



ఆంధ్ర ప్రదేశ్ ఆంధ్ర ప్రదేశ్ ANDHRA PRADESH

S.No. 11446 Date 29/03/2010  
 Sold to Venkatesh  
 S/o. A. Rao  
 For Whom N. S. R. Estates

P 445825  
 K. SATISH KUMAR  
 SVL.No.13/2009 R.No.16/2009  
 S-2-30, Premavathipet (V),  
 Rajendranagar (M), R.R. Dist.

**MEMORANDUM OF UNDERSTANDING**

This Memorandum Of Understanding is made and executed on this 1<sup>st</sup> day of April, 2010 at Secunderabad by and between:

M/s. MODI & MODI CONSTRUCTIONS, a registered partnership firm having its office at 5-4-187/3 & 4, II floor, Soham Mansion, M. G. Road, Secunderabad – 500 003, represented by all its present partners: 1. Modi Housing Pvt. Ltd represented by its Director Shri. Soham Modi 2. Ashish P Modi S/o. Shri. Pramod Modi 3. Modi & Modi Finan.ServiPcs. Ltd represented by its Director Shri. Nirav P. Modi & 4. Gaurang Mody S/o. Sri Jayantilal Mody hereinafter referred to as the FIRST PARTY..

1. For MODI HOUSING PVT. LTD.

*[Signature]*  
 Director

For MODI HOUSING PVT. LTD.

*[Signature]*  
 Director

2. Ashish P Modi

*[Signature]*  
 For Modi & Modi Financial Services Pvt. Ltd.  
*[Signature]*  
 DIRECTOR

2. Gaurang Mody S/o. Sri Jayantilal Mody  
 For Modi & Modi Financial Services Pvt. Ltd.

*[Signature]*  
 DIRECTOR

4. Gaurang Mody

*[Signature]*

4. For SDI MKJ REALTY PVT. LTD.

*[Signature]*  
 Authorised Signatory

5. For DMK GEC REALTORS (P) LTD.

*[Signature]*  
 Authorised Signatory

AND

M/s: NILGIRI ESTATES, a registered partnership firm having its office at 5-4-187/3 & 4, II Floor, Soham Mansion, M. G. Road, Secunderabad – 500 003, represented by all its present partners: 1. Modi Housing Pvt. Ltd represented by its Director Shri. Soham Modi 2. Gaurang Mody S/o. Shri. Jayantilal Mody 3. Modi & Modi Financial Services P. Ltd represented by its Director Shri. Nirav P. Modi 4. SDN MKJ Realty Pvt. Ltd represented by its Director Shri. Rajesh J Kadakia & 5. JMK GEC Realtors Pvt. Ltd represented by its Director Shri. Sharad J Kadakia hereinafter referred to as the SECOND PARTY

The term First Party and Second party where the context so permits shall mean and include unless it is repugnant to the context, their respective heirs, legal representative, administrator, executor, successor-in-office, assignee, nominee and the like.

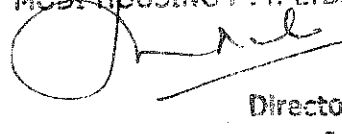
**WHEREAS:**

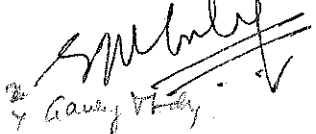
- A. Shri Mangali Narsimha, S/o. Mangali Anjaih was the original pattedar of agricultural land admeasuring about Ac. 10-01 Gts., in survey no. 100/2, of Rampally Village, Keesara Mandal, Ranga Reddy District having purchased the same in an Government auction dated 21.01.1952.
- B. Shri Mangali Narsimha, S/o. Mangali Anjaiah sold the above said land to Shri Panchamdas Mahanth, S/o. Gulabdas vide sale deed bearing document no. 1581/1978 dated 30.08.1978 registered at SRO Medchal.
- C. Shri Panchamdas Mahanth S/o. Gulbadas inturn sold the same land to Mr. Chira Yellaiah, Mr. Chira Ramachandraiah and Mr. Chira Narsimha all are sons of Shri. Chira Pentaiah vide sale deed bearing document No. 6278/1985 dated 04.09.1985 registered at the District Registrar Office, Ranga Reddy District.
- D. The names of Shri Chira Yellaiah, Shri Chira Ramachandraiah and Mr. Chira Narsimha were mutated in the revenue records vide proceeding No. B/514/88 dated 18.8.1988. Patta passbooks and title books were issued in their favour by the MRO Keesara Mandal, the details of which are given below:

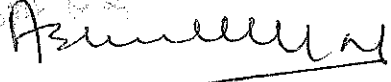
S. No.	Name of Pattedar	Pass book no.	Title book no.	Extent
1.	Chira Ramachandraiah	129986	51592	Ac. 3-14 Gts.,
2.	Chira Yellaiah	129987	51594	Ac. 3-14 Gts.,
3.	Chira Narsimha	129985	51599	Ac. 3-13 Gts

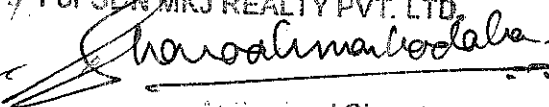
- E. Shri Chira Ramachandraiah sold a portion of land owned by him admeasuring about Ac 0-09 Gts., Sy. No. 100/2, of Rampally Village, Keesara Mandal, Ranga Reddy District to Shri N. Suresh Kumar vide sale deed bearing document no. 2112/06 dated 08.02.2006 registered at SRO Shamirpet.
- F. Shri Chira Yellaiah sold a portion of the land owned by him through his registered general power of attorney holder Mr. Laxmi Narayana (GPA registered as doc no. 4557 dated 21.07.2005 at SRO Shamirpet), admeasuring about Ac. 2-27 ¼ Gts., to Ms. Anuradha vide sale deed bearing document no. 9148/05 dated 19.12.2005 registered at SRO Shamirpet. Ms. Anuradha has in turn sold the Ac. 2-27 ¼ Gts., to M/s. Matrix Constructions vide sale deed bearing no. 278/06 dated 06.01.2006 registered at SRO Shamirpet. M/s. Matrix Construction a registered partnership firm (firm registration no. 2355 of 2005 ) sold the said land admeasuring Ac. 2-27 ¼ Gts., to B.B. Naidu, K. Madhusudhan Reddy, V. Satyanarayna & K. Narsimha Reddy vide sale deed bearing document no. 15475/06 dated 18.10.2006 registered at SRO Shamirpet.

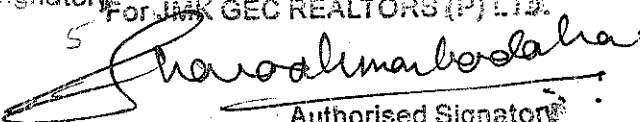
For MODI HOUSING PVT. LTD.  
  
Director

For MODI HOUSING PVT. LTD.  
  
Director

  
For Modi & Modi Financial Services Pvt. Ltd.  
Director

  
For Modi & Modi Financial Services Pvt. Ltd.  
Director

For SDN MKJ REALTY PVT. LTD.  
  
Authorized Signatory

For JMK GEC REALTORS (P) LTD.  
  
Authorized Signatory

G. Shri Chira Yelliah sold another portion of the land owned by him through his registered general power of attorney holder Mr. R. Rajendra Singh (GPA registered as doc no. 4556 dated 21.07.2005 at SRO Shamirpet) admeasuring about Ac. 0-26 ¼ Gts., to Mr. L. Gridhar Rao vide sale deed bearing document no. 279/06 dated 06.01.2006 registered at SRO Shamirpet. Mr. L. Gridhar Rao has in turn sold Ac. 0-26 ¼ Gts., to B.B. Naidu, K. Madhusudhan Reddy, V. Satyanarayana & K. Narsimha Reddy vide sale deed bearing no. 15476/06 dated 18.1.2006 registered at SRO Shamirpet.

H. As per the proceedings of the MRO bearing nos. 5016 & 5017 dated 05.01.2007 & 11.1.2007, the names of B.B. Naidu, K. Madhusudhan Reddy, V. Satyanarayana & K. Narsimha Reddy were mutated in the revenue records. Pahanis for the year 2006-07 reflect the name of B.B. Naidu, K. Madhusudhan Reddy, V. Satyanarayana & K. Narsimha Reddy as owners and possessors of land admeasuring about Ac. 3-14 Gts. in survey no. 100/2 Rampally Village, Keesara Mandal, Ranga Reddy District. Patta Passbook and title book have been issued in favour of B.B. Naidu, K. Madhusudhan Reddy, V. Satyanarayana & K. Narsimha Reddy by the Mandal Revenue Office, Keesara Mandal, R.R. District as per the details given below:

S.No.	Name of Pattedar	Patta & Passbook no.	Title book no.	Extent Sy. No.100/2
1.	K. Narsimha Reddy	1539 & 488553	488553	Ac. 0-34.5 Gts.,
2.	K. Madhusudhan Reddy	1537 & 48857	488557	Ac. 0-34.5Gts.
3.	V. Sathya narayana	1536 & 48852	488552	Ac. 0-34.5Gts.
4.	B.B. Naidu	1538 & 48856	488556	Ac. 0-34.5Gts.

I. Shri. K. Laxminarayana and Shri. P. Kasinath Yadav (herein after referred to as the Agreement Holders) had approached the above referred Original Owners namely, C. Ramchandraiah, C. Narsimha, K.Narsimha Reddy, K. Madhusudhan Reddy, V. Satyanarayana Reddy and B.B. Naidu for purchase of the said land. An understanding was reached between K. Laxminarayana and P. Kashinath Yadav with the Original Owners of the land for purchase of Ac. 9-32 Gts., in Sy. No.100/2, of Rampally Village, Keesara Mandal, Ranga Reddy District (hereinafter referred to as the Scheduled Land and more fully described in the schedule given hereunder) on certain terms and conditions privy to them.

J. Shri K. Laxminarayana & Shri P. Kashinath Yadav (the Agreement Holders) were unable to raise the required financial resources to purchase the Scheduled Land and approached the First Party herein to sell the Scheduled Land for a total consideration of Rs. 7,15,40,000/- The First Party herein had agreed to the same and paid certain advances to the Agreement Holders.

K. The Agreement Holders and the Original Owners as per their agreement with the First Party herein have executed conveyance deeds/ agreement of sale cum general power of attorney for parts of the Scheduled Land in favour of the First Party on receipt of proportionate payments from the First Party. The following deeds were registered in favour of the First Party.

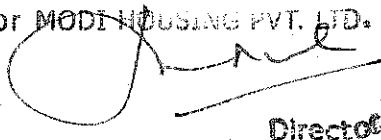
Sl. No.	Land area	Document no.	Document type	Document date
1	Ac. 2-05 Gts	4762/08	Agr. of sale cum GPA	03.07.2008
2	Ac. 2-13 Gts	4763/08	Agr. of sale cum GPA	05.07.2008
3.	Ac. 1-00 Gts	3594/08	Agr. of sale cum GPA	24.07.2008
4.	Ac.1-00 Gts	3595/08	Agr. of sale cum GPA	24.07.2008

L. Due to the sudden down turn in the real estate scenario globally and in particular in that area for ongoing Telangana agitation the First Party herein faced severe financial crunch and could no longer raise the funds required to pay the Agreement Holders and the Original Owners for the balance portion of land.

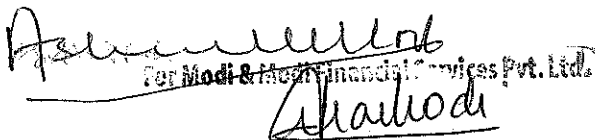
For MODI HOUSING PVT. LTD.

  
Director

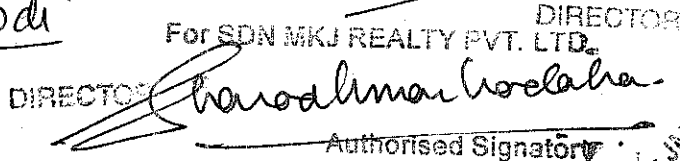
For MODI HOUSING PVT. LTD.

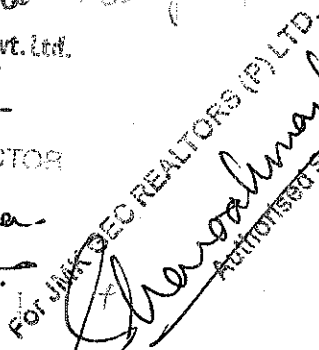
  
Director

For Modi & Modi Financial Services Pvt. Ltd.

  
Director

For SDN MKJ REALTY PVT. LTD.

  
DIRECTOR  
Authorised Signatory

For JMK DEC REALTORS (P) LTD.  
  
DIRECTOR  
Authorised Signatory

  
Director

M. In order to tide over the financial crunch, the First Party herein invited Mr. Sharad J. Kadakia, S/o. Late Shri Jayantilal M Kadakia, aged 52 years. R/o. 5-2-223, Gokul Distillery Road, Secunderabad - 500003 and Mr. Rajesh J Kadakia, S/o. Late Shri Jayantilal M Kadakia, aged 55 years, R/o. 5-2-223, Gokul Distillery Road, Secunderabad - 500003 (hereinafter referred to as the Investors) to join them as partners to buy the said land and develop it into a residential complex. The Investors had agreed to join the First Party as partners however on the following conditions:

- a. That the entire schedule land (i.e., Ac. 9.32 gts) would be transferred to a new partnership firm (i.e., the second party herein) and the residential complex development would be undertaken by the said firm.
- b. That the First Party would transfer/reconvey the Scheduled Land to the new firm at cost price.
- c. That the Investors would be given 25% profit sharing in the new firm.
- d. That the Investors would bring the required capital in the firm on or before 31.03.2011.
- e. That in the meantime the Investors would arrange a bridge loan for the new firm which would be repaid on introduction of the said capital by the Investors.
- f. That the Investors would introduce the capital into the new firm through companies/ firms of their choice i.e., the structure of investment would be decided by them.

N. Accordingly, a new firm was registered namely M/s. Nilgiri Estates (partnership deed dated 02.09.2008, registration no. 722/08) which is the Second Party herein. On receipt of the bridge loan, balance payment was made to the Agreement Holders and Original Owners and conveyance deeds for the balance of the Scheduled Land was executed in favour of the Second Party herein as per the details given below:

Sl. No.	Land area	Document no.	Document type	Document date
1	Ac. 1-14 Gts	7874/08	Sale deed	18.09.2008
2	Ac. 2-00 Gts.,	9605/08	Sale deed	06.12.2008

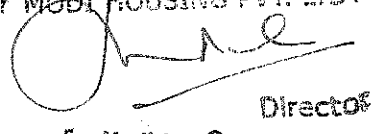
O. During the period of transaction and formation of new partnership firm, payments have been made to the Agreement Holders, Original Owners and their nominees, including payment of charges towards change of land use, stamp duty and registration charges from the accounts of the First Party and the Second Party as per details given below:

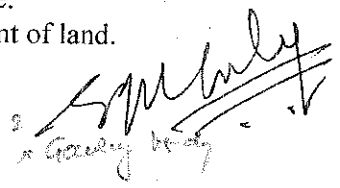
- a. An amount of Rs. 6,16,70,000/- was paid by the First Party to the Agreement Holders, Original Owners and their nominees towards consideration for purchase of the Scheduled Land.
- b. An amount of Rs. 98,70,000/- was paid by the Second Party to the Agreement Holders, Original Owners and their nominees towards consideration for purchase of the Scheduled Land.
- c. An amount of Rs. 3,28,100/- was paid by the First Party towards stamp duty and registration charges for execution of four Agreements of Sale cum GPA as stated above in clause (k) above in its favour.
- d. An amount of Rs.13,29,100/- was paid by the second party towards stamp duty and registration charges for execution of two sale deeds as stated above in clause N above.
- e. An amount of Rs. 9,82,200/- was paid by the First Party towards Land use conversion charges from agricultural use to non-agricultural use to the urban development authority and the revenue department.
- f. An amount of Rs.3,50,000/- was paid by first party towards brokerage.
- g. An amount of Rs.50,756/- was paid by first party towards development of land.

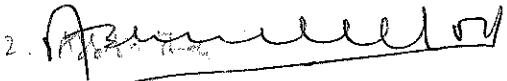
1. For MODI HOUSING PVT. LTD-

  
Director

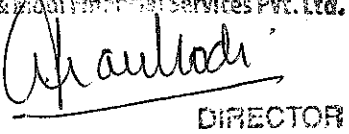
1. For MODI HOUSING PVT. LTD-

  
Director

  
Gaurav Singh

2. 

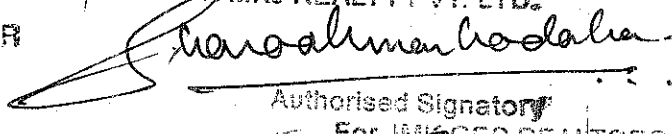
For Modi & Modi Financial Services Pvt. Ltd.

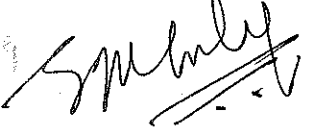
  
DIRECTOR

3. For Modi & Modi Financial Services Pvt. Ltd.

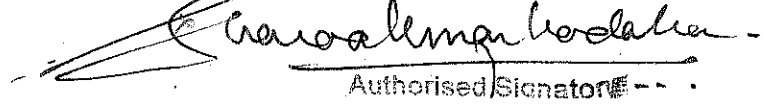
  
DIRECTOR

4. For SDN MKJ REALTY PVT. LTD.

  
Authorised Signatory

4. Gaurav Singh 

5. For JANGEE REALTORS (P) LTD.

  
Authorised Signatory

- P. The Investors as per advice of their financial and legal counsel got incorporated two companies SDN MKJ Realty Pvt. Ltd. & JMK GEC Realtors Pvt. Ltd. The said companies were inducted as partners in M/s. Nilgiri Estates vide partnership deed dated 01.4.2010. Accordingly the profit sharing ratio in the partnership firm has been changed to the following:

S. No.	Name of the Partner	%
1	M/s. Modi Housing Pvt Ltd	36.50%
2	Shri. Gaurang Mody	1.00%
3	M/s. Modi & Modi Financial Services Pvt Ltd	37.50%
4	M/s. SDN MKJ Realty Pvt Ltd	12.50%
5	M/s. JMK GEC Realtors Pvt Ltd	12.50%

- Q. As per the reconciled accounts of the First Party and the Second Party the total cost of acquisition of the Scheduled Land along with stamp duty, registration charges, and the cost of change of land use from agricultural to non-agricultural (Revenue Department) was Rs. 7,45,80,156/- Out of the said amount Rs. 1,11,99,100/- has been directly incurred by the Second Party and the balance of Rs. 6,33,81,086/- was paid by the First Party. The Second Party has advanced a further amount of Rs.3,94,18,524/- to the First Party.
- R. In terms of the above understanding that the entire schedule land will be transferred to and developed by the Second Party, the First Party has agreed to transfer and convey the part of the Schedule Land to the extent of Ac. 6-18 gts held in its name by virtue of sale deeds etc., referred to clause (k) above to the Second Party for Rs. 4,60,00,000/- (Rupees Four Crores Sixty Lakhs only). The Second Party has further agreed to reimburse the cost incurred by the First Party towards payments made to the Agreement Holders and their nominees (Rs. 2,55,40,000/-), stamp duty and registration charges (Rs. 3,28,100/-) & conversion of land use charges (Rs. 9,70,200/-). Out of the consideration plus cost to be reimbursed of Rs. 7,45,80,156/- a sum of Rs. 2,39,62,532/- is still payable by the Second Party to the First Party.
- S. Both the parties are desirous of recording the terms and conditions of their understanding as given herein.

**NOW THEREFORE THIS MEMORANDUM OF UNDERSTANDING WITNESSTH AS FOLLOWS:**

1. The First Party has agreed to sell to the Second Party the Scheduled Property for a total sale consideration of Rs. 4,60,00,000/- .
2. The Second Party has further agreed to reimburse the cost incurred by the First Party towards payments made to the Agreement Holders and their nominees (Rs. 2,55,40,000/-) stamp duty and registration charges (Rs. 3,28,100/-), conversion of land use charges (Rs. 9,82,200/-), Brokerage (Rs.3,50,000/-) & Development of Land (Rs.50,756/-).
3. In pursuance of this memorandum of understanding the Second Party have paid an amount of Rs. 5,06,17,624/- to the First Party and its nominees, the receipt of which is admitted and acknowledged by the First Party.
4. The Second Party agrees to pay the First Party the balance amount of Rs. 2,39,62,532/- on or before 31.3.2012.
5. On receipt of the entire consideration the First Party agrees to execute /register conveyance deeds, Agreement of sale cum general power of attorney or Agreement of Sale in favour of the Second Party. The stamp duty and registration charges for execution of the said deeds shall be borne by the Second Party.
6. The First Party agrees to sign all such agreements, deeds, applications, affidavits, letters, petitions, etc., that will be required by the Second Party to fully effectuate this Memorandum of Understanding.

For MODI HOUSING PVT. LTD.

For MODI HOUSING PVT. LTD.

Director

Director

For Modi & Modi Financial Services Pvt. Ltd.

3. Modi & Modi Financial Services Pvt. Ltd.

DIRECTOR

DIRECTOR

4. For SDN MKJ REALTY PVT. LTD.

Authorised Signatory

For JMK GEC REALTORS (P) LTD.

Authorised Signatory

7. The First Party hereby hands over constructive possession of the Scheduled Land to the Second Party.

**SCHEDULE OF THE PROPERTY.**

All that part and parcel of land admeasuring about Ac. 9.32 Gts. in Sy. No. 100/2, situated at Rampally Village, Keesara Mandal, Ranga Reddy District, marked in red in the plan enclosed herein and bounded by:

North : HUDA approved layout.  
South : 100 ft road  
East : Neighbours land.  
West : Neighbours land.

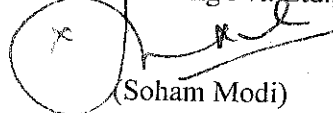
In witness whereof the SECOND PARTY and the FIRST PARTY have signed these presents on the date and at the place mentioned above.

**WITNESSES:**

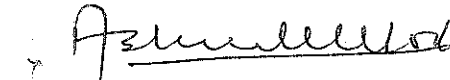
1.

**For Modi & Modi Constructions,**

1. Modi Housing Pvt. Ltd.,

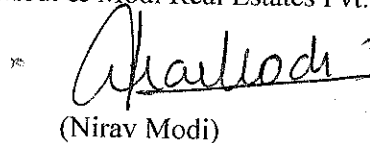
  
(Soham Modi)

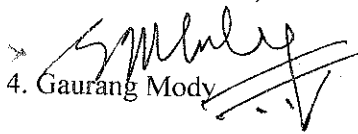
2.



2. Ashish P Modi

3. Modi & Modi Real Estates Pvt. Ltd.,

  
(Nirav Modi)

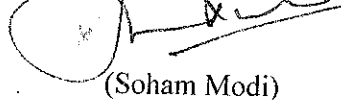


4. Gaurang Mody

(Partners)

**For Nilgiri Estates,**

1. Modi Housing Pvt. Ltd.,

  
(Soham Modi)

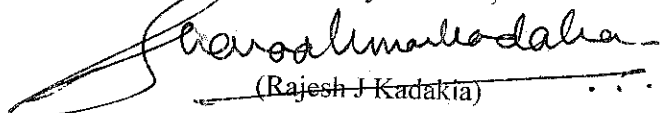


2. Gaurang Mody

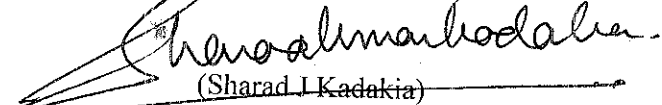
3. Modi & Modi Financial Services P. Ltd.,

  
(Nirav Modi)

4. SDN MKJ Realty Pvt. Ltd.,

  
(Rajesh J Kadakia)

5. JMK GEC Realtors Pvt. Ltd.,

  
(Sharad J Kadakia)

(Partners)