

महाराष्ट्र MAHARASHTRA

16 OCT 2014

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अनु.क्र. 65982 दि. मु.शु.रकम. 500/-

दस्ताचा प्रकार करा नाम

दस्त नोंदणी करणार आहेत का? होय/नाही.

मिळकतीचे वर्णन

मुद्रांक विकत घेणाऱ्याचे नांव इल्हाज्जल मिजर शाहि

पत्ता

दुसऱ्या पक्षाचा नांव 210/91, 132, 213, पुणे

हस्ते व्यक्तीचे नांव व करता

शुभे यकीन होत

विरण देवराम लडकत

परवाना क्र 2209924

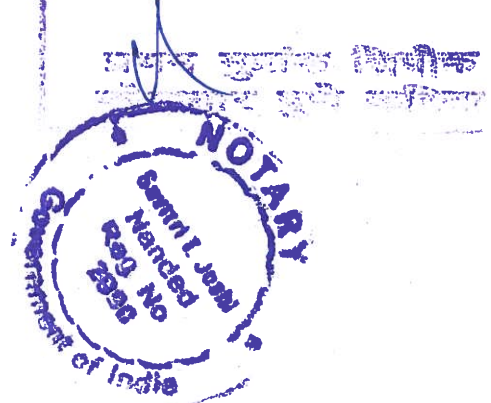
मुद्रांक विकत घेणाऱ्याची सही जि.प. अंडर ग्राऊंड, मंगळवार पेठ, पुणे-११

ज्या कारणासाठी ज्यांनी मुद्रांक खरेदी केला त्यांनी त्याच कारणासाठी

मुद्रांक खरेदी केल्यापासून ६ महिन्यांत दाखरणे बंधनकारक आहे.



13 OCT 2014



### MULTIPLEX FRANCHISE AGREEMENT

THIS AGREEMENT, dated and executed this 17<sup>TH</sup> day of October, 2014 at Pune, by and between M/s Padmavati Business Developers Private Limited, a company incorporated under the Companies Act, 1956, having its registered office at Vishwaniwas, Saibaba Nagar Purna Road, Nanded 431602 hereinafter called the Owner/s (which expression unless repugnant to the context or meaning thereof shall include their respective heirs, executors, administrators and assigns) of the One Part

And

E-SQUARE LEISURE PRIVATE LIMITED, a Company incorporated under the Companies Act 1956, having its registered office at 132, University Road, Ganeshkhind, Pune – 411 016 hereinafter called ELPL (which expression unless repugnant to the context or meaning thereof shall mean and include its executors and permitted assigns) of the Other Part.



Handwritten signature and date 21/12/14.





HDFC BANK LTD. SONAVANE COMPLEX,  
SHRINAGAR, MANDED-431605, MAHARASHTRA  
RTGS / NEFT IFSC : HDFC0002522

Weekly Holiday on SUNDAY

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D	D	M	Y	Y	Y	Y	Y

Valid for 3 months only

Pay E-Square Le. Suge Pvt Ltd

Rupees रुपये 120 Lac fifty five thousand & nine hundred only अवा करें

Or Bearer  
वा धारक को

₹	2,55,900/-
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A/c No. खाता नं.	50200002706485
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Brn: 2522 Pdt: 256  
CA-TRADE

(New Account)

For PADMAVATI BUSINESS DEVELOPERS PVT LTD  
For PADMAVATI BUSINESS DEVELOPERS PVT. LTD.

Payable at par through clearing/transfer at all branches of HDFC BANK LTD

For PADMAVATI BUSINESS DEVELOPERS PVT. LTD.

*SRB*

Authorised Signatory

Authorised Signatory  
Please sign above

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And whereas the Owner is empowered to build, furnish and equip the "Multiplex"; and

And whereas the Owner has built, furnished and equipped (or is currently in the process) a modern "Multiplex" Premises at Survey No 207, Plot 1, Samarth Nagar, Canal Road, (Wadi BU) 431602 admeasuring 25,000 sq. ft built up area which is more particularly described in the ANNEXURE "A" herein below and is hereafter more specifically referred to as the SAID "Multiplex". It is hereby made clear that the premises mentioned above is the subject of this agreement and not the land except that the use of the land to the extent necessary for beneficial use of the premises/"Multiplex" being permitted and is the subject of this agreement.

And whereas the Owner is desirous of appointing ELPL who would assist with their expertise to the OWNER to manage the SAID "Multiplex" and other facilities including the Concession Counters, Advertising, Marketing and in confirming with standards comparable to facilities of similar class and standing and consistent with the facilities provided in the "Multiplex";

And whereas ELPL by virtue of presently owning and successfully operating a "Multiplex" in the name of E-SQUARE at Plot No: 132/ 2/ 2A, University Road, Ganeshkhind, Pune 411 016 is able to setup and render technical expertise for a "Multiplex";

And whereas ELPL is desirous of entering into an agreement to render technical expertise to the OWNER for the said "Multiplex" upon terms and conditions hereinafter set forth, and the Owner is willing to enter into such an agreement.

And whereas, ELPL is the sole and exclusive owner and of its trade names, trademarks and service marks and all goodwill associated therewith including without limitation, the names E-SQUARE , E-SQUARE LEISURE PRIVATE LIMITED and all Combinations or variations thereof, whether alone or in combination with any other names, signs, emblems, logos, trademarks, trade names or services marks owned or adopted by ELPL (Hereinafter Collectively referred to as the "Marks"), and used by ELPL and has full authority to license the marks in "Nanded";

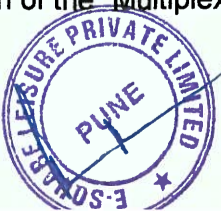
And whereas, ELPL has developed and owns a plan and system (the "system") for providing distinctive first-class "Multiplex" services of the highest quality;

And whereas the Owner and ELPL had entered into a basic Memorandum of Understanding at Pune dated 22 February 2014

**NOW THIS AGREEMENT WITNESSETH AND IT IS EXPRESSLY AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:**

#### **GRANT OF FRANCHISE**

- 1) **Franchise** : ELPL Hereby grants to the Owner, for the Term and subject to the terms and conditions set forth herein, the right ("Franchise") to use the system in the operation and promotion of the "Multiplex". ELPL reserves the right to modify or change the system or any part



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thereof and the System as so modified or changed shall for all purposes be deemed to be the System referred to in this agreement.

- 2) **Relation of the parties:** The Owner and ELPL agree that in respect of the performance of all of ELPL's services for the "Multiplex", including, without limitation, reservation, communication and sales and marketing services, and licenses of the marks and software, ELPL shall be an independent contractor. Other than a contractual relationship as an independent contractor, nothing herein shall constitute or be construed to be or create an agency, partnership, joint venture or any other relationship between the Owner and ELPL. This agreement does not constitute the Owner or ELPL as the agent, legal representative, or employee of the other for any purpose whatsoever, and neither party is granted any right of authority to assume or create any obligation for or on behalf of, or in the name of, or in any way bind, the other party. Neither party shall represent that its relationship to the other is other than as provided for in this section 2.
- 3) **Disclosure of independent Status:** At all times throughout the Term as hereinafter defined, the Owner shall prominently display exterior ,interior signage and all bills and invoices, at the Hotel notifying guests, patrons ,invitees suppliers and vendors , that the "Multiplex" is independently owned and operated under a Franchise from ELPL
- 4) **Co-operation:** The Owner shall cooperate with ELPL and take any and all actions that may be reasonably necessary or appropriate for ELPL to enjoy its rights and privileges and to fulfill its obligations under the terms of this agreement.
- 5) **Territory:** Subject to the terms of this agreement a non exclusive , non assignable , non transferable license is being given for the use of the 'System" in the said territory as more clearly defined in the **Annexure "A"** of this agreement.

## ARTICLE I: DEFINITIONS

For the purpose of this agreement, the terms defined hereunder in this Article shall have the meanings herein specified unless the context otherwise requires.

a) **"Multiplex"** means the said "Multiplex" and other facilities including the concession counters (like areas or counters pertaining to display and sale of food & beverage items situated at various places), kiosk, other operational areas etc forming part of the "Multiplex" proposed to be setup under terms of this agreement as defined in Section 2 of Article II and in the terms and conditions of this Agreement shall cover any future extensions or expansions of the "Multiplex"

b) **"PREMISES"** means the building / mall within which the "Multiplex" is situated on a particular floor as specified in **Annexure "B"**

c) **"This Agreement"** means the instrument as originally executed and delivered with any duly executed amendments and supplements thereto.



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- d) **“Term”** means the initial term of this Agreement and all eventual renewals as referred to in Article VII of this Agreement
- e) **“Opening Date / Commercial Operations”** means the date on which the “Multiplex” or any component of the “Multiplex” as the case may be is complete in all respects for public / commercial operations as agreed in writing between the Owner and ELPL in accordance with Article VI of this Agreement.
- f) **“Financial Year”** means the twelve (12) month period commencing on the first day of April in each year and ending on the thirty-first day of March except that the first financial year shall be the period commencing on the Opening Date of the “Multiplex” or such other date as may be mutually agreed upon in writing by the Owner and ELPL and ending on the thirty-first day of March next following year.
- g) **“Gross Income”** means all revenues and incomes of any kind derived directly or indirectly from the operation of the “Multiplex” and its facilities, and all other revenues accruing from the use of the “Multiplex” areas but excluding all taxes, cesses, insurance receipts.
- h) **“Operating Expenses”** means all costs, expenses and disbursements incurred or paid or payable in connection with or relating to the operation, management and maintenance of the “Multiplex” (excluding expenditure of a capital nature) the generality of the foregoing the following: -
1. The total payments to Distributors and / or others in respect of film software screened in the said properties;
  2. Show Tax payable to Municipalities / Panchayats in respect of the said Properties;
  3. The total payroll and related expense for all personnel employed in the operation of the “Multiplex” who are permanently or temporarily assigned to the “Multiplex”;
  4. The cost of all food and beverage, operating supplies and household supplies sold or consumed in the operation of the “Multiplex”; the expenses for heat, water, fuel, power, gas, and other related services used in the operation of the “Multiplex”;
  5. The cost of repairs, replacements of consumables and maintenance to keep the “Multiplex” in good operating condition in accordance with Article XII, Section 3, and Para 1;
  6. Premiums for insurance maintained pursuant Article XIV of this agreement;
  7. All costs and expenses of any advertising, sales promotion, agents & agencies appointed by ELPL, public relations and personnel training programs of the “Multiplex”;
  8. The pro-rated costs of group advertising, sales promotions, public relations, and personnel training programs undertaken by ELPL in furtherance of the interests of the “Multiplex”.
  9. The pro-rated costs of specialized facilities including sales and reservation offices established throughout the world, created and administered by ELPL in furtherance of the interest of the “Multiplex”.
  10. The commission actually paid or payable to Internet bookings, Agencies for Sales & Marketing and credit card companies.
  11. The reimbursable expenses payable under Article X of this Agreement.



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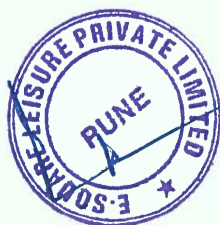


However, the following shall be specifically excluded from the definition of "Operating Expenses"

1. Corporate expenses of the Owner pertaining to the Ownership of the "Multiplex" and other related issues pertaining to the "Multiplex";
2. Repayment of installments of loans and payment of interest on borrowing including short term and long-term loans;
3. Depreciation provided as per Income Tax Act, 1961.

It is expressly understood and agreed that all costs and expenses specifically excluded from the operating expenses as defined above and specifically excluded elsewhere in the agreement shall be borne and met by the Owner exclusively.

- i) "**Gross Operating Profit,**" means the amount, if any, by which the Gross Income of the "Multiplex" for each financial year is in the excess of the Operating Expenses of the "Multiplex" for such financial year. It is understood and agreed that in determining the Gross Operating Profit for any financial year, adjustments shall be made for or on account of any losses and/or any deficiency in the Gross Operating Profit relating to any prior financial year or years.
- j) "**Project Cost**" means the capital cost incurred on the civil structure of the said "Multiplex"s to make it operational and includes the amount spent on and being not limited to Furniture & Fixtures, Screens, Acoustic Treatment and Materials, Sound Systems, Projection Equipments, Theatre Seats, Carpets, Electrical & Lighting, Office Equipment, Ticketing Software and Hardware.
- k) "**Furniture**" means all movable and fixed furniture and such other furniture as are requisite for the efficient operation of the "Multiplex", at any time installed or kept in the "Multiplex" for use in connection with the operation of the "Multiplex".
- l) "**Furnishings**" means carpets, curtains, upholstery and such other related items as are requisite for the efficient operation of the "Multiplex", at any time installed or kept in the "Multiplex" for use in connection with the operation of the "Multiplex".
- m) "**Operating Supplies**" means all linen, Uniforms and all other similar items used or intended for use in connection with the operation of the "Multiplex".
- n) "**Household Supplies**" means all consumable supplies and supplies like soap, cleaning materials, stationery and all other similar items utilized or consumed in the operation of the "Multiplex".
- o) "**Uniform System of Accounts**" means the current issue of the Uniform system of Accounts for "Multiplex"s without any conflict with Accounting Standards laid down under the Companies Act and Income-tax Act.
- p) "**Auditor**" means the statutory and Internal Auditor's appointment by the Owner or ELPL



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- q) "Inventory" - Inventory shall include all furniture, fixtures, equipments, plant, machinery, tools, furnishings, etc.

## ARTICLE II: CONSTRUCTION, FURNISHINGS AND EQUIPPING OF THE "Multiplex"

### SECTION 1 - The Site

The "Multiplex" which is a part of the MALL superstructure that, is being constructed upon land shown in the plans annexed thereto. The full and accurate description of the Site is given in the Annexure "A" hereto

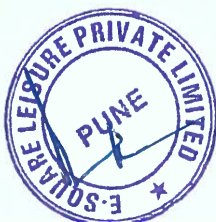
### SECTION 2 – Construction, Furnishing & Equipping of the "Multiplex"

The Owner has expressed the desire to construct the "Multiplex" Premises within a mall / commercial building as described in Annexure "A" hereto. This will be shown in the plan hereto annexed as Annexure "B" on obtaining the sanctioned designs and will be delineated in Red Colour boundary line which shall be inspected by ELPL during the construction phase until completion. The Owner will equip the PREMISES on the said property having:-

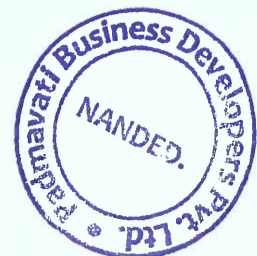
- 1) Sound/ Speaker System and Acoustics as recommended and approved by ELPL
- 2) Screens as recommended and approved by ELPL
- 3) Projection Equipment as recommended and approved by ELPL
- 4) Ticketing Hardware and Software as recommended and approved by ELPL
- 5) Seats and Carpets for the Theatres as recommended and approved by ELPL
- 6) Parking space;
- 7) Recreation facilities and other areas;
- 8) Storage and services areas;
- 9) Other facilities and appurtenances as ELPL considers necessary or desirable for the operation of the "Multiplex" to standards comparable to those prevailing in leading "Multiplex"s together with all fixtures and equipment requisite for the use of the PREMISES for "Multiplex" purposes (including without limiting heating, lighting, sanitary, air-conditioning, refrigeration, elevator and all other similar and relevant equipment including office equipment.
- 10) All furniture and furnishings required for the operation of the "Multiplex".
- 11) Provision for the initial inventory of food and beverages, Operating Supplies and household supplies as may be necessary for the efficient operating of the "Multiplex" as a first class "Multiplex".

### SECTION 3

The Owner covenants and agrees to complete and execute the "Multiplex" upto Opening Date and thereafter provide the necessary working capital initially and throughout the term of this Agreement for efficiently running the "Multiplex". The accurate particulars of the working capital shall be provided three (3) months prior to commercial operations.



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3) The cost of all services referred to in Paragraph 1 & 2 above and incurred during the construction stage and prior to the opening date of the "Multiplex" is designated as PRE OPENING EXPENSES payable by the OWNER and shall include the following:

- a) All expenses pertaining to the Government authorities, licensing authorities, statutory bodies pertaining to cinema, theatre, music and other associations
- b) The Salary, traveling and other expenses of personnel of ELPL (Top/Middle/Junior Management) from the date of execution of this Agreement to the "Multiplex" site & other areas / offices as deemed necessary. ELPL shall determine the best suitable mode of travel and accommodation for its Top/Middle and Junior Management and the OWNER shall either reimburse the cost of travel / accommodation or arrange for the same at their own expense.
- c) All costs incurred in connection with the recruitment of "Multiplex" Personnel including traveling, advertising, recruitment, training and other development costs
- d) The salaries and other expenses of the "Multiplex" personnel performing such services
- e) The fees and charges of other individuals, consultants, vendors and agents employed by ELPL.
- f) Organization and administrative expenses
- g) Costs of all advertising, promotion, literature, business entertainment, including opening celebrations and ceremonies, incurred prior to or concurrently with the beginning of the full operation of the "Multiplex" by ELPL;
- h) Any other costs or expenses incurred in connection with such services.

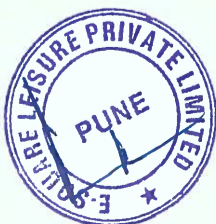
The OWNER agrees to pay for the pre opening expenses. ELPL shall maintain full and adequate accounts to show the actual expenditure incurred by them.

## ARTICLE VI: OPENING DATE, INITIAL WORKING CAPITAL AND INITIAL INVENTORIES

### SECTION 1 - Opening Date

Both the Owner and ELPL shall agree in writing the date on which the respective "Multiplex" will be completed which shall not be later than 18 months from the date of signing of this Agreement, with all the facilities and other areas fully operational. It is expressly understood that Opening Date is the date when the "Multiplex" is opened for Public / Commercial Operations.

However it is mentioned and agreed that ELPL may prior to the commencement of full operations, commence partial operations of the "Multiplex" with the consent of the Owner, and the Owner hereby



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covenants and agree to pay ELPL its fees for such partial operations in accordance with Article IX & X of the Agreement.

### SECTION 2 - Initial Working Capital

The Owner covenants and agrees to provide on such date as shall be specified by ELPL, the funds for the working capital required to commence operation of the "Multiplex" as specified in Annexure "C"

### SECTION 3 - Initial inventories

The Owner covenants and agrees to provide, on such date as shall be specified by ELPL, the funds required for procuring the initial inventory of food and beverages, operating supplies and household supplies required to commence operation of the "Multiplex".

Prior to the commencement of the term of this Agreement, a joint inventory shall be made of the "Multiplex" and its Contents / List with Costs, prepared by the OWNER and verified by ELPL and signed by both parties. And for the future, a record of all additions and deletions shall be maintained by the Owner and confirmed by ELPL.

### ARTICLE VII – TERM

The Owner hereby accepts the franchise of the brand of ELPL for the "Multiplex" for a initial term of 5 (five) years beginning on the opening date of the "Multiplex" as lock in period and subject to ELPL observing its part as per the terms of this agreement it will be further renewed for further period of 5 (five) years on the same terms and conditions.

### ARTICLE VIII – USE AND OPERATION OF THE "Multiplex"

#### SECTION 1

The Owner and ELPL covenants to use the "Multiplex" for the operations of a first class "Multiplex" and for any activities in connection therewith which are customary and usual to such an operation. ELPL shall during the time it holds office use its best Endeavour to promote the interest and business of the "Multiplex" and will not divulge or make known any of the secrets or affairs thereof.

Nothing herein contained shall be construed as creating any right, interest, easement, lease, tenancy, sub-tenancy, deemed tenancy, delivery of possession in favour of ELPL in or over or upon the land or PREMISES/ "Multiplex" (or any part thereof) or transferring any interest therein in favour of ELPL. The Owners shall always remain in possession and shall be entitled to inspection of the works of ELPL from time to time.

#### SECTION 2

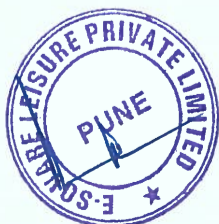
A] It is hereby expressly declared that ELPL, shall have and shall be entitled to exercise the following powers on behalf of the Owner -



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1. Negotiating with and ordering for supply to various suppliers of Capital Equipments and Consumables
2. Selection, recruitment, transfer and termination of employment of all personnel of the "Multiplex";
3. Training and assignment of duties of all personnel of the "Multiplex";
4. Fixation of emoluments of all staff including fringe benefits and welfare schemes;
5. The formulation and implementation of personnel policies including transfer or termination of employment of all personnel engaged in the operation of the "Multiplex";
6. Institution and implementation of operating policies, principles, systems and procedures, for all departments including purchasing, accounting, credit management, sales promotion, public relations, housekeeping, security, "Multiplex" engineering and maintenance personnel, etc.;
7. Institution and implementation of reporting and control systems and procedures
8. The establishment of all prices, price schedules, rates and rate schedules;
9. The obtaining and granting of such other concessions and privileges, as ELPL may deem necessary or desirable in connection with the operation of the "Multiplex";
10. Supervisions and control of the activities of licensees, concessionaires and holders of privileges and their employees, including the dispossessing of licensees for the non-payment of compensation or other proper cause or the termination of the rights of concessionaires and holders of privileges for similar proper cause;
11. The purchase and negotiations for purchases of software for running in the "Multiplex"
12. The purchasing of inventories, provisions, supplies and equipment as ELPL may deem reasonably necessary in order to maintain and operate the "Multiplex" properly;
13. The making of such repairs and maintenance to the "Multiplex" as ELPL may deem reasonably necessary;
14. The planning, preparation of and contracting for advertising and promotional programs;
15. Advising the Owner in matters of public relations;
16. Generally to perform all acts reasonably necessary in connection with the operation of the "Multiplex" in an efficient and proper manner.



SBS *[Signature]* 21/22



B] All above and other acts will be done by ELPL within the scope of its activities as ELPL and to the extent necessary for the operation of the business and shall not in any way affect the interest of the Owner. All the above and other acts and works shall be done by ELPL prudently and as per the legal provisions applicable.

### SECTION 3

Subject to clause B of Section 2 above ELPL may exercise the powers vested in it under this Agreement on behalf of the Owner.

### SECTION 4

ELPL shall make available to the Owner the services of its sales and reservation system, created and administered by ELPL. The pro-rated cost of such facilities and services shall be paid by the Owner and shall be charged to the operating expenses of the "Multiplex". ELPL will inform the Owner of the same.

### SECTION 5

The Owner shall take all due measures to ensure that compliance under the mandatory government laws for labour are followed and carried out. All statutory regulations have to be met by the OWNER (either through own company or associate company) and no liability will occur on ELPL for any non compliance by the OWNER. All Special Benefits to Employees will be advised by ELPL to OWNER as per situation.

### SECTION 6

The OWNER shall ensure that all regulations pertaining to State and Central Taxes, Liabilities etc are paid on time as per standard norms and will exclude ELPL from any defaults or liabilities that arise on non performance of payment by OWNER.

The OWNER indemnifies ELPL - its Directors, Affiliates, Managers, Employees etc from any claims, liabilities and defaults that may arise due to the negligence or default on the part of the OWNER.

### ARTICLE IX: COMPENSATION & CONSIDERATION

Technical Management Consideration Fees & Payment Schedule up to the Date of Commercial Operations: 7,50,000 + Applicable Govt Taxes for a period of 18 months from the date of signing of this Agreement.

In case after a period of 18 months the MULTPLEX does not commence its commercial operations then in that case the Technical Fees shall be proportionately increased as mutually decided by both the parties. The Government Taxes as may be applicable from time to time shall be borne by the OWNER and shall be paid over and above the Technical Management Fees.

Payment Schedule For Technical Management Fees as under :

On Date of Signing of Agreement: Rs 2,50,000 + Applicable Tax

01 April 2015: Rs 2,50,000 + Applicable Tax

01 October 2015: Rs 2,50,000 + Tax



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As Compensation for the services to be rendered by ELPL after the said "Multiplex" are operational as set forth in this Agreement, except to the extent provided herein, ELPL shall be entitled to Monthly Branding Fee Structure of:

Branding Charges based on Ticket Sales	Monthly Occupancy Slab
Rs 3.00 per patron	00.00% to 30.00%
Rs 3.50 per patron	30.01% to 45.00%
Rs 4.00 per patron	Above 45.01%

Monthly Occupancy Formula Occupancy = (Number of Patrons or Tickets Sold / Housefull Capacity of Total Shows Actually Played) X 100

Deposit towards Distributor Advances : An interest free Non Refundable Deposit shall be maintained by the Owner with ELPL to cover Distributor Advances. Alternatively, the Owner can choose to pay Distributor Advances through its own funds, as and when demanded from the Distribution Houses.

The Government Taxes if any shall be borne by the Owner over and above the Monthly Branding Fee Structure and shall be paid as per agreed schedule as per Article XI

#### ARTICLE X: REIMBURSABLE EXPENSES

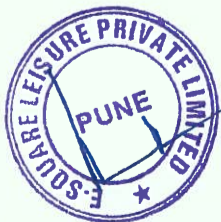
Reimbursable expenses means expenses paid or incurred by ELPL on behalf of or for the Owner which include but are not restricted to the following:

- All expenses pertaining to the Government authorities, licensing authorities, statutory bodies pertaining to cinema, theatre, music and other associations
- The Salary, traveling and other expenses of personnel of ELPL (Top/Middle/Junior Management) to the "Multiplex" site & other areas / offices as deemed necessary. ELPL shall determine the best suitable mode of travel and accommodation for its Top/Middle and Junior Management and the OWNER shall either reimburse the cost of travel / accommodation or arrange for the same at their own expense.
- All costs incurred in connection with the recruitment of "Multiplex" Personnel including traveling, advertising, recruitment, audit, training and other development costs.
- The salaries and other expenses of the "Multiplex" personnel performing such services.
- The fees and charges of other individuals and agents employed by ELPL.
- Organization and administrative expenses, Costs of all advertising, promotion, literature, business entertainment.

The above will be raised additionally on the Owner by ELPL through Debit Notes / invoices on a monthly basis as and when occurred and does not form part of the Compensation Structure.

#### ARTICLE XI: MANNER OF PAYMENT

##### SECTION 1



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Within fifteen (15) days after the end of each month of Multiplex Operation, the Owner covenants and agrees to pay to ELPL the Monthly Branding Fees and Reimbursable Expenses receivable by ELPL as provided in Article IX & Article X of this Agreement for the relevant month of the financial year.

## SECTION 2

At the termination of this Agreement, the Owner shall account for and pay to ELPL all fees that ELPL is entitled to receive in accordance with the terms of this Agreement.

## ARTICLE XII: GENERAL COVENANTS OF ELPL AND THE OWNER

### SECTION 1- Books & Records

The Owner shall maintain full and adequate books of account and other records in accordance with the Uniform System of Accounts. The Owner shall also keep all records as per the Central and State Cinema and other Laws applicable for the "Multiplex". All the said books of Accounts and all other records shall be kept at the "Multiplex" and shall be available to ELPL and its representatives at all reasonable times for examination, audit, inspection and transcription, but the same shall be done with as little disturbance to the operating of the "Multiplex" as possible.

### SECTION 2 – Reports

The OWNER shall deliver after the end of each month the monthly occupancy figures of the "Multiplex". Occupancy is based on Actual Number of Shows Run and attendees for the same. Owner shall furnish other periodical reports such as Expenses Statements, Sales Figures of canteen, Advertising & Other Incomes as required by ELPL

### SECTION 3 – Repairs, Maintenance, Alteration, Structural Repairs and Changes

The Owner agrees to maintain the "Multiplex" to the best of its ability in good operating condition.

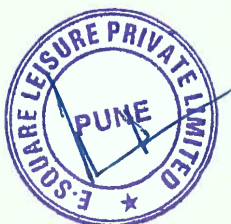
ELPL shall have the right, from time to time, during the term of this agreement to suggest alterations, additions, or improvements to the "Multiplex" as are customarily made in the operation of first class "Multiplex"

Any alteration, additions and improvements or any structural repairs or changes, not provided for in the preceding paragraphs of this section, if mutually agreed upon in writing shall be made and paid for by the Owner

### SECTION 4 - Reserve for the Replacement & Renewal of Furniture, Furnishing, Fixtures & Equipment

At the beginning of each financial year provision of an amount equal to five percent (5%) of the gross income for the preceding financial year shall be kept by the Owner as Reserve for Renovation. If, in the opinion of ELPL, additions are required to the initial inventory of furniture, furnishings, fixtures and equipment for efficient operation of the "Multiplex", the Owner shall pay for such additions after written request from ELPL.

## ARTICLE XIII: BANK ACCOUNTS



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The Owner shall open a separate bank account in the name of the "Multiplex" to be designated as the "Operating Account". The Operating Account shall be operated by the Owners and 100% collection from Multiplex Operations for the day shall be deposited in the said account on the next bank working day up to 12 pm (noon). The Owners shall deposit the amount in the Operating Account daily for operating expenses. The Owner shall pay Electricity Bills, Entertainment Tax, Other Taxes, Distributor Bills, ELPL Compensation and Reimbursable Expenses, Utilities, Wages & Salaries etc. Any shortfall, has to be additionally provided by the Owner.

#### ARTICLE XIV: INSURANCE

##### SECTION 1

**Fire, Earthquake, Strike & Riot Insurance** The Owner covenants and agrees that, at all times during the term of this Agreement, it will procure and maintain adequate insurance of the full insurable value thereof with responsible companies against loss or damage to the "Multiplex" and its contents from fire, earthquake, explosions, strike, riot, war, civil commotion, flood, cyclone and such other risks and casualties as shall be customarily insured against with respect to the "Multiplex" of similar character with the consent of ELPL. The Owner shall also procure and maintain such other and further insurances upon the "Multiplex", which may be required by the terms of any mortgage, which is in effect upon the "Multiplex", or any other instruments to which the Owner is a party.

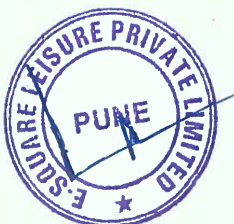
**Liability Insurance:** The Owner will also maintain such 'Public Liability Insurance, Elevator Liability Insurance, Workmen's Compensation, Employer's Liability or similar insurance of such amounts as may be required under all applicable laws

**Consequential Loss Insurance:** The Owner shall, however, in consultation with ELPL, maintain a consequential loss insurance policy insuring the profits and standing charges of the Owner in respect of the "Multiplex" operations for a period of indemnity for not less than twelve (12) months. The amounts accruing from all insurance claims shall belong to the Owner.

##### SECTION 2

**Inspection Policies:** The Owner agrees to produce at the request of ELPL, at the commencement of the term of this agreement, original insurance policies or certificates covering all insurance under this Article, and not less than fifteen (15) days before the expiration of then existing policies, such policies, renewal of policies or certificates specified under this Article.

**Compliance with Regulations:** The OWNER shall as required by ELPL or as required by the applicable laws, rules and regulations and to the best of its knowledge and information comply with all rules, orders, regulations and requirements imposed by, or in connection, or affecting various licenses, policies of fire, public liability and any other form or type of insurance upon the "Multiplex" or in connection with the occupancy or operation of the "Multiplex", concessionaries or licensees in the "Multiplex" or any other Person and shall keep ELPL harmless and indemnified from the infringement thereof.



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Neither of the parties shall do nor cause to be done any act of omission or commission, which is likely to adversely affect the said policies or any rights there under.

**ARTICLE XV: DAMAGE TO OR DESTRUCTION OR SUSPENSION OF OPERATION OF THE "Multiplex"**

In case the "Multiplex" is destroyed by fire or any other reason to the extent which shall materially interfere with the operation of the "Multiplex", the Owner covenants and agrees to repair, replace or rebuild any damage to or impairment of destruction to the PREMISES or the furnishings and equipment or any portion thereof within a reasonable period of time so that after such repair or replacement the "Multiplex" shall be substantially the same prior to such damage or destruction.

**ARTICLE XVI: INDEMNIFICATION**

The Owner hereby covenants and agrees to indemnify ELPL against any claim from any third party, including costs and expenses incidental thereto, by reason of any bonafide action taken or omitted to be taken by ELPL or its directors, officers, employees, agents, or representative pursuant to this Agreement.

**ARTICLE XVII: TRADE NAME**

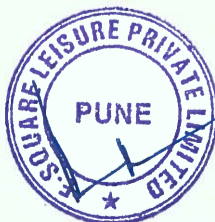
During the term of this Agreement, the "Multiplex" shall be temporarily known and designated as "BHARAT E-SQUARE ". Once the OWNER gives ELPL the exact name of the mall or "Multiplex" the word "BHARAT" shall be replaced by such name. It is recognized, however, that the name E-SQUARE (or its trade mark logo) when used alone or in conjunction with some other word or words, is exclusive property of ELPL. Accordingly, the Owner agrees that no right or remedy of the Owner for any default of ELPL, or delivery of possession of the "Multiplex" to the Owner, upon expiration or sooner termination of this Agreement, shall confer, nor shall any provision of this Agreement confer, upon the Owner, or any transferee, assignee or successor of the Owner, or any person, firm or Corporation claiming by or through the Owner, the right to use the name "E-SQUARE" either alone or in conjunction with some other word or words, or its design logo, in the use and operation of the "Multiplex" by the Owner, or any person, firm or corporation claiming by or through the Owner. The word E-SQUARE and its logo is a Registered Trademark / Copyright of E-SQUARE LEISURE PRIVATE LIMITED. In the event of any breach of this covenant by the Owner, ELPL shall be entitled to damages or relief by injunction or to any other right or remedy at law or equity, and this provision shall be deemed to survive the expiration or sooner termination of this Agreement.

**ARTICLE XVIII: MISCELLANEOUS**

**SECTION 1**

The failure of either party to insist upon a strict performance of any of the terms and conditions of this Agreement or to exercise any option, right or remedy herein contained, shall not be construed as a waiver or as a relinquishment for future of such term, provision, option, right or remedy but the same shall continue and remain in full force and effect. No waiver by either party of any term or provision hereof shall be deemed to have been made unless expressed in writing and signed by such party.

**SECTION 2**



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In the event of occurrence of exceptional circumstances likely to continue for a period of one hundred and eighty (180) days or more beyond the control of the Owner and ELPL including circumstances adversely affecting the flow of customers into any of the "Multiplex", the Owner and ELPL will mutually discuss and decide on measures to be taken to encounter such circumstances and on the expiry of said one hundred and eighty (180) days this Agreement as far as that affected "Multiplex" is concerned may be suspended by ELPL until such time as the paid occurrence or the circumstances that caused such suspension shall cease. Such period for which the Agreement is suspended shall not be included in the terms of this Agreement as defined in Article VI.

### SECTION 3

The Owner shall not enter into any agreement, which will affect the management and operation of the "Multiplex" without the prior written approval of ELPL. ELPL shall not enter into any agreement or do or cause to be done any act, deed or thing which will affect the interest of the Owner.

### SECTION 4

In the event of failure on the part of the Owner to make any payment of principal or interest or any mortgage on the "Multiplex" or any refinancing thereof, ELPL shall not be obligated to make such payments

### SECTION 5

Nothing contained herein shall be construed as creating a partnership or joint venture or managing/ operating a sole agency or any other relationship and render either party liable except as herein expressly provided.

### SECTION 6

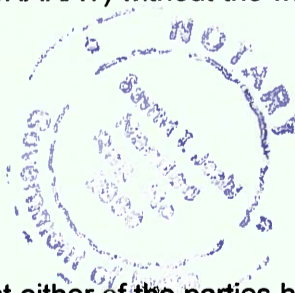
If the Owner constructs any other "Multiplex" other than those mentioned in **Annexure 'A'** Annexure "B" and within distance of 15 kilo meters radius therefrom, all such additions or ventures above shall be operated by ELPL as part of this Agreement on the same terms and conditions as are herein contained.

ELPL shall not enter into any agreement with any other party to operate or manage any "Multiplex" in Nanded (within a 5 km radius of E-SQUARE BHARAT) without the written consent or approval of the OWNER.

## ARTICLE XIX: TERMINATION

### SECTION 1 – FAILURE TO PERFORM

If at any time during the term of this Agreement either of the parties hereto fails to perform the respective obligations under this Agreement, the other party shall have the right to give written notice to such party clearly setting forth the breach of obligations under this Agreement complained of. Unless within 60 DAYS after the giving of such notice the breach is cured or steps have been taken in good faith and are being carried out with due diligence to cure the same, the party giving such notice may give further written notice of 60 DAYS to the other party of termination of this Agreement. After the expiry of the further written notice of 60 days the aggrieved party shall invoke the Arbitration according



SBB [Signature] 27/12/22



to the ARTICLE XXVI as per this Agreement, in which event this Agreement shall remain in full force limited to the period specified under clarification and effect pending the award in such arbitration proceedings, which award shall determine whether and when termination shall become effective. In the event that this Agreement is terminated for any reasons, either Party shall forthwith hand over to the other the possession of all documents, material and any other property belonging to the other that may be in the possession of the Party or any of its employees, agents or individuals assigned to perform the services under this Agreement.

## SECTION 2 – OWNERSHIP OR SALE OF CINEMA

If the Owner fails to maintain full Ownership of the “Multiplex” as required by ARTICLE III of this Agreement, and decides at any time during the term of this Agreement to sell or lease the “Multiplex” area to another Company, then in such event this Agreement may be terminated by ELPL by giving six months written notice and the OWNER shall compensate ELPL as mutually decided for the balance period of the Agreement tenure at that time. If the Owner decides to sell the Multiplex Area to a Company such as one dealing in the business of cinema- “Multiplex” Operator / chain of cinema- “Multiplex” whether local / domestic/ national / international entity OR any person concerned with the business of cinema exhibition / distribution/ production, then in such case the Owner will inform in writing to ELPL and will obtain ELPL consent.

## SECTION 3 - LIQUIDATION

This Agreement will stand terminated forthwith in case of liquidation of either party in any manner whatsoever or also when any provisional liquidator is appointed by a proper authority pending disposal of the winding up petition.

## SECTION 4 – DESTRUCTION OR SUSPENSION OF THE OPERATION OF THE “Multiplex”

In case the “Multiplex” is destroyed for any reason to the extent which shall materially interfere with the operation of the “Multiplex” for “Multiplex” purposes and if the Owner fails to repair, rebuild or replace the same and complete such repairing, rebuilding of PREMISES or replacement of the “Multiplex” substantially the same as prior to such damage or destruction, ELPL shall have the right, without limiting any other rights which it may have herein, to terminate this Agreement by thirty (30) days written notice to the other party. Provided, notwithstanding anything contained herein, each party shall have an option to keep this Agreement in suspense during the period of repairs, REBUILDING or replacement of the “Multiplex” until the period of 30 day of elapsation after plans and specifications of the repairs or rebuilding work are finalised by the Owner and inspection thereof is offered to ELPL in writing (and in any case not beyond the said period) and in the event of ELPL communicating its option of acceptance and continuation of this agreement the period so taken up in repairs, rebuilding or replacement shall be deducted for the purpose computation of the term of this Agreement, as specified in ARTICLE VI hereof which will be extended by the period equal to the period of such suspension.

## SECTION 5 – SUBSTANTIAL INTERFERENCE WITH THE “Multiplex” OPERATIONS, ACQUISITION, ETC.

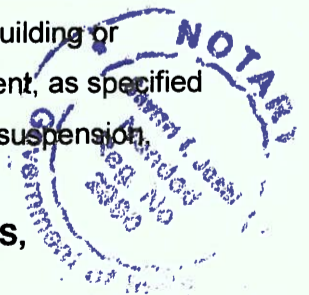
In the event that acts of war, civil disturbance, acts of Government or any other cause beyond the control of ELPL shall have a substantial adverse effect upon the operation of the “Multiplex” as contemplated by this Agreement or the “Multiplex” or an essential portion of the “Multiplex” (as



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hereinafter defined shall be taken by acquisition, requisition or dispossession by proper authorities), ELPL shall have the right to terminate this Agreement by giving 60 days written notice to the Other.

## SECTION 6

This Agreement shall not in any way be affected nor shall any party hereto be held liable for any failure of delay in the performance of any undertaking, term or condition herein, if such failure or delay is due to any cause or causes beyond its control, including but not limited to fire, flood, damage by the elements, perils of the sea or air accident, act of God, strike, lock-out or other labour disorder, act of foreign or domestic de jure or de facto Government, whether by law, order, legislation, decree, rule, regulation or otherwise, revolution, civil disturbance, breach of the peace, declared or undeclared war, act of interference or action by civil or military authorities or due to any other cause beyond the parties' control.

## SECTION 7 – PAYMENT OF ACCOUNTS

Upon termination of this Agreement for any cause whatsoever, all accounts due and owing between the parties hereto shall become due and payable within thirty (30) days from the date of termination.

## ARTICLE XX: PARTIAL INVALIDITY

In the event that any one or more of the phrases, sentences, clauses or paragraphs contained in this Agreement shall be declared invalid by a final and unappealable order, decree or judgment of any court, and if such change does not seriously affect the interests of the parties then this Agreement shall be construed as if such phrases, sentences, clauses or paragraphs had not been inserted in this Agreement.

## ARTICLE XXI: FURTHER INSTRUMENTS

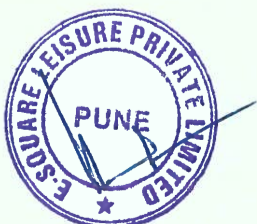
All above appropriate supplemental Agreements or other instruments necessary or desirable to make his Agreement and each provision hereof fully and legally effective and binding, or to carry out the intent and purpose thereof but not inconsistent with any of the provisions hereof shall be executed by the Owner and ELPL and all other acts necessary or appropriate for such purposes shall be duly or effectively executed, done or taken by the Owner and ELPL.

## ARTICLE XXII: NO ORAL CHANGE

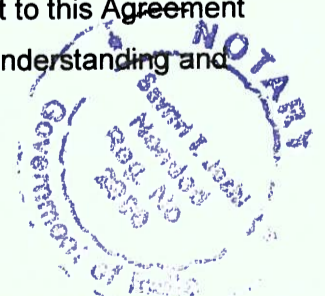
This Agreement together with other writings signed by the parties expressly stated to be supplementary hereto and together with any instruments to be executed and delivered pursuant to this Agreement constitutes the entire Agreement between the parties and supercedes all prior understanding and writings and may be changed only by a writing signed by the parties hereto.

## ARTICLE XXIII: CONSENT

Whenever in this Agreement, the consent or approval of the Owner or ELPL is required, such consent or approval shall not be unreasonably withheld. Such consent shall be in writing only and shall be duly executed by an authorized officer or agent of the party granting such consent or approval.



SBR *[Signature]* 21/2/21



**ARTICLE XXIV: ASSIGNMENT**

It is agreed that neither party shall assign its rights or obligations under this Agreement without the consent in writing of the other party. It is however made clear that the Owner shall be entitled to sell the said Property without affecting the interests of ELPL in any manner and the purchaser shall be liable to the terms hereof. In the above event ELPL shall be entitled to terminate this agreement as stated in Article XIX Section 2 above.

**ARTICLE XXV: SUCCESSORS AND ASSIGNS**

The terms, provisions, covenants, undertakings, Agreements, obligations and conditions of this Agreement shall be binding upon and shall ensure to the benefit of the successors in interest and the assigns of the parties hereto with the same effect as if mentioned in each instance where the party hereto is named or referred to, except that no assignment, transfer, lease or sub- lease by or through the Owner shall take place except in accordance with this Agreement.

**ARTICLE XXVI: ARBITRATION**

This Agreement shall be governed and construed in accordance with the laws of India for the time being.

In case any dispute arises at any time between the parties hereto as to the construction, meaning or effect of this Agreement or any clause or provision contained herein or the respective rights, duties or liabilities of the parties hereunder the parties shall endeavor their best to resolve it by mutual discussions and Agreement. If the dispute cannot be resolved as per ARTICLE XIX SECTION 1 within 120 days, then the same shall be referred to arbitration in accordance with the Arbitration and Conciliation Act, 1996 or any statutory amendment or re-enactment thereto, and the arbitration proceedings shall be held in Pune. Arbitrator may be appointed mutually and if not agreed upon jointly, then as per the appointment given by the Honorable Courts of Pune, India. Arbitration proceedings shall be conducted in English language.

**ARTICLE XXVII: NOTICES**

Any notice required or permitted by this Agreement to be given by the Owner to ELPL shall be in writing and shall be addressed to ELPL at:

E-SQUARE LEISURE PRIVATE LIMITED,  
132, University Road,  
Ganeshkhind,  
Pune – 411 016

Addressed To :  
Company Secretary  
E: companysecretary@e-squareindia.com  
Contact: (020) 66044122 / 223



or at such other address as ELPL may from time to time designate in writing to the Owner.



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Any notice required or permitted by this Agreement to be given by ELPL to the Owner shall be in writing and shall be addressed to the Owner at

M/s Padmavati Business Developers Private Limited,  
Vishwaniwas,  
Saibaba Nagar Purna Road,  
Pawdewadi, Nanded 431602

or at such other address as the Owner may from time to time designate in writing to ELPL.

## ARTICLE XXVIII: GENERAL CLAUSES

### 1. CHANGE IN LAW -

In case of any change in applicable laws in India, that has an effect on the terms of this Agreement, the Parties agree that the Agreement would be reviewed, and if deemed necessary by the Parties, renegotiated in good faith.

### 2. NO WARRANTIES WITHOUT AUTHORITY

Neither party shall make statement, representation or claim and shall give warranty to any person in respect of the business of each other save as may be specifically authorized in writing by this agreement.

### 3. INDEMNITY

The OWNER, shall at its own expense, indemnify, defend and hold harmless ELPL and its officers, directors, employees, representatives and agents, against any third party claim, demand, suit, action, or other proceeding brought against ELPL and all damages, awards, settlements, liabilities, losses, costs and expenses related thereto (including attorneys' fees) to the extent that such claim, suit, action or other proceedings is based on or arises from any deficiency in course of business, by the OWNER, as per the scope of work as detailed in this agreement or any other breach of this Agreement.

### 4. LEGAL FEES

The Legal fees, Stamp Duty, Registration Charges etc , if any arising out of this agreement shall be borne by the OWNER.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the day and year first above written.

**SIGNED, SEALED AND DELIVERED BY**

M/s Padmavati Business Developers Private Limited



SBR / 21/12/20



Through its Director

Mr. Sandeep Bharat Raminwar, Mr Bharat V Raminwar and Pankaj Pokalwar

Having authority to execute this Agreement

Vide resolution of the Board of Directors dated

16.10.2014

**For Padmavati Business  
Developers Pvt. Ltd.**

*SBB*  
Director

**For Padmavati Business  
Developers Pvt. Ltd.**

*0122*  
Director



In the presence of:

*Pankaj P. Amilkantwar*

*JS*

SIGNED, SEALED AND DELIVERED BY  
E-SQUARE LEISURE PRIVATE LIMITED

Through its Managing Director

**For Padmavati Business  
Developers Pvt. Ltd.**

*JS*  
Director

*[Signature]*

Mr. Hemant Panchamla  
Having authority to execute this Agreement

In the presence of:

*Neerav Panchamla*

*[Signature]*



**ANNEXURE A**

**DETAILED DESCRIPTION OF THE "Multiplex" OR PLOT**

4 Screen "Multiplex" having approx 750 Seats in a Built Up area admeasuring 25,000 sq ft Located at :  
Survey No 207, Plot 1, Samarth Nagar, Canal Road, (Wadi Bu) 431605

**ANNEXURE B: SITE PLANS**

LAYOUT OF CINEMA AREAS (INCLUDING ONES IN BASEMENT) DEMARKED IN RED to be  
attached separately as and when provide by the OWNER (attached)

**ANNEXURE C: DETAILS OF THE WORKING CAPITAL**

Float : Rs 25,000

Petty Cash : Rs 25,000

Provision for Advances to Distributors : Rs 5,00,000

Provision for Overheads : Rs 4,50,000

Total : Rs 10,00,000



**24 MAR 2015**

**"BEFORE ME"**

*[Signature]*  
**SAYITRI T JOSHI**  
Advocate & Notary  
Government of India  
Mob. 9421761898