

ON THE APPROPRIATE STAMP PAPER (RS. 100/-)

From:

HDFC Bank Limited

No.8/24 "Salco Centre" (NAME & DESCRIPTION OF THE BANK WITH ADDRESS)

Richmond Road

Bangalore 560025

It is a for BHEL only

BANK GUARANTEE

To:

Bharat Heavy Electricals Limited

PO BHEL

Jhansi 284129 (UP)

Bank guarantee no dated for Rs.....

On the request of M/s.....(Name of the Contractor/Supplier) in consideration of satisfactory execution of purchase order / work order (description of the order) and for satisfactory performance of equipment and for its due fulfillment by the M/s.....(Contractor/Supplier) of the terms & conditions contained in the agreement / work order / supply order (description of the order to be given) wherein M/s.....(Contractor/Supplier) contractor/supplier has to deposit Rs..... with BHEL, Jhansi and whereas the contractor/supplier(M/s.....) has been exempted (description as per the terms & conditions is to be given) against deposit of Bank Guarantee of equal amount Rs..... this deed of guarantee is made on this day of (Month) 200.... by HDFC Bank, No.8/24 "Salco Centre", Richmond Road, Bangalore 560 025 in favour of BHEL, Jhansi for Rs.....

We, the HDFC Bank(with address) do hereby undertake to pay to Bharat Heavy Electricals Limited, Jhansi having its registered office at New Delhi with its unit office at Jhansi (hereafter called the first party) an amount not exceeding Rs..... against any loss or damages caused to or suffered by or would be cost or suffered by M/s BHEL, Jhansi i.e. the first party by reason of any breach by the contractor/supplier of any of the terms and conciliations contained in the said supply/work order/agreement whereas M/s Ador Fontech Limited having its registered office at Belview 7 Haudin Road Bangalore 560 042 (hereinafter called the Contractor) have entered into contract with the first party for the supply/work of (Description to be given).....

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2007
08/03/07

And whereas the contractor/Supplier(M/s) have approached the HDFC Bank, 8/24 "Salco Centre" , Richmond Road, Bangalore 560 025 for a guarantee and at their request and in consideration of the arrangement arrived at between the contractor/Supplier and the Bharat Heavy Electricals Limited, Jhansi,(the first party) the said HDFC Bank 8/24 "Salco Centre", Richmond Road, Bangalore 560 025 has agreed to give such guarantee for the amount Rs..... as herein after mentioned to the aforesaid first party i.e BHEL, Jhansi.

Now therefore, these presents witness that we the HDFC Bank 8/24 "Salco Centre" , Richmond Road, Bangalore 560 025 do hereby undertake to pay the first party a sum of Rs. (Rupees only) without demur, merely on demand made or being made by the said first party and to keep the first party indemnified to the extent of Rs. (Rupees only) by virtue of the guarantee against the purchase order/work order/agreement (description with date is to be given). We further undertake to pay the aforesaid amount in lumpsum on demand without demur or such part thereof as the first party may demand from time to time, irrespective of the fact whether the said contractor admits or denies such claim or questions its correctness in any court tribunal or arbitration proceedings or before any authority. Any such demand made on the Bank shall be conclusive as regard the amount due and payable by the Bank under this Guarantee.

We the Bank undertake to pay to the BHEL, Jhansi i.e. first party any money so demanded under the guarantee notwithstanding any dispute or differences raised by the contractor/ supplier in any suit or proceeding pending before any court , Tribunal or authority relating thereto our liability under this present being absolute and unequivocal.

The payment so made by us under this present shall be a valid discharge of our liability for payment there under and the contractor/supplier shall not dispute or shall have no claim against us for making such payment

The aforesaid guarantee shall remain in full force and we shall be liable under the same irrespective of any concession for time being granted by the said first party to Contractor/Supplier (Ms.....) in or for fulfilling the said agreement/ order between the Contractor/Supplier (M/s.....) and the first party i.e. BHEL, Jhansi and the guarantee will remain in full force till (date to be given...) irrespective of any change of terms, conditions or stipulations or any variations in the terms of the said agreement/ order etc. irrespective of whether notice of such change or variation is given to us or not and claim to receive such notice of any change and/or variation of the terms and/or conditions of the said agreement is hereby specifically waived by us.

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Further we shall not be released from this guarantee by any forbearance or the exercise or non exercise of any of the power or rights under the said agreement by the said first party i.e. BHEL, Jhansi against the Contractor/Supplier irrespective of whether notice of such forbearance, enforcement or non-enforcement of any power of rights, modifications or changes made in the said agreement or concessions shown to the Contractor/Supplier (M/s.....) by the first party is given to us or not.

The guarantee herein contained shall not be determined or affected by the liquidation or winding up or insolvency of or change in the constitution of the Contractor/Supplier (M/s) but shall in all respects and for all purposes be binding and operative until all payments of all moneys due or that may hereafter become due to the said first party is paid in respect of any liability or obligation for the Contractor/Supplier under this guarantee subject to however that the first party shall have no right under this guarantee after expiry of six months from the date of completion of the contract unless this guarantee is extended by mutual agreement. This guarantee shall not be discharged due to the change in the constitution of the bank.

We, the HDFC Bank, further agree with the Company that the Company 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 time of performance by the said contractor(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 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 any reason of any such variation or extension being granted to the said contractor(s) or for any forbearance, act or omission on the part of the company or any indulgence by the company to the said contractor(s) or by any such matter or thing whatsoever which under the law relating to sureties would but for this provision have a effect of so relieving us.

And lastly, we the HDFC Bank 8/24 "Salco Centre" , Richmond Road, Bangalore 560 025 undertake not to evoke this guarantee during its currency except with the previous consent of the first party in writing. The HDFC Bank 8/24 "Salco Centre" , Richmond Road, Bangalore 560 025 do hereby declare that it has power to issue this guarantee under the Banking Act and the undersigned has full power to do so on its behalf under the power of attorney granted to him by the proper authorities of the Bank.

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Notwithstanding anything contained herein above:

1. Our liability under this guarantee shall not exceed Rs.....
2. This bank guarantee shall be valid upto (Date.....)
3. We are liable to pay the guaranteed amount or any part thereof under this Bank guarantee only and only if you serve upon us a written claim or demand on or before (Date.....).

Signed and delivered by the constituted attorney for and on behalf of the bank in the presence of:

1. Name :
Address: Signature

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08/03/07