



ਪੰਜਾਬ ਪੰਜਾਬ PUNJAB

DEVELOPMENT MANAGEMENT CONTRACT

2 8967

This Agreement is made at Chandigarh on this 17<sup>th</sup> day of October, 2017 amongst:  
 M/s Sukhm Infrastructure Private Limited (PAN No. AAJCS5706M), CIN: U70100PB2005PTC029238) a private limited company duly registered under the provisions of Companies Act, 1956 having its administrative office at Yellowstone Landmark Infocity, sector 66-A, SAS Nagar (Mohali) duly represented by its Director Sh. Tejinder Singh Bhatia who has been duly authorized by Board of Directors in their meeting held on 15.10.2017 vide resolution dated 15.10.2017, (Herein after referred to as 'SUKHM') being the "First party."

And

M/s Yellowstone Builders Pvt. Ltd. (PAN No. AAAC73085A) is a private limited company duly registered under the provisions of Companies Act, 1956 having its administrative office at Yellowstone Landmark Infocity, sector 66 A, SAS Nagar (Mohali), CIN: U45201CH2007PTC030891, authorized vide Resolution dated 16.10.2017.

(Herein after referred to as 'Second Party'), being the Development Management company, the "party of second part" hereto. Second party proposes to change the name of its company to "M/s Aeropolis Infrastructure Pvt. Ltd." which shall be effected through addendum as and when change of name is approved by ROC.

PARTIALS

- A) Whereas, the first party i.e. SUKHM is the real estate developer of a land parcel situated in Villages Kambala and Kambali, Tehsil and District SAS Nagar (Mohali) which is proposed to be developed by it in a total area measuring 125 acres but not restricted to the same and could be extended (hereinafter referred to as "the project land"). The detailed land structure/plotting out the said project land is stated hereunder as Schedule I.

True Copy  
 supplied Under RTI Act

P.O.  
 Punjab Real Estate Regulatory Authority

CHANDIGARH DISTRICT PUNJAB

Director

For Yellowstone Builders Pvt. Ltd.

Authorized Signatory



पंजाब PUNJAB

Z 896785

- B) Sukhm is the approval holder of the project and though the present agreement, Sukhm has conferred the rights upon Second Party for executing the project, development of project, seeking approvals, sanctions, licenses, applying for amenities connections, obtaining required permission, licenses, NOC from competent authority, selling, marketing and receiving consideration for sale /lease etc of project proponents.
- C) And Whereas, SUKHM, the first party hereto has declared, represented and warranted to the Second Party that they are well & sufficiently entitled to develop a project total measuring 125 acre which was approved by the State Government of Punjab vide an Agreement dated 11.10.2006 (Hereinafter referred to as "the concession agreement") as entered into in this respect by the confirming party with Hon'ble Governor of Punjab.
- D) And Whereas, under the said concession agreement dated 11.10.2006, it was agreed that the Sukhm shall set up Information Technology/Industrial Park having an area of 125 acres at Mohali (Now SAS Nagar) with an investment of 952 crores and the said project was allocated to Sukhm under Mixed use category i.e. the said project shall consist of three components i.e. Industrial component, Commercial component as also the Residential component.
- E) The layout plans passed in 2011 but due to circumstances, is necessitated, to be modified due to reason that notices for compulsory land acquisition for part of land for Airport road were received which would have defeated the entire layout plant of project. Thus, it was thought expedient to amend the layout of the project.

For Yellowstone Builders Pvt. Ltd.

*Parag Mehta*  
Authorised Signatory

Sukhm Infrastructures Pvt. Ltd.

*[Signature]*  
Director

True Copy  
supplied under T.L. Act

State Road Estate & Development Authority





**पंजाब PUNJAB**

Z 896783

- F) The Sukhm was issued notices by PCB/Ministry of environment which could not be handled by Sukhm on account of non-availability of resources. The Sukhm could not acquire complete land of the project due to lack of financial resources & expertise and it required assistance and role of Second Party for the same. The initial permission/approval of project was valid upto 2009 and was extended by government upto 2012. Sukhm's management was not able to complete the project or take extension of implementation period, thereafter, by its own. Thus, the induction of second Party was felt expedient and necessary.
- G) There are numerous consumer court cases going on the various foras, one of which even resulted in to drastic conclusion of conviction of director due to non-payment of amount as directed by court. The Sukhm could not pay the amount and the director paid the amount from his own pocket to get relief. There was apprehension of the allottees may approach the NCLT for declaring the Company Sukhm as insolvent.
- H) Upon facing this situation, the Sukhm has found it appropriate to execute present agreement (DMC) with Second Party (who was already working with Sukhm on similar lines on this project). The director of the Second Party was already been given, in principle, all rights to manage/handle the project including aggregation of land/develop and market and sell the project units and all profit and loss after completion of all liabilities of Sukhm, including honouring specific rights of shareholders over a certain land chunk was assigned to the director in person; which was approved by all shareholders of Sukhm. The share holders rights, in principle, were restricted to a chunk of land primarily through Agreement to Sell by which their interests were secured as per their request and accepted by them.

True Copy  
supplied Under S.T.I. Act

P.L.O.

Punjab Real Estate Regulatory Authority

Sukhm Infrastructures Pvt. Ltd.

*[Signature]*  
Director

For Yellowstone Builders Pvt. Ltd.

*[Signature]*  
Authorised Signatory

- I) The intent of this agreement is not to prejudice the rights of shareholders of Sukhm and the said shareholders shall be entitled to their entitlement, which is already limited and fixed to certain land parcel allocated to them, through the share holding agreement read with agreement to sell entered by them for their specific chunk of land, and the Second party shall be liable to complete the same after development of the project site area.
- J) And Whereas, pursuant to the said powers having been vested in Sukhm, the first party i.e. Sukhm have agreed to appoint Second Party to be the Development Manager for the entire project whereby Second Party shall have the sole right to market, sell, obtain / renew necessary permissions for the said entire project and to carry out necessary internal development of the said project land on the terms & conditions as mentioned hereunder.

**NOW, THEREFORE, IN CONSIDERATION OF THE PREMISES AND MUTUAL COVENANTS AND PROMISES MADE HEREINAFTER THE PARTIES HERETO AGREE AS FOLLOWS:**

**1. Definitions**

In this Agreement, the following words and expressions, shall, unless repugnant to the context or meaning thereof, the following terms, when capitalized, shall have the meaning hereinafter respectively assigned and described below when used in this Agreement. When not capitalized, such words shall be attributed their ordinary meaning.

**"Applicable Laws"** means any statute, law, regulation, ordinance, rule, judgment, order, decree, bye-laws, approval, directive, guideline, policy, requirement or other governmental restriction or any similar form of decision of or determination by, or any interpretation or administration having the force of law of any of the fore goings by any Government Authority having jurisdiction including any quasi judicial authority.

**"Approvals"** means any and all permissions, clearances, developments, authorizations, consents and notifications for and in respect of the Project herein from the Competent Authority including but not limited to the approvals of Municipal Committee, SAS Nagar/ Kharar, Punjab Urban Planning and Development Authority (PUDA), Greater Mohali Area Development Authority (GMADA), Department of Local Bodies, Pollution Board, Airport Authority of India (AAI), Real Estate Regulatory Authority (RERA Authority), Electricity Department/Corporation, Forest Department, Department of Town and Country Planning or any other government department which may have to be dealt with.

**"Authorized Representative"** means a person or a Party specifically authorized in writing by the authorized signatory of such Party as the case may be to represent the Parties herein by way of a valid resolution or as a constituted attorney.

**"Competent Authority"** means and includes Punjab Urban Planning and Development Authority (PUDA), Greater Mohali Area Development Authority (GMADA), Department of Town and Country Planning, Department of Local Bodies, Concessions Authority, M.C. Kharar or any other constituted authority under Punjab Municipal Act, 1911 and constituted by any of the aforementioned authorities, Department of Environment, Airport Authority of India (AAI), Real Estate Regulatory Authority (RERA Authority), Department of Forests, Electricity Board/ Corporation, Punjab, National Highway Authority of India (NHAI), Sewerage

For Yellowstone Builders Pvt. Ltd.

Authorized Signatory

Director

Director

Authorized Signatory



Board Punjab, Department of Water Supplies and/or any other relevant statutory and/or government authority.

**"Design & Drawing"** means the conceptual and detailed programme, plans, proposals, design and drawings, backup technical information and other specifications required for the Project and all calculations, samples, patterns, models specifications, and other technical information submitted by the Developers from time to time to the Competent Authority.

**"Encumbrances"** means any encumbrance such as mortgage, charge, pledge, lien, hypothecation, security interest, assignment, privilege, attachments or priority of any kind having the effect of security or other such obligations and shall include without limitation any designation of the loss payers or beneficiaries or any similar arrangement under any insurance policy pertaining to the Project, physical encumbrances and encroachments on the site where applicable herein.

**"Government Authority"** means any government (Central or State) or political subdivision thereof, any department, agency or instrumentality of any government or political subdivision thereof, any court or arbitral tribunal.

**"Project"** means the land measuring upto 125 acres or beyond the same and not restricted to 125 acres, which is required to be developed into an industrial, commercial and residential and to be read with relevant govt. records.

**"DMC"** means Development Management Contract, entailing the execution of the project wrt the internal development of the project, construction, sale, marketing and obtaining approvals from the competent authority, raising finance required for the execution of the project area.

#### DEAL AND THE PROJECT:

That as a pre requisite to the deal it has been agreed that Sukhm shall make available in actual manner the said project at the disposal of Second Party and handing over all the documents in relation to the said plots including the allotment letters, possession letters or any Agreements etc. as might have been entered into in this respect with the developer SUKHM immediately upon the signing of the present agreement.

That it has also been agreed between the parties that presently the sale and marketing of the project is being done in the brand name of Yellowstone Infocity and after the execution of the present agreement, Second Party shall be at liberty to sell the project land in the name mentioned above or in any other name in the best interests of the project, in its discretion.

That for the purpose of achieving the objects of the present agreement, M/s Sukhm, authorizes Second Party to sell or allot the inventory, to develop common areas, to deal with the funds, including giving instructions, to execute and appoint the contractors and also to issue allotment letter, permission to mortgage/letter of lien marking in favour of various banks and financial institutions for the purpose of home/ commercial loans to be obtained by the prospective buyers, using its own letter head.

That it has also been agreed that Second Party shall be at liberty to purchase already sold/allotted plots from the third parties either in their own name or Sukhm or in any other name including entering into any sort of arrangement with the parties to the present agreement on such terms and terms as it deems appropriate.

5. SUKHM do hereby further confirms, declares and undertakes that no part of the Property falls under or is under the purview of Forest Area under Punjab Land Preservation Act, 1900 (PLPA) and Forest Conservation Act, 1980 and that there is no law or regulation which prohibits the parties hereto to enter into present agreement in any manner.

For Yellowstone Builders Pvt. Ltd.  
Authorized Signatory

Sukhm Infocities Pvt. Ltd.  
Authorized Signatory

Director  
Sukhm Infocities Pvt. Ltd.

For Yellowstone Builders Pvt. Ltd.  
Authorized Signatory

True Copy  
Supplied Under N.R.T.

N.O.  
Punjab Real Estate Regulatory

For Yellowstone Builders Pvt. Ltd.

6. SUKHM do hereby further represents and warrants that all legal/statutory formalities and approvals (as applicable) have been completed or obtained by the Sukhm for consummation of the transactions contemplated by this Agreement.

3. **CONSIDERATION AND OTHER RIGHTS AND OBLIGATIONS**

1. It is understood by parties that the implementation period of the project has expired and the lack of financial resources Sukhm has not been able to manage the project or get extension of implementation period. The Second Party has been given task to get the extension of implementation period and bring the project back on track.
2. That the parties to the present agreement have agreed that the whole purpose of entering into the present agreement is to use the expertise of Second Party for the purpose of development, sale and marketing and other things of the project.
3. The time line for completion of project shall be as per the approval of implementation period which is extended by the competent authority/government, the same shall be extended for the purpose of present contract. However, if the application for extension is pending with government, then till the decision on application is taken, the same shall not be treated as default on part of Second Party.

That it has been further agreed that the entire inventory of the project shall be sold by Second Party for which it has been agreed that the entire sale consideration shall be deposited in the designated accounts No. 163805000023 & 163805000022 opened in the ICICI Bank, and the Second party shall abide to the terms and conditions for the developers under RERA. The second party shall get itself registered as developer for the said project with RERA.

That all the expenditure on selling and marketing including day to day expenditure for the project shall be borne by Second Party on their own account. Second party apart from the obligations of sale and marketing, if brings any investment for the purpose of the project and its development, the same shall be treated as an adjustable advance towards the revival of the project. The said payment will be disbursed immediately on receipt of any sale consideration or part thereof from the designated account to Second Party.

That as stated above, Second Party will be free to bring in any investment by itself or through third party for the purpose of revival of the project which includes the purchase of land, expenditure on permissions, all kinds of government fee or charges approvals and internal development etc. However, in case of any other funds if so required Second Party, it shall be entitled to raise money from any bank or any financial institution private person of their choice by mortgaging the project land or part thereof on such interest as may be required by the said lender and Sukhm do hereby agreed to sign all such documents required for the said purpose. The profit and loss for the project area, after completion of the liabilities of the project and handing over the possession of the specific chunk of land as allocated to the shareholders through a separate agreement in lieu of their investments in the project, has been assigned to the director of Sukhm for executing the project and completing on all the liabilities of Sukhm. The aforesaid profit and loss of the project as such, shall be shared together by the Second party and the said director in equal proportion. The same shall be treated as the consideration for executing the project.

That after the payment of all the dues which includes the payment of statutory dues to the authorities for obtaining all the licences and permissions, any expenditure towards the litigation or any other encumbrance upon the project or its land, the payment shall be made in the following manner of the amount received in excess:

For Yellowstone Builders Pvt. Ltd.  
Authorised Signatory

Sukhm Builders Pvt. Ltd.  
Director

Engineer

For Yellowstone Builders Pvt. Ltd.  
Authorised Signatory



- a) To pay the "adjustable advance".
- b) To any Consumer Court liabilities or any customer refunds.
- c) To the completion of the project for payment of dues towards the project.

#### 4. TAXATION LIABILITIES

It has been specifically agreed that all taxation or any other statutory liability relating to any cess including applicable GST etc. before this agreement shall be on the account of M/s Sukhm. Second Party shall not be responsible for the payment of any such dues towards the project for the said purposes. Second Party shall only be responsible towards the tax, fee or cess which is payable towards sales and marketing and also towards the payment of the tax or any other statutory liabilities towards the consideration of their entitlements under the agreement.

That apart from this Second Party shall be specifically obligated for the following aspects :-

To make all efforts to sell and market the project and to use its expertise and facilitate in getting requisite permissions and other related obligations.

From the amounts as would be collected from the sale of the said inventory, the amounts that would be apportioned as per above towards completion of the project and thereafter, could be apportioned as profit from the said project which was in entitlement of Mr. Tejinder Bhatia/second party as already agreed between parties.

To pay the External Development Charges in accordance with the schedule of Punjab Government as per law.

To appoint any sales brokers whose commission shall not exceed 10% of the consideration of deal made by such broker.

To appoint consultants, experts, professionals, architects or any other person required in context of project completion or compliance of statutory responsibility.

#### 5. TERMINATION

1. As the second party has been specifically given charge at the stage of project when the very chance of survival of the project was uncertain and was in danger (the financial crunch of the company and as well the implementation period of the project as agreed / allowed by the competent authority had lapsed). The Second party shall be making enough efforts and as per the terms of the present contract may create multiple third party rights. The Second party will use its resources and will alter its position due to this agreement. In such a case, it is agreed by the parties that the present agreement cannot be terminated in any circumstance.

2. However, in case there is a situation leading to threaten the existence of and continuance of the present agreement from the side of shareholders of the Sukhm, the shareholders shall be entitled to their respective chunk of land already allocated and accepted by them and agreed separately under agreement, within a period of 12 months from the date of conclusion of this agreement by such shareholders.

*Signature*  
Director

*Signature*  
Authorised Signatory

For Yellowstone Builders Pvt. Ltd.  
Authorised Signatory

True Copy  
Supplied Under E.T.L.  
Sukhm Builders Pvt. Ltd.

## 6. ARBITRATION

1. All disputes that may arise out of this Agreement shall be settled only according to arbitration under the Indian Arbitration and Conciliation Act, 1996 as may be amended from time to time by one arbitrator as may appointed in mutual consultation between the parties.

## 7. JURISDICTION

Any disputes between the parties hereto, under or in respect of these presents and/or in respect of any issues arising out of this agreement shall be governed by and construed in accordance with the laws of India and the Courts at SAS Nagar shall have non-exclusive jurisdiction to try and entertain such suits or proceedings.

## 8. AMENDMENT

This Agreement shall not be altered, modified or amended except with the prior written approval and by written deed as between the Parties hereto.

## 9. NOTICES

Any notice, demand, communication or other request (individually, a "Notice") to be given or made under this Agreement shall be in writing. Such Notice shall be delivered by hand, airmail (postage prepaid), internationally- recognized overnight courier service, facsimile, cable or telex to the Party to which it is addressed at such Party's address specified below or at such other address as such Party shall from time to time and shall be deemed to have been duly given or made when delivered as at the address as stated in the head note of the present agreement.

## 10. FINALITY

The terms of this Agreement shall be final and binding on the Parties herein meaning thereby that none of the Party herein shall be entitled to ask and/or demand anything over and above to whatever has been agreed upon between them under the terms and conditions of this Agreement.

For Yellowstone Builders Pvt. Ltd.  
Authorized Signatory

Sukhm Infrastructures Pvt. Ltd.

Director