

PERFORMANCE BANK GUARANTEE

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

Canara Bank, Prime Corporate Branch, 21 Camac Street, Kolkata.

1. In consideration of[*Insert name of the Resolution Applicant with address*] (hereinafter called the "**Resolution Applicant**") agreeing to undertake the obligations under the Expression of Interest published on The Business Standard (hereinafter called "**EOI**") dated [08 February 2019] and any other required documents, issued by Kuldeep Verma, Resolution Professional for Hindustan Paper Corporation Limited (without any person liability) (on behalf of the Committee of Creditors) in respect of the Resolution Plan for Hindustan Paper Corporation Limited (hereinafter called the "**Company**") the [*Insert name and address of the bank issuing the guarantee and address of the head office*] (hereinafter called the "**Guarantor Bank**") hereby agrees unequivocally, irrevocably and unconditionally to pay to Canara Bank, Prime Corporate Branch, 21 Camac Street, Kolkata (hereinafter referred to as "**the Bank**") forthwith on demand in writing from any officer authorised by it in this behalf, any amount up to and not exceeding INR 5,00,00,000 [Rupees Five Crore only] on behalf of [*Insert name of the Resolution Applicant*] (hereinafter called "**Performance Bank Guarantee**") against any and all loss and/or damage caused to or suffered by or would be caused to or suffered by the Company by reasons of any breach by the said Resolution Applicant of any of the terms and conditions contained in the EOI.

2. We, [*Insert name of bank*] do hereby undertake to pay the amounts due and payable under this Performance Bank Guarantee without any demur, merely on a demand from the Canara Bank, Prime Corporate Branch, 21 Camac Street, Kolkata including from any officer authorized by it in this behalf. Any such demand made on the Bank, shall be conclusive as regards the amount due and payable by the Bank under this Performance Bank Guarantee. However, our liability under this Bank Guarantee shall be restricted to an amount not exceeding INR 5,00,00,000 (Rupees Five Crore only).

3. We undertake to pay to the Company any money so demanded notwithstanding any dispute or disputes raised by the Resolution Applicant in any suit or proceeding pending before any Court or Tribunal relating thereto our liability under this present being absolute and unequivocal.

4. The Guarantor Bank shall make payment hereunder on first demand without restriction or conditions and notwithstanding any objection by,..... [*Insert name of the Resolution Applicant*] and / or any other person. The Guarantor Bank shall not require the Bank to justify the invocation of this Bank Guarantee, nor shall the Guarantor Bank have any recourse against the procurer(s) in respect of any payment made hereunder.

5. The payment so made by us under this bond shall be a valid discharge of our liability for payment thereunder and the Successful Resolution Applicant shall have no claim against us for making such payment.

6. We, the Guarantor Bank further agree that the guarantee herein contained shall remain

in full force and effect for a period of 2 (Two) months from the date hereof. The Canara Bank, Prime Corporate Branch, 21 Camac Street, Kolkata shall be entitled to invoke this Performance Bank Guarantee up to 30 (thirty) days from the last date of the validity of this Performance Bank Guarantee by issuance of a written demand to invoke this Performance Bank Guarantee.

7. We, the Guarantor Bank, further agree that the Bank and/or the CoC shall have the fullest liberty without our consent to vary any of the terms and conditions of the EOI or to extend time of performance by the said Resolution Applicant from time to time or to postpone for any time or from time to time any of the powers exercisable by the Bank against the said Resolution Applicant and to forbear or enforce any of the terms and conditions relating to the EOI. We shall not be relieved from our liability by any reason of any such variation or extension being granted to the said Successful Resolution Applicant 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.

8. This Performance Bank Guarantee shall be valid and binding on the Guarantor Bank and shall in no event be terminable by notice or any change in the constitution of the Guarantor Bank or by 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 the parties. This Performance 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.

9. This Performance Bank Guarantee shall be interpreted in accordance with the laws of India and the courts at Kolkata shall have exclusive jurisdiction. The Performance Guarantor Bank represents that this Performance 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 Performance Guarantor Bank in the manner provided herein.

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

11. We, [•], lastly undertake not to revoke this Performance Bank Guarantee during its currency.

NOTWITHSTANDING anything contained herein:

1. Our liability under this Bank Guarantee shall not exceed Rs. 500,00,000 (Rupees Five Crores only).
2. This Bank Guarantee shall be valid till 7th April 2019; and
3. 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 07th May 2019.
4. All claims under this Performance Bank Guarantee shall be payable at Kolkata.

5. This Performance Bank Guarantee will be returned to us as soon as the purpose for which it is issued is fulfilled.
6. We are liable to pay the guaranteed amount or any part thereof under this Bank Guarantee only if Canara Bank, Prime Corporate Branch, 21 Camac Street, Kolkata serves upon us a written claim or demand.

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

Witness:

1. Signature

Name and Address. Name:

2. Designation with Bank Stamp

Name and Address

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.