

Annexure VI: EARNEST MONEY DEPOSIT

(To be on non-judicial stamp paper of appropriate stamp duty value relevant to place of execution)

Whereas Lanco Kondapalli Power Limited (“Corporate Debtor”) is undergoing liquidation proceedings under the Insolvency and Bankruptcy Code, 2016 read with rules and regulations thereunder (“Code”) and the Liquidator has issued a detailed invitation for expression of interest dated February 02, 2022, as amended from time to time (“Invitation for EOI”) and the Updated Process Document , amended from time to time, for the sale of the Corporate Debtor/ its assets as per the terms contained therein and the provisions of the Code.

In consideration of the *[Insert name of the Bidder with address]* (“Bidder”) agreeing to undertake the obligations under the Invitation for EOI and the Updated Process Document , and any other required documents, the *[Insert name and address of the bank issuing the guarantee and address of the head office]* (“Guarantor Bank”) hereby agrees unequivocally, irrevocably and unconditionally to pay to *[insert]*, forthwith on demand in writing from *[●]*, constituted under the *[●]*, having its Central office at *[●]* and amongst other places having one of its branches at *[●]* (hereinafter referred to as “the Beneficiary”) or any officer authorized by it in this behalf, any amount up to and not exceeding Rs. *[●]*) on behalf of M/s *[Insert name of the Bidder]* (“Guarantee”/“Bank Guarantee”), without any demur and recourse, and without the Beneficiary having to substantiate its demand.

We, *[Insert name of bank]* do hereby undertake to pay the amounts due and payable under this Bank Guarantee without any demur, merely on a demand from *[insert]*, including from any officer authorized by it in this behalf. Any such demand made on the Guarantor Bank, shall be conclusive as regards the amount due and payable by the Guarantor Bank under this Bank Guarantee. However, our liability under this Bank Guarantee shall be restricted to an amount not exceeding Rs. (Rupees..... only) which pertains to the following Parcel(s) and Category of assets as mentioned in the Invitation for EOI and Annexure II of the Updated Process Document, as amended from time to time:

[Details to be provided]

This Guarantee shall be valid and binding on the Guarantor Bank up to and including*[Insert date of validity of the EMD]* with an additional claim period of 12 months [or such other longer period as the Bidder may require under law] and shall in no event be terminable by notice or for any change in the constitution of the Guarantor Bank and/ or the Beneficiary or for any other reasons whatsoever and our liability hereunder shall not be impaired or discharged by any extension of time or variations or alternations made, given, or agreed with or without our knowledge or consent, by or between *[Insert name of the Bidder]* and the Liquidator.

This Bank Guarantee shall not be affected in any manner by reason of merger, amalgamation, restructuring, liquidation, winding up, dissolution or any other change in the constitution of the Guarantor Bank. Our liability under this Bank Guarantee is restricted to *[●]* only.

We undertake to pay to *[insert]* any money so demanded notwithstanding any dispute or disputes raised by the Bidder in any suit or proceeding pending before any Court or Tribunal relating thereto and our liability under this present being absolute and unequivocal. The Guarantor Bank hereby expressly agrees

that it shall not require any proof in addition to the written demand from [insert], made in any format, raised at the above-mentioned address of the Guarantor Bank, in order to make the said payment to the [●].

The Guarantor Bank shall make payment hereunder on first demand without restriction or conditions and notwithstanding any objection by, [Insert name of the Bidder] and/or any other person. The Guarantor Bank shall not require [insert] to justify the invocation of this Bank Guarantee.

The Guarantor Bank acknowledges and agrees that its obligations are absolute, irrevocable and unconditional irrespective of the genuineness, validity, legality, regularity or enforceability of any document, or of any claims, set-off, defences or other rights that may have at any time and from time to time against the Beneficiary, whether in connection with this Guarantee, any such document or otherwise, or any substitution, release or exchange of any other guarantee of, or security or support for, any of the guaranteed obligations, and, to the fullest extent permitted by Applicable Law, irrespective of any other circumstance whatsoever which might otherwise constitute a legal or equitable discharge or defence of a surety or guarantor, it being the intent of this clause that the Guarantor Bank's obligations hereunder shall be absolute and unconditional under any and all circumstances.

We, the Guarantor Bank further agree that the guarantee herein contained shall remain in full force and effect for a period of 6 (Six) months and shall have claim period of at 12 months [or such other longer period as the Bidder may require under law]. The Beneficiary shall be entitled to invoke this Bank Guarantee up to 12 months from the last date of the validity of this Bank Guarantee [or such other longer period as the Bidder may require under law] by issuance of a written demand to invoke this Bank Guarantee.

We, the Guarantor Bank, further agree that the Liquidator for Lanco Kondapalli Power Limited shall have the fullest liberty without our consent to vary any of the terms and conditions of the Invitation for EOI and the Updated Process Document or to extend time of performance by the said Bidder from time to time or to postpone for any time or from time to time any of the powers exercisable by Liquidator for Lanco Kondapalli Power Limited against the said Bidder and to forbear or enforce any of the terms and conditions relating to the Invitation for EOI and the Updated Process Document. We shall not be relieved from our liability by any reason of any such variation or extension being granted to the said Bidder or by any such matter or thing whatsoever which under the law relating to sureties would but for this provision have effect of so relieving us.

This Bank Guarantee shall be interpreted in accordance with the laws of India and the Adjudicating Authority shall have exclusive jurisdiction. The Guarantor Bank represents that this Bank Guarantee has been established in such form and with such content that it is fully enforceable in accordance with its terms as against the Guarantor Bank in the manner provided herein.

The Guarantor Bank hereby agrees and acknowledges that Liquidator for Lanco Kondapalli Power Limited shall have a right to invoke this Bank Guarantee either in part or in full, as it may deem fit.

This Bank Guarantee shall be a primary obligation of the Guarantor Bank and accordingly the [insert] shall not be obliged before enforcing this Bank Guarantee to take any action in any court or arbitral proceedings against the Bidder, to make any claim against or any demand on the Bidder or to give any notice to the Bidder or to exercise, levy or enforce any distress, diligence or other process against the Bidder.

The Guarantor Bank shall not be relieved from its liability by reason of any such act or omission on the part of the Liquidator or any indulgence by the Liquidator to the Bidder or any other thing whatsoever which under the law relating to sureties would, but for this provision, have the effect of relieving us of our obligations under this Guarantee, including the following:

- a) any defence based on any legal disability or other defence of the Bidder, by reason of the cessation or limitation of the liability of the Bidder from any cause other than full payment of all sums payable under the Guarantee;
- b) any defence based on any statute or rule of law that provides that the obligation of a surety must be neither larger in amount nor in any other respects more burdensome than that of a principal;
- c) the benefit of any statute of limitations affecting the liability of the Guarantor Bank or the enforcement of the Guarantee.

We, [●], lastly undertake not to revoke this Bank Guarantee during its currency. NOTWITHSTANDING anything contained herein:

This Bank Guarantee shall be valid till 6 (Six) months with an additional claim period of 12 (Twelve) months thereafter [or such other longer period as the Bidder may require under law]; and

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 the.....

This Bank Guarantee shall be extended from time to time for such period, as may be desired by Liquidator of Lanco Kondapalli Power Limited. We are liable to pay the guaranteed amount or any part thereof under this Bank Guarantee only if the Liquidator of Lanco Kondapalli Power Limited serves upon us a written claim or demand.

All claims under this Bank Guarantee shall be payable at [●] .

Capitalized terms shall have the meaning given to them in the Updated Process Document.

In witness whereof the Guarantor Bank, through its authorized officer, has set its hand and stamp on this day of at

Witness:

1.

Name and Address.

2.

Stamp Name and Address

Signature

Name:

Designation with Bank

Attorney as per power of attorney No

For:

..... [Insert Name of the Bank]

Banker's Stamp and Full Address:

Dated this day of 20 Notes:

THE STAMP PAPER SHOULD BE IN THE NAME OF THE GUARANTOR BANK.