

- 3 -

PART - 1

## 1. RENTS AND ROYALTIES PAYABLE UNDER THIS LEASE:

- (a) The lessee shall pay to the Government a deed lease rent equivalent to Re.1/- per annum for the entire area leased out to them.
- (b) The lessee shall during subsistence of the lease, pay to the Government a contribution of Rs.700/- per annum for actual forest areas harvested by them from the year of commencement of the lease till the year 1979-80. Thereafter apart from the lease rent as specified in item(a) above they shall pay 50% of the royalty in force for main Andaman Island for a period of three years i.e. up to 1982-83 for all categories of timber and minor forest produce harvested by them annually, after which period, they shall pay full rate of royalty for such timber and other minor forest produce harvested by them at the rates as may be fixed by the Government from time to time for main Andaman Islands. Classification of timber into commercial and non-commercial and the girth limits of commercial and undergirth logs specified in the Annexure to this Agreement is subject to revision at the discretion of the Govt. and