



हरियाणा HARYANA

548754

COLLABORATION AGREEMENT


This Collaboration Agreement is executed at Faridabad on this 9th day of January, 2007.

BETWEEN

M/s Bhagat Steel & Forgings Pvt. Ltd., a Company registered under the Companies Act, 1956 having its Registered Office at 227, Cycle Market, Jhandewalan, New Delhi hereinafter referred to as the "First Party" (which expression unless repugnant to the context shall mean and include its Successors and Assigns etc.) of the FIRST PART;

AND

Khosla Foundry Ltd. a Company registered under the Companies Act, 1956 having its Registered Office at 3/13 ASAF ALI ROAD NEW DELHI hereinafter referred to as the "Second Party" (which expression unless repugnant to the context shall mean and include his Successors, Legal Representatives, Legal


For Khosla Foundry Ltd.
Director

BHAGAT STEEL & FORGING PVT. LTD.


Director


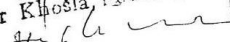
Heirs, Administrators, Executors, Nominees and Assigns etc.) of the **SECOND PART;**


For the purpose of this agreement, the "First party", the "Second Party", are herein after collectively referred to as the '**Parties**'.

WHEREAS the Second Party has represented to the First, Parties that he along with his relatives is the joint owner of land at Tehsil Faridabad, Distt. Faridabad, The details and particulars of the said land have been described in **Jamabandi/ Sajra** appended hereto duly certified by the Second Party. The Second Party has also represented that the said land is free from all claims, charges, liens and encumbrances of whatsoever nature and stands settled in all respects in the name of the Second Party and his relatives.

AND WHEREAS the First Party is engaged in the business of development of land into colonies / commercial complexes / group housing societies/ residential multistoried apartments in various parts of India and is possessed with all necessary experience and expertise in the field of real estate, Commercial development and keeping the same in view, the Second Party, have approached the First Party to develop the said land into a Commercial / Office (hereinafter referred to as the 'proposed IT Office project') consisting of developed IT Office / Commercial Complexes etc. as per the local town planning norms wherein the Second Party will contribute their respective pieces of land (mentioned under Schedules A to this agreement).

AND WHEREAS the Second Parties have acknowledged and understood that the developmental work to be carried by the First Party on the said land mentioned under Schedules A to this agreement shall form a part of the proposed IT Office


For K. Khosla, Foundry Ltd.



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project and their rights are limited to the said land (i.e. their respective land) only in terms of this agreement. However, the First party shall be at liberty to deal with the land lying adjacent to, nearby and contiguous to the said land of the Second Parties or to any other parties in order to develop a bigger IT Office in its sole discretion and the Second, Parties shall have no objection to the same.


AND WHEREAS the Second Parties have also understood that their rights are limited to their share of land in terms of this agreement and the First Party shall be at liberty to carry out the developmental work in the proposed IT Office as per its own decisions and plans.

AND WHEREAS the Second Parties have offered and the First Party has agreed to develop a complete IT Office on the said land and/or on the pieces of land adjacent to, near by and contiguous to the said land belonging to the Second Parties and any other party at its own costs, expenses and efforts on terms and conditions incorporated by means of this agreement.

NOW, THEREFORE THIS INDENTURE WITNESSETH AND IT IS HEREBY AGREED AND DECLARED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:

DEVELOPMENT OF PROPOSED IT Office PROJECT

1. The First Party herein shall be solely and exclusively responsible for the development of the IT Office upon the land as detailed in Schedule A, the map appended thereto.
2. The First Party shall apply and obtain all licenses, permissions, approvals for change of land use in its name or in the name of the project upon receipt of suitable and required authorization from the Second Parties in the form of Power of Attorney in the favour of the First Party confirming the role and authority of First Party to obtain the permission for change in

For  Bhagat Steel Foundry Ltd.
Director

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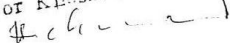
land use / license etc, from the appropriate government agencies / local authorities. The expenses incurred towards the development of the IT Office shall exclusively be borne by the First Party. It is further agreed that the First Party shall not be entitled to claim any money, reimbursement or compensation from the Second Parties on account of money spent and expenses incurred by it in this regard except a consolidated amount as envisaged elsewhere in this agreement.


3. That the First Party shall develop the proposed IT Office project in terms of this agreement and in accordance with the approvals and sanctions to be granted by the concerned authorities adhering to all applicable rules, regulations, bye-laws, laws etc.
4. That the First Party shall complete the entire developmental work of the proposed IT Office in all respects within a period of Two years from the date of grant of sanction of the plans from the concerned / competent authorities, subject to force majeure circumstances.
5. That the First Party shall complete development of the proposed IT Office within the aforesaid stipulated period. In the event the First Party fails to do so within the stipulated time, the Second Parties shall be at liberty to proceed out of this collaboration agreement.

VALUE OF LAND

6. The value of the land contributed by the Second Parties (for development of IT Office therein) shall for the purpose of this agreement be as follows:

Sr. No.	Parties	Land Contribution	Value (in Rupees)
1.	Second Party	30 Kanal 5 Marlas	5 Crore


For Khushk Foundry Ltd.

Director/Auth. Signatory


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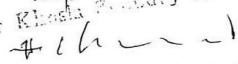
The said values respectively shall form the basis of sharing of revenue generated out of sale of developed plots and plots remaining unsold.

HANDING OVER POSSESSION

7. Simultaneously with the execution of this agreement, the Second Party have agreed to handover the vacant, peaceful physical possession of the land to the First Party as described in Sajara/ Jamabandi for the development of the project IT Office.

RIGHT TO SELL AND MARKET THE PROJECT

8. The First Party shall commence and complete the development of the said land without any interference from any quarters as per the terms and conditions of the present Collaboration Agreement which is a final and binding document. The Second Parties however, shall be entitled to inspect the progress of development with due permission in writing from the officials of the First Party.
9. The First Party shall have exclusive and unrestricted rights of marketing and management of the developed plots / flats / spaces / houses / commercial spaces / community buildings as envisaged in this agreement.
10. The First Party shall have exclusive right to sell and market the entire developed plots / flats / spaces / houses / commercial spaces / community buildings. The selling rates of the developed plots / flats / spaces / houses / commercial spaces / community buildings shall be decided by the First Party. The Second, Parties have agreed to abide by the same without any objection.


For Khushi Foundry Ltd.

Director/ Auth. Signatory

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11. That the First Party shall be at liberty to name the IT Office project as per its business plans and marketing strategy and the Second, Parties shall have no objection or share in goodwill to the same.

SHARE OF PARTIES

12. That the First Party shall be entitled to an amount calculated @. 1 Cr. (net of indirect statutory levies) of the revenue generated by sale of the developed IT Office /commercial spaces / community buildings towards development of IT Office, project consultancy, marketing and brand equity. This amount shall be retained by the First party out of the sale proceeds collected and received by it from sale of developed plots.
13. That the cost of development of the IT Office as may be incurred or borne by the First Party is estimated to be Rs 80 Crores and this amount shall form the basis for sharing of the revenue generated by sale of the developed plots. For the purpose of sharing of revenue, the contribution by the First Party in the proposed IT Office project is frozen at Rs.40 Crores.
14. That the sale proceeds of the developed plots in the IT Office shall be shared by the parties to this agreement in the following manner:

Sr. No.	Parties	Share (in Percentage)
1.	First Party	90 %
2.	Second Party	10 %

15. That the sharing of revenue shall be made at the end of 2 (two) years from the date of formal launch of the IT Office project which shall be decided by the First Party.


For Khushi Industry Ltd.
Director/Arch. Signatory


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Director

16. The developed IT Office/ commercial spaces / community buildings shall be shared by the parties to this agreement on a pro-rata basis and accordingly, plots at advantageous and disadvantageous locations, corners etc., remaining unsold shall be shared by the parties in terms of their pre-determined share on pro-rata basis.
17. The plots remaining unsold at the end of 2 (two) years from the date of formal launch of the IT Office project shall subject to practical technicalities be judicially and equitably shared between the parties in the same ratio as per clause 14 after accounting for and earmarking of the unsold area in favour of the First Party towards development of IT Office, project consultancy, marketing and brand equity.
18. The right to choose shall be available for a period of 30 days from the date of the invitation in writing and duly acknowledged by the parties. The failure of parties to exercise this right within the stipulated time would entitle the First party to sell the areas in the open market and the parties will have to choose from the balance areas.
19. While selling or leasing the shared space the parties shall ensure that the same is used by the purchaser as per the Zoning plan decided by the First party for the project.
20. All the sales of their shared/allotted space shall be made by the First party and the Second Party shall sign as the confirming party.

DEVELOPMENT COSTS

- 20A. That all charges, expenses, costs and outgoing expenses towards development and marketing of the proposed IT Office project including but not limiting to construction of built up area, laying bituminous roads


Signature


Director


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and sewer lines, landscaping, provision for water and electricity, advertisement, liaisoning or any other charges or expenses of any nature whatsoever incurred during the development of the proposed IT Office shall exclusively be borne and paid by the First Party.

- 20B. That the IT Office development plans shall be prepared and sanctions thereof shall be obtained by the First Party at its own expense.

OBLIGATIONS AND RIGHTS OF PARTIES

21. The Second Party shall render all assistance including signing and execution of various documents and deeds, to enable the First Party to smoothly obtain the permissions, approvals, sanctions, licenses for carrying out the developmental work. If required, the Second Party shall appear in person before the concerned / competent authorities towards facilitating the objects of this agreement.
22. The Second Party undertake to make and keep the title of the portions of the land respectively contributed by them in the proposed IT Office (more particularly shown in the detailed map) clear and marketable and free from all kinds of encumbrances, charges, liens, all prior agreements contrary to this agreement and claims during the continuance of this agreement and till the date of execution and registration of Title / Conveyance Deeds in favour of the prospective buyers of the developed IT Office etc. However, if the same is found defective or if the land contributed by the Second Parties is not found contiguous for development of the proposed IT Office project, the First Party shall be liable to claim damages for the same from the concerned defaulting Party. The rights of the First Party to claim losses and damages shall otherwise not prejudice


FOR [unclear] & [unclear] Ltd.
Director

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Director

its rights to proceed against the defaulting Party under the applicable laws in the competent court of law.

23. That for the transfer of title, in respect of the plotted or built-up developed area in favour of the intending buyers, the First Party may transfer the said area by virtue of the powers conferred upon it by such documents as are considered proper either by law or by practice or by experience or expedient and the same shall be executed in favour of the First Party by the Second Parties as and when called by the First Party to do so.
24. That the Second Parties shall not do or cause to be done either itself or through their agents, representatives, servants, attorneys etc. anything which may in any manner whatsoever, jeopardize or adversely affect any of the right or interest of the First Party created under any documents executed between/ by the parties or in terms of this Collaboration Agreement.
25. That the Second Parties shall assist, cooperate, sign and execute all documents, papers, deeds etc., if required and take all other necessary steps for the purpose of development and completion of the IT Office and in this regard they shall also execute separate and individual power of attorneys in favour of the First Party and such other documents as may be required by the First Party from time to time.
26. That the Second Parties shall do or cause to be done all necessary acts in order to complete the transfer / conveyance in favour of the prospective buyers.
27. That the Second Parties shall simultaneously upon execution of this agreement, provide to the First Party with all the photocopies of the original title deed(s) and related documents in respect of the land

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Director


For Khusia Foundry Ltd.
Director/Asst. Director

appended hereto for smooth execution of the development work as well as for obtaining necessary approvals / permissions from the concerned authorities.

28. That the Second Party shall allow unhindered and unrestricted use of its land to be used as passage to the proposed IT Office project forever in a permanent manner.
29. That the First Party may enter into contracts, agreements or arrangements with its sister concern/ any associated or independent entity/ contractor / sub-contractor for the development of the proposed IT Office project and shall be at liberty to grant contracts to them for the said purpose.
30. That the First Party shall, if required, apply to the State Government or any other appropriate authority for any amendment / revalidation of the approvals / sanctions including obtaining any extension thereof at its own cost.
31. That the both parties shall always keep each other harmless and indemnified from all losses, damages and penalties which may arise due to the default on the part of either Party or pertaining to it in development and construction of / over the said land.
32. That if any change, addition, alteration, rectification, revalidation of license or anything connected therewith is required for obtaining occupation / completion certificate, all such additions, alterations, rectifications etc. will be carried out by the First Party at its own cost.
33. That First Party shall have full authority and power to appoint any partner contractor or sub-contractor for development of the IT Office and for

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Director

For the Foundry Ltd.

Signature

fulfillment of the terms and conditions of this Agreement who will abide by the covenants contained herein.


34. That the First Party shall have right to assign either in parts or in entirety, all or any of its obligations and responsibilities envisaged under this agreement to any other person or entity and Second Parties shall have no objection to the same.
35. That the Second Parties undertake and agree to sign, within a week of receipt of any request in that behalf from the First Party any documents, affidavits, letters etc. (as lawful attorney of the present owners) as may be necessary for the development, construction and completion of the proposed IT Office. In the event of non compliance of such request, any loss or damage suffered by the First Party shall be reimbursed jointly or/and severally by the Second Parties.
36. That the Second Parties their agents, employees, representatives, nominees etc, shall not interfere or obstruct in any manner whatsoever in the development, construction and completion of the Project / IT Office.
37. That the First Party may, if deemed necessary, mortgage the proposed IT Office project with any bank or financial institution for the purpose of procurement of funds required for development of the project or for incidental purposes and the Second Parties shall have no objection to the same. The First Party agrees and undertakes that it will only be liable to refund the amount borrowed and no liability in this regard shall accrue upon the Second Parties.

UPKEEPING AND MAINTENANCE

38. That it shall be the responsibility of the First Party to upkeep & maintain the IT Office commercial project on its own or through its nominees at its

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own cost and expenses and recover the same from occupants / buyers / allottees / lessees / owners of the developed land/plots.


39. That upon completion of the IT Office project, it would be maintained by the First Party or any other party / person / agency / duly nominated or appointed by the First Party. The facilities such as electricity, sewage, housekeeping, maintenance and in general would be provided by the First Party at its own and the cost and expense incurred thereon would be recovered from occupants/lessee/buyers/owners.


MISCELLANEOUS

40. That after taking over possession of the pieces of land which are subject matter of the development of proposed IT Office, if any problem arises with the First Party from the owners of the neighboring / adjoining lands and or any other department / authority or otherwise to secure such possession, the same shall be dealt with by the First Party provided such problem is not attributable to the Second Parties or the same does not happen to be in existence prior to the execution of this agreement.
41. That the execution and completion of development of the IT Office commercial project shall be subject to force majeure circumstances which shall include the acts of God viz. earthquake, flood, fire or any other natural calamity and / or civil commotion, declaration of war etc. but shall not include anything which is construed to be under the control of the First Party. In the event of force-majeure circumstances, the First Party shall be entitled to reasonable extension of time.
42. That nothing in terms of this Collaboration Agreement shall be deemed to constitute a Partnership.

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Director

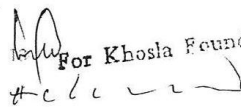

For Khosla Foundry Ltd


Director/Authorised Signatory

43. All the parties to this agreement shall deal with their respective income tax matters on their own and shall mutually cooperate with each other for providing any assistance or for appearing before any authority(s) in cooperation to each other.
44. In the event, the parties hereto hereafter consider it necessary or appropriate to alter, amend, substitute or override any terms of this agreement, they shall record such terms in writing as Addendum hereto, and no such term shall be binding between the parties until and unless they are signed by each of the parties hereto.
45. The present agreement executed between the parties is final and binding on the parties and shall supersede all previous agreements entered in to between the parties as well as between the Second Parties and any other Party with regard to the said respective lands and accordingly all such previously executed agreement(s) shall be considered null and void and are not enforceable in the eyes of law.
46. The Second parties shall be bound to pay all the land ownership related charges, taxes and all other dues such as electricity and water charges upto the date of agreement. The said parties shall be liable to pay all such charges which may surface at any future date for the period prior to signing of this agreement.
47. That the failure of either party to insist upon strict performance of any provision of this agreement or to exercise any option, right or remedies contained in this agreement shall not constitute a waiver or a relinquishment for the future of such provision, option, right or remedy. No waiver by either party of any provision of this agreement shall be made unless expressed in writing and signed by such party.
48. If any provision of this agreement or the application thereof to any person or circumstances shall be invalid or unenforceable to any extent due to any change in law or otherwise, the remainder of this agreement and

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Director


For Khosla Foundry Ltd.
Director/Auth. Signatory


application of such provision to the persons or circumstances other than those to which it is held invalid or unenforceable shall not be effected thereby and each provision of this agreement shall be valid and enforceable to the fullest extent permitted by law. Any valid or unenforceable provision of this agreement shall be replaced with a provision, which is valid and enforceable and most nearly reflects the original intent of the invalid or unenforceable provision.

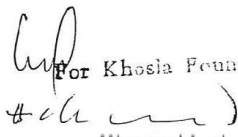
48. Each right, power and remedy provided for herein or now or hereafter existing by law, in equity by law or otherwise shall be cumulative, and the exercise or the forbearance of exercise by either party of one or more of such rights, powers or remedies shall not preclude the simultaneous or later exercise by such party of all or of all such other rights, powers or remedies.

49. All notices shall be served upon the parties on their respective addresses given above.

50. The Sole arbitration shall be held in accordance with the provisions of the Arbitration and Conciliation Act, 1996 or any statutory modification or re-enactment thereof and rules framed there under. The venue / jurisdiction of Arbitration shall be at New Delhi and the courts at Delhi shall have the exclusive jurisdiction.

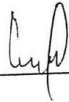
IN WITNESS WHEREOF the parties have set their hands to this Agreement on _____ first above mentioned in the presence of the following witnesses.

BHAGAT STEEL & FORGING

Director


For Khosla Foundry Ltd.
Director/Auth. Signatory

SIGNED AND DELIVERED BY:
For Bhagat Steel & Forgings Pvt. Ltd.
BHAGAT STEEL & FORGING PVT. LTD.

Director



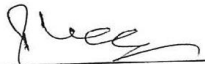
For Khosla Foundry Works

For Khosla Foundry Ltd.


Director/ Auth. Signatory

WITNESSES:-

1.


(Pritam Kumar)
S/o Late M. Ullas Chandra
257/15 Faridabad.

2.


DINESH KASANA S/O SH. KARAN SINGH.
R/O H. NO 1034 SECTOR - 16 FARIDABAD
HARYANA.