

**Proforma of Insurance Surety Bond towards Retention Amount**

(To be stamped in accordance with Stamp Act of India)

Insurance Surety Bond No.....

Date.....

To,

**Bharat Heavy Electricals Limited,  
Power Sector xxxxxxxxx Region,  
xxxxxxxxxxxxxxxxxxxxxxxxxxxxxx**

Dear Sirs,

In consideration, to **Bharat Heavy Electricals Limited** (Hereinafter referred to as the 'Employer' which expression shall unless repugnant to the context or meaning thereof, include its successors, administrators and assigns), for having awarded, **M/s ... (Contractor's name) ...** having its Registered /Head Office at **...xxxxxxxxxx...** (Hereinafter referred to as the 'Contractor', which expression shall unless repugnant to the context or meaning thereof, include its successors administrators, executors and assigns), a Contract by issue of Letter of Award No. **...xxxxxxxxxx...** dated **...dd/mm/yyyy...** and the same having been unequivocally accepted by the contractor, valued at **Rs. ...xxxxxxxxxx... (Rupees ...xxxxxxxxxx... only)** and the Contractor having agreed to provide Retention Amount for the due fulfilment by the said Contractor of the terms and conditions contained in the said Contract equivalent to **....%** (percent) of the said value of the Contract to the Employer amounting **Rs. ...xxxxxxxxxx... (Rupees ...xxxxxxxxxx... Only).**

We **...[Name & Address of the Insurer]...** having its Head Office at **...xxxxxxxxxx...** (hereinafter referred to as the 'Insurer', which expression shall, unless repugnant to the context or meaning thereof, include its successors, administrators, executors and assigns) do hereby guarantee and undertake to pay the Employer, on demand any and all amount payable by the Contractor in terms of the agreement to provide Retention amount, to the extent of **Rs ...xxxxxxxxxx... (Rupees ...xxxxxxxxxx... Only)** as aforesaid at any time up to **...dd/mm/yyyy... [...xx. months from date of issue of the bond #]** without any condition, demur, reservation, contest, recourse or protest and/or without any reference to the Contractor. Any such demand made by the Employer on the Insurer shall be conclusive and binding notwithstanding any difference between the Employer and the Contractor or the Insurer and the Contractor or any dispute pending before any Court, Tribunal, Arbitrator or any other authority. The Insurer undertakes not to revoke this Insurance Surety Bond during its currency and or any period extended under the contract, without prior consent of the Employer and further agrees that the guarantee herein contained shall be enforceable till ninety (90) days after expiry of its validity.

The Employer shall have the fullest liberty, without affecting in any way the liability of the Insurer under this Insurance Surety Bond, from time to time to extend the performance of the Contract by the Contractor for the purpose of which, the Insurer shall be liable to extend the validity of the present Insurance Surety Bond without any demur, condition, protest and the Insurer shall at no point in time have an option of revoking the same, The

**Proforma of Insurance Surety Bond towards Retention Amount**

(To be stamped in accordance with Stamp Act of India)

Insurance Surety Bond No.....

Date.....

Employer shall have the fullest liberty, without affecting this Insurance Surety Bond, to postpone from time to time the exercise of any powers vested in them or of any right which they might have against the Contractor, and to exercise the same at any time in any manner, and either to enforce or to forbear to enforce any covenants, contained or implied, in the Contract between the Employer and the Contractor or any other course or remedy or security available to the Employer. The Insurer shall not be released of its obligations under these presents by any exercise by the Employer of its liberty with reference to the aforesaid or any of them or by reason of any other act or forbearance or other acts of omission or commission on the part of the Employer or any other indulgence shown by the Employer or by any other matter or thing whatsoever which under law would, but for this provision, have the effect of relieving the Insurer.

The Insurer also agrees and undertakes that the Employer at its option shall be entitled to enforce this Insurance Surety Bond against the Insurer as a Surety, in the first instance without proceeding against the Contractor and notwithstanding any security or other guarantee that the Employer may have in relation to the Contractor's liabilities.

Notwithstanding anything contained herein above our liability under this Insurance Surety Bond is restricted to **Rs. ...xxxxxxxxxxx... (Rupees ...xxxxxxxxxxx... Only)** and it shall remain in force up to and including **...dd/mm/yyyy... [..xx.. months from date of issue of the bond #]** and shall be extended from time to time for such period, as may be desired by **M/s ...(Contractor's name)...** on whose behalf this Insurance Surety Bond has been given.

Dated this..... day of..... 20 ..... at.....

**WITNESS :**

- |                         |                                   |
|-------------------------|-----------------------------------|
| 1. ....                 | .....                             |
| (Signature)             | (Signature)                       |
| .....                   | .....                             |
| (Name)                  | (Name)                            |
| .....                   | .....                             |
| (Official Address)      | (Designation with Insurer Stamp)  |
|                         | Authorised Vide Power of Attorney |
|                         | No.....                           |
|                         | Date.....                         |
| 2. ....(Signature)      |                                   |
| .....(Name)             |                                   |
| .....(Official Address) |                                   |

**Notes:**

1. # Validity date : This shall be up to contract period / final bill as specified in the Contract
2. (@) This date shall be expiry of claim period & may be kept 3 to 6 months beyond the validity date.
3. This date will be ninety (90) days beyond the Completion period as specified in the Contract.
4. The Insurance Surety Bond shall be from an Insurer as per guidelines issued by Insurance Regulatory and Development Authority of India (IRDAI).
5. The Employer shall be the Creditor, the Contractor shall be the Principal debtor and the Insurance company/Insurer shall be the Surety in respect of the Insurance Surety Bond to be issued by the Insurer.
6. The Insurance Surety Bond should be on Non-Judicial stamp paper/e-stamp paper of appropriate value as per Stamp Act prevailing in the state(s) where the Insurance Surety Bond is executed, whichever is higher. The Stamp Paper/e-stamp paper shall be purchased in the name of Bidder/Insurer issuing the Insurance Surety Bond.

**Proforma of Insurance Surety Bond towards Earnest Money Deposit**

(To be stamped in accordance with Stamp Act of India)

Insurance Surety Bond No. ....

Date.....

To

**Bharat Heavy Electricals Limited,**

.....

.....

Dear Sirs,

In accordance with Invitation for Bids under your Tender Ref. No. ...., M/s..... [Bidder's Name] ..... having its Registered/Head Office at ..... (hereinafter called the 'Bidder') wish to participate in the said bid for [Name of Package] ..... as an irrevocable Insurance Surety Bond against Earnest Money Deposit for an amount of .....(\*) ..... valid for .....(\*\*) ..... from .....(\*\*\*) ..... required to be submitted by the Bidder as a condition precedent for participation in the said bid which amount is liable to be forfeited on the happening of any contingencies as mentioned under the Bidding Documents.

We, the ..... [Name & address of the Insurer] ..... having our Head Office at .....(#)..... guarantee and undertake to pay immediately on demand by **Bharat Heavy Electricals Limited** (hereinafter called the 'Employer') the amount of .....(\*) ..... without any reservation, protest, demand and recourse. Any such demand made by the 'Employer' shall be conclusive and binding on us irrespective of any dispute or difference raised by the Bidder and/or any right/remedy available to the bidder in terms thereof.

This Insurance Surety Bond shall be unconditional as well as irrevocable and remain in full force for a period of .....(\*\*) ..... days from the latest due date of bid opening and a claim period of .....(@).....days. If any further extension of this Insurance Surety Bond is required, the same shall be extended to such required period (not exceeding one year) on receiving instructions from M/s ..... [Bidder's Name] ..... on whose behalf this Insurance Surety Bond is issued.

In witness where of the Insurer, through its authorized officer, has set its hand and stamp on this.....day of..... 20..... at .....

(Signature)

.....

(Name)

.....

(Designation with Insurer Stamp)

Authorised Vide

Power of Attorney No.....

Date.....

**Proforma of Insurance Surety Bond towards Earnest Money Deposit**

(To be stamped in accordance with Stamp Act of India)

Insurance Surety Bond No. ....

Date.....

**NOTE :**

1. (\*) The amount as specified in the Notice inviting Tender (NIT).  
(\*\*) This shall be the duration of Offer Validity Date.  
(\*\*\*) This shall be the latest date of opening of Techno-Commercial bids.  
(#) Complete mailing address of the Head Office of the Insurer to be given.  
(@) This date shall be expiry of claim period & may be kept 3-6 months beyond the validity date
2. The Insurance Surety Bond shall be from an Insurer as per guidelines issued by Insurance Regulatory and Development Authority of India (IRDAI) as amended from time to time.
3. The Employer shall be the Creditor, the Bidder shall be the Principal debtor and the Insurance company/Insurer shall be the Surety in respect of the Insurance Surety Bond to be issued by the Insurer.
4. The Insurance Surety Bond should be on Non-Judicial stamp paper/e-stamp paper of appropriate value as per Stamp Act prevailing in the state (s) where the Insurance Surety Bond is submitted or is to be acted upon or the rate prevailing in State where the Insurance Surety Bond is executed, whichever is higher. The Stamp Paper/e-stamp paper shall be purchased in the name of Bidder/Insurer issuing the Insurance Surety Bond.
5. While getting the Insurance Surety Bond issued, Bidders are required to ensure compliance to the points mentioned in Form of Bank Guarantee/Insurance Surety Bond Verification Check List enclosed in this Section of Bidding Documents. Further, Bidders are required to fill up this Form and enclose the same with the Insurance Surety Bond.

**Proforma of Insurance Surety Bond towards Security Deposit**

(To be stamped in accordance with Stamp Act of India)

Insurance Surety Bond No.....

Date.....

To,

**Bharat Heavy Electricals Limited,  
Power Sector xxxxxxxxx Region,  
xxxxxxxxxxxxxxxxxxxxxxxxxxxxxx**

Dear Sirs,

In consideration, to **Bharat Heavy Electricals Limited** (Hereinafter referred to as the 'Employer' which expression shall unless repugnant to the context or meaning thereof, include its successors, administrators and assigns), for having awarded, **M/s ... (Contractor's name) ...** having its Registered /Head Office at **...xxxxxxxxxx...** (Hereinafter referred to as the 'Contractor', which expression shall unless repugnant to the context or meaning thereof, include its successors administrators, executors and assigns), a Contract by issue of Letter of Award No. **...xxxxxxxxxx...** dated **...dd/mm/yyyy...** and the same having been unequivocally accepted by the contractor, valued at **Rs. ...xxxxxxxxxx... (Rupees ...xxxxxxxxxx... only)** and the Contractor having agreed to provide Security Deposit towards fulfilment of any obligations in terms of the provisions of the contract equivalent to **...% (percent)** of the said value of the Contract to the Employer amounting **Rs. ...xxxxxxxxxx... (Rupees ...xxxxxxxxxx... Only).**

We **...[Name & Address of the Insurer]...** having its Head Office at **...xxxxxxxxxx...** (hereinafter referred to as the 'Insurer', which expression shall, unless repugnant to the context or meaning thereof, include its successors, administrators, executors and assigns) do hereby guarantee and undertake to pay the Employer, on demand any and all amount payable by the Contractor in terms of the agreement to provide Security Deposit, to the extent of **Rs ...xxxxxxxxxx... (Rupees ...xxxxxxxxxx... Only)** as aforesaid at any time up to **...dd/mm/yyyy... [...xx... months from date of issue of the bond #]** without any condition, demur, reservation, contest, recourse or protest and/or without any reference to the Contractor. Any such demand made by the Employer on the Insurer shall be conclusive and binding notwithstanding any difference between the Employer and the Contractor or the Insurer and the Contractor or any dispute pending before any Court, Tribunal, Arbitrator or any other authority. The Insurer undertakes not to revoke this Insurance Surety Bond during its currency and or any period extended under the contract, without prior consent of the Employer and further agrees that the guarantee herein contained shall be enforceable till ninety (90) days after expiry of its validity.

The Employer shall have the fullest liberty, without affecting in any way the liability of the Insurer under this Insurance Surety Bond, from time to time to extend the performance of the Contract by the Contractor for the purpose of which, the Insurer shall be liable to extend the validity of the present Insurance Surety Bond without any demur, condition, protest and the Insurer shall at no point in time have an option of revoking the same, The

**Proforma of Insurance Surety Bond towards Security Deposit**

(To be stamped in accordance with Stamp Act of India)

Insurance Surety Bond No.....

Date.....

Employer shall have the fullest liberty, without affecting this Insurance Surety Bond, to postpone from time to time the exercise of any powers vested in them or of any right which they might have against the Contractor, and to exercise the same at any time in any manner, and either to enforce or to forbear to enforce any covenants, contained or implied, in the Contract between the Employer and the Contractor or any other course or remedy or security available to the Employer. The Insurer shall not be released of its obligations under these presents by any exercise by the Employer of its liberty with reference to the aforesaid or any of them or by reason of any other act or forbearance or other acts of omission or commission on the part of the Employer or any other indulgence shown by the Employer or by any other matter or thing whatsoever which under law would, but for this provision, have the effect of relieving the Insurer.

The Insurer also agrees and undertakes that the Employer at its option shall be entitled to enforce this Insurance Surety Bond against the Insurer as a Surety, in the first instance without proceeding against the Contractor and notwithstanding any security or other guarantee that the Employer may have in relation to the Contractor's liabilities.

Notwithstanding anything contained herein above our liability under this Insurance Surety Bond is restricted to **Rs. ...xxxxxxxxxxx... (Rupees ...xxxxxxxxxxx... Only)** and it shall remain in force up to and including **...dd/mm/yyyy... [..xx.. months from date of issue of the bond #]** and shall be extended from time to time for such period, as may be desired by **M/s ...(Contractor's name)...** on whose behalf this Insurance Surety Bond has been given.

Dated this..... day of..... 20 ..... at.....

**WITNESS :**

- |                         |                                      |
|-------------------------|--------------------------------------|
| 1. ....                 | .....                                |
| (Signature)             | (Signature)                          |
| .....                   | .....                                |
| (Name)                  | (Name)                               |
| .....                   | .....                                |
| (Official Address)      | (Designation with Insurer Stamp)     |
|                         | Authorised Vide Power of<br>Attorney |
|                         | No.....                              |
|                         | Date.....                            |
| 2. ....(Signature)      |                                      |
| .....(Name)             |                                      |
| .....(Official Address) |                                      |

**Notes:**

1. # Validity date : This shall be up to Guarantee period beyond contract duration as specified in the Contract
2. (@) This date shall be expiry of claim period & may be kept 3 to 6 months beyond the validity date.
3. The Insurance Surety Bond shall be from an Insurer as per guidelines issued by Insurance Regulatory and Development Authority of India (IRDAI).
4. The Employer shall be the Creditor, the Contractor shall be the Principal debtor and the Insurance company/Insurer shall be the Surety in respect of the Insurance Surety Bond to be issued by the Insurer.
5. The Insurance Surety Bond should be on Non-Judicial stamp paper/e-stamp paper of appropriate value as per Stamp Act prevailing in the state(s) where the Insurance Surety Bond is executed, whichever is higher. The Stamp Paper/e-stamp paper shall be purchased in the name of Bidder/Insurer issuing the Insurance Surety Bond.



**Insurance Surety Bond towards Supply of Free Issue Material**

(To be stamped in accordance with Stamp Act of India)

Insurance Surety Bond No. ....

Date.....

To,  
[Employer's Name & Address]

Dear Sirs,

In consideration of the ..... [Employer's Name]..... (Hereinafter referred to as the 'Employer' which expression shall unless repugnant to the context or meaning thereof, include its successors, administrators and assigns) having awarded to M/s..... [Contractor/supplier/fabricator's Name] .....with its Registered /Head Office at ..... (Hereinafter referred to as the 'Contractor', which expression shall unless repugnant to the context or meaning thereof, include its successors administrators, executors and assigns), a Contract by issue of Employer's Notification of Award No. .... dated..... and the same having been unequivocally accepted by the contractor, resulting into a Contract bearing No. .... dated ....., valued at ..... for ..... and the Contractor/supplier/fabricator having agreed to provide insurance surety bond for Rs. .... in the manner hereinafter specified for the due safeguard of the free issue material issued by the Employer for the manufacture/fabrication of the equipment at the 'contractor/supplier/fabricator's' site.

We .....[Name & Address of the Insurer].....having its Head Office at

.....(hereinafter referred to as the 'Insurer', which expression shall, unless repugnant to the context or meaning thereof, include its successors, administrators, executors and assigns) do hereby guarantee and undertake to pay the Employer, on demand any and all amount payable by the Contractor to the extent of Rs. ....(\*)..... without any condition, demur, reservation, contest, recourse or protest and/or without any reference to the Contractor and without the Employer needing to prove or demonstrate reasons for its such demand. Any such demand made by the Employer on the Insurer shall be conclusive and binding notwithstanding any difference between the Employer and the Contractor or any dispute pending before any Court, Tribunal, Arbitrator or any other authority. The payment so made by us under this insurance surety bond shall be a valid discharge of our liability for payment hereunder and the 'Contractor/Supplier/Fabricator' shall have no claim against us for making such payment. The Insurer undertakes not to revoke this Insurance Surety Bond during its currency and or any period extended under the contract, without prior consent of the Employer and further agrees that the guarantee herein contained shall be enforceable and effect during the period that would be taken for the performance of the said Contract and till the reconciliation of the free issue material has been carried out and that it shall continue to be enforceable till all the dues of the Employer under or by virtue of the said Contract has been fully paid and its claim satisfied or discharged.

We, the Insurer, further agree that the Employer shall have the fullest liberty, without our consent and without affecting in any way the obligations of the Insurer under this Insurance Surety Bond, to vary any of the terms and conditions of the said contract or to extend time of performance of the Contract by the Contractor/supplier/fabricator for the purpose of which, the Insurer shall be liable to extend the validity of the present Insurance Surety Bond without any demur, condition, protest and the Insurer shall at no point in time have an option of revoking the same. The Employer shall have the fullest liberty, without our consent and without affecting this Insurance Surety Bond, to postpone from time to time the exercise of any powers vested in them or of any right which they might have against the Contractor/supplier/fabricator, and to exercise the same at any time in any manner, and either to enforce or to forbear to enforce any covenants, contained or implied, in the Contract between the Employer and the Contractor/supplier/fabricator or any other course or remedy or security available to the Employer. The Insurer shall not be released of its obligations under these presents by any exercise by the Employer of its liberty with reference to the aforesaid or any of them or by reason of any other act or forbearance or other acts of omission or commission on the part of the Employer or any other indulgence shown by the Employer or by any other matter or thing whatsoever which under the law relating to such sureties would, but for this provision, have the effect of relieving the Insurer.

We, the Insurer, also agrees and undertakes that the Employer at its option shall be entitled to enforce this Insurance Surety Bond against the Insurer as a Surety, in the first instance without proceeding against the Contractor/supplier/fabricator and notwithstanding any security or other guarantee that the Employer may have in relation to the Contractor's liabilities.

This Insurance Surety Bond shall not be determined or affected by liquidation or winding up, dissolution or change of constitution or insolvency of the Contractor/Supplier/Fabricator but shall in all respect and for all purposes be binding and operative until payment of all money payable to the Employer in terms thereof.

We, the Insurer, lastly undertake not to revoke this Insurance Surety Bond during its currency except with the previous consent of the Employer in writing.

Any claim or dispute arising under the terms of this Insurance Surety bond shall be subject to the exclusive jurisdiction of the court at Nagpur only.

Notwithstanding anything to the contrary contained hereinabove:

a). Our liability under this Insurance Surety Bond is restricted to Rs. ....(\*).....

b). This Insurance Surety Bond shall remain in force upto and including .....(@) ..... and shall be extended from time to time for such period as may be desired by The Employer.

c). Unless the Insurer is served a written claim or demand on or before .....(#)..... all rights under this Insurance Surety bond shall be forfeited and the Insurer shall be relieved and discharged from all liabilities under this Insurance Surety Bond irrespective of whether or not the original Insurance Surety Bond is returned to the Insurer.

We, the Insurer, have power to issue this Insurance Surety Bond under the law relating to such sureties and the undersigned as a duly authorized person has full powers to sign this Insurance Surety Bond on behalf of the Insurer.

Dated this ..... day of ..... 20..... at.....

**WITNESS :**

1.	..... (Signature) ..... (Name) ..... (Official Address)	..... (Signature) ..... (Name) ..... (Designation with Insurer Stamp)
		Authorised Vide Power of Attorney No..... Date.....
2.	..... (Signature) ..... (Name) ..... (Official Address)	

- Notes:**
- (\*) 100% value of BHEL free issue Material. The value of the steel raw material (including all expenses) shall be as specified under Annexure-C of Technical Conditions of Contract (TCC)  
  
(@) Validity date.  
  
(#) Date of Expiry of claim Period.
  - The Insurance Surety Bond shall be from an Insurer as per guidelines issued by Insurance Regulatory and Development Authority of India (IRDAI).
  - The Employer shall be the Creditor, the Contractor/supplier/fabricator shall be the Principal debtor and the Insurance company/Insurer shall be the Surety in respect of the Insurance Surety Bond to be issued by the Insurer.
  - The Insurance Surety Bond should be on Non-Judicial stamp paper/e-stamp paper of appropriate value as per Stamp Act prevailing in the state(s) where the Insurance Surety Bond is executed, whichever is higher. The Stamp Paper/e-stamp paper shall be purchased in the name of Bidder/Insurer issuing the Insurance Surety Bond.