

INDEMNITY BOND

(To be executed on a non-judicial stamp paper of Rs. 100/-)

THIS INDEMNITY executed this ____day of __,____ in favour of Mahanadi Coalfields Limited, a Govt. of India Enterprise having its registered office at P.O. Jagruti Vihar, MCL Complex, Burla, Sambalpur, Odisha- 768020, hereinafter referred to as 'MCL/Indemnified' which expression unless excluded by or repugnant to the context shall mean and include its successors, assigns of the ONE PART; By M/S_____, a sole Proprietorship Firm/Partnership Firm/Company registered under the Companies Act,1956 having its Registered Office at_____ hereinafter referred to as the 'Indemnifier' which expression unless excluded by or repugnant to the context shall mean and include his/their/its heirs, representatives, administrators, assigns of the OTHER PART.

WHEREAS MCL/Indemnified is supplying coal to its willing customers by mode of Linkage Auction;

AND WHEREAS the Indemnifier being willing had authorized MCL/Indemnified in writing to suspend the supplies of coal to our unit(s) in case of default at Indemnifier's end.

AND WHEREAS at such request of the Indemnifier, MCL/Indemnified has agreed to supply mutually agreed quantity of coal to the Indemnifier subject to Indemnity provided herein by the Indemnifier in favour of MCL, the Indemnified herein on terms hereunder stated :-

1 The Indemnifier hereby agrees to indemnify and keep indemnified and harmless MCL/Indemnified herein from time to time, at all times hereafter against all losses, claims, demands, proceedings, expenses, costs and consequences whatsoever on full Indemnity basis which MCL may sustain, incur or suffer or be exposed to in connection with MCL executing the instructions of the Indemnifier for supplying Coal as aforesaid or in consequence of any act, deed, matter or thing whatsoever in any manner arising out of and/or relating to lifting of Coal from time to time.

2 The Indemnity being these presents in favour of MCL shall remain valid and in full force and effect from the date hereof and shall accrue to MCL, its officials, employees and Agents for all acts lawfully done or caused to be done by MCL in supplying of Coal to the Indemnifier .

3 Disputes, if any arising out of this Indemnity shall be subject to the exclusive jurisdiction of the competent Court in Sambalpur/Cuttack only, to the exclusion of all other concurrent courts.

The Indemnifier agrees, accepts and confirms in the premises aforesaid that:

1. That apart from the above, the purchaser shall indemnify the Indemnified party against all liabilities, costs, expenses, damages and losses (including but not limited to any interest, penalties and legal costs (calculate on a full indemnity basis) and all other professional costs and expenses) (collectively the 'Losses') suffered or incurred by the Indemnified party arising out of or in connection with:
 - a) Any breach of the representations, warranties, covenants and/or undertakings of the Purchaser contained herein or in the Scheme Document;
 - b) Any information or documentation submitted by the Purchaser to the Seller pursuant to this Agreement and/or the Scheme Document, being untrue, incorrect or false;
 - c) The Purchaser's Breach or negligent performance or non-performance of this agreement;
 - d) any claim made against the Indemnified Party for actual or alleged infringement of a Third Party's rights or damage caused to a third party arising out of or in connection the performance or non-performance of any of the Purchaser's obligations under this agreement to the extent that such claim arises out of the breach, negligent performance or failure or delay in performance of this Agreement by the Purchaser, its employees, agents or contractors;
 - e) any Loss or Damages caused on account of breach of any Applicable law by the purchaser, including without limitation any costs incurred by the Seller in rectifying any damages caused by the purchaser on account of breach, negligent performance or failure or delay in performance of this Agreement or non-compliance with Applicable law.
2. Any indemnifiable Claim under this Agreement must, be asserted by the Indemnified party by prompt delivery of written notice thereof to the Purchaser, delivered within 60 (sixty) calendar days of discovery by the Indemnified party of the Breach of the pertinent covenant or obligation of this agreement, or of any misrepresentation or breach of any representation or warranty made by the Purchaser or of occurrence of the event specified in clause 19.2 (FSA). However,

any delay on the part of an Indemnified Party in providing or failure to provide such notice will not relieve the purchaser of its indemnification obligations hereunder.

3. The remedies set forth in Clause 19 (FSA) shall be without prejudice to all the rights and remedies that the parties may have under the Applicable Law and shall not be the sole and exclusive remedies of the parties for any breach of this agreement or any matter relating to any representation, warranty, covenant or undertaking contained in this Agreement.

IN WITNESS WHEREOF the Indemnifier herein has set his/their/its hands and seal on the date, month and year above first written.

Delivered to the MCL/ Indemnified at Sambalpur.

IN PRESENCE OF WITNESSES:

(INDEMNIFIER)

1.

2.