

Letter of Intent

To,
Mr. S. Sambeshwar Rao & others,
LH-5,
903, Lanco Hills,
Manikonda,
Hyderabad

Date: 27.03.2018

Sub.: Offer for Joint Development of land admeasuring about Ac. 2-19.50 gts., forming part of
Sy. no. 27, Pocharam Village, Ghatkesar Mandal, Telangana.

Dear Sir,

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 on this day as per the details given below:

Sl. No.	Cheque no.	Date	Drawn on	Amount	Issued to
1	485542	28.03.2018	YES Bank	Rs. 20,00,000/-	S. Sambeshwar Rao


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

Thank You.

Yours sincerely,
For Modi Properties Pvt. Ltd.,


Soham Modi.
Managing Partner.

Agreed and Confirmed by:

Sign : 
Mr. S. Sambeshwar Rao on behalf of all
the co-owners

Place : Modi Properties Office

Date: 27.03.2018

ANNEXURE -A

Date: 27th March, 2018.

Builder / Developer : Modi Properties Pvt. Ltd. (or its nominees).

Owners : Mr. S. Sambeshwar Rao & 18 others. Mr. S. Sambeshwar Rao shall represent all the co-owners for the purpose of this LOI.

Land Area : About Ac. 2-19.50 gts.

Location : Sy. no. 27, Pocharam Village, Ghatkesar Mandal, Telangana.

Brief History:

The land was given for joint development to Gharonda Builders by way of registered agreement in 2007. Gharonda Builders have obtained sanction for a residential complex consisting of 2 basements, stilt + 9 upper floors in 2010. The sanction for construction has lapsed. Gharonda Builders proposed to construct about 3.59 lakh sft of salable area + parking area. However, due to market conditions the agreement was cancelled in 2015. Gharonda Builders had started construction for a small portion of the proposed complex. The Owners have agreed to give the land for joint development to a third party.

Proposed Development:

Land to be developed into a gated community. Land shall be used for making 2/3 BHK flats with a super built-up area of about 1,350 sft. It is proposed that high rise building consisting of two basements for parking with 10 upper floors of flats shall be constructed. The estimated total constructed area is likely to be about 3.65 lakh sft of saleable area + about 1.25 lakh of parking area i.e., about 4.90 lakh sft.

Design: Emphasis shall be on good design with reasonable size rooms and adequate ventilation. Area of flats will be minimized to make them affordable.

Proposed Amenities: Club house of about 10,000 sft with swimming pool, yoga room, gym, recreation room, banquet hall, etc. Sport facilities like open air badminton, basketball, etc. 24 hrs security with CCTV, high compound wall, landscape, gardens, CC internal roads, backup power of 1 KVA for each flat and common area lighting.

Development Ratio:

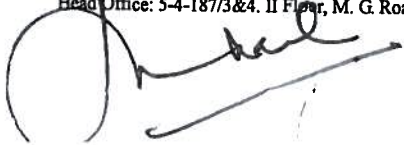
Owners shall be entitled to 36% and Developer 64% share of flats.

Flats shall be divided equitably. The expected average sale price of the flats including cost of amenities, water & electricity charges and car parking charges is Rs. 2,500/- per sft of super built-up area at the time of launch of project.

Security Deposit : Nil.

Time Line :

Due diligence to be completed and MOU to be signed in 6 weeks from LOI. Application for sanction – 6 to 12 weeks from MOU. Sanction for construction – 3 to 6 months from MOU. Commencement of construction – 30 days from sanction. Completion of construction shall be in 4 phases. The first phase shall be completed and handover in 2 years from commencement of construction. Thereafter, each phase shall be completed in 6 months. The total project shall be completed within 3½ years from commencement of construction (with 6 months grace period).



Specifications : In general specification shall be similar to the specifications in our project Vista Homes at Kapra, Hyderabad. For materials where branded products are available, well known / top brands shall be used. As a marketing strategy, from time to time, special offers will be made which may include providing of modular kitchen, furniture, soft furnishings, false ceiling, air-conditioners, etc., free of cost to prospective buyers. The cost of providing such furnitures and fixtures shall be borne by the Owners for their share of flats. 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 sanction fees. Land owner shall pay proportionate charges for water and electricity connection, GST, stamp duty and registration charges, corpus fund, etc., for their share of flats (typically these are paid by buyers of Owner's share of flats) and with respect to stamp duty and registration charges of the joint development agreement. The Owners shall obtain approvals or NOC from statutory authorities that may be required for developing the land into housing project at their risk and cost. In particular the Owners shall obtain NOC from revenue department under the NALA Act at their cost.

Indemnity: The Owners have represented to the Developer that as per the terms of deed of revocation with Gharonda Builders, the Owners had agreed to compensate Gharonda Builders for the cost incurred by it. Accordingly, the Owners have entered into an agreement dated 23rd March, 2018 with Gharonda Builders wherein the compensation payable by Owners to Gharonda Builders has been fixed at Rs. 60 lakhs and terms of payment have been clearly defined. As such the Owners agree to indemnify the Developer/Modi Properties against any claims of whatsoever in nature made by Gharonda Builders.

Other issues: The Developer agrees to pay the Owners a sum of Rs. 60 lakhs (non-refundable), being compensation payable by the Owners to Gharonda Builders as per the agreement dated 23rd March, 2018. The Developer has on this day paid an amount of Rs. 20 lakhs (cheque no. 485542, dated 28.03.2018 drawn on YES Bank) to Mr. S. Sambesh Rao (one of the co-owners) and shall pay the balance amount of Rs. 40 lakhs to the Owners upon completion of the demolition work as envisaged in the said agreement. The Owners shall inturn shall pay the said amount to Gharonda Builders. The Owners/Gharonda Builders shall demolish the construction made by Gharonda Builders (except compound wall) at their cost.

Additional services: The Developer shall provide turnkey service for selling Owner's share of flats, at the option of the Owners. 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 flats. 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 flats without any discrimination with its share of flats, both in priority of sale and rate of sale.

