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COLLABORATION AGREEMENT

This Agreement is made and executed at New Delhi on this the 20th January 2007

By and between

Fronid Propbuild Pvt. Ltd., a company incorporated under the Companies Act, 1956, having its registered office at 109, New Delhi House, 27, Barakhamba Road, New Delhi-110001 (hereinafter referred to as "the OWNER" which expression unless repugnant to the context or meaning thereof, be deemed to include its nominees, successors, wholly owned subsidiaries and the permitted assigns)

And

Emaar MGF Land Private Limited, a company incorporated under the Companies Act, 1956, having its registered office at MGF House, 17-B, Asaf Ali Road, New Delhi - 110 002 (hereinafter referred to as "the DEVELOPER" which expression unless repugnant to the context or meaning thereof, be deemed to include its nominees, successors, wholly owned subsidiaries and the permitted assigns)

For EMAAR MGF Land Private Limited

Authorised Signatory

For Fronid Propbuild Pvt. Ltd.

Auth. Signatory/Direction

- 1.5 That Owner shall always place all the additional lands acquired/purchased by it at the disposal of Developer for the Development of such additional lands time to time on the terms and conditions contained herein or as mutually agreed by the Parties.

Article 2: COMMENCEMENT

- 2.1 The DEVELOPER understands and agrees that time is of the essence in the completion of the said project and as such agrees to avoid any unwarranted delay in preparation of the building plans, approval thereof by all the concerned authorities, commencement and completion of construction.
- 2.2 The DEVELOPER shall be responsible for the development of the said land, subsequent to the grant of the License. It undertakes to obtain all requisite approvals and sanctions, such as building plans, designs, drawings, etc., for the development of the said land, at its own cost and expense and in accordance with the applicable laws, bye-laws, rules, and/or guidelines as in force by the statutory bodies and authorities in this regard.
- 2.3 The DEVELOPER shall carry out the construction in accordance with the building bye-laws and as per the sanctioned plans, duly approved by the concerned authorities. The DEVELOPER shall be responsible and liable for any deviation from the building plans and shall indemnify the OWNER against any loss that OWNER may suffer or any penalty owners may have to pay as a result of such deviation.
- 2.4 The DEVELOPER shall commence development work on the said land only after the requisite License has been procured by the OWNER and the DEVELOPER has obtained the sanction of building plans, drawings, designs, etc., and commencement certificate along with environment clearance certificate from the concerned authorities.

Article 3: CONSIDERATION

- 3.1 In consideration of the OWNER having agreed to entrust to the DEVELOPER the development of the said land and to confer upon the DEVELOPER the rights, powers privileges and benefits as mentioned herein, the DEVELOPER agrees to pay to the OWNER, a sum of Rs. 400,00,00,000/- (Rupees Four Hundred Crores only) as interest free refundable advance/security deposit. The payment of the aforesaid amount is agreed to be made in the manner to be mutually decided by both the OWNER and the DEVELOPER.
- 3.2 That the Developer shall also be eligible to collaborate with other parties and may include land belonging to such other party(ies) or the land owned by the Developer ("Other Land") in and as a part of this Project or

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any other future project. In such an eventuality the Owner's Allocation shall be computed in proportion of the said land to the total land (sum total of Said Land and Other Land) as covered under the Project.

Article 4: POSSESSION

4.1 It is agreed that within seven days of the grant of license procured by the OWNER in respect of the said land, the OWNER shall allow the DEVELOPER to enter the said land as licensee only for the purpose of the construction of the project and the grant of such license by the OWNER will not be construed as handing over of possession to the DEVELOPER pursuant to any agreement for sale or otherwise in connection with any interest of the DEVELOPER, in the said land except as licensees as stated hereinbefore. Nothing contained in this agreement shall be construed to be an agreement to sell the said land nor is it intended by the OWNER and the DEVELOPER that the possession of the said land, actual or constructive, be transferred to the DEVELOPER on or after the execution of this agreement. The intention being that the possession of the said land and all rights, title and interest shall be transferred to the DEVELOPER only upon the DEVELOPER fulfilling all the obligations under this agreement and upon the execution of the conveyance deeds after completion of the development as mentioned herein. The ownership and all rights in the said land shall, till the development is complete and conveyance deeds are executed by the OWNER, shall at all times remain with the OWNER.

4.2 The OWNER declares that it shall acquire and purchase the said land which has clear and marketable title and free from all encumbrances, claims, charges, gifts, liens, mortgage, attachments, liabilities, unauthorised occupation and litigation whatsoever and that no notice or requisition or acquisition, from any concerned authority/ies in respect of the said land.

Article 5: MODALITIES

5.1 After the satisfactory completion of the said project, the DEVELOPER shall, as remuneration for the development, be entitled to retain such portion of the built up area of the said property as may be mutually agreed between the parties, so, however, that such portion shall not, in any case, be less than 70 % of the built up area. However, the DEVELOPER shall have such right to retain only upon the satisfactory completion of the said project. In case there is a default in completion of the development to the satisfaction of the OWNER, or a default in performance of its obligations by the DEVELOPER, it shall not be entitled to any portion of the built up area or any interest in the underlying

For EMAAR MGF Land Private Limited

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For Frond Propbuild Pvt Ltd

Auth. Signatory/Director

said land. The OWNER shall within a reasonable period of successful completion of the said project execute necessary conveyance deeds and other documents to convey the interest, as may be mutually agreed, in the developed property or proportionate interest in the said land.

- 5.2 The DEVELOPER shall be responsible to furnish or caused to be furnished (i) all labor, equipment, goods and materials now or hereafter required for the construction and development of the said land, and (ii) all construction management and supervisory services required thereto, for the said project. The entire cost including all the professional costs, such as fees of architects, surveyors, valuers, engineers, lawyers, consultants and cost of construction; all expenses including development charges towards development and risk involved and incidental in the development and construction shall be borne and paid by the DEVELOPER and the OWNER shall not be liable to pay any expenses of any nature at any time.
- 5.3 The DEVELOPER hereby agrees that the said project should be planned and constructed on the said land in accordance with the scheme of the Competent Authority/State Government under the applicable and relevant Acts, Rules and Regulations concerning land, its development and environment related aspects for the time being in force.
- 5.4 The DEVELOPER agrees to maintain the best of quality standards for the development and construction of the said project.
- 5.5 The DEVELOPER hereby agrees that after the OWNER allows the DEVELOPER the possession as licensee of the said land, the DEVELOPER shall pay and discharge all taxes and outgoing including Municipal Taxes, and all other charges, rates, cess, taxes that may be levied by any Public Body or authorities in respect of the said land and which would be payable by the OWNER as owner.
- 5.6 The DEVELOPER shall take all safety measures for the development and construction of the said project including proper safeguards for the labour involved. However, in case of any third party liability, dispute, litigation, the DEVELOPER alone shall be responsible for the risk and cost involved.
- 5.7 The DEVELOPER shall during the construction of the said project be responsible for the insurance of the construction against destruction or damage by fire, earthquake, flood, cyclone, terrorist attacks, riots etc., to its full insurable value and keep insured until the possession of the buildings complete in all respects and fit for occupation is handed over to the OWNER. The DEVELOPER at his own cost shall also carry out the Liability Insurance, Workmen Insurance, etc.
- 5.8 The DEVELOPER shall be at liberty to make necessary applications for the aforesaid purpose to the authorities concerned at its own cost and expenses in the name of the OWNER and the OWNER shall join, in such

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applications but the responsibility of obtaining such permissions will be on the DEVELOPER and at his costs.

- 5.9 The Developer shall be entitled to enter into any agreement at its discretion at any time with any building contractor, architect, appoint agents for the purpose of development of the said property in its own name and costs, risks and expenses.
- 5.10 The DEVELOPER shall not be entitled to assign or transfer its rights/ covenants as conferred under the terms and conditions contained in this Agreement to any third party without express consent of the OWNER.
- 5.11 The OWNER shall at the request of the DEVELOPER, sign and execute and/or deliver, from time to time, any additional documents, for the purposes and effective implementation of this Agreement, including the plans and other applications for layouts, subdivision, construction purposes for being sanctioned and approved by the statutory bodies, Corporation environment clearance certificates/approvals from concerned authorities or approvals or authorisation letters from other authorities.
- 5.12 The OWNER shall, if required by the DEVELOPER execute a power of attorney in favour of the DEVELOPER or its nominee, giving all necessary powers required to carry out the work of development in all respect as contemplated in this Agreement.
- 5.13 The OWNER hereby agrees that during the subsistence of this Agreement, it shall not enter into any similar arrangement/ agreement with any other entity for similar collaboration and /or development, either for profit or otherwise or as a partnership or otherwise.
- 5.14 The OWNER hereby declares that it shall not sell / dispose off, transfer or enter into any other Agreement or conveyance/ transfer Deeds, MOUs, Agreements to Sell etc., pertaining to the said land or create any interest or encumbrance in favour of any third party (except with the prior written consent of the DEVELOPER) on the said land owned by it.
- 5.15 However, if required, the OWNER shall make available the said land owned by it as a security for any loans / assistance as may be required by the DEVELOPER.
- 5.16 The OWNER shall not assign its rights or delegate its duties under this Agreement either in whole or in part without the prior written consent of the DEVELOPER. Any attempted assignment or delegation shall be with the express consent of the other party.

Article 6: INDEMNIFICATION

- 6.1 Both the DEVELOPER and the OWNER undertake to indemnify and shall keep each other indemnified and harmless at all times against any claims or actions

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made by any third party and/ or any loss/ damage which may be caused to either party as a result of failure on the part of other party to carry out any obligation arising out of or in relation to this Agreement. Both the parties undertake to indemnify each other against all claims, liabilities, expenses, costs, loss or damage of whatsoever nature (including legal costs on full indemnity basis incurred by either party) brought against, suffered or incurred by either party, including, without prejudice to the generality of the foregoing, any act, omission, fraud and negligence or default whatsoever, of any of either party's officers, employees and/ or agents.

6.1 The OWNER shall indemnify and keep the DEVELOPER indemnified and harmless at all times against any claims or actions made by any third party and/ or any loss, damage, claims, liabilities, expenses, costs, loss of whatsoever nature (including legal costs on full indemnity basis incurred by the DEVELOPER) which may be caused from any defects/alleged defects in the title of the OWNER in the said land or any part of the said land.

6.2 The obligations set out in the Indemnification Clause shall survive the termination or expiry of this agreement.

Article 7: LIMITATION OF LIABILITY & DISCLAIMER:

7.1 Under no circumstances will either party be liable to the other party for any indirect, incidental, consequential, special or exemplary damages arising from the subject matter of this agreement.

Except as expressly set forth in the agreement, neither party makes any, and each party hereby specifically disclaims any representations or warranties, including, without limitation, all implied representations and warranties, with respect to all materials, content, services, and deliverables delivered or furnished by such party. Without limiting the generality of the foregoing, each party specifically disclaims any and all implied warranties of fitness for a particular purpose, merchantability, title and non-infringement.

Article 8: TERM

This agreement shall be effective from 20TH January, 2007 ("Effective Date") and shall continue for such time as the tenure of the said project or any other future Project, unless extended or terminated by the parties in the manner provided herein.

The DEVELOPER undertakes to complete the construction of the said project within thirty six months from the date of the grant of license as mentioned in Article 2.2 above or such extended time as mutually agreed upon

Article 9: MISCELLANEOUS

9.1 *Force Majeure*

Any delays in or failure of performance by either of the Parties under this Agreement shall not constitute breach of the terms and conditions of the agreement, if and to the extent caused by Force Majeure, which is defined to be

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occurrences beyond the control of the Party effected, including but not limited to acts of the government authorities, acts of God, fire, flood, explosion, riots, terrorist attacks, war, rebellion, insurrection, sabotage and non-co-operation of third parties.

9.2 *Entire Agreement*

This Agreement shall constitute the entire agreement between the Parties hereto relating to the subject matter thereof, and there are no oral statements, representations, warranties, undertakings or agreements between the Parties except as provided herein. This Agreement may not be amended or modified in any respect except by written instrument signed by both the Parties hereto. Subsequent schedules, annexure, or addendums can be added with mutual agreements and will be considered as whole part of this Agreement.

9.3 *Waiver*

It is expressly understood that if either Party on any occasion fails to perform any term of this agreement and the other Party does not enforce that term, the failure to enforce on that occasion shall not prevent enforcement on any other occasion.

9.4 *Severability*

Each section of this Agreement is severable. If a court of competent jurisdiction holds any provision unenforceable, such ruling shall not impair any other provision that remains intelligible and all other provisions shall continue in effect.

9.5 *Relationship*

The Parties hereby expressly agree that each Party shall not be deemed either directly or indirectly to be the employer, franchiser, contractor or principal or partner of the other or of the associates, representatives, staff/employees of the other Party and this agreement has been executed expressly and solely on a principal to principal arrangement.

9.6 *Counterparts*

This Agreement may be executed in two counterparts, with each counterpart being considered as the original agreement.

Article 10: CONFIDENTIALITY

Each party agrees to keep and procure to be kept secret and confidential any and all written and/or oral information of any kind including that relating to the terms of this Agreement and the business of the parties obtained from the other party pursuant to this Agreement or prior to it through any conversation, meeting, discussion, and/ or negotiation and to disclose the same only to those of its officers, employees, agents, contractors or subcontractors on a need-to-know basis and only to the extent necessary for each of them to perform such party's obligations under this Agreement.

For EMAAR MGF Land Private Limited

Authorized Signatory

For Frond Probuild Pvt Ltd.

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The foregoing obligations shall not apply, however, to any part of such information which:

- (a) was already in the public domain or which becomes so through no fault of the recipient party; or
- (b) was already known to the recipient party prior to receipt thereof; or
- (c) was disclosed to the recipient party by a third party owing no duty of confidentiality towards the disclosing party in respect thereof; or
- (d) is required to be disclosed by law, regulatory authorities or pursuant to a judicial order.

Any advertisement / public display or public communication containing the terms of this agreement or association by either party shall be done only with the express permission of the other party.

Article 11: NOTICES

Any notice or other communication required or permitted to be given between the parties under this agreement shall be given in writing at the address mentioned in the preface.

- (i) Signed by any authorized representative of the sender.
- (ii) In English language
- (iii) Sent by hand, email, telefax with record of transmission, or registered post.

Article 12: TERMINATION

- 12.1 The right to terminate vests with the OWNER, if the DEVELOPER:
- (a) fails to commence the work without any justifications whatsoever; or
 - (b) does not adhere to time schedule as mutually agreed between the parties; or
 - (c) persistently or repeatedly refuse or fail to supply properly skilled workmen to proper material; or
 - (d) persistently disregard the regulations, instructions or directions of the local or other authority; or
 - (e) violate the terms of this Agreement; or
 - (f) fail to proceed the works with such due diligence and fail to make such due progress as would enable the works to be completed within the time agreed upon.

The OWNER may terminate this Agreement after giving the DEVELOPER seven days notice of their intention to do so.

- 12.2 On such termination, the OWNER may enter upon and take possession of the works and tools, scaffolding, sheds and other materials lying upon the said land and use the same as their own property or may employ the same by means of its own servants and workmen in carrying on and completing the

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said project or by employing any other DEVELOPER or other person or persons to complete the said project and the DEVELOPER shall not in any way interrupt or do any act, matter or thing to prevent or hinder such other developers or other person or persons employed for completing and finishing the said project or using the materials and plant for the said project.

Article 13: ARBITRATION

If any dispute arises amongst parties hereto during the subsistence of this Agreement or thereafter, in connection with the validity, interpretation, implementation or alleged material breach of any provision of this Agreement the parties shall endeavor to settle such dispute amicably. In case of failure by the Parties to resolve the dispute in the manner set out above within 30 days from the date when the dispute arose, the dispute shall be referred to arbitration of a sole arbitrator to be appointed by the parties or in case of disagreement as to the appointment of the sole arbitrator to a panel of three arbitrators with each Party nominating one arbitrator and the arbitrators so appointed appointing one arbitrator. The place of the arbitration shall be New Delhi. The arbitration proceeding shall be governed by the Arbitration and Conciliation Act, 1996 and shall be in the English language.

Article 14: JURISDICTION

Subject to Article 13 above, in the event of any dispute arising out of this Agreement, Courts of New Delhi alone shall have exclusive jurisdiction.

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to execute this agreement.


FOR AND ON BEHALF OF
EMAAR MGF Land Pvt. Ltd.


Authorised Signatory


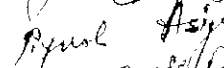
FOR AND ON BEHALF OF
Fronid Propbuild Pvt. Ltd.


Authorised Signatory

Witnesses:


1. Deepak Mahorishi
B-92, Pandara Road
New Delhi - 110003

Witnesses:


2. 
2709, 1st Floor,
Dr. Muthuraju Nagar,
Delhi



Date: 31st March, 2007

To,

FronD Propbuild Private Limited
109, New Delhi House,
27, Barakhamba Road,
New Delhi-110001

**RE: Joint Development Agreement ("Agreement") dated 20th January, 2007
between the Company and M/s FronD Propbuild Private Limited**

Dear Sir,

With reference to the captioned subject and discussions thereon, we wish to modify the terms of the Agreement as follows:

- 1) The following new Article 1.6 shall be inserted immediately after Article 1.5 :

"The Pre-Development cost incurred by the OWNER would be part of the land cost and will be transferred to the DEVELOPER as and when the land cost is transferred. Pre-Development cost means any cost incurred for bringing the land to usable condition. This includes land leveling, clearance, tilling and filling charges."
- 2) The following new Article 1.7 shall be inserted immediately after newly inserted Article 1.6:


"The Conveyance Deed shall be executed in the name of the DEVELOPER on behalf of the OWNER."
- 3) The existing Article 5.1 shall be substituted by this following new Article:

"The OWNER shall be entitled to retain such portion of the revenue as is equivalent to (a) the cost of the land and 1 % (one percent) mark up on the cost of land; or (b) the circle rate, as applicable to the State, whichever is higher, as consideration in respect of the rights assigned to the DEVELOPER for development of the Project which shall become payable as and when the revenue is recognized by the DEVELOPER in respect of such land. Further no consideration shall be payable at the time of transfer of title of the land."



This letter shall be considered a written modification/ amendment of the Agreement and the Agreement shall stand modified to the extent set out hereinabove. Subject to the modifications made herein, all other provisions of the Agreement shall remain unaffected and binding on the parties.

For and on behalf of Emaar MGF Land Pvt. Ltd.


Surender Varma
Head-Legal & Company Secretary

Accepted and confirmed as of date first above written

For and on behalf of Frond Propbuild Private Limited


Authorised Signatory