



(Appendix-B)

FORMAT OF BANK GUARANTEE TOWARDS PERFORMANCE SECURITY

To
M/s Mineral Exploration Corporation Limited
Dr. Babasaheb Ambedkar Bhavan
Seminary Hills, NAGPUR-440 006, Maharashtra

Bank Guarantee No: -----
Guarantee Amount: INR_____ Guarantee cover from_____to_____ Last date
of lodgment of claim:_____

Whereas, Mineral Exploration Corporation Limited with registered office at Dr. Babasaheb Ambedkar Bhavan, Seminary Hills, Nagpur (herein after referred to as “the Company”) has given a contract vide work order No. Dated_ against the Open Bid No. _____ to M/s _____ (Name of Contract with full address) _____ (herein after referred to as “the Contractor”) for _____ (Description of Work) _____. Whereas one of the condition of the contract that the contractor shall either remit a sum of _____ (Rupees _____ only) as Security Deposit or submit a Bank Guarantee from any Nationalized/RBI approved scheduled Indian Bank for the said sum for the due fulfillment of the said work order by the Contractor.

In consideration of the Company having agreed to accept a Bank Guarantee from us towards such Security Deposit in lieu of cash deposit in accordance with the terms and conditions of the above contract, We _____ (Name of Bank and full address) _____ (herein after referred to as “the Bank”) do hereby undertake to pay the company merely on demand any sum from time to time demanded by the Company up to a maximum of _____ (Rupees _____ Only) being the amount of security deposit against any loss or damage caused to or suffered by or would be caused to or suffered by the company by reason of any breach by the said contractor of any of the terms and conditions contained in the said contract.

We, the Bank do hereby under take to pay the amount so demanded by the Company without any demur merely on a demand from the Company stating that the amount claimed is due by way of loss or damage caused to or suffered or would be caused to or suffered by the Company by reason of breach by the said contractor of any of the terms and conditions contained the said contract.

Any such demand made on the bank shall be conclusive as regards the amount due and payable by the Bank under this Guarantee.

We the Bank undertake to pay the Company any money so demanded notwithstanding any dispute or disputes raised by the said contractor in any suit or proceeding pending before any Court or Tribunal relating thereto, our liability under this present being absolute and unequivocal. The payment so made by us under this guarantee shall be a valid discharge of our liability for payment there under and the said contractor shall have not claim against us for making such payment.

We the Bank further agree the guarantee herein contained shall remain in full force and effect during the period that would be taken for the performance of the said contract and that shall



continue to be enforceable till all the dues of the company under or by virtue of the said contract have been fully paid and its claim satisfied or discharged or till the company certifies that the terms and conditions of the said contract have been fully and properly carried out by the contractor and accordingly discharges this guarantee.

We the Bank further agree with the said company that they 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 contract or to extend time of performance by the said contractor or to postpone for any time and from time to time any of the powers exercisable by it against the contractor and either to enforce or forbear from enforcing any of the terms and conditions governing the said contract or securities available to the company and the said bank shall not be released from its liability under these presents any exercise by the company of the liberty with reference to the matters aforesaid or by reason of time being given to the said contractor or any other forbearance, act or omission on the part of the company or any indulgence by the company to the said contractor or any other matter or thing whatsoever which under the law relating to securities, but for this provision, have the effect of so relieving us.

This guarantee shall not be affected by any change in the constitution of the Bank or the company or the said contractor nor shall this guarantee be affected by any change in the constitution of the company or the said contractor by absorption with any other body or corporation and this guarantee shall be available to or enforceable by such body or corporation. "Notwithstanding anything contrary contained in any law for the time being in force or banking practice, this guarantee shall not be assignable or transferable by the beneficiary. Notice or invocation by any person such as assignee, transferee or agent of beneficiary shall not be entertained by the Bank. Any invocation of guarantee can be made only by the beneficiary directly".

Notwithstanding anything contained herein above,

- a) Our liability under this Bank Guarantee shall not exceed____(Rupees_____ only).
- b) This Guarantee shall be valid up to per the term agreed in the contract and _____ (date of expiry of Bank Guarantee), as
- c) 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 within its validity that is on or before_____(date of expiry of Bank Guarantee).

For _____

Name of the Bank

Seal of the Bank

(Signature, Name and Designation
of the authorized Signatory)

Notes:

- a) The Bank Guarantee should contain the name, Designation and code no. of the officer(s) signing the guarantee.
- b) The address, telephone no. and other details of the Head Office of the bank as well as of issuing Branch should be mentioned on the covering letter of issuing Branch.
- c) We have power to issue this Guarantee in your favor and the undersigned has full power to do so.

Signatory of Bank