

GUARANTEE BOND

1. In consideration of the MOIL LIMITED (Formerly MANGANESE ORE (INDIA)LIMITED) called MOIL having Agreed to exempt _____ (hereinafter called "the said Customer(s)" from the demand, under the terms and conditions of Agreement dated _____ made between MOIL and the said Customer(s) (hereinafter called "the said Agreement) from deposit of Earnest Money (EMD) for due fulfillment of the terms and conditions contained in the said Agreement, on production of bank guarantee for Rs. _____ (Rupees _____ only), we _____ (Name of the Bank with Branch) (hereinafter referred to as "the Bank"), at the request of _____ Customer(s), do hereby undertake to pay to MOIL an amount not exceeding Rs. _____ (Rupees _____ only) against any loss or damage caused to or suffered or would be caused to or suffered by MOIL, by reason of any breach by the said Customers of any of the terms or conditions contained in the said Agreement.

2. We, the Bank do hereby undertake to pay the amounts due and payable under this guarantee without any demur, merely on a demand from MOIL stating that the amount claimed is due by way of loss or damage caused to or would be caused to or suffered by the MOIL by reason of any breach by the said Customers of any of the terms or conditions contained in the said Agreement or by reason of the Customers(s) failure to perform the said Agreement. Any such demand made on the Bank shall be conclusive as regards the amount due and payable by the Bank under this guarantee. However, our liability under this guarantee shall be restricted to an amount not exceeding Rs. _____ (Rupees _____ only).

3. We, the Bank further agree that the guarantee herein contained shall remain in full force and effect, during the period that would be taken for the performance of the said Agreement and that it shall continue to be enforceable till all the dues of MOIL under or by virtue of the said Agreement have been fully paid and its claims satisfied or discharged or till MOIL certifies that the terms and conditions of the said Agreement have been fully and properly carried out by the said Customers, and, accordingly discharge this guarantee unless a demand of claim under this guarantee is made on us in writing on or before the _____, we shall be discharged from all liability under this guarantee thereafter.

4. We, the Bank further agree with MOIL that MOIL shall have the fullest liberty without our consent and without affecting in any manner our obligations hereunder to vary any of the terms and conditions of the said Agreement or to extend time of performance by the said Customers from time to time or to postpone for any time or from time to time any of the powers exercisable by MOIL against the said Customers and to forbear or enforce any of the terms and conditions relating to the said Agreement and we shall not be relieved from our liability by reason of any such variation, or extension being granted to the said Customers or for any forbearance act or omission on the part of MOIL or any indulgence by MOIL to the said Customer or by any such matter or thing whatsoever which under the law relating to sureties would, but for this provision, have effect of so relieving us.

5. We, the Bank lastly undertake not to revoke this guarantee during its currency, except with the previous consent of MOIL in writing.

Notwithstanding anything contained herein :

(a) Our liability under the Bank Guarantee shall not exceed Rs. _____
(Rupees _____ only).

(b) This Bank Guarantee shall be valid upto _____ and

© We are liable to pay the guaranteed amount or any part thereof under this Bank Guarantee only and only if you serve upon us a written claim or demand on or before SIXTY DAYS from the date of expiry of Guarantee.

Dated the _____ day of _____, 200__.

For _____(Name of Bank)

Head of Branch