

BANK GUARANTEE PROFORMA FOR SECURITY DEPOSIT

(On Rs. 50/- Non judicial Stamp Paper)

Date of Issue: -----

Effective Date: -----

Expiry Date: -----

Value of B.G: -----

The Singareni Collieries Company Limited
Red Hills, Khairatabad, Hyderabad – 500 004,

In consideration of The Singareni Collieries Company Limited, Red Hills, Khairatabad, Hyderabad–500004, having its Registered Office at Kothagudem, Khammam district, A.P. (hereinafter referred to as ‘Seller’, which expression shall unless excluded by or repugnant to the subject or context, include its legal representatives, successors and permitted assigns) having agreed to issue Fuel Supply Agreement for supplying coal (hereinafter referred to as ‘LOA’) to _____(Name of the Company/ Partnership firm/ Proprietor) having its registered office at _____(address of the Company/ Partnership firm/ Proprietor) (hereinafter referred to as the ‘Purchaser’, which term shall unless excluded or repugnant to the subject or context include its legal representatives, successors and permitted assigns in case of Company) and the Purchaser being required to furnish the Commitment Guarantee as per the LOA.

We, _____(Name and address of the Bank), having its Head Office at _____ (Address of the Head Office of the Bank) (hereinafter called the Guarantor, which expression shall, unless repugnant to the context or meaning thereof, include its successors, administrators, executors and assigns) do hereby irrevocably and unconditionally guarantee and undertake to pay Seller or such other place or places as may be directed by the Seller all amounts payable by the Purchaser to the extent of Rs. _____/- (Indian Rupees _____) at any time upto _____, subject to the following terms and conditions :-

1) The Guarantor shall pay to the Seller on demand and without any demur, reservation, contest, recourse or protest and/ or without any reference to the Purchaser. As to whether the occasion or ground has arisen for such demand, the decision of the Seller shall be final.

2) The Seller shall have the fullest liberty without reference to the Guarantor and without affecting this guarantee to postpone at any time or from time to time the exercise of all or any of its powers and rights under arrangement made with the Assured, and the

Guarantor shall not be released from this guarantee by any arrangement between the Seller and the Purchaser or any alteration thereof made with or without the consent of the Guarantor or by exercise or non-exercise by the Seller of all or any of its powers and rights against the Purchaser, or any other forbearance, act of omission on the part of the Seller or indulgence granted by or on behalf of the Seller to the Purchaser, which under the law relating to surety ship would but for this provision have the effect of releasing the Bank as Guarantor from their obligations under this guarantee.

3) The guarantee herein contained shall not be determined or affected by the winding up or insolvency of the Purchaser, but shall in all respects and for all purpose be binding and operative until all monies due to the Seller in respect of all liability or liabilities of the Purchaser are fully paid.

4) It is also agreed that Seller will be entitled at its option to enforce this guarantee against the Guarantor as principal debtor in the instance notwithstanding any other security or guarantee that the Seller may have in relation to the Purchaser liability.

5) The Guarantee will remain valid upto -----.

6) The Guarantee shall cover all claims or demand of Seller to the extent of the amount guaranteed.

7) Notwithstanding anything contained, the liability of the Guarantor under this Agreement is restricted to Rs. _____/-(Indian Rupees _____), and the same will remain in force upto -----.

8) This guarantee can be enforced by Seller any number of times for their claims or demand to the total extent of Rs. _____/-(Indian Rupees _____), as long as it remains in force.

9) Unless a demand or claim under this guarantee is received by the Guarantor within the period mentioned in clause 5 and 7 hereof, all rights of the Seller shall be forfeited and the Guarantor shall be relived or discharged from all liabilities.

10) The guarantee is operative at our ----- (name and address of the branch) Branch, _____ (Place).

Signature of the Bankers
With date & Rubber Stamp