

FORMAT OF SECURITY DEPOSIT GUARANTEE

- (1) This Guarantee has to be furnished by a Nationalised Bank/Scheduled Bank.
- (2) The Bank Guarantee shall be furnished on Stamp Paper of value not less than Rs.80.00.
- (3) The stamp papers shall be purchased in the name of the Bank Executing the guarantee.

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BANK GUARANTEE NO.....

Date:

To

**The Chief Executive Officer
NLC Tamil Nadu Power Ltd.
Harbour Estate
Tuticorin -628 004**

Dear Sir/s,

In consideration of the NLC Tamilnadu Power Limited, Harbour Estate, Tuticorin hereinafter referred to as the "Owner", which expression shall, unless repugnant to the context or meaning thereof, include its successors, administrators, representatives and assigns, having awarded to M/s.having registered / head office at(Hereinafter referred to as the "Contractor", which expression shall, unless repugnant to the context or meaning thereof includes its successors, administrators, executors, representatives and assigns), a Contract / Letter of Intent / WORK Order hereinafter referred to as the Contract / Letter of Intent / Work Order" for the.....on terms and conditions set out inter-alia, in the "Owner" Contract / Letter of Intent / Work Order No..... Dated..... as well as "Contract" documents, valued at Rs..... (Rupees.....only) and the same having been un equivocably accepted by the Contractor and the owner and the Contractor having agreed to provide a Security Deposit Guarantee for the faithful Performance of the entire Contract including the Warranty obligations to the Owner amounting to Rs..... (Rupees.....) as Contract Security in the form of A Bank Guarantee to be furnished by the Contractor.

2.0. We,.....(Name).....having its Registered/ Head Office at(address) hereinafter referred to as the "Bank" which expression shall, unless repugnant to the context or meaning thereof, include its successors, administrators, executors, representatives and assigns, do hereby irrevocably guarantee and undertake to pay the Owner on first demand without any previous notice and without any demur, reservation, recourse, protest and without referring to any other sources, including the contractor, any and all monies, to the extent of% of the contract price at any time up to(day / month / year). The Bank agrees that the guarantee herein contained shall continue to be enforceable till this sum due to the Owner is fully paid and claims satisfied or till the Owner discharges this Guarantee.

3.0. Any such demand made by the Owner on the Bank shall be conclusive and binding not withstanding any differences between the Owner and Contractor or any dispute pending before any court, tribunal, arbitrator or any other authority. The Bank undertakes not to revoke this guarantee during its currency without previous consent of the Owner and further agrees that the guarantee herein contained shall continue to be enforceable till the Owner discharges this guarantee.

4.0. The Owner 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 of the contract by the contractor. The bank shall not be released from its liabilities under these presents by any exercise of the Owner of the liberty with reference to the matter aforesaid.

5.0. The Owner 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 Owner and the Contractor or any other course or remedy or security available to the Owner and the Bank shall not be released of its obligations / liabilities under these presents by any exercise by the Owner of its liberty with reference to the matters aforesaid or any of them or by reasons of any other act or forbearance or other acts of omissions or commission on the part of the Owner or any other indulgence shown by the Owner or by any other matter or thing whatsoever which under law would, but for this provision, have the effect or relieving the Bank.

6.0. The Bank also agrees that the Owner shall be entitled at his option to enforce this guarantee against the Bank as a Principal Debtor, in the first instance without proceeding against the contractor and notwithstanding any other security or guarantee that it may have in relation to the Contractor's liabilities.

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

8.0. Notwithstanding anything contained hereinabove, our Bank's liability under this guarantee is restricted to Rs..... (Rupees) and 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: -

SIGNATURE.....

1).....
(Signature with name in BLOCK LETTERS and with designation)
Official common seal

Name).....
(IN BLOCK LETTERS)

Designation.....
Staff Code No.....

Official Address.....

Bank's Common Seal

2).....
(Signature with name in BLOCK LETTERS and with designation)

Attorney as per
Power of Attorney
No.....

Dated.....