

Format of Bank Guarantee for Performance Security

Bank Guarantee No.:-----

Dated:-----

To,

Dedicated Freight Corridor Corporation of India Limited
 Metro Station Building Complex 5th Floor,
 Pragati Maidan, New Delhi

Reference:- Contract No. -----, awarded on -----.

This deed of Guaranty made this day of -----between ----- (name of Bank) having registered office at and branch office at ----- (hereinafter referred to as "Bank") of the one part and

Dedicated Freight Corridor Corporation of India Limited (hereinafter called the Employer) of the other part.

Whereas Dedicated Freight Corridor Corporation of India Limited has awarded the contract no. -----for construction of -----(hereinafter called "the Contract")

To M/s -----its registered office at ----- (hereinafter called "the Contractor").

Whereas the contractor is bound by the said Contract to submit to the Employer an irrevocable performance security guarantee bond for a total amount of Rs ----- (Rs in words).

Now, we the undersigned (Name of Bank official), of the bank being fully authorized to sign and to incur obligations for and on behalf of the Bank hereby declare that the said Bank will guarantee the Employer the full amount of Rs. ----- (Rs. in words) as stated above.

After the Contractor has signed the aforesaid contract with the Employer, the Bank further agree and promise to pay the amount due and payable under this guarantee without any demure merely on a demand from the Employer stating that the amount claimed is due by way of loss or damage cause to or would be caused or suffered by the Employer by reason of any breach by the said contractor of any of the terms or conditions contained in the said agreement or by reason of the contractor failure to perform the said agreement. 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. -----(in words) only.

We -----(indicate the name of Bank), further undertake to pay to the Employer any money so demanded notwithstanding any dispute or dispute raised by the contractor in any suit or proceeding pending before any court or Tribunal relating to liability under this present being absolute and unequivocal.

The payment so made by us (name of Bank) under this bond shall be a valid discharge of our liability for payment there under and the Contractor shall have no claim against us for making such payment.

We (indicate the name of bank), to 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 agreement and that it shall continue to be enforceable till all the dues of the Employer under or by virtue of the said agreement have been fully paid and its claims satisfied or discharged by..... (Designation & address of contract signing authority) on behalf of Employer certify that the terms and conditions of the said agreement have been fully and properly carried out by the said contractor and accordingly discharges this guarantee.

M.

(Continue from page 1, BG No., Dated

Notwithstanding anything to the contrary contained herein the liability of the bank under this guarantee will remain in force and effect until such time as this guarantee is discharged in writing by the Employer or until (date of validity/extended validity) whichever is earlier and no claim shall be valid under the guarantee unless notice in writing thereof is given by the Employer within validity/extended validity period of guarantee from the date aforesaid.

Provided always that we (name of bank) unconditionally undertakes to renew this guarantee or to extend the period of guarantee from year to year before the expiry of the period or the extended period of guarantee, as the case may be on being called upon to do so by the Employer. If the guarantee is not renewed or the period extended on demand, we (name of bank) shall pay the Employer the full amount of the guarantee on demand without demur.

We ----- (indicate the name of Bank), to further agree with the Employer that the Employer shall have the fullest liberty without our consent and without effecting in any manner out of obligation hereunder to vary any of the terms and conditions of the said contract from time to time or to postpone for any time or from time to time any power exercisable by the Employer against the said contractor and to forbear or enforce any of the terms and conditions of the said agreement and we shall not be relieved from our liabilities by reason of such variation, or extension being granted to the said contractor for any bearance act or omission on the part of the Employer or any indulgence by the Employer to the said contractor or by any such matter or thing whatsoever which under the law relating to sureties for the said reservation would relieve us from the liability.

The Guarantee hereinbefore contained shall not be affected by any change in the constitution of Bank or of the Contractor.

The expressions "the Employer", "the Bank" and "the Contractor" hereinbefore used shall include their respective successors and assigns.

We ----- (name of the bank) lastly undertake not to revoke this guarantee during its currency except with the previous consent of the Employer in writing.

Notwithstanding anything to the contrary contained hereinbefore:

- i) Our liability under this Bank Guarantee shall not exceed and restricted to Rs. ----- (in words).
- ii) This Bank Guarantee shall be valid up to -----, unless extended on demand by Employer.
- iii) The Bank is liable to pay the guaranteed amount or any part thereof under this Bank Guarantee only if Employer serve a written claim or demand on or before ----- .

IN WITNESS WHEREOF we of the Bank have signed and stamped this guarantee on this day of being herewith duly authorized.

Bank Seal

Signature of Bank Authorize Official with seal

Name:

Designation:

Address:

Witness:

1. Name:

Designation:

Address:

2. Name: Designation:

Address: