



उत्तर प्रदेश UTTAR PRADESH

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**Memorandum of Understanding for Construction of  
Residential Project at Khasra No. 598 Mauza Nagla  
Padi, Property No. 3/28B (Part), Khandari,  
Hariparwat Ward, Agra**

This Memorandum of Understanding is made as on 10<sup>th</sup> August, 2017 by and between;

Raja Mahendra Aridaman Singh S/o Late Raja Mahendra Ripudaman Singh R/o Bhadawar House, Khandari, Hariparwat Ward, Agra hereinafter referred to as the "First Party/ Land First Party". Which expression unless repugnant to the context shall mean and include his successors and permitted assignees of the First Party.



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स्टाम्प क्रय करने का प्रयोजन

स्टाम्प क्रेशा का नाम व पुरा पता

### स्टाम्प की धनराशि

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**AND**

**M/S SAR Friends Builders** a partnership firm registered under the Partnership Act, 1932 in the office of firm registration Uttar Pradesh and having registration number as 02905/704/AG-14762 dated 15<sup>th</sup> October, 2016 and having its registered office at **G-10, Ground Floor, Block No. 33, Sanjay Place, Agra - 282002** and represented by its Partners hereinafter referred to as "Second Party/ Second Party" which expression unless repugnant to the context shall mean and include its successors and permitted assignees of the SECOND Party.

**WHEREAS** the First party is the owner of and in possession of Freehold land measuring 2964.80 Sq Mts. Situated at Khasra No. 598 Mauza Nagla Padi, Property No. 3/28B (Part), Khandari, Hariparwat Ward, Agra. The said land is hereinafter referred to as the "SAID PROPERTY", as per the map signed and submitted by the First Party and approved by Agra Development Authority, Agra.

**WHEREAS** the First Party further represents that he is in an absolute owner with good title of the above said property and willing to build a good quality and luxurious residential project on the above said property. He is very busy in his various social, personal and other engagements and does not have any spare time to spend on the construction work of the above piece of said property. At the same time in addition to the value of the said property, the First Party is also interested to gain more from the said residential project. That is why the First Party has entered into an understanding with the Second Party for carrying out the construction and other related activities. The partners of the Second Party have good business experiences in the know-how of construction, real estate and



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allied industries. With these and to fulfill the objectives of all the above parties, they have entered into this understanding.

**AND WHEREAS** upon discussions and deliberations on various aspects of development & construction, both the parties want to execute a MOU detailing broadly the terms mutually agreed between them and to take participation of each other. The parties hereto are now executing this Memorandum of Understanding on the following terms and conditions which are also binding on their respective successors, representatives, assignees and executors, individually/ severally and jointly.

**NOW THEREFORE THIS MEMORANDUM OF UNDERSTANDING WITNESSING as under:**

**1. INTERPRETATION CLAUSE:** Unless the context otherwise demands the following expressions shall have the meaning assigned to them for the purposes of this Agreement:-

- (i) **PARTNERSHIP FIRM** – means **M/S SAR Friends Builders** a partnership firm registered under the Partnership Act, 1932 in the office of firm registration Uttar Pradesh and having registration number as 02905/704/AG-14762 dated 15<sup>th</sup> October, 2016 and having its registered office at **G-10, Ground Floor, Block No. 33, Sanjay Place, Agra – 282002.**



*Susmita* → *Anand Kumar*

- (ii) **PROPERTY OR SAID PROPERTY** - means land measuring 2964.80 Sq Mts. Situated at Khasra No. 598, Mauza Nagla Padi, Property No. 3/28B (Part), Khandari, Hariparwat Ward, Agra, as per the map signed and submitted by the First Party and approved by Agra Development Authority, Agra.
- (iii) **PROJECT** - means the development, construction and marketing of residential complex named as **Bhadawar Royal Residency** including leisure & entertainment facilities. It shall inter-alia comprise of all the related activities but is not limited to the following -
- Planning, designing and preparing the Master Development Plan for the "said property";
  - To obtain permission and develop the "said property" in accordance with the requisite licenses/ permissions/ approvals to be granted by the concerned authorities.
  - Marketing the entire property after development to the prospective customers resulting in sale, lease, license or otherwise transfer of built up units/ space/ facilities.
  - Apply for and obtain completion/ occupancy certificates from the concerned authorities, if required.
- (iv) **BUILT UP UNITS** - means and includes the area to be constructed for sale /lease/license or otherwise transfer of built up units/ space/ facilities. It will also include the areas retained by any of the parties to this agreement.

(v) **COST OF LAND:-** Both the Parties have agreed on the land price at Rs. 83,000.00 (eighty three thousand) per Sq. Mts.



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*Sensign* → *Bhadawar*



(vi) **PROJECT COST** - It is inclusive of the consideration for the said property paid or to be paid to the First Party and the cost to be incurred by the Second Party/ Partnership Firm on the said Project and is the sum total of the following costs:

- a) Cost of construction
- b) Cost of Marketing
- c) Cost of Media publicity and other forms of advertisement , publicity and information materials like models, audio visual displays, films, brochures, pamphlets and forms etc.
- d) Cost of development of common areas, paths, landscaping etc. and also for electrification and air conditioning wherever necessary, sewerage and for providing other facilities and amenities in the said Project including cost of all equipments, installations, lifts, etc. and the fees paid for obtaining sanctions/ approvals of map etc. to the concerned authorities.

2. **BASIC UNDERSTANDING:** The First and the Second Parties have agreed that the project shall be developed in the name of **Bhadawar Royal Residency**, on the said property which came into the hands of the First Party as an ancestral property. The Second Party shall incur the entire Project cost excluding the cost of land. They will carryout the construction and complete the said project and obtain the permissions from the concerned authorities of Uttar Pradesh Government and other authorities and sell or lease or grant license or otherwise transfer built up units in accordance with the terms and conditions agreed upon.



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Sushil A

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3. **CONSENT TO JOINTLY DEVELOP:** The First Party hereby agrees to give his consent to the Second Party for the construction of the said project and agrees to make available the physical possession of the said piece of land to enable the Second Party to commence the construction work of the said project in accordance with the terms and conditions agreed in the MOU on receiving of approvals and sanctions of the said project from appropriate authorities. In the mean time, the second party shall be permitted to carry out pre-construction activities at the said property such as survey work, soil and water test. The Second Party shall be permitted to control and manage all the affairs of construction and marketing of the said project in accordance with the terms of this MOU.
4. **PERMISSIONS & APPROVALS ETC.:** The First Party and Second Party agree that the said property can be developed for the project in accordance with the existing policies of the Government. However, for commencement and construction as well as launching of the said project, the parties have agreed that the First Party shall sign and execute all necessary applications, plans, etc. and apply for all the approvals and sanctions to the relevant authorities. The Second Party shall give full cooperation to obtain sanctions and approvals and all the costs on the same shall be borne by the Second Party as a part of cost of project.
5. **FUNDING THE PROJECT:** The land is already owned i.e. it is an ancestral property of the First Party. The entire project cost that is required for commencement and completion of the said project and marketing the



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project shall be borne by the Second Party through its own resources and/or from customers against bookings or borrowings from Private Parties, Banks and Financial Institutions etc. Cost of the said project excluding land shall be borne and incurred by the Second party only.

6. **NAME OF THE PROJECT:** The name of the Project shall be "BHADAWAR ROYAL RESIDENCY".

7. **RATIO OF DISTRIBUTION OF PROCEEDS FROM THE SAID PROJECT:** All the proceeds from the Built-up units to be constructed on the said property as well as the gross proceeds pursuant to bookings, sale, lease, license or transfer shall be apportioned between the First and Second Parties in the ratio mentioned as under:

a) Till the date of adjustment of entire amount of Land as agreed in this MOU;

First Party      60%

Second Party    40%

b) The payment plan as agreed between the parties shall be as follows and will be binding both the parties:

(i) The parties agree that when the investment of the Second Party shall come at par with the investment of the First Party i.e. cost of land, the First Party shall start executing and signing sale deeds of proportionate land with the construction company of the building/ units. The surplus out of the sales shall be shared equally by both the parties after deducting the cost of the said property and the total cost of construction as agreed between the parties.



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- (ii) That as the construction of the units gets completed or otherwise, the sale deeds shall be executed in favour of the customer, jointly by both the parties, respectively of proportionate area of land and cost of construction of the unit as fixed and sold.
- (iii) That if any completed unit remains unsold after the completion of project or a period of 48 months, whichever is later, the parties will endeavor to sell them with joint efforts and distribute amongst themselves the units equally and will realize the sale money and will cooperate in selling the same and executing sale deeds jointly.

**8. COMPLETION OF THE PROJECT:**

The Second Party shall start & complete the construction work of the said project within a reasonable period from the date of signing of this agreement. The period of completion is subject to the Force Majeure circumstance which shall include Acts of God viz earthquakes, floods, fire or any other natural calamities and/or civil commotion, declared war, Govt action or inaction and also unavoidable circumstances.

**9. OBLIGATION OF THE FIRST PARTY:**

It is agreed by and between the parties that the First Party shall have the following obligations which shall be performed by them at its own cost and expenses:

- a. To clear all outstanding taxes, dues by whatever names called including charges towards local taxes, electricity and water etc in respect of the said Property, upto the date of handing over the possession.



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*Susipal* — *Shweta*



- b. To get the title of the property free from any mortgage which may have been created earlier and keep the title of the said property free from any encumbrances, liens, mortgaging and lien whatsoever and marketable so as to enable the Second Party to complete the project.
- c. To sign, apply for and submit for all permissions and sanctions severally /jointly with the Second Party from all Governmental and or other authorities including the sanction of Building Plans, Revised or Modified plans, service plans etc., before the concerned local Authorities as may be required for commencement, continuation and completion of the Project.
- d. To permit the Second Party to set up of infrastructure , site office etc and permit free access upon the said property to the second Party, its staff, Architects, specialists, contractors, sub contractors, site engineers, supervisors, agents , their servants and other personnel.
- e. To execute and sign all necessary documents required by the relevant Government authorities for smooth execution of the 'Project' including obtaining temporary or permanent electric connection from Electricity Authority/Board, Water connection, tube well etc. It is understood that by doing so the First Party shall not incur any responsibility of liability of any nature whatsoever, pecuniary or otherwise and its total cost and expenses would be borne by the Second Party.
- f. To defend, compromise & settle all suits, proceedings and cases severally or jointly with the Second Party that may be initiated by any third party against any of the acts of the First Party with regard to the title of the property. First Party shall keep the title of the property clear so that



*Susita*  
*Susita* → *[Signature]*



there should not be any hindrance/impediment in the development activity of the Second Party.

**10. OBLIGATIONS OF THE SECOND PARTY:**

It is agreed by and between the parties hereto that the following shall be the obligations and responsibilities of the Second Party, which shall be performed by it at its own cost and expenses.

- a. Survey the said land and property, preparation of the layout and building plans and development schemes independently for the said property, to submit the same to the appropriate authorities with the approval and consent of the First Party for grant of approval and sanction and to fulfill the objects of this agreement.
- b. To prepare detailed development plans and estimates and to assign and execute the construction and development work and supervise the same so as to carry out and provide all services of development and complete it within the agreed period as per the terms of this agreement.
- c. To construct the said property and to carryout and manage the constructions for the project, as per the building plans approved by the concerned authorities.
- d. To complete the said project in all respect including but not limiting to the completion of constructions of floor space, carrying out internal development by laying roads, sewage lines, overhead and underground water storage tanks, electrical lines, lifts if required, etc within the time stipulated hereinabove.



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- e. To market the said project in terms of this Agreement and timely deposit the sale proceeds, rents, security deposits, license fees, advance etc. in the designated bank account to be opened/operate for the said purpose. The Second Party shall furnish the First Party a statement of receipt from the prospective customers/ buyers/ tenants/ Licensees etc. as and when required by the First Party. The Second Party will spend the amount collected by selling/ taking advance against booking of units of the said project on the development and construction of the said project in accordance with clause 7 of this agreement. The Second Party and First Party will be allowed to withdraw their share as per MOU only after the completion of the said project i.e. when there will be no need of further investment/ expenditure to complete it. However, Second Party and the First Party may decide otherwise with their mutual consent in this regard.
- f. To enter into contracts, agreements of arrangements with any person(s) for the construction or development of the said projects at its own cost.
- g. In addition, the Second Party will also discharge, pay and deal with all employees may be workmen, officials or otherwise who are engaged or working with said project directly or indirectly, at the site or otherwise that is the part of the cost of the said project. Those who shall be the employee/ officials/ staff of the Second Party exclusively, all their salaries, wages or other dues whether statutory or contractual shall be payable exclusively by the Second Party.



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*Susipra* — *Devendra Singh*



- h. Timely completion of formalities for obtaining the requisite permissions, sanctions and approvals, completion certificate and follow-up with the various authorities during and post the concerned authorities.
- i. To bring in finance for construction and development of the said project as and when required for the said project so that development of the said project is not hindered on any account whatsoever particularly from the non availability of funds.
- j. To determine the sale price, lease rentals of license fees of the built up units in the best interest of the said project from time to time as per the provisions of this understanding.
- k. To abide by all contracts, agreement and allotment on such terms and conditions that the Second Party may execute in respect of the said project with any of the contractors, suppliers, third parties and/or prospective customers/ allottees/ transferees/Licensees etc.
- l. The Second Party shall start bookings of the residential units etc. and will receive, from customers, the booking amounts and further payments thereon. The proportionate value of land in each unit shall also be received from customers by the Second Party on behalf of First Party and, later on, will reimburse it to the first party according to Clause 7.

#### **11. SAFETY MEASURES AND INSURANCE:**

That in order to protect the interest of the First Party and the Second Party, the Second Party may obtain necessary insurance covers through



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concerned contractors/ agencies in respect of the said Project against any claim, loss or damage to any person or property at site, or to the third party for indemnifying the payments of any amount of compensation to the aggrieved persons working at site of the third party, through various agencies/ contractors, for development and construction of the said project and such policies shall be validated during the execution of the project. These expenses will be a part of the cost of construction of the said project incurred wholly by the Second Party.

## **12. MARKETING**

- (a) The Second Party shall be entitled to book for sale, lease or license and to sign agreement for sale, lease deeds and allotment letters. The Second Party upon receipt of full sale consideration will handover the possession of the built-up unit to the prospective buyer/ tenant/ licensees.
- (b) That all tax deductions, property, Service/ VAT/ GST or any other kind of levy or charge payable on the area sold shall be paid by the transferees/ lessees/ licensees for the area given on lease/ license/ transfer, unless agreed to be shared by the First Party and the Second Party equally.
- (c) The brokerage on such sale of transfer shall be treated as expenditure and will be charged in the books of accounts of the Second Party.
- (d) In case of any refunds of sale proceeds of security deposit (in case of lease Agreement) arises because of cancellation of any agreement for sale of agreement for lease or license in respect of the built up area the said refund shall be borne and be paid by the First Party and the Second



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*Susipn* → *Ben Singh*



Party in the ratio in which they have received the proceeds, deposit or consideration.

### **13. TRANSFER OF TITLE**

Upon completion for the said Project or any part thereof, the First Party (for Proportionate portion of Land in respective Unit(s)) and Second Party through authorized person (for construction part in the respective unit(s)) shall jointly execute the sale deed/ transfer deed/ lease deed etc. as the case may be In favour of customers/ buyers/ transferee(s) upon receipt of the entire sale consideration. The stamp duty and registration charges for execution and registration of any such instrument(s)/ documents shall be borne and paid by the transferee(s). A suitable clause to that effect shall be incorporated in the Agreement for sale/ agreement to lease which the Second Party may enter into with the prospective customers/ buyer(s)/ tenant(s)/ licensee(s).

### **14. MAINTENANCE OF BANK ACCOUNTS:**

(a) That separate Bank account(s) shall be opened, operated and maintained by the Second Party, through its partner(s) in the name of M/s SAR Friends Builders, for the said project in any Nationalized Bank or Private Bank.

(b) All sale proceeds received by the Second Party during marketing viz booking amount, earnest money, deposit and/ or sale proceeds shall be deposited in the said bank account.

(c) It is clarified that deposit/ advance/ earnest money received towards sale transfer of said project shall be included in "gross sale proceeds".




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*Susmita* — *S.*  
*Arundhan*



- (d) The Second Party shall furnish as and when required by the First Party, the statement of accounts with regard to the area/ space sold/ leased/ allotted or in any manner transacted, giving the details of the allottees/ lessees, the amount received from such Allottees/ lessees under various heads including but not limited to earnest money, advance sale consideration, installment of sale consideration, final sale consideration, security deposit, lease rent etc and balance receivable from the Buyer(s) and Lessees etc.
- (e) The Second Party will maintain the required amount as per norms of RERA in this account(s) and any surplus will be utilized as per clause 7 of this Understanding.

**15. MAINTENANCE & MANAGEMENT OF THE PROJECT:**

The Second Party shall manage and maintain the said residential project after the completion of the Project either by itself or through its nominated maintenance agency or by the society formed by the ultimate transferee/ lessee of the units of said project. The prospective customers/ tenants shall enter into a Maintenance Agreement with maintenance Agency/ Society for the purposes of availing maintenance services in the respect of the built up units and shall pay maintenance charges and deposits etc. as per the terms of Maintenance Agreement & other agreements etc. directly to the Second Party or the nominated maintenance agency or society as per the area calculations, utilities allocated, actual consumption, hours of operations etc. by the occupiers of the premises. Such charges shall include, but not limited to, charges for the consumption of electric power, light, water, air conditioning, house keeping maintenance, security, insurance,

  
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consumables, spares, communication & transportation costs, stationery charges, Government charges, taxes, levies, salaries of persons appointed by the Second Party or its nominated maintenance agency or society. Any surplus or deficit which may arise on account of management and maintenance of the project shall be shared between the Second Party and the First Party in the area sharing ratio as per clause 7 of this agreement. However in case of society the surplus will be retained by said society.

**16. MAINTENANCE OF UNSOLD AREA:** The maintenance charges for the unsold area shall be borne and paid by the First Party and the Second Party In proportion to their respective holding to the nominated Maintenance Agency till such time the same are transferred by way of sale or lease to the prospective customers/ tenants/ licensees or as may be decided by parties in accordance with the terms of this agreement.

**17. IT IS FURTHER AGREED AS UNDER:**

(a) The account of the project shall be taken and rendered as on 31<sup>st</sup> March each year of such other date of dates or such interval or intervals as may be agreed upon from time to time. The amount so paid/ received shall however be provisional and the final account shall be taken only on the completion of the project.

(b) The Second Party shall maintain proper accounts and records in respect of sale, lease, and license, commission/brokerage which shall be open for inspection by the First Party or its representative's at all reasonable times.



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- (c) This is not a partnership agreement and no mutual agency relation as envisaged in the Partnership Act 1932 exists in the present MOU. No Party shall bind other party through his acts or omission in his agency capacity.
- (d) Each party shall be responsible and liable for their respective tax obligations individually i.e. capital gain on sale of land part will be paid & borne by the First Party.
- (e) That the parties shall assist each other and extend full cooperation in the best interest of the project so as to achieve the intent, purpose and object of this agreement.
- (f) If any clause of this MOU is to be amended, altered, deleted or any additional clause is to be added, then the parties to the Understanding shall do so through the execution of a separate addendum to this Understanding in writing duly signed by both the parties.

#### **18. ARBITRATION:**

In the event of any dispute arising between both the parties or their legal representatives about the interpretation of this Understanding or matters whatsoever touching upon the Understanding whether in the course of and/ or after the termination of Understanding, the parties shall at the first instance, make all possible efforts to mutually settle the same and upon failure thereof, the same shall be referred to a team of Arbitrator to be mutually appointed by both the parties. In case of failure of agreeing to a team of Arbitrator, either party may approach the court of law to appoint an Arbitrator in accordance with the provisions of the Arbitration &



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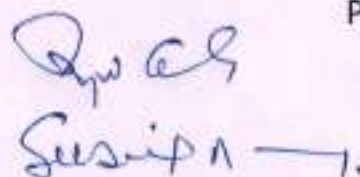


Conciliation Act, 1996, as amended from time to time if required. The Arbitrator shall pass an interim award within a period of 2 months from the date of his appointment and the same shall be first implemented by both the parties. During the pendency of the arbitration proceedings, the parties shall continue to perform their respective obligations contained in this agreement including the disbursement of proceeds to the parties and execution of the project in the best interest of the parties and shall follow the interim order award given by the Arbitrator. All decision/ Award(s) of the Arbitrator shall be final and binding on the parties and venue of Arbitration shall be at Agra. Names: \_\_\_\_\_

SIGNED AND DELIVERED BY  
FIRST PARTY



SIGNED AND DELIVERED BY SECOND  
PARTY



M/s. SAR FRIENDS BUILDERS  
Through its all partners

Raja Mahendra Aridaman Singh  
(S/o Late Raja Mahendra Repudaman Singh)





Witnesses:

(i) Ayush Agarwal  
34, Siddhant Enclave  
Agra - 282005



(ii)

(iii)

(iv)



ATTESTED  
14/8/17  
ANIL KUMAR  
DISTT. NOTARY  
Authorized Officer, Agra