

**FORM OF BANK GUARANTEE TO BE USED IN CASES WHERE PAYMENT IS  
GUARANTEED BY THE CONSUMERS/PURCHASERS DIRECTLY**

NORTH EASTERN COALFIELDS,  
COAL INDIA LIMITED,  
P.O. MARGHERITA,  
ASSAM – 786181.

In consideration of *North Eastern Coalfields, Coal India Limited, Margherita, Assam* having agreed to supply Coal to .....

.....  
(Name & address of the party) (herein-after called 'the Company' which terms shall mean and include its successors and assigns) from time to time, we ..... (Name of the Bank with complete address) (herein after called 'the Guarantor' which terms shall mean and include its successors and assigns) do hereby undertake to pay the *North Eastern Coalfields, Coal India Limited* on demand the sum and sums payable by the Company as price of the materials supplied excluding railway freight but including all incidental charges subject to the following terms & conditions.

- (1) Payment pursuant to this undertaking will be demanded by the *North Eastern Coalfields, Coal India Limited* from the Guarantor and will be met by the Guarantor without question. As to whether the occasion or ground has arisen for such demand the decision of the *North Eastern Coalfields, Coal India Limited* shall be final.
- (2) The *North Eastern Coalfields, Coal India Limited* shall have the fullest liberty without reference to the Bank and without affecting this guarantee to postpone for any time or from time to time the exercise of all or any of their powers and rights under the arrangement made with the Company and to enforce or forbear to enforce the same and the Bank as Guarantor shall not be released from this guarantee by any arrangement between the *North Eastern Coalfields, Coal India Limited* and the Company or any alteration thereof made with or with the consent of the Bank or by the exercise or non-exercise by the *North Eastern Coalfields, Coal India Limited* of all or any of their powers and rights against the Company of any other forbearance act or omission on the part of the *North Eastern Coalfields, Coal India Limited* or indulgence granted by or on behalf of the *North Eastern Coalfields, Coal India Limited* to the Company 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 of the Company but shall in all respects and for all purposes be binding and operative until all money due to the *North Eastern Coalfields, Coal India Limited* in respect of the liability or liabilities of the Company are fully paid.
- (4) The liability of the Guarantor shall not at any time exceed Rs. ....  
(Rupees .....) )

(5) The undertaking shall be determined on the date of eAuction but shall, not withstanding such determination continue in respect of all bills sent to the Guarantor till ..... (i.e. 180 days from the date of determination). The Guarantee is effective from this day ..... (the date of eAuction)

(6) Notwithstanding anything contained herein before our liability under this bond is restricted to Rs. .... (Rupees .....). Our guarantee is to remain in force till ..... Unless a demand is made against us under the Guarantee within 180 days from the eAuction date i.e. from ..... such claim shall lapse and we shall be discharged from the Guarantee.

The Bank has under its constitution power to give this Guarantee and ..... (Name of person) Who has signed it on behalf of the Bank has authority to do so.

Dated this ..... day of ..... 20.....  
Place .....

Signature of the authorized person  
for and on behalf of the Bank