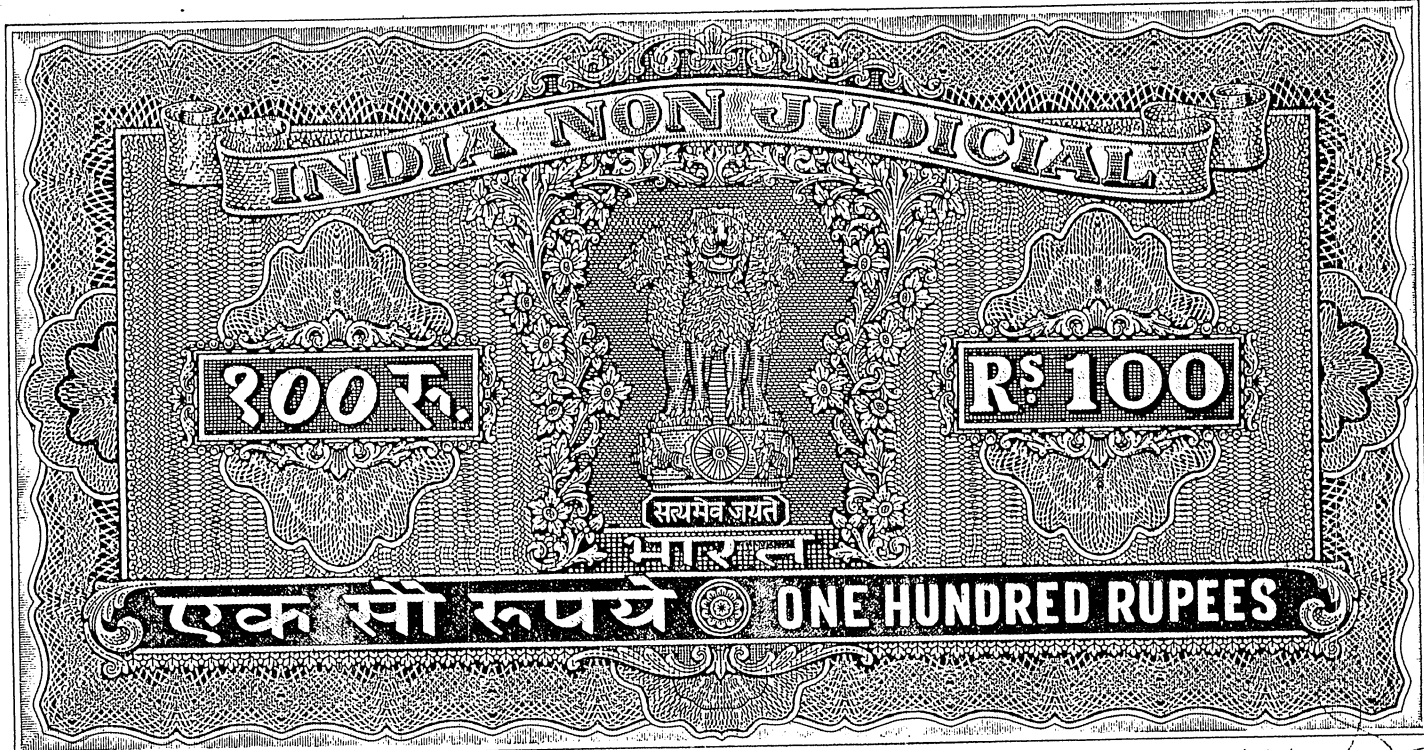




S. No. 537 No. 100/- Date 07/10/97 59695

S. No. To Srinivas

S/o. V. N. Simha

AP 23 ID

For Whom Ilyas mohammad Khan & others Hyd. bad.
S/o late Dost mohammad Khan

M.V.

CHENNAI

AGREEMENT

THIS AGREEMENT is executed at Hyserabad on the 11th day of OCTOBER 1997 by and between:

1. Modi Builders Methodist Complex, a partnership firm, having its office at 5-1-32, R.P. ROAD, SECUDERABAD, represented by its partners Mr. SURESH BAJAJ and Mr. SATISH MODI (hereinafter referred to as MBMC.)

which expression shall mean and include its heirs successors in office, legal representatives, administrators, and assigns on the one part.

AND

1. Mr. ILYAS MD. Khan, Age 39 yrs, S/O. Late DOST Md. KHAN R/o. 404, Mount Nasir, Saifabad, Hyderabad hereinafter referred to as the, and

2. T. SATYANARAYANA, age 30 yrs, S/o. T. SHESHATALPAM, R/o. Kompally, R.R. district. (hereinafter jointly referred to as the II party)

which expression shall mean and include its heirs successors in office, legal representatives, administrators, and assigns on the other part

Ilyas Khan

Satish Modi

Satish Modi

S. S. S. S.

WHEREAS;

A. By a Development Agreement dated 9th January, 1981, made and entered into between the METHODIST CHURCH IN INDIA (the Church) as the Owner and Modi Builders as Modi Builders the Church had given to Modi Builders the right to develop the property bearing No.5-9-189/190, situated at Abid Road, Chirag Ali Lane, Hyderabad, hereinafter referred to as the said property on the terms and conditions contained in the said Development Agreement.

B. A building known as Methodist Complex which consists of basement, ground floor and four upper floors was constructed under the said agreement.

C. Under the aforesaid agreement, Modi Builders has a subsisting right to construct additional areas on the building Methodist Complex. It is estimated that new construction can be put up above the existing building presently consisting of basement, ground floor and four upper floors. The additional construction which can be made is referred to herein as New Construction.

D. Modi Enterprises is the sole tenant of the entire building Methodist Complex having got its rights of tenancy under an agreement with the Church, registered as document No.686/90 on 19/4/1988, with the registrar of Hyderabad.

E. The rights of Modi Builders and Modi Enterprises now vest in MBMC.

F. MBMC has the right of tenancy on the New Construction as and when it is constructed.

G. Under the said agreement, MBMC has the right to transfer its rights of tenancy in the whole or any part of the building to any persons of their choice on such terms and conditions as it may deem fit and proper without any notice to the Church or taking permission to do so.

H. As envisaged in agreement dated 09/01/1981, MBMC handed over 5,000 Sft to the Church. The Church is further entitled to additional area as per clause 12A of agreement dated 09.01.1981 and clause B of agreement dated 19.4.88 for its own use from any New Construction that MBMC constructs.

I. MBMC was desirous of undertaking further construction in the said building.

J. The II PARTY is experienced in the field of construction and liaison work required to obtain necessary sanctions from appropriate authorities to put up New Constructions.

K. The II party was desirous of taking up contract of the New Construction. ~~MBMC~~ was also desirous of taking up tenancy of a part of the New Construction.

L. The II party is aware and satisfied with all the documents relating to the said building including the court decree of cases filled by MBMC/Modi Builders against the MCH. the II party shall not raise an objection on this count in the future.

M. After negotiations it was agreed between the parties that MBMC shall give the contract of construction of the New Construction to the II party on their behalf and in consideration thereof shall grant him tenancy rights on a part of the New Construction and that all such transactions shall be according to the terms hereunder.

N. The parties hereto had mutually entered into an oral agreement on 15.3.96, and in order to avoid future disputes, the parties have today

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decided to reduce their arrangement to writing.

WITNESSETH;

WITH RESPECT TO CONSTRUCTION :

1. The II party shall undertake construction of the New Construction on the existing building known as Methodist Complex for and on behalf of the Lessor.
2. The New Construction shall consist of upto 3 additional floors of app.2000 to 10000 sq.ft.each.
3. The II party shall be solely responsible for obtaining the necessary permission for the construction of the New Construction from all statutory authorities including Municipal Corporation of Hyderabad at His own cost. However, the II party shall be entitled to seek any benefits in lieu of the land surrendered by the Developer for road widening for which the Developer has not claimed any compensation.
4. The II party shall undertake construction of the New Construction for and on behalf of the Developer at his own cost and expense.
5. The II party will provide all infrastructural facilities for electrical supplies water supplies and drainage etc. for the new construction at his own cost.
6. MBMC shall sign necessary forms and applications and the like for obtaining permissions, sanctions or for relaxation of by-laws of the Municipal Corporation of Hyderabad, the Government of Andhra Pradesh or any other relevant authority.
7. All the costs and expenses for obtaining permissions, relaxation, sanctions including fees, all expenses for construction including all labour and material shall be borne by the II party solely.
8. If the II party fails to obtain the necessary statutory permissions, relaxation from, the concerned authorities within 24 months from the date of this agreement, this agreement shall automatically stand cancelled irrespective of the amount of construction already done by the II party or the amount spent by him and the II party shall automatically cease to have any rights hereunder. The Developer shall not be liable for any loss or damage caused by the II party.
9. The II party shall complete the New Construction within 24 months from the date of this agreement. If he fails to complete the construction of the New Construction within 24 months hereof, then this agreement shall automatically stand cancelled irrespective of the amount of construction already done by the II party or the amount spent by him and he shall automatically cease to have any right hereof. MBMC or Modi Enterprises shall not be liable for any loss or damage caused by the II party.
10. The II party shall give a notice in writing to MBMC after completing the New Construction in all respects, according to the specifications as per clause no.14 hereunder.
11. In the event of the agreement getting cancelled under either of the aforesaid clauses (i.e. clause no.8 & 9), any structure or construction put up by the II party shall vest and continue to vest with MBMC and the II party shall have no right to claim any amounts, damages or towards any loss or expense etc. put up by him.
12. The terrace rights after the New Construction is completed shall remain exclusively with MBMC. All rights for future development after this

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period of 24 months shall solely remain with MBMC and the II party shall claim no rights on them whatsoever. All rights on any construction put up after the period of 24 months shall remain exclusively with MBMC.

13. The II party shall not deviate from the plan proposed to be sanctioned by the MCH.

14. The II party shall ensure that the elevation of the New Construction shall be similar to that of the rest of the building. Also, other specifications like grey mosaic flooring for the office areas, good quality marble for lobbies and common areas, teak wood doors shutters and frames, aluminum windows, bathrooms electrical wiring etc. should be similar to what has been provided in the rest of the building at the time of its construction.

15. The II party shall extend one of the existing lifts to the upper floors at his own cost. The other lift will continue to belong exclusively to MBMC.

16. It is clearly understood that the II party shall have the rights of only the Licensee for construction of the premises and he shall not have the right in excess thereof. Possession of the entire property including the New Construction shall remain and be considered to have remained with MBMC solely, until the New Construction is completed in all respects as per clause no.10 hereinabove and subject to clause no.23 hereunder.

17. That the II party shall indemnify MBMC at all times against all claims in respect of any violations made in any of the terms and conditions of this agreement.

18. All liabilities, penalties etc., that may arise in case of demolition of any part of the New Construction will be borne by the II party exclusively.

19. It is explicitly understood that under no circumstances will the II party claim a refund for any amount spent by him towards construction costs of the New Construction or for obtaining the necessary sanctions for the same.

20. The ownership rights of the New Construction shall at all times remain solely with the Church. However, the tenancy rights on the New Constructions shall solely belong to MBMC and/or its nominees.

WITH RESPECT TO THE LEASE;

21. In consideration of the II party undertaking the New Construction as aforesaid he shall be entitled to a tenancy of 65% of the built-up area from the New Construction, (after deduction area to be given to the church as per clause H of this agreement) hereafter referred to as the leased premises.

22. The demarcations of the area receivable by MBMC and the II party will be done as follows:

a. The area to be given to the church shall be on the first floor of the new construction and shall be situated as desired by MBMC.

b. MBMC shall get 35% of the frontage of the building (after deducting 8 feet for the passage) facing Abids road towards the south-east corner of the building.

c. The II party shall get 65% of the frontage of the building (after deducting 8 feet for the passage) facing Abids road towards the north-east corner of the building.

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23. From the New Construction so done, MBMC shall first deliver possession of the area due to the Church as per clause H of this agreement; it shall then retain the 35% of the balance area.

24. The II party shall be deemed to be a tenant of the leased premises and shall be entitled to possession of its demarcated area automatically after fully completing the entire New Construction in all respects as per clause no.14 hereinabove, and only after the areas belonging to the church and MBMC are retained in a fully constructed manner which shall not be later than 15 days of the above notice of completion cited in clause No.9 hereinabove.

25. The tenancy shall commence after the date New Construction is fully completed and the areas entitled to by the Church and MBMC are taken possession of/retained by them respectively.

26. The II party shall pay to MBMC, throughout the lease period by way of consideration of the lease an amount of Rs.0.10 Per Sq.ft. of super-built up area per month for the leased premises.

27. The Lessee shall be for a period of five years renewable at the option of the Lessee every five years at an increase in rent of 20% on the then existing rent, other terms remaining same. In case the lessee does not intimate his decision to terminate this contract in writing six months before the expiry of the said period, the lease shall be deemed to have been automatically renewed at the terms and conditions mentioned herein.

28. The II party has been given vacant possession of the said premises this day.

29. The II party shall use the premises for lawful commercial purposes only.

30. Besides the above mentioned rent payable by the II party shall be liable to bear and pay all taxes, cess, fees, charges consequential and all other amounts that may be raised, paid or payable to the Municipal Corporation of Hyderabad or any other government, semi-government organisation, or otherwise. The same shall be paid directly to the Corporation etc., or to MBMC, if it is so desires, who shall pay the consolidated sums to the Corporation etc., in respect of the leased premises only.

31. The rent shall be paid by the II party before the fifth day of each calendar month in advance to MBMC or its authorised agent.

32. The II party shall permit MBMC and/or its agent to enter upon the property for inspection and examination of the state and condition thereof.

33. The II party shall be liable to keep the property in proper state and condition and shall not have any right to alter or amend the present structures, shape and condition of the property in a manner that may adversely effect the construction of the entire building or other occupiers of the said building but is entitled to make such additions or alterations or flooring, which do not alter or amend the present structures, shape and condition of the property in a manner that may adversely effect the construction of the entire building or other occupiers of the said building.

34. The II party shall be liable to bear and pay the following towards the leased premises only:

a) Repairs to the property, b) Licence and other fees, c) Electricity

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charges, d) proportionate insurance charges for the insurance of the building e) Maintenance charges @ Rs.0.75 per sq.ft. of built up area per month (Subject to increase from time to time as intimated by MBMC) in case above cited payments are delayed the II party shall be liable to pay interest at the rate of 24% per annum on all such delayed payments.

35. In the event of the II party committing default in any payment or committing a breach or breaches of any other terms and conditions, MBMC shall send a reminder to the II party to rectify the default within 45 days, failing which MBMC shall be entitled to terminate the lease by giving 30 days notice to the II party whether such non-payment or breaches take place within the agreed period of lease or otherwise.

36. The II party shall pay all stamp duty, registration charges and other charges, expenses etc., that may be incurred if any with respect to this agreement and also such other deeds and documents that may have to be executed or other acts and things that may have to be done in future in this regard.

37. The II party shall not do any business connected with liquor, or serve liquor, on the premises.

38. The II party shall be entitled to put up name boards, relating to their business or profession only at the spaces designated by MBMC for these purposes.

39. The II party shall be entitled to use the common services of the building including the lift, staircases. The II party shall be liable to maintain the common areas in good and decent condition, not to throw dirt or refuse therein and help maintain the building in good working atmosphere.

40. Subject to the fulfilment of all their obligations stated herein and after the period the tenancy begins, the II party shall be entitled to assign, transfer, sub_let, and/or give on lease and license (including succession on death), their rights stated herein, on such terms and conditions as they deem fit to any person, so however that such transferee, shall also be bound by the terms and conditions hereof. For doing this, no further consent of MBMC or the owners shall be needed.

41. The transferees/assignees of the II party as mentioned above shall have the same rights and obligations as the II party has mentioned herein.

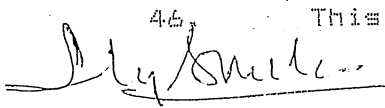
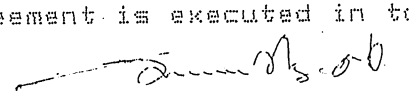
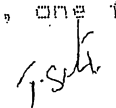
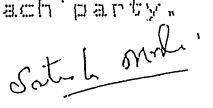
42. That, in case of cancellation of the tenancy agreement between the MBMC and the Owner, this agreement shall continue to be in force and the II party and/or his sub-tenants shall have the right to enjoy the premises they have contracted and in such an event, their obligations will be towards the Owner.

43. MBMC shall have the right to carry on further construction on or in the said building as also any extension or annex thereto as and when they so desire and the II party shall not object or create hindrance and shall extend all co-operation to MBMC thereof.

44. All disputes with respect to this agreement and all the transactions that follow, if any, shall be referred to the Arbitrator of a mutually acceptable person failing which to a panel of two Arbitrators, one of whom shall be appointed by each party hereto. The decision of the Arbitrator shall be final and binding on all parties.

45. This Agreement shall be subject to the jurisdiction of the courts at Hyderabad only.

46. This agreement is executed in two originals, one for each party.

SCHEDULE OF PROPERTY

The terrace atop the 4th floor of "METHODIST COMPLEX", bearing m.no.5-9-189/190, Abids Road, HYDERABAD, and bounded as follows:

NORTH: LENAINE ESTATE

SOUTH: CHIRAG ALI LANE.

EAST : ABIDS ROAD

WEST : BRINDAVAN COMPLEX

In witness whereof both the parties have executed this agreement in presence of the witnesses mentioned hereunder:

WITNESSES:

1.

2.

LESSOR:

1.

2.

LESSEE:

1.

2.