

No Objection Certificate

From,  
Mr. Shashidhar Reddy,  
Managing Director,  
CSR Hotels Pvt. Ltd.,  
3-5-947/948, CC complex,  
Hotel Sudarshan, Narayanaguda  
Hyderabad – 500 029

Date: 28.07.2014


To,  
Mr. Soham Modi,  
Managing Director  
Modi Properties & Investments Pvt. Ltd.,  
5-4-189/3&4,  
Soham Mansion, M.G. Road,  
Secunderabad – 500 003.

Sub.: Termination of lease and transfer of fixtures and furniture's to the Lessors.

- Ref.: 1. Lease deed dated 17<sup>th</sup> February, 2006 for 19,000 sft of built-up area in the building known as S M Modi Commercial Complex, bearing municipal nos. 5-4-187/5/15, 16, 17, 18 & 19, situated at Karbala Maidan, Necklace Road, Secunderabad – 500 003, registered as document no. 430/2006 at SRO Secunderabad.
2. Security deposit agreement for the said premises dated 17<sup>th</sup> February, 2006.
  3. Business alliance agreement between M/s. Justa Hotels (formally known as The Residence) a partnership firm represented by Mr. Ashish Vohra and M/s. CSR Hotels Pvt. Ltd., dated 1<sup>st</sup> April 2007.
  4. Agreement dated 10.10.2007 between M/s. Justa Hotels and Ms/ CSR Hotels Pvt. Ltd.
  5. Supplementary agreement dated 16<sup>th</sup> June, 2010 between M/s. Justa Hotels and Ms/ CSR Hotels Pvt. Ltd.
  6. Month to month tenancy for about 782 sft of built-up area, being shop no. 8 & 9 in the basement floor of the building known as S M Modi Commercial Complex, bearing municipal nos. 5-4-187/5/11, situated at Karbala Maidan, Necklace Road, Secunderabad – 500 003.

Dear Sir,

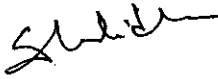
1. We have taken on lease about 19,782 sft in the building known as S M Modi Commercial Complex (Said Premises) referred to above. The lease deed given in reference 1 above has expired and we are paying rent as a month to month tenancy.
2. We are aware that Mr. Soham Modi, Managing Director of Modi Properties & Investments Pvt. Ltd., is duly authorised by the owners/Lessors (namely Rajesh J Kadakia, Sharad J Kadakia, Valmick Desai HUF, Vinod Desai HUF, Subodh Desai HUF and Mahesh Desai HUF) of the Said Premises to represent them. We shall not raise any objections on this count hereafter.



3. M/s. CSR Hotels has handed over the day to day operations of the hotel consisting of 40 rooms and relevant amenities (excluding the restaurant on the top floor) to M/s. Justa Hotels on certain terms and conditions agreed to and mentioned in references 3 to 5 cited above.
4. M/s. Justa Hotels has requested the Lessors to directly lease the Said Premises to them by suitable compensation to M/s. CSR Hotels.
5. This is to certify that we have entered into an understanding with the lessors wherein the Lessors have become absolute owners of all fixtures, furnitures, utility connections, generator, air conditioners, kitchen equipment, lift, electric power connection, cutlery, crockery, etc., that is installed or kept within the said premises. All accounts with the Lessors are deemed to have been settled.
6. M/s. CSR Hotels have no objection in M/s. Justa Hotels entering into a lease with the Lessors.

Thank You.

Yours sincerely,  
For M/s. CSR Hotels Pvt. Ltd.,



Sashidhar Reddy,  
Managing Director.

Letter of possession

From,  
Mr. Shashidhar Reddy,  
Managing Director,  
CSR Hotels Pvt. Ltd.,  
3-5-947/948, CC complex,  
Hotel Sudarshan, Narayanaguda  
Hyderabad – 500 029

Date: 28.07.2014

To,  
Mr. Rajesh J Kadakia & Sharad J Kadakia,  
Mr. Valmick Desai, Mr. Vinod Desai,  
Mr. Subodh Desai and Mr. Mahesh Desai.

Sub.: Termination of lease and confirmation of handing over possession.

Ref.: 1. Lease deed dated 17<sup>th</sup> February, 2006 for 19,000 sft of built-up area in the building known as S M Modi Commercial Complex, bearing municipal nos. 5-4-187/5/15, 16, 17, 18 & 19, situated at Karbala Maidan, Necklace Road, Secunderabad – 500 003, registered as document no. 430/2006 at SRO Secunderabad.

2. Security deposit agreement for the said premises dated 17<sup>th</sup> February, 2006.

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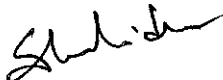
Dear Sir,

We have taken on lease about 19,782 sft in the building known as S M Modi Commercial Complex (Said Premises) referred to above. The lease deed given in reference 1 above has expired and we are paying rent as a month to month tenancy.

This is to confirm that we are handing over possession of the said premises to you as on this date.

Thank You.

Yours sincerely,  
For M/s. CSR Hotels Pvt. Ltd.,



Sashidhar Reddy,  
Managing Director.

Letter of confirmation

From,  
Mr. Shashidhar Reddy,  
Managing Director,  
CSR Hotels Pvt. Ltd.,  
3-5-947/948, CC complex,  
Hotel Sudarshan, Narayanaguda  
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Managing Director  
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5-4-189/3&4,  
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Dear Sir,

1. We have taken on lease about 19,782 sft in the building known as S M Modi Commercial Complex (Said Premises) referred to above. The lease deed given in reference 1 above has expired and we are paying rent as a month to month tenancy.
2. We are aware that Mr. Soham Modi, Managing Director of Modi Properties & Investments Pvt. Ltd., is duly authorised by the owners/Lessors (namely Rajesh J Kadakia, Sharad J Kadakia, Valmick Desai HUF, Vinod Desai HUF, Subodh Desai HUF and Mahesh Desai HUF) of the Said Premises to represent them. We shall not raise any objections on this count hereafter.

*Shashidhar*

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3. M/s. CSR Hotels has handed over the day to day operations of the hotel consisting of 40 rooms and relevant amenities (excluding the restaurant on the top floor) to M/s. Justa Hotels on certain terms and conditions agreed to and mentioned in references 3 to 5 cited above.
4. M/s. Justa Hotels has requested the Lessors to directly lease the Said Premises to them by suitable compensation to M/s. CSR Hotels.
5. The total arrears of rent upto 31.07.2014 including service tax and TDS is Rs. 35,86,000/- After deducting security deposit of Rs. 16.80 lakhs, the arrears of rent are Rs. 19.06 lakhs. This is deemed to be accepted by all the parties concerned and no objection shall be raised on this count hereafter.
6. M/s. CSR Hotels hereby confirms that the month to month tenancy/lease stands terminated from immediate effect and the possession of the said premises is deemed to be handed over to the Lessors as on today.
7. M/s. CSR Hotels confirms that it shall be liable to discharge any claims of whatsoever nature from M/s. Justa Hotels, any third party making claims through M/s. CSR Hotels, any statutory authority, electricity department, water and sewage department, government bodies, etc., with relation to the above referred lease and usage of the Said Premises by M/s. CSR Hotels and/or M/s. Justa Hotels.
8. M/s. CSR Hotels had spent about Rs. 300 lakhs on fixtures and fittings in the said premises to make it suitable for operation as a hotel with 40 rooms along with kitchen and restaurant area. In lieu of the expenditure incurred by M/s. CSR Hotels the Lessors have agreed to compensate M/s. CSR Hotels as given under. M/s. CSR hotels confirms that in lieu of the said compensation the Lessor shall become owners of all the fixtures and furniture that has been erected by M/s. CSR Hotels in the said premises with immediate effect. M/s. CSR Hotels shall not make any claims on this count hereafter.
9. The details of the compensation payable by the Lessors to M/s. CSR Hotels is as follows:
  - a. Rs. 100 lakhs to be paid to Bank of India, Kachiguda Branch towards discharge of liability of loan taken by M/s. CSR Hotels. M/s. CSR Hotels to provide certified statement of balance loan due within 7 days of this letter. Lessor shall be liable to pay Rs. 100 lakhs plus any interest at the rate of 15.5% from 1.8.14 till payment of Rs. 100 lakhs. The entire responsibility of clearing all dues to the bank including interest and penalty shall be of M/s. CSR Hotels. In case the loan amount + interest + penalty + other charges levied by the bank exceeds Rs. 100 lakhs (+15.5% interest) then it shall be the sole liability of M/s. CSR Hotels to discharge the same. In case the liability is less than Rs. 100 lakhs, the Lessor shall pay the same to M/s. CSR Hotels on production of proof of closure of loan. The Lessor shall pay the said Rs. 100 lakhs along with interest within 6 months of this letter.

*Shubh*

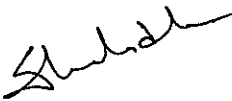
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- b. Rs. 50 lakhs to be adjusted against the liability of M/s. CSR Hotels to M/s. Justa Hotels, being the security deposit paid by M/s. Justa Hotels to M/s. CSR Hotels. Hereafter, the Lessor shall be liable to refund the said security deposit of Rs. 50 lakhs to M/s. Justa Hotels.
- c. A sum of Rs. 35.06 lakhs as additional compensation to M/s. CSR Hotels. Of the said amount Rs. 19.06 lakhs to be adjusted towards arrears of rent as given above. Balance amount of Rs. 16 lakhs to be paid by the Lessor to M/s. CSR Hotels within 15 days of M/s. Justa Hotels signing a fresh lease for the said premises with the Lessors.
- d. The total compensation as given above amounts to Rs. 185.06 lakhs.
10. M/s. CSR Hotels confirms that any agreement between itself and Mr. Srinivas Goud / Mr. Ramachandram is null and void and M/s. CSR Hotels shall be exclusively responsible for settling all claims made by them at its risk and cost.
11. This understanding is subject to M/s. Justa Hotels successfully entering into a lease for the Said Premises or part thereof with the Lessors.
12. M/s. CSR Hotels further confirms that on payment of compensation as given above it shall have no right, title, interest or claim of whatsoever nature on the said premises or against the Lessors. All fixtures, furnitures, utility connections, generator, air conditioners, kitchen equipment, lift, electric power connection, cutlery, crockery, etc., that is installed or kept within the said premises shall belong to the Lessors exclusively.
13. M/s. CSR Hotels and the Lessors shall sign all necessary documents, applications, forms, NOCs, etc., for giving full effect to this understanding including transfer of electric power connection, etc.

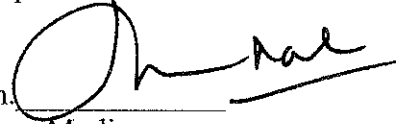
Please sign a copy of this letter as your confirmation of the above.

Thank You.

Yours sincerely,  
For M/s. CSR Hotels Pvt. Ltd.,

  
Sashidhar Reddy,  
Managing Director.

Accepted & confirmed

Sign.   
Soham Modi  
Managing Director  
Modi Properties Investments Pvt. Ltd.,  
Authorised Representative of the Lessors