

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding ("MOU") is executed on this the 10th day of NOVEMBER 2020 ("Execution Date") at Tirupur, Tamil Nadu.

BETWEEN:

Velan Hotels Limited, a limited liability company registered under the Companies Act 1956, (PAN No. AAACV8449H) having its registered office at No.41, Kangayam Road, Tirupur - 641 604, Tirupur Taluk and District, represented by its Executive Director Mr. Gautham Muthukumara Ramalingam authorised vide board resolution dated 20.10.2020 (hereinafter referred to as "**Owner**", which expression shall, unless repugnant to the context or meaning thereof, be deemed to include his legal heirs, executors, administrators, successors and assigns); of the **FIRST PART**; AND

Avenue Supermarts Limited, a limited liability company registered under the Companies Act 1956, (PAN No. AACCA8432H) having its registered office at Anjaneya, Opp: Hiranandani Foundation School, Mumbai 400 076 represented by its Authorised Signatory Mr. Jude Fernandez (hereinafter called as "**Purchaser**", which expression shall unless repugnant to the context or meaning thereof mean and include its nominees, successor or successors in interest and assignees, executors and administrators). of the **SECOND PART**.

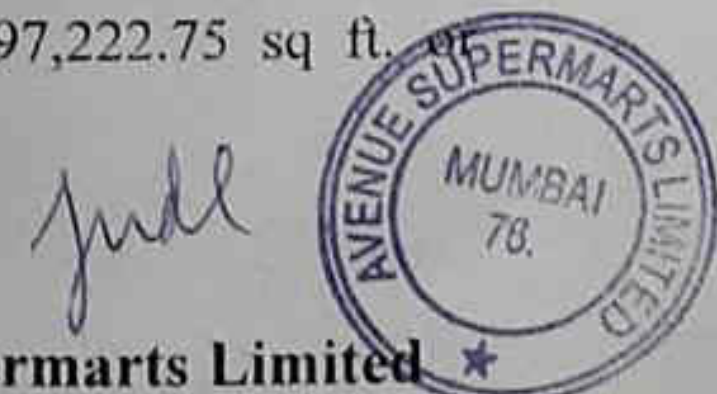
The terms 'Owner' and 'Purchaser', shall be collectively referred to as "Parties" and individually as "Party".

WHEREAS:

- A. By Sale Deed dated 5.3.2012 registered as document no. 5401 of 2013 with SRO Joint II Tirupur, the Vendors therein sold, conveyed and transferred unto the Owner (the Vendee therein) all that piece and parcel of land bearing an extent of 49,400 sq ft or 4,591 sq.mtr. of land in S.F. No. 43, new T.S. no. 3/3B and 3/4B (Old T.S. No. 3/3, 3/4), Block No. 3, Ward G, in Tirupur Village, Tirupur Taluk and which is more fully described in "**Schedule A (Part A)**" hereunder and shown in red colour outline on the plan being **Annexure 1** hereto.
- B. The Owner has represented to the Purchaser that the Tirupur Corporation ("Corporation") granted the building License No. Na.Ka.E.10/Ka.vi/111/06(F2) and approved plan for building no. Ni./Mu/R/D/R.1177/2006 and accordingly the predecessor title holder had constructed the Building consisting of Semi Basement floor 19502 sq ft, Ground Floor 19,502 Sq.ft, First Floor 19,022 Sq.ft, Second Floor 19,022 Sq.ft, Third Floor 19,022 Sq.ft and Head Room/Terrace Floor 951.50 totally admeasuring 97,222.75 sq ft.



Velan Hotels Limited
Velan Hotels Limited
 Executive Director



Jude
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9,035.57 sq mtr constructed on Schedule A (Part A) Property which is more fully described in "Schedule A (Part B)/Building" hereunder and shown in green colour outline on the plan being Annexure 1 hereto which was sold, conveyed and transferred and to the Owner (the Vendee therein) by Sale Deed dated 5.3.2012 registered as document no. 5401 of 2013 with SRO Joint II Tirupur.

- C. By Sale Deed dated 5.3.2012 registered as document no. 915 of 2012 with SRO Joint II Tirupur, the Vendors therein sold, conveyed and transferred unto the Owner (the Vendee therein) all that piece and parcel of land bearing an extent of 1 acre 95 cents comprised in the below survey numbers, located in ward G, block no. 3, Kangeyam road, Tiruppur Corporation, Tiruppur Taluk, Tiruppur District:

Old S.F. No.	Old T.S. No.	New T.S. No.	Extent (Sq. Ft.)
35, 36, 41 and 43	4/4 part	4/4B	49,502
	4/5 part	4/5A	7,402
	4/6 part	4/6A	5,193
	5/1A part	5/1A2	3,941
	4/3	4/3	3549
	4/7 part	4/7A	3,602
	4/2 part	4/2B	946
	3/3A part	3/3A2	5324
	3/4A part	3/4A1	5504
	Total		

which is morefully described in "Schedule A (Part C)" hereunder and shown in blue colour outline on the plan being Annexure 1 hereto.

The Schedule A (Part A), Schedule A (Part B) and Schedule A (Part C) properties are hereinafter collectively referred to as "Schedule A Property".

- D. After purchasing the Schedule A Property, the Owner had mortgaged the same in favour of Allahabad Bank and Andhra Bank under the following documents:
- 1) Memorandum of deposit of title deeds dated 21.3.2011 registered as document no. 1920 of 2011.
 - 2) Memorandum of deposit of title deeds dated 21.6.2012 registered as document no. 2511 of 2012.
 - 3) Supplemental memorandum of deposit of title deeds dated 27.6.2013 registered as document no. 2733 of 2013.
 - 4) Memorandum of deposit of title deeds dated 18.12.2013 registered as document no. 5590 of 2013.
- E. The Owner defaulted in repaying the debts and the said banks had issued demand notice and possession notice under Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002.

For Velan Hotels Limited

 Executive Director

Velan Hotels Limited

For

 AVENUE SUPERMARTS LIMITED
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- F. After taking /possession of the Schedule A Property, the said banks had assigned the loan account of the Owner and the security interest over Schedule A Property in favour of Rare Asset Reconstruction Limited (Formerly Raytheon Asset Reconstruction Private Limited) vide two assignment deeds dated 29.03.2017 registered as document No 3506/2018 and 31.03.2017 registered as document No 3505/2017.
- G. As on date, the Schedule A Property is currently mortgaged in favour of Rare Asset Reconstruction Limited) ("ARC") and the said ARC has symbolic possession of the Schedule A Property.
- H. Subject to the aforesaid mortgage, the Owner herein represents and warrants that it is the absolute owner of the Schedule A Property.
- I. The Purchaser is in the business of setting up and running multi-brand departmental stores / supermarkets / hypermarkets etc.
- J. At the request of the Purchaser and for the purpose of its business the Owner agreed to sell unto the Purchaser the **Schedule B- Property** (as defined below) being:
- All that piece and parcel of land bearing an extent of 49,400 sq ft or 4,591 Sq. mtr of land in S.F. No. 43, new T.S. no. 3/3B and 3/4B (Old T.S. No. 3/3, 3/4)Block No. 3, Ward G, in Tirupur Village, Tirupur Taluk together with Building consisting of Semi Basement floor 19,502 sq ft, Ground Floor 19,502 Sq. ft, First Floor 19,022 Sq. ft, Second Floor 19,022 Sq. ft, Third Floor 19,022 Sq. ft and Head Room/Terrace Floor 951.50 sq. ft totally admeasuring 97,222.75 sq ft. or 9,035.57 sq mtr, 47 number of exclusive/earmarked parking spaces (30 in basement and 17 on ground) constructed on Schedule A (Part A) Property which is more fully described in Schedule B- part A hereunder; and;
 - 35,000 sq ft of land out of all that piece and parcel of land bearing an extent of 1 acre 95 cents comprised in the below survey numbers, located in ward G, block no. 3, Kangeyam road, Tiruppur Corporation, Tiruppur Taluk, Tiruppur District:

Old S.F. No.	Old T.S. No.	Extent (Sq. ft)
35, 36 & 41	4/2B	946
	3/4A1	5504
	3/3A2	5324
	4/7A	3396
	4/6A (Part)	3921
	4/3	3549
	4/4B (Part)	12360
	Total	35000

which is more fully described in Schedule B- part B hereunder. The Schedule B Part A and Schedule B -Part B properties are hereinafter Collectively referred to as "**Schedule B**

Property"
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 Executive Director
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- K. The Purchaser intends to purchase the afore mentioned which is fully described in Schedule B hereunder, subject to certain conditions herein, for the purpose of its business and shown in yellow colour outline on the plan being **Annexure 2** hereto. The Purchaser intends to convert/use the property mentioned in Schedule B (Part B) [item (ii) above] as parking area for its business.
- L. The Owner approached the Purchaser and offered to sell the Schedule B Property and relying upon the representations of the Owner, the Purchaser has agreed to purchase the Schedule B Property, subject to the terms and conditions detailed hereunder.
- M. The Owner has represented & confirmed that the Owner has received approval from the ARC to go ahead with the transaction and accordingly the Purchaser has decided to proceed on the said transaction.
- N. The Parties deemed it fit to reduce their understanding in writing and hence to execute this MOU recording the terms and conditions of sale of Schedule B Property by Owner in favour of Purchaser.
- O. The Parties hereto confirm that the recitals of this MOU forms part and parcel of the operative part of this MOU and shall be read accordingly.

NOW IT IS AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:

1. INTERPRETATION:

- 1.1. The descriptive headings of the Articles and Clauses are inserted solely for convenience of reference and are not intended as complete or accurate descriptions of content thereof and shall not be used to interpret the provisions of this MOU;
- 1.2. The use of words in the singular or plural, or with a particular gender, shall not limit the scope or exclude the application of any provision of this MOU to any person or persons or circumstances as the context otherwise permits;
- 1.3. The terms "hereof", "herein", "hereto", "hereunder" or similar expressions used in this MOU mean and refer to this MOU and not to any particular Article/Clause of this MOU;
- 1.4. The schedules or annexure annexed to this MOU shall form an integral part of this MOU.

2. CONSIDERATION:

- 2.1. The Owner do hereby agree to sell unto the Purchaser and Purchaser does hereby agree to purchase from the Owner (i) Part A of B scheduled property for consideration of **Rs.26,25,00,000/- (Rupees Twenty Six Crores Twenty Five Lakhs Only) in lumpsum,** and (ii) Part B of B scheduled property for the tentative consideration for **Rs.9,18,75,000/- (Rupees Nine Crore Eighteen Lakhs Seventy Five Thousand Only)** aggregating to total tentative sale consideration of B Scheduled property for

For Velan Hotels Limited

Velan Hotels Limited
 Executive Director



Avenue Supermarts Limited

Rs.35,43,75,000/- (**Rupees Thirty Five Crores Forty Three Lakhs Seventy Five Thousand Only**) ("**Sale Consideration**"; subject to compliance of obligations and covenants contained herein. The Owner hereby agrees and undertakes to convey, by way of absolute sale, the Schedule B Property to the Purchaser and/or to its nominee/s or assignees, together with all easements, appurtenances, estate, right, approvals, title, interest, property, claims and demands whatsoever thereto, belonging to the Schedule B Property, free from security interest in favour of the ARC and all encumbrances, attachments, charges and any other claims whatsoever; and subject to the fulfilment of the obligations as provided hereunder, the Purchaser hereby agrees and undertakes to purchase from the Owner the Schedule B Property, in the manner hereinafter set forth.

2.2. The Sale Consideration for the Schedule B Property shall be paid by the Purchaser to the Owner and ARC on behalf of the Owner in the following manner:

a. **Rs. 5,00,000/- (Rupees Five Lakhs Only)** being the earnest money deposit paid by the Purchaser to the Owner by way of Cheque ("**Advance Amount**") as mentioned in the receipt hereunder, on execution hereof (the payment and receipt whereof the Vendor does hereby admit and acknowledge and of and from the same and every part thereof do/does hereby acquit release and discharge the Purchaser forever).


b. **Rs.30,38,75,000/- (Rupees Thirty Crores Thirty Eight Lakhs Seventy Five Thousand Only)** shall be payable upon full compliance of all the obligations under Clauses 4.1 to 4.11 hereof being complied with by the Owner; and simultaneously upon execution and registration of Sale Deed in respect of the Schedule B Property by Owner and ARC in favour of Purchaser.

c. **Rs. 5,00,00,000/- (Rupees Five crore Only)** being the balance payable upon execution and **registration** of the Sale Deed and upon full compliance of all the obligations under Clauses 4.13 and hereof being complied with by the Owner.

2.3. The Parties agree that the payment obligations will arise only when the relevant / applicable conditions or obligations are complied / discharged by the Owner.

2.4. At the discretion of the Purchaser and subject to the arrangement between the Parties herein and the ARC on settlement of dues, if any, any or all part of the Sale Consideration may be paid to the ARC directly in order to release the charge on the Schedule B Property. Any payment made to the ARC shall be deemed to be made to the Owner and the Owner shall accordingly, comply with the terms of this MOU and convey the Schedule B Property to the Purchaser.

3. The parties do hereby agree, record and confirm that the recitals setout hereinabove shall form an integral part of this MOU and wherever the context so requires, the same shall constitute, be construed and be deemed to form a part and parcel of the operative part hereof.


Executive Director,
Velan Hotels Limited




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4. Before the payment of the part Sale Consideration to be received under Clause 2.2(b) the Owner shall:
- 4.1. Co-operate with the Purchaser and / or its nominees, representatives or advocates/solicitors by answering their queries and requisitions, by furnishing them with such other documents as may be sought by them and by attending to their requests for clarifications on any other issues or otherwise, identified during the course of due diligence of Schedule A Property, diligently, at the earliest point of time, i.e., not later than seven (7) days from the date of such request and assist in completion of diligence.
- 4.2. Ensure performance of all such acts or deeds which may arise or as required by the Purchaser or by its nominees, representatives or attorneys while verifying the title of the Owner or while carrying out due diligence on the Schedule A Property. Unless mutually agreed by the parties in writing for extension of time, failure on the part of the Owner to revert with inputs/clarifications, so desired by the Purchaser or their Attorneys, within seven (7) days from the date of such requisition would entitle the Purchaser to terminate this MOU, at its option, construing the said delay on the part of the Owner, as sufficient cause for termination. Notwithstanding anything in this MOU, the Owner shall comply any other conditions as may be prescribed or imposed by the Purchaser in pursuance of the due diligence (legal or technical) over the Schedule A Property.
- 4.3. Allow the Purchaser /its authorized representatives, employees or agents to have access into Schedule A Property and to conduct or carryout Digital Topographical Survey, soil feasibility/environmental study therein and to issue Public notice in any newspapers or journals disclosing the intention of the Purchaser to purchase Schedule B Property from Owner. The Owner hereby grants its unconditional and irrevocable consent/permission to the Purchaser to do the aforesaid acts. Without prejudice to other rights or claims, the Owner shall, at its entire costs remove and/or settle the claims and objections, if any received in response to the public notices issued on behalf of the Purchaser in respect of the Schedule B Property.
- 4.4. Give, as and when requested, the inspection of all original title deeds, approvals, documents, plans etc. in respect of the Schedule A Property to the Purchaser and its advocates/Solicitors for investigation of the Owner's title to the Schedule A Property.
- 4.5. At its entire costs get cleared all outstanding estates or taxes if any including but not limited to electricity dues, service connection dues, water tax, property tax and clear all the defects in title, encumbrances and claims to the Schedule B Property by way of sale exchange, mortgage, gift, trust, inheritance, possession, lease, lien, easement or otherwise and deduce the marketable title free from all encumbrances and reasonable doubts to the Schedule B Property. The Owner shall satisfy the Purchaser as regards the title of the Owner to the Schedule B Property and settle all adverse entries in the revenue records or in the records of the Sub Registrar or any other authority in respect thereof. The Owner

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shall satisfy the Purchaser about the title of the Schedule B Property and keep the Purchaser indemnified in that behalf.

- 4.6. Satisfy the Purchaser or its consultants on co-relation between the old survey numbers and sub-divided / new survey numbers for the Schedule B Property and obtain such documents as the Purchaser or its consultants may require in this regard.
- 4.7. Within fifteen (15) days from the Execution Date, affix, install and display at conspicuous places of the Schedule B Property at least three (3) sign boards being 3ft in length and 4ft in breadth in following format:

NOTICE																				
1	Name of the Owner	Velan Hotels Limited																		
2	Description of the Property proposed for sale	<p>(i) All that piece and parcel of land bearing an extent of 49,400 sq ft or 4,591 sqmtr of land in S.F. No. 43, new T.S. no. 3/3B and 3/4B (Old T.S. No. 3/3, 3/4), Block No. 3, Ward G, in Tiruppur Village, Tiruppur Taluk together with Building consisting of Semi Basement floor 19,502 sq ft, Ground Floor 19,502 Sq.ft, First Floor 19,022 Sq.ft, Second Floor 19,022 Sq.ft, Third Floor 19,022 Sq.ft and Head Room/Terrace Floor 951.50 sq. ft totally admeasuring 97,222.75 sq ft. or 9,035.57 sqmtr, 47 number of exclusive/earmarked parking spaces (30 in basement and 17 on ground) and bounded as follows:</p> <p>On the South : Kangayam Main Road On the North : Property belonging to M/s. Velan Hotels Ltd. On the West : Property already sold by Mr. R.V.E. Venkatachala Gounder On the East : 40 feet road</p> <p>(ii) 35,000 sq ft of land out of all that piece and parcel of land bearing an extent of 1 acre 95 cents comprised in the below survey numbers, located in ward G, block no. 3, Kangeyam road, Tiruppur Corporation, Tiruppur Taluk, Tiruppur District:</p> <table border="1"> <thead> <tr> <th>Old S.F. No.</th> <th>Old T.S. No.</th> <th>Extent (Sq. Ft.)</th> </tr> </thead> <tbody> <tr> <td>35, 36,</td> <td>4/2B</td> <td>946</td> </tr> <tr> <td>41</td> <td>3/4A1</td> <td>5504</td> </tr> <tr> <td></td> <td>3/3A2</td> <td>5324</td> </tr> <tr> <td></td> <td>4/7A</td> <td>3396</td> </tr> <tr> <td></td> <td>4/6A (Part)</td> <td>3921</td> </tr> </tbody> </table>	Old S.F. No.	Old T.S. No.	Extent (Sq. Ft.)	35, 36,	4/2B	946	41	3/4A1	5504		3/3A2	5324		4/7A	3396		4/6A (Part)	3921
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For Velan Hotels Limited

 Executive Director,
 Velan Hotels Limited

For
 Avenue Supermarts Limited



		4/3	3549
		4/4B(Part)	12360
		Total	35000

and bounded as follows:

On the North :Property belonging to Velan Hotels Ltd.
On the South : Property belonging to Velan Hotels Ltd.
On the East : 40 feet road
On the West : Property already sold by Mr. R.V.E. Venkatachala Gounder

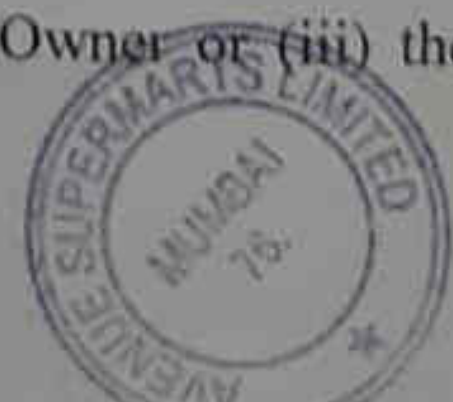
IF ANY CLAIMS PLEASE CONTACT ON 9930691252

- 4.8. Duly and fully settle the lawful, sustainable claims/objections that may be raised in respect of the Schedule B Property or any part thereof by virtue of the aforesaid sign boards. Immediately upon affixation and installation of such sign boards the Owner shall take post card size photographs thereof and shall forthwith provide the same to the Purchaser. The Owner shall ensure that the sign boards affixed and installed on the Schedule B Property as aforesaid shall not be removed, damaged or destroyed by any person or persons. In case of any such incident taking place, the Owner shall immediately inform the Purchaser of the same in writing and reinstate or replace the removed or damaged signboards.
- 4.9. The Owner is fully aware that the Schedule B Property (Part A) is required by the Purchaser to carry on its business of multi brand store/retail commercial wherein it is a place for public visit and hence the Owner hereby confirms and assures that the Building has been constructed in such a manner that it bears the load requirement for commercial area. The Purchaser shall conduct a Structural Audit of the said Building from its Structural consultant at the cost of Owner. The Purchaser shall reimburse the cost of the said audit if the structure is suitable as per Purchasers requirement. In the event the structure of the Building is not as per the standard and specifications of Purchaser, the cost of Structural audit shall not be reimbursed by the Purchaser. However, if the structure is not suitable as per the requirement of the Purchaser, in such case the Purchaser at its own discretion, shall complete the civil work to provide the structural strength as per Purchasers business requirement, and the Purchaser shall bear the cost for the same and in case of the strengthening in the Building is not feasible in such case the Purchaser can unilaterally terminate the said agreement and Owner shall refund the amounts paid till date to the Purchaser as per termination clause mentioned herein below.
- 4.10. The Owner will procure and provide to the Purchaser a certificate from a Reputed Chartered Accountant certifying that: (i) no attachment lien or claim has been enforced by the Income Tax Department on the Plot or any part thereof (ii) no litigation claim or ~~Tax demand is outstanding~~ by the Income Tax Department against the Owner or (iii) the



For Velan Hotels Limited

Executive Director,
Velan Hotels Limited



Jude
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Owner has not been restrained by the Department from transferring its rights to the Plot under section 281 of the Income Tax Act, 1961. As per the provisions of the Income Tax Act 1961, the Purchaser shall deduct the applicable TDS out of the consideration hereof as and by way of Tax Deducted at Source, the Owner will be at liberty to adjust/appropriate take benefit of the amount of tax so deducted and paid out of its tax liability under the Income Tax Act, 1961. The Purchaser will procure and provide the Owner, TDS Certificate on or before completion of the transfer of the Plot in that behalf.

4.11. Upon the compliance of the above obligations the owner and ARC shall:

4.12. Execute and register the Sale deed and such other document or documents as may be necessary for effectuating the proper sale in respect of the Plot in favour of the Purchaser or its nominees;

4.12.1 Attend the office of the jurisdictional Sub-Registrar to register and admit the execution of Sale Deed as aforesaid;

4.12.2 Sign and handover all necessary deeds, documents, papers and forms for transfer and vesting of the Plot in favour of the Purchaser or its nominees whereby the name of the Purchaser or its nominee is mutated in the revenue records including but not limited to patta, chitta, adangal, extract of town survey register, EB connections, water tax, village A register, property tax, etc. (as applicable) in respect of the Plot;


4.13. Within 100 days from the execution and registration of the Sale Deed as above and before payment under 2.2 (c), the Owner shall:

4.13.1 Cause the local revenue authorities or other competent authorities to delete the name of the Owner from the revenue records, statutory records and other public records including but not limited to patta, chitta, adangal, extract of town survey register, EB connections, water tax, village A register, property tax, etc. (as applicable) and mutate the name of the Purchaser in place and stead thereof in respect of the Plot in such a manner that there is no discrepancy between the revenue records and the Sale Deed.

4.13.2 Intimate all statutory authorities and third parties relating to or in connection with the Plot regarding the sale and change of ownership, cessation of all the activities of Owner in the Plot and also regarding the alternate address to communicate with the Owner.

4.13.3 To do all such acts and deeds and execute all such documents / agreements as the Purchaser may require, in order to ensure that the Plot is free from any association with the Owner or is free from any charge, claim or encumbrance and to ensure that there is no relation between the Owner and the Plot.

4.13.4 All the liasoning and other related expenses for getting the aforesaid mutation done or if any modification is required to be done so as to correctly mutate the name of the Purchaser, shall be paid by the Owner and all the Official Fees charges for the same shall be paid by the Purchaser. The time in that behalf being the essence.

For Velan Hotels Limited

 Executive Director
 Velan Hotels Limited


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- 4.13.5 The Owner shall get the land morefully mentioned in Schedule B- Part B Property sub-divided and cause Tirupur Municipal Corporation ("Corporation") to sanction and approve the revised Building plans ("Agreed Approved Plans") for Schedule B Property as per the requirement of the Purchaser. All statutory fees/deposits/charges/premiums including premium on FAR etc. whatsoever payable to get the building plans approved shall be borne by the Purchaser exclusively and the Owner shall bear all the liasoning expenses in this respect.
- 4.13.6 The Owner has provided the certified copies of the Fire NOC, Electrical, Power, all other NOCs and construction related permissions, sanctions and approvals for the Schedule B Property to the Purchasers. The Purchaser shall install/modify entire fire fighting equipments and fire fighting System in the Schedule B Property as per its requirements and the Owner shall further obtain revised Fire NOC from concerned authorities as required by Purchaser. The Official cost for the same shall be paid by the Purchaser and all the Liasoning cost for the same shall be borne by the Owner.
- 4.13.7 The Owner will cause the Corporation or the relevant and other local municipal authorities and or any other Competent Authority and other local authorities/bodies to issue Occupation Certificate/Building Completion Certificate in the name of the purchaser. The Owner will provide Original copy of the Occupation Certificate/Building Completion Certificate to the Purchaser. The Official cost for the same shall be paid by the Purchaser and all the Liasoning cost for the same shall be borne by the Owner.
- 4.13.8 In case the Purchaser is required to hand over any OSR space, RG or for any other purpose while sanctioning the plans, as per the applicable development control Regulations / laws permit, to the concern authorities then in such case the Owner shall do all acts and deeds to buy back / purchase such area to be handed over from the concerned authorities on behalf of the Purchaser. All other liasoning costs / charges of the buyback shall be entirely borne by Owner alone. The Purchaser shall pay the actual official cost for the area handed over to the concerned authorities i.e. government fees / charges against the Owner producing original receipts from the relevant authorities. The cost of the area handed over by the Purchaser to the Owner shall be over and above the agreed Sale consideration.
- 4.13.9 During the process of obtaining the revised building plans, if the Authorities require additions/alterations in the existing building, then the same shall be done by the Purchaser at their cost.
- 4.13.10 Upon Owner completing all the Obligations as mentioned in Clause 4.13.1 to 4.13.9 the Purchaser shall release the payment under 2.2 (c).

5. If the Owner is not able to complete the above mentioned obligations (in clause 4.1 to 4.11 as listed above) within the prescribed period of time, then the Purchaser shall have



For Velan Hotels Limited
 Executive Director
 Velan Hotels Limited



Avenue Supermarts Limited

an option to terminate this MOU and on such termination or cancellation of this MOU, the Owner shall refund all the amounts paid by the Purchaser till the date of cancellation and the MOU shall thereafter stand cancelled or terminated.

6. The sale of the Schedule B Property in pursuance hereof will be completed within Fifteen (15) Days from the date of completion of all the due and full compliance of all the obligations under clauses 4 hereof by the Owner. The ARC shall discharge the mortgage / security interest and return the symbolic possession of the Schedule B Property simultaneously with the payment of the Sale Consideration in clause 2.2 (b). In this regard, the Owner shall cause the ARC to issue appropriate no-objection / consent letters and execute such agreements, release/discharge deeds as may be required. In case the ARC returns the symbolic possession of the Schedule B Property upon receipt of money from the Purchaser or any time after the Purchaser paying any amount under clause 2.2(b), then the symbolic possession of Schedule B Property shall vest with the Purchaser. The Owner will duly and fully comply with its obligations herein contained in clause 4.1 to 4.11 hereof within period of One Hundred Eighty Days (180) days; time in that behalf being the essence of the contract.
7. Upon payment of the consideration under clause 2.2(b) above the Purchaser will be authorized and will always be entitled to use, utilize and consume the balance/available unutilized FSI/FAR and all other development potential in respect of the Schedule B Property to the maximum extent possible and the Purchaser will be perpetually entitled to exclusively and independently use utilize enjoy occupy and possess the Schedule B Property. The Owner will have no right, title or interest of any nature whatsoever to such future, additional, FSI advantage, benefit, profit or privilege arising out of the Schedule B Property or otherwise.
8. Notwithstanding the provisions of obligations mentioned in clause 4.13 hereof, in case the Owner is unable to cause the Corporation issue the revised plans duly sanctioned within the stipulated period as mentioned therein, then the Owner shall give a written intimation in that behalf to the Purchaser and provide the Purchaser with all the requisite applications, plans, deeds, documents, forms etc in that behalf including the NOC of its Architects (if required by the Purchaser). Thereupon the Purchaser will be entitled to (though the Purchaser is not obliged to do so), cause the Corporation to issue the revised plans duly sanctioned. The liasoning costs for such permissions, sanctions, approvals of the plans shall be initially paid by the Purchaser and thereafter deducted adjusted and appropriated from the payment under 2.2 (c) as aforesaid. It is clarified that the official fees, deposits, charges / taxes / premiums / premium on FAR / costs in that behalf shall

be borne and paid by the Purchaser.



For Velan Hotels Limited
[Signature]
 Executive Director,
 Velan Hotels Limited



[Signature]
 Avenue Supermarts Limited

9. It is further clarified and understood that:
- (a) The Official costs, charges and expenses for preparation, submission and sanction of the Agreed Approvable Plans shall be borne and paid by the Purchaser;
 - (b) All the liasoning related expenses for getting the approvals/ sanctions to the Agreed Approvable Plans shall be borne and paid by the Owner.
10. The Owner confirms that, all works related to Civil Work, Plumbing work, Fire Fighting Works, HVAC Works, Strengthening of the Structure, Plastering work (Internal and External), Flooring work, various utilities, Service Lifts, Passengers Lifts, have been completed/installed in the Building and the Owner will handover all these to the Purchaser in 'as is where is condition'. The Purchaser shall be entitled to make modifications, changes, installation, additional changes, etc with respect all such works and things as defined herein in the Schedule B Property and Owner shall provide assistance in all manner And/or shall arrange for all NOCs, permissions and consent of all respective authorities if required.
11. The Owner confirms that currently Electricity power of minimum 122 KVA from common transformer with LT/HT connection is available in the Schedule B (Part A) property. If the Purchaser desires to have a separate HT connection for its business operations then the Owners shall obtain a separate HT connection for the same and the Purchaser shall install separate Transformer with all the infrastructure including Sub-station as per its requirement. The payment of the Security deposits to Tami Nadu Electricity Department/Board and cost of installation including Transformer and Sub Station shall be paid by the Purchaser. The cost of cabling, any instruments and infrastructure upto the transformer shall be borne by the Purchaser and the costs of all the liasoning/procuring (excluding deposits) of such connection in the scheduled property shall be borne by the Owner. The Owner shall do all the installation as well as liasoning work for procuring and commissioning the power supply to the Schedule B Property as required by the Purchaser.
12. It is hereby agreed by and between the Parties that the Owner shall provide separate water connection to the Purchaser from the concern authority. The purchaser shall bear the actual official cost for procuring water connection from the concern authority and all liasoning expenses for providing separate water connection for the Schedule B Property shall be incurred by the Owner.

13. **COVENANTS**

The Owners hereby agrees and undertakes ("Owner's Covenants"):

- a) To ensure that there are no claims or proceedings instituted by or against the Owners or their predecessors in title, in respect of the Schedule B Property or any part thereof, or



any pending disputes/litigations/claims before any court or in any other judicial, quasi-judicial or administrative authority or forum as on this date;

- b) To execute such other document(s) as may be required by the Purchaser in order to absolutely convey the right, title and interest in the Schedule B Property in favour of the Purchaser and to cooperate with the Purchaser in getting the Deed of Conveyance registered;
- c) To execute such other document(s) and get approvals in order to make alterations in the building on Schedule B Property as may be required by the Purchaser and to include in Part B of the Schedule B Property as parking space for Purchasers' business;
- d) That the Owners shall not during the subsistence of this MOU create any encumbrances, third party rights or interests in any manner whatsoever over the Schedule B Property or any part thereof;
- e) To perform and ensure performance of such other acts and deeds or omit performance of such acts or deeds as may be requested by the Purchaser for purposes of consummation of the transaction contemplated under this MOU;
- f) The Purchaser and its Advocates shall administer the requisitions on the title to the Schedule B Property, the Owners and their advocates shall duly and fully answer and satisfy the same;
- g) Notwithstanding the provisions hereof, it is expressly agreed and understood by and between the parties hereto that the Purchaser intends to purchase the Schedule B Property for its intended business uses and for other commercially viable operations. The Owners will do all acts, deeds, matters and things and sign all the deeds, documents and papers for sale, development and vesting of the Schedule B Property in the Purchaser as hereinabove set-out.
- h) The Owners do hereby agree, undertake covenant and confirm that the Owners and/or any person or persons body corporate firm or entity on their behalf will not directly, indirectly or otherwise remotely, advertise, market, propagate, intimate or promote or carry out any activity, omission, commission or otherwise do any act deed matter or thing whereby or by reason whereof they would use the name of the Purchaser - 'Avenue Supermarts Limited' or its brand name - 'D Mart' or use its trademark, colour combination of the mark or any visual representation by way of advertisements, advertorials, editorials, press conferences, hoardings, displays, installations, leaflets or in any manner or in any medium print or electronic or otherwise without any prior permission in writing from the Purchaser. In the event of any breach or default of the provisions hereof the Purchaser will be entitled to adopt appropriate civil and/or criminal action against the Owners and their servants agents or any other persons or persons body corporate firm or entity concerns acting on their behalf. The Owners will be solely liable and responsible in respect of such breach and/or default irrespective whether the same is done knowingly, unknowingly, intentionally unintentionally or otherwise howsoever.



For Velan Hotels Limited

 Director




 Avenue Supermarts Limited

- i) In consideration of the mutual promises and other covenants contained in this MOU and other good and valuable consideration, the receipt and sufficiency whereof is acknowledged and accepted by each of the parties, the party receiving Information (as hereinafter set out) will without the prior express consent in writing of the other party during the continuance of this MOU or after its termination: (a) not disclose to any person (save to the extent to which it is obliged to make disclosure as a result of applicable law or regulations or any Information, which at the time of disclosure is a part of public domain) this MOU or any of the parties, provisions, arrangements contemplated hereunder (hereinafter referred to as '**Information**'); (b) limit disclosure of any Information to its directors, officers, employees, agents, representatives or servants (collectively "**Representatives**") who have a need to know such Information in connection with the MOU between the parties to which this MOU relates, and only for that purpose; (c) advise its Representatives of the proprietary nature of the Information and of the obligations set forth in this MOU and require such Representatives to keep the Information confidential; (d) shall keep all Information strictly confidential by using all possible degrees of care; and (e) not disclose any Information received by it to any third parties (except as otherwise provided for herein).

14. TERMINATION

- a. It is expressly agreed that in case the Owners fails to comply with their obligations as per clause 4 hereinabove within the time period herein stated, the Purchaser will be entitled to recover from the Owners the interest on the amounts till then paid by the Purchaser to the Owners in the manner as under:
- (i) From the First (1st) to Third (3rd) month
From the date of execution hereof - 18 % per annum;
- (ii) For the period beyond Three (3) months
From the date of execution hereof - 24 % per annum.

The interest so calculated in the manner as aforesaid shall be adjusted and appropriated as the payment of the part consideration by the Purchaser to the Owners under Clause 2.2(b) above. The Owners hereby agrees and undertakes not to question, challenge, dispute or object to its liability to pay such amounts and the adjustments thereof.

- b. The Purchaser has arrived at and entered into this transaction relying upon the representations, warranties and statements of the Owners as regards their title to the Schedule A Property and the status, nature, area and other aspects thereof of the Schedule A Property. The Purchaser is in process of verifying title of the Owners and if any notice and / or objection received from any person/s in respect of the Schedule A Property and / or any defect is found in respect of the title of the Schedule A Property in that case, notwithstanding any other provision hereof, the Purchaser will have an irrevocable and sole option to unilaterally terminate, cancel and repudiate this MOU without assigning



For Velan Hotels Limited
Executive Director,
Melan Hotels Limited



Avenue Supermarts Limited

any reason or giving any justification in that behalf. The Owners shall not and under any circumstance whatsoever, challenge, question, dispute or raise any issue as regards the Purchaser exercising its option as aforesaid.

- c. In spite of the Purchaser being ready and willing to pay to the Owners the consideration due and payable under this MOU, in case the Owners persistently fails and neglects to duly and fully comply with their Obligations herein contained, in such an event, the Purchaser will have an sole option to either (i) extend the time to enable the Owners to comply with their obligations hereunder, **OR** (ii) give a notice in writing to the Owners to comply with such obligations and specifically perform their side of the contract within Sixty (60) days from the date thereof, failing which the Purchaser is hereby authorized and will be entitled to unilaterally terminate and cancel this MOU.
- d. Within Fifteen (15) days from the date of unilateral cancellation/ termination of this MOU by the Purchaser due to any default by the Owner, the Owner will be liable to forthwith repay to the Purchaser all the amounts till then paid by the Purchaser to the Owner along with interest thereon calculated as stated in Clause 14(a) above. The provisions of this clause shall survive the MOU.
- e. The Purchaser shall pay the consideration and each instalment thereof from the respective due dates thereof. In spite of the Owner duly and fully complying with all its obligations as herein contained, if the Purchaser is unable to pay the consideration or any instalment thereof as per the provisions hereof, then the Owners shall be entitled to recover such consideration or any instalment thereof with interest thereon calculated at the rate of 18% per annum from the due date thereof until the date of payment/realization thereof. If the Purchaser is unable to pay the amount along with interest within two(2) months from the respective due date thereof, then after giving a sixty (60) days written notice, if the Purchaser continues to default in making payment within such period, then the Owners shall be entitled to unilaterally cancel, terminate and repudiate this MOU.
- f. Within thirty (30) days from the date of cancellation/termination of this MOU by the Owners due to the default by the Purchaser, the Owners will be liable to forthwith repay to the Purchaser, all the amounts till then paid by the Purchaser to the Owners without any interest. In case the Owners commits any delay in repaying the amounts as aforesaid, then the Owners will be liable to pay all such amounts with interest thereon calculated at the rate of 18% per annum, until the date of payment/realization thereof. Only upon the Owners duly and fully repaying all the amounts till then paid, with/without any interest, as the case may be, as per the provisions hereof:
- (i) the foregoing MOU shall stand unilaterally cancelled, terminated and repudiated;
 - (ii) the Purchaser shall have no right, title or interest of any nature whatsoever in the Schedule B Property; and
 - (iii) the Owners will be at liberty to sell, dispose of, or transfer the Schedule B Property to any other person or persons and for such consideration as they may deem fit and proper.



For Velan Hotels Limited

Velan Hotels Limited

Executive Director



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The Purchaser hereby agrees that in such an event all its rights in the Schedule B Property shall stand extinguished. Thereupon, the Parties will execute Deed of Cancellation in that behalf. The termination of this MOU as aforesaid shall be without prejudice to any other rights, remedies and claims whatsoever in law or under this MOU of the Owners against the Purchaser.

15. **REPRESENTATIONS AND WARRANTIES BY THE OWNERS**

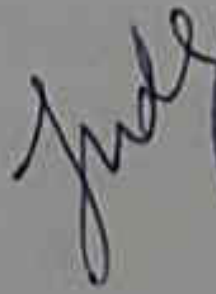
Subject to security interest / mortgage over the Schedule A Property in favour of the ARC and symbolic possession taken by the ARC, the Owner represents and warrants as below:

- a) Declare that they have not entered into any agreement or arrangement in respect of the Schedule B Property including for the sale, transfer, development, mortgage or lease thereof, or any part thereof with any person or body corporate nor have they or any of them received any amount as earnest money and/or deposit from any person against the Schedule B Property or any part or portion thereof. During the pendency of this MOU, the Owners will not sell, dispose of, transfer or in any manner create any third-party rights in respect of the Schedule B Property or any part thereof nor in any manner part with actual possession or create any lease, sub-lease, tenancy, sub-tenancy or license in respect of the Schedule B Property or any part thereof;
- b) Declare that no notice (including any notice for acquisition or requisition) issued by the State or Central Government or any other local or public body or authority in respect of the Schedule B Property or any part thereof has been served upon or received by the Owners or any person on its behalf and that all previous notices and requisitions have been duly complied with by the Owner. If any such notice be hereafter issued or served upon or received by the Owner or by any person on its behalf before the completion of the sale herein, the Owner will give notice thereof immediately to the Purchaser and the Owner will be liable to comply with the same or cause the Owner to do so at its own cost;
- c) Save and except as aforesaid, there is no outstanding encumbrance, mortgage, lien, charge, right or outstanding interest or claim by any parties on the Schedule B Property or any part thereof. The Schedule B Property or any part thereof is not the subject matter of any pending suit or attachment either before or after judgment. Neither the Owners nor anybody claiming from or under them have granted any right of license or any other rights to any person or persons over on or to the Schedule B Property or any part thereof and that no such right has become effective by prescription or otherwise howsoever;
- d) Declare that the Schedule B Property or any part thereof does not fall under any Coastal Regulation Zone declared by the Central Government Ministry of Environment, Forest and Wildlife Environment Protection Act 1986. There is no dispute as regards the

For Velan Hotels Limited

 Executive Director
 Velan Hotels Limited



Jude

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- boundaries or peripheries of the Schedule B Property or any part thereof. The Schedule B Property or any part thereof has not been reserved for any public or semi-public purposes.
- e) Declare that there is no legal/bankruptcy proceeding filed by any of creditors or any other persons against the Owners or any of them and that there is no matter pending in any court whereby the Schedule B Property or any part thereof has been attached or prohibited from being sold or disposed-off. None of the Owners has been declared as insolvent or otherwise under the Insolvency Act, 1920 or any other law or otherwise. The Owner does not belong to any Adivasi tribe nor are they members of any scheduled tribes/nomadic tribes or otherwise howsoever. The Owner has not been restricted to transfer the Schedule B Property or any part thereof. The Schedule B Property does not belong to any Hindu Undivided Family. There are no minors' interest involved in the Schedule B Property or any part thereof; and
- f) Declares that there is no debt and/or liability in respect of the Schedule B Property or any part thereof due to and in favour of the government or local authorities and all the charges of public nature including municipal taxes property taxes and other revenue imposts in respect of the Schedule B Property or any part thereof has been duly discharged up to date. There are no proceedings pending for the recovery of any taxes due. There is no attachment under the Income Tax Act, 1961 for any other enactment levied upon the Schedule B Property or any part thereof. The Schedule B Property or any part thereof is not otherwise attached by or is in the possession or custody of any other judicial or revenue officer.
- g) The Owner have not received any notice of acquisition or requisition of land from the National Highway Authority of India (NHAI) in respect of the Schedule B Property or any part thereof.
- h) The Schedule B Property has not been brought into and is further not subject matter of any other arrangement or trust and is not an asset of any partnership firm nor is offered as security to any financial institution and/or any private party or person (excepting the mortgage in favour of the ARC) nor is the Schedule B Property subject to any bank dues or financial institutions or any claim including tax claims is pending in and over or which may affect the Schedule B Property.
- i) The Owner do hereby authorize the Purchaser and the Purchaser shall be absolutely entitled to raise financial facilities from banks, financial institutions etc. on the security of the rights herein created. PROVIDED HOWEVER it is hereby expressly agreed and understood by and between the parties hereto that the Purchaser alone will be entitled to bear pay and settle all such financial facilities.
- j) The Owner has obtained necessary approvals and clearances of the concerned governmental authorities including but not limited to planning permission, building permission, TNPCB approvals, change in use of the Schedule A Property, etc. in respect of the construction, use and occupation of the Schedule A Property, and that the Schedule

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 Executive Director
 Velan Hotels Limited



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B Property can legally be purchased, used and occupied by the Purchaser for carrying out its business without any hindrance or claims.

- k) The Owner represents and warrants that the building in the Schedule A Property is constructed as per the statutory norms and development control laws and has fulfilled all the statutory obligations / conditions and has obtained the necessary licenses and approvals and deviations if any, will be regularised as per the terms of this MOU.
- l) The Owner represents that the Owner shall handover to the Purchaser on "As is Where is" basis, (a) 3 (Three) escalators connecting the Ground Floor, First Floor and Second floor of the Commercial Building (b) 3 (Three) lifts in the Commercial Building. The Owner further represents that the Owner has made provision for installation of 2 (two) additional lifts in the Commercial Building. The Owner represents that the Purchaser shall be entitled to install additional 2 lifts as per its requirements. The owner shall bear all liasoning cost in respect of installation of additional lifts.
- m) Certain representation and warranties have been provided for the entire Schedule A Property, in which the Schedule B Property is also comprised in. Accordingly, the said representations and warranties shall also be applicable for Schedule B Property.

16. DISPUTE RESOLUTION

- a) In the case of any dispute arising amongst the Parties hereto during the subsistence of this MOU or thereafter, in connection with the validity, interpretation, implementation or alleged breach of any provision of this MOU or regarding a question, including the questions as to whether the termination of this MOU has been legitimate, the Parties shall endeavour to settle such dispute amicably by way of mutual discussions.
- b) If any disputes difference or question at any time hereinafter arises between the Parties hereto in regard to this MOU, including the terms and conditions thereof and/or interpretation thereof or otherwise relating to the Schedule B Property, the same in any manner whatsoever shall be referred to the arbitration of the one or more Arbitrator(s) appointed by the Parties hereto and the same shall be subject to and in accordance with the provisions of Arbitration and Conciliation Act, 1996 or any statutory modification or enactment thereof for the time being in force. The award of the arbitrator(s) shall be final and binding on all the Parties. Such arbitration shall be held in Mumbai and the Court(s) at Mumbai alone shall have the jurisdiction in that behalf. The language of the arbitration will be English.

17. FORCE MAJEURE

Both the Parties understand that the time and stipulations mentioned in this MOU is an essence of the contract. However either Party is not liable to other for failure to perform its/ their respective obligations if such failure is due to Acts of God (including fire, flood, earthquake, storm, hurricane or other natural disaster), or unanticipated geological or

For Velan Hotels Limited

 Executive Director,
 Velan Hotels Limited



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ground conditions, war, invasion, act of foreign enemies, hostilities (regardless of whether war is declared), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation, terrorist activities. If either Party asserts Force Majeure as an excuse for failure to perform by other party its respective obligations, then the non-performing party must prove that it has taken all the reasonable steps to minimize delay or damages caused by the aforesaid events.

18. INDEMNITY BY THE OWNERS

- a. The Owners hereby jointly and severally agrees to indemnify and hold the Purchaser harmless against all and/or any damages which arises out of, or results from or may be payable by virtue of:
 - (i) Due to any defect in the title of the Schedule A Property;
 - (ii) Falsity, incompleteness, default, breach or inaccuracy of any of the Owners and Representations and Warranties or a matter or event which renders any of the Owners Warranties false, incomplete, or inaccurate; or
 - (iii) Any default or breach on any of the Covenants or Obligations of the Owners under this MOU.
- b. Notwithstanding anything contained in Clause above, the Owners acknowledges that with effect from the date of Sale Deed, all debts, liabilities, covenants, agreements or other obligations, known, unknown or undisclosed, incurred or arising after the said Sale Deed in relation to the Schedule B Property, but referable to periods prior to such Sale Deed, shall be the sole responsibility and liability of the Owners. The Owners hereby agrees to indemnify and hold the Purchaser harmless against any and all such undisclosed liabilities.

19. MISCELLANEOUS

- (a) Notice:
 - (i) Form of Notice: Any notice, consent, request, demand, approval or other communication to be given under this MOU (each, a "Notice") shall be in English, in writing and signed by or on behalf of the Person giving it.
 - (ii) Parties may change its address for service by giving not less than 7 (seven) days written notice to other Party in accordance with this Clause. Until the end of such notice period, service on either address shall remain effective.
 - (iii) Address for Service:

<p><u>OWNER</u> Office at No.41, Kangayam Road, Tirupur - 641 604</p>	<p><u>PURCHASER</u> Anjaneya, Opp. Hiranandani Foundation School, Powai, Mumbai- 400 076</p>
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[Signature]
Executive Director,
Velan Hotels Limited

[Signature]
Avenue Supermarts Limited

- (b) **Amendment:** No modification or amendment to this MOU and no waiver of any of the terms or conditions hereto shall be valid or binding unless made in writing and duly executed by both Parties.
- (c) **Registration and Stamp Duty:** Registration and stamp duty in respect of Sale Deed shall be borne by the Purchasers and all other miscellaneous expenses or charges shall be borne by the Owners.
- (d) **Agency:** No Party shall act as an agent of the other Party or have any authority to act for or to bind the other Party.
- (e) **Partial Invalidity:** The Parties agree that the covenants, obligations and restrictions in this MOU are reasonable in all circumstances. If any provision of this MOU is held to be illegal, invalid, or unenforceable under any Applicable Laws, (i) such provision shall be fully severable; (ii) this MOU shall be construed and enforced as if such illegal, invalid, or unenforceable provision had never comprised a part hereof; (iii) the remaining provisions of this MOU shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision or by its severance here from; and (iv) in lieu of such illegal, invalid, or unenforceable provision, there shall be added automatically as a part of this MOU a legal, valid, and enforceable provision as similar in terms and effect to such illegal, invalid, or unenforceable provision as may be possible. However, if there is no automatic addition as aforesaid the Parties hereto shall mutually agree to provide a legal, valid and enforceable provision as similar in terms and effect to such illegal, invalid or unenforceable provision as may be possible.
- (f) **Time is the Essence & Further Assurances:** The Parties agree that time shall be the essence of this MOU and the transaction contemplated herein. The Parties confirm an extension of time granted by the Purchaser shall not be construed to imply that time is not the essence of this MOU or transaction. The Parties shall promptly and duly execute and deliver all such further instruments and documents, and do or procure to be done all such acts or things, as may be reasonably deemed necessary or desirable in obtaining the full benefits of this MOU.
- (g) **Assignment:** This Agreement, or any right or interest herein, shall not be assignable or transferable by the Owners except with the prior written consent of the Purchaser.
- (h) **Removal from Market:** In consideration for executing this MOU and especially the costs and expenses that will be incurred after the signing of this MOU by the Purchaser in particular, in connection with the due diligence, upon signing of this MOU, the Owners shall not discuss or negotiate with any third party with respect to any kind of dealing with respect to the Schedule B Property until this MOU is terminated and all payment obligations have been settled. If the Owners are engaged in such discussions or negotiations at the present time, they shall discontinue such discussions or negotiations immediately from the Execution Date.

For Velan Hotels Limited

 Executive Director
 Velan Hotels Limited



 Avenue Supermarts Limited

- (i) **Specific performance:** Without prejudice to any remedy available under Law or this MOU, this MOU shall be specifically enforceable at the instance of either of the Parties.
- (j) **Compliance with Applicable Laws:** The Parties agree that it shall be sole responsibility of the Owners to (a) comply the applicable laws, procure all approvals for developing Schedule A Property as a commercial building and (b) convey the Schedule B Property with vacant possession to the Purchaser.
- (k) Each of the parties hereto shall bear and pay the professional fees of their respective Advocates and Solicitors.
- (l) **Entirety:** This MOU contains the whole agreement between the Owners and the Purchaser in relation to the transactions contemplated by this MOU and supersedes all previous agreements or communications, whatsoever, in relation to same between the Owners and the Purchaser.
- (m) **Governing law and jurisdiction:** The provisions of this MOU shall, in all respects, be governed by and construed in accordance with the Laws of India.

20. **Permanent Account Numbers:**

The Income Tax Permanent Account Numbers of the Parties hereto are as under:

OWNER	AAACV8449H
PURCHASER	AACCA8432H

21. At the meeting of the Board of Directors of the Owners held on 20.10.2020, a resolution was passed whereby the Director of the Owner has been (a) authorized to negotiate and sell the Schedule B Property to the Purchaser herein, (b) sign, execute, acknowledge, perform this MOU and the Sale Deed, (c) execute any other documents, papers, writings and things that may be necessary with respect to Schedule B Property to convey the Schedule B Property to the Purchaser. A photocopy whereof is annexed hereto as **Annexure '3'**.
22. At the meeting of the Board of Directors of the Purchasers held on 3rd December 2018, a resolution was passed whereby, the Director of the Purchasers have been authorized to negotiate and purchase the Schedule B Property and also authorized to sub-delegate his powers to the in favour of the any person employed with the company. Pursuant to the Letter of Authority dated 10.11.2020 the Director of Purchaser have authorized Mr. Jude Fernandez, to enter into make, sign, seal, execute, deliver, acknowledge, perform MOU and other documents, papers, writings and things that may be necessary or proper to be entered into, signed, executed, delivered, acknowledged, performed, prepare and to obtain necessary approval from any local authority, on behalf of the Purchasers with respect to the Schedule B Property, a photocopy of the same is annexed hereto as **Annexure '4'**.

Schedule A Property

Part A (Land)

For Velan Hotels Limited

 Executive Director

Velan Hotels Limited

For Avenue Supermarts Limited



Avenue Supermarts Limited

All that piece and parcel of land bearing an extent of 49,400 sq ft or 4,591 sq. Mtr. of land in S.F. No. 43, new T.S. no. 3/3B and 3/4B (Old T.S. No. 3/3, 3/4), Block No. 3, Ward G, in Tiruppur Village, Tiruppur Taluk.

Part B (Building)

Building consisting of Building consisting of Semi Basement floor 19502 sq ft, Ground Floor 19,502 Sq.ft, First Floor 19,022 Sq.ft, Second Floor 19,022 Sq.ft, Third Floor 19,022 Sq.ft and Head Room/Terrace Floor 951.50 sq.ft totally admeasuring 97,222.75 sq ft. or 9,035.57 sqmtr, 47 number of exclusive/ earmarked parking spaces (30 in basement and 17 on ground) and bounded as follows:

- On the South : Kangayam Main Road
- On the North : Property belonging to Velan Hotels Ltd.
- On the West : Property already sold by Mr. R.V.E. VenkatachalaGounder
- On the East : 40 feet Road

Part C (Land)

All that piece and parcel of land bearing an extent of 1 acre 95 cents comprised in the below survey numbers, located in ward G, block no. 3, Kangeyam road, Tiruppur Corporation, Tiruppur Taluk, Tiruppur District:

Old S.F. No.	Old T.S. No.	New T.S. No.	Extent (Sq. Ft.)
35, 36, 41 and 43	4/4 part	4/4B	49,502
	4/5 part	4/5A	7,402
	4/6 part	4/6A	5,193
	5/1A part	5/1A2	3,941
	4/3	4/3	3549
	4/7 part	4/7A	3,602
	4/2 part	4/2B	946
	3/3A part	3/3A2	5324
	3/4A part	3/4A1	5504
Total			84,968

and bounded as follows:

- On the North : Property belonging to Velan Hotels Limited;
- On the South : Kangayam Main Road;
- On the East :40 ft road;
- On the West : Property already sold by Mr R V E Venkatachala Gounder

For Velan Hotels Limited

 Executive Director
 Velan Hotels Limited



 Avenue Supermarts Limited

Schedule B Property**(Part A)**

- (i) All that piece and parcel of land bearing an extent of 49,400 sq ft or 4,591 sq mtr of land in S.F. No. 43, new T.S. no. 3/3B and 3/4B (Old T.S. No. 3/3, 3/4) Block No. 3, Ward G, in Tiruppur Village, Tirupppur Taluk and which is morefully described in Schedule A (Part A) together with Building consisting of Semi Basement floor 19502 sq ft, Ground Floor 19,502 Sq.ft, First Floor 19,022 Sq.ft, Second Floor 19,022 Sq.ft, Third Floor 19,022 Sq.ft and Head Room/Terrace Floor 951.50 sq.ft totally admeasuring 97,222.75 sq ft. or 9,035.57 sq mtr, 47 number of exclusive/earmarked parking spaces (30 in basement and 17 on ground) and bounded as follows:

On the South : Kangayam Main Road

On the North : Property belonging to Velan Hotels Ltd.

On the West : Property already sold by Mr. R.V.E. Venkatachala Gounder

On the East : 40 feet Road

(Part B)

- (ii) 35,000 sq ft of land out of all that piece and parcel of land bearing an extent of 1 acre 95 cents comprised in the below survey numbers, located in ward G, block no. 3, Kangeyam road, Tiruppur Corporation, Tiruppur Taluk, Tiruppur District:

Old S.F. No.	Old T.S. No.	Extent (Sq. Ft.)
35, 36, 41	4/2B	946
	3/4A1	5504
	3/3A2	5324
	4/7A	3396
	4/6A (Part)	3921
	4/3	3549
	4/4B (Part)	12360
	Total	35000

and bounded as follows:

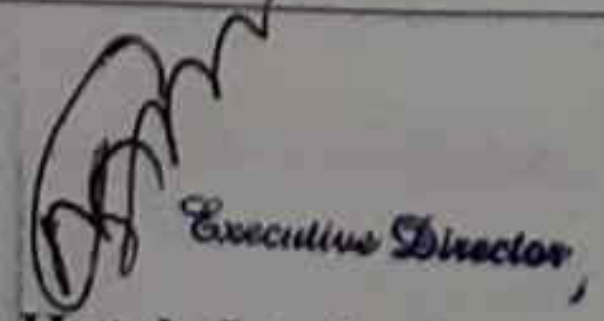
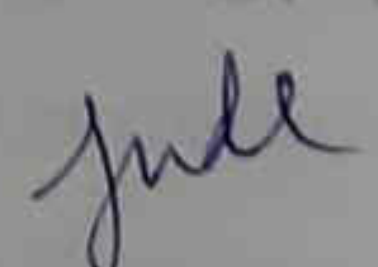
On the North :Property belonging to Velan Hotels Ltd.


On the South : Property belonging to Velan Hotels Ltd.

On the East : 40 feet road

On the West : Property already sold by Mr. R.V.E. Venkatachala Gounder

IN WITNESS WHEREOF the Parties hereto have executed this MOU on the date and the year first hereinabove written.

Signed, Sealed and delivered by the  Executive Director, Velan Hotels Limited	Signed, Sealed and delivered by the  Avenue Supermarts Limited
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<p>Owner</p>  <p><i>For Velan Hotels Limited</i></p> <p><i>[Signature]</i></p> <p>Authorized Signatory <i>Director</i></p> <p>Velan Hotels Limited.</p>	<p>Purchaser</p> <p>For Avenue Supermarts Limited</p> <p><i>[Signature]</i></p> <p>Authorized Signatory</p> <p>Authorized Signatory</p> <p>Avenue Supermarts Limited.</p>
--	---



For Velan Hotels Limited



[Signature]

Authorized Signatory *Director*

Velan Hotels Limited

[Signature]



Avenue Supermarts Limited

RECEIPT

RECEIVED of and from the within named Purchaser a sum of Rs.5,00,000/- (Rupees Five Lakh Only) being the earnest money deposit paid on execution hereof to us.

WE SAY RECEIVED

(Owner)

For Velan Hotels Limited

Dated: 10.11, 2020

Place: TIRUPUR



[Signature]
Executive Director

WITNESSES:

1. *[Signature]*

P. GANDHI

S/o N. PANDYASATHAN

322/1, Jai Nagar 10th East Cross Street.

RABBIYAPALAYAM PIZHUV, RAAGAYAN ROAD - Tirupur - 67

2. *[Signature]*

P. ARUNKUMAR, S/o. N. RAMASAMY

31/9, HANARAJ NAGAR,

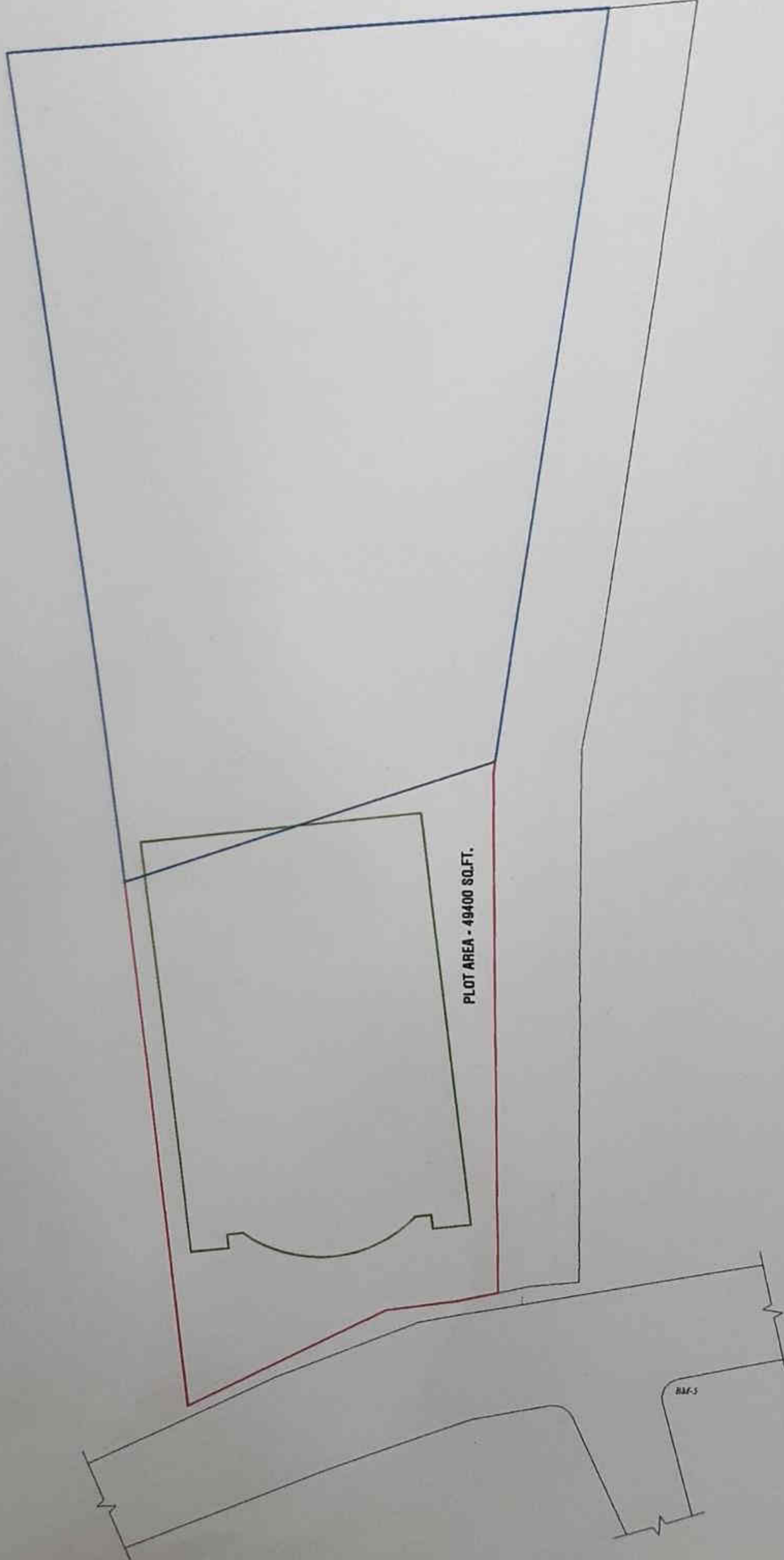
METTUPALAYAM - 641301

[Signature]
Executive Director
Velan Hotels Limited

[Signature]
Avenue Supermarts Limited

Land Lord Copy

ANNEXURE '1'



TITLE:- SITE PLAN

PROJECT:- TIRUPUR - VALEN MALL



For Velan Hotels Limited

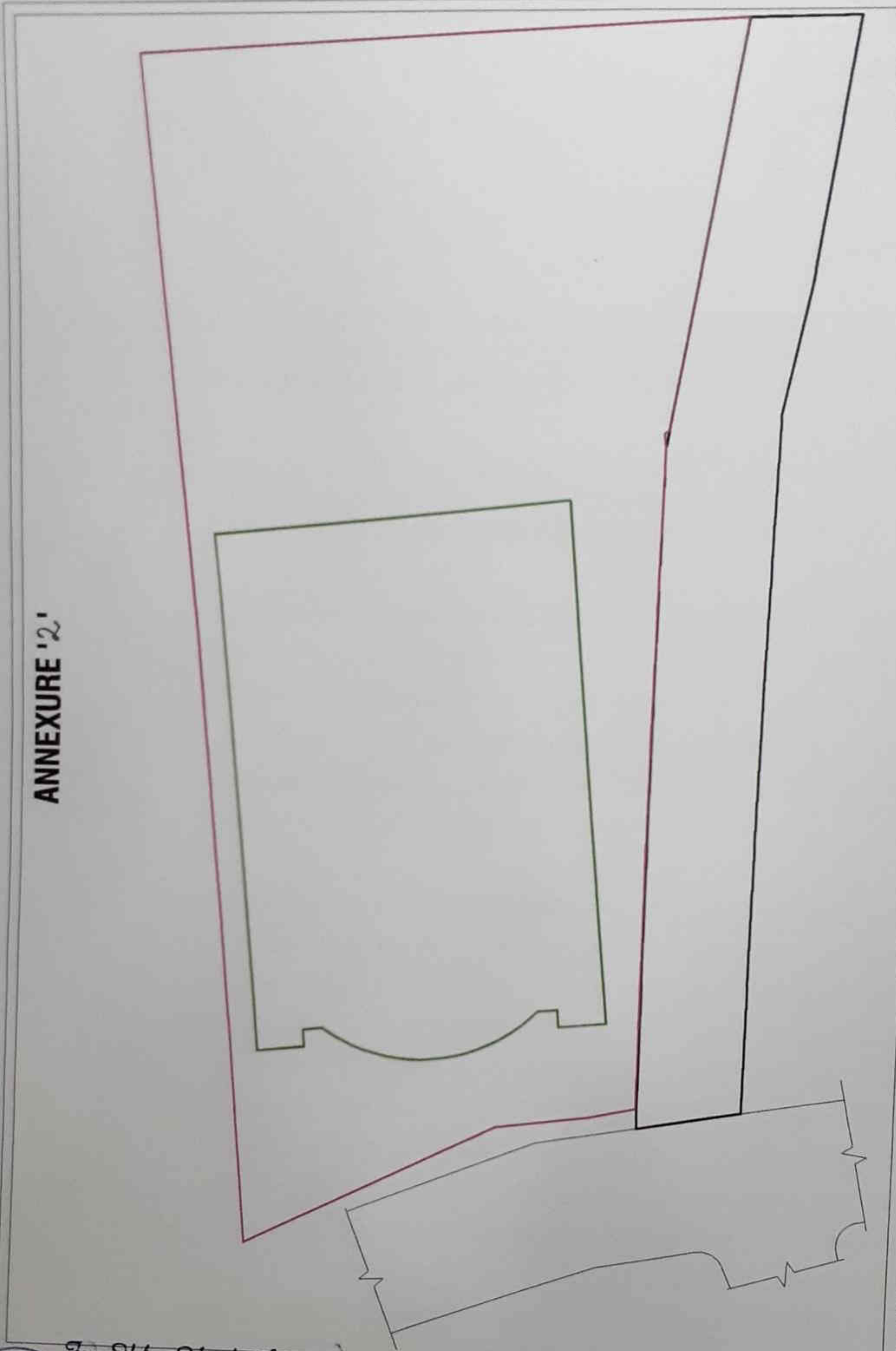
[Signature]
Executive Director,

[Signature]



Land Lord Copy

ANNEXURE '2'



AREA - 84400 SQ.FT.

PROJECT:-TIRUPUR - VALEN MALL
TITLE:- SITE PLAN



For Velan Hotels Limited

[Signature]
Executive Director

[Signature]



ANNEXURE- 3 (1/7)



VELAN HOTELS LIMITED

41, Kangayam Road, TIRUPUR - 641 604.

Phone : 0091 - 421 - 43 11 111

E-mail : info@velanhotels.com

Web : www.velanhotels.com

GSTIN : 33 A A A C V 8 4 4 9 H 3 Z 3

CIN : L55101TZ1990PLC002653

THE EXTRACT OF THE MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF VELAN HOTELS LIMITED HELD AT THE REGISTERED OFFICE OF THE COMPANY AT 41 KANGEYAM ROAD, TIRUPUR 641 604 ON TUESDAY, 20thOCTOBER, 2020 AT 11.00 A.M.

SUBJECT : TO CONSIDER TO GIVE AUTHORISATION TO ENTER INTO MEMORANDUM OF UNDERSTANDING AND SALE OF PROPERTY(IES) AND AUTHORISATION FOR EXECUTION OF SALE DEED

The Chairman informed the Board that the Company is in the process of selling its properties as more-fully described in the Schedule for which the Memorandum of Understanding (MoU) / Sale Deed(s) / Sale Agreement(s) / such agreements as may be necessary need to be entered / executed into between the Company and Avenue Supermarts Limited, Mumbai, the proposed Purchaser.

The Chairman informed the board further that as all the properties of the Company are in symbolic possession with M/s. RARE Asset Reconstruction Limited (RARE ARC) as assigned by Allahabad Bank and Andhra Bank, all the proposed sale transactions are subject to approvals / permission to be granted by the said RARE ARC. The Board was informed further that due to concerted and constant efforts of the promoters of the Company, and in good faith with the only intention to settle the dues with the ARC, the said RARE ARC has come forward to discuss the terms of the revised One-Time Settlement (OTS) with the Company. As a start, RARE ARC has allowed the Company to enter into Memorandum of Understanding (MoU) for



ANNEXURE- 3 (217)



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GSTIN : 33AAACV8449H3Z3

CIN : L55101TZ1990PLC002653

sale of Shopping Mall and part of Multiplex properties as more-fully described in the Schedule of Property mentioned hereunder. The Chairman informed that once the MoU is signed and the due diligence is done by Avenue Supermarts Limited, Mumbai, we will get the actual OTS sanction/ NOC for sale from RARE ARC to enable the Company and Avenue Supermarts Limited, Mumbai to complete the sale deed registration within reasonable time. The Chairman informed that, in doing so, the debt burden of the Company will come down significantly.

The Board was informed further that it is therefore imperative to vest certain powers on certain officials to deal with the purchaser / concerned authorities for the purpose of execution of MoU / Agreements for the sale of the properties.

The Board discussed the matter in detail and the following resolutions were passed.

Resolution :

"RESOLVED THAT pursuant to NoC given by M/s. RARE Asset Reconstruction Limited (RARE ARC), the consent of the Board be and is hereby accorded for the execution and signing of the Memorandum of Understanding (MoU) to be entered into between the Company and M/s. Avenue Supermarts Limited, Mumbai, for sale of the



ANNEXURE-3 (3/7)



VELAN HOTELS LIMITED

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GSTIN : 33 A A A C V 8 4 4 9 H 3 Z 3

CIN : L55101TZ1990PLC002653

properties of the Company as more-fully described hereunder, the draft of which is placed at the meeting initialed by the Chairman for the purpose of identification be and is hereby approved”

“RESOLVED FURTHER THAT Mr. E.V.Muthukumara Ramalingam, Managing Director and/or Mr. M.R.Gautham, Executive Director of the Company be and are hereby authorized severally to negotiate, finalize and execute the above mentioned MoU and other documents, if any, on behalf of the Company and do all such acts, matters, deeds and things and to take all steps and do all things and give such directions as may be required, necessary, expedient or desirable for giving effect to the said MoU”

“RESOLVED FURTHER THAT the power conferred on the Board of Directors by the Company by a special resolution passed at the 29th Annual General Meeting of the Company held on 27th day of September, 2019 with regard to the sale of movable and immovable properties of the Company as more-fully described in the Schedule of property(ies) as mentioned below, Mr. E.V.Muthukumara Ramalingam, Managing Director and/or Mr. M.R.Gautham, Executive Director of the Company be and are hereby authorized severally to execute any other documents, papers, writings and things that may be



ANNEXURE- 3 (4/7)



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CIN : L55101TZ1990PLC002653

necessary with respect to Schedule of property to convey the Schedule of property to M/s.Avenue Supermarts Limited, Mumbai

**Schedule of Property(ies)
(Part A)**

(i)All that piece and parcel of land bearing an extent of 49,400 sq ft or 4,591 sqmtr of land in Old S.F. No. 43 Old T.S. No. 3/4B, 3/3B, New TS No. 22, 23, Block No. 3, Ward G, in Tiruppur Village, Tirupppur Taluk and which is morefully described hereunder together with Building consisting of Semi Basement floor 19502 sq ft, Ground Floor 19,502 Sq.ft, First Floor 19,022 Sq.ft, Second Floor 19,022 Sq.ft, Third Floor 19,022 Sq.ft and Head Room/Terrace Floor 951.50 sq.ft totally admeasuring 97,222.75sq ft. or 9,035.57 sqmtr, 47 number of exclusive/earmarked parking spaces (30 in basement and 17 on ground), allon "as is where is" basis, and bounded as follows:

On the South :Kangayam Main Road

On the North : Property belonging to M/s. Velan Hotels Ltd.

On the West : Property already sold by Mr. R.V.E. VenkatachalaGounder

On the East :40 ft road

Old S.F. No.	Old T.S. No.	Extent (Sq. Ft.)
43	3/4B	42499
	3/3B	6901

Total

49400

(Part B)



ANNEXURE- 3(5/7)



VELAN HOTELS LIMITED

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CIN : L55101TZ1990PLC002653

(ii) 35,000 sq ft of land out of all that piece and parcel of land bearing an extent of 1 acre 95 cents comprised in the below survey numbers, located in ward G, block no. 3, Kangayam road, Tiruppur Corporation, Tiruppur Taluk, Tiruppur District:

Old S.F. No.	Old T.S. No.	Extent (Sq. Ft.)
35, 36 & 41	4/2B	946
	3/4A1	5504
	3/3A2	5324
	4/7A	3396
	4/6A (Part)	3921
	4/3	3549
	4/4B (Part)	12360
	Total	35000

and bounded as follows:

On the North:Property belonging to M/s. Velan Hotels Ltd.

On the South :Property belonging to M/s. Velan Hotels Ltd.

On the East :40 ft road

On the West:Property already sold by Mr. R.V.E. VenkatachalaGounder

"RESOLVED FURTHER THAT Mr. E.V.Muthukumara Ramalingam, Managing Director and/or Mr. M.R.Gautham, Executive Director of the Company be and are hereby authorized severally to do or cause to be done all such acts, deeds and things, including actions which may have been taken, as may be necessary, or deemed necessary or incidental



ANNEXURE-3 (6/7)



VELAN HOTELS LIMITED

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Web : www.velanhotels.com

GSTIN : 33 A A A C V 8 4 4 9 H 3 Z 3

CIN : L55101TZ1990PLC002653

thereto, from time to time for giving effect to the special resolution passed by the members of the Company, including finalizing, varying and settling the terms and conditions of the proposed sale of the above properties; to settle and finalise all issues that may arise in this regard; to negotiate and finalize the Sale Deeds / Sale Agreement and/ or any other transaction documents (including providing such representations, warranties, indemnities and covenants as may be required) and to execute, deliver and perform such agreements, other contracts, deeds, undertakings and other documents and subsequent modifications thereto; to file applications and make representations in respect thereof and seek the requisite approvals from the relevant authorities and third parties, including governmental authorities and lenders or ARCs ; to suitably inform and apply to all the concerned authorities, to settle any questions, difficulty or doubt that may arise in this regard, and to take all necessary steps in the matter as it may in its absolute discretion and in the best interests of the Company deem necessary, desirable or expedient, to give effect to the above resolution passed by the Members of the Company."

"RESOLVED FURTHER THAT the aforesaid power entrusted to the said official shall be valid and effective unless revoked earlier by the Board or shall be exercisable by him so long as he is in the concerned to the Company."



ANNEXURE- 3 (7/7)



Hotels

VELAN HOTELS LIMITED

41, Kangayam Road, TIRUPUR - 641 604.

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E-mail : info@velanhotels.com

Web : www.velanhotels.com

GSTIN : 33AAACV8449H3Z3

CIN : L55101TZ1990PLC002653

"RESOLVED FURTHER THAT a copy of the said resolution duly signed by any director of the Company be given to any one concerned or interested in the matter for taking the same on their records"

Sd/-
CHAIRMAN OF THE MEETING

/ Certified True Copy /

For Velan Hotels Limited


Managing Director:

Lead Lead Copy

ANNEXURE-4 (1/2)

Avenue Supermarts Limited

Plot No. B-72 & B-72A, Wagle Industrial Estate, Thane (West), Maharashtra, India - 400 604

Tel.: 91 22 33400500 • Fax: 91 22 33400599 • e-mail: info@dmartindia.com • Website: www.dmartindia.com

CERTIFIED TRUE OF THE RESOLUTION PASSED BY THE MEMBERS OF OPERATIONS COMMITTEE OF AVENUE SUPERMARTS LIMITED AT THEIR MEETING HELD ON MONDAY, 3RD DECEMBER, 2018 AT 3.30 P.M AT PLOT NO. B-72 & B-72A, WAGLE INDUSTRIAL ESTATE, NEAR KAMGAR HOSPITAL, THANE (W) – 400 604

“RESOLVED THAT Mr. Ignatius Navil Noronha, Managing Director or Mr. Ramakant Baheti, Whole-time Director & Group CFO or Mr. Elvin Machado, Whole-time Director, be and are hereby severally authorized on behalf of the Company to enter into make, sign, seal, execute, deliver, acknowledge, perform all Engagements, Agreements, Contracts, Letter of Intent, Memorandum of Understanding and other documents, papers, writings and things that may be necessary or proper to be entered into, signed, executed, delivered, acknowledged, performed, prepare and to obtain necessary approvals from any local authority relating to and in connection with the Company.

RESOLVED FURTHER THAT Mr. Ignatius Navil Noronha, Managing Director or Mr. Ramakant Baheti, Whole-time Director & Group CFO or Mr. Elvin Machado, Whole-time Director of the Company, be and are hereby further authorized severally to sub-delegate such powers in favor of any person employed with the Company as they may deem fit and proper for the said purpose.

RESOLVED FURTHER THAT Mr. Ignatius Navil Noronha, Managing Director or Mr. Ramakant Baheti, Whole-time Director & Group CFO or Mr. Elvin Machado, Whole-time Director, of the Company, be and are hereby severally authorized on behalf of the Company to appear before the Registrar or Sub –Registrar of any District or Sub-District appointed or to be appointed under any act or law for the time being in force and to do all other necessary acts, deeds, things and matter to admit the execution of the various deeds and documents and to complete the registration procedure and /or the adjudication of various deeds and documents for the purpose of payment of such fee/stamp as shall be necessary.

RESOLVED FURTHER THAT a copy of the above resolution duly certificated as true be furnished to such authority, agency or party as may be required at any time for giving effect to the above resolution.”

Certified True Extract
For Avenue Supermarts Limited

Ashu Gupta

Ashu Gupta

Company Secretary and Compliance Officer

Membership No.: A13449

Address: C/o. Avenue Supermarts Limited

Anjaneya CHS Limited, Orchard Avenue,

Opp. Hiranandani Foundation School,

Powai, Mumbai – 400 076



For Avenue Supermarts Limited

Elvin Machado
Director

CIN: L51900MH2006PLC126473

REGISTERED ADDRESS: Anjaneya, Opp. Hiranandani Foundation School, Powai, Mumbai, Maharashtra, India - 400076

Land Lord Copy

Avenue Supermarts Limited

Plot No. B-72 & B-72A, Wagle Industrial Estate, Thane (West), Maharashtra, India - 400 604

Tel. 91 22 33400500 • Fax: 91 22 33400599 • e-mail: info@dmartindia.com • Website: www.dmartindia.com

ANNEXURE-4 (2/2)

LETTER OF AUTHORITY

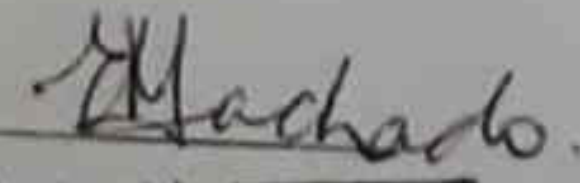
As per Resolution dated 3rd December 2018, a copy of the same is attached herewith, I, Elevation Machado - Director of Avenue Supermarts Limited do hereby authorize **Mr. Jude Fernandez, Business Development Manager** of the Company to:

- i. To enter into, make, sign, seal, execute, deliver, acknowledge, perform Memorandum of Understanding and other ancillary documents, papers, writings and things that may be necessary or proper to be entered into, signed, executed, delivered, acknowledged, performed with respect to the Memorandum of Understanding.
- ii. To appear before the Registrar or Sub- Registrar of the concerned District or Sub-District appointed or to be appointed under any act or law for the time being in force and to do all the other necessary acts, deed, things and matter to admit the execution of the Memorandum of Understanding and to complete the registration procedure and or adjudication of the Memorandum of Understanding for the purpose of payment of such fee/duty/stamp as shall be necessary and ancillary thereto on behalf of the company as such representative may consider most appropriate and act in good faith in the interest of the company with respect of All that piece and parcel of land bearing an extent of around 49,400 sq ft or 4,591 sq. mtr of land in S.F. No. 43, new T.S. no. 3/3B and 3/4B (Old T.S. No. 3/3, 3/4) Block No. 3, Ward G, in Tiruppur Village, Tiruppur Taluk together with Building consisting of Semi Basement floor 19,502 sq ft, Ground Floor 19,502 Sq. ft, First Floor 19,022 Sq. ft, Second Floor 19,022 Sq. ft, Third Floor 19,022 Sq.ft and Head Room/Terrace Floor 951.50 sq.ft totally admeasuring 97,222 sq ft. (Approx), 47 number of exclusive/earmarked parking spaces and 35,000 sq ft of land for parking in ward G, block no. 3, Kangeyam road, Tiruppur Corporation, Tiruppur Taluk, Tiruppur.
- iii. The present letter of Authorization is restricted only for the purpose as stated hereinabove and shall be valid and effective unless revoked earlier by the company or shall be exercisable by Mr. Jude Fernandez so long he is connected to the company.

The representative and proxy cannot make any other decision surpassing the points disclosed in this letter.

Date: 10th Day of November 2020

Place: Mumbai


Elevation Machado
Director


Mr. Jude Fernandez
Business Development Manager