

Indicative format of the undertaking for issuance of shipping guarantee

(On letter head of company)

To
YES Bank Ltd,
_____ Branch

Dated: _____

We, _____ Limited, a company incorporated under the Companies Act, 1956 and having Registered Office at _____ (hereinafter referred to as "Company") in consideration of your issuing/ having issued Bank Guarantee No. _____ for Rs. _____ (Rupees _____ only) in favor of _____ ("said Deed") pursuant to Bank Guarantee Facilities sanctioned to us vide your facility letter ref. no. _____ dated _____ ("Facility Letter").

We confirm that we are fully aware of the risks associated with issuance of the bank guarantee/indemnity as per attached format attached and the request for its issuance had been made after fully appreciating and understanding the risks and the open ended nature of the same. We also understand that the liability and the validity period of the Bank Guarantee/Indemnity issued in favor of M/s. _____ as per the format enclosed is not specific and hence, our liability is open ended.

In view of the aforementioned, we hereby irrevocably and unconditionally agree and undertake as follows:

1. To return the said Deed on _____ to the Bank for cancellation.
2. In the event of our failing to return the said Deed on _____, we hereby undertake to deposit with you cash equivalent to 110% or 120% (in case of open ended) of the amount mentioned in the said Deed.
3. We hereby agree and confirm that it shall be your sole discretion whether to renew/ extend the said Deed.
4. Request for renewal/ extension of said Deed shall be submitted within 30 days of the issuance of the said Deed.
5. We hereby further agree and undertake to pay you guarantee commission for the period for which the said Deed remain in force.
6. To pay all amounts claimed by the beneficiary of the Bank Guarantee/Indemnity together with charges, costs, expenses etc if any claimed by the bank on invocation of the Bank guarantee/Indemnity.
7. To honor all claims made under the Bank Guarantee/Indemnity even after validity period if any since we understand that claim under an indemnity can be made at any time unless the same is expressly revoked by the beneficiary.

We hereby further agree and confirm that the provisions of this undertaking may be enforced against us by specific performance notwithstanding any other right or remedy available to you under any law.

This Undertaking shall be governed by laws of India and courts of _____ shall have the non-exclusive jurisdiction.

In witness where of the Company has affixed its common seal hereunto on _____ day of _____, _____ (Year).

The Common Seal of _____ has pursuant to the Resolution of its Board of Directors passed in that behalf on the _____ day of _____, 2012 hereunto been affixed in the presence of _____ authorized officer who has signed these presents in token thereof.