

BANK GUARANTEE

(Name of the Bank)

Guarantee No.....

Amount of guarantee.....

Guarantee covered from..... to

Last date of lodgment claim.....

PLEDGED TO THE F.A. & C.A.O. EASTERN RAILWAY, KOLKATA

In consideration of the President of India (hereinafter called “the Government”) having agreed to exempt _____ (hereinafter called “the said contractor(s)”) from the demand, under the terms and conditions of an acceptance No. _____ dated _____ made between _____ (contractor) _____ and FA & CAO/ E. RLY, KOLKATA for _____ (Name of work) (hereinafter called “the said Agreement”), of Performance Guarantee for the due fulfillment by the said Contractor(s) of the terms and condition contained in the Said Agreement, on production of a irrevocable Bank Guarantee for Rs. _____ (Rupees _____ only). We _____ (hereinafter referred to as “the Bank”) at the _____
(Indicate the name of bank)

request of _____ contractor(s) do hereby undertake to pay to the Government an amount not exceeding Rs _____ against any loss or damage caused to or suffered or would be caused to or suffered by he Government by reason of any breach by the said contractor(s) of any of the terms or conditions contained in the said Agreement.

2. We _____ do hereby undertake to pay the amount due and payable
(Indicate the name of bank)

under this guarantee without any demur, merely on a demand from the Government stating that the amount claimed is due by way of loss or damage caused to or would be caused to or suffered by the Government by reason of breach by the said contractor(s) of any of the terms or conditions contained in the said Agreement or by reason of the contractor(s) 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. _____.

3. We undertake to pay the Government any money so demand notwithstanding any dispute or disputes raised by the contractor(s) in any suit or proceeding pending before any court or Tribunal relating thereto our liability under this present being absolute and unequivocal.

4 We _____ further agree that the guarantee herein contained
(Indicate the name of bank)

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 Government under or by virtue of the said Agreement have been fully paid and its claims satisfied or discharged or till

(Name of the Office/department) Ministry of Railways certifies that the terms and conditions of the said Contract have been fully and properly carried out by the said contractor and accordingly discharges this guarantee. Unless a demand of claim under the guarantee is made on us in writing on or before the (Date of completion + 1 year thereafter) we shall be discharged from all liability under this guarantee thereafter.

5 We _____ further agree with the government
(Indicate the name of bank)

that the Government 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 Government against the said Contractor(s) and to for bearer or enforce any of the terms and conditions relating to the said Agreement and we shall not be relieved from our liability by reason of any such variation or extension being granted to the said Contractor(s) or for any forbearance act or omission on the pad of the Government or any indulgence by the Government to the said Contractor(s) or any such matter or thing whatsoever which under the law relating to sureties would but for this provision, have effect of so relieving us.

6. This guarantee will not be discharged due to the change in the constitution of the Bank or the Contractor(s)/Supplier(s).

7. We _____ lastly undertake not to revoke this
(Indicate the name of bank)

guarantee during its currency except with the previous consent of the Government in writing.

Date the _____ day of _____ 20
For _____