

Bank Guarantee No. : (To be filled by Nationalized Bank)
Date : (To be filled by Nationalized Bank)
Amount : Rs. 2,00,000/- (Rupees Two Lacs only)
Valid upto : 30.09.2009
On Account of : (Tenderer Organization Name)

BANK GUARANTEE

M/s. Bharat Heavy Electricals Limited
High Pressure Boiler Plant
Tiruverumbur
Tiruchirappalli - 620 014.

B.G. No. _____
Date _____

1. In accordance of M/s Bharat Heavy Electricals Ltd. A Government of India undertaking, a company incorporated under the Companies Act 1956 having its Registered Office at "BHEL House" SIRI Fort, New Delhi 110049 through its High pressure boiler plant division located at Tiruverumbur, Tiruchirappalli -620014 [hereinafter called the company] having entered into **various tender for transportation of all consignments by road with Hydraulic Axles such / contracts as Drums, Modules, Panels of 22-24 metre length etc. for tonnage above 60 MT for a period of one year (01.10.2009 to 31.09.2009)**, with (Carrier Name & Address _____ having its Registered office at (Registered Office Address _____ [hereinafter called the said Tenderer] and under the terms and conditions of the various Tenders between M/s. BHEL, Tiruchirappalli, in connection with various Tenders and as per the Tender the Tenderer is to furnish a Bank guarantee in lieu of Earnest Money Deposit for Rs. 2,00,000/- (Rupees Two Lacs only) for the performance under the above referred Tenders.

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B.G. _____
Date _____

We, **(Bankers Name)** _____, Specialised Commercial Branch, **(Bankers Address)** _____, a body corporate constituted under the **(Bankers Act and Year)** _____ (hereinafter referred to as 'the Bank') at the request of (Tenderer) do hereby undertake to pay to the company an amount not exceeding Rs. 2,00,000/- (Rupees Two Lacs only) against any loss or damages caused to or suffered or would be caused to or suffered by the company by reason of any breach by the said Tenderers / transport contractors of any of the terms and conditions contained in the said Tenders / contract(s) .

2. We **(Bankers Name)** _____, do hereby undertake to pay the amounts 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 to or would be caused to or suffered by the company by reason of breach by the said Tenderers / transport contractors of any of the terms or conditions contained in the said tenders or by reason of the Tenderers / transport contractors failure to perform the said Tenders / contracts. 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. 2,00,000/- (Rupees Two Lacs only).
3. We **(Bankers Name)** _____, undertake to pay to the company any money so demanded notwithstanding any dispute raised by the Tenderer(s) / transport contractor(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 under this guarantee would not wait till the disputes have been decided by any court or tribunal or with the Arbitration proceeding or by any other authority. The payment so made by us under this bond shall be valid discharge of our liability for payment there under and the Tenderer(s) / transport contractor(s) shall have no claim against us for making such payment.
4. (i) We **(Bankers Name)** _____, further agree that the guarantee herein contained shall remain in full force and effect during the period that would be taken for the performance of the said Tenders / contracts that it shall continue to be enforceable till all dues of the Company under or by virtue of the said Tenders have been fully paid and its claim satisfied or discharged or till the Company certifies; that the terms and condition of the said Tenders have been fully and properly carried out by said Tenderers / transport contractors and accordingly, discharges this guarantee. Unless a demand or claim under this guarantee is made on us in writing on or before **30.09.2009**, we shall be discharged from all liability under this guarantee thereafter. But where such claim or demand has been preferred by the company with the Bank before the expiry of the said date, the claim shall be enforceable notwithstanding the fact that the said enforcement is effected after the said date.

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B.G. _____
Date _____

ii) For the purpose of this clause, any letter making demand on the Bank by M/s BHEL dispatched by Registered post with Ack. Due or by telegram or by any Electronic media addressed to the above mentioned address of the Bank shall be deemed to be claim /demand in writing referred to above irrespective of the fact as to whether and when the said letter reach the bank, as also any letter containing the said demand or claim is lodge with the personally.

5. We **(Bankers Name)** _____, further agree with the Company that the Company shall have the fullest liberty without our consent and without affecting in any manner our obligation hereunder to vary any of the terms and conditions of the said tenders / contracts or to extend time of performance by the conditions of the said Tenderer(s) / transport contract(s) from time to time or to postpone for any time or from time to time any of the powers exercisable by the Company against the said Tenderer(s) / transport contract(s) and to forbear or enforce any of the terms and conditions relating to the said Tenders and we shall not be relieved from our liability by reason of any such variation, or extension being granted to the said Tenderer(s) / transport contract(s) or for any forbearance, act or omission on the part of the company or any indulgence by the Company to the said Tenderer(s) / transport contract(s) or by any such matter or thing whatsoever which under the law relating to sureties would, but for this provision, have effect of not so relieving us.
6. This guarantee will not be discharged due to the change in the constitution of the Bank or the Tenderer(s) / transport contract(s).
7. It shall not be necessary for the company to proceed against the Tenderer / transport contractor before proceeding against the guarantor bank and the guarantee herein contained shall be enforceable against them notwithstanding any security, which the company may have obtained or obtain from the Tenderer / transport contractor shall, at the time when proceedings are taken against the guarantor hereunder be outstanding or unrealized.
8. Any claim or dispute arising under the terms of this document shall only be enforced or settled in the Courts at Tiruchirappalli.
9. The Guarantor hereby declare that it has power to execute this guarantee and the executants has full power to do so on its behalf under the power of Attorney granted to him/them by the guarantor.
10. We **(Bankers Name)** _____, lastly undertakes not to revoke this guarantee during its currency except with the previous consent of the company in writing.
11. Notwithstanding anything contained herein;
 - a) Our liability under this bank guarantee shall not exceed Rs. 2,00,000/- (Rupees Two Lacs only).
 - b) This bank guarantee shall be valid upto **30.09.2009**; and
 - c) We are liable to pay the guaranteed amount or any part thereof under this bank guarantee if, and only, if you serve upon us a written claim or demand on or before **30.09.2009**.

Dated the _____ day of _____ 2008 (To be filled by Bank)

for **(Bankers Name)** _____,