



Letter of Intent

To,
Mr. Sujay Reddy &
Mr. Ajay Reddy,
Flat no. A 402, Aditya Hilltop,
Road no. 82, Jubilee Hills,
Filmnagar Sub-port,
Hyderabad.

Date: 19.12.2015

Sub.: Offer for Joint Development of land admeasuring 8 acres, forming a part of
Sy. no. 786, near Bypass Road, Miriyalaguda, Telangana.

Dear Sirs,

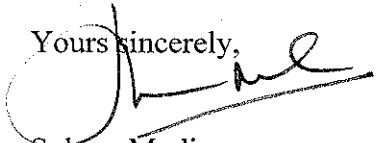
After the series of negotiations we are happy to confirm the terms of Joint Development for the said land. The details of the terms and conditions are given in Annexure – A attached herein.

The terms given in Annexure – A are final and binding on all the parties. Any change in the terms shall be made only on mutual agreement in writing. An amount of Rs. 20 lakhs has been paid as token advance on this day as per the details given below:

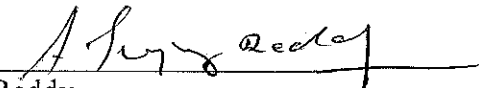
Sl. No.	Cheque no.	Date	Drawn on	Issued to
1	000752	22.12.2015	HDFC Bank	Mrs. Vasudha Reddy
2	000754	22.12.2015	HDFC Bank	Mr. Ajay Reddy

Please sign a copy of this LOI as confirmation of having accepted the terms and conditions.
Thank You.

Yours sincerely,


Soham Modi.
Managing Director.

Agreed and Confirmed by:

Sign : 
Sujay Reddy

Sign : 
Ajay Reddy

Place : HYDERABAD.

Date : 21/12/2015



ANNEXURE -A

Date: 19th December, 2015

Builder / Developer : Modi Properties & Investments Pvt. Ltd., (or its nominees or subsidiaries).

Owner : Mrs. Vasudha Reddy, Mr. Sujay Reddy & Mr. Ajay Reddy .

Land Area : About 8 acres.

Location : Near bypass road, Miryalaguda (Sy. no. 786).

Proposed Development:

Land to be developed into a gated community in two phases of about 4.8 acres and 3.2 acres. Land shall be used for making 2 bedroom villas/independent houses with a built-up area of about 1,150 sft on 150 sq yds of land (60% of units) and about 900 sft on 125 sq yds of land (40% of units). Approximately 16 to 18 villas can be built per acre. We have proposed to develop single floor villas on your land. Customers opting for second floor will be required to pay us an additional amount of Rs. 1,250/- per sft for the additional built-up area provided.

Design: Emphasis shall be on good design with reasonable size rooms and adequate ventilation. An external staircase shall be provided for the 150 sq yd villa and adequate front setback shall be provided in the 125 sq yds villa to build a staircase. Purchasers can add another floor after a lock-in period of about 5 years.

Proposed Amenities: Club house of about 10,000 sft with swimming pool, yoga room, gym, cafeteria, recreation room, banquet hall, etc. Sport facilities like open air badminton, basketball, beach volley ball, etc. 24 hrs security with CCTV, high compound wall, landscape, gardens, CC internal roads, backup power and common area lighting.

Development Ratio:

The Owners shall be entitled to 35% and Developer 65% share of plotted area, constructed area and villas. They shall be divided equitably. The expected sale price of the smaller and larger villas at the start of the project is Rs. 25 lakhs and Rs. 30 lakhs respectively. Further, the Developer shall provide one duplex villa to the Owners per acre of land (2,300 sft of built-up area on 150 sq yds of land), from out of the plots/villas allotted to the Owners and for such additional floor constructed the charges payable to the Developer at the rate of Rs. 1,250/- per sft shall be waived. The Owners can expect a cash flow of above Rs. 190 lakhs per acre from sales of their share of villas.

Security Deposit : The Developer shall pay the Owners a security deposit of Rs. 20 lakhs per acre i.e. about Rs. 160 lakhs. Rs. 20 lakhs payable on signing LOI. Rs. 30 lakhs on completion of due diligence, approval of schematic plans and signing agreement/MOU. About Rs. 13.75 lakhs per acre (Rs. 66 lakhs for first phase of 4.8 acres and Rs. 44 lakhs for second phase of 3.2 acres) for each phase on obtaining demand for payment of fees for building permit from DTCP and execution of JDA/GPA in favour of Developer.

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Time Line :

Due diligence to be completed and MOU to be signed before 31st January, 2016.

Phase I - Sanction for construction – 3 to 4 months from MOU. Commencement of construction – 30 days from sanction. Completion of construction in 24 months from sanction (with 6 months grace period).

Phase II - Sanction for construction to be applied within 7 days of receiving sanction for phase I – 6 to 8 months. Commencement of construction – 30 days from sanction. Completion of construction in 24 months from sanction (with 6 months grace period).

Specifications : In general specification shall be similar to the specifications in our project Nilgiri Estate at Rampally, Hyderabad. For materials where branded products are available, well known / top brands shall be used. Details of specifications are:

Structure:	RCC
Walls:	4”/6” solid cement blocks
External painting:	Exterior emulsion
Internal painting:	Smooth finish with OBD
Flooring:	24” vitrified tiles
Door frames:	Wood (non-teak)
Main door:	Polished panel door
Other doors:	Painted panel doors
Electrical:	Copper wiring with modular switches
Windows:	Powder coated aluminum sliding windows with grills
Bathrooms:	Branded ceramic tiles – 4 / 7 ft height
Plumbing:	CPVC & PVC pipes
Sanitary:	Branded sanitaryware
CP fittings:	Branded quarter turn ceramic disc type.
Kitchen platform:	Granite slab with 2 ft dado and SS sink

Other Charges : Developer shall bear the entire cost of development including cost of change of land use and sanction fees. Land owner shall pay proportionate charges for water and electricity connection, VAT, service tax, stamp duty and registration charges, corpus fund, etc., for their share of villas (typically these are paid by buyers of Owner’s share of villas) and with respect to stamp duty and registration charges of the joint development agreement.

Other issues: Title and extent of land needs to be examined. A 2 meter green belt is proposed on the northern side of the land to reduce pollution from the rice mills.

Additional services: The Developer shall provide turnkey service for selling Owner’s share of villas/plots. The services shall include marketing, sales, documentation, collections, housing loan processing, maintenance of database accessible to owners, repairs and maintenance, etc. The additional charges for such services shall be 2.5% of sale consideration plus 0.5% in sales involving processing of housing loan for villas. These charges include brokerage payable to brokers. For such sales amount shall be collected in favour of the owner and deposited in their bank account. Developers shall sell Owners share of villas without any discrimination with its share of villas, both in terms in priority of sale and rate of sale.

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Additional Terms:

In case the MOU is not executed by the agreed date, in such an event this JDA shall stand cancelled and thereafter the owners shall return the amount of Rs. 20,00,000/- back to the Developer.

John Paul
21/2/15

Ajay Reddy
A. Srinivas Reddy