

24-12-2005

From  
Satish Modi,  
S/o Shri Manilal. C. Modi,  
Plot No 280,  
Road No 25,  
Jubilee Hills,  
Hyderabad.

To

Sri N.Nageswara Rao,  
Delara Tourism Corporation Ltd,  
402, Minar Apartments,  
Deccan Towers,  
Basheerbagh,  
Hyderabad.

Reg : Settlement of Account – Issue of Preference Shares.

With reference to the above, I would like to inform you that the following papers will be submitted to you shortly:

- 1] The original document of final accounts as on 31-1-2005 duly certified by the chartered accountant.
- 2] Books of accounts prior to the year ending 31-3-2004.
- 3] Full set of Memorandum and articles of Association.

Thanking you,

Yours faithfully,

*Satish Modi*

[ Satish Modi ]

Date: 06.12.2005

From:

Satish Modi  
S/o Shri Manilal C. Modi  
Plot No 280, Road No. 25  
Jubilee Hills  
Hyderabad.

To

Sri N. Nageswara Rao  
Delara Tourism Corporation Ltd  
402, Minar Apartments  
Deccan Towers, Basheerbagh  
Hyderabad.

Reg: Settlement of Account – Issue of Preference Shares.

I acknowledge receipt of the following preference shares in original:

- 1] 4,00,000 Preference Shares in the name of Mr. N. Nageswara Rao, Managing Partner, NCS & Co. bearing Certificate No. 001.
- 2] 4,85,000 Preference Shares in the name of Mr. N. Nageswara Rao, Managing Partner, NCS & Co. bearing Certificate No. 002.
- 3] 45,000 Preference Shares in the name of Mrs. N. Nagaratnam, Partner, NCS & Co. bearing Certificate No. 003.
- 4] 2,85,000 Preference Shares in the name of Mr. N. Murali, Partner, NCS & Co. bearing Certificate No. 004.
- 5] 1,00,000 Preference Shares in the name of Mr. N. Srinivas, Partner, NCS & Co. bearing Certificate No. 005.
- 6] 1,85,000 Preference Shares in the name of Mr. N. Srinivas, Partner, NCS & Co. bearing Certificate No. 006.

Thanking you,

Yours faithfully,

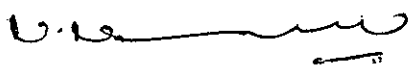
*Satish Modi*  
[Satish Modi]

1.3. If "The Principal Seller" fail to transfer the balance of shares, subject to receipt of the consideration, "The Purchaser" shall be entitled to have the shares transferred by way of specific performance, and "The Company" shall record the transfer of such shares in favour of "The Purchaser".

1.4. The transfer of shares by "The Principal Seller" in favour of "The Purchaser" in pursuance of this agreement is irrevocable. The "Principal Seller" shall ensure and cause "The Company" to record the name of "The Purchaser" in the register of the members of "The Company" as a shareholder of "The Company" in respect of the shares purchased in pursuance of this agreement.

1.5. "The Company" agrees that it shall not allot any further shares to "The Existing Shareholders" or to the purchasers herein or to any of their representatives till the completion of the transfer of shares as agreed in clause 1.2 of this agreement.

2.1. Simultaneously on signing this agreement and completion of the transfer of the equity shares to "The Purchaser" as per clause 1.2 above, the management of "The Company" shall be changed, by induction of three Directors representing "The Purchaser". All the Directors representing "The Principal Seller", except Mr. Satish Modi shall resign. It is further agreed upon that Mr. Satish Modi shall continue to remain as a Director of "The Company" till all the terms and conditions of the AGREEMENT entered into by "The Company" with APFDC are completed and till the commencement of Concession under the above said agreement or till such further period as may be required by "The Purchaser" in order to comply with the terms and conditions of the AGREEMENT with APFDC. It is further agreed that during the above period Mr. Satish Modi shall not be responsible for any financial liability on



Satish Modi

1.3. If "The Principal Seller" fail to transfer the balance of shares, subject to receipt of the consideration, "The Purchaser" shall be entitled to have the shares transferred by way of specific performance, and "The Company" shall record the transfer of such shares in favour of "The Purchaser".

1.4. The transfer of shares by "The Principal Seller" in favour of "The Purchaser" in pursuance of this agreement is irrevocable. The "Principal Seller" shall ensure and cause "The Company" to record the name of "The Purchaser" in the register of the members of "The Company" as a shareholder of "The Company" in respect of the shares purchased in pursuance of this agreement.

1.5. "The Company" agrees that it shall not allot any further shares to "The Existing Shareholders" or to the purchasers herein or to any of their representatives till the completion of the transfer of shares as agreed in clause 1.2 of this agreement.

2.1. Simultaneously on signing this agreement and completion of the transfer of the equity shares to "The Purchaser" as per clause 1.2 above, the management of "The Company" shall be changed, by induction of three Directors representing "The Purchaser". All the Directors representing "The Principal Seller", except Mr. Satish Modi shall resign. It is further agreed upon that Mr. Satish Modi shall continue to remain as a Director of "The Company" till all the terms and conditions of the AGREEMENT entered into by "The Company" with APFDC are completed and till the commencement of Concession under the above said agreement or till such further period as may be required by "The Purchaser" in order to comply with the terms and conditions of the AGREEMENT with APFDC. It is further agreed that during the above period Mr. Satish Modi shall not be responsible for any financial liability on



Satish Modi

Certificate No. 002

No. of Shares 45,000

DELARA TOURISM CORPORATION LIMITED  
402, Minar Apts. Deccan Towers  
Bashheerbagh, Hyderabad-01  
Share Ledger Folio P002

# SHARE CERTIFICATE

10% CUMULATIVE PREFERENCE SHARES

(Incorporated under the Indian Companies Act, 1956)

Authorised Capital Rs. 5,00,00,000  
10,00,000 Shares of Rs. 10/- each  
Divided into Preference Shares of Rs. 10/- Each  
40,00,000

This is to Certify that Mrs. N. NAGARATNAM, Partner, NCS & Co.,

is the Registered holder of 45,000 Shares of Rupees 10/- each

numbered from 8,85,001 to 9,30,000 both inclusive in the above named

Company subject to the provisions of the Memorandum and Articles of

Association thereof & upon which calls have been made as per endorsement

on reverse

Given under the signature Seal of the said company this 20th day of Oct. 20 05

  
Director



Director

  
Managing Director

Certificate No. 002

No. of Shares: 4,85,000

DEIARA TOURISM CORPORATION LIMITED  
402, Minar Apts., Deccan Towers Share Ledger Folio, P001  
Bashheerbagh, Hyderabad-01

# SHARE CERTIFICATE

10% CUMULATIVE PREFERENCE SHARES

(Incorporated under the Indian Companies Act, 1956)

Authorised Capital Rs. 5,00,00,000/-  
10,00,000 Equity Shares of Rs. 10/- each  
Divided into 40,00,000 Preference Shares of Rs.10/- each

This is to Certify that **Mr. N. NAGESWARA RAO**, Managing Partner, NGS & Co.,

is the Registered holder of **4,85,000** Shares of Rupees **10/-** each

numbered from **4,00,001** to **8,85,000** both inclusive in the above named

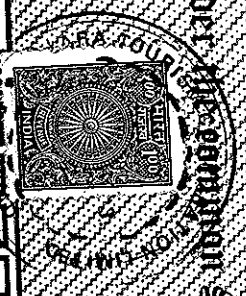
Company subject to the provisions of the Memorandum and Articles of

Association thereof & upon which have been made as per endorsement

on reverse

Given under the ~~Signature~~ Seal of the said company this 20th day of Oct., 2005

Authorized Signatory



Date:

Managing Director



Certificate No. 004

No. of Shares 2,85,000

DEHARA TOURISM CORPORATION LIMITED  
402, Minar Apts. Deccan Towers  
Bashheerbagh, Hyderabad-01 Share Ledger Folio P003

# SHARE CERTIFICATE

10% CUMULATIVE PREFERENCE SHARES

(Incorporated under the Indian Companies Act, 1956)

Authorised Capital Rs. 5,00,00,000  
10,00,000 Equity Shares of Rs. 10/- each  
Divided into 40,00,000 Preference Shares of Rs. 10/- each

This is to Certify that Mr. N. MURALI, Partner, M/s. S. Co.,

is the Registered holder of 2,85,000 Shares of Rupees 10/- each

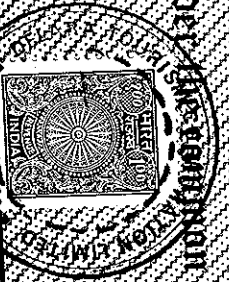
numbered from 9,30,001 to 12,15,000 both inclusive in the above named

Company subject to the provisions of the Memorandum and Articles of

Association thereof & upon which calls have been made as per endorsement  
on reverse

Given under the signature Seal of the said company this 20th day of Oct. 20 05

Authorized Signatory



Director

Managing Director

Certificate No. 006

DEBARA TOURISM CORPORATION LIMITED

402, Minar Apts., Deccan Towers,  
Bashierbagh, Hyderabad-01.

No. of Shares 1,85,000

Share Ledger Folio P004

# SHARE CERTIFICATE

10% CUMULATIVE PREFERENCE SHARES

(Incorporated under the Indian Companies Act, 1956)

Authorised Capital Rs. 5,00,00,000

40,00,000 Equity Shares of Rs. 10/- each

40,00,000 Preference Shares of Rs. 10/- each

This is to Certify that Mr. N. SRINIVAS, PARTNER, NCS & CO.,

is the Registered holder of 1,85,000 Shares of Rupees 10/- each

numbered from 13,15,001 to 15,00,000 both inclusive in the above named

Company subject to the provisions of the Memorandum and Articles of

Association thereof & upon which calls have been made as per endorsement

on reverse

Given under the ~~Signature~~ Seal of the said company this 20th day of Oct. 2005

Authorised Signatory



Director

Managing Director



Certificate No. 001

No. of Shares 4,00,000

DEIARA TOURISM CORPORATION LIMITED  
402, Minar Apts. Beccan Towers  
Bashheerbagh, Hyderabad-01  
Share Ledger Folio 0001

# SHARE CERTIFICATE

10% CUMULATIVE PREFERENCE SHARES

(Incorporated under the Indian Companies Act, 1956)

Authorized Capital Rs. 5,00,00,000

Divided into 10,00,000 Shares of Rs. 10/- each

40,00,000 Preference Shares of Rs. 10/- Each

This is to Certify that **MR. N. MADHUSWARA RAO**, Managing Partner, M/S & Co.,

Shares of Rupees 10/- each

is the Registered holder of 4,00,000

numbered from 01 to 4,00,000, both inclusive in the above named

Company subject to the provisions of the Memorandum and Articles of

Association thereof & upon which calls have been made as per endorsement

on reverse.

Given under the following Seal of the said company this 20th day of Oct. 2005



Authorized Signatory

Director

Managing Director

Certificate No. 005  
DEVARA TOURISM CORPORATION LIMITED  
402, Minar Apts., Deccan Towers  
Basheer Bagh, Hyderabad-01.  
No. of Shares 1,00,000  
P004

# SHARE CERTIFICATE

10% CUMULATIVE PREFERENCE SHARES

Incorporated under the Indian Companies Act, 1956  
Authorized Capital Rs. 5,00,00,000  
10,00,000 Equity Shares of Rs. 10/- each  
Divided into 40,00,000 Preference Shares of Rs. 10/- each

This is to Certify that Mr. N. SRINIVAS, PARTNER, MGS & CO.,  
is the Registered holder of 1,00,000 Shares of Rupees 10/- each

numbered from 12,15,001 to 13,15,000 both inclusive in the above named  
Company subject to the provisions of the Memorandum and Articles of  
Association thereof X upon which calls have been made as per endorsement  
on reverse.

Given under the Common Seal of the said company this 20th day of Oct. 2005

Authorized signatory



Director

Managing Director