

Note on Ramky – Agreement of sale

Date: 19.07.2013

General Considerations

1. Rajesh Kadakia (RJK) & Sharad Kadakia (SJK) need to finalize name of purchaser. There will be a loss of 5% of stamp duty paid for registration of agreement of sale in case of change in name.
2. 1% loss in making AOS instead of sale deed – can it be shared equally?
3. In case of cancellation who bears the loss of 6% stamp duty and registration charges paid for AOS.
4. Instead of measuring the premises Acad working drawings can be provided and area can be verified from it. An engineer can be sent by Modi Properties for a superficial verification. This area can be accepted as final (in case there is no significant discrepancy between working plans and measurement at site).
5. Ramky to provide parking plans and mark out parking being allotted in the AOS. Details of undivided share of land is also required.
6. RJK & SJK are not physically present. How do they execute the AOS?
7. Can RJK & SJK pay the Rs. 10 crores at the time of executing the AOS and the AOS registration can be done within 30 days of execution. Is it advisable?
8. Can we add that the saleable area and leasable area shall be equal for the purposes of rate of sale and rate of lease?
9. In case of failure of vendor to find a tenant, purchaser can still exercise its right to purchase the premises. Time frame?
10. Can purchasers be given an option for first right of refusal to buy additional parking?
11. Details of expenses incurred towards building maintenance by Ramky to be provided annually. Ramky to maintain building for __ years. Ramky to form association for maintenance after __ years.
12. Rent free period. Sale deed to be executed after rent free period?
13. In the event of cancellation of agreement - financial implication? Buyer shall have lean on the property till refund of agreed amount.
14. Can the public notice be immediately published.

Additions and alterations to AOS.

1. Add purchaser and its nominees i.e., sale deed can be executed in favour of any nominees.
2. Withholding an advance of say 5%, purchasers may be permitted to execute sale deed for part areas at the rate of agreed consideration to enable purchasers to avail finance against rent discounting. This option shall be exercised in case financial institution requires it. This point may arise after leasing the premises.
3. Mention that 2.75 crores has been paid and Rs. 10 crores is being paid at the time of executing the AOS. Purchasers can pay additional amounts to Ramky on mutual agreement and Ramky will pay interest as agreed.
4. Interest rate is now fixed at 12.5% per annum.
5. Add that any amendment to the AOS can be made in writing the signature of both the parties (to be read as addendum to the AOS).
6. Mention in clause 1.2 that rate includes car parking.
7. Purchasers to pay balance consideration (50% of sale consideration less 13.75 crores already paid) within 60 days of this AOS.
8. Balance 50% consideration to be paid within 60 days of executing lease for the entire area.
9. Clearly mention amount paid and interest payable in numbers. Add TDS can be deducted.
10. Buyer is not to pay maintenance charges till premises is leased out and sale deed executed in favour of purchasers.

Other considerations

1. Is an indemnity for curing defects, minor errors, missing documents required from Ramky and /or Shiram. It may be required for subsequent sale. It may be better to make the indemnity as annexure to the AOS.
2. Notes given by RJK / SJK to be considered.