

BEFORE THE ARBITRAL TRIBUNAL
Comprising of
HON'BLE JUSTICE (RETD.) SRI. G. YETHIRAJULU
(Sole Arbitrator)
ARBITRAL DISPUTE NO. 10-2024
IN THE MATTER OF ARBITRATION
BETWEEN

M/S. MODI REALTY (SIDDIPET) LLP.
(CLAIMANT)

AND

Y. RAVINDER REDDY & OTHERS
(RESPONDENTS)

STATEMENT OF CLAIM
(Volume CD-1)
(Pages 1 to 133)

COUNSEL FOR CLAIMANT

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SHRADDHA GUPTA,
SHRIJITA GADDAM
ANANTH DHANVANTRI

ADVOCATES

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06 JULY 2024

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CLAIMANT

AND

Y. Ravinder Reddy & Ors.

RESPONDENTS

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PLACE: HYDERABAD

DATE: 06.07.2024

COUNSEL FOR CLAIMANT

BEFORE THE ARBITRAL TRIBUNAL
Comprising of
HON'BLE JUSTICE (RETD.) SRI. G. YETHIRAJULU
(Sole Arbitrator)
ARBITRAL DISPUTE NO. 10-2024
IN THE MATTER OF ARBITRATION

BETWEEN:

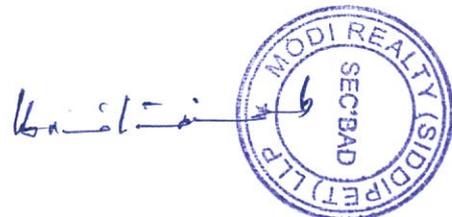
M/s. MODI REALTY (SIDDIPET) LLP.

Represented by Sitarmanjaneyulu Burri
5-4-187/3&4, II Floor, Soham Mansion,
M.G. Road, Secunderabad-500 003

CLAIMANT

AND

1. **Y. RAVINDER REDDY**
S/o. Shri Bapu Reddy,
Aged about 56 Years,
R/o. H. No. 2-20,
Mallareddy Nagar,
Prasanth Nagar, Siddipet-502103
2. **YELLU VIJAY BHASKAR REDDY**
S/o. Shri Bapu Reddy,
Aged about 54 Years,
R/o. H. No. 2-20,
Mallareddy Nagar,
Prasanth Nagar, Siddipet-502103
3. **YELLU RAJI REDDY**
S/o. Shri Bapu Reddy,
Aged about 50 Years,
R/o. H. No. 2-20,
Mallareddy Nagar,
Prasanth Nagar, Siddipet-502103
4. **YELLU SRIKANTH REDDY**
S/o. Shri Sanjeev Reddy,
Aged about 44 Years,
R/o. H. No. 2-20,
Mallareddy Nagar,
Prasanth Nagar, Siddipet-502103



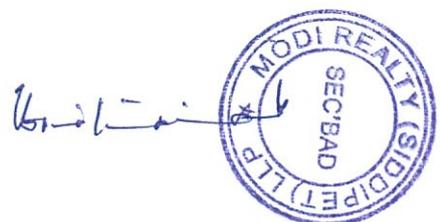
5. **S. SOWMYA**
D/o Yellu Bapu Reddy,
Aged about 43 Years,
R/o. H. No. 2-20,
Mallareddy Nagar,
Prasanth Nagar, Siddipet-502103
6. **YELLU MAHENDER REDDY**
S/o. Yellu Bapu Reddy,
Aged about 45 Years,
R/o. H. No. 2-20,
Mallareddy Nagar,
Prasanth Nagar, Siddipet-502103
7. **YELLU SRINIVAS REDDY**
S/o. Yellu Bapu Reddy,
Aged about 53 Years,
R/o. H. No. 2-20,
Mallareddy Nagar,
Prasanth Nagar, Siddipet-502103
8. **YELLU RUKKAMMA**
W/o. Yellu Bapu Reddy,
Aged about 75 Years,
R/o. H. No. 2-20,
Mallareddy Nagar,
Prasanth Nagar, Siddipet-502103

RESPONDENTS

STATEMENT OF CLAIM

I. DESCRIPTION OF PARTIES:

1. M/s. Modi Realty (Siddipet) LLP, the Claimant herein is a limited liability partnership firm incorporated under the Limited Liability Partnership Act, 2008 *vide* Limited Liability Partnership Agreement, dated 12th October, 2015 having its registered office at 5-4-187/3&4, II Floor, Soham Mansion, MG. Road, Secunderabad- 500 003, Represented by its General Manager and Authorized Representative, Mr. Sitarmanjaneyulu Burri. A copy of LLP Agreement, dated 12th October 2015 and the

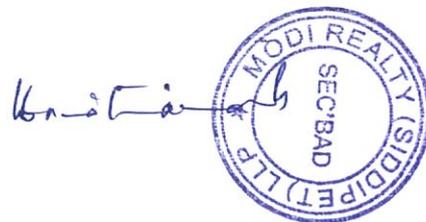


Admission Deed of the LLP, dated 2nd May 2016 are collectively filed as **Annexure-C1**. The letter of authorization issued in favour of Mr. Sitarmanjaneyulu Burri is filed herewith and marked as **Annexure-C2**.

2. The Claimant herein is engaged in the business of real estate construction and development either through itself or through its group companies. The Claimant was specifically incorporated for purposes of business of *inter alia* real estate development of residential houses, apartments and villas in respect of the Subject Property. The Claimant and its Group Companies have endeavored to provide good quality construction with modern amenities at affordable prices for middle income families and has been one of the leading and most reputed as well as preferred developers in the State of Telangana for over many decades.
3. The Respondents are the joint owners of total extent of land admeasuring Ac. 4-19 Gts situated in Sy. No. 2013, 2014 and 2016 situated in Siddipet Village, Siddipet Mandal, Siddipet District (formerly Medak District), Telangana ("**Subject Property**") which forms the subject matter of the Memorandum of Understanding dated 06th October 2016 executed between the Claimant, one Late Mr. Yellu Bapu Reddy and Respondent No's. 1 to 4 (**Original Land Owners**).
4. The array of parties are based on the information made available to the Claimant in respect of the only legal heirs of the deceased Land Owner, Late Yella Bapu Reddy.

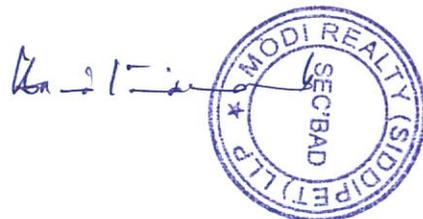
II. BRIEF FACTS OF THE CASE:

5. Late Yellu Bapu Reddy was the sole and absolute owner of the land admeasuring a total extent of Ac. 2-04 Gts forming a part of Sy. Nos



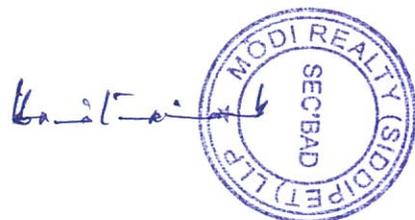
2013, 2014 and 2016 in Siddipet Village, Siddipet Mandal, Medak District, Telangana having acquired the same by way of succession from his father.

6. Late Yellu Bapu Reddy has five sons and one daughter namely Shri Ravinder Reddy (Respondent No. 1), Yellu Vijay Bhaskar Reddy (Respondent No.2), Yellu Raji Reddy (Respondent No. 3), Yellu Mahender Reddy (Respondent No. 6), Yellu Srinivas Reddy (Respondent No. 7) and S. Sowmya (Respondent No. 5). Upon demise of Late Yellu Bapu Reddy, the Respondent No. 1, 2, 3, 5, 6 and 7 have succeeded to the estate of their father and are hereby are the joint owners of the aforesaid extent of Ac. 2-04 Gts.
7. Yellu Srikanth Reddy, the Respondent No. 4 herein is the absolute owner of the land admeasuring a total extent of Ac. 2-00 Gts forming a part of Sy. Nos 2013, 2014 and 2016 in Siddipet Village, Siddipet Mandal, Medak District, Telangana having acquired the same by way of two registered gift deeds bearing no. 2871/2010 dated 18th September 2010 and 148/2012 dated 12th October 2012.
8. G. Kumara Swamy and P. Siddulu, who are the original owners and possessors of the land admeasuring Ac. 1-06.60 Gts forming a part of Sy. Nos 2013, 2014 and 2016 in Siddipet Village, Siddipet Mandal, Medak District, Telangana had entered into an agreement of sale in respect of the said land in favour of Respondent No. 1 and Respondent No. 3 and accordingly, the Respondent No. 1 and 3 acquired right title and interest in respect of the said land.
9. In the year 2016, in light of the long-standing reputation, goodwill and various completed and ongoing projects of the Claimant group companies, Late Yella Bapu Reddy along with Respondent No. 1 to 4,



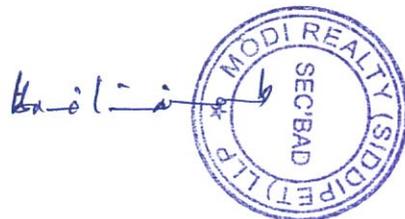
approached the Claimant herein representing that they are desirous of developing the Subject Property and that the sole owners, pattadars and right holders of the Subject Property and that the Subject Property is free from all encumbrances and liens.

10. Out of the aforementioned extents, land admeasuring Ac 1-27.40 Gts owned by Late Yellu Bapu Reddy, Land admeasuring Ac 1-25 Gts., owned by Respondent No. 4 and land admeasuring Ac. 1-06.60 Gts, being purchased by Respondent No. 1 and Respondent No. 3 from G.Kumara Swamy and P. Siddulu was offered for development to the Claimant. In total Ac. 04-19 Gts in Sy. Nos 2013, 2014 and 2016 situated in Siddipet Village, Siddipet Mandal, Medak District, Telangana, i.e the Subject Property herein was proposed to be developed.
11. On the basis of the representations made by the Respondent No. 1 to 4 and Late Yellu Bapu Reddy, the Claimant and Respondent No. 1 to 4 along with Late Yellu Bapu Reddy mutually agreed to develop the Subject Property into residential complex with villa/independent houses along with club house and other amenities under name and style of "**Villa Marigold**" ("**Project**").
12. In pursuance thereof the Claimant, through its sister concern entered into a Letter of Intent on 22nd July 2016 ("**LOI**") which was duly executed by Respondent No. 1 and Respondent No. 3. The LOI recorded the terms on which the Project would be developed by the Claimant on the Subject Property. A copy of the LOI dated 22.07.2016 is filed herewith and marked as **Annexure-C3**.
13. In pursuance of the terms of LOI, the Claimant paid a sum of Rs. 10,00,000/- (Rupees Ten Lakhs) as token advance towards the security deposit to the Respondents which was received by the Respondent No. 1 on behalf of all i.e. Late Yellu Bapu Reddy and Respondent No. 2 to 4 by



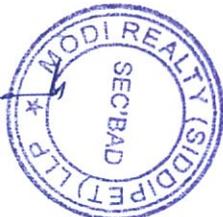
way of a demand draft bearing reference no. 035398 dated 29th July 2016 drawn on HDFC Bank, S.D. Road, an in pursuance of the payment made by the Claimant, the Respondent No. 1 issued a letter of confirmation on 8th August 2016 acknowledging the same. A copy of the letter issued by the Respondent No. 1 to the Claimant acknowledging the receipt of the token advance on 08th August 2016 is filed herewith and marked as **Annexure-C4**.

14. On 6th October 2016, the Claimant obtained the approval for the schematic plan of the Project from Respondent No. 1 on behalf of Late Yellu Bapu Reddy and Respondent No. 2 to 4. A Copy of the Letter dated 6th October 2016 along with the copy of the schematic plans is filed herewith and marked as **Annexure-C5**,
15. Upon obtaining the approval of the schematic plan for the Project, and in pursuance of the terms of the LOI, a Memorandum of Understanding ("**MOU**") was executed between the parties on the same day i.e. 6th October 2016, detailing the terms on which the development of the project was to be undertaken and detailing the rights and obligations of the Claimant, Late Yellu Bapu Reddy and Respondent No. 1 to 4. A Copy of the MOU dated 06th October 2016 is filed herewith and marked as **Annexure-C6**.
16. Subsequent to the execution of the MOU, the Claimant paid an additional sum of Rs. 40,00,000/- (Rupees Forty Lakhs Only) to the parties to the MOU towards security deposit in the following manner:
 - (i) Payment of Rs. 20,00,000/- (Rupees Twenty Lakhs Only) was made by way of RTGS bearing UTR No. HDFCR5201610148470837 dated 14.10.2016 in favour of Respondent No. 1.



- (ii) Payment of Rs. 20,00,000/- (Rupees Twenty Lakhs Only) was made by way of RTGS bearing UTR No. HDFCR5201610148471017 dated 14.10.2016 in favour of Respondent No. 1.
17. It is submitted that, as per Clause 47 of the MOU, to enable Claimant to commence the development of the Project on the Subject Property, the Respondents were obligated, *inter alia* to assist the Claimant to conduct Panchanama and the survey of the Subject Property through the MRO office, irrigation department and other government bodies demarcating the exact area of land forming the Subject Property, to determine the land affected in the proposed 50 wide road on eastern side, land affected in FTL/buffer zone/ NALA on the northern side and land affected in proposed 40 road on south and western side, and the Respondents were obligated to assist and co-ordinate with the Claimant for carrying out due diligence.
18. It is submitted that the possession of the Subject Property was handed over to the Claimant by the Respondents and the Claimant carried out survey of the land to be able to demarcate the boundaries, install Kaddis and place security guards at its cost and expenses.
19. In spite of Claimant's repeated reminders and requests, the Respondents never came forward to comply with their obligations under Clause 47 of the MOU and deliberately violated the terms of the MOU. It is further submitted that, there was no co-operation from the Respondents since the execution of the MOU and all efforts of the Claimant to interact with the Respondents were of no avail.
20. In due course, the Claimant was shocked to find that there are third party claims over the Subject Property by banks when the Claimant came across an e-auction sale notice issued by Vijaya Bank,

Kasturi



Basheerbagh Branch on 06th June 2017. Copy of the E- Auction Notice issued by Vijaya. Bank, Basheerbagh on 06th June 2017 is enclosed as **Annexure-C7**. At the time of discussions and deliberations, the Respondents had specifically represented to the Claimant that they are the absolute owners of the Subject Property under the MOU. It is submitted that there was no whisper of any third party claims on the Subject Property.

21. As a result of the above, the Claimant called upon the Respondents to clarify the e-auction sale notice being issued in respect of the Subject Property. However, the Respondents gave evasive replies to the Claimant's requests for clarification and assured that they will respond with further details at the earliest. It shall not be out of place to mention that it is on account of such false representations and existence of third-party claims that the Respondents deliberately did not co-operate with the Claimant and thereby failed to comply with Clause 47 of the MOU to prevent general public from knowing about the proposed development transaction with the Claimant.
22. Considering that investment had already been made by the Claimant and the Claimant had began the process of applying for approvals for developing the Subject Property, the Claimant patiently awaited the response of the Respondents. The evasive tactics adopted by the Respondents made it amply clear that the Respondents, with the malafide intention of duping the Claimant and encashing money from them made false representations with no intention of honoring the terms of the MOU.
23. It is submitted that, the Claimant constrained by the actions of the Respondents had no other option, but to terminate the MOU and called upon the Respondents to refund the security deposit of Rs.50,00,000/- (Rupees Fifty Lakhs) along with an interest of 18% per annum under

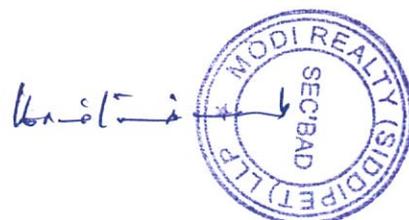
Basheerbagh



Clause 48 of the MOU, and the same was intimated to the Respondents by way of letter dated 23rd May 2019. A copy of the letter terminating the MOU issued by the Claimant to the Respondent on 23rd May 2019 is filed herewith and marked as **Annexure-C8**.

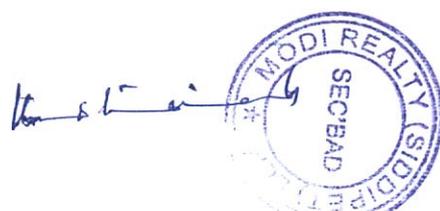
24. In response to the Claimant's letter dated 23rd May 2019, the Respondent No. 3 and Respondent No. 4 by way of reply letters dated 17th June 2019 and 09th July 2019 made false, frivolous and concocted allegations against the Claimants and denying their liability to refund the security deposit inspite of categorical acceptance of the same in the MOU. Copy of the letters dated 17th June 2019 and 09th July 2019 issued by Respondents are collectively filed herewith and marked as **Annexure-C9**.
25. It is submitted that in view of the malafide approach of the Respondents and having terminated the MOU, the Claimant withdrew from the Subject Property by vacating from the Subject Property and withdrawing its security personnel.
26. It is submitted that, as the Claimant suffered huge reputational loss, financial loss and hardship on account of deliberate breach on part of the Respondents, in view of their unreasonable conduct and since the Respondents did not show any interest in resolving the issue amicably, the Claimant had no other option but to invoke arbitration under Clause 54 of the MOU.
27. Clause 54 of the MOU reads as under:

"54. All the disputes or differences between the Owners and the Developer arising out of, or in connection with, this understanding shall be decided through arbitration of two arbitrators; one to be appointed by the Owners and the other to be appointed by the Developer and the two arbitrators appointing the third arbitrator. The venue of the arbitration



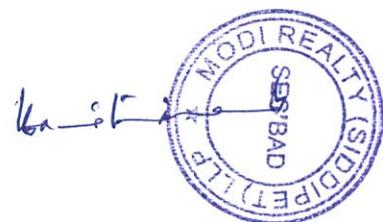
proceedings shall be Hyderabad and the provisions of Arbitration and Conciliation Act, 1996, shall be applicable to such proceedings. Law courts in Hyderabad shall alone have exclusive jurisdiction over all matters arising out of, or in connection with this understanding to the exclusion of all other law courts.”

28. The Claimant as per Clause 54 of the MOU issued a notice for commencement of arbitration on 19 July 2019, for refund of the security deposit i.e. Rs. 50,00,000/- (Rupees Fifty Lakhs) along with an interest of 18% per annum as damages towards the losses incurred by the Claimant as a result of breach of terms of the MOU by the Respondents and nominating Retd. Justice C. V. Ramulu as the arbitrator. A copy of the notice issued by the Claimant commencing the arbitration is filed herewith and marked as **Annexure -C10**.
29. Further, instead of complying with the notice dated 19th July 2019, the Respondents, by way of reply dated 14th August 2019, once again raised false and frivolous claims against the Claimant on misleading and baseless allegations. Copy of the reply notice dated 14th August 2019 along with the postal receipt and the tracking report is enclosed as **Annexure-C11**.
30. It is brought to the kind notice of this Hon'ble Tribunal that, under the garb of false and baseless allegations, by denying the Claimant their legitimate rights and entitlements under the MOU, the Respondents have tried to unjustly enrich themselves at the cost of the Claimant and tried to escape their liability under the MOU. This clearly reflects the intention of the Respondent to cause wrongful loss to the Claimant and defraud the Claimant.
31. In the above circumstances and concerned with the deliberate omissions and commissions of the Respondents, the Counsel of the



Claimant filed a Petition under Section 9 of the Arbitration and Conciliation Act, 1996 on 26th September 2019, bearing Arb O.P. No. 108 of 2019 before the Hon'ble III Additional Chief Judge, City Civil Court, Hyderabad, seeking (i) an interim injunction against the Respondents from alienating or disposing of the Subject Property in favour of the Third Party and (ii) refund of an amount of security deposit, along with 18% interest per annum.

32. Despite the lapse of a considerable amount of time since the issuance of the notice for arbitration in July, 2019, the Respondents did not come forward to commence the arbitration. As such upon filing of the Petition bearing Arb O.P. No. 108 of 2019, the Counsel of the Claimant issued a Reminder Notice for the initiation of the arbitration proceedings on the 24th of December 2019 to the Respondents while simultaneously refuting the claims made in the Reply issued on behalf of the respondents dated 14th August, 2019. A copy of the notice dated 24th December 2019 is file herewith and marked as **Annexure-C12**.
33. It is relevant to bring to the notice of this Hon'ble Tribunal, the conduct of the Respondents in pursuing the application filed under Section 9 of the Act. In spite of the nature of the said Petition and acute urgency, the Respondents have only protracted the matter. After entering appearance, the Claimant was informed only on 30th January 2020 that Late Yellu Bapu Reddy had demised. It is submitted that in spite of repeated requests and representations, the Respondent No. 1 to 4 did not furnish the details of all the legal heirs of Late Yellu Bapu Reddy for over three years as a delaying tactic. It is only on 20th September 2023 that Respondent No. 1 to 4 filed a memo before Hon'ble III Additional Chief Judge, City Civil Court, Hyderabad intimating the names of the legal heirs of Late Yellu Bapu Reddy. Copy of the memo dated 20th September 2023 is filed herewith and marked as **Annexure - C13**.

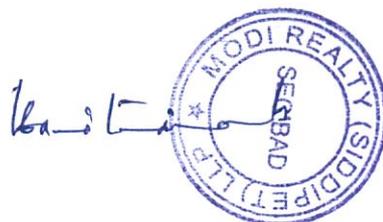


34. It is further submitted that despite appearing in 2019, the Respondents have not filed their counter to the Section 9 application till date, only to frustrate the rights of the Claimant and further harass the Claimant.
35. It is further submitted that, on account of lack of co-operation from the Respondents in appointing an arbitrator, the Counsel of the Claimant filed an Arbitration Application in compliance with Section 11(5) and 11(6) of the Arbitration and Conciliation Act, 1996 R/W Scheme for Appointment of Arbitrators before the Hon'ble Telangana High Court, bearing ARBAPPL No. 224/2022 for the Appointment of Sole Arbitrator to adjudicate the claims and disputes that arose between the parties pursuant to the Memorandum of Understanding dated 6th October 2019.
36. It is submitted that, upon learning about the legal heirs in 2023, the Claimant filed an Implead Petition to bring on record all the legal heirs of Yellu Bapu Reddy in ARBAPPL No. 224/2022 before the High Court of Telangana and the Hon'ble Court was pleased to implead Respondent No. 5 to 8 in ARBAPPL. No. 224 of 2022
37. Upon careful deliberation, Hon'ble High Court of Telangana *vide* order dated 26th March 2024 appointed Hon'ble Justice (Retd.) Sri .G. Yethirajulu as the sole arbitrator to adjudicate this matter. A copy of the order dated 26th March 2024 is filed herewith and marked as **Annexure-C14**.
38. Thus, in view of the foregoing circumstances, this Hon'ble Tribunal has been constituted, and the Claimant is raising the following claims for all disputes between the Claimant and the Respondents.




III. CLAIMS:**Claim A: Refund of Security Deposit of Rs. 50,00,000/- made to the Respondents along with Interest:**

- 1.1. The Claimant has paid a sum of **Rs. 10,00,000/- (Rupees Ten Lakhs)** by way of a demand draft bearing reference no. 035398 dated 29th July 2016 drawn on HDFC Bank, S.D. Road on the date of signing of the LOI.
- 1.2. The Claimant has further paid an amount of **Rs. 40,00,000/- (Rupees Forty Lakhs Only)** to the Respondents towards security deposit in the following manner:
- (i) Payment of Rs. 20,00,000/- (Rupees Twenty Lakhs Only) was made by way of RTGS bearing UTR No. HDFCR5201610148470837 dated 14.10.2016 in favour of Respondent No. 1.
- (ii) Payment of Rs. 20,00,000/- (Rupees Twenty Lakhs Only) was made by way of RTGS bearing UTR No. HDFCR5201610148471017 dated 14.10.2016 in favour of Respondent No. 1.
- 1.3. In total, the Claimant has paid **Rs. 50,00,000/- (Rupees Fifty Lakhs)** to the Respondents towards the security deposit, which is admitted by the Respondents from time to time.
- 1.4. As per Clause 48 of the MOU, it was agreed between the parties that in the event of termination of the MOU, the owners shall refund the security deposit within 30 days of such cancellation and upon

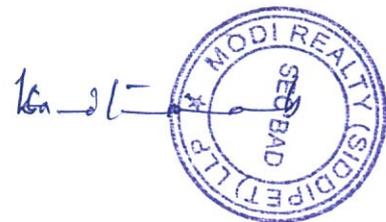


failure to do so, the developer i.e the Claimant herein shall be entitled to recover the same along with 18% per annum.

- 1.5. Thereby, the Respondents are liable to refund the Claimant the entire Security Deposit of Rs. 50,00,000 (Rupees Fifty Lakhs) along with an interest of 18% annum of Rs. 69,98,795 (Rupees Sixty Nine Lakh Ninety Eight Thousand Seven Hundred and Ninety Five) as calculated below:

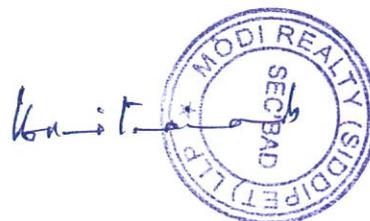
Amount	Total no. of days (as on 30th June 2024)	Interest Amount (@ 18% p.a)	Total Payable
10,00,000/-	2924	14,41,973	24,41,973
20,00,000/-	2817	27,78,411	47,78,411
20,00,000/-	2817	27,78,411	47,78,411
TOTAL AMOUNT (AS ON 30TH JUNE 2024) (ONE CRORE NINETEEN LAKHS NINETY EIGHT THOUSAND SEVEN HUNDRED AND NINETY FIVE)			1,19,98,795/-

- 1.6. Statement of computation of the outstanding dues with interest in respect of refund of security deposit in respect of the Subject Property is filed herewith and marked as **Annexure - C15**.



Claim B: Employees Salary and other Expenditure incurred on the Subject Property

- 2.1 The Claimant remained invested on the Subject Property and continued to bear all the associated expenses for the Subject Property after the execution of the MOU. The Claimant upon taking possession of the Subject Property got a survey done and secured the boundaries through Kaddies which involved deployment of equipment, hardware, labour, transportation, etc. Further, until termination of the MOU, the Claimant also deployed security personnel to secure the Subject Property.
- 2.2 Thereafter for purposes of pursuing its legal remedies, the Claimant has incurred a cost of Rs. 1,00,000/- until today.
- 2.3 As such, the Claimant has incurred expenditure on salaries to its employees, survey, administrative and other operating expenses total amounting to Rs. 4,47,669/-. Statement of expenditure of the Claimant Company in respect of the Subject Property is filed herewith and marked as **Annexure - C16**.
- 2.4 As per Clause 51 of the MOU, it is agreed between the parties that the Owners shall indemnify the Developer at all times in respect of all losses, expenses and costs arising from any issues in the title, interest and ownership of the Subject property.
- 2.5 Thereby, the Respondents are liable to pay to the Claimant Rs. 4,47,669/- (Rupees Four Lakhs Forty Seven Thousand Six Hundred and Sixty Nine) towards expenditure incurred by the Claimant on the Subject Property as on date.



2.6 The Claimant seeks leave of this Hon'ble Tribunal to place additional evidence in support of the claims towards expenditure as the Claimant is in the process of collating the same.

Claim C: Loss on Business Opportunity and damages caused to the Claimant on account of Respondents non-compliance with the terms of the MOU

3.1 The Claimant and its group companies had undertaken, completed and continue to implement various residential projects, in and around Secunderabad. It is for the said reason that the Claimant firm was incorporated for undertaking the development of the Subject Property.

3.2 It is in the said circumstances that the Claimant did not undertake any other project(s) in and around Siddipet Mandal to be able to exclusively stay invested with the development of the Subject Property.

3.3 As per the Schematic Plan and the terms of the MOU, it was agreed that the Subject Property will be divided into plots of 180 Sq. Yds., and on each plot, Villas of or two floors were to be constructed with a club house of 6000 Sft. Out of the said developed property, the Claimant was entitled to 65 % of share in the developed property. It is submitted that, the entire extent of Acre 4-19 Gts of the Subject Property aggregates to 194941.68 Sft. with proposed construction of 59 Villas of 1250 Sft. As a result, therefore, the total area proposed to be developed by the Claimant was 73,750 Sft., accordingly the total built-up area falling to the share of the Claimant in such a scenario would be 47,937.5 Sft.

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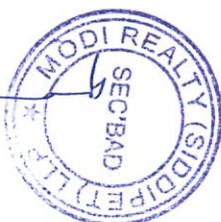


- 3.4** However, on account of deliberate failure of the Respondent to cooperate with the Claimant and breach the terms of the MOU by creating encumbrances over the Subject Property, for the breach of the terms of the MOU, the Claimant has lost ownership and entitlement of about 50,000 Sft of developed property in the one of the fastest growing residential localities in Telangana. Therefore, the Claimant is entitled to recover damages for breach of trust, loss of opportunity, goodwill and anticipated profits. Copy of the market value certificate of land situated in Sy. No. 2013, 2014 and 2016 of Siddipet Village is filed herewith and marked as **Annexure - C17**.
- 3.5** It is a settled principle of law that, in case of a breach of contract, the injured party should be placed in as good a position as money could do as if the contract had been performed.
- 3.6** As the loss incurred by the Claimant on account of deliberate breach of the Respondents of the MOU cannot be computed with precision due to various intervening factors, the Claimant is seeking damages to the tune of Rs. 25,00,000/- (Rupees Twenty Five Lakhs Only) or such other amount as computed by this Hon'ble Tribunal on basis of the market value of the Subject Property.

Claim D: Litigation Cost and Other Expenses

- 4.1 The Claimant has been left with no other alternative but to initiate the present proceedings on account of the actions of the Respondents.
- 4.2 The Claimant has not only been denied of their legitimate rights and entitlements under the MOU but on account of Respondents actions have also been forced to incur expenditure on account of pursuing the present arbitral proceedings against the Respondents.

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- 4.3 The Claimant reserves its right to compute such litigation fees, cost and expenses and submit the same before this Hon'ble Tribunal at the end of proceedings.
36. The Claimant reserves the right to add, alter, amend or delete any portion of this Statement of Claim, if required and also to file additional document/ evidence or make additional submissions, if necessary during the Arbitration Proceedings.
37. The Claimant also reserves the right to call upon the Respondents to produce documents, additional information, in connection with the Subject Property.
38. The Claimant reserves its right to file detailed response to the Counter Claims, if any, made by the Respondent and take such additional pleas or produce additional documents during the course of the arbitration, which are just and necessary for adjudication of the present dispute.

IV. CAUSE OF ACTION & LIMITATION

The cause of action for the instant matter first arose on 22nd July 2016 when the Claimant entered into a Letter of Intent with the Respondents; on 6th October 2016 when the MOU was executed between the parties; on 6th June 2017 when the Claimant got to know about the third party rights on the Subject Property. It further arose on 23rd May, 2019 when the Claimant issued a letter of termination of the MOU and inspite of receipt of the said notice, the Respondent failed to comply with the said notice. It finally arose on 19th July 2019 where the Claimant commenced arbitration by issuing a notice of arbitration under Section 21 of the Arbitration and Conciliation Act, 1996. The Claimant thus initiated arbitration within two months after the cause of action arose.

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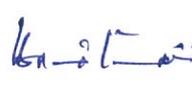


Therefore, the arbitration proceedings is within the period of limitation.

V. PRAYER

In view of the above, the Claimant, most humbly prays that this Hon'ble Tribunal may be pleased to pass an award -

- A. Directing the Respondents to jointly and severally pay the Claimant a sum of Rs. **1,19,98,795/-** (Rupees One Crore Nineteen Lakhs Ninety Eight Thousand Seven Hundred and Ninety Five Only) i.e. the security deposit along with accrued interest (as on 30th June 2024), along with interest at the rate of 18% until date of actual payment, payable to the Claimant towards the refund of Security Deposit.
- B. Directing the Respondents to jointly and severally pay a sum of Rs. 4,47,669/- (Rupees Four Lakhs Forty Seven Thousand Six Hundred and Sixty Nine) to the Claimant towards expenses incurred on the Subject Property.
- C. Directing the Respondents to jointly and severally pay a sum of Rs. 25,00,000/- (Rupees Twenty Five Lakhs Only) towards damages, by the Respondent to the Claimant.
- D. Pass an order that the Respondents pay all costs of, and associated with, these arbitration proceedings, including the fees and expenses of the Claimant, including but not limited to the legal fees and expenses of their legal counsel, the fees and expenses of witnesses, experts and consultants, plus post-award interest on those costs so awarded.




- E. Pre- and post-award interest on all sums awarded to the Claimant at a rate of SBI PLR +2% per annum;
- F. Any other relief or other reliefs as the Hon'ble Tribunal may deems fit and proper in the circumstances of the case.

DATE: 06.07.2024

PLACE: HYDERABAD

Kan-t-i-s



CLAIMANT

COUNSEL FOR THE CLAIMANT

Counsel at my instance based on the records maintained by the Claimant Company, in the normal course of business and believed to be true and correct and the contents of the petition may be read as part and parcel of this affidavit and the same are not repeated herein for the sake of brevity.

3. I say that there is no false statement or concealment of any material fact, documents or record and having included information which according to me is relevant for the present matter.
4. I say that all documents except the documents pertaining to expenses, in my power, possession, control or custody pertaining to the relief sought under the present Statement of Claim have been disclosed and copies thereof annexed with the Statement of Claim and other documents concerning the development transaction are not relevant for purposes of the present Statement of Claim and hence all such documents have not been filed.
5. I say that the above mentioned Statement of Claim comprises of a total 1 to 20 pages, each of which have been signed by me.
6. I say that I am aware that for any false statement or concealment, I shall be liable for action against me under the law.

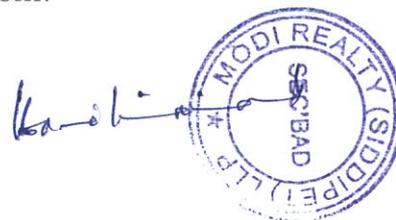
 

DEPONENT

VERIFICATION

I, the above named deponent, do hereby verify that the contents of this affidavit are true to my knowledge and belief; no part of it is false and nothing material has been concealed therefrom.

Verified at Hyderabad on July 06th 2024

A handwritten signature in blue ink is written over a circular blue stamp. The stamp contains the text "MODI REALTY (SIDDIPEET) LLP" around the perimeter and "SSC-BAD" in the center.

DEPONENT