

Format of the Letter of Indemnity

Applicable for availing Letter of Credit Features on Corporate Internet Banking

To be issued on stamp paper of appropriate value

Date:

To

The Manager

Trade Operations

IndusInd Bank Limited

Mumbai.

Dear Sir/Madam

Sub: Acceptance of Terms & Conditions for Issuance of Letter of Credit by IndusInd on our request

In consideration of IndusInd Bank opening Letters of Credit on our behalf, we hereby undertake to accept the following terms and conditions for Issuance of Letter of Credit/s by you from time to time on our request.

I/We hereby undertake to accept and pay in due course all drafts drawn within the terms thereof and/or to take up and pay for all documents negotiated there under on presentation and in default of my/our so doing you may sell the goods before or after arrival and I/we undertake to reimburse you for any shortfall that may occur and I/we hereby further undertake forthwith on demand made by you in writing to deposit with you such sum or security or further sum or security as you may from time to time specify as security for the due fulfilment of our obligation hereunder and any security so deposited with you may be sold by you on your giving reasonable notice of sale to us and the said sum of the proceeds of sale of the security may be appropriated by you, in or towards satisfaction of our said obligations and any liability of our arising out of the non fulfilment thereof.

You are to have a lien on all goods, documents and policies and proceeds thereof for any obligations or liabilities present or future incurred by you that is arising out of the Letter of Credits issued by you on our behalf.

I/we approve of the negotiation of drafts drawn under the Letter of Credit being confined to your branches correspondents.

The relative shipping documents have to be surrendered to me/us against payment/acceptance.

If at any time and from time to time hereafter and at our request you enhance the amount of the Letter of Credit or amend any of the terms thereof including extension of the validity of the credit for shipment and/or negotiation of documents, then notwithstanding the amount and the terms specified in the application, our guarantee shall cover and be deemed to cover the entire amount of the enhanced letter of credit issued by you and any other amendments effected therefor and our liability will be for the entire amount of the letter of credit enhanced and/or amended at our request. We shall continue to be bound by all the other terms and conditions of the application and guarantee notwithstanding such enhancement or amendments from time to time as you shall make at our request in the value and terms of the letter of credit.

I/we hereby agree and declare that in the event of my/our failing to retire the bills drawn under Letter of Credit on due dates in case of usance bills and within 10 days from the date of receipt of documents by you in case of sight bills you shall be at liberty to crystallise the foreign currency rupee liability thereunder on the due date or on the expiry of the 10th day as the case may be and convert the same to rupees at the prevailing bill selling rate or at the contract rate whichever applicable.

I/We undertake to reimburse to you on demand the rupee equivalent so determined together with interest thereon at normal rate from the date of negotiation to the date of crystallisation and thereafter at penal rate as applicable thereto.

I/We undertake to book such forward contracts with you in as much as the booking of forward contracts forms part of the arrangement by you under the Letter of Credit. If I/We book forward contracts with other banks under this letter of credit, I/We are liable to pay to you your commission in lieu of exchange in addition to swap cost and interest from the date of negotiation at the foreign centre till the date of credit of proceeds in your nostro account.

In case I/We do not book the forward contract, I/We undertake to buy the relative exchange in connection with foreign exchange retirement of the bills/documents etc. I/We are liable to pay to you your commission in lieu of exchange in addition to swap cost and interest from the date of negotiation at the foreign centre till the date of credit proceeds in your Nostro Account.

I/We undertake to submit appropriate evidence of import as per regulations under FEMA, 1999 and related exchange control regulations issued by Reserve Bank of India, as amended from time to time.

Notwithstanding any of above mentioned terms of credit, I/We undertake to make good any such charges/expenses incurred by you not recoverable/honoured by the beneficiary as per terms of the Letters of Credit issued by you, in the course of establishing the Letters of Credit/Negotiation of documents under the Letters of Credit and/or any other related event.

The confirmations /undertakings and terms of this letter shall be applicable to all the Letter of Credit's issued by the Bank from time to time on her behalf and at our request.

Yours sincerely,

For <Name of the Company>

Authorised Signatories.