



दिल्ली DELHI

P 872143

COLLABORATION OF AGREEMENT

THIS COLLABORATION AGREEMENT (hereafter "AGREEMENT") is made and executed at New Delhi on this 03 Jan, 2009

BETWEEN

M/s Asian Townsville Farms Limited, a company incorporated under the Companies Act, 1956 having its corporate office at 12/78, Vikram Vihar, Lajpat Nagar, New Delhi - 110024, acting through its Director Maj.C.M Bhandu (Retd) vide Board Resolution dated 17 April 2009 (hereinafter referred to as the "OWNERS"), which expression unless repugnant of or opposed to the context or meaning thereof shall be deemed to include their associate/group companies, legal, representatives, executors, administrators and assigns etc) the Party of the FIRST PART or the FIRST PARTY.

AND

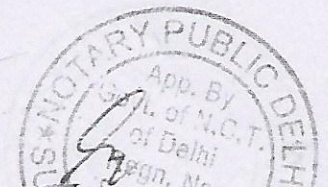
M/s Herman Properties Limited, a company incorporated under the Companies Act, 1956 having its corporate office at WZ 48, Metro Tower, 219, West Patel Nagar, New Delhi, acting through its Director K.P Kukreja vide Board Resolution dated 03 Jan 2009, (hereinafter referred to as "DEVELOPER") which expression shall unless repugnant to the context or meaning thereof, be deemed to include its successors, legal representatives and permitted assigns of the SECOND PART or Second Party.

For HERMAN PROPERTIES LTD.

For Asian Townsville Farms Ltd.

Director

Managing Director



gymnanda

WHEREAS

- a) The Owners have represented that they are the legal owner of contiguous land admeasuring about 55 Acre R - Zone in the revenue estate of Village Ranwala at Ambala Cantonment Area, in the state of Haryana comprised in more particularly described in the Schedule-I hereunder (hereinafter referred to as the Project Land).
- b) The Owners are desirous of developing the said land into an integrated Township Project, jointly with the Developer in view of their long standing experience in developing Township Project in the State of Haryana.
- c) The Developer, based on its professional expertise and experience, has agreed to undertake development of the township project on the aforesaid land in the Ambala Cantonment Area belongs to the Owners, if as may be approved, including bearing the responsibility for planning, design, Obtaining approvals, carrying out development and construction and arranging finances required for the same.
- d) Both the parties have agreed to do the project under joint brand name.
- e) The Parties have agreed to reduce the agreed terms into writing.

NOW THEREFORE THIS COLLABORATION AGREEMENT WITNESSETH:

1. Project Land/Project

- a. The Project Land shall mean and comprise of contiguous land measuring about 55 Acres situated in the revenue estate of village Ranwala at Ambala Cantonment Area in the state of Haryana and more particularly described in the Schedule-I hereunder.
- b. The Owners has confirmed that out of the 55 Acre, more or less 25 Acre of land will be registered and balance 30 Acre of land will be under collaboration agreement directly with the farmers, which will be subsequently registered by the Owner within the date of getting the LOI and approval of the project as its own cost.
- c. In pursuance of obligation assumed by Developers and subject to the terms of this Agreement, the Owners agree to make available the entire Project Land and Place at the disposal of the Developer for the purpose of development of an integrated township, out of which 14 to 15 Acre to be registered on behalf of the Developer out of the initial 25 Acre registration by the Owners upon receipt of advance payment of Rs. 5.1 Lacs. on signing this agreement.

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hukeraj
gymnand

2. Approval

- a. The Developers agrees to file the application for LOI within 1.5 months from getting the entire clear title in all respects of land of 55 Acre from the Owner and arrange to obtain all requisite permissions, sanction and approvals including renewals where necessary as may be required from all concerned Authority, conversion of land use LOI, ~~for~~ for the development of the said project within a maximum period 5/7 months of handing over the papers of clear ownership of the land as above.
- b. The Developers shall secure all necessary permissions, approvals for installation of electric, water supply and sewerage connections to the proposed scheme.

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For Asian Townsville Farms Ltd.

For HERMAN PROPERTIES LTD.

gymnand
 Director

Director

hukeraj
 Managing Director



- c. Owners shall fully cooperate in the submission of necessary applications/building plans for approval and agree to sign and execute appropriate Power of Attorney in favour of the Developer and / or their nominee.

ii. Layout/Building Plans

- a. The Developer shall prepare design/plan of the township project as permissible and as per prescribed bye laws & rules of the urban authority with all the requisite facilities/amenities as per law.
- b. The Developer shall immediately on receipt of LOI/Licence proceed to get the development plans of the township project after consultation with the Owners prepared through reputed architects for submission to concerned authorities for approval.
- c. The Developer shall be entitled, as may be considered appropriate by it make any modifications, changes or amendments in the lay out plans with the permissible framework or rules and bye laws after consultation with the Owners.
- d. The Owners shall be obliged to take all steps as may be necessary and as may be desired by the Developers to facilitate the procurement of LOI/Licence and the sanction of the plans and shall render all possible co-operation to the Developer in this respect.

i. Construction/Completion

- a. The Developer shall ensure that the township project will be developed with no construction of building Residential or Commercial except plotted development and complete the development in accordance with the approved plans and as per the similar specification/standard of nearest Township Project of Unitech or Ansal.
- b. The Developer shall commence development /construction of amenities immediately on receipt of necessary permissions including approvals of the layout plans and complete developmental work on the Project Land in Phases spread over a period of two (2) years from the receipt of approvals including sanction of building plans subject to force majeure, restraints/restrictions from authorities /courts and circumstances beyond the control of the Developer and reason attributable to the Owners.
- c. The Owners and or their authorized representatives shall be at liberty and entitled to visit the site and look at the progress of construction. The Owners will monitor the quality control, provided however the Owners or anybody else claiming through or under them shall not cause any type of hindrance or interference in construction activities or in the day to day affairs of the Developer.
- d. For the purpose of this Agreement, the project shall be deemed to be completed, after obtaining completion certificates from authorities.
- e. The materials/specifications to be used for construction of the building shall be of first class quality to be as per the standard maintained by Unitech or Ansal. The materials and specifications used shall be uniform for the construction of all the building/areas

For Asian Townsville Farms Ltd.

ary mande Director

For HERMAN PROPERTIES LTD.

Kulraj

Director

Managing Director



Completion Certificate

- a. Developers on completion of the project shall duly apply for and obtain completion certificate of the project at its own cost. Efforts shall be made to obtain completion/occupancy certificates in parts/phases.
- b. Developers alone shall be responsible and liable for any deviations made from the approved plans and shall bear and pay all charges, fees and penalties that may be demanded or incurred for regularization of any -deviations.

6. Work Force

- a. Developers shall employ adequate number of qualified engineers, architects, consultants skilled and unskilled workers to ensure due completion of the plotted development along with the required amenities as per the HUDA norms required under the terms of this Agreement.
- b. It will be the obligation of the Developer to abide by all statutory provisions regarding the employment of such workers and payment of their dues in times.
- c. In case any claim is made by any worker or employee or by all third person against the Owners regarding the construction of the buildings, then the Developers will keep the Owners indemnified from such claim/liabilities.
- d. If during construction, any injury is caused to any persons or property then the Developer along will be responsible for the consequences and damages, if any and in case the Owners are made liable to pay any amount on this account, then the Developer shall be liable to reimburse the same to the Owners. The Developer shall keep the Developers indemnified in this regard.

7. Costs

- a. All Costs including the cost of submission of LOI and expenses including the fees of the Architects, Engineers, Consultants and staff/workforce of the Developer for preparation of layout/building plans and for obtaining of approvals including payment of submission fees, scrutiny fees, conversion and license fees, furnishing of Bank Guarantee for external development shall be borne by Developer alone for the township project.

8. Assurances/Representations

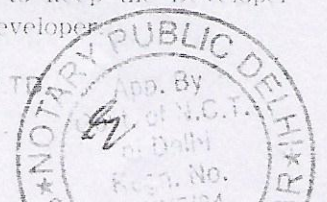
- a. The Owners have assured the Developer that they have not entered into any type of transaction Agreement/MOU with any third party in respect of the project land belongs of the Developer as per agreed ratio in Clause 14.1 and the Land is free of all and any encumbrances, charges, liens etc. thereon.
- b. Without prejudice to the aforesaid assurance, in case any obligation/liability to any third party has been undertaken by the Owners with reference to the Project Land, the same shall be met and discharged solely by the Owners and the Developer shall be kept indemnified against any such obligations/liabilities.
- c. The Owners have represented and assured the Developer that their right, title and interest in the Project Land is absolute, subsisting and marketable. The Owners agree to get any defects in their title to the Project Land rectified at their own cost and to keep the Developer indemnified against any losses or damages as may be caused to the Developer.

For Asian Townsville Farms Ltd.

Gurpreet
Director

For HERI... SITES LTD

Kuldeep



9. Indemnities

- a. Developer shall observe and comply with all rules, regulations, terms and conditions of license, building plans and other statutory provisions. Developer shall keep the owners indemnified against any losses, damages, consequences arising out of any violations by the Developer of any statutory provisions, payment terms or conditions of license.
- b. All claims whatsoever made by any party concerned with respect to construction by the Developer including suppliers of materials, equipments to be used in the constructions and completion of the scheme/buildings under this Agreement shall be borne and paid by the Developer. The Developer shall keep the Owners fully indemnified against all such claims and demands whatsoever.
- c. The Owners shall keep the Developer indemnified against losses or damages as may be caused to the Developer on account of any defects in Owners title to the Project Land or due to existence of any encumbrances thereon.

10. Bank Guarantees

- a. Any bank guarantees required for payment of external development charges, carrying out internal development or any other obligations required by any authority, shall be furnished by the Developer. All costs, expenses including any margin money to obtain any Bank Guarantee in this regard shall be met by the Developer. In case any Collateral Security is required to be furnished to the Bank for issuing the Bank Guarantee, the same may be furnished out the land registered in the favour of the Developers. However if additional Land is required which may be provided by the Owners from its own project land to the Developer as and when required.

11. Adjustable Advance

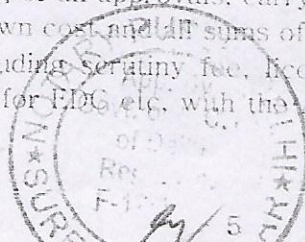
- a. Developer shall pay the Owners a sum of Rs 51 Lacs..... advance on signing this agreement and the owner will register 14 to 15 acres of project land in the name of the Developer or its nominees and an amount of Rs 31 Lacs..... out of the advance money will be refunded by the owner to the Developer at the time of obtaining the LOI and the balance will be adjusted to the extent of 50% of the total revenue sharing of the owners till it gets fully adjusted.
- b. The Owners as a security to the Developer will register in the name of the Developer a part of the Project Land and admeasuring 14-15 Acre, as mentioned above which will be ultimately brought in the project as per Clause 1.b.

12. Consideration

- a. The consideration on the part of the Owners includes provision of the Project Land by them free of any charges and other obligation undertaken by them under this Agreement for development and construction of the said project.
- b. The consideration on the part of Developer in terms of this Agreement inter alia includes obtaining of all approvals, carrying out development and construction of the project at their own cost and all sums of money spent by them in connection with the said Project including seraliny fee, license fee and conversion fees, furnishing of bank guarantees for EDC etc, with the Authorities concerned. The consideration on

For Asian Townsville Farms Ltd.

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For HERMAN PROPERTIES LTD.

Kuldeep

the part of Developer also obtaining of completion certificate of the project buildings. All construction of Residential/ Community Building / School / Nursing Homes or Commercial Building will be shared equally by the owners & developers in property to their respect ratios.

13. Sharing of Areas

a. That in consideration of the contributions/obligations of the Owners and the Developer under this Agreement, it has been mutually agreed that the entire areas of the project to be developed /constructed by the Developer under the terms of this Agreement shall be shared between the parties as follows in respect of areas related to the Project Land:

| | | |
|------------|---|-----|
| Owners: | : | 50% |
| Developers | : | 50% |

b. The area of the parties shall be allocated equitably in all the developed areas in various phases and shall be demarcated on the plans at the time of submission of the same for approvals, or as may be mutually decided in writing between the parties at the appropriate time.

14. Marketing

a. That subject to provisions of this Agreement, that both the Owner and Developer should decide jointly and mutually a selling price of all the saleable products of the project, which may be revised or altered subsequently without joint decision.

b. It has been decided by both the Owner and Developer that all the marketing and selling expenses, includes publicity, branding, hoarding, media printing, electronic publicity, printing materials, brokerage etc has been estimated at 9% of the total revenue of the projects.

c. All marketing and selling cost of the nature as mentioned above will be incurred initially by the Developer which will be ultimately reimbursed/adjusted on a monthly basis from the revenue of the Owner share.

d. All the proceeds from sale should be routed through a Joint/Escrow Account, which will be maintained jointly by both the party with a specific instructions to the bank that three separate account will be routed from the main escrow account which are 9% sale & marketing account, Owner Account and Developer account.

e. All necessary documents/agreements, conveyance deeds for bookings/sales shall be prepared by the Developers to maintain uniformity terms.

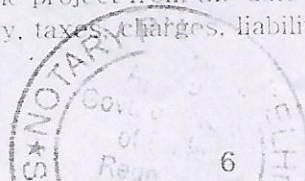
15. Taxes

a. All types of tax liabilities or any other type of financial obligations of the Owners with reference to the Project Land which might so far have been incurred by them shall be met and discharged by the Owners. The Owners undertake to keep the Developer fully and completely harmless and indemnified against any such liability of financial obligations of the Owners. The Owners and or Buyers of their share of areas shall also be liable for all taxes including property taxes, charges, levies or any outflows in respect of their share of areas in the project from the date of making offer of possession of areas by the Developer. Similarly, taxes, charges, liabilities relating to Developer's Land shall be met

For Asian Townsville Palms Ltd.

gymnarda

Directo



For HERMAN PROPERTIES LTD.

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16. Power of Attorney

- a. The Owner shall authorize & execute & register in the name of the nominee of the Developers a General Power of Attorneys/ Special Power of Attorneys, duly registered as per the choice of developers or their nominees required to apply for necessary sanctions and permissions, approvals, marketing & sales etc. and for to the authority or authorities concerned and co-operate with the Developer in obtaining such or all other permissions, approvals from the authorities may be necessary or required for ensuring the due execution of the proposed work of development and construction of the proposed development project within 45 days from the date of signing this agreement.
- b. The Owners agree to also sign/execute all application, affidavits, undertaking, indemnity bonds, agreement and all other deeds and documents as may be required or necessary for obtaining approvals and for the implementation of this Agreement.
- c. The customers may require to raise loans for the purchase of the areas. The Developer shall be entitled to issue no-objection certificate and to execute any documents for enabling buyer to raise loans for purchase of areas by creating mortgage in respect of areas in favour of any banks/financial institution without creating any liability on the Owners. Likewise, the Owners shall also be entitled to issue such no-objections and to execute any documents for enabling buyers for their share of areas for arranging loans for purchase of areas by mortgaging areas with any bank/financial institutions without creating any liability on the Developer.
- d. The Owners agree to execute on completion of the project all such documents, deeds of transfer of proportionate undivided interest in land in favour of the buyers and to execute appropriate Power of Attorney for this purpose in favour of the Developer and /or its nominees.

17. Possession/Title Deeds:

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- a. The Owners shall deliver vacant contiguous Project Land and its title Deeds to the Developer within 45 days after signing of this agreement and receipt of Rs. 5.1 Lacs.
- b. The Developer shall be entitled to run site office and put up hoarding on the Project with Joint Brand on the signing of this Agreement., The owners shall also be entitled to use part of the site office in order to place its personnel for monitoring the development as per specification, subsequently to market the products.
- c. The Owner has the right to mortgage land only belongs to his share for raising finance if required with the consent of the Developer.

18. Execution Sale Deeds:

- a. Without prejudice to the generality of the aforesaid, it is agreed that after due completion of the project ,the Owners and Developer shall execute the registered Sale Deed or Deeds in favour of the buyers at the cost and expenses of he buyers. The Owners agree to execute an irrevocable Power of Attorney or any other required document of this effect in favour of the Development or its nominees for this purpose at the time of signing of this Agreement. The Developer shall sign such sale documents as a Confirming Party.

For Asian Townsville Farms Ltd.

Guymond Director



For HEEM... TIES LTD.

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19. General

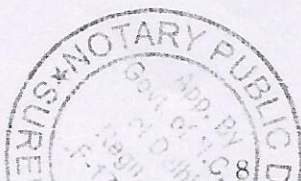
- a. The name of the Project shall be "ATF Herman City"
- b. This agreement contains all the terms and conditions that have been agreed to between the parties. On the execution of this Agreement, all other documents, offer and proposals contained in other documents which are not expressly made a part of this Agreement shall be deemed to have been cancelled and are not to be referred to or relied upon in any way or used for purpose of interpreting the terms or this contract and the rights of the parties hereunder.
- c. No amendment or modification in this agreement shall become operative or binding on the parties unless they are agreed to in writing by authorized representatives of each party and such writings are expressly stated and accepted as being an amendment to the Agreement.
- d. If any provision of this Agreement shall be determined to be void or unenforceable under applicable law, such provisions shall be deemed to be deleted or amended in so far as reasonable consistent with the purpose of this Agreement and to the extent necessary to conform to applicable law and the remaining provisions of this Agreement shall remain valid and enforceable in accordance with their terms.
- e. The Owners and the Developer have entered into this Agreement on principal to principal basis and that nothing stated herein shall be deemed or constructed as a partnership or as a joint venture or as a agency between the Owners and the Developer nor shall the Owners and the Developer in any manners contracts it is an association of persons unless and expect to the extent specifically recorded herein .Parties shall be liable for their own capital gains and income tax and any other tax liabilities. Each party shall keep the other indemnified from and against the same.
- f. Neither party shall be deemed to have waived any right under this Agreement unless such party shall have delivered to the other party a written waiver signed by that party or a duly authorized person. No delay or omission in the exercise of any right or remedy shall be construed to be waiver of any default or acquiescence therein or of the right thereafter to enforce such right or remedy.
- g. All communications/notices between the parties shall be sent through Registered A/D post at the addresses of the parties given above or against receipt by hand.
- h. The parties shall do all further acts, deeds and things as may be necessary to give complete and meaningful effect of this Agreement.

20. Arbitration

- a. Disputes, if any, that may arise between the parties with respect to this Agreement, or interpretation of terms, or performance or execution shall be settled by reference to Arbitration under the provisions of Arbitration & Conciliation Act of 1996. The venue of arbitration shall be New Delhi.

For Asian Townsville Farms Ltd.

Gymnanda
Directo



For HERMAN CITY DEVELOPERS LTD.

Kuldeep
Director

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21. Jurisdiction

b. This Agreement shall be subject to the jurisdiction of New Delhi Courts only.

IN WITNESS WHEREOF the parties hereto have signed this Agreement in the presence of witness on the day, months and year first written.

FIRST PARTY

For Asian Townsville Farms Ltd.

BY: [Signature]
(Maj. C.M Bhandu) Director



WITNESSES:

LT Col R S Guba
S/o Gali Stn CL Guba
7/0 C-18 JWS Conden
Chhatrapati extn.
New Delhi - 110074

SECOND PARTY

For HERMAN PROPERTIES LTD.

BY: [Signature]
(K.P. Kukreja) Managing Director

Attested
[Signature]
Notary Public Delhi

WITNESSES:

J.R. SINGH S/O S. KEDLI Singh
H/o 2/27, E. Bengali Road
N Delhi - 28.

- 4 JUN 2009