



RPAD / Courier / E-Mail
LEGAL NOTICE

08/04/2025
Hyderabad

To,

M/s. MODI REALTY POCHARAM LLP

Regd. Office at 5-4-187/3 & 4,
II Floor, Soham Mansion, MG Road,
Secunderabad - 500003.

Subject : Notice for Termination of Joint Development Agreement cum General Power of Attorney Dt.21/12/2019 vide Doc. No. 13206 of 2019 due to gross breach of timelines and payment of penal charges & INVOCATION OF ARBITRATION for resolution of disputes.

Reference : 1. Joint Development Agreement cum General Power of Attorney Dt.21/12/2019 vide Doc. No. 13206 of 2019
2. Supplementary Joint Development Agreement Dt.15/07/2021 vide Doc. No. 7609 of 2021.
3. Lr. No. 12159/P4/Plg/HMDA/2008 Dt.18/12/2020 issued by HMDA.
4. Building Permit Order vide File No. G1/BP/874/2021 Dt.23/04/2021.
5. Arbitration O.P.No.36 of 2025 on the file of III Addl. Chief Judge, City Civil Court, Hyderabad.

Dear Sir,

The present Legal Notice is being issued under the instructions and authority from our client - **Mr. Sriramoju Sambeshwar Rao** S/o. S. Ramabrahmam, aged about 62



years, Occ: Business, R/o. Flat No.903, LH-5, Lanco Hills Apartments, Near Delhi Public School, Manikonda, Hyderabad – 500089.

Our client states as under –

1. That he is the absolute owner and possessor of Ac.0-31.5Gts, forming part of Sy. No. 27, Pocharam Village, Ghatkesar Mandal, Medchal District (hereinafter referred to as “**Said Property**”), having purchased the same vide Registered Sale Deed Doc No. 12620/2006 Dt.09/09/2006, registered on the file of SRO-Ghatkesar.
2. That he along with others, also acquired jointly an extent of Ac.1-28Gts vide Document No.12451/2006, Dt.07/08/2006 registered on the file of SRO-Ghatkesar. He further states that, your Company, claiming to be a reputed developer approached our client and other similarly situated landowners and offered to develop the composite extent of Ac.2-19.50Gts, i.e., our client’s extent of Ac.0-31.50Gts clubbed with the said extent of Ac.1-28Gts belonging to neighbouring landowners.
3. Thereafter, your Company, after conducting its due diligence, and looking at the prospects of the land to be extremely suitable for the project, had initially entered into a Memorandum of Understanding Dt. 24/05/2018 (MOU) with our client, with the intention to lock-in his land along with neighbouring lands admeasuring to a composite extent of Ac.2-19.5Gts, for the purpose of developing a high rise residential apartments/flats consisting of 10 floors and divided into 3 Blocks. This MOU was subsequently superseded by the execution of two separate “Joint



Development Agreement cum General Power of Attorney" documents, one for the extent of our client, i.e., Ac.0-31.50Gts and another for the remaining extent of Ac.1-28Gts belonging to other landowners.

4. Accordingly, your Company executed a registered Joint Development Agreement cum General Power of Attorney, in respect of Ac.1-28Gts vide Doc. No. 13207/2019 Dt.17/09/2019 with specific terms and conditions for development of the said project. Likewise, on similar terms and conditions, your Company drew up another draft of Joint Development Agreement cum General Power of Attorney and shared the same with our client to execute the same for his independent extent and the same was accordingly executed vide Registered Document No. 13206/2019, Dt.21/12/2019 (Hereinafter for the sake of brevity referred to as "JDA").
5. The following clauses of the JDA are to be noted as the same govern the rights and obligations of the parties:
 - a. **Clause 6** - It is agreed between the parties to share the flats to be developed by your Company, in the ratio of 36:64, that is 36% of the total flats proposed to be constructed shall be to the share of the landowner (our client) and the remaining 64% shall be to the share of the developer.
 - b. **Clause 7** - It is categorically stated that the owner (our client) is not liable to pay any amount to the developer (your Company) for development of his share of flats and delivery thereof to him.



- c. **Clause 11** – It is mutually agreed and covenanted by your Company that the construction shall be of ‘first class quality’ as per the specifications agreed under the JDA and annexed there to. Under the very same clause 11, it is also categorically covenanted that the quality of construction of the flats, either falling to the share of your Company or our client shall be uniform and similar.
- d. **Clause 21** – That your Company shall be responsible for obtaining the necessary permissions from the competent authorities and in this regard, it is your Company which was empowered through a special power of attorney. It is also specifically agreed under the said clause 21 that your Company undertook to obtain the sanction/building permission within 3 months from the date of execution of the JDA.
- e. **Clause 38** – For easy reference, the entire clause 38 is extracted as below – *“That the Developer hereby undertake and agree to construct the Flat(s) and deliver to Owner their share of Flat(s) within 42 months from the date of receipt of sanction / permission for construction from appropriate authorities. The Developer proposes to divide the Housing Complex into 3 blocks namely block A, block B and block C. The Developer proposes to complete the construction of Block A within 24 months from receipt of permit for construction and other blocks in 33 and 42 months respectively, subject to 6 months grace period. The Developer assures the Owner that there will not be a time over run of more than 6 months in handing over the*



agreed area except for reasons beyond its control (such as any natural calamities, abrupt change in Government Policies, unexpected shortage of materials, etc.). The Owner agrees for such grace period of 6 months. In case of delay beyond the time stipulated, except for reasons beyond control (i.e., force majeure event), the Developer will pay the Owner a sum of Rs. 7/- per Sft for every month of delay, for the area of each flat that has not been completed/handed over to the Owner. In the unlikely event of the Developer not being able to complete construction of all the Flat(s) falling to the share of the Owner, after a period of 48 months from the date of building permit, then the parties herein agree that the Developer shall in lieu of Flat(s) to be given to the Owner provide fully constructed Flat(s), that have not been sold, of equivalent size, from its share to the Owner. However, such an exchange / swap shall be on mutually agreed terms."

- f. **Clause 56** – The parties had specifically agreed to refer all their disputes and differences to be resolved by way of arbitration. The parties have also categorically agreed to subject themselves to the exclusive jurisdiction of the courts at Hyderabad alone for all matters arising out of or in connection with the JDA. The same is extracted as follows –

"Clause 56 – All the disputes or differences between the Owner 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 Owner 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."

6. With the above backdrop of the relevant clauses extracted from the JDA, it is pertinent to note that your Company made an application for building permission and accordingly, after the said application was processed, the HMDA, approved the technical drawings and issued a Letter on 18/12/2020 vide Letter No. 12159/P4/Plg/HMDA/2018. Therefore, the timelines agreed under the JDA for completion of the project and handing over the share of the landowner shall be calculated from the said date of 18/12/2020.
7. Therefore, taking the same into consideration, as agreed under Clause 38 of the JDA, your Company ought to have completed the project by 18/12/2024, i.e., 42 months + 6 months grace period from the date the permission is obtained. However, it is a fact borne by record, that, currently as on date, Block A that was promised to be completed within 24 months, from the date the permission was obtained, is itself not completed. Further, Blocks B and C have not even commenced as on date and the same was promised to be completed in 33 and 42 months respectively, as can be seen in Clause 38 of the JDA.
8. Our client further states that, even in respect of the flats constructed in Block A, the progress in construction of your Company's share of flats, is at a much more advanced stage as compared to our client's share of flats, and our client has collected photographic evidence to record such disparity between the completion



of construction between your Company's Flats and the Flats fallen to our client's share. Such a disparity in the progression of construction between our client's flats (including with the other Landowners' Flats) and your Company's flats is squarely in breach and violation of clause 11 of JDA.

9. Our client states that he had on several occasions, made several attempts to approach your Company for seeking redressal of the aforementioned issues and also to take an update as to the manner in which your Company intends to comply with the timelines agreed under the JDA. However, all such attempts were futile and your Company, in order to pre-empt our client and other similarly situated landowners from raising any claims, caused legal notices on false pretexts and irrelevant grounds.
10. All such frivolous notices were suitably responded by our client, and our client also issued a Legal Notice dated 28/05/2024, demanding your Company to pay penalty of Rs.69,37,280/-, in terms of Clause 38 for the delay that has already been caused.
11. Our client further states that, your Company tried to take shelter under several frivolous reasons which are inconsistent and unconnected with the project for the purpose of pre-emptively finding excuses for not being able to comply with the timelines under the JDA. The fact remains that all such frivolous contentions that have been raised by your Company in your legal notices for setting up an excuse in horribly breaching the timelines under the JDA, have been properly addressed



and answered in the 'Reply Legal Notices' that have been issued by our client through its legal counsel.

12. Since your Company is supposed to complete the construction of Block A on or before the expiry of 24 months from the date of permission, which expired on 17/12/2022, and as the same is not yet completed, there is a considerable delay of more than 26 months till date, and the same continues till the date our client's share of completed Flats are handed over.
13. Therefore, as per clause 38 of the JDA, your Company is liable to still complete the construction and deliver 38,700 Sq. Feet towards our client's share of Flats in Block A. Therefore, as this is not complied even as on date, our client is unequivocally entitled for the remedies provided under Clause 38 of the JDA including the claim of penalty @ 7/- per Sft and swapping of your share of completed Flats with our client.
14. Furthermore, in respect of Blocks B & C, the construction did not commence even as on date and therefore, your Company is in material breach of the JDA in so far as Blocks B & C are concerned. Therefore, our client, is hereby constrained to issue the present notice to terminate the "Joint Development Agreement cum General Power of Attorney" Dt.21/12/2019 vide Doc. No. 13206 of 2019, including his specific and categoric intention to terminate the 'GPA Powers' granted under the said JDA, thereby rendering any representation of our client by your Company to be henceforth without authority and hence illegal.



15. Our client further states, that, in terms of protecting his rights under Clause 38 of the JDA, and in terms of the dispute resolution clause agreed at Clause 56, he invoked Arbitration and approached the Hon'ble II Addl. Chief Judge, City Civil Court, Hyderabad by filing an application under Section 9 of the Arbitration & Conciliation Act, 1996 for suitable interim reliefs to protect the substratum i.e., your Company's share of Flats which can be utilised for 'swapping' under Clause 38 of the JDA. The said Section 9 Application is pending adjudication, and the Hon'ble Court was pleased to grant an interim order of "Status Quo" in favour of our client, against your Company in respect of your share of Flats in Block A of the Project. The said Interim Order is extended again on 04/04/2025 until 17/04/2025.
16. In the light of the above breaches committed by your Company, our client hereby issues the present Legal Notice to terminate the Joint Development Agreement cum General Power of Attorney Dt.21/12/2019 vide Doc. No. 13206 of 2019, including the GPA Powers granted at Clause 26.
17. Accordingly, in terms of Clause 56 of the JDA Dt.21/12/2019, our client, for the purpose of getting the pending dispute adjudicated, including for the remedy of enforcing Clause 38 under the JDA, hereby nominates - "**Justice Kongara Vijayalakshmi**" (Retd. High Court Judge) as its nominee Arbitrator. (Address for service Plot no 9/B, Road No 7, Film Nagar, Hyderabad. Pin- 500096).
18. Our client calls upon you, to notify any conflict with the above-named Arbitrator, and our client hereby declares he has no conflict of interest with the said nominee arbitrator, and she is neutral and unrelated to our client. You are hereby called



upon to respond to this Notice within "7 days" from the date of its receipt, nominating your arbitrator, so that our client can declare any conflict of interest. The said nominee Arbitrators shall then appoint the Presiding Arbitrator, and the arbitration process can commence after the tribunal is formed. In the event your company fails to respond to this Notice, or disputes the invocation of Arbitration, our client will be constrained to take the necessary legal recourse for appointment of Arbitrators under Section 11 of the Arbitration & Conciliation Act, 1996 to get the matter / dispute referred to Arbitration.



Sravan Unnam
Managing Partner
Unnam Law Firm & Associates

A copy of this Notice is retained for our record.