

PROFORMA BANK GUARANTEE FOR ADVANCE PAYMENT

(ILLUSTRATIVE FORMAT)

(On Non-Judicial stamp paper of value Rs. 500/-)

IN CONSIDERATION OF MAZAGON DOCK SHIPBUILDERS LIMITED, a company incorporated under the Companies Act 1956 and having its registered office at Dockyard Road, Mumbai 400010 (hereinafter referred to as the "the Purchaser" which expression shall, unless it be repugnant or contrary to the subject or context thereof, be deemed to mean and include its successors and assigns) having placed an order on Messers a partnership firm/sole proprietor business/a company registered under the Companies Act, 1956 having its office at(hereinafter called "the Vendor/ Bidder" which expression shall, unless it be repugnant or contrary to the subject or context thereof, be deemed to mean and include its successors and assigns) vide Letter of Intent/ Agreement No._____ dated _____ (hereinafter called "the order " which expression shall include any amendments/alterations to "order" issued by "the Purchaser") for sale and handover of all 32 Nos. flats as stated in the said Order and the Purchaser having agreed to make an advance payment of Rs.....being **5%** of the order value, in pursuance of the terms and conditions of the said Order, to the Vendor/ Bidder against Bank Guarantee for the equivalent amount, We,..... Bank having office at (hereinafter referred to as "the Bank" which expression shall includes its successors and assigns) hereby agree to pay to the Purchaser without any demur on first demand an amount not exceeding Rs..... (Rupees.....only) being **5%** of the order value against any loss or damage, costs, charges and expenses caused to or suffered by the Purchaser by reason of non performance and non-fulfilment or for any breach on the part of the Vendor/ Bidder of any of the terms and conditions of the said order.

2. We, Bank further agree that the Purchaser shall be sole judge whether the said Vendor/Bidder has failed to perform or fulfil the said order in terms thereof or committed breach of any terms and conditions of the order and the extent of loss, damage, cost, charges and expenses suffered or incurred or would be suffered or incurred by the Purchaser on account thereof and we waive in the favour of the Purchaser all the rights and defences to which we as guarantors may be entitled to.

3. We, Bank further agree that the amount demanded by the Purchaser as such shall be final and binding on the Bank as to the Bank's liability to pay and the amount demanded and the Bank undertake to pay the Purchaser the amount so demanded on first demand and without any demur notwithstanding any dispute raised by the Vendor/Bidder or any suit or other legal proceedings including arbitration pending before any court, tribunal or arbitrator relating thereto, our liability under this guarantee being absolute and unconditional.

4. We, Bank further agree with the Purchaser that the Purchaser 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 order/or to extend time of performance by the Vendor from time to time or to postpone for any time to time any of the powers exercisable by the Purchaser against the Vendor/ Bidder and to forbear to enforce any of the terms and conditions relating to the order and we shall not be relieved

from our liability by reason of any such variation or extension being granted to the Vendor/ Bidder or for any forbearance, act or omission on the part of the Purchaser or any indulgence by the Purchaser to the Vendor/Bidder or by any such matter or things whatsoever which under the law relating to sureties would have the effect of relieving us.

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

6. We, Bank also agree that the Bank's liability under this guarantee shall not be affected by any change in the constitution of the Vendor/ Bidder

7. Notwithstanding anything contained herein above:

- i) Our liability under this guarantee shall not exceed Rs.....
- ii) This Bank Guarantee shall be valid upto and including; and
- iii) We are liable to pay the guarantee 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(validity +----- weeks from the date of expiry of this guarantee).

8. This Guarantee shall be governed by Indian laws and the Courts at Mumbai, India shall have the exclusive jurisdiction.

IN WITNESS WHEREOF the Bank has executed this document on this..... day of

For Bank
(by its constituted attorney)

(Signature of a person authorised to sign on behalf of "the Bank")

Note for Vendor/Bidder:

- a) The Bank Guarantee should be from an Indian Nationalised Bank only.
- b) Bank Guarantee should be valid for a period of 06 (Six) months from the date of issue. However, bidders will be required to extend the Bank Guarantee, as and when required by Mazagon Dock Shipbuilders Limited.