



(On Non-Judicial Stamp Paper of Requisite Value in the name of Issuing Bank)

BANK GUARANTEE

This deed of Guarantee made this day of between Bank, which expression shall wherever the context so requires, include its successors and assignees having its registered office at of the first part and Mahanagar Gas Limited having its registered office at MGL House, G-33 Block, Opp.ICICI Tower, Bandra Kurla Complex, Bandra (East), Mumbai-400 051 (hereinafter called 'OWNER' which expression' shall wherever the context so requires include its successors and assignees) of the second part.

WHEREAS the Mahanagar Gas Limited has placed the Purchase Order No. dated on M/s (hereinafter called the 'Supplier') which expression shall include its successors and the Supplier has accepted the said Purchase Order.

WHEREAS OWNER has put the condition that the Supplier shall submit a Bank Guarantee for a value of Rs. (Rupees) as Performance Cum Warranty/Guarantee for a period of _____ and the Supplier has accepted this condition.

NOW THEREFORE, in consideration of the mutual covenants, the Surety hereby irrevocably and unconditionally undertake to give unconditional guarantee to pay on first demand in writing without demur or protest and irrespective of any context or dispute to the Owner a sum of Rs. (Rupees) or such portion thereof not exceeding the said sum of pay, from time to time be required by the Owner in such a manner as the Owner may direct, should the Supplier commit default in performing of any of the terms and conditions of the contract or on account of failure of any warranty/guarantee condition/stipulation including failure of the materials supplied in accordance with the subject Purchase Order. This guarantee shall also be valid for any material supplied/work done otherwise than the stipulated specifications or characteristics of the material. The Supplier shall be liable to make good any damage or loss caused to the OWNER and in case of failure, the OWNER shall have full right to invoke the guarantee.

The OWNER shall have the full liberty, without reference to Surety and without affecting the guarantee, to postpone for any time or from time to time the exercise of any of the powers and rights conferred to OWNER under the Contract with the Supplier and or, to enforce or forebear from enforcing any powers or rights or by reason time being given to

the Supplier and such postponement or forbearance would not have the effect of releasing the Surety from its obligations under this guarantee. The right of the OWNER to recover a sum of Rs. _____ (Rupees) from the Surety in the manner aforesaid will not be affected or suspended by reason of the fact that any dispute or disputes has or have been raised by the Supplier and/or that any dispute or disputes is or are pending before any officer, tribunal or court and any demand made by the Owner on the Surety shall be conclusive and binding. The surety shall not be released of its obligations under these presence by any exercise by the Owner of its liberty with reference to the matters aforesaid or any of them or by reason or by any other acts of omission or commission on the part of the Owner or by any other indulgences shown by the Owner or by any other matter/thing whatsoever which under law would but for this provision have the effect of relieving this Surety.

The guarantee herein contained shall not be determined affected by the liquidation or winding up, dissolution or change of constitution or insolvency of the Supplier but shall in all respect and for all purposes be binding and operative until expiry of warranty/guarantee period. The liability of the surety under this guarantee is restricted to Rs. _____ (Rupees).

This guarantee will remain inforce until _____ unless demand or claims under this guarantee is filed against Surety, whereafter all the rights of the Owner under the said guarantee shall be forfeited and the Surety shall be relieved and discharged from all liabilities thereunder.

The Surety undertakes not to revoke this guarantee during its currency without previous consent of the Owner and further agrees that the guarantee contained shall continue to be in force till the Owner discharges this guarantee.

Notwithstanding anything contained herein.

1. Our liability under this Bank Guarantee shall not exceed Rs. _____ / US \$ (currency) _____ only.
2. The Bank Guarantee shall be valid upto (including three months claim period.) _____.
3. We are liable to pay the guaranteed amount or any part thereof under this Bank Guarantee only and only if you serve upon as a written claim or demand on or before _____.

Signed By

Witness

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