

**Letter of Confirmation**

From,  
Mr. Sharad Kadakia  
Director  
JMK GEC Realtors Private Limited  
5-2-273 Gokul Distillery Road Secunderabad Telangana – 500003

To,  
Mr. Ramakrishna Reddy Isanaka  
Proprietor  
ISSAR Biotech  
Serene Chambers, 3<sup>rd</sup> Floor, Road Number 5, Banjara Hills

**Sub:** Terms and Conditions for purchase of Land admeasuring Acres 9.21, being Plot No. 3, MN Park, Phase II, Survey Number 542 of Kolthur Village, Shamirpet Mandal, Ranga Reddy District

**Ref:** Sale Deed dated 6.10.2006, registered as document number 14612/2006 at the SRO Shamirpet, for purchase of the said land

Sir

We are happy to confirm the purchase of the above referred land on the following terms and conditions :

- **Price:** INR 90 lakhs per acres
- **Advance:** INR 50 lakhs by way of cheque number 907102 dated 5 Aug 2018 drawn on Yes Bank
- **Balance Payment:** Within 60 days of this letter, subject to completion of due diligence and verification of extent of land. Amount to be paid by way of pay order at the time of registering the conveyance deed
- 2.5 lakhs per acre is payable to MN Park. The same to be borne by both the parties equally

Please sign a copy of this letter as your confirmation of the above.

Thank you  
Yours Sincerely

  
Sharad Kadakia

Agreed and confirmed by

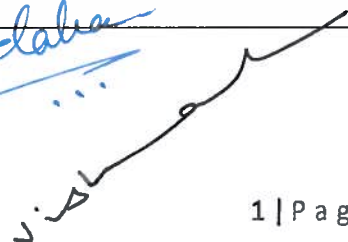
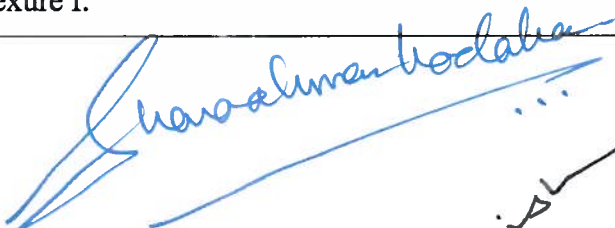
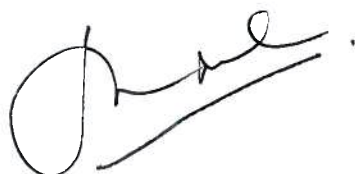
  
Mr. Ramakrishna Reddy Isanka

Date: 05 Aug 2018

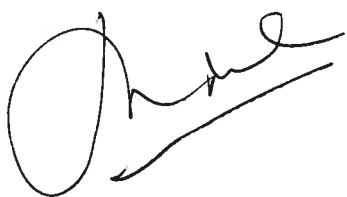
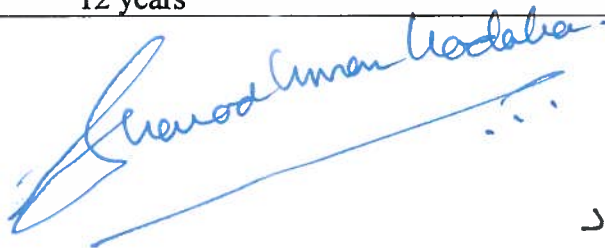
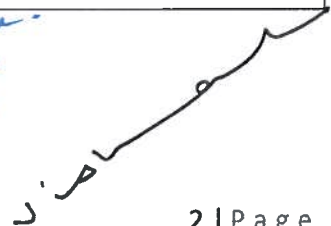
## Letter of Intent

This Letter of Intent (“LOI”) outlines the terms and conditions of the arrangement between JMK GEC Realtors Private Limited (JRPL), SDNMKJ Realty Private Limited (“SRPL”) and Modi Properties Private Limited (“MPPL”) and TG Industrial Park (OPC) Private Limited

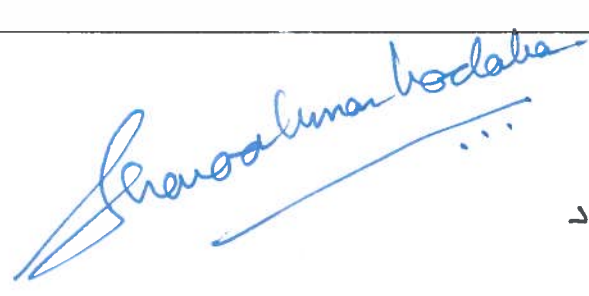
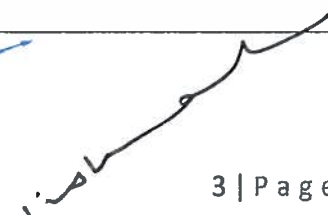
1.	<b>Parties</b>	<p>(i) JMK GEC Realtors Private Limited (“JRPL”), a company incorporated under Companies Act 1996, 5-2-223 Gokul Distillery Road Secunderabad Telangana – 500003</p> <p>(ii) SDNMKJ Realty Private Limited (“SRPL”), a company incorporates under Companies Act 1996, having a registered office at 5-2-223 Gokul Distillery Road Secunderabad Telangana – 500003</p> <p>(iii) Modi Properties Private Limited (“MPPL”) , a company incorporated under the Companies Act 1996, having its registered office at 5-4-187/3&amp;4, Soham Mansion,2nd Floor, M.G. Road Secunderabad Telangana - 500003</p> <p>JRPL, SRPL and MPPL are collectively referred to as “Developer”</p> <p>(iv) TG Industrial Park (OPC) Private Limited (“Advisor”) , a company incorporated under the Companies Act 2013, having its registered office at Flat No.15,Tulip Block, Telecom Nagar, L &amp; T Serene County, Gachibowli, Hyderabad, Telangana – 500032</p> <p>The Developer and the Advisor are collectively referred to as “Parties”</p>
2.	<b>Background</b>	The Developer have identified two land parcels (“Lands”) located in Genome Valley, Hyderabad. The details of the Lands are as per Annexure I.



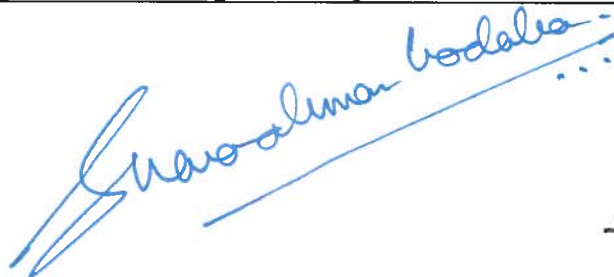
		<p>The Developer will incorporate two Private Limited Companies or LLPs – SPV A, which will acquire Land Parcel A and SPV B which will acquire Land Parcel B (Land Parcel A and B as mentioned in the Annexure I) (“together called as SPVs”) as deemed fit, and acquire the Lands in the SPVs. The Developer will further construct the labspace facilities and required support facilities (“<b>Labspace Facilities</b>”) in the Lands which shall be leased to global and national Lifesciences and Pharma companies (“<b>Potential Tenants</b>”).</p> <p>Estimated Labspace Facilities that can be constructed on Land Parcel A is 4,50,000 sq.ft and Land Parcel B is 1,00,000 sq.ft</p> <p>The Developer has appointed the Advisor to advise on the development, construction, marketing and leasing of Labspace Facilities</p> <p>This LOI captures the understanding between the Developer and the Advisor</p>
3	<p><b>Essence of the Understanding</b></p>	<ol style="list-style-type: none"> <li>1. The Developer shall bring in equity for acquiring the Lands and additional equity for raising super structure of about 1,50,000 sq.ft ( 1,00,000 sq.ft in SPV A and 50,000 sq.ft in SPV B )</li> <li>2. Developer will bring additional equity, only if required</li> <li>3. The Advisor will help the Developer in raising debt to finance the construction and completion of the Labspace Facilities which are partially constructed</li> <li>4. Once these Labspace Facilities are largely leased out, the Developer proposes to build additional Labspace Facilities by raising debt against the existing assets of the SPVs</li> <li>5. It is likely that the entire construction of the 5,50,000 sq.ft would be completed by periodically raising debt against the existing assets of the SPVs</li> <li>6. It is proposed that the lease rentals will payoff the debt raised for the construction of the Labspace Facilities over a period of 12 years</li> </ol>

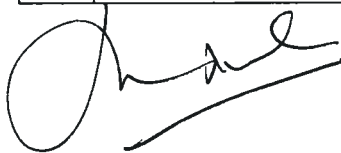
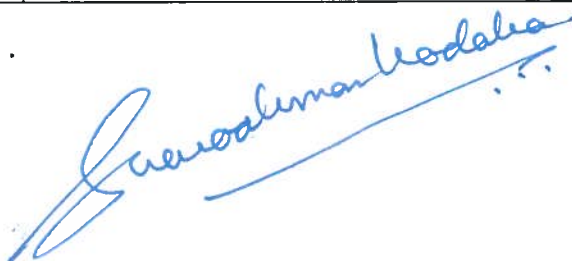
		<ol style="list-style-type: none"> <li>7. Therefore during the initial period of ~12 years both the SPVs will have mix of equity and debt</li> <li>8. Apart from the initial investment of INR 1 Cr, the Advisor shall not be required to bring in any further equity</li> <li>9. The SPV A will be fully owned and controlled by the Developer</li> <li>10. The SPV B shall be jointly owned by the Developer and the Advisor</li> <li>11. The Consideration payable to the Advisor will be by way of equity in SPV B. It is further agreed that on completion of development and leasing of the entire Labspace Facilities of 5,50,000 sq.ft ( approx. ) , the Advisor should own equity in SPV B, equivalent to it owning 10% of the total Labspace Facilities that has been constructed and leased out.</li> <li>12. Initially, the Advisor will own 10% of SPV B, the share of the Advisor in SPV B will be increased from time to time in proportion to total space leased out of the entire proposed development of 5,50,000 sq.ft</li> <li>13. However, such an increase in stake will be in units of 5% periodically</li> <li>14. It is understood that the Advisor will indirectly own Labspace Facilities in SPV B and the ownership will be subject to debt in SPV B</li> <li>15. The modalities of formation of the SPVs and transfer of equity to the Advisor shall be worked out on mutual agreement</li> <li>16. The above is exclusive of debt for Tenant Improvements</li> <li>17. CAM (Common Area maintenance) to be collected separately and expenses should be met through such CAM collected. Any shortfall in CAM should be paid by the respective SPVs</li> <li>18. It is envisaged that additional parcels of land within Genome Valley, will be acquired by the Developer with the help of the Advisor. This arrangement between the Developer and the Advisor shall continue on the long term basis. The Advisor will continue to increase his equity in SPV B, till such time it becomes 100% owner of SPV B. Both the Parties shall endeavor to construct approx.. 1 million sq.ft of Labspace Facilities in next 5 years</li> </ol>
4	<b>Construction and Developer Commitment</b>	The Developer will cumulatively construct 5,50,000 sq. ft in the Lands with a minimum commitment of construction of 1,00,000 sq. ft

		<p>of Labspace Facilities by Dec 2019, subject to receipt of all approvals 12 months in advance (“<b>Minimum Commitment Phase</b>”)</p> <p>Both Parties shall endeavor to construct the Labspace Facilities as per best Industry standards and equivalent to facilities constructed by MN Park</p>
5	<b>Further Construction</b>	<p>The construction will be done in the phases of 1,00,000 sq. ft each. Post completion of construction of Minimum Commitment Phase by Dec 2019, the subsequent phase construction will commence on achieving 70% leasing in the earlier phase.</p> <p>To clarify when the building in Phase I is 70% leased, the Developer will commence the construction of next building in Phase II. Similarly, when the building in Phase II is 70% leased, the Developer will commence construction of next building in Phase III</p> <p>It is understood by the Parties that the rent free period of upto 12 months is deemed to be leased.</p>
6	<b>Tenant Improvements</b>	<p>Tenant Improvements (“TI”) can either be financed by the respective SPVs through debt or exclusively by the Developer or exclusively by the Advisor, on mutual agreement. Such Tenant Improvements are excluded from the scope of this LOI.</p> <p>The residual value of the TIs to be negotiated separately.</p>
7	<b>Obligations and Responsibility of Developer</b>	<ol style="list-style-type: none"> <li>1. Bring in initial equity of INR 25-30 Cr or as required (can be in form of debt, however by monetizing the existing other assets of the Developer and such debt should however be limited to SPV A )</li> <li>2. Construction of warmshell Labspace Facilities</li> <li>3. Bringing in additional equity, if required</li> </ol>
8	<b>Obligations and Responsibility of Advisor</b>	<p>The Advisor shall provide the below services at its own cost upto 1 (one) year from achieving 100% leasing of the Labspace Facilities. Thereafter, cost of the below services to be paid to the Advisor on mutually agreed terms</p> <ol style="list-style-type: none"> <li>1. Facilitating in the acquisition of Lands from the sellers</li> </ol>


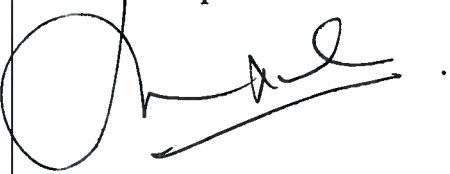
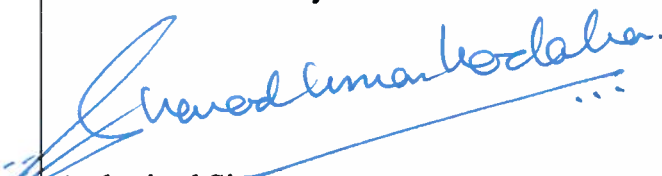
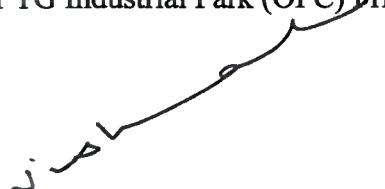




		<ol style="list-style-type: none"> <li>2. Statutory Permits, as required (cost to be paid by the Developer)</li> <li>3. Building Permit, as required (cost to be paid by the Developer)</li> <li>4. Marketing and Leasing of Labspace Facilities (Brokerage shall be paid by Advisor except major IPC's)</li> <li>5. Day to day management of Common Area ( CAM to be collected and paid from the separate SPV or as mutually agreed between the Parties)</li> <li>6. Liasoning with the Government, statutory authorities, tenants, local bodies, equipment and maintenance service providers, etc. (excluding matters related to taxation) – ( Cost, if any to be paid by respective SPVs.)</li> </ol>
9	<b>Joint Obligation and Responsibility of Developer and Advisor</b>	<ol style="list-style-type: none"> <li>1. Appointing consultants for design of Labspace Facilities</li> <li>2. Common Area Maintenance</li> <li>3. Major repairs and upgrade of equipment</li> </ol>
10	<b>Role &amp; Advisor Commitment</b>	<p>The Advisor shall advise the Developer in the planning, development and construction of the Labspace Facilities.</p> <p>The Advisor shall also be responsible for marketing and leasing of the Labspace Facilities as constructed by the Developer. The cost of marketing and leasing shall be borne by the Advisor. It is agreed between the Parties that the Brokerage shall be paid by the Advisor except in the event the brokerage is to be paid to major IPC's.</p> <p>The indicative prevailing lease terms for Labspace Facilities located in Genome Valley are detailed in Annexure II.</p>
11	<b>Exclusivity</b>	<p>It has been agreed between the Parties that the Advisor shall not advise or work with any third party for the acquisition and development of Labspace Facilities in Genome Valley for next 3 years. This shall be extended on mutual agreement till such time the entire 5,50,000 sq.ft of Labspace Facilities is leased out.</p> <p>It is also agreed between the Parties that the exclusivity shall be extended for further periods as long as the Developer is able to bring</p>


		<p>in finance and construct additional Labspace Facilities @ 2,00,000 sq.ft per year.</p> <p>The Developer also acknowledges that the Advisor is currently working with Touchstone Square and MN Park in the Genome Valley for the development of Labspace Facilities, hence that is excluded for the Exclusivity clause.</p> <p>Facilitation of any land sale to end user by the Advisor within Genome Valley is also excluded for the Exclusivity clause</p>
12	<b>Indemnity</b>	The Advisor will indemnify the Developer against any claims from any associate or business of the Advisor. Similarly the Developer will indemnify the Advisor.

ACCEPTED AND AGREED ON 05 August 2018

<p>For JMK GEC Realtors Private Limited</p>  <p>Authorized Signatory</p>	<p>For Modi Properties Private Limited</p>  <p>Authorized Signatory</p>
<p>For SDNMKJ Realty Private Limited</p>  <p>Authorized Signatory</p>	<p>For TG Industrial Park (OPC) Private Limited</p>  <p>Authorized Signatory</p>

**ANNEXURE I**  
**DETAILS OF LANDS**

<b>Land Parcel</b>	<b>Area</b>	<b>Details</b>	<b>Indicative Price Range</b>
Land Parcel A	9.21 acres	Survey Number 542 of Kolthur Village, Shamirpet Mandal	INR 1 Cr per acre
Land Parcel B	2.25 acres	Survey Number 234 and 235 of Turkapally Village, Shamirpet Mandal	INR 1 Cr per acre

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**ANNEXURE II**  
**INDICATIVE LEASE TERMS**

<b>Lease Rent</b>	INR 60 - 65 per sq.ft per month
<b>Escalation</b>	5% per year
<b>Security Deposit</b>	6 months
<b>Lease Tenure</b>	10 years
<b>Lease Lock-in</b>	5 years
<b>Rent Free period including Tenant Improvement Period</b>	6 -12 months

