

BANK GUARANTEE FOR SECURITY DEPOSIT (PROFORMA)

In consideration of the Bharat Heavy Electricals Limited, having its registered office at BHEL House, Siri Fort, New Delhi – 110 049 the concerned division being (indicate name of the concerned division of BHEL) (hereinafter called BHEL).

having agreed to exempt (hereinafter called “the said Contractor(s)”) from the demand, under terms and conditions of agreement dated made between BHEL and for (hereinafter called “the said Agreement”) of security deposit for the due fulfillment by said contractors of the terms and condition contained in the said agreement, on production of bank guarantee for Rs.

(Rupees only)

We (hereinafter referred to as “the Bank”) at the request of (indicate the name of Bank)

contractor(s) do hereby undertake to pay to BHEL an amount not exceeding Rs. against any loss or damage caused to or suffered or would be caused to or suffered by BHEL, by reason of any breach by the said contractor(s) of any of the terms or conditions contained in the said Agreement.

2. We do hereby undertake to pay the
(indicate the name of Bank)

amounts due and payable under this guarantee without any demur, merely on a demand from BHEL stating that the amount claimed is due by way of loss or damage caused to or would to or suffered by BHEL by reason of breach by the said contractor(s) of any of the terms and conditions contained in the said Agreement or by reason of the contractor(s) failure to perform the said Agreement. Any such demand made on the bank shall be conclusive as regards the amount due and payable by the Bank under this guarantee. However, out liability under this guarantee shall be restricted to an amount not exceeding Rs.....

3. Weundertake to pay to BHEL any money so demanded not withstanding

(indicate the name of Bank)

any dispute or disputes raised by contractor (s) supplier(s) in any suit or processing pending before any court or tribunal relating thereto our liability under these presents being absolute and unequivocal. The payment so made by under this bond shall be valid discharge of our liability for payment thereunder and the contractor(s) shall have no claim against us for making such payment.

4. further agree that the guarantee herein

(indicate the name of Bank)

contained shall remain in full force and effect during the period that would be taken for the performance of the said Agreement and the it shall continue to be enforceable till all the dues of BHEL under or by virtue of the said Agreement have been fully paid and its Agreement have been fully and properly carried out by the said contractor(s) and accordingly discharge this guarantee unless a demand or claim under this guarantee is made on us in writing on or before we shall be discharged form all liability under this guarantee thereafter.

i. Wefurther agree with BHEL that BHEL shall have the fullest liberty without our consent and without affecting in any manner our obligations hereunder, to vary any of the terms and conditions of the said Agreement or to extend tim of performance by the said contractor(s) from time to time or to postpone any time or from time to time any of the powers exercisable by the BHEL against the said Contractor(s) and to forbear or enforce any of the terms and conditions relating to the said Agreement and we shall not be relieved from our liability by reasons of any such variation, of extension being granted to the said Contractor(s) or for any forbearance, act, or commission on the part of BHEL or any indulgence BHEL to the said Conference(s) or by any such matter or thing whatsoever which under the law relating to sureties would but for its provisions, have effect of so relieving us.

ii. This guarantee will not be discharged due to the change in the constitution of the Bank or the Contractor(s) / Supplier(s)

iii. We lastly undertake not to revoke this

(indicate the name of Bank)
guarantee during its currency except with the previous consent of BHEL in writing.

iv. The address of BHEL of services, correspondence in respect of matters relating to this guarantee shall be :

ADDRESS OF THE CONCERNED DIVISION OF BHEL.

Address of the Bank in full

Dated the Day of 19.

Pin Code :

Telegraphic Code :
.....

For
(Indicate the name of

Bank)
Telex No. :

Fax No. :

Witness :

1.

2.