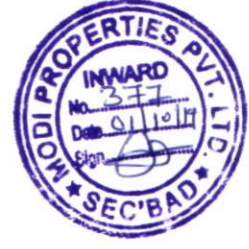




Keerthi Kiran Kota, Esq.
Advocate

keerthikirankota@gmail.com
96760 49488



TERMINATION NOTICE

Date : 30.09.2019

To,

1. The Managing Director,
Modi Properties & Investments Pvt. Ltd.,
H. No. 5-4-187/3 &4,
II Floor, Soham Mansion,
M.G.Road, Secundrabad-500 003.
2. Valmick K. Desai HUF, represented by
Its Karta Shri Valmick K. Desai,
S/o. Shri Kantilal B. Desai, Aged about 63 years,
Occ: Business, R/o.1-10-38/3/1, Begumpet,
Hyderabad-16.
3. Shri Vinod K. Desai HUF represented by
Its Karta Shri vinod K Desai,
S/o. Shri Kantilal B. Desai, Aged about 65 years,
Occ: Business, R/o.1-10-38/3/2, Begumpet,
Hyderabad-16
4. Shri Subodh K Desai HUF represented by
Its Karta Shri Subodh K Desai,
S/o.Kantilal B Desai, Aged about 66 years,
Occ: Business, R/o.H.No.5-8-40/46, Plot No.
46, Phase I, Bhanu Enclave, Yaprall,
Secundrabad - 87.
5. Shri Mahesh K. Desai HUF represented by
Its Karta Shri Mahesh K Desai,
S/o.Shri Kantilal B Desai, Aged about 70 years,
Occ: business, R/o.1-11-222/3/1, Begumpet,
Hyderabad-16.

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6. Shri Sharad J Kadakia, S/o.Late Shri Jayantilal M. Kadakia Aged about 56 years, R/o.5-2-223, Gokul Distillery Road, Hyderbasti, Secunderabad-03.
7. Shri Rajesh J Kadakia, S/o.Late Shri Jayantilal M Kadakia Aged about 58 years, R/o.5-2-223, Gokul Distillery Road, Hyderbasti, Secunderabad-03.

Ref: General Amenities Agreement dt: 29.11.2014 Lease Deed dt: 29.11.2014 and Ancillary & Supplementary Agreements

Sub: Termination of General Amenities Agreement dt: 29.11.2014 and Lease Deed dt: 29.11.2014.

Dear Sir,

Under the instructions from my client, M/s. Onora Hospitality Private Limited (Justa Hotels), having its registered office at 786, 12th Main, First Cross, Indira Nagar, Bangalore-560 005. Rep. by its Founder & CEO Mr. Ashish Vohra, I am issuing you the following Termination Notice of General Amenities Agreement dt. 29.11.2014 and Lease Deed dt. 29.11.2014 and all other Ancillary & Supplementary Agreements.

1. At the outset, it is submitted that you have entered into a property management agreement dt:01.02.2006 and Dt:25.02.2006 with the owners (1. Shri ValmickK.Desai HUF, 2. Shri Vinod K. Desai HUF 3. Shri SubodhK.Desai HUF 4. Shri Mahesh K. Desai HUF 5. Shri Sharad J Kadakia 6. Rajesh J Kadakia) of the property by name S.M. Modi Commercial Complex bearing Municipal Nos.5-4-187/5/11,15,16,17,18 & 19 situated at Karbala Maidan, Necklace Road, Secunderabad for managing the said building as well as collecting rents and amenities charges of the said building by you and further the address for all communications as per the above

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mention documents/agreements is you, therefore the present notice is issued to you also.

2. It is submitted that vide registered lease deed bearing document No.175/2015 dt: 29.11.2014, my client has entered into a lease agreement with 1. Shri Valmick K.Desai HUF, 2. Shri Vinod K. Desai HUF 3. Shri Subodh K.Desai HUF 4. Shri Mahesh K. Desai HUF 5. Shri Sharad J Kadakia 6. Rajesh J Kadakia who are the owners of the building Known as S.M. Modi Commercial Complex bearing Municipal Nos.5-4-187/5/11,15,16,17,18 & 19 situated at Karbala Maidan, Necklace Road, Secundrabad., for a period of 09 years with effect from 01st August, 2014. Further as refundable security deposit my client has also deposited a sum of Rs.50,00,000/- (Rupees FIFTY LACS) with the owners of the said property and further my clients have invested a huge sum of money approximately amounting to Rs.1.25 Crores till date on various renovations, value additions, maintenance and upkeep of the said property.
3. It is further submitted that vide registered General Amenities Agreement bearing document No. 176/2015 dt: 29.11.2014, my client has entered into an agreement with 1. Shri Valmick K.Desai HUF, 2. Shri Vinod K. Desai HUF 3. Shri Subodh K.Desai HUF 4. Shri Mahesh K. Desai HUF 5. Shri Sharad J Kadakia 6. Rajesh J Kadakia who are the owners and of a building Known as S.M. Modi Commercial Complex bearing Municipal Nos.5-4-187/5/11,15,16,17,18 & 19 situated at Karbala Maidan, Necklace Road, Secundrabad., in regard to providing certain facilities and allied amenities and services including usage of the terrace of the above mentioned property.

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4. Further in the year 2016 , the access/ main road leading to the property was dug open by the municipal authorities for laying sewage pipes, water and electrical lines for more than an year and in view of the same the ingress and egress to the property was restricted, thereby making the property inaccessible for conducting and doing normal course of business and you being owners of the property were well aware of the same and further vide letter of confirmation dated 09.07.2016 addressed by you to my client, clearly enunciates the same and further you have categorically accepted and acknowledged the same by categorically stating that *"the said municipal works may take several more months to be complete and will continue to be effected"*.
5. Further my client submits that the unanticipated municipal works went beyond stipulated reasonable time and this has affected the operations, business and goodwill developed by my client. It is pertinent to mention herein due to the said municipal works, several long standing corporate clients of my client have discontinued their arrangements/agreements with us. Further, the entire building is in a dilapidated state from 2016. The entire outer walls leaked and water seepage in most of the rooms at the window side ceilings and in the washrooms. The outer side of north and south drainage was blocked frequently and building entrance elevation area was full of cracks on the north and south side. Further leakages used to happen frequently in the both the banquet halls and in the landing areas. In-fact one of the Rooms (Room no.2008) has been taken out of inventory for the past three years due to water leakages from the banquet hall washroom in the third floor and further wide multiple emails and oral conversations right from January,2017 onwards, my clients have been requesting you/ owners of the

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property to rectify the same. Further Service lift is also malfunctioning and not working properly.

6. My client further submits that in view of the above mentioned circumstances after several rounds of negotiations the parties therein have agreed to and entered into a Supplementary lease deed dated 6th November 2018, wherein certain clauses were amended and vide the said supplementary lease deed dated 06.11.2018, the Lessor i.e your clients have agreed to give discount in rent and amenities charges and as per said agreement, for the period from 01.08.2017 to 31.07.2020, further my client have to pay net rent and amenities charges @ Rs. 5,50,000 per month and further vide clause 2 of the said agreement the discount is deemed to haven been given from 01.08.2017 and further the balance dues from April 2017 shall be cleared at the rate of Rs.1,50,000 lakhs per month by way of (Post Dated Cheques)PDC starting from the month of September, 2018 and in furtherance of the same my clients have issued PDC and my client has cleared the entire sum as stipulated, yet till date no repairs and rectifications sought have taken place.
7. My client submits that clause 7 of the said supplementary Agreement stipulates that the Lessor i.e you/ property owners shall help Lessee to arrest the Leakage in the building through its own contractor and maximum amount was capped at Rs. 10 Lakhs, which shall be borne by the Lessor and same shall be debited by the Rent payable. It is pertinent to mention herein that in spite multiple requests reminders both orally and in writing you/ owners of the property have not come forward to rectify the same and that only repair work in 6 toilets were carried out in the entire building and rest of the works are pending as on date. It is pertinent to mention herein that thereafter vide multiple emails, my client has intimated

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you that the damage to the building is much more than anticipated and further requested to fix the said deficiencies in the building at the earliest. Till date the said repairs were not carried out. It is pertinent to mention herein that the plot adjacent to the building was also dug open and in view of same several water logging, mosquito menace etc., are there and further the service gate is locked due to which, my clients are unable to get the supplies in & out. In view of the short comings in the building, my client is not able to operate the property to its fullest potential.

8. My client further submits that believing in the guarantees and warranties made by you my clients are still operating the property and in fact in view of your clients deviation and breach of promise and noncompliance of the terms and conditions, the hotel is in a very dilapidated state and in fact several guests with confirmed bookings have cancelled their bookings after looking at the state of the property and further there were many occasions where refunds, exorbitant discounts and cancellations of banquet halls were to be carried due to the above mentioned Leakages during the happening of the events and functions from time to time and same was intimated to your clients time and again to rectify the same. It is pertinent to mention herein in view of the non compliance of the warranties by you/owners, Justa Hotels/my client is not in a position to operate the property anymore.

9. It is further submitted as per clause 1 (a) of the lease deed dt:29.11.2014, my client can terminate the lease after the expiry of lease lock in period i.e. 31.07.2017 and further vide clause 15 of the General Amenities Agreement, my client has the right to terminate the said agreement without assigning any reason any time by giving prior written notice of 6 months in advance of the

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termination date subject to lock in period and further my client has the right to terminate the agreement in the event owners are in breach of any of the terms and conditions of the agreements and such breach is not cured within 30 days from the receipt of the notice. Further both the agreements are co-terminus with each other.

10. It is further submitted as the building is in a dilapidated shape and in also in view of the above mentioned circumstances and also in view of the violation of the terms and conditions and warranties by the owners of the property, the said property is no longer fit for occupation and to run the hotel. Further the said deficiencies were not rectified till date inspite of multiple reminders.

Therefore, having no other option, vide this notice, my client hereby terminates the lease deed dt: 29.11.2014 and General Amenities Agreement dt: 29.11.2014 and all other supplementary and ancillary agreements and deeds.

Further vide this notice, my client hereby is giving written notice of 6 months as per the terms and conditions of the above mentioned agreements. Further, my client hereby directs you i.e the owners to repay the refundable security deposit of Rs.50,00,000/- (Rupees Fifty Lakhs) and take vacant possession of the property at the end of the time period/lease period i.e. 31.03.2019 and further comply with all the end of lease term procedures, stipulations and covenants.

Further in the event of failure of repaying the said sum of refundable security deposit at the end of the lease period i.e. 6 months from the date of this notice and in the event of failure in complying with the end of lease term procedures, stipulations and covenants,

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please be advised that my client shall be constrained to initiate appropriate legal remedies available to it and you all shall be solely responsible for the costs and consequences thereof.

HYDERABAD
Date: 30.09.2019


KEERTHI KIRAN KOTA

ADVOCATE

A copy of the same is retained by my office for further compliance and action.