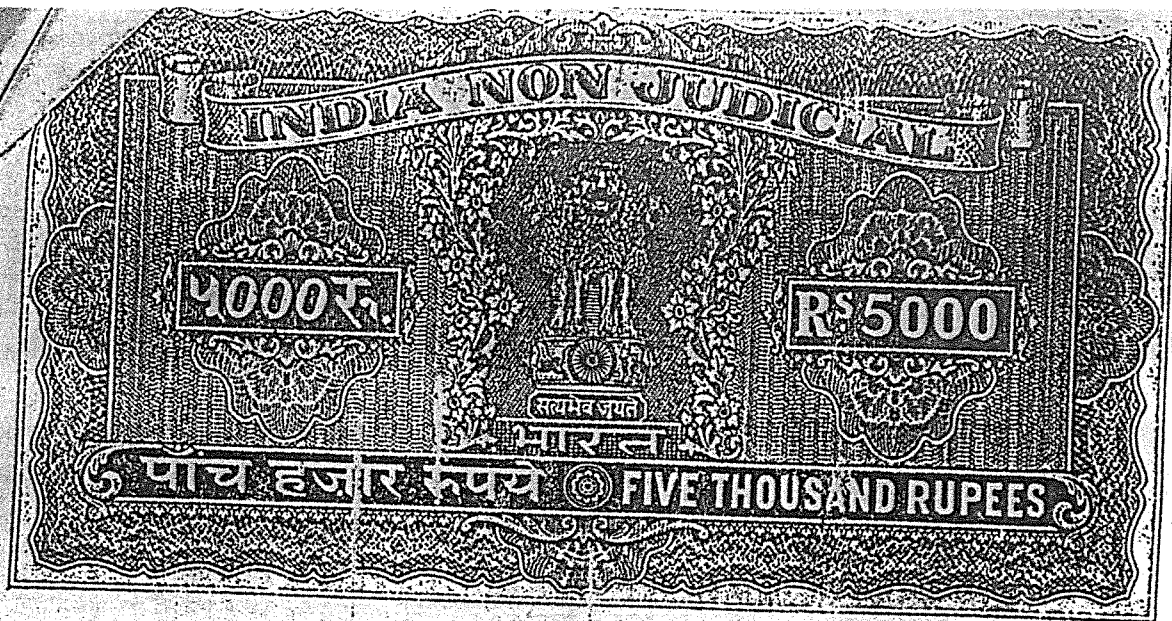
ii) The lessee shall be liable to pay ground rent at the rate of Rs. 1/- per annum during the lease period. The rent of the 1st year shall be paid by the lessee within 15 days of the receipt of notice of demand to that effect from the lessor and for such subsequent year it shall be payable in advance in the manner as may be prescribed by the lessor.

Contd...3/-

*For Himachal Pradesh
State Electronics Dev. Corp.
Shimla (H.P.)*

*For Himachal Pradesh
Tourist Development
Corporation Ltd.
Shimla (H.P.)*

*For Himachal Pradesh
State Electronics Dev. Corp.
Shimla (H.P.)*



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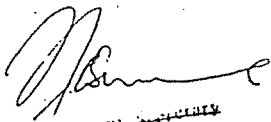
iii) The lessee shall not sell, transfer, assign, sublet, otherwise part with the possession of the whole or any part of the Industrial Buildings, except with the previous consent in writing of lessor, which he shall be entitled to refuse in his absolute discretion.

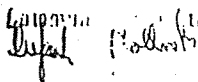
iv) Provided that such consent shall not be given for a period of 10 years from the commencement of this lease unless in the opinion of the lessor, exceptional circumstances exist for the grant of such consent.

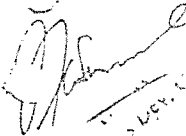
v) Provided further, that in the event of the consent being given the lessor may impose such terms and conditions as he thinks just and proper and lessor shall be entitled to claim and recover a portion of the unearned increase in the value (i.e. the difference between the premium paid and market value) of the Industrial Building at the time of sale, transfer assignment or parting with the possession, the amount reasonable to be recovered being 50% of the unearned increase and the reasonable decision of the lessee in respect of the market value shall be final and binding.

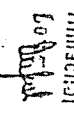
Provided further that the lessor shall have the pre-emptive right to purchase the property after deducting fifty percent of unearned increase as aforesaid.

Contd... 4/-


 Company Secretary
 H.P. State Electronics Dev. Corp.
 Shimla (H.P.)

For Himachal Futuristic
 Corporation Ltd.,

 Managing Director


 H.P. State Electronics Dev. Corp.
 Shimla (H.P.)

For Himachal Futuristic
 Corporation Ltd.,

 Managing Director



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Notwithstanding anything contained in sub-clause (iii) above, the lessee may, with the previous consent in writing of the Lessor, mortgage or charge the industrial building to such person as may be approved by the lessor in his absolute discretion. However, for seeking financial assistance from Govt. Financial Institution or Banks, Lessee can mortgage the shed to them.

Provided that, in the event of the sale or re-closure of the mortgaged or charged property, the lessor shall be entitled to claim and recover the fifty percent of the unearned increase in the value of the Industrial Building as aforesaid, and the amount of the lessor's share of the said unearned increase shall be a first charge, having priority over the said mortgage, transfer or charge. The decision of the lessor in respect of the market value of the said industrial shed as mentioned herein before shall be final and binding on all parties concerned.

Provided further that the lessor shall have the pre-emptive right to purchase the mortgage or charged property after deducting fifty percent of the unearned increase as aforesaid.

vi) The lessor's reserves the right to recover fifty percent of the unearned increase and the pre-emptive right to purchase to an involuntary sale or transfer whether it be by or through an executing or insolvency court.

Contd...5/-

[Signature]
Company Secretary
H.P. State Electronics Dev. Corp.
Shimla-171

For Himachal Futuristic
[Signature]
Managing Director

[Signature]
Himachal Futuristic
Shimla-171

For Himachal Futuristic
[Signature]
Shimla-171



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vii) Whenever the title of the lessee in the Industrial building is transferred in any manner whatsoever, the person to whom the same is transferred shall be bound by all the covenants and conditions contained herein and be answerable in all respect therefor.

viii) Whenever the title of the lessee in the Industrial Building is transferred in any manner whatsoever, the transferor and the transferee within three months of the transfer shall give notice of such transfer in writing to the lessor.

In the event of death of the lessee the person on whom the title of the deceased devolves shall within three months of the devolution give notice of such devolution to the lessor.

The transferee or the person on whom the title devolves as the case may be, shall supply the lessor, certified copies of the documents evidencing the transfer of devolution.

The lessee shall from time to time and at all time pay and discharge all rates, taxes, charges and assessments of every description which are now or at any time hereafter during the continuance of this lease be assessed, charged of, imposed upon the industrial building hereby demised.

Contd...6/-

For Himachal Pradesh

Secretary

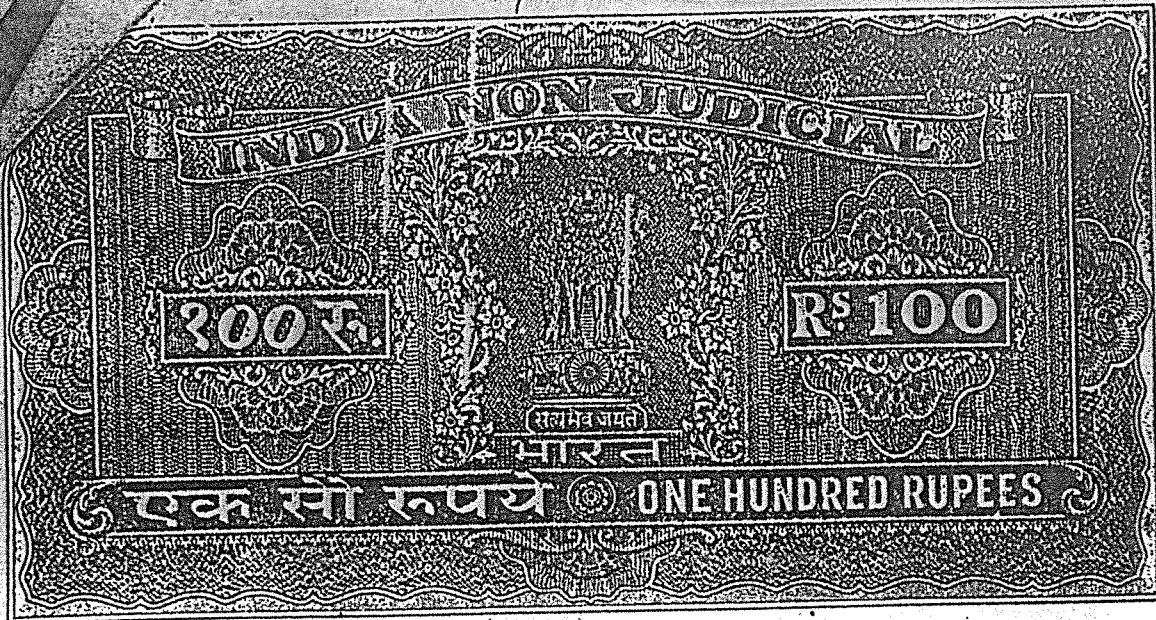
Deputy Secretary

C. Nagaraj, Director

[Signature]
 Deputy Secretary
 H.P. State Enterprises Dev. Corp
 Shimla (H.P.)

[Signature]
 Deputy Secretary
 State Enterprises Dev. Corp
 Shimla (H.P.)

for Himachal Pradesh
 Director



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ix) All arrears of rent or any other payments due in respect of the industrial building hereby demised shall be recoverable in the same manner as an arrears of land revenue.

x) The lessee shall in all respects comply with and bound by the building, drainage and other bye laws of the local Municipal or other authority for the time being in force.

xi) The lessee shall not without sanction or permission in writing of the lessor or to other authority prescribed by the Lessor make any alternation or addition to in or on the Industrial Building.

xii) The lessee shall not without the written consent of the lessor use, or permit to be used, the industrial building for residence or for carrying on any trade or business whatsoever or use the same or permit the same to be used for any purpose other than that of carrying on the manufacturing process or running the industry of Subscriber Carrier Systems and allied equipments or such other manufacturing process or industry as may be approved from time to time by the Lessor, or do or suffer to be done therein any act or thing whatsoever which in the opinion of the Lessor may be a nuisance annoyance or disturbance to the lessor and persons living in the neighbourhood.

For Secretary
H.P. State Electricity Dev. Corp.
Shimla

For Director

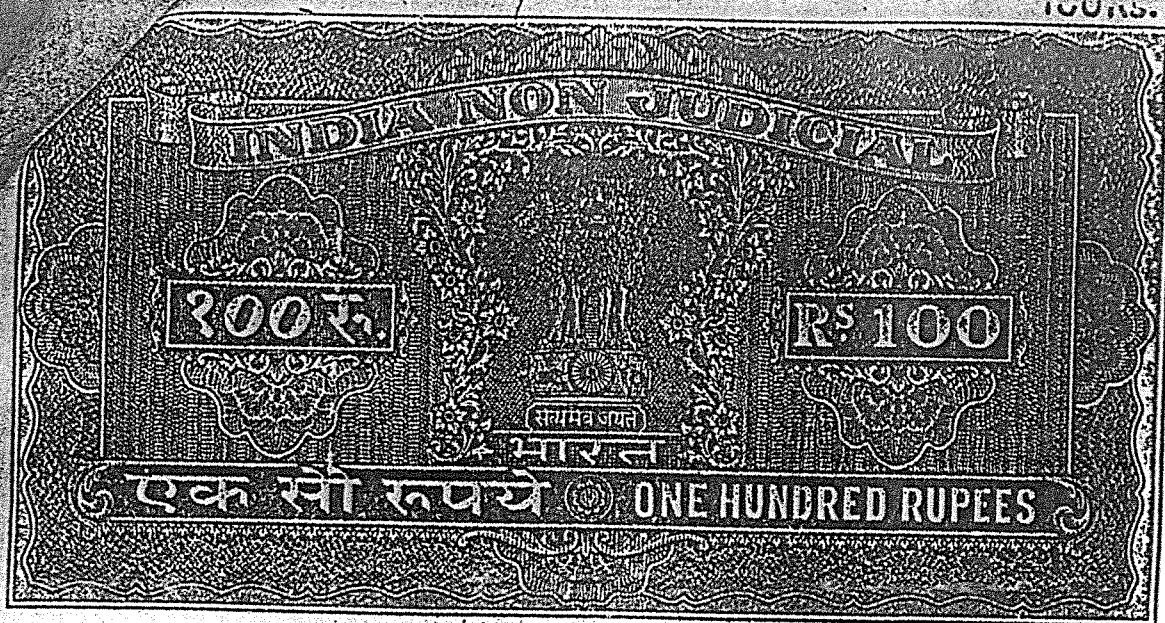
[Signature]
Company Secretary
H.P. State Electricity Dev. Corp.
Shimla

Contd.... 7/-

For Director

[Signature]

Director



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Provided that if the lessee is desirous of using the said industrial building for a purpose other than that of the manufacturing process or industry as may be approved from time to time the lessor may allow such change of use on such terms and conditions including payment of additional premium and additional rent, as the lessor may in his absolute discretion determines.

5. If the sum or sums payable towards the premium hereby reserved or any part thereof shall at any time be in arrears whether the same shall have demanded or not if it is discovered that this lease has been obtained by supersession of any facts or by any fact or mis-statement, mis-representation or fraud or if there shall have been in the opinion of the lessor whose decision shall be final, any breach by the lessee or any person claiming through or under him or any of the covenants or condition contained herein and on his part to be observed or performed then and in any such case it shall be lawful for the lessor notwithstanding the waiver of any previous clause or right of re-entry upon the Industrial Buildings, hereby demised, to re-enter upon and take possession of the building and thereupon this lease and everything herein contained shall cease and determine and the lessee shall not be entitled to any compensation whatsoever, not to the return of any premium paid by him.

6. The lessee doth hereby agree that the burden of the covenant shall run with the Industrial Building and shall bind the lessee and the permitted assigns thereof, hereby covenants with the lessors as follows :-

i) That the lessee shall establish the Industry and the Factory in accordance with and within the time specified in the

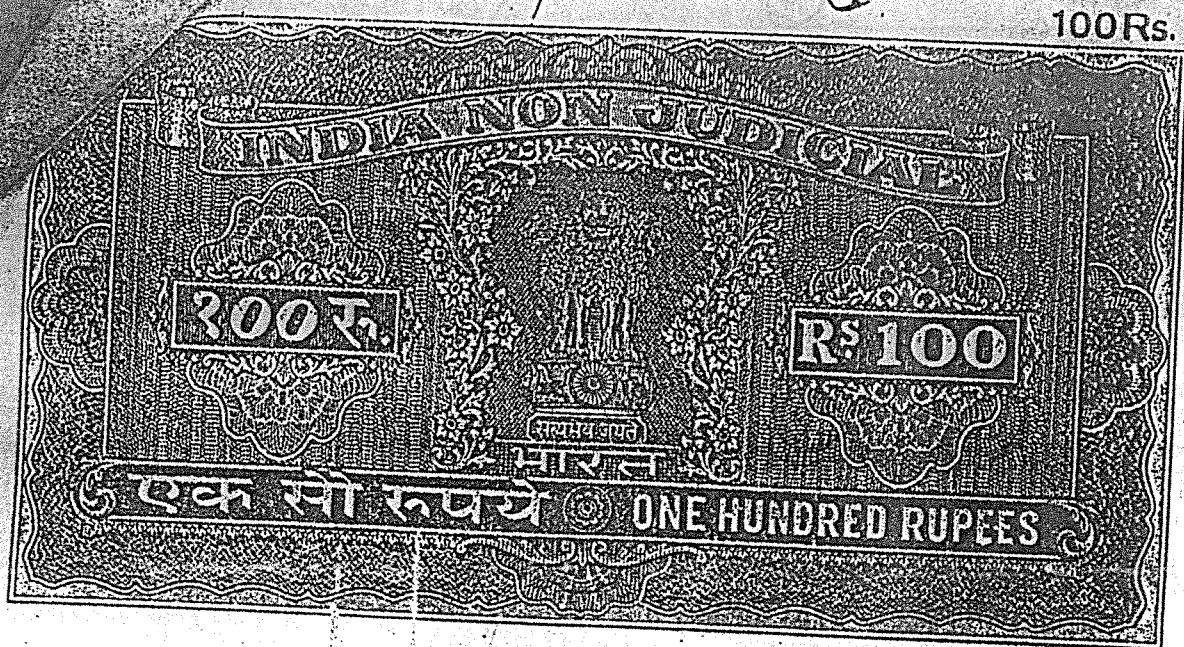
[Signature]
Company Secretary
State Industries Dev. Corp

[Signature]
Deputy Manager

Contd...d/-

[Signature]
Company Secretary
State Industries Dev. Corp

[Signature]
Deputy Manager



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licence granted to him under the Industries (Development and Regulation) Act, 1951, and in case no licence is required for establishing the industry aforesaid, he shall establish the industry and the factory in accordance, with and within time and term specified in the scheme approved by the Himachal Pradesh Govt. or any other competent authority or within the time actually/mutually agreed upon between the lessor and the lessee and any breach of this condition shall render this lease liable for termination at the option of the lessor.

ii) That the lessee will perform, observe and comply with all obligations in respect of the industrial Shed and business carried therein, imposed by any, statute, regulation or bye-laws of any competent authority, and also the lawful direction of a public or local authority.

iii) That it shall be lawful for the lessee with the previous approval of the lessor in writing to mortgage his interest in the Industrial Building and Machinery set up by him or the Industry to be set up by him in the Building as security in respect of any money advanced by a HP Financial Corporation or H.P. State Industrial Development Corporation or by the Government of Himachal Pradesh, by a Scheduled Bank or by any financial Institution or by an other persons for the purpose of setting up or expansion of the Industry in the said Building.

Contd....9/-

[Signature]
Company Secretary
H.P. State Electronics Dev. Corp
Shimla (H.P.)

For Himachal Pradesh
[Signature]
Deputy Commissioner
Shimla (H.P.)

[Signature]
For Himachal Pradesh
State Electronics Dev. Corp.
Shimla (H.P.)

[Signature]
For Himachal Pradesh
Deputy Commissioner
Shimla (H.P.)



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iv) That the lessor and all persons acting under his order shall be at liberty at all reasonable times during the terms of this lease to enter upon the Industrial Shed for and purpose connected with the lease.

v) That in the event of the Project not materialising or the industry failing, the lease will be terminated and the lessor shall have the first option to acquire on such termination the building machines etc. at an agreed price, or failing that at price determined by a sole arbitrator and it is agreed that the Secretary (Industries) be appointed as arbitrator. The provisions of Arbitration Act, 1940 and any statutory modification thereof shall apply to any such arbitration. If the lessor does not exercise his option the lessee shall peacefully and quietly surrender to the lessor vacant possession of the said Shed removing any machinery, fitted etc. within such period as may be decided by lessor completed from the date of termination of the lease.

vi) That the condition of surrender of vacant possession by the lessee and of the first option of the lessor or acquisition referred to in the clause above shall mutatus-mutandis apply in the event of the expiry of the terms of the lease without renewal and in the event of the sooner termination of the lease in accordance with the terms and conditions in the manner stated here above.

vii) That the cost of execution and registration of the lease deed shall be borne by the lessee.

Contd.....10/-

[Signature]
Company Secretary
H.P. State Electronics Dev. Corp
Shimla

For Himachal Electrotechnic
Development Corp. Ltd.,

Managing Director

Company Secretary
H.P. State Electronics Dev. Corp
Shimla (H.P.)

For Himachal Electrotechnic
Development Corp. Ltd.,
Managing Director



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viii) That any sum of money due to or claimable by the lessor in respect of the building hereby demised shall be recoverable by the lessor as arrears of land revenue.

ix) That in case of any portion of the demised building is not used by the lessee for the purpose of industry, then notwithstanding the covenant herein before or hereinafter contained, the lessor shall have the right to resume un-used portion of the Building after giving a three months' notice to the lessee provided that the lessor shall not exercise this option till after the expiry of five years from the date of commencement of the industry in accordance with the conditions of the licence granted under the Industries (Development and Regulations) Act, 1951 or in accordance with the approval granted by the H.P. Government or any other competent authority.

x) That on failure of the lessee to commence production within six months of the taking of possession of the building, it shall be lawful for the lessor, in addition or in the alternative to any other remedy that may be available to eject the lessee from the building hereby demised and take possession thereof as full and absolute owner and the entire amount of premium and rent paid by lessee shall stand forfeited in favour of the lessor.

7. (3) All the notices, orders, directions, consents or approval to be given under this lease shall be written and shall be signed by such officer as may be authorised by the lessor and shall be considered as duly served upon the lessee or any person claiming any right to the Industrial Building, if the same shall have been affixed to any building or erection whether temporary or otherwise.

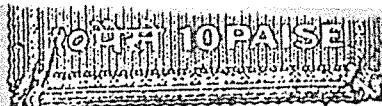
Contd...11/-

Secretary
H.P. State Electronics Dev. Corp.
Shimla H.P.

For Himachal Pradesh
Deputy Director
Director

Secretary
H.P. State Electronics Dev. Corp.
Shimla H.P.

For Himachal Pradesh
Deputy Director
Director



(11)

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upon the industrial building or shall have been provided delivered at or sent by post to the then residences, office or place of business of the lessee or such person.

IN WITNESS WHEREOF the lessor has caused in his behalf at his hand and the lessee has hereunder set his hands the day and year first above written.

THE SCHEDULE REFERRED TO ABOVE

All that industrial shed comprised in Shed No.7 situated at Electronics Industrial Estate Chambaghat, Distt.Solan.

3683.05 Sq.ft. Building No:7.

Signed by:

[Signature]
Company Secretary
for H.P. State Electronics
Development Corporation Limited,
Saligram Bhawan, Khalini, SHIMLA-2.

Signed by:

[Signature]
for Himachal Pradesh
Limited,
Electronics Complex,
Chambaghat, Solan (H.P.)-173 213.

Witness:

1. *[Signature]*
J. P. LAKHOTIA
VICE-PRESIDENT (FINANCE) & SECRETARY

2. *[Signature]*
(B. P. L. Ch. P. T. A.)
Suptd. HPSEDC Shimla

Virender Thakur

Form No. 2.

do.....19.....

रसीद-बक (घ)

पञ्च महकमा संव-रजिस्ट्रार

महकमा संव-रजिस्ट्रार

महकमा संव-रजिस्ट्रार

नम्बर गुमाद 547

नाम पेश कुमिन्दा दस्तावेज

नाम तकसील कुमिन्दा दस्तावेज व तारीख तकसील

तारीख पेश होने दस्तावेज

किस्म दस्तावेज व तादाद मुभावजा

कीमत अरहाद

तकसील नोजान जर फीस वसूल शुदा

फीस रजिस्ट्री

तादाद अलफाज

The H.P. State Electric
Dev. Cor. Shimla
Senior Manager as authorised
by M.D.A.O
Ull. Kural
Patti Khalkar

5000-10

फीस तकसील 2-00

कुल रकम 5002-10

महकमा संव-रजिस्ट्रार
दस्तावेज अफसर रजिस्ट्री
श्रीधर, चिप्रा खोपरा

Attested by a first party

Virender Thakur