

(TO BE EXECUTED ON NON JUDICIAL STAMP OF RS. 100/-)
(BANK GUARNTTEE AGAINST SUPPLY OF RAW MATERIALS)

THIS DEED OF GUARANTTEE made thisday of
2001 by(bank) (hereinafter referred to as “the guarantor” which expression shall unless repugnant to the context or meaning there of , be deemed to include their successors and assigns) in favour of M/s Bharat Heavy Electrical Ltd.(A Govt. Of India Undertaking) a company incorporated under the companies act 1956, having their registered office at BHEL House, Siri fort New Delhi-110049 and having a unit /division at Varanasi (hereinafter called “the company” which expression shall unless repugnant to the context or meaning thereof be deemed to include their successors and assigns).

Whereas M/s.....
(hereinafter referred to as the contractor/supplier) have entered into various contracts herein referred to as “the contract”) for the supply / machining of hardware with the company.

And whereas the contract inter-alia provides the company shall Supply to the supplier the necessary raw material subject to the contractor/supplier
Furnishing a bank guarantee for Rs.....(Rupees).....

And whereas the supplier has approached the Guarantor and in Consideration of the agreement arrived at between the supplier and the company ,the guarantor has agreed to give the Guarantee as hereinafter mentioned in favour of the Company.

NOW THIS DEED WITNESSES AS FOLLOWS:-

1. The Guarantor do hereby irrevocably undertake to pay to the company a sum not exceeding Rs(Rupees.....) only in the event of supplier not properly accounting for the aforesaid material in accordance with his obligations under the contract and/ or in the event of any loss or damage caused to or suffered by the company by reason of supplier making any default in the performance , Observance or discharge of the terms, conditions stipulations or undertakings or any of them as contained in the contract.
2. The Guarantor do hereby further undertake to pay the amount due and payable under this guarantee without any demur , merely on a demand from the company , stating that the amount claimed is due by way of loss or damage caused or suffered by the company by reason of the supplier making any default in the performance , observance or discharge of the terms , condition , stipulations or undertakings or any of the as contained in the contract, provided however , the total liability of the Guarantor under this guarantee shall not exceed Rs.....
3. The decision of the company whether any default has occurred or has been committed by the supplier in the performance , observance or discharge of any of the terms , condition in stipulations or undertakings or any one of them as contained in the contract and / or as to the extent of loss , damage , costs , charges and expenses caused to or suffered by the company by reason of supplier making any default in the performance , observance or discharge of any of them , condition stipulation are under takings or any one of them shall be conclusive and binding or the guarantor irrespective of the fact whether the supplier admits denles the default or question the correctness of any demand made by the company in any court , Tribunal or arbitration proceedings or before any other authority.
4. The company shall have the fullest liberty without affecting in any way the liability of the guarantor under this guarantee from time to time vary any of the terms and condition of this contract or extend time of performance by the supplier or to post pone for any time and from to time any of the powers exerciseable by it against the supplier and either to enforce or forbear from enforcing any of the terms and conditions governing the contract or securities available to the company and the guarantor shall not

be released from its liability under these present by any exercise by the company of the liberty with reference to the matters aforesaid or by reason of time being given to the supplier or any other forbearance act or omission on the part of the company or any indulgence by the company to the supplier or of any other matter or thing whatsoever which under the law relating to sureties, would , but for this provision have the effect of so releasing the guarantor from its liability under this guarantee.

5. The guarantor further agree the guarantee herein contained shall remain in full force and effect during the period that would be taken for the performance of the contract and that is shall continue to be enforceable till all the dues of the company under or by virtue of the said contract have been fully paid and its claim satisfied or discharged and till the company certifies that the terms and condition of the contract have been fully and properly carried out by the supplier and accordingly discharge this guarantee, subject , however that the company shall have no claim under this guarantee after years from the date of completion of the contract , as the case may be , unless a notice of the claim under this guarantee has been served on the guarantor before the expiry of the said period in which case the same shall be enforceable against the guarantor not with standing the fact that the same is enforced after the expiry of the said period.
6. The guarantor undertake note to revoke this guarantee during the period it is enforce except with the previous consent of the company in writing and agree that any liquidation or winding up or insolvency or dissolution or any change in the constitution of guarantors liability here under.
7. It shall not be necessary for the company to proceed against the supplier before proceeding against the guarantor and the guarantee herein contained shall be enforceable against them not with standing any security which the company may have obtained or obtain from the supplier shall at the time when proceedings are taken against the guarantor hereunder be outstanding or unrealized.
8. Not withstanding anything contained herein above.
 1. Our liability under this bank guarantee shall not exceed Rs._____ .
 2. This bank guarantee shall be valid upto _____.
 3. We are liable to pay the guaranteed amount or pay any part thereof under this bank guarantee only & only if you serve upon us a written claim or demand on or before_____.

Signed for and on behalf of the (Bank)

WITNESSES: - (*signature of witnesses alongwith name & address is a must*)

1.

2.

LIST OF BANKERS

- 1- State Bank of India
- 2- State Bank of Hyderabad
- 3- State Bank of Travancore
- 4- Syndicate Bank
- 5- Canara Bank
- 6- Bank of Baroda
- 7- Punjab National Bank
- 8- Deutsche Bank
- 9- HDFC Bank
- 10-Standard Chartered Bank
- 11-CITI Bank
- 12- Indian Bank
- 13- ICICI Bank
- 14- UCO Bank
- 15- Kotak Mahindra
- 16- Oriental Bank of Commerce
- 17- Central Bank
- 18-IDBI Bank
- 19- Federal Bank
- 20- HSBC Bank
- 21- Corporation Bank
- 22- ABN Amro Bank
- 23- United Bank of India
- 24- Vijaya Bank
- 25- Union Bank of India
- 26- Punjab & Sind Bank
- 27- Andhra Bank
- 28- Bank of India
- 29- Axis Bank