



BHARAT SANCHAR NIGAM LIMITED
CORPORATE OFFICE, BANKING DIVISION
Bharat Sanchar Bhavan, H.C.Mathur Lane, Janpath, New Delhi-1

No. 1-9/BBF/Staff Loan/TM/2007-08,

Dated 17-12-2010.

To

All Head of Circle / IFAs

**Subject:- Implementation of the scheme for various Employees' Loans
through Union Bank of India - Amendment to the
agreement dated 04-08-2010 – Regarding.**

This has reference to the letter of even number dated 05-08-2010 vide which it has been intimated that Memorandum of Understanding has been entered into with Union Bank of India for provision of various retail loan facilities to the employees of BSNL.

An amendment to the said agreement dated 04-08-2010 has been made with reference to Clause – 21 and Item (margin) in Sub-para (Other features) of Para (1)-Union Home in Annexure – 1.

A copy of the amendment agreement dated 15-12-2010 entered into with Union Bank of India is also produced below for information and further necessary action please.

Encl: As above.

(S. JANARDHAN SWAMY)
DEPUTY GENERAL MANAGER (BFCI) – III,
Tel: 011 – 2373 4079,
Fax: 2373 4033



दिल्ली DELHI

AMENDMENT TO MEMORANDUM OF UNDERSTANDING

M 544769

THIS AMENDMENT TO MEMORANDUM OF UNDERSTANDING is made as of this 15th day of Dec.2010.

BETWEEN

M/s. Bharat Sanchar Nigam Ltd. (BSNL), a company incorporated under the Companies Act, 1956, having its registered office/corporate office at 3rd floor, Bharat Sanchar Bhawan, Harish Chandra Mathur Lane, Janpath, New Delhi-110 001, through Shri S. Janardhan Swamy, Dy. General Manager (B&F) (duly authorized to enter into the present MOU), hereinafter referred to as "BSNL" (which term shall mean and include its successors in title, subsidiaries, associates, affiliates and assigns) of the ONE PART.

AND

Union Bank of India, a body corporate, constituted under the Banking Companies (Acquisition & Transfer of Undertaking) Act, 1970, having its head office at Mumbai, through Shri S. K. Gupta Dy. General Manager (duly authorized to enter into the present MOU), hereinafter referred to as "Bank" (which term shall mean and include its successors in title, subsidiaries, associates, affiliates and assigns) of the OTHER PART.

BSNL and Bank are collectively referred to as "the parties"

WHEREAS

1. BSNL had entered into an MOU dated 04.08.2010 setting out the understanding between the parties with respect to provision of various retain loan facilities to the employees of BSNL on the terms and conditions as set out in Annexure 1 to the said MOU.
2. Reserve Bank of India (RBI), as a regulator of the Bank, has now effected policy changes with respect to housing loans granted by various Banks and has now restrained Banks from stipulating margin at less than 20% of the quantum of loan for the home loan borrowers.
3. Under the above said MOU, Bank has agreed to provide housing loan to the employees of BSNL stipulating margin at 5% of the quantum of loan, which margin has now become inconsistent with the policy directions of RBI with respect to margin to be obtained by bank in the housing loans.

S. Janardhan Swamy
15/11/2010

S.K. Gupta
SK Gupta



4. Both BSNL and the Bank has now agreed MOU and Its Annexure in so far as and to the extent necessary to comply with the directions and policy changes of RBI.

NOW, THEREFORE, THIS AMENDED MOU WITNESSETH:

1. The existing Clause 21 of the MOU shall be substituted by the following paragraph.

"Clause 21 : That this deed and rights and obligations shall be governed by and be subject to the applicable laws, regulations, policies and advisory of Government of India & RBI issued from time to time."

2. In Annexure 1, para 1 with respect to Union Home and in Sub-para Other Features against column margin, the number 5% shall be substituted by "20%".

3. All other terms and conditions in the MOU shall remain unchanged.

IN WITNESS WHEREOF, the parties have caused their respective common seal to be affixed to these presents on the day, month and year first hereinabove written at New Delhi.

BHARAT SANCHAR NIGAM LTD.


(S. Janardhan Swamy) 15/12/2010
Dy General Manager (B&F)
Bharat Sanchar Nigam Limited
Corporate Office, New Delhi
उप. जनार्दन स्वामी
S. Janardhan Swamy
उप. जन. प्रबन्धक (B&F)
भारत संचार निगम लिमिटेड नई दिल्ली
B.S.N.L., New Delhi

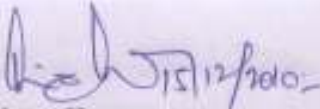
WITNESS

UNION BANK OF INDIA


(S. K. Gupta) 15/12/2010
Dy. General Manager
Union Bank Of India
Con Place, New Delhi

उप. महाप्रबन्धक/Dy. Gen. Manager
एच-14, 15, कॉन्सॉट प्लेस, नई दिल्ली-110001
F-14, 15, Connaught Place, New Delhi-110001

WITNESS


Mr. Kishore Kumar
Bharat Sanchar Nigam Limited
Corporate Office, New Delhi


Mr. Sandipan Chatterjee 15/12/2010
Union Bank Of India
Con Place, New Delhi