

**BANK GUARANTEE FORMAT
FOR SECURITY DEPOSIT**
On Rs. 50/- Non judicial Stamp Paper

Date of Issue: -----

Effective Date : -----

Expiry Date: -----

Value of B.G: -----

1. **[The Chairman – cum- Managing Director,
Coal India Limited,
10, Netaji Subhash Road, Kolkata – 700 001]**
2. **[The Chairman-cum-Managing Director,
Mahanadi Coalfields Limited,
At/Po.Jagriti Vihar, Burla – 768020,
Sambalpur, Orissa.**
3. **[The General Manager (S&M),
Mahanadi Coalfields Limited,
At/Po.Jagriti Vihar, Burla – 768020,
Sambalpur, Orissa.**

In consideration of Coal India Limited of 10, Netaji Subhash Road, Kolkata – 700 001/
_____ (name of the subsidiary Company) having its Registered Office
at _____ (regd. address of the subsidiary Company)
and Sales Office at _____ (address of the sales office of the subsidiary Company)
(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 supply Coal/Imported Coal 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 Security Deposit as per the terms of the Fuel
Supply Agreement (FSA)

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 _____ (date that is sixty-four (64) months from
the date of issue of the Bank Guarantee) 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 Purchaser, 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's liability.*
- 5) *The Guarantee will remain valid for a period of sixty-four (64) months from the date hereof and to such further period, as may be required and agreed by the Parties and agreed by the Guarantor before the expiry of the aforesaid validity.*
- 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 and including the day of _____(date that is sixty-four (64) months from the issue of the Bank Guarantee) and to such further period, as may be required and agreed by the Parties and agreed by the Guarantor before the expiry of the aforesaid validity.*
- 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, **Sambalpur** (Place).*

Signature of the Bankers
With date & Rubber Stamp