

**GUARANTEE AGREEMENT**

(To be stamped as an Agreement and  
(Not to be attested by the witnesses)

Office Stamp Vendor  
S.O. C & L. Office  
05 SEP 2008

1.	Date of execution of the Guarantee	06/09/2008
2.	Place of execution of the Guarantee	Balangan, Hyderabad.
3.	Name/s of the Guarantor/s [Full name in block letters] (Father's/Husband's name also to be mentioned)	Modi Housing Private Limited
4.	Address/s of the Guarantor(s)	5-4-187/344, III Floor, MG Road, Secunderabad. 500 003.
	Telephone (R).....66.23.555.1..... (O)..... Fax No.....2784 4058..... E-mail ID.....info@modihousing.com	
5.	Full name, age, designation / capacity of the person/s executing the Guarantee for and on behalf of the Guarantors (Eg.: Firm / Company/Society/Trust, etc.)	Sri. Soham Modi Director of the Company with extract of the board meeting dated 16/06/2008.
6.	Name and full address of the Bank/Branch	STATE BANK OF INDIA, a body corporate constituted under the State Bank of India Act, 1955, and having its Central Office at Marlam Cama Road, Mumbai 400 021 and a Branch among other places at Balangan Hyderabad.
7.	Name/s of the Borrower(s) (In full) for whom this Guarantee is executed (Father's/Husband's name also to be mentioned)	Greenwood Estates Modi & Modi Constructors.
8.	Address/s of the Borrower(s)	5-4-187/344, III Floor, MG Road, Secunderabad.
9.	Amount guaranteed (in figures and words)	Rs. 650 00 000/- (Rupees Six Crores fifty Lakhs only) plus interest, enhanced interest, fees, commission, charges, costs and expenses including the legal costs (hereinafter referred to as "the PRINCIPAL SUM")
10.	Agreement of Loan-cum-Hypothecation	Date: 19/06/2008, Aggregate Limit: Rs. 65000000/-
		Date: _____, Aggregate Limit: _____
11.	Supplemental Agreement/s of Loan-cum-Hypothecation, if any	1. Rs. _____
		2. Rs. _____
		3. Rs. _____
		4. Rs. _____
		5. Rs. _____
		6. Rs. _____

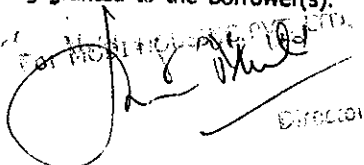
For MODI HOUSING PVT. LTD.  
Director

(The expressions " the Borrower(s)" and " the Guarantor(s)" wherever the context permits shall include Proprietor/s, Partners in a partnership firm, Coparceners of a Joint Hindu family, Trustees of a Trust, Society, Company and its/his/her/their respective heirs, executors, administrators and legal representatives, successors and assigns and the expression "Bank/Branch" shall include its successors and assigns)

WHEREAS the Bank, at the request of the Guarantors, agreeing or continuing to finance the business by granting or continuing or granted all or some or any of the said facilities under the above Agreement of Lien-cum-Hypothecation as modified, if any, by Supplemental Agreement(s) of Loan-cum-Hypothecation to the Borrower(s) or otherwise giving financial accommodation or granting enhanced limits in the said facilities as the Bank may in its absolute discretion think fit or granting extension of time for repayment or agreeing to defer or agreeing not to sue the Borrower(s) in respect of all or some or any of the said facilities, the Guarantors have agreed to guarantee the due payment by the Borrower(s) of all the amounts due by and payable by the Borrower(s) from time to time or at any time under or in respect of the said facilities together with interest, costs, charges, expenses, and / or other monies due to the Bank under the said facilities or any of them on demand by the Bank, being these presents which the Guarantor(s) have agreed to do on the terms hereinafter appearing.

**NOW IN CONSIDERATION OF THESE PREMISES** and it is hereby agreed by the Guarantors with the Bank (the Guarantors covenanting and agreeing jointly and severally) as follows:

1. If at anytime default shall be made by the Borrower(s) in payment of the principal sum and / or other monies for the time being due to the Bank in respect of or under the said facilities, the Guarantors shall forthwith pay unconditionally to the Bank merely on demand by the Bank, the whole of such principal sum together with interest, costs, charges, expenses, fees, commission and or any other monies as may be then due to the Bank without any demur or protest or contestation and without reference to the Borrower(s), irrespective of any dispute or difference with the Borrower(s) in any proceedings and shall indemnify and keep indemnified the Bank against all losses of the said principal sum, interest or other monies due and all costs, charges and expenses whatsoever which the Bank may incur by reason of any default on the part of the Borrower(s).
2. That the interest shall be charged on the outstandings in the account(s) opened in respect of the said facilities at such rate(s) as may be determined by the Bank from time to time. The Guarantors agree that every change in the rates or rests of interest / prime lending rate displayed / notified in the Notice Boards or published in the web-site or newspapers shall be a sufficient notice of such change and be binding on the Guarantors. The Guarantors further acquiesces to the accounting practices of the Bank as to the mode and manner of charging the interest in this behalf. Notwithstanding the above, notice regarding change in or the revision of interest and charging of enhanced / overdue interest is expressly waived by the Guarantors.
3. The Bank shall have the fullest liberty without affecting this Guarantee to vary the amounts of the individual limits of / under the said facilities or fresh or additional limits thereunder subject to the aggregate thereof not exceeding the principal sum and / or to postpone, enforce or forbear for any time to enforce any remedies or any of them against any securities or parting or losing with any security or promising to give time to or not to sue or making any composition with the Borrower(s) or of any other forbearance, act or omission or any other indulgence on the part of the Bank or by any other matters or things whatsoever which under the law relating to sureties would but for this provision have the effect of so releasing the Guarantors. That as though between the Guarantors and the Borrower(s), the guarantors are the sureties but as between the Bank and the Guarantors, it is expressly agreed that the guarantors would be the principal debtors jointly with the Borrower(s) and accordingly, the Guarantors shall not be entitled to and also hereby waive all the rights conferred on the Guarantors under Sections 131,133,134,135,139,140 and 141 of the Indian Contract Act, 1872.
4. That no failure or default by the Bank in requiring or obtaining or enforcing of any security or in the observance or performance of any of the covenants of any loan documents shall have the effect of releasing or discharging or in any manner affecting the liability of the Guarantors hereunder.
5. This guarantee shall be enforceable against the Guarantors notwithstanding any securities or any other collateral securities that the Bank may have obtained or may obtain from the Borrower(s) or any other person, shall at the time when proceedings are taken against the Guarantors hereunder be outstanding and / or not enforced and / or remain unrealized.
6. The Guarantee is a continuing one for all the amounts advanced to the Borrower(s) under the said facilities as also for all interest, costs, charges, expenses and / or other monies which may from time to time become due and remain unpaid to the Bank thereunder and shall not be determined or be affected by any account/s becoming nil or coming into credit or being closed at any time or by any rephrasing of repayment schedules of all or any of the said facilities/limits and / or fresh account/s being opened in respect of fresh / revised facilities granted / being granted to the Borrower(s).

Ed. and  
FOR THE BANK OF INDIA  
  
Director

7. The Guarantors shall forthwith on demand made by the Bank deposit such sum or security as the Bank may specify for the due fulfillment of their obligations hereunder and the Bank shall have the liberty to sell any security so deposited with the Bank in or towards the satisfaction or non-fulfillment of the said obligations by the Guarantors.

8. That the Bank shall be entitled to adjust, appropriate or set-off or exercise lien of or on all monies, securities, goods, instruments held to the credit or for the benefit of the Guarantors on any account or coming into the control or possession of the Bank in any of its branches whether for any specified purpose or otherwise with or without any particular mandate and whether singly or jointly, towards the discharge and satisfaction of the liability of the Guarantors hereunder.

9. That notwithstanding the determination of the guarantee either by notice or by the death or insolvency of the guarantor/s, or otherwise or demand by the Bank, it shall be lawful for the Bank to continue the account/s and any liability arising out of any subsequent operations or payments into or out of the accounts under the said facilities shall remain and be valid and enforceable against the other guarantors and / or the estate of the deceased Guarantor/s and the Guarantors expressly agree that the said notice, death or demand shall not extinguish or discharge the liability of the Guarantors.

10. That if the Borrower(s) being an individual becomes an insolvent or being a company enters into liquidation or winding up or if the management of the undertaking of the Borrower(s) is taken over or nationalised under any law or makes any arrangement or composition with creditors, the Bank may (notwithstanding payment to the Bank by the Guarantors or any other person of the whole or any part of the amount hereby secured) rank as creditor and prove against the estate of the Borrower(s) for the full amount of all the Bank's claims against the Borrower(s) or agree to and accept any composition in respect thereof and the Bank may receive and retain the whole of the dividends, composition or other payments thereon to the exclusion of all the rights of the Guarantors in competition with the Bank, until all the Bank's claims are fully satisfied and the Guarantors will not be paying off the amounts payable by them or any part thereof or otherwise prove or claim against the estate of the Borrower(s) until the whole of the Bank's claims against the estate of the Borrower(s) have been satisfied and the Bank may enforce and recover payment from the Guarantors of the full amount payable by the Guarantors, notwithstanding any such proof or composition as aforesaid. On the happening of any of the aforesaid events, the Guarantors shall forthwith inform the Bank in writing of the same.

11. The liability of the Guarantors shall not be determined or discharged owing to any change in the legal status or constitution of the Borrower(s) or the Guarantors or the Bank whether by way of amalgamation, merger, takeover, dissolution, winding up, insolvency, nationalisation or otherwise, howsoever either by operation of law or by act of the parties but shall remain in full force and be valid and enforceable against all the Guarantors including the entities which shall come into existence upon such change or constitution as if they were the parties to these presents since its inception till full discharge of all the obligations or payments hereunder to the Bank.

12. This Guarantee is independent and distinct from any security that the Bank has taken or may take in any manner whatsoever and the liability of the Guarantors shall be in addition to such security and the loss, impairment, failure, realisation or release of or parting with any such security shall not diminish, extinguish or affect the liability of the Guarantors hereunder and the Bank shall have fullest liberty to call upon the Guarantors to pay the principal sum together with interest, costs, charges, expenses and all other monies payable under all or any of the said facilities without requiring the Bank to realise from the Borrower(s) the amounts due to the Bank and / or enforcing any remedies or securities available to the Bank.

13. That any admission or acknowledgement in writing signed by the Borrower(s) or any of them of its / their liability or indebtedness or otherwise in relation to the said facilities and / or any part payment by it or its / their authorised agent towards the principal sum or any judgement, award or order obtained against the Borrower(s) shall be binding on the Guarantors and further agree that in the Borrower(s) making an acknowledgement or making a payment, the Borrower(s) shall in addition to his/their personal capacity be deemed to act as the Guarantors' duly authorised agent and the Borrower(s) shall be deemed to have made and / or given by or on behalf of the Guarantors themselves and shall be binding upon each of them for the purposes of Sections 18 and 19 of the Limitation Act of 1963.

14. If the Guarantors be more than one individual or entity, each one or any of them is hereby authorised by the others of them to admit and acknowledge their liability to the Bank by any payment into the account or by way of writing or in any manner otherwise and any such acknowledgement of liability or part payment by any or more of them shall in addition to this / their personal capacity be deemed to have been made on behalf of each of them for the purposes of Sections 18 and 19 of the Limitation Act, 1963.

15. (a) The Guarantors give consent to disclose or publish their name/s or its directors / partners as DEFAULTER/S as the Bank or the RBI or any authorised agency in their discretion think fit upon default in repayment of the guaranteed amounts or in the performance of obligations hereunder.

Director  
MODI HOUSING PVT. LTD.

(a) The Guarantors agree that the Credit Information Bureau (India) Ltd. or any other agency or authorised may use, process, publish or furnish for consideration or otherwise the information disclosed by us to the Bank and / or data or products prepared by them to any person, bank / financial institution and other credit granters as may be specified by the Reserve Bank of India and further confirms that the Guarantors shall not raise any dispute whatsoever in that behalf in all respects and to all intents.

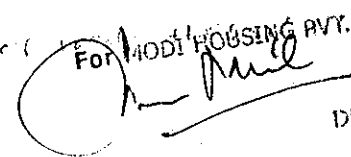
(c) The Guarantors agree that they shall not induct any person/s who is a director on the Board of a company which is/has been identified as a willful defaulter and that in case such a person is found to be on the Board of the Guarantors, it would at once take expeditious and effective steps for removal of such person/s from its Board.

16. Any notice may be served on the Guarantors personally, or by Facsimile (Fax), e-mail, Courier or by registered post acknowledgment due or under certificate of posting to the address recorded with the Bank and when such address is not recorded to the last known address of the Guarantor(s) and the notice so sent shall be deemed to have been served on the Guarantors on the fourth day following the day on which it is posted or sent. Any notice revoking the guarantee shall be in writing and shall come into force only at the expiry of six clear calendar months after service of notice on and express written acceptance of such revocation by the Bank. The Guarantors specifically agree that the Guarantors shall be liable for all the credit facilities now granted or granted during the said period of six calendar months notwithstanding the serving of the said notice of revocation thereto.

IN WITNESS WHEREOF the Guarantors have executed these presents on the day, month and year first hereinabove written.

Signed, Sealed and Delivered by

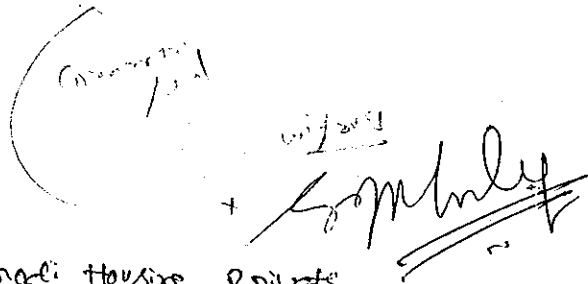
Shri / Smt. / Kum

For MODI HOUSING PVT. LTD.  
  
Director

Shri / Smt. / Kum

Shri / Smt. / Kum

Shri / Smt. / Kum



THE COMMON SEAL OF modi housing private Limited was hereunto affixed pursuant to the resolution of the Board of Directors passed in that behalf on the 16<sup>th</sup> day of June 20 08 in the presence of

(i)

Sourav rody

and

(ii)

Note : Names of the Guarantors to be written in BLOCK LETTERS under their signatures In the case of a Company, Board Resolution must be passed and obtained for Bank's record. Common Seal must be affixed as per the Articles of Association of the Company