

[to be printed on stamp paper of appropriate value]

PROFORMA OF BANK GUARANTEE (in lieu of EMD)

In consideration of the Bharat Heavy Electricals Limited (hereinafter referred to as BHEL' which expression shall unless repugnant to the context or meaning thereof, include its successors and permitted assigns) incorporated under the Indian laws and having its registered office at BHEL House, SIRI Fort, New Delhi through its Unit at Ranipet having agreed to exempt (Name of the Bidder(s)) having its registered office at _____ (hereinafter called the Bidder(s)), from demand under the terms and conditions of the Tender Document reference No. _____ dated _____ (hereinafter called the Tender Document) towards EMD for the due fulfilment by the Bidder(s) of the terms and conditions contained in the said Tender Document, on production of a Bank Guarantee _____ for _____ Rs. _____ (Rupees _____ only), we _____ (indicate the name and address of the Bank) having its Head Office at _____ (address of the head Office) (hereinafter referred to as the Bank) at the request of _____ [the Bidder] do hereby undertake to pay to the BHEL (BHEL) an amount not exceeding Rs. _____ in the event of any breach by the Bidder(s) of any of the terms and conditions contained in the said Tender Document.

We, _____ (indicate the name of the Bank), do hereby irrevocable and unconditionally undertake to pay the amounts due and payable under this guarantee without any demur, merely on a demand from BHEL. Any such demand made on the bank, shall be conclusive as regards the amount due and payable by the Bank under this guarantee. However, our liability under this guarantee shall be restricted to an amount not exceeding Rs. _____.

We undertake to pay to BHEL any money so demanded notwithstanding any dispute or disputes raised by the Bidder(s) in any suit or proceeding pending before any Court or Tribunal relating thereto our liability under this present being absolute and unequivocal.

The payment so made by us under this guarantee shall be a valid discharge of our liability for payment hereunder and the Bidder(s) shall have no claim against us for making such payment.

We, further agree that the guarantee herein contained shall remain in full force and effect from _____[insert date] till _____[insert date]_. Unless a demand or claim under this guarantee is made on us in writing on or before the _____ [insert date- six months after end of validity period] we shall be discharged from all the liability under this guarantee thereafter.

We, _____ (indicate the name of the Bank) _____ further 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 Tender Document or to extend time of performance by the Bidder(s) from time to time or to postpone for any time or from time to time any of the powers exercisable by the BHEL against the Bidder(s) and to forbear or enforce any of the terms and conditions relating to the said Tender Document and we shall not be relieved from our liability by any reason of any such variation or extension being granted to the Bidder(s) or for any forbearance, act or omission on the part of the BHEL or any indulgence by the BHEL to the Bidder(s) 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.

It shall not be necessary for BHEL to proceed against the Bidder(s) before proceeding against the BANK and the Guarantee/Undertaking herein contained shall be enforceable against the BANK as principal debtor notwithstanding the existence of any other undertaking or security for any indebtedness of the Bidder(s) to BHEL and notwithstanding that any such security shall at the time when claim is made against the BANK or proceedings taken against the BANK hereunder, be outstanding or unrealised.

This Guarantee/Undertaking shall not be discharged, determined or affected by the liquidation or winding up or dissolution or change of constitution or insolvency of the Bidder(s) or any change in the legal constitution of the BANK.

Without prejudice to any other mode of service, a demand or claim or other communication may be transmitted by BHEL to the Bank either by courier, email, post or by fax.

We,..... BANK lastly undertake not to revoke this guarantee during its currency except with the previous consent of the BHEL in writing.

Notwithstanding anything to the contrary contained hereinabove:

- a) The liability of the Bank under this Guarantee shall not exceed.....
- b) This Guarantee shall be valid up to [insert the validity period]
- c) Unless the Bank is served a written claim or demand on or before _____ [insert- six months after the validity period] all rights under this guarantee shall be forfeited and the Bank shall be relieved and discharged from all liabilities under this guarantee irrespective of whether or not the original bank guarantee is returned to the Bank.

We, (indicate the name of the Bank) lastly undertake not to revoke this guarantee during its currency except with the previous consent of the BHEL in writing.

Date Day of

for (indicate the name of the Bank)

(Signature of Authorised signatory)