

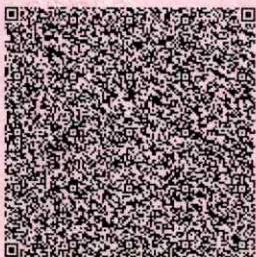


सत्यमेव जयते

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e-Stamp

Certificate No. : IN-JH06028892458448P
 Certificate Issued Date : 06-Jun-2017 11:04 AM
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 Unique Doc. Reference : SUBIN-JHJHSHCIL0108644365888514P
 Purchased by : E STAMP
 Description of Document : Article 5 Agreement or memorandum of an Agreement
 Property Description : AGREEMENT
 Consideration Price (Rs.) : 0
 (Zero)
 First Party : KROSS LTD
 Second Party : NA
 Stamp Duty Paid By : KROSS LTD
 Stamp Duty Amount(Rs.) : 100
 (One Hundred only)



28/10/17

For KROSS LIMITED For NEW Suspensions Pvt. Ltd.
 Director/Managing Director

known to me and sign
 Advocate, Jamshedpur

.....Please write or type below this line.....

AGREEMENT FOR SALE cum MEMORANDUM OF UNDERSTANDING

**This Agreement for Sale cum Memorandum of Understanding is made on
this the 28th Day of October 2017 by and between:**

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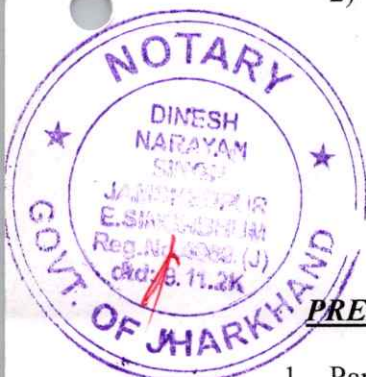
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- 1) **M/s MEW Suspensions Pvt. Ltd.**, a Private Limited Company incorporated under Companies Act, 1956 having its Registered Office situated at M-2 (P), 4th Phase, Adityapur Industrial Area, Gamharia – 832108, District: Seraikella-Kharsawan represented by its Director **Mr. Sandeep Bafna**, S/o Shri D.M. Bafna, resident of D-Block, Maharani Mansion, 36, C.H. Area (Old), Road No. 2, Bistupur, Jamshedpur – 831001, Jharkhand, by faith Jain, by occupation Business (hereinafter referred to as 1st Party or the Party of 1st Part)

AND

- 2) **M/s Kross Limited**, a Public Limited Company incorporated under Companies Act, 1956 having its Registered Office situated at M-4, 6th Phase, Adityapur Industrial Area, Gamharia – 832108, District: Seraikella-Kharsawan, represented by its Director **Mr. Sudhir Rai**, S/o Shri Deepak Rai, resident of 14, Prime Rose Lane, Ashiana Garden, Sonari, Jamshedpur – 831011, Jharkhand, by faith Hindu, by occupation Business (hereinafter referred to as 2nd Party or the Party of 2nd Part).



PRELIMINARY

1. Party of the 1st Part was allotted leasehold land admeasuring 1.65 Acre situated at M-2 (P), 4th Phase, Adityapur Industrial Area, Gamharia – 832108, in the name of Manshatalla Engineering Works Pvt. Ltd. for the business of manufacturing of automobile parts vide AIADA's Land Allotment Order No. 1451/ADA dated 13.11.1998. The registered deed of lease of the said plot was executed on 17.03.1999. Subsequently, the name of the said company was changed to MEW Suspensions Pvt. Ltd. w.e.f. 20.09.2007 and its approval was obtained from AIADA vide its order no. 347/ADA dated 08.03.2008.
2. The Party of the 1st Part is carrying on business on the said plot for the last several years. However, due to poor market condition and economy downturn the 1st Party does not wish to continue the said business and has decided to transfer the leasehold rights along with superstructure and other assets created/installed thereon to some financially sound Party who is willing to take over the same for its own business purpose. Therefore, the Party of the 1st Part shall sale/transfer the assets created on the said plot and transfer the leasehold rights of the land to the intending investor.

Contd....3

Known to me and sign before me
1
Advocate, Jamshedpur

For MEW Suspensions Pvt. Ltd.

Director.

For KROSS LIMITED

Director/Managing Director

3. The Party of the 2nd Part who is in need of a plot for the further requirement of their manufacturing business/activities has shown interest in taking over the assets created on Plot No. M-2 (P), 4th Phase, Adityapur Industrial Area, Gamharia – 832108, along with leasehold rights of the plot and had approached the Party of 1st Part with the proposal. After few rounds of discussions between the Parties, it was decided to enter into this agreement based on the declaration made by the 1st Party as under:

- a) That the said plot is in complete possession of 1st Party and is using the same for its own business as approved by AIADA.
- b) That Mr. Sandeep Bafna is one of the directors of the company and is duly authorized to negotiate on behalf of the company for sale / transfer of the above mentioned property vide Resolution passed by the members of the company in its meeting dated 10-10-2017
- c) That the land and building situated on Plot No. M-2 (P), 4th Phase, Adityapur Industrial Area, Gamharia – 832108 are free from all encumbrances / lien except the charge created on the same in favour of Canara Bank – SME Branch for availing credit facilities for the company's business.
- d) That the company has not received any show cause notice from AIADA for the cancellation of the lease.
- e) That the 1st Party has not entered in to any agreement with any other party for the sale/transfer of this leasehold plot with assets created on the same.

On the basis of the above declaration, this Agreement of Sale is executed in Jamshedpur and it contains following salient features of this arrangement on which both the parties are agreed:

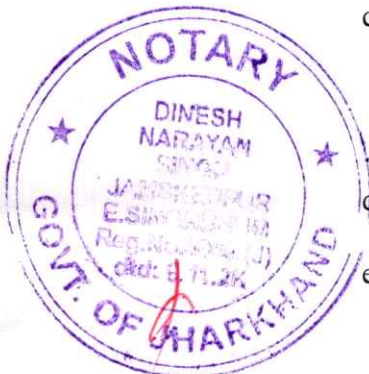
1. Description of Assets

Land, Shed, Building, Other Superstructures, plant & machineries (As per List attached as Annexure II of this agreement) and other assets constructed/installed on Plot No. M-2(P), 4th Phase, Adityapur Industrial Area, Gamharia – 832108, District: Seraikella – Kharsawan except a few machineries mentioned in Annexure –III of this agreement. The specific detail of this plot is as under:

Scheduled Plot as per Industrial map:

Industrial Plot No. M-2 (P), 4th Phase, Adityapur Industrial Area, Gamharia – 832108, District: Seraikella-Kharsawan

Contd....4



28/10/17

For MEMBERS Suspensions Pvt. Ltd.
For KROSS LIMITED
Director/Managing Director
Director.

Known to me and sign before me
28/10/17
Advocate, Jamshedpur

Scheduled Plot as per Survey map:

Village – Bara Gamharia

Thana - Seraikella

Distt. – Seraikella-Kharsawan

Survey Plot Nos. – 1775 (P), 1776 (P), 1777 (P), 1778 (P), 1813 (P), 1814 (P), 1816 (P), 1817 (F), 1818 (F), 1819 (P), 1820 (P), 1821 (P), 1822 (P), 1834 (P), 1835 (F), 1836 (P), 1837 (F), 1838 (F), 1839 (F), 1840 (F), 1841 (F), 1842 (F), 1843 (F), 1844 (F), 1845 (P), 1846 (P), 1847 (P)

Khata Nos. – 576, 268, 258, 165, 144, 33, 479, 261

Area – 1.65 Acre

2. Purchase Consideration

Party of the 2nd Part has agreed to pay a consideration amount of Rs. 600.00 Lacs (Rupees Six Hundred Lacs Only) as purchase consideration for the assets mentioned above including leasehold rights of the land. All the liabilities/dues of the unit/1st party in respect to Bank/AIADA/Commercial Taxes/Jharkhand State Electricity Board/Department of Central Excise/PF & ESI, Employees Settlement etc. up to the date of this agreement shall be quantified and shall be paid out of this purchase consideration amount.

3. Mode of payment

The purchase/sale consideration will be paid as under:

- a) After signing of this agreement, the Party of the 1st Part shall apply to Canara Bank, SME Branch for One Time Settlement (OTS) of its liabilities with the said bank. Last time the OTS amount was finalized by the bank at Rs. 443.00 Lacs. The 2nd Party will deposit some token amount as agreed by the bank in no lien account towards making this fresh application for OTS. Balance OTS amount shall be deposited with the bank once the approval for OTS is received. Entire amount of OTS shall be kept in no lien account till approval is received from AIADA for transfer of the leasehold right of the plot in favour of the 2nd Party.

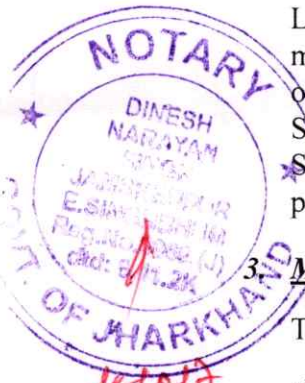
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For MEX Suspensions Pvt. Ltd.

For KROSS LIMITED

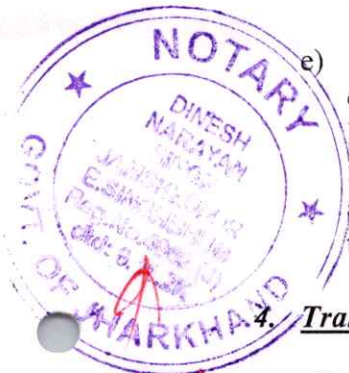
Director/Managing Director

Director.



Known to me and sign before me
[Signature]
Advocate, Jamshedpur

- b) Meanwhile, the 1st Party shall make available all the documents to the 2nd Party or its representative to ascertain the statutory dues towards Excise Duty, Commercial Taxes, Electricity, PF, ESI, Employees settlement, Lease Rent/Lavy/Street light bill payable to AIADA etc. Once bank approved the amount of OTS, the 2nd Party shall make available the fund to the 1st Party to the extent of about Rs. 80 Lacs to clear all these statutory liabilities. The 1st Party will make all these payments and will arrange no dues from various departments for submission to AIADA.
- c) The 1st party is liable to terminate the employment of all its existing workforce and to settle all the dues of its direct & indirect employees. The 2nd party shall not be liable to provide employment or to continue with any of the existing employee(s) of the 1st party. The 1st party shall ensure peaceful possession of the plot to the 2nd party.
- d) The balance consideration amount except an amount of Rs. 30 Lacs shall be paid by the 2nd Party to the 1st Party immediately after getting approval of AIADA for transfer the leasehold right of plot in its favour.
- e) Final amount of Rs. 30 Lacs shall be kept with the Arbitrator for a period of 45 days from the date of approval of AIADA for the transfer of leasehold right of plot in favour of the 2nd party. In case any unforeseen liability(ies) of the unit is required to pay, this will be paid out of this amount of Rs. 30 Lacs. Balance fund in this account shall be handed over to the 1st party by the Arbitrator upon expiry of this period of 45 days.



4. Transfer of Leasehold Rights

1st Party of this agreement hereby confirms that the original title document (Registered Lease Deed) has been kept with Canara Bank – SME Branch, Adityapur for availing credit facilities by creating equitable mortgage of the same. 1st Party further confirms that it has not availed any other credit facility from any other Bank/Financial Institution/Lender by creating any charge on its assets. 1st Party agrees that the Original Title Document (Registered Lease Deed) of the said property shall be handed over to the Party of 2nd Part along with “No Dues Certificate” from the lender banker and all the relevant documents in original related to the said plot, at the time of final payment by the 2nd party to 1st party including the payment to banker against OTS amount. List of documents to be handed over to the 2nd Party in original is annexed herewith as Annexure I.

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Known to me and sign before me
28/10
Advocate, Jamshedpur

For KROSS LIMITED for its Subsidiary Kross Suspensions Pvt. Ltd.

Director.

Director/Managing Director

1st Party will hand over the physical possession of above-mentioned assets to the 2nd Party immediately upon final payment to the 1st party.

At the time of making the final payment and deposits of final OTS amount by the 2nd Party, the 1st Party shall sign all required documents for transfer of leasehold right of the industrial plot in favour of the 2nd Party. The 1st party also agrees to sign any further documents as & when required by AIADA in this regard.

5. Binding Clause

This agreement shall remain valid for a period of eight months from the date of execution. After signing of this agreement, the 1st Party shall not enter into any agreement/negotiation with any other party for sale/transfer of the assets mentioned in this agreement till the expiry of the agreement period of eight months. In case of unilateral pre-mature termination of the agreement by the either Party, the other party shall be entitled to claim actual payment made against this agreement and Rs. 10,00,000/- (Rupees Ten Lacs only) as compensation.

6. Indemnity

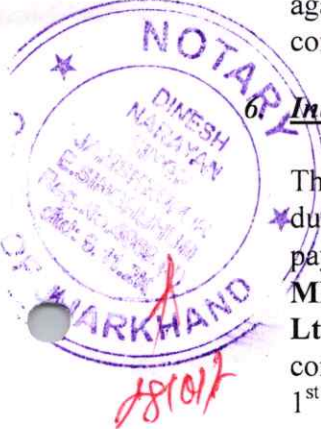
The Party of the 2nd Part will not be liable for any liability including electricity dues, AIADA dues, Commercial Taxes, Excise Duty, PF & ESI, Labour payment, matters related to judiciary, secured/unsecured creditors of M/s **MEW Suspensions Pvt. Ltd. (Formerly Manshatalla Engg. Works Pvt. Ltd.)**. The 2nd party shall be liable only to make payment of total consideration amount of Rs. 600 lacs (Rupees Six Hundred Lacs only) to the 1st party.

The 1st Party shall be responsible to pay for any liability arising in connection with the said factory/plot prior to the date of this Agreement and make present & future compliances in respect to the judiciary. Any liability incurred or occurred on or after handover of physical possession of factory to the 2nd Party shall be the responsibility of the 2nd Party. The 1st Party also undertake to extend full cooperation to the Party of 2nd Part for smooth transfer of the plot in the name of 2nd Party and assures to sign & execute all necessary documents pertaining to the said transfer as and when required by AIADA or any other Authority(ies).

For MEW Suspensions Pvt. Ltd.

Director.

For KROSS LIMITED
Director/Managing Director



Contd....7

Known to me and sign before me
28/10
Advocate, Jamshedpur

7. Mode of Transfer of Assets (including Leasehold Plot)

The 1st Party to this agreement shall execute all necessary documents in respect to the transfer of leasehold rights as required by AIADA under Jharkhand Industrial Policy, 2012 and/or under present transfer policy of Govt. of Jharkhand/AIADA/JIADA. Request letter for such transfer of plot shall be signed by the 1st Party at the time of deposit of final OTS amount & balance amount payable to the 1st party. All expenses related to transfer of plot from 1st Party to 2nd Party shall be paid/borne by the 2nd Party including transfer cost to be paid to AIADA. Prior to signing of all the documents for transfer of leasehold right of the plot, the 1st party shall get its registered office transferred at some other place.

7. Arbitration

Mr. N. K. Jain, Chartered Accountant, has consented to Act as an Arbitrator with mutual consent of both the parties. If there is any dispute of any kind, the decision of the Sole Arbitrator would be binding on both the Parties. Fee of the Sole Arbitrator shall be paid equally by both the parties.

Both the parties to this Agreement agree to abide by the provisions of this Agreement not only in letter but also the spirit behind the need of reaching this agreement.

Signature of:

Director.

1st Party or the Party of 1st Part:

For KROSS LIMITED

Director/Managing Director
2nd Party or the Party of 2nd Part:

Witnesses:

1. *Rama Kant Gini*
(Rama Kant Gini)

2.

Contd....8

known to me and sign before me

28/10
Advocate, Jamshedpur

Annexure-I

List of documents required in original are as under:

- 1) Lease Deed of the plot
- 2) Allotment Letter from AIADA
- 3) Possession Order & Possession Certificate along with land plan.
- 4) Approved Factory Plan from AIADA and Chief Inspector of Factories.
- 5) Permanent SSI Registration Certificate.
- 6) Electricity File with Security Deposit receipt.

For KROSS LIMITED

Director/Managing Director

For MEW Suspensions Pvt. Ltd.

Director.



Known to me and sign before me
Advocate, Jamshedpur

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Annexure-II

List of Plant & Machineries to be transferred to 2nd Party


(I) Anti Roll Bar & Powder Coating Plant Equipment (All machine installed in the 1st Shed including)

- 1) Continuous conveyorised powder coating unit
 - A) 2 Nos. Booth
 - B) Heating Chamber
 - C) Conveyor Unit
- 2) Pre Treatment Unit
 - A) 10 Tanks
 - B) 3 Burner
- 3) I. R. Compressor.

(II) Equipment of coil spring unit

- 1) Tempering Furnace.
Temperature up to – 700⁰C .
Width – 1.8 m inside wall to wall.
Length – 6 m inside.
- 2) Shot Peening Machine.
Make – Mec Shot Jodhpur with Tomblast.
- 3) Band Saw Machine Semi Automatic with Hydraulic Left of Saw (Malwa Make)


For MEW Suspensions Pvt. Ltd.


Director.

For KROSS LIMITED


Director/Managing Director

Contd....10

Known to me and sign before me:

Advocate, Jamshedpur

Annexure-III

List of Machine/Equipment excluding from Sale/Transfer (To remain with 1st Party)

- 1) Coil Spring Plant Equipment.
 - a) Quenching Tank - 2 Nos.
 - b) End Grinding Machine - 3 Nos.
 - c) Segmental Grinding - 1 Nos.
 - d) Walking Beam Hardening Furnace
 - e) Batch Hardening Furnace.
 - f) Topper Rolling Machine - 2 Nos.
 - g) End Heating Furnace
 - h) Peeling Machine
 - i) Straightening Machine - 2 Nos.
 - j) Center less Grinding - 2 Nos.
 - k) Scragging Machine - 2 Nos.
 - l) Load Testing UTM
 - m) Crack Detection Machine - 2 Nos.
 - n) Hardness Tester
 - o) CNC Coiling Machine
 - p) Tip Grinder
 - q) Quenching Oil Storage Tank
 - r) Cooling Tower.



For KROSS LIMITED

Director/Managing Director

For MEW Suspensions Pvt. Ltd.

Director.

Attested the Signature of
Executants which is Identity by
Sri.....*R. N. M.*..... Advoc
Jamshedpur

28/10/17
Dinesh Narayan Sr.
NOTARY
JAMSHEDPUR

Known to me and sign before me
28/10/17
Advocate Jamshedpur