

**BANK GUARANTEE**

**(TO BE USED BY APPROVED NATIONALISED BANKS)**

**TO,**

The Board of Trustees of the Port of Kandla,  
Kandla Port Trust,  
Administrative Office Building,  
Post Box No.50,  
**Gandhidham (Kutch) - 370 210, India.**

In consideration of the Board of Trustees of the Port of Kandla, a body corporate under the Major Port Trusts Act, 1963 (Act No.38 of 1963) hereinafter called the 'Board' having agreed to exempt to M/s. .... (Hereinafter called the 'Contractor'), from the demand under the terms and conditions (including any amendment/s or alternatives or addition/s made from time to time with mutual consent) of the agreement (hereinafter called the 'Agreement') no..... dated ..... executed between the Board and M/s..... for the work of.....of security deposit for the due fulfillment by the said contractor(s) of the terms and conditions contained in the said agreement on production of a Bank Guarantee for Rs. .... (Rupees ..... only), We ..... ( indicate the name of Bank).(hereinafter referred to as "the Bank") at the request of M/s.....(Contractor) do hereby undertake to pay to the Board an amount of not exceeding Rs.....on demand.

2. We... (Indicate the name of Bank) do hereby undertake to pay the amount due and payable under this Guarantee without any demur, merely on a demand from the Chairman stating that the amount claimed is required to meet the recoveries due or likely to be due from the said Contractor(s).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 of not exceeding Rs.....
3. We undertake to pay to the Board any money so demanded 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.

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

4. We .....(Indicate the name of Bank) further agree that 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 Board under or by virtue of the said agreement have been fully paid and its claims satisfied or discharged or till Engineer-in-Charge on behalf of the Board certifies that the terms and conditions of the said agreement have been fully and properly carried out by the said contractor(s) and accordingly, discharges this guarantee.
  
5. We.....(indicate the name of Bank) further agree with the Board that the Board 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 powers exercisable by the Board against the said contractor(s) 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 reason of any such variation, or extension being granted to the said Contractor(s) or for any forbearance, act or omission on the part of the Board or any indulgence by the Board to the said Contractor(s), or by 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).
  
7. We,.....lastly undertake not to revoke this guarantee except with the previous consent of the Board in writing.
  
8. The guarantee shall be valid up to. ....unless extended on demand by Board. Notwithstanding any thing mentioned above, our liability against this guarantee is restricted to Rs..... (Rupees... ..) and unless a claim in writing is lodged with us by the Chairman **within six months of the date of expiry or the extended date of expiry** of this guarantee, all our liabilities under this guarantee shall stand discharged.

Dated the ..... day of ..... for (indicate the name of Bank)