

ANNEXURE-F

FORMAT OF COMBINED BANK GUARANTEE FOR CONTRACT PERFORMANCE (Covering Delivery Obligations & Warranty)

Note:

1. This guarantee shall be furnished by Scheduled Commercial Banks authorised by RBI to issue a Bank Guarantee.
2. This bank guarantee shall be furnished on stamp paper value as per prevailing Stamp Act. (At present not less than Rs. 100. /-)
3. The stamp paper shall have been purchased in the Name of the Bank executing the Guarantee.
4. In the case of foreign bidder the B.G. may be furnished by an international reputed bank acceptable to the PURCHASER countersigned by any Scheduled Commercial Bank in India authorized by Reserve bank of India.
5. This bank guarantee shall be furnished within one month from the date of receipt of the supply order.

Date:

Bank

Guarantee

No:

To,

BEML

LIMITE

D,

(Address of concerned Division/ Corporate Office)

Dear Sirs,

In consideration of BEML Limited, Bangalore herein after referred to the PURCHASER, which expression shall, unless repugnant to the context or meaning, thereof include its successors, representatives and assignees, having awarded in favour of M/s.

..... having registered office at

.....herein after referred to as the CONTRACTOR, which expression shall unless repugnant to the

context or meaning thereof include its successors, administrators, representatives and assignees, a Contract, hereinafter "referred as the CONTRACTOR" for the..... on terms and conditions set out inter alia ; the PURCHASER'S contract/Letter of Intent No..... Dated as well as "CONTRACT" documents, valued at (in words) and the same having been unequivocally accepted by the CONTRACTOR and the CONTRACTOR having agreed to provide a contract performance guarantee for the faithful performance of the entire "contract" including the warranty obligations/ liabilities under the contract Equivalent to 10% of the said value of contract to the PURCHASER amounting to

.....(In words) as Contract Security in the form of a Bank Guarantee.

2. We,(name) address)

assignees do hereby irrevocably guarantee and undertake to pay the PURCHASER merely on demand without any previous notice and without any demur and without referring to any by other source, any and all monies payable by the CONTRACTOR by reason of any breach by the said CONTRACT including non-execution of the

"CONTRACT AGREEMENT" to the extent of 10% of the contract price at any time up to..... (Day / month / year). Any such demand made by the PURCHASER on the bank shall be conclusive and binding, absolute and unequivocal not withstanding any disputes raised / pending before any court, tribunal, arbitration or any other Authority. The bank agrees that the guarantee herein contained shall continue to be enforceable till this sum due to the PURCHASER is fully paid and claims satisfied or till the PURCHASER discharges this guarantee.

3. The Bank further irrevocably guarantees and undertakes to pay any and all money due and payable by the CONTRACTOR by reasons of non-fulfillment of any of the following obligations.

For the successful and satisfactory operation of the equipment furnished and erected under the said contract as per the specifications and documents.

That the material supplied under the said contract shall be new and in accordance with CONTRACT Documents and be free from all defects in design, engineering, material workmanship and performance including modifications, improvements and replacements for a period ofcalendar months, from the date of commissioning months from the date of receipt of material at site whichever is later. Immediately upon commissioning of the equipments and successful completion of take over test of the equipment and that immediately upon intimation / written notice from the PURCHASER, the

CONTRACTOR shall remedy free of expenses to the PURCHASER such defects as notices and developed under the normal use of the said equipment, within the said guarantee period.

4. The PURCHASER shall have the fullest liberty without affecting in any way the liability of the Bank under this guarantee, from time to time, to extend the time of performance by the CONTRACTOR. The bank shall not be released from its liabilities under these presents by any exercise of the PURCHASER of the liberty with reference to the matter aforesaid.
5. The PURCHASER shall have the fullest liberty, without affecting this guarantee 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 PURCHASER and the CONTRACTOR or any other course or remedy or security available to the PURCHASER and the bank shall not be released of its obligations/ liabilities under these presents by any exercise by the PURCHASER of his liberty with reference to the matters aforesaid or any of them or by reason of any other act or forbearance of other acts of omission or commission on part of the PURCHASER or by any other indulgence shown by the PURCHASER or by any other matter or thing whatsoever which under law would, but for this provision, have the effect of relieving the bank guarantee. The bank further undertakes not to revoke this guarantee during its currency without the previous consent of the PURCHASER.
3. The Bank further agrees that the decision of the PURCHASER as to the failure on the part of the CONTRACTOR to fulfill their obligations as aforesaid and / or as to the amount payable by the BANK to the PURCHASER hereunder shall be final, conclusive and binding on the bank.
4. The Bank also agrees that the PURCHASER shall be entitled at his option to enforce this guarantee against the BANK as a principal debtor, in the first instance notwithstanding any other Security or guarantee that it may have in relation to the CONTRACTOR's liabilities.
5. This guarantee will not be discharged due to the change in the constitution of the BANK or the CONTRACTOR(S) / SUPPLIER(S).
6. Notwithstanding anything contained herein above, our liability under this guarantee is restricted toand it will remain in force up to and including
.....
.....and shall be extended from time to time for such period as may be desired by M/s..... on whose behalf this guarantee has been given.

Dated at.....this..... day of20

WITNESS:

1

SIGNATURE

(Signature with name in block letters
Designation and with designation)

(Printed name
Staff code No. Bank's
common Seal)

2

(Signature with name
Designation in block letters and
with designation)

Attorney as per power of name
Attorney No.
Dated.