

Date :- _____

To,
MOIL LIMITED
A Govt. of India Enterprise
MOIL BHAVAN,
1A, Katol Road,
NAGPUR-440 013

SUB:- Undertaking for issue of Bank Guarantee

Dear Sir,

In pursuance of the contract bearing No. _____ signed between the undersigned and MOIL Ltd., for purchase of _____ from MOIL Ltd., I / we hereby give an unconditional Bank Guarantee bearing No. _____ dated _____ issued by _____ Bank for Rs. _____ towards such sums payable by the undersigned as mentioned in the said Bank Guarantee.

I / we undertake that undersigned shall ensure the payments against various invoices/ Debit Notes/ Other Charges to be deposited and credited in MOIL's bank account on or before the respective due date, failing which MOIL will be at liberty to encash the Bank Guarantee for the amount(s) in default as well as interest/other charges.

Thanking you.

Yours faithfully,

Signature

Name of the Company

Enclosed: Original Bank Guarantee.

FORMAT OF BANK GUARANTEE

Ref. No. : _____

Date : _____

From (Name and address of issuing banker) :

To,

MOIL Limited,
MOIL Bhawan,
1-A, Katol Road,
Nagpur – 440 013

Unconditional Bank Guarantee
Unconditional Bank Guarantee Amount
Date of Issue
Valid upto
Claim Period upto

No. _____
Rs. _____

Dear Sir,

- 1) In consideration of Contracts executed or to be executed from 1/4/2015 and expiring on 31/3/2016 for sale and supply of _____ by MOIL Limited (hereafter referred to as “MOIL”) from any of its mines/plants/branches/stockyards presently located or to be located in future, all over India, to plant/locations of M/s.

_____, having registered office at

_____ (hereafter referred to as “our Client”

or “the Client”), We, _____

(name of banker) having registered office at

_____ (address) and having branch at Nagpur at _____

_____ (address of the branch) at the request of the Client, do

hereby absolutely and unconditionally guarantee the due payment of all sums, due and payable on default, by the Client, to MOIL, to the extent of Rs. _____

(Rupees _____ only),

under the contracts executed or to be executed as aforesaid, whether such sums be due and payable on account of either earnest money deposit/security or of the price of the goods as dispatched and/or delivered by MOIL or otherwise found due and payable by the Client, by virtue of any contract relating to the same or otherwise on any count whatsoever, including any loss, damage, compensation, costs, applicable taxes and duties, penalty(ies), charges, supplementary/final invoices/bills, interest

and other expenses payable by the Client, forthwith, on demand, unconditionally, without any demur, protest, objection, delay of any kind, whatsoever, without any reference to the Client or for that matter, inspite of any objection by the Client, of whatsoever nature.

- 2) We agree that the decision of MOIL as to any sum 'due and payable on default', by the Client, on any count whatsoever, as contained in the letter of demand, issued by MOIL, (sent either by hand/post/e-mail) as received by us, will be final and binding upon us, and will not be questioned in any manner. Any such letter containing a demand, stating that a particular /specified sum is 'due and payable on default', will be a good and valid demand and the amount as specified therein will be immediately paid/deposited/credited forthwith, unconditionally, by Us, without any reference to the Client, into account No. _____ of MOIL with IDBI Bank, Civil Lines Nagpur, (IFSC _____).
- 3) This guarantee shall be a continuing guarantee, but our total liability hereunder shall not exceed _____ and, within the said limit, this guarantee shall be applicable to all money(ies) that may become payable by the Client, as demanded by MOIL. It is hereby expressly agreed and declared that MOIL will have the fullest liberty to claim payment of the amount(s) from time to time under this guarantee subject to the ceiling limit of _____ as referred to above and that this guarantee shall not become infructuous because of partial payment(s) made by us to MOIL pursuant to demand(s) made by MOIL upon us from time to time and it is further declared that this guarantee shall hold good in favour of MOIL to the extent of balance amount covered under this guarantee, till such time it is fully exhausted .
- 4) Our obligations under this guarantee shall continue in full force and effect notwithstanding (a) any change in the constitution or style of our Client or (b) your granting time or any other indulgence to the Client.
- 5) This guarantee shall remain in full force upto 31/3/2016 and, notwithstanding anything contained hereinbefore, the Bank's liability under this guarantee shall be restricted to _____.
- 6) The Claim period under this Bank Guarantee will be six months (180 days) from the date of the expiry of this Bank Guarantee. Unless a claim is filed in writing as aforesaid on or before 30/9/2016, all rights of MOIL under this guarantee shall be forfeited and we shall be relieved of and discharged from all liabilities hereunder after making payment(s) towards amount(s) demanded from time to time.
- 7) The Letter of demand can be signed and issued by D.G.M (Finance)/ Sr. D.G. M. (Marketing)/ D.G.M.(Marketing) of MOIL or any other person authorized by Director (Commercial) of MOIL.
- 8) We further agree that MOIL will have the fullest liberty, without affecting in any manner our obligations hereunder, to vary any of the terms and conditions of the contract/allotment.

- 9) We lastly undertake not to revoke/amend/issue addendum to this Bank Guarantee during its currency without previous consent of MOIL in writing.
- 10) In case of any dispute arising out of or in connection with this Bank Guarantee or its encashment, the Court in Nagpur alone shall have jurisdiction.
- 11) The Bank and this branch has power to issue this guarantee in favour of you and the undersigned has full powers to do so.

Yours faithfully,

Place : _____

[Branch/Bank particulars
with address, phone numbers
and e mail IDs of contact
person(s)]

Date : _____

Note :

- (1) Bank guarantee issued by any Scheduled Commercial Bank in India having branch at Nagpur and endorsed by Nagpur branch of the bank shall only be acceptable.
- (2) The bank guarantee should be on requisite stamp paper of appropriate value, taken in the name of the bank.