

Letter of Intent

To, Kumar
Mr. Prem Sanghi and Mr. Nilesh Agarwal,
Hyderabad.

Date: 25.06.2018

Sub.: Offer for Joint Development of land admeasuring about Ac. 2-00 gts., forming part of Sy. no. 196, Kowkur Village, Malkajgiri Mandal, R.R. District.

Dear Sir,

As per our discussion on 11th June, 2018, we are happy to confirm the terms of Joint Development for the said land. The details of the terms and conditions that we have agreed to are given in Annexure – A attached herein.

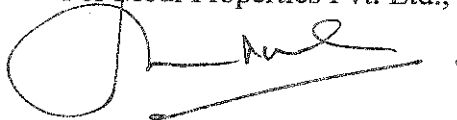
The terms given in Annexure – A are final and binding on all the parties. Any change in the terms shall be made only on mutual agreement in writing. An amount of Rs. 10 lakhs has been paid on this day as per the details given below:

Sl. No.	Cheque no.	Date	Drawn on	Amount	Issued to
1	<u>765072</u> <u>541949</u>	25.06.2018	YES Bank	Rs. 5,00,000/-	Prem Sanghi
2	541950	25.06.2018	YES Bank	Rs. 5,00,000/-	Nilesh Agarwal

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 : Prem Sanghi
Mr. Prem Sanghi

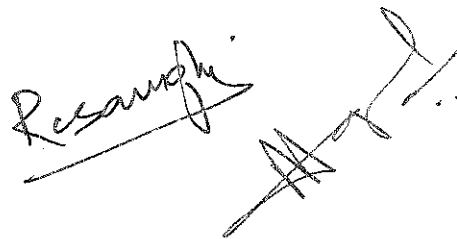
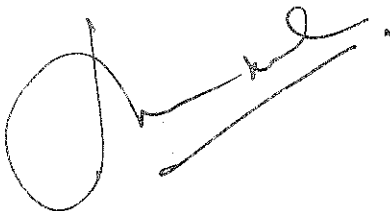
Sign : Nilesh Agarwal
Mr. Nilesh Agarwal

Place : HYDERABAD

Date: 25/6/18

ANNEXURE -A

1. Date: 25th June, 2018.
2. Builder / Developer : Modi Properties Pvt. Ltd. (or its nominees).
3. Owners : Mr. Prem Sanghi and Mr. Nilesh Agarwal.
4. Land Area : About Ac. 2-00 gts.
5. Location : Sy. no. 196, Kowkur Village, Malkajgiri Mandal, R.R. District.
6. Proposed Development: Land to be developed into a gated community. Land shall be used for making 3BHK flats with a super built-up area of about 1,660 sft. It is proposed that a high rise building consisting of one or two basements for parking with 7 upper floors of flats shall be constructed. The estimated total super built-up area is likely to be about 2 lakh sft.
7. Design: Emphasis shall be on good design with reasonable size rooms and adequate ventilation. Area of flats will be minimized to make them affordable.
8. Proposed Amenities: Club house of about 7,000 sft with swimming pool, yoga room, gym, recreation room, banquet hall, etc. Sport facilities like open air badminton, ½ basketball court, etc. 24 hrs security with CCTV, high compound wall, landscape, gardens, CC/designer internal roads, backup power of 1 KVA for each flat and common area lighting.
9. 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. 2,800/- per sft of super built-up area at the time of project launch.
10. Security Deposit : Rs. 100 lakhs. Rs. 10 lakhs payable on signing LOI. Rs. 40 lakhs on completion of due diligence, approval of schematic plans and signing agreement/MOU. Rs. 50 lakhs on obtaining demand for payment of fees for building permit and execution of registered JDA in favour of Builder.
11. Time Line : Due diligence to be completed and MOU to be signed in 4 weeks from LOI. Application for sanction – 4 weeks from MOU. Sanction for construction – 3 months from MOU. Commencement of construction – 30 days from sanction. Completion of construction shall be in 2 phases. The first phase shall be completed and handover in 18 months from commencement of construction. Thereafter, the second phase shall be completed in 12 months. The total project shall be completed within 2½ years from commencement of construction (with 6 months grace period).



12. Specifications : In general specification shall be similar to the specifications in our project Greenwood Residency at Kowkur, 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 furniture and fixtures shall be borne by the Owners for their share of flats, however, approval for the same shall be obtained by the Developer before making the offer.

Details of specifications are:

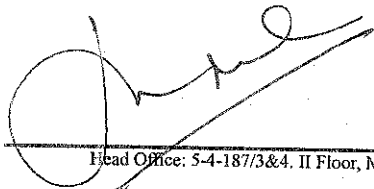
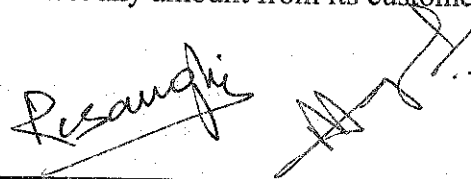
- Structure: RCC
- Walls: 4"/6" solid cement blocks
- External painting: Exterior emulsion
- Internal painting: Smooth finish with OBD/Emulsion.
- Flooring: 24" vitrified tiles
- Door frames: Wood (non-teak)
- Main door: Polished panel door
- Other doors: Painted panel doors
- Electrical: Copper wiring with modular switches
- Windows: Powder coated aluminum/UPVC sliding windows with grills.
- Balcony: Toughened glass French window and railing
- Bathrooms: Branded ceramic tiles – 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

13. Other Charges :

13.1. Developer shall bear the entire cost of development including sanction fees + conversion fee under NALA Act + obtaining NOC from defense/AAI/environment boards. 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). The Owners shall obtain approvals or NOC from statutory authorities, other than the ones that are normally required for building permit, if any, that may be required for developing the land into housing project at their risk and cost.

13.2. Reimbursement of electric power supply charges to the Developer for Owners share of flats: Owners will have to reimburse proportionate share of the cost, however limited to: fees payable to department, liaisoning charges, cost of panel boards, cables, electric meter, transformers, LT/HT lines and installation cost of these items. Payment can be made after verifying bills pertaining to these items. Owner is free to collect any amount from its customers.

13.3. Reimbursement of municipal water supply charges to the Developer for Owners share of flats. Owners will have to reimburse proportionate share of the cost, however limited to: fees payable to department, liaisoning charges, cost of pipes & fittings, road cutting charges, meter and installation cost of these items. Payment can be made after verifying bills pertaining to these items. Owner is free to collect any amount from its customers.

14. Additional services:

- 14.1. 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 .
- 14.2. Developers shall sell Owners share of flats without any discrimination with its share of flats, both in priority of sale and rate of sale. The Developer assures the Owners that it shall endeavor to maximize the revenue from sales of the Owners share of flats to more than compensate for the service charges being paid.
- 14.3. GST: The applicability of GST relating to transaction between Owners and Developer is not clear. The Developer shall endeavor to ensure that the Owners are not put to undue loss on account of GST, i.e., the Developer shall ensure that the net sale consideration (after GST & other taxes) received by the Owner is on par with the net consideration by the Developer. Wherever the sales of the Owners share of flats is made through the Developer as given above, the Developer assures the Owner that the pricing/discount/other offers shall be adjusted to ensure that the Owners do not suffer any loss in net revenue on count of GST payable vis a vis the net revenue of the Developer from sales of its share of flats.

15. Guarantee: The Developer shall provide a one year guarantee from date of possession against all construction defects to the landowners and all prospective purchasers. The Developer shall further extend guarantee of 15 years on the structure of the building.

16. Other issues:

- 16.1. Title and extent of land needs to be examined. Kadis with barb wire and gate to be erected to secure the site, however at the cost of the Developer.
- 16.2. Digital survey with total station to be taken up to verify extent of land.
- 16.3. Requirement of obtaining NOC from defense services needs to be examined.
- 16.4. Peripheral road width of 12 mtrs to be confirmed.

