Notice to Homebuyers of Unitech Group

Subject: Updated Payment Plan in respect of balance receivables from the homebuyers – explained

1. It appears that there is need for further clarity on the subject. As per the latest data, updated after the refunds of full Principal amount to 198 out of 220 Homebuyers, the total balance amount payable by the Homebuyers to Unitech Group, works out to Rs. 3238.38 crores (Rs. 3116.63 Cr in the case of Residential Projects and Rs. 121.80 Cr. in the case of Commercial Projects). These balance dues are in respect of all the pan-India stalled projects.

2. It has been worked out, as also placed before the Hon'ble Supreme Court, that the new Management would need to prepare and invite a total of appx. 135 Tenders covering all the projects. Since it is not feasible to float all the Tenders in one go, it has been decided (and aslo approved by the Hon'ble Supreme Court) that these Tenders would be invited in 4 to 5 Lots. It is part of this strategy that a total of 35 Tenders were invited on 02.01.2023 as part of Lot-1, of which 15 Tenders stand finalised. Further, 51 Tenders including of 20 non-responsive Tenders of Lot-1 were invited as part of Lot-2, of which 34 Tenders stand finalised as on date. It is proposed to float another set of about 50 Tenders as part of Lot-3 soon after the Hon'ble Supreme Court permission is granted for Award of Contracts in the case of 49 Tenders of Lot-1 and Lot-2. Each cycle of Tendering of one Lot of Tenders takes about three months time for completion of the process before floatation of tenders for the subsequent lot keeping in view that the left over tenders of the previous Lot get floated along with the tenders of the next Lot.

3. We had uploaded the latest Revised Payment Plan (in respect of balance dues) on the Unitech Website on 03.02.2023, according to which the balance dues are to be paid in Quarterly Instalments linked with the Tenative Completion time. The Revised Payment Plan contained certain specific dates for payments across all the projects. However, keeping in view the sentiments and feedback from the Homebuyers, with whom we have been interacting from time to time, it has been decided that:

   (i) The Homebuyers would need to make payment of the balance dues only after the Contracts are awarded in respect of projects wherein they have been allotted the Units. The Management would keep the Homebuyers informed about the Award of Contracts of projects on the website of the Company from time to time as it progresses along with the tentative completion time-lines. This arrangement will ensure that the Homebuyers start making payments only after the Contracts are awarded in respect of their projects.

   (ii) The Management has opened project specific Collection Accounts and

the installment amounts shall be credited to the said specific accounts only to allay any apprehensions about diversion of amounts paid by them to other projects.

(iii) When the information about award of Contracts will be uploaded on the website, the on-line payment system would lead the concerned Homebuyer to the Payment Portal. Guidance Notes/ Help Notes would be available on the portal detailing the process to be followed in making payments. The system will ensure that the amount paid is automatically reflected in his Ledger Account and a Receipt would be generated for his own records. These payments would automatically get credited to the Collection Account of the said Project.

(iv) As a matter of principle, the due date for remittance of first installment should be the 1st day of the month following the month in which the Contract is awarded. However, it is proposed to give some more time for commencement of payments so as to enable the Homebuyers to mobilise funds for the same. This is explained with the following illustrations:

(a) In case the first set of 49 Contracts of Lot-1 and Lot-2 Tenders are awarded in the month of November, the due date for remittance of the First installment would be 1st January, 2024;

(b) Similarly, for payment of the first installment in the case of LOT-3 Tenders, the Management would give advance notice for the due date of payment as 1st March 2024 in the month of January 2024 and so on and so forth, based on the tentaive dates of award of contracts.

4. Accordingly, the updated Payment Plan is being given in the table below by way of an illustration:

Sr. No.	Name of the Project/ part of the Project & Location	Tentative Project completion Schedule	No. of Quarterly instalments
(i)	Vistas – Towers A-1 to A-8	24 Months	07
(ii)	Vistas – Towers A-9 to A-11	18 Months	04
(iii)	Vistas – Towers (B1 to B5, E-1 and E2, and EWS Building)	36 Months	11
(iv)	Vistas – Towers C-1, C-2, C3, D-1 and D-2	42 Months	13
General Schedule for payments up to 95% of the Total Due Amount subject to project specific parts as in the above case			
(i)	Project Name	Within 09 Months from the date of Award of	02

Sr. No.	Name of the Project/ part of the Project & Location	Tentative Project completion Schedule	No. of Quarterly instalments
		Contract	
(ii)		09 to 12 Months	03
(iii)		> 12 to 18 Months	04
(iv)		>18 to 24 Months	07
(v)		>24 to 30 months	09
(vi)		>30 to 36 Months	11
(vii)		>36 to 42 months	13
(viii)		> 42 months	15
Note:	The last 5% of the amount due would be payable on offer of possession as part of full and final settlement in all the cases.		

5. The Homebuyers would appreciate that timely payment of the balance dues is critical for maintaining the cash-flows for payment of running bills of the Contractors. We have received feedback from various Homebuyers that the management must esnure timely payments by the concerned homebuyers and deterrent measures should be put in place for the deafulters. It is precisely for this reason that the Management has proposed that in case of defaults in payment of balance dues as per the Revised Payment Plan, the homebuyers would be liable to pay the same with 9% interest (charged on the amount of default for the period of default) up to default in payment of two quarterly installments. Where the deafult continues beyond two quarters, the allotment shall be cancelled.

6. Please appreciate that the management has no intentions of making any money by way of charging any interest nor it is interested in cancellation of any allotments. But we are constrained to apply these deterrent conditions in order to ensure timely cashflows for construction works without any interruptions.

7. Please take note that all communications will be in electronic mode on the Company website unitechgroup.com. The management has created a prominently displayed Tab on the Homepage Menu “Payment Plan”. An e-Process Note to facilitate the transactions will also be uploaded on the website in due course.

8. Receiving payments in time is critical for commencement and timely completion of projects. Management is hopeful that homebuyers would extend their cooperation and support by adhering to the Updated Payment Schedule.

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Unitech Group