

**PROFORMA OF BANK GUARANTEE FOR
PERFORMANCE**
(To be stamped in accordance with Stamp Act)

Ref.

Bank Guarantee No.

Date

To

Central Transmission Utility of India Ltd.
Saudamini, Plot No.2
Sector 29, Near IFFCO Chowk
Gurgaon (Haryana) - 122001, INDIA

Dear Sirs,

In consideration of the Central Transmission Utility of India Ltd, (hereinafter referred to as the 'CTUIL' which expression shall unless repugnant to the context or meaning thereof include its successors, administrators and assigns) having assigned by CERC to process LTA applications as per CERC regulation 2009 for "Grant of Connectivity, Long Term Access and Medium Term Open Access in Inter-State Transmission System" and M/s (name of applicant) who has applied for Long-term Access (LTA) with its Registered/Head office at (hereinafter referred to as the "LTA APPLICANT" which expression shall unless repugnant to the context or meaning thereof, include its successors, administrators, executors and assigns)

WHEREAS it has been agreed by the LTA applicant that in case of failure /delay in abiding various terms and conditions required as per CERC, Regulations 2009 on the subject CTUIL shall have the right to collect at the rate of Rs. 10,000/MW (Rupees Ten Thousand only/MW) for total scheduled injection by LTA Applicant.

AND WHEREAS as per the CERC, Regulations 2009 LTA applicant is required to furnish a Bank Guarantee for a sum of Rs.....(Rupees.....) as a security for fulfilling its commitments to CTUIL as stipulated under Clause 12(4) of the aforesaid Regulation.

We.....

(Name & Address of the Bank)

having its Head Office at.....(hereinafter referred to as the 'Bank', which expression shall, unless repugnant to the context or meaning thereof, include its successors, administrators, executors and assigns) do hereby guarantee and undertake to pay the CTUIL on demand any and all monies payable by the LTA APPLICANT to the

extent ofas aforesaid at any time upto**.....(days/month/year) without any demur, reservation, context, recourse or protest and/or without any reference to the LTA APPLICANT.

Any such demand made by the CTUIL on the Bank shall be conclusive and binding not withstanding any difference between the CTUIL and the LTA APPLICANT or any dispute pending before any Court, Tribunal, Arbitrator or any other authority. The Bank undertakes not to revoke this guarantee during its currency without previous consent of the CTUIL and further agrees that the guarantee herein contained shall continue to be enforceable till the CTUIL discharges this guarantee.

The CTUIL shall have the fullest liberty without affecting in any way the liability of the Bank under this guarantee, from time to time to extend the time for performance of the obligations under the said agreement by the LTA APPLICANT. The CTUIL shall have the fullest liberty, without affecting this guarantee, to postpone from time to time the exercise of any powers vested in them or of any right which they might have against the LTA APPLICANT, and to exercise the same at any time in any manner, and either to enforce or to forbear to enforce any covenants, contained or implied, in the Agreement between the CTUIL and the LTA APPLICANT or any other course or remedy or security available to the CTUIL. The Bank shall not be released of its obligations under these presents by any exercise by the CTUIL of its liberty with reference to the matters aforesaid or any of them or by reason of any other act of omission or commission on the part of the CTUIL or any other indulgences shown by the CTUIL or by any other matter or thing whatsoever which under law would, but for this provision have the effect of relieving the Bank.

The Bank also agrees that the CTUIL at its option shall be entitled to enforce this Guarantee against the Bank as a principal debtor, in the first instance without proceeding against the LTA APPLICANT and not withstanding any security or other guarantee the CTUIL may have in relation to the LTA APPLICANT's liabilities.

Notwithstanding anything contained hereinabove our liability under this guarantee is restricted toand it shall remain in force upto and includingand shall be extended from time to time for such period (not exceeding year), as may be desired by M/son whose behalf this guarantee has been given.

Notwithstanding anything contrary contained in any law for the time being in force or banking practices, this guarantee shall not be assignable or transferable by the beneficiary. Notice of 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 herewith:

- (a) Our liability under this Bank Guarantee shall not exceed Rs. (Rupeesonly).
- (b) The Bank Guarantee shall be valid upto and

(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 on or before (date of expiry of Guarantee).

Dated this.....day of20.....at.....

WITNESS

..... (Signature) (Signature)

..... (Name) (Name)

..... (Official Address) (Designation with Bank Stamp)

Attorney as per Power
of Attorney No.

Date

NOTES:

1. The stamp papers of appropriate value shall be purchased in the name of issuing Bank.