

NON JUDICIAL STAMP PAPER FOR RS 500/-

BANK GUARANTEE BOND

Guarantee No :  
Amount :  
Effective Date :  
Expiry Date :  
Claim Expiry Date :  
(one year after expiry date)  
Beneficiary : Senior Divisional Finance Manager/Southern  
Railway/Trivandrum

1. In consideration of President of India acting through The Senior Divisional Engineer , Southern Railway, Trivandrum (herein after called the Government) having agreed to exempt Name and address of firm/contractor (hereinafter called the contractor) from the demand under the terms and conditions of Agt/LOA No \_\_\_\_\_ dated \_\_\_\_\_ made between The Senior Divisional Engineer, Southern Railway, Trivandrum and Name and address of firm/contractor (contractor) for the work \_\_\_\_\_ (name of work should be mentioned here).
2. Whereas according to the terms and condition of the said Agreement/LOA, it has been stipulated to furnish a Bank Guarantee for Rs \_\_\_\_\_ (Rupees \_\_\_\_\_ (in words) , in a form and from a Bank acceptable to the Administration.
3. And whereas the Contractor has approached the Bank \_\_\_\_\_ (name and address of Bank ) to give the said Bank Guarantee on their behalf in favour of The Senior Divisional Finance Manager, Southern Railway, Trivandrum ( the Administration) for an amount of Rs \_\_\_\_\_ (Rupees \_\_\_\_\_ only) which the Administration has agreed to accept.

4. We, \_\_\_\_\_ (name and address of Bank), do hereby undertake to pay the amount due and payable under this Guarantee without any demur, merely on a demand from The Senior Divisional Finance Manager, Southern Railway, Trivandrum stating that the amount claims is due by way of loss or damage caused to or would be caused to or suffered by the Government 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's failure to perform the said Agreement. Any such demand made on the Bank under this Guarantee on or before \_\_\_\_\_ (date of Expiry of BG) shall be conclusive as regards the amount due and payable by the Bank. However, our liability under the Guarantee shall be restricted to an amount not exceeding Rs \_\_\_\_\_ (Rupees \_\_\_\_\_ only).

5. We, undertake to pay the Government any money so demanded notwithstanding any dispute or disputes raised by the Contractor in any suit or proceedings pending before any Court, Tribunal or Arbitrator relating thereto. Our liability under this present being absolute and unequivocal. The payment so made by us under this Guarantee shall be valid discharge of our liability for payment hereunder and the Contractor shall have no claim against us for making such payment.

6. We, also undertake to pay unconditionally whenever any claim or claims for payment of a sum or sums of money arise/arise out of or under the said Agreement or any other Contract/ Contracts entered into by the said Contractor within the Jurisdiction of Indian Railways including Production Units of Railway on account of any defaulter whatsoever under the terms and conditions which govern the said Agreement. The Government order will be fully binding on us and the Contractor shall have not claim against us for making such payments.

7. We, \_\_\_\_\_ (name and address of Bank), 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 Government under or by virtue of the said Agreement have been fully paid and its claims satisfied or discharged or till The Senior Divisional Engineer, Southern Railway, Trivandrum (Government) certifies that the terms and conditions of the said Agreement have been fully paid and its claims satisfied or discharged or till Agreement have been fully and properly carried out by the said Contractor and Guarantee is made on us in writing on or before the \_\_\_\_\_ (date of Expiry of BG) we shall be discharged from all liability under this Guarantee thereafter.

8. In the event of the period of the Contract being extended and the Contractor fails to extent the validity of this Guarantee, a mere demand or claim made on the Bank by Government on or before the date of discharge of this Guarantee to the effect that the contractor has failed to extend the validity of this Guarantee can be conclusive as regards the amount due and payable by the Bank under this Guarantee, unless the Contractor extends the validity and the Bank shall pay the amount forthwith to the Government.

9. The Government shall be at liberty without our knowledge or consent from time to time to grant or allow extension of time or give indulgence to the contractor or to modify the terms and conditions of the said order with the Contractor without effect or impairing the Guarantee or our liability hereunder.
10. The decision of the Government whether any default has occurred or has been committed by the Contractor in the performance, observance or discharge of the terms and conditions of the said order shall be conclusive and binding on us.
11. The Guarantee is a continuing one and will not be revoked except with the prior written consent of the Government.
12. The Guarantee herein contained shall not be affected by any change in the Constitution of the Bank or of the Contractor.
13. The said Contractor 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 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 reasons or any such variation or extension being granted to the said contractor or for any forbearance act or omission on the part of the Government or any indulgence by the Government to the said contractor or by any such matter or thing or thing whatsoever which under law relating to sureties would but for the provision have effect of so relieving us.

Notwithstanding anything herein contained our liability under this Guarantee shall :

be limited to the sum of Rs \_\_\_\_\_/- (Rupees \_\_\_\_\_) only

stand completely discharged and all our right under this Guarantee shall stand extinguished if no claim or demand is made upon us in writing and received by us on or before \_\_\_\_\_  
(date of Expiry of BG)

Lastly we, \_\_\_\_\_ (name and address of Bank) undertake not to revoke this guarantee during its currency except with the previous consent of the Government in writing.

Dated the \_\_\_\_\_ day of \_\_\_\_\_

(Authorised signatory of the bank with date and seal)

Witnesses (Signature with Name and address)

1.

2.



**Note**

1. BG shall be executed on the Non-Judicial Stamp Paper with appropriate value prevailing in the state concerned. In Kerala Rs 500/-
2. GCC 2022 prescribes that Non-Judicial Stamp Paper shall be purchased in the name of BG executing Bank.
3. The Non-Judicial Stamp Paper shall be purchased prior to the date of execution of the BG.
4. BG Number and date shall be mentioned at the top of each page of the BG
5. Signature of two witnesses with complete name and address on the last page of the BG below the signature of the bank officials.